# HOUSE BILL No. 1422

### DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 7.1-1-3; IC 7.1-3; IC 7.1-4-4.1; IC 7.1-5; IC 35-52-7.

**Synopsis:** Alcohol matters. Provides that a farm winery permit holder or an artisan distiller's permit holder may: (1) be the proprietor of a restaurant; (2) transfer wine or liquor from the winery or distillery to the restaurant; (3) have a window between the winery or distillery and the restaurant; and (4) have a doorway or other opening between the winery or distillery and the restaurant. Provides that a farm winery and a holder of a vintner's permit may sell their wine to consumers by the box or by the bulk container. Provides that a holder of a farm winery permit may: (1) serve complimentary samples of the winery's wine at a farmers' market that is operated on a nonprofit basis; (2) enter into a partnership with a retail florist business and conduct business as an additional location to sell the farm winery's wine; and (3) hold a micro wine wholesaler's permit without complying with the requirements for holding a beer wholesaler's permit or liquor wholesaler's permit. Provides that an artisan distiller may: (1) sell liquor; and (2) provide samples of liquor; manufactured by the artisan distiller at certain farmers' markets. Moves provisions regarding micro wine wholesaler's permits to the chapter of the Indiana Code concerning wine wholesaler's permits. Repeals language prohibiting a beer dealer from delivering beer to a customer on the street or at the curb outside the licensed premises. Clarifies that a wine, liquor, or beer dealer that is a grocery store may deliver alcohol to the purchaser's vehicle if the wine, liquor, or beer dealer complies with the laws concerning identification of alcohol purchases. Creates a supplemental outdoor bar permit (permit) for a person that holds a one-way permit, two-way permit, or three-way permit. Allows a holder of a permit to sell or dispense (Continued next page)

Effective: July 1, 2019.

### Clere, Engleman, Fleming

January 14, 2019, read first time and referred to Committee on Public Policy.



### Digest Continued

alcohol for on-premises consumption from a bar that is located at certain outdoor locations. Requires a structure or barrier to separate an outdoor bar area. Provides restrictions for rooftop bars. Creates a direct artisan distillery seller's permit. Removes distillers and rectifiers from the entities that cannot have an interest in a beer permit. Repeals language that prohibited the holder of an artisan distiller's permit, a distiller's permit, or a rectifier's permit from owning or possessing a permit to sell liquor at wholesale. Repeals the crime prohibiting artisan distillers, distillers and rectifiers from owning holder shares of stock of a corporation that holds an Indiana permit to sell alcoholic beverages at retail. Provides that it is lawful for a holder of a retailer's permit to own or possess an interest in a distiller's permit or a farm winery permit.



#### Introduced

First Regular Session of the 121st General Assembly (2019)

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 2018 Regular and Special Session of the General Assembly.

# **HOUSE BILL No. 1422**

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 7.1-1-3-5.7 IS ADDED TO THE INDIANA CODE
2	AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
3	1, 2019]: Sec. 5.7. (a) "Bar", for purposes of IC 7.1-3-20.5, means
4	a counter over which alcoholic beverages are sold or dispensed by
5	the drink to consumers.
6	(b) "Bar" does not mean a service bar, as defined in section 42
7	of this chapter.
8	SECTION 2. IC 7.1-1-3-40.5 IS ADDED TO THE INDIANA
9	CODE AS A NEW SECTION TO READ AS FOLLOWS
10	[EFFECTIVE JULY 1, 2019]: Sec. 40.5. The term "retail florist
11	business" mean an establishment that is primarily engaged in the
12	arrangement and retail sale of fresh cut flowers, floral
13	arrangements, and potted plants.
14	SECTION 3. IC 7.1-3-5-3 IS AMENDED TO READ AS
15	FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 3. (a) The holder of a



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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 9 10 entitled to sell beer to a customer and deliver it in permissible containers to the customer on the licensed premises, or to the 11 12 customer's residence or office. A beer dealer shall not be entitled to sell 13 and deliver beer on the street or at the curb outside the licensed 14 premises, nor shall a beer dealer be entitled to sell beer at a place other 15 than the licensed premises. A beer dealer shall not be entitled to sell 16 beer and deliver beer for carry-out, or for delivery to a customer's 17 residence or office, in a quantity that exceeds eight hundred sixty-four 18 (864) ounces in a single transaction. However, notwithstanding 19 IC 7.1-5-10-11, a beer dealer who is licensed pursuant to IC 7.1-3-10-4 20 shall be entitled to sell and deliver warm or cold beer for carry-out, or 21 for delivery to a customer's residence, office, or a designated location 22 in barrels or other commercial containers that do not exceed two 23 thousand sixteen (2,016) ounces per container. This delivery may only 24 be performed by the permit holder or an employee who holds an 25 employee permit. The permit holder shall maintain a written record of 26 each delivery for at least one (1) year that shows the customer's name, 27 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 to a patron who is outside the licensed premises.

(f) A beer dealer that is a grocery or drug store may deliver beer to the vehicle of a customer whose vehicle is parked in the parking lot or on a street adjacent to the beer dealer. An employee of the beer dealer shall comply with IC 7.1-5-10-15, IC 7.1-5-10-23, and any other provision of this title that applies to the furnishing of alcoholic beverages for consumption off the premises.

40 SECTION 4. IC 7.1-3-10-7 IS AMENDED TO READ AS
41 FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 7. (a) The holder of a
42 liquor dealer's permit shall be entitled to purchase liquor only from a

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permittee entitled to sell to a liquor dealer under this title.

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12 13 (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. 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.

(e) A liquor dealer that is a grocery or drug store may deliver
alcoholic beverages to the vehicle of a customer whose vehicle is
parked in the parking lot or on a street adjacent to the liquor
dealer. An employee of the liquor dealer shall comply with
IC 7.1-5-10-15, IC 7.1-5-10-23, and any other provision of this title
that applies to the furnishing of alcoholic beverages for
consumption off the premises.

27 SECTION 5. IC 7.1-3-12-2 IS AMENDED TO READ AS 28 FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 2. Scope of Permit. The 29 holder of a vintner's permit is entitled to manufacture wine and to bottle 30 it or place it in other containers, including boxes that contain a bag 31 designed to store and dispense wine, and bulk containers. He A 32 vintner also is entitled to transport wine and either to sell it, or deliver 33 it, or both, in shipments to points outside this state, and to a wine 34 wholesaler, and to another vintner. A vintner is not entitled to rectify 35 or fortify wine unless he the vintner is also the holder of either a 36 distiller's permit, or a rectifier's permit, or both. A vintner is not entitled 37 to sell to a consumer or to a permittee who sells wine at retail. A 38 vintner is entitled to advertise the name and address of any retailer or 39 dealer who sells wine produced by his the vintner's winery.

40 SECTION 6. IC 7.1-3-12-5, AS AMENDED BY P.L.270-2017,
41 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
42 JULY 1, 2019]: Sec. 5. (a) The holder of a farm winery permit:

1	(1) is entitled to manufacture wine and to bottle wine produced by
2	the permit holder's farm winery;
3	(2) is entitled to serve complimentary samples of the winery's
4	wine on the licensed premises or an outside area that is
5	contiguous to the licensed premises, as approved by the
6	commission if each employee who serves wine on the licensed
7	premises:
8	(A) holds an employee's permit under IC 7.1-3-18-9; and
9	(B) completes a server training program approved by the
10	commission;
11	(3) is entitled to sell the winery's wine on the licensed premises to
12	consumers either by the:
13	(A) glass; or by the
14	(B) bottle; <del>or both;</del>
15	(C) box that contains a bag designed for storing and
16	dispensing wine; or
17	(D) any combination of receptacles listed in clauses (A)
18	through (C);
19	(4) is entitled to sell the winery's wine to consumers by the bottle
20	at a farmers' market that is operated on a nonprofit basis;
21	(5) is entitled to serve complimentary samples of the winery's
22	wine at a farmers' market that is operated on a nonprofit
	while at a farmers market that is operated on a nonprofit
22	basis;
23	basis;
23 24	<ul> <li>basis;</li> <li>(5) (6) is entitled to sell wine by the:</li> <li>(A) bottle; or by the</li> </ul>
23 24 25	<ul> <li>basis;</li> <li>(5) (6) is entitled to sell wine by the:</li> <li>(A) bottle; or by the</li> <li>(B) box that contains a bag designed for storing and</li> </ul>
23 24 25 26	<ul> <li>basis;</li> <li>(5) (6) is entitled to sell wine by the:</li> <li>(A) bottle; or by the</li> </ul>
23 24 25 26 27	<ul> <li>basis;</li> <li>(5) (6) is entitled to sell wine by the:</li> <li>(A) bottle; or by the</li> <li>(B) box that contains a bag designed for storing and dispensing wine;</li> <li>(C) bulk container;</li> </ul>
23 24 25 26 27 28	<ul> <li>basis;</li> <li>(5) (6) is entitled to sell wine by the:</li> <li>(A) bottle; or by the</li> <li>(B) box that contains a bag designed for storing and dispensing wine;</li> <li>(C) bulk container;</li> <li>(D) case; or</li> </ul>
23 24 25 26 27 28 29	<ul> <li>basis;</li> <li>(5) (6) is entitled to sell wine by the:</li> <li>(A) bottle; or by the</li> <li>(B) box that contains a bag designed for storing and dispensing wine;</li> <li>(C) bulk container;</li> </ul>
23 24 25 26 27 28 29 30	<ul> <li>basis;</li> <li>(5) (6) is entitled to sell wine by the:</li> <li>(A) bottle; or by the</li> <li>(B) box that contains a bag designed for storing and dispensing wine;</li> <li>(C) bulk container;</li> <li>(D) case; or</li> <li>(E) any combination of receptacles listed in clauses (A)</li> </ul>
23 24 25 26 27 28 29 30 31	<ul> <li>basis;</li> <li>(5) (6) is entitled to sell wine by the:</li> <li>(A) bottle; or by the</li> <li>(B) box that contains a bag designed for storing and dispensing wine;</li> <li>(C) bulk container;</li> <li>(D) case; or</li> <li>(E) any combination of receptacles listed in clauses (A) through (D);</li> </ul>
23 24 25 26 27 28 29 30 31 32	<ul> <li>basis;</li> <li>(5) (6) is entitled to sell wine by the: <ul> <li>(A) bottle; or by the</li> <li>(B) box that contains a bag designed for storing and dispensing wine;</li> <li>(C) bulk container;</li> <li>(D) case; or</li> <li>(E) any combination of receptacles listed in clauses (A) through (D);</li> <li>to a person who is the holder of a permit to sell wine at wholesale;</li> <li>(G) (7) is exempt from the provisions of IC 7.1-3-14;</li> </ul> </li> </ul>
23 24 25 26 27 28 29 30 31 32 33	<ul> <li>basis;</li> <li>(5) (6) is entitled to sell wine by the: <ul> <li>(A) bottle; or by the</li> <li>(B) box that contains a bag designed for storing and dispensing wine;</li> <li>(C) bulk container;</li> <li>(D) case; or</li> <li>(E) any combination of receptacles listed in clauses (A) through (D);</li> </ul> </li> <li>to a person who is the holder of a permit to sell wine at wholesale;</li> <li>(G) (7) is exempt from the provisions of IC 7.1-3-14;</li> <li>(7) (8) is entitled to advertise the name and address of any retailer</li> </ul>
23 24 25 26 27 28 29 30 31 32 33 34	<ul> <li>basis;</li> <li>(5) (6) is entitled to sell wine by the: <ul> <li>(A) bottle; or by the</li> <li>(B) box that contains a bag designed for storing and dispensing wine;</li> <li>(C) bulk container;</li> <li>(D) case; or</li> <li>(E) any combination of receptacles listed in clauses (A) through (D);</li> <li>to a person who is the holder of a permit to sell wine at wholesale;</li> <li>(G) (7) is exempt from the provisions of IC 7.1-3-14;</li> </ul> </li> </ul>
23 24 25 26 27 28 29 30 31 32 33 34 35	<ul> <li>basis;</li> <li>(5) (6) is entitled to sell wine by the: <ul> <li>(A) bottle; or by the</li> <li>(B) box that contains a bag designed for storing and dispensing wine;</li> <li>(C) bulk container;</li> <li>(D) case; or</li> <li>(E) any combination of receptacles listed in clauses (A) through (D);</li> </ul> </li> <li>to a person who is the holder of a permit to sell wine at wholesale;</li> <li>(<del>6)</del> (7) is exempt from the provisions of IC 7.1-3-14;</li> <li>(<del>7)</del> (8) is entitled to advertise the name and address of any retailer or dealer who sells wine produced by the permit holder's winery;</li> <li>(<del>8)</del> (9) for wine described in IC 7.1-1-2-3(a)(4):</li> </ul>
23 24 25 26 27 28 29 30 31 32 33 34 35 36	<ul> <li>basis;</li> <li>(5) (6) is entitled to sell wine by the: <ul> <li>(A) bottle; or by the</li> <li>(B) box that contains a bag designed for storing and dispensing wine;</li> <li>(C) bulk container;</li> <li>(D) case; or</li> <li>(E) any combination of receptacles listed in clauses (A) through (D);</li> </ul> </li> <li>to a person who is the holder of a permit to sell wine at wholesale;</li> <li>(G) (7) is exempt from the provisions of IC 7.1-3-14;</li> <li>(7) (8) is entitled to advertise the name and address of any retailer or dealer who sells wine produced by the permit holder's winery;</li> <li>(8) (9) for wine described in IC 7.1-1-2-3(a)(4): <ul> <li>(A) may allow transportation to and consumption of the wine</li> </ul> </li> </ul>
23 24 25 26 27 28 29 30 31 32 33 34 35 36 37	<ul> <li>basis;</li> <li>(5) (6) is entitled to sell wine by the: <ul> <li>(A) bottle; or by the</li> <li>(B) box that contains a bag designed for storing and dispensing wine;</li> <li>(C) bulk container;</li> <li>(D) case; or</li> <li>(E) any combination of receptacles listed in clauses (A) through (D);</li> </ul> </li> <li>to a person who is the holder of a permit to sell wine at wholesale;</li> <li>(<del>6)</del> (7) is exempt from the provisions of IC 7.1-3-14;</li> <li>(<del>7)</del> (8) is entitled to advertise the name and address of any retailer or dealer who sells wine produced by the permit holder's winery;</li> <li>(<del>8)</del> (9) for wine described in IC 7.1-1-2-3(a)(4):</li> </ul>
23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38	<ul> <li>basis;</li> <li>(5) (6) is entitled to sell wine by the: <ul> <li>(A) bottle; or by the</li> <li>(B) box that contains a bag designed for storing and dispensing wine;</li> <li>(C) bulk container;</li> <li>(D) case; or</li> <li>(E) any combination of receptacles listed in clauses (A) through (D);</li> </ul> </li> <li>to a person who is the holder of a permit to sell wine at wholesale;</li> <li>(<del>6</del>) (7) is exempt from the provisions of IC 7.1-3-14;</li> <li>(<del>7</del>) (8) is entitled to advertise the name and address of any retailer or dealer who sells wine produced by the permit holder's winery;</li> <li>(<del>8</del>) (9) for wine described in IC 7.1-1-2-3(a)(4): <ul> <li>(A) may allow transportation to and consumption of the wine on the licensed premises; and</li> <li>(B) may not sell, offer to sell, or allow the sale of the wine on</li> </ul> </li> </ul>
23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39	<ul> <li>basis;</li> <li>(5) (6) is entitled to sell wine by the: <ul> <li>(A) bottle; or by the</li> <li>(B) box that contains a bag designed for storing and dispensing wine;</li> <li>(C) bulk container;</li> <li>(D) case; or</li> <li>(E) any combination of receptacles listed in clauses (A) through (D);</li> </ul> </li> <li>to a person who is the holder of a permit to sell wine at wholesale;</li> <li>(<del>6</del>) (7) is exempt from the provisions of IC 7.1-3-14;</li> <li>(<del>7</del>) (8) is entitled to advertise the name and address of any retailer or dealer who sells wine produced by the permit holder's winery;</li> <li>(<del>8</del>) (9) for wine described in IC 7.1-1-2-3(a)(4): <ul> <li>(A) may allow transportation to and consumption of the wine on the licensed premises; and</li> <li>(B) may not sell, offer to sell, or allow the sale of the wine on the licensed premises;</li> </ul> </li> </ul>
23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40	<ul> <li>basis;</li> <li>(5) (6) is entitled to sell wine by the: <ul> <li>(A) bottle; or by the</li> <li>(B) box that contains a bag designed for storing and dispensing wine;</li> <li>(C) bulk container;</li> <li>(D) case; or</li> <li>(E) any combination of receptacles listed in clauses (A) through (D);</li> </ul> </li> <li>to a person who is the holder of a permit to sell wine at wholesale;</li> <li>(<del>6</del>) (7) is exempt from the provisions of IC 7.1-3-14;</li> <li>(<del>7</del>) (8) is entitled to advertise the name and address of any retailer or dealer who sells wine produced by the permit holder's winery;</li> <li>(<del>8</del>) (9) for wine described in IC 7.1-1-2-3(a)(4): <ul> <li>(A) may allow transportation to and consumption of the wine on the licensed premises; and</li> <li>(B) may not sell, offer to sell, or allow the sale of the wine on</li> </ul> </li> </ul>



1	(10) (11) is entitled to sell wine as authorized by this section for
2	carryout on Sunday; <del>and</del>
3	(11) (12) is entitled to sell and ship the farm winery's wine to a
4	person located in another state in accordance with the laws of the
5	other state;
6	(13) is entitled to enter into a partnership with a retail florist
7	business and conduct business as an additional location as
8	described in subsection (b); and
9	(14) is entitled to be the proprietor of a restaurant and
10	conduct activities listed in IC 7.1-3-29-2.
11	(b) With the approval of the commission, a holder of a permit under
12	this chapter may conduct business at not more than three (3) additional
13	locations that are separate from the winery. At the additional locations,
14	the holder of a permit may conduct any business that is authorized at
15	the first location, except for the manufacturing or bottling of wine.
16	(c) With the approval of the commission, a holder of a permit under
17	this chapter may:
18	(1) individually; or
19	(2) with other permit holders under this chapter, holders of artisan
20	distiller's permits, holders of brewer's permits issued under
21	IC 7.1-3-2-2(b), or any combination of holders described in this
22	subdivision;
23	participate in a trade show or an exposition at which products of each
24	permit holder participant are displayed, promoted, and sold. All of the
25	permit holders may occupy the same tent, structure, or building. The
26	commission may not grant approval under this subsection to a holder
27	of a permit under this chapter for more than forty-five (45) days in a
28	calendar year.
29	SECTION 7. IC 7.1-3-13-1 IS AMENDED TO READ AS
30	FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 1. (a) Except as
31	provided in section 1.5 of this chapter, the commission may issue a
32	wine wholesaler's permit to sell wine, or wine and brandy, at wholesale
33	to a person who:
34	(1) notwithstanding IC 7.1-5-9-4, holds a beer wholesaler's
35	permit;
36	(2) holds a liquor wholesaler's permit; or
37	(3) does not hold an alcoholic beverage wholesaler's permit but
38	meets the qualifications to hold either a beer or a liquor
39	wholesaler's permit.
40	(b) The holder of a wine wholesaler's permit under subsection $(a)(1)$
41	or (a)(2):
42	(1) is considered the same as a person who holds a wine
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1	wholesaler's permit under subsection $(a)(3)$ for purposes of
2	conducting activities and operations under the wine wholesaler's
3	permit; and
4	(2) may operate the beer or liquor wholesale business
5	independently of the wine wholesale business.
6	SECTION 8. IC 7.1-3-13-1.5 IS ADDED TO THE INDIANA
7	CODE AS A NEW SECTION TO READ AS FOLLOWS
8	[EFFECTIVE JULY 1, 2019]: Sec. 1.5. (a) The commission may issue
9	a type of wine wholesaler's permit, a micro wine wholesaler's
10	permit, to an applicant that:
11	(1) sells less than twelve thousand (12,000) gallons of wine or
12	wine and brandy at wholesale in a year; and
13	(2) meets the requirements for holding a wine wholesaler's
14	permit.
15	(b) If an applicant previously held a wine wholesaler's permit,
16	the applicant shall certify to the commission that the permit
17	applicant sold less than twelve thousand (12,000) gallons of wine
18	and brandy at wholesale in the previous year.
19	(c) The holder of a farm winery permit:
20	(1) may hold a micro wine wholesaler's permit; and
20	(2) is not subject to section 1 of this chapter.
22	(d) The holder of a micro wine wholesaler's permit may enter
23	into an agreement to:
24	(1) locate the wine wholesaler's business within the licensed
25	premises of a farm winery or a farm winery brandy distiller;
26	or
27	(2) use goods and services provided by a farm winery or a
28	farm winery brandy distiller;
29	or both.
30	SECTION 9. IC 7.1-3-13-2.5, AS AMENDED BY P.L.70-2014,
31	SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
32	JULY 1, 2019]: Sec. 2.5. Except as provided in section 1.5(d) of this
33	<b>chapter</b> , all premises to be used by an applicant for a wine wholesaler's
34	permit must be described in the application for the permit and in the
35	permit, if the permit is issued. A wine wholesaler may not keep or store
36	wine at any place other than the premises described in the wine
37	wholesaler's application and permit. A person who holds a wine
38	wholesaler's permit and who also holds a beer wholesaler's permit is
39	not disqualified from using multiple premises for the storage of wine
40	because the person holds a beer wholesaler's permit. The holder of a
41	wine wholesaler's permit described in IC 7.1-4-4.1-13(c) may enter into
42	an agreement to:
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(1) locate the wine wholesaler's business within the licensed premises of a farm winery or a farm winery brandy distiller; or
 (2) use goods and services provided by a farm winery or a farm winery brandy distiller;

<del>or both.</del>

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SECTION 10. IC 7.1-3-15-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 3. (a) The holder of a wine dealer's permit shall be entitled to purchase wine only from a permittee who is authorized to sell to a wine dealer under this title. A wine dealer shall be entitled to sell wine for consumption off the licensed premises only and not by the drink.

(b) A wine dealer shall be entitled to sell wine in permissible
containers in a quantity of not more than three (3) standard cases, as
determined under the rules of the commission, in a single transaction.
However, a wine dealer who is licensed under IC 7.1-3-10-4 may
possess wine and sell it at retail in its original package to a customer
only for consumption off the licensed premises.

(c) Unless a wine dealer is a grocery store or drug store, a wine
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 wine 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 person who is outside the licensed
premises.

(d) However, a wine dealer who is licensed under IC 7.1-3-10-4 may
deliver wine only 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.

(e) A wine dealer that is a grocery or drug store may deliver wine to a customer whose vehicle is parked in the parking lot or on a street adjacent to the wine dealer. An employee of the wine dealer shall comply with IC 7.1-5-10-15, IC 7.1-5-10-23, and any other provision of this title that applies to the furnishing of alcoholic beverages for consumption off the premises.

SECTION 11. IC 7.1-3-20.5 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]:

- Chapter 20.5. Supplemental Outdoor Bar Permits
- 42 Sec. 1. The commission may issue a supplemental outdoor bar



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1	permit only to a person that:
2	(1) holds a:
3	(A) one-way permit;
4	(B) two-way permit; or
5	(C) three-way permit; and
6	(2) desires to operate an outdoor bar in addition to the
7	operations allowed under the person's underlying permit.
8	Sec. 2. (a) The holder of a supplemental outdoor bar permit may
9	sell or dispense alcoholic beverages for on-premises consumption
10	only from a bar that is located on an outside:
11	(1) patio;
12	(2) porch;
13	(3) veranda;
14	(4) terrace; or
15	(5) rooftop;
16	that is contiguous to the main building where the licensed premises
17	are located.
18	(b) The outside areas described in subsection (a) must:
19	(1) be part of the licensed premises; and
20	(2) have a fence, hedge, rail, wall, or similar barrier that
21	encloses the outdoor bar area.
22	(c) If minors are permitted on the premises where an outdoor
23	bar is located, the following apply:
24	(1) The outdoor bar area must be separated from an outside
25	dining area, where a minor may be served, by a structure or
26	barrier that reasonably deters free access and egress without
27	a door or gate.
28	(2) A conspicuous sign must be posted on the structure or
29	barrier described in subdivision (1) that states that a minor is
30	not allowed to cross the structure or barrier to enter the
31	outdoor bar area.
32	(3) An applicant or permittee must have:
33	(A) minimum gross food sales or minimum projected gross
34	food sales of two hundred thousand dollars (\$200,000) per
35	permit year; or
36	(B) sixty percent (60%) of the gross food and alcoholic
37	beverages sales or projected sales, not including carryout
38	or catered food sales, from the sale of food.
39	(d) The seating capacity of an outdoor rooftop bar may not be
40	more than twenty five percent (25%) of the total rooftop seating.
41	(e) The service bar of a rooftop bar:
42	(1) may not be within ten (10) feet of the edge of the roof; and



1 (2) must have seating between the service bar and the edge of 2 the roof. 3 (f) No alcohol related signage in an outdoor rooftop bar may be 4 visible from the street outside the building where the restaurant is 5 located. 6 Sec. 3. Any notice required under this article informing the 7 public of any type of prerequisite investigation by a local board 8 prior to the granting of an application under IC 7.1-3-19-3 shall 9 include the intent of an applicant to operate an outdoor bar under 10 this chapter. The public shall have the opportunity to remonstrate 11 or speak in favor of the issuance of a supplemental outdoor bar 12 permit and the application in its entirety. 13 Sec. 4. (a) A denial of an application for a supplemental outdoor 14 bar permit does not prohibit an applicant or permittee from 15 operating a one-way, two-way, or three-way permit under this 16 chapter. The commission may approve a retail permit while 17 denying the applicant's or permittee's supplemental outdoor bar 18 permit. 19 (b) A permit may be approved under this chapter upon a 20 commitment by local residents and recommendations to the 21 commission by the local board. 22 Sec. 5. A permittee operating an outdoor bar as of June 30, 23 2019, may continue to operate under the conditions as of June 30, 24 2019, provided that the permittee apply for a supplemental 25 outdoor bar permit as part of the permittee's renewal application 26 without requiring a local board hearing. Any changes to a floor 27 plan that either adds or alters an outdoor bar area will require 28 public notice and a hearing before the local board as set forth in 29 section 3 of this chapter. 30 SECTION 12. IC 7.1-3-27-8, AS AMENDED BY P.L.270-2017, 31 SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE 32 JULY 1, 2019]: Sec. 8. (a) The holder of an artisan distiller's permit 33 may do only the following: 34 (1) Manufacture liquor, including blending liquor purchased from 35 another manufacturer with liquor the artisan distiller 36 manufactures under section 11 of this chapter. 37 (2) Bottle liquor manufactured by the artisan distiller. 38 (3) Store liquor manufactured by the artisan distiller, including at 39 a facility within ten (10) miles of the artisan distiller's distillery. 40 (4) Transport, sell, and deliver liquor manufactured by the artisan 41 distiller to: 42 (A) places outside Indiana; or



1	(B) the holder of a liquor wholesaler's permit under IC 7.1-3-8.
2	(5) Sell liquor manufactured by the artisan distiller to consumers
2 3	by the drink, bottle, or case from the premises of the distillery
4	where the liquor was manufactured.
5	(6) Serve complimentary samples of the liquor manufactured by
6	the artisan distiller to consumers on the premises of the distillery
7	where the liquor was manufactured.
8	(7) Sell liquor as authorized by this section for carryout on
9	Sunday in a quantity at any one (1) time of not more than four and
10	five-tenths (4.5) liters.
10	(8) With the approval of the commission, participate:
12	(A) individually; or
12	(B) with other permit holders under this chapter, holders of
13	farm winery permits, holders of brewer's permits issued under
14	IC 7.1-3-2-2(b), or any combination of holders described in
15	this clause;
17	
17	in a trade show or an exposition at which products of each permit
	holder participant are displayed, promoted, and sold. All of the
19	permit holders may occupy the same tent, structure, or building.
20	The commission may not grant to a holder of a permit under this
21	chapter approval under this subdivision to participate in a trade
22	show or exposition for more than forty-five (45) days in a
23	calendar year.
24	(9) Sell liquor manufactured by the artisan distiller to
25	consumers by the bottle at a farmers' market that is:
26	(A) operated on a nonprofit basis; and
27	(B) located in:
28	(i) the same county as; or
29	(ii) an adjacent county to the county in which;
30	the artisan distiller is located.
31	(10) Serve complimentary samples of liquor manufactured by
32	the artisan distiller at a farmers' market that is:
33	(A) operated on a nonprofit basis; and
34	(B) located in:
35	(i) the same county as; or
36	(ii) an adjacent county to the county in which;
37	the artisan distiller is located.
38	(11) Be the proprietor of a restaurant and conduct activities
39	listed in IC 7.1-3-29-2.
40	(b) The holder of an artisan distiller's permit who provides samples
41	or sells liquor by the glass must furnish the minimum food
42	requirements prescribed by the commission.

1	(c) A storage facility used by an artisan distiller under subsection
2	(a)(3):
3	(1) must conform with federal laws, rules, and regulations; and
4	(2) must not be used for any purposes except for the storage of
5	liquor.
6	(d) An artisan distiller who knowingly or intentionally violates this
7	section commits a Class B misdemeanor.
8	SECTION 13. IC 7.1-3-28 IS ADDED TO THE INDIANA CODE
9	AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
10	JULY 1, 2019]:
11	Chapter 28. Direct Artisan Distillery Seller's Permit
12	Sec. 1. As used in this chapter, "applicant" means a person that
13	applies to the commission for a direct artisan distillery seller's
14	permit.
15	Sec. 2. As used in this chapter, "consumer" means an individual
16	with an Indiana address who purchases liquor from a seller.
17	Sec. 3. As used in this chapter, "seller" means the holder of a
18	direct artisan distillery seller's permit issued under this chapter.
19	Sec. 4. (a) A person located within Indiana or outside Indiana
20	that wants to sell and ship liquor from an artisan distillery directly
21	to a consumer must be the holder of a direct artisan distillery
22	seller's permit and comply with this chapter. A person that sells
23	and ships liquor directly to a consumer without holding a valid
24	direct artisan distillery seller's permit commits a Class A
25	infraction.
26	(b) The offense described in subsection (a) is:
27	(1) a Class A misdemeanor if the seller:
28	(A) knowingly or intentionally violates this section; and
29	(B) has one (1) prior unrelated conviction or judgment for
30	an infraction under this chapter for an act or omission that
31	occurred not more than ten (10) years before the act or
32	omission that is the basis for the most recent conviction or
33	judgment for an infraction; and
34	(2) a Level 6 felony if the seller:
35	(A) knowingly or intentionally violates this section; and
36	(B) has at least two (2) prior unrelated convictions or
37	judgments for infractions under this chapter for acts or
38	omissions that occurred not more than ten (10) years
39	before the act or omission that is the basis for the most
40	recent conviction or judgment for an infraction.
41	Sec. 5. (a) A seller may sell and ship liquor directly only to a
42	consumer who meets all of the following requirements:

1	(1) The consumer is at least twenty-one (21) years of age.
2 3	(2) The consumer has an Indiana address.
	(3) The consumer intends to use the liquor purchased under
4	this chapter for personal use only and not for resale or other
5	commercial purposes.
6	(b) A seller who violates this section commits a Class A
7	infraction. However, the offense is:
8	(1) a Class A misdemeanor if the seller:
9	(A) knowingly or intentionally violates this section; and
10	(B) has one (1) prior unrelated conviction or judgment for
11	an infraction under this chapter for an act or omission that
12	occurred not more than ten (10) years before the act or
13	omission that is the basis for the most recent conviction or
14	judgment for an infraction; and
15	(2) a Level 6 felony if the seller:
16	(A) knowingly or intentionally violates this section; and
17	(B) has at least two (2) prior unrelated convictions or
18	judgments for infractions under this chapter for acts or
19	omissions that occurred not more than ten (10) years
20	before the act or omission that is the basis for the most
21	recent conviction or judgment for an infraction.
22	Sec. 6. (a) The commission may issue a direct artisan distillery
23	seller's permit to an applicant who meets all of the following
24	requirements:
25	(1) The applicant is domiciled and has its principal place of
26	business in the United States.
27	(2) The applicant is engaged in the manufacture of liquor.
28	(3) The applicant holds and acts within the scope of authority
29	of an alcoholic beverage license or permit to manufacture
30	liquor that is required:
31	(A) in Indiana or the state where the applicant is
32	domiciled; and
33	(B) by the Tax and Trade Bureau of the United States
34	Department of the Treasury.
35	(4) The applicant qualifies with the secretary of state to do
36	business in Indiana and consents to the personal jurisdiction
37	of the commission and the courts of Indiana.
38	(5) The applicant:
39	(A) has not distributed alcohol through a liquor wholesaler
40	in Indiana within the one hundred twenty (120) days
41	immediately preceding the applicant's application for a
42	direct artisan distillery seller's permit and does not

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2during the term of the direct artisan distillery seller's permit; or3(B) has operated as a artisan distillery under IC 7.1-3-27.5(6) The applicatio completes documentation regarding the applicant's application required by the commission.7(b) The commission may issue a direct artisan distillery seller's permit to an applicant who:9(1) meets the requirements under subsection (a); and (2) holds a permit issued under this title that allows the sale of an alcoholic beverage at retail.12Sec. 7. (a) The term of a direct artisan distillery seller's permit begins:14(1) on the date approved by the commission for an initial application; and (2) on July 1 to renew a permit; and expires on June 30 of the following year. A direct artisan distillery seller's permit may be renewed in accordance with rules adopted by the commission.20(b) The annual direct artisan distillery seller's permit fee is one hundred dollars (\$100).22Sec. 8. A direct artisan distillery seller's permit fee is one hundred dollars (\$100).23that the consumer transmits by electronic or other means if all of the following: (1) The consumer provides the direct artisan distillery with the following:29(A) The consumer's name.30(B) A valid delivery address and telephone number.31(C) Proof of age by a state government issued or federal government issued identification card showing the consumer to be at least twenty-one (21) years of age. The proof under this clause may be evidenced: (i) in person;31(ii) by a photocopy or facsimile copy that is mailed or electronically transmitted; (iii) by a computer scanned	1	distribute liquor through a liquor wholesaler in Indiana
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41 artisan distillery seller.		copy; or
5		
42 (2) The direct artisan distillery seller meets the following		
	42	(2) The direct artisan distillery seller meets the following



1	requirements:
2	(A) Maintains for two (2) years all records of liquor sales
3	made under this chapter. If the records are requested by
4	the commission, a direct artisan distillery seller shall:
5	(i) make the records available to the commission during
6	the direct artisan distillery seller's regular business
7	hours; or
8	(ii) at the direction of the commission, deliver copies to
9	the commission.
10	(B) Stamps, prints, or labels on the outside of the shipping
11	container the following: "CONTAINS LIQUOR.
12	SIGNATURE OF PERSON AGE 21 OR OLDER
13	<b>REQUIRED FOR DELIVERY.".</b>
14	(C) Causes the liquor to be delivered by the holder of a
15	valid carrier's alcoholic beverage permit under
16	IC 7.1-3-18.
17	(D) Directs the carrier to verify that the individual
18	personally receiving the liquor shipment is at least
19	twenty-one (21) years of age.
20	(E) Remits to the department of state revenue monthly all
21	Indiana excise, sales, and use taxes on the shipments made
22	into Indiana by the direct artisan distillery seller during
23	the previous month.
24	(F) Ships to a consumer in Indiana only liquor
25	manufactured, produced, or bottled by the applicant.
26	Sec. 9. A liquor shipment purchased under this chapter must be
27	delivered to:
28	(1) the consumer, who shall take personal delivery of the
29	shipment at the:
30	(A) consumer's residence;
31	(B) consumer's business address;
32	(C) carrier's business address; or
33	(D) address displayed on the shipping container; or
34	(2) an individual who is at least twenty-one (21) years of age,
35	who shall take personal delivery of the shipment at the:
36	(A) consumer's residence;
37	(B) consumer's business address;
38	(C) carrier's business address; or
39	(D) address designated by the consumer and displayed on
40	the shipping container.
41	SECTION 14. IC 7.1-3-29 IS ADDED TO THE INDIANA CODE
42	AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE

IN 1422—LS 7538/DI 107



1	
1 2	JULY 1, 2019]: Charter 20. Besterments Owned by Form Winsers and Artison
	Chapter 29. Restaurants Owned by Farm Winery and Artisan
3	Distiller's Permit Holders
4	Sec. 1. (a) This chapter applies to the holder of:
5	(1) a farm winery permit;
6	(2) an artisan distiller's permit; or (2) a combination of the committe described in such distingues (1)
7	(3) a combination of the permits described in subdivisions (1)
8 9	and (2).
9 10	(b) A permit holder described in subsection (a) may also hold a beer retailer's permit.
10	L
11	Sec. 2. The holder of a permit described in section 1(a) of this shorter may do the following:
12	chapter may do the following:
13 14	(1) Be the proprietor of a restaurant.
14	(2) Transfer wine or liquor directly from the winery, the distillery, or the artisan distillery to the restaurant by means
15	
17	of: (A) bottles;
17	
10	(B) bulk containers; or
20	(C) a continuous flow system. (3) Install a window between the winery, the distillery, or the
20 21	artisan distillery and an adjacent restaurant that allows the
$\frac{21}{22}$	public and the holder of the permit to view both premises.
22	(4) Install a doorway or other opening between the winery,
23 24	the distillery, or the artisan distillery and an adjacent
24	restaurant that provides the public and the holder of the
23 26	permit with access to both premises.
20 27	SECTION 15. IC 7.1-4-4.1-2.5 IS ADDED TO THE INDIANA
28	CODE AS A NEW SECTION TO READ AS FOLLOWS
20 29	[EFFECTIVE JULY 1, 2019]: Sec. 2.5. (a) The fee for a
30	supplemental outdoor bar permit is one hundred fifty dollars
31	(\$150) per year.
32	(b) The fees collected under this section shall be deposited in the
33	enforcement and administration fund under IC 7.1-4-10.
34	SECTION 16. IC 7.1-4-4.1-13, AS AMENDED BY P.L.165-2006,
35	SECTION 35, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
36	JULY 1, 2019]: Sec. 13. (a) This section applies to the following
37	permits:
38	(1) Beer wholesaler's permit.
39	(2) Malt wholesaler's permit.
40	(3) Liquor wholesaler's permit.
41	(4) Wine wholesaler's permit.
42	(b) Except as provided in subsection (c), a permit fee of two
. –	(c) Encept as provided in subsection (c), a permit fee of two

1 thousand dollars (\$2,000) is annually imposed for the issuance of each 2 of the permits described in subsection (a). 3 (c) A permit fee of one hundred dollars (\$100) is annually imposed 4 for the issuance of a micro wine wholesaler's permit under 5 IC 7.1-3-13-1.5. to a permit applicant who: 6 (1) has never previously held a wine wholesaler's permit and 7 anticipates selling less than twelve thousand (12,000) gallons of 8 wine and brandy in a year; or 9 (2) previously held a wine wholesaler's permit and certifies to the 10 commission that the permit applicant sold less than twelve 11 thousand (12,000) gallons of wine and brandy in the previous 12 year. SECTION 17. IC 7.1-5-9-6, AS AMENDED BY P.L.79-2015, 13 14 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE 15 JULY 1, 2019]: Sec. 6. (a) It is unlawful for the holder of a distiller's, 16 rectifier's, or liquor wholesaler's permit to have an interest in a beer 17 permit of any type under this title. This section does not apply to the 18 holder of an artisan distiller's permit that has an interest in a brewer's 19 permit issued under IC 7.1-3-2-2(b). 20 (b) A person who knowingly or intentionally violates this section 21 commits a Class B misdemeanor. 22 SECTION 18. IC 7.1-5-9-7 IS REPEALED [EFFECTIVE JULY 1, 23 2019]. Sec. 7. (a) Except as provided in IC 7.1-3-27-6, it is unlawful for 24 the holder of an artisan distiller's, a distiller's, or a rectifier's permit to 25 own, acquire, possess or cause to be transferred to the holder shares of 26 stock of a corporation that holds an Indiana permit to sell alcoholic 27 beverages at retail, or in a permit to sell at retail in this state, or to own 28 or acquire an interest in the business being conducted under the permit, 29 or in or to shares of stock in a corporation that owns a permit to sell at 30 retail. 31 (b) A person who knowingly or intentionally violates this section 32 commits a Class B misdemeanor. 33 SECTION 19. IC 7.1-5-9-8, AS AMENDED BY P.L.159-2014, 34 SECTION 62, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE 35 JULY 1, 2019]: Sec. 8. (a) The holder of an artisan distiller's permit, a 36 distiller's permit, or a rectifier's permit may not own, acquire, or 37 possess a permit to sell liquor at wholesale. A distiller or rectifier may 38 not have an interest in the business of a permittee who is authorized to 39 sell beer, liquor, or wine at wholesale or retail. 40 (b) A person who knowingly or intentionally violates this section 41 commits a Class B misdemeanor. SECTION 20. IC 7.1-5-9-10, AS AMENDED BY P.L.79-2015, 42



2019

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1 2	SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
	JULY 1, 2019]: Sec. 10. (a) Except as provided in subsection (b), it is
3	unlawful for a holder of a retailer's permit of any type to acquire, hold,
4	own, or possess an interest of any type in a manufacturer's or
5	wholesaler's permit of any type.
6	(b) It is lawful for a holder of a retailer's permit of any type to
7	acquire, hold, own, or possess an interest of any type in:
8	(1) a brewer's permit issued under IC 7.1-3-2-2(b); and
9	(2) an artisan distiller's permit if the holder of the retailer's permit
10	also holds a brewer's permit described in subdivision (1);
11	(3) a distiller's permit under IC 7.1-3-7-1; and
12	(4) a farm winery permit issued under IC 7.1-3-12-3.
13	(c) A person who knowingly or intentionally violates subsection (a)
14	commits a Class B misdemeanor.
15	SECTION 21. IC 7.1-5-11-1.5, AS AMENDED BY P.L.159-2014,
16	SECTION 87, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
17	JULY 1, 2019]: Sec. 1.5. (a) Except as provided in IC 7.1-3-26 and
18	IC 7.1-3-28, it is unlawful for a person in the business of selling
19	alcoholic beverages in Indiana or outside Indiana to ship or cause to be
20	shipped an alcoholic beverage directly to a person in Indiana who does
21	not hold a valid wholesaler permit under this title. This includes the
22	ordering and selling of alcoholic beverages over a computer network
23	(as defined by IC 35-43-2-3(a)).
24	(b) An in-state or an out-of-state vintner, distiller, brewer, rectifier,
25	or importer that:
26	(1) holds a basic permit from the federal Bureau of Alcohol,
27	Tobacco, Firearms and Explosives; and
28	(2) knowingly violates subsection (a);
29	commits a Class A misdemeanor.
30	(c) A person who is not an in-state or an out-of-state vintner,
31	distiller, brewer, rectifier, or importer that holds a basic permit from the
32	federal Bureau of Alcohol, Tobacco, Firearms and Explosives who
33	knowingly violates subsection (a) commits a Level 6 felony.
34	(d) Upon a determination by the commission that a person has
35	violated subsection (a), a wholesaler may not accept a shipment of
36	alcoholic beverages from the person for a period of up to one (1) year
37	as determined by the commission.
38	(e) If the chairman of the alcohol and tobacco commission or the
39	attorney general determines that a vintner, distiller, brewer, rectifier, or
40	importer that holds a basic permit from the federal Bureau of Alcohol,
41	Tobacco, Firearms and Explosives has made an illegal shipment of an
42	alcoholic beverage to consumers in Indiana, the chairman shall:
	J

1	(1) notify the federal Bureau of Alcohol, Tobacco, Firearms and
2	Explosives in writing and by certified mail of the official
3	determination that state law has been violated; and
4	(2) request the federal bureau to take appropriate action.
5	(f) The commission shall adopt rules under IC 4-22-2 to implement
6	this section.
7	SECTION 22. IC 7.1-5-12-5, AS AMENDED BY P.L.231-2015,
8	SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
9	JULY 1, 2019]: Sec. 5. (a) Except as provided in subsection (c) and
10	subject to section 13 of this chapter, smoking may be allowed in the
11	following:
12	(1) A horse racing facility operated under a permit under
13	IC 4-31-5 and any other permanent structure on land owned or
14	leased by the owner of the facility that is adjacent to the facility.
15	(2) A riverboat (as defined in IC 4-33-2-17) and any other
16	permanent structure that is:
17	(A) owned or leased by the owner of the riverboat; and
18	(B) located on land that is adjacent to:
19	(i) the dock to which the riverboat is moored; or
20	(ii) the land on which the riverboat is situated in the case of
21	a riverboat described in IC 4-33-2-17(2).
22	(3) A facility that operates under a gambling game license under
23	IC 4-35-5 and any other permanent structure on land owned or
24	leased by the owner of the facility that is adjacent to the facility.
25	(4) A satellite facility licensed under IC 4-31-5.5.
26	(5) An establishment owned or leased by a business that meets the
27	following requirements:
28	(A) The business was in business and permitted smoking on
29	December 31, 2012.
30	(B) The business prohibits entry by an individual who is less
31	than twenty-one (21) years of age.
32	(C) The owner or operator of the business holds a beer, liquor,
33	or wine retailer's permit.
34	(D) The business limits smoking in the establishment to
35	smoking with a waterpipe or hookah device.
36	(E) During the preceding calendar year, at least ten percent
37	(10%) of the business's annual gross income was from the sale
38	of loose tobacco for use in a waterpipe or hookah device.
39	(F) The person in charge of the business posts in the
40	establishment conspicuous signs that display the message that
41	cigarette smoking is prohibited.
42	(6) An establishment owned or leased by a business that meets the



1	following requirements:
2	(A) The business prohibits entry by an individual who is less
3	than twenty-one (21) years of age.
4	(B) The owner or operator of the business holds a beer, liquor,
5	or wine retailer's permit.
6	(C) The business limits smoking in the establishment to cigar
7	smoking.
8	(D) During the preceding calendar year, at least ten percent
9	(10%) of the business's annual gross income was from the sale
10	of cigars and the rental of onsite humidors.
11	(E) The person in charge of the business posts in the
12	establishment conspicuous signs that display the message that
13	cigarette smoking is prohibited.
14	(7) A premises owned or leased by and regularly used for the
15	activities of a business that meets all of the following:
16	(A) The business is exempt from federal income taxation
17	under 26 U.S.C. 501(c).
18	(B) The business:
19	(i) meets the requirements to be considered a club under
20	IC 7.1-3-20-1; or
21	(ii) is a fraternal club (as defined in IC 7.1-3-20-7).
22	(C) The business provides food or alcoholic beverages only to
23	its bona fide members and their guests.
24	(D) The business:
25	(i) provides a separate, enclosed, designated smoking room
26	or area that is adequately ventilated to prevent migration of
27	smoke to nonsmoking areas of the premises;
28	(ii) allows smoking only in the room or area described in
29	item (i);
30	(iii) does not allow an individual who is less than eighteen
31	(18) years of age to enter into the room or area described in
32	item (i); and
33	(iv) allows a guest in the smoking room or area described in
34	item (i) only when accompanied by a bona fide member of
35	the business.
36	(8) A retail tobacco store used primarily for the sale of tobacco
37	products and tobacco accessories that meets the following
38	requirements:
39	(A) The owner or operator of the store holds a valid tobacco
40	sales certificate issued under IC 7.1-3-18.5.
41	(B) The store prohibits entry by an individual who is less than
42	eighteen (18) years of age.



1	(C) The sale of products other than tobacco products and
2	tobacco accessories is merely incidental.
2 3	(D) The sale of tobacco products accounts for at least
4	eighty-five percent (85%) of the store's annual gross sales.
5	(E) Food or beverages are not sold in a manner that requires
6	consumption on the premises, and there is not an area set aside
7	for customers to consume food or beverages on the premises.
8	(9) A <del>bar</del> barroom or tavern:
9	(A) for which a permittee holds:
10	(i) a beer retailer's permit under IC 7.1-3-4;
11	(ii) a liquor retailer's permit under IC 7.1-3-9; or
12	(iii) a wine retailer's permit under IC 7.1-3-14;
13	(B) that does not employ an individual who is less than
14	eighteen (18) years of age;
15	(C) that does not allow an individual who:
16	(i) is less than twenty-one (21) years of age; and
17	(i) is not an employee of the bar barroom or tavern;
18	to enter any area of the bar barroom or tavern; and
19	(D) that is not located in a business that would otherwise be
20	subject to this chapter.
20	(10) A cigar manufacturing facility that does not offer retail sales.
$\frac{21}{22}$	(10) A premises of a cigar specialty store to which all of the
23	following apply:
23 24	(A) The owner or operator of the store holds a valid tobacco
25	sales certificate issued under IC 7.1-3-18.5.
23 26	(B) The sale of tobacco products and tobacco accessories
20 27	account for at least fifty percent (50%) of the store's annual
28	gross sales.
28 29	(C) The store has a separate, enclosed, designated smoking
30	room that is adequately ventilated to prevent migration of
31	smoke to nonsmoking areas.
32	(D) Smoking is allowed only in the room described in clause
33	(C).
33 34	
34	(E) Individuals who are less than eighteen (18) years of age are
35 36	prohibited from entering into the room described in clause (C). (F) Cigarette smoking is not allowed on the premises of the
30 37	
37 38	store.
38 39	(G) The owner or operator of the store posts a conspicuous sign on the promises of the store that displays the message that
	sign on the premises of the store that displays the message that
40 41	cigarette smoking is prohibited.
	(H) The store does not prepare any food or beverage that
42	would require a certified food handler under IC 16-42-5.2.



1 (12) The premises of a business that is located in the business 2 owner's private residence (as defined in IC 3-5-2-42.5) if the only 3 employees of the business who work in the residence are the 4 owner and other individuals who reside in the residence. 5 (b) The owner, operator, manager, or official in charge of an 6 establishment or premises in which smoking is allowed under this 7 section shall post conspicuous signs in the establishment that read 8 "WARNING: Smoking Is Allowed In This Establishment" or other 9 similar language. 10 (c) This section does not allow smoking in the following enclosed areas of an establishment or premises described in subsection (a)(1)11 12 through (a)(11): 13 (1) Any hallway, elevator, or other common area where an 14 individual who is less than eighteen (18) years of age is permitted. 15 (2) Any room that is intended for use by an individual who is less 16 than eighteen (18) years of age. 17 (d) The owner, operator, or manager of an establishment or premises 18 that is listed under subsection (a) and that allows smoking shall provide 19 a verified statement to the commission that states that the establishment 20 or premises qualifies for the exemption. The commission may require 21 the owner, operator, or manager of an establishment or premises to 22 provide documentation or additional information concerning the 23 exemption of the establishment or premises. 24 SECTION 23. IC 35-52-7-13.3 IS ADDED TO THE INDIANA 25 CODE AS A NEW SECTION TO READ AS FOLLOWS 26 [EFFECTIVE JULY 1, 2019]: Sec. 13.3. IC 7.1-3-28-4 concerning direct artisan distillery seller's permits. 27 28 SECTION 24. IC 35-52-7-13.6 IS ADDED TO THE INDIANA 29 CODE AS A NEW SECTION TO READ AS FOLLOWS 30 [EFFECTIVE JULY 1, 2019]: Sec. 13.6. IC 7.1-3-28-5 concerning 31 direct artisan distillery seller's permits. 32 SECTION 25. IC 35-52-7-55 IS REPEALED [EFFECTIVE JULY 33 1, 2019]. Sec. 55. IC 7.1-5-9-7 defines a crime concerning interests. 34 SECTION 26. [EFFECTIVE JULY 1, 2019] (a) 905 IAC 1-41-4 is 35 void. The publisher of the Indiana Administrative Code and 36 Indiana Register shall remove this section from the Indiana 37 Administrative Code. 38 (b) This SECTION expires December 31, 2019.

