



February 21, 2017

HOUSE BILL No. 1496

DIGEST OF HB 1496 (Updated February 21, 2017 9:28 am - DI 107)

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

Synopsis: Alcohol matters. Provides that an applicant for an artisan distiller's permit must hold a farm winery, brewer's, or distiller's permit for one year (instead of three years) before the date of the application. Allows a farm winery, brewery, and distillery to occupy the same tent or structure at a trade show or exposition. Allows a small brewer to manufacture and sell hard cider to the same extent as beer. Allows a small brewer, farm winery, or artisan distiller, to employ a minor who is a family member in a capacity that does not involve the sale or serving of alcoholic beverages. Allows a minor to be on the premises of a farm winery or an artisan distillery. Allows an artisan distiller to store liquor manufactured by the artisan distiller at a facility within 10 miles of the artisan distiller's distillery.

Effective: July 1, 2017.

Smaltz, Clere, GiaQuinta, Lehman

January 18, 2017, read first time and referred to Committee on Public Policy.
February 21, 2017, amended, reported — Do Pass.

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February 21, 2017

First Regular Session of the 120th General Assembly (2017)

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 2016 Regular Session of the General Assembly.

HOUSE BILL No. 1496

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

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

- 1 SECTION 1. IC 7.1-3-2-7, AS AMENDED BY P.L.214-2016,
2 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2017]: Sec. 7. The holder of a brewer's permit or an
4 out-of-state brewer holding either a primary source of supply permit or
5 an out-of-state brewer's permit may do the following:
6 (1) Manufacture beer.
7 (2) Place beer in containers or bottles.
8 (3) Transport beer.
9 (4) Sell and deliver beer to a person holding a beer wholesaler's
10 permit issued under IC 7.1-3-3.
11 (5) If the brewer manufactures, at all of the brewer's breweries
12 located in Indiana, an aggregate of not more than ninety thousand
13 (90,000) barrels of beer in a calendar year for sale or distribution
14 within Indiana, the permit holder may do the following:
15 (A) Sell and deliver a total of not more than thirty thousand
16 (30,000) barrels of beer in a calendar year to a person holding
17 a retailer or a dealer permit under this title. The total number

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- 1 of barrels of beer that the permit holder may sell and deliver
 2 under this clause in a calendar year may not exceed thirty
 3 thousand (30,000) barrels of beer.
- 4 (B) Be the proprietor of a restaurant.
- 5 (C) Hold a beer retailer's permit, a wine retailer's permit, or a
 6 liquor retailer's permit for a restaurant established under clause
 7 (B).
- 8 (D) Transfer beer **or hard cider** directly from the brewery to
 9 the restaurant by means of:
- 10 (i) bulk containers; or
 11 (ii) a continuous flow system.
- 12 (E) Install a window between the brewery and an adjacent
 13 restaurant that allows the public and the permittee to view both
 14 premises.
- 15 (F) Install a doorway or other opening between the brewery
 16 and an adjacent restaurant that provides the public and the
 17 permittee with access to both premises.
- 18 (G) Sell the brewery's beer **and hard cider** by the glass for
 19 consumption on the premises. Brewers permitted to sell beer
 20 **and hard cider** by the glass under this clause must make food
 21 available for consumption on the premises. A brewer may
 22 comply with the requirements of this clause by doing any of
 23 the following:
- 24 (i) Allowing a vehicle of transportation that is a food
 25 establishment (as defined in IC 16-18-2-137) to serve food
 26 near the brewer's licensed premises.
- 27 (ii) Placing menus in the brewer's premises of restaurants
 28 that will deliver food to the brewery.
- 29 (iii) Providing food prepared at the brewery.
- 30 (H) Sell and deliver beer **and hard cider** to a consumer at the
 31 permit premises of the brewer or at the residence of the
 32 consumer. The delivery to a consumer may be made only in a
 33 quantity at any one (1) time of not more than one-half (1/2)
 34 barrel, but the beer **or hard cider** may be contained in bottles
 35 or other permissible containers.
- 36 (I) Sell the brewery's beer **or hard cider** as authorized by this
 37 section for carryout on Sunday in a quantity at any one (1)
 38 time of not more than five hundred seventy-six (576) ounces.
 39 A brewer's beer **or hard cider** may be sold under this clause
 40 at any address for which the brewer holds a brewer's permit
 41 issued under this chapter if the address is located within the
 42 same city boundaries in which the beer **or hard cider** was



- 1 manufactured.
- 2 (J) With the approval of the commission, participate:
- 3 (i) individually; or
- 4 (ii) with other permit holders under this chapter, holders of
- 5 artisan distiller's permits, holders of farm winery permits, or
- 6 any combination of holders described in this item;
- 7 in a trade show or an exposition at which products of each
- 8 permit holder participant are displayed, promoted, and sold.
- 9 **All of the permit holders may occupy the same tent,**
- 10 **structure, or building.** The commission may not grant to a
- 11 holder of a permit under this chapter approval under this
- 12 clause to participate in a trade show or exposition for more
- 13 than forty-five (45) days in a calendar year.
- 14 (K) **Package**, store, or condition beer **and hard cider** in a
- 15 secure building that is:
- 16 (i) separate from the brewery; and
- 17 (ii) owned or leased by the permit holder.
- 18 A brewer may not sell or transfer beer **or hard cider** directly
- 19 to a permittee or consumer from a building described in this
- 20 clause.
- 21 **(L) Transfer the beer or hard cider to a brewer that holds**
- 22 **a permit under this subdivision. The brewer that receives**
- 23 **the beer or hard cider may pick up and transport beer or**
- 24 **hard cider from the transferring brewery. The beer that is**
- 25 **transferred to a brewer does not count against that**
- 26 **brewer's barrel limits under this subdivision until the**
- 27 **receiving brewer sells the beer.**
- 28 **(M) Manufacture hard cider, place hard cider in**
- 29 **containers or bottles, transport hard cider, and sell and**
- 30 **deliver hard cider to a person holding a wine wholesaler's**
- 31 **permit.**
- 32 (6) If the brewer's brewery manufactures more than ninety
- 33 thousand (90,000) barrels of beer in a calendar year for sale or
- 34 distribution within Indiana, the permit holder may own a portion
- 35 of the corporate stock of another brewery that:
- 36 (A) is located in the same county as the brewer's brewery;
- 37 (B) manufactures less than ninety thousand (90,000) barrels of
- 38 beer in a calendar year; and
- 39 (C) is the proprietor of a restaurant that operates under
- 40 subdivision (5).
- 41 (7) Provide complimentary samples of beer that are:
- 42 (A) produced by the brewer; and



- 1 (B) offered to consumers for consumption on the brewer's
 2 premises.
 3 (8) Own a portion of the corporate stock of a sports corporation
 4 that:
 5 (A) manages a minor league baseball stadium located in the
 6 same county as the brewer's brewery; and
 7 (B) holds a beer retailer's permit, a wine retailer's permit, or a
 8 liquor retailer's permit for a restaurant located in that stadium.
 9 (9) For beer described in IC 7.1-1-2-3(a)(4):
 10 (A) may allow transportation to and consumption of the beer
 11 on the licensed premises; and
 12 (B) may not sell, offer to sell, or allow sale of the beer on the
 13 licensed premises.
- 14 SECTION 2. IC 7.1-3-6-3.8, AS ADDED BY P.L.214-2016,
 15 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 16 JULY 1, 2017]: Sec. 3.8. (a) Notwithstanding any other provision in
 17 this chapter, the commission may issue a temporary beer permit if all
 18 the following apply:
 19 (1) The temporary beer permit is issued for a festival or event that
 20 meets all the following:
 21 (A) The festival or event promotes, at least in part, beer **or**
 22 **hard cider** manufactured at a brewery described in
 23 IC 7.1-3-2-7(5).
 24 (B) The anticipated attendance of the festival or event is at
 25 least seven thousand five hundred (7,500) people.
 26 (C) Adequate security measures will be provided at the festival
 27 or event.
 28 (D) Individuals less than twenty-one (21) years of age will not
 29 be allowed to attend the festival or event.
 30 (2) The applicant for the temporary beer permit:
 31 (A) has held a brewer's permit for a brewery described in
 32 IC 7.1-3-2-7(5) for at least three (3) years; and
 33 (B) pays an application fee to the commission of two thousand
 34 five hundred dollars (\$2,500).
 35 (b) The commission may issue a temporary beer permit only for an
 36 area at a festival or event that is enclosed by fencing, barricades, or
 37 structures. The area may be an outside area that is contiguous to a
 38 brewery described in IC 7.1-3-2-7(5) or restaurant or at another
 39 location that is not on or near the premises of a brewery or restaurant.
 40 (c) The commission may issue a temporary beer permit under this
 41 section for a term, up to and including, three (3) days from its issuance.
 42 (d) The commission may not issue a temporary beer permit under



1 this section to any one (1) person more than two (2) times in a calendar
2 year.

3 (e) Notwithstanding any other provision of this title, the holder of
4 the temporary beer permit may allow an individual who attends the
5 festival or event to carry beer **or hard cider**, in a quantity that does not
6 exceed a total of two hundred eighty-eight (288) ounces, into the
7 permitted area. Beer **or hard cider** carried in to a festival or event
8 under this subsection may be consumed or traded only in the permitted
9 area.

10 (f) An individual who attends the festival or event may carry out
11 beer **or hard cider** in sealed, unopened containers from the temporary
12 beer permit area.

13 SECTION 3. IC 7.1-3-12-5, AS AMENDED BY THE TECHNICAL
14 CORRECTIONS BILL OF THE 2017 GENERAL ASSEMBLY, IS
15 AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]:
16 Sec. 5. (a) The holder of a farm winery permit:

17 (1) is entitled to manufacture wine and to bottle wine produced by
18 the permit holder's farm winery;

19 (2) is entitled to serve complimentary samples of the winery's
20 wine on the licensed premises or an outside area that is
21 contiguous to the licensed premises, as approved by the
22 commission if each employee who serves wine on the licensed
23 premises:

24 (A) holds an ~~employee~~ **employee's** permit under
25 IC 7.1-3-18-9; and

26 (B) completes a server training program approved by the
27 commission;

28 (3) is entitled to sell the winery's wine on the licensed premises to
29 consumers either by the glass, or by the bottle, or both;

30 (4) is entitled to sell the winery's wine to consumers by the bottle
31 at a farmers' market that is operated on a nonprofit basis;

32 (5) is entitled to sell wine by the bottle or by the case to a person
33 who is the holder of a permit to sell wine at wholesale;

34 (6) is exempt from the provisions of IC 7.1-3-14;

35 (7) is entitled to advertise the name and address of any retailer or
36 dealer who sells wine produced by the permit holder's winery;

37 (8) for wine described in IC 7.1-1-2-3(a)(4):

38 (A) may allow transportation to and consumption of the wine
39 on the licensed premises; and

40 (B) may not sell, offer to sell, or allow the sale of the wine on
41 the licensed premises;

42 (9) is entitled to purchase and sell bulk wine as set forth in this



- 1 chapter;
- 2 (10) is entitled to sell wine as authorized by this section for
- 3 carryout on Sunday; and
- 4 (11) is entitled to sell and ship the farm winery's wine to a person
- 5 located in another state in accordance with the laws of the other
- 6 state.
- 7 (b) With the approval of the commission, a holder of a permit under
- 8 this chapter may conduct business at not more than three (3) additional
- 9 locations that are separate from the winery. At the additional locations,
- 10 the holder of a permit may conduct any business that is authorized at
- 11 the first location, except for the manufacturing or bottling of wine.
- 12 (c) With the approval of the commission, a holder of a permit under
- 13 this chapter may:
- 14 (1) individually; or
- 15 (2) with other permit holders under this chapter, holders of artisan
- 16 distiller's permits, holders of a brewer's permits issued under
- 17 IC 7.1-3-2-2(b), or any combination of holders described in this
- 18 subdivision;
- 19 participate in a trade show or an exposition at which products of each
- 20 permit holder participant are displayed, promoted, and sold. **All of the**
- 21 **permit holders may occupy the same tent, structure, or building.**
- 22 The commission may not grant approval under this subsection to a
- 23 holder of a permit under this chapter for more than forty-five (45) days
- 24 in a calendar year.
- 25 SECTION 4. IC 7.1-3-27-5, AS AMENDED BY P.L.144-2015,
- 26 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 27 JULY 1, 2017]: Sec. 5. (a) Except as provided in section 7 of this
- 28 chapter, an applicant for an artisan distiller's permit must meet all the
- 29 following requirements to be eligible for an artisan distiller's permit:
- 30 (1) The permit applicant must hold one (1) of the following
- 31 permits for the ~~three (3)~~ **one (1)** year period immediately
- 32 preceding the date of the application:
- 33 (A) A farm winery permit under IC 7.1-3-12.
- 34 (B) A brewer's permit issued under IC 7.1-3-2-2(b).
- 35 (C) A distiller's permit under IC 7.1-3-7.
- 36 ~~(2) The permit applicant may not have more than one (1) violation~~
- 37 ~~of this title during the three (3) year period immediately preceding~~
- 38 ~~the date of the application.~~
- 39 ~~(3)~~ **(2)** The permit applicant may not have any violation of this
- 40 title during the ~~twelve (12) month~~ **one (1) year** period
- 41 immediately preceding the date of the permit application.
- 42 (b) As used in this subsection, "qualifying permit" means a farm



1 winery, brewer's, or distiller's permit under subsection (a)(1)(A),
 2 (a)(1)(B), or (a)(1)(C) that is required in order to hold an artisan
 3 distiller's permit. The same persons must directly or indirectly own and
 4 control more than fifty percent (50%) of the entity that holds the
 5 qualifying permit and the artisan distiller's permit.

6 SECTION 5. IC 7.1-3-27-8, AS AMENDED BY P.L.214-2016,
 7 SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 8 JULY 1, 2017]: Sec. 8. (a) The holder of an artisan distiller's permit
 9 may do only the following:

10 (1) Manufacture liquor, including blending liquor purchased from
 11 another manufacturer with liquor the artisan distiller
 12 manufactures under section 11 of this chapter.

13 (2) Bottle liquor manufactured by the artisan distiller.

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

17 (4) Transport, sell, and deliver liquor manufactured by the artisan
 18 distiller to:

19 (A) places outside Indiana; or

20 (B) the holder of a liquor wholesaler's permit under IC 7.1-3-8.

21 (5) Sell liquor manufactured by the artisan distiller to consumers
 22 by the drink, bottle, or case from the premises of the distillery
 23 where the liquor was manufactured.

24 (6) Serve complimentary samples of the liquor manufactured by
 25 the artisan distiller to consumers on the premises of the distillery
 26 where the liquor was manufactured.

27 (7) Sell liquor as authorized by this section for carryout on
 28 Sunday in a quantity at any one (1) time of not more than four and
 29 five-tenths (4.5) liters.

30 (8) With the approval of the commission, participate:

31 (A) individually; or

32 (B) with other permit holders under this chapter, holders of
 33 farm winery permits, holders of brewer's permits issued under
 34 IC 7.1-3-2-2(b), or any combination of holders described in
 35 this clause;

36 in a trade show or an exposition at which products of each permit
 37 holder participant are displayed, promoted, and sold. **All of the**
 38 **permit holders may occupy the same tent, structure, or**
 39 **building.** The commission may not grant to a holder of a permit
 40 under this chapter approval under this subdivision to participate
 41 in a trade show or exposition for more than forty-five (45) days in
 42 a calendar year.



1 (b) The holder of an artisan distiller's permit who provides samples
 2 or sells liquor by the glass must furnish the minimum food
 3 requirements prescribed by the commission.

4 (c) **A storage facility used by an artisan distiller under**
 5 **subsection (a)(3):**

6 (1) **must conform with federal laws, rules, and regulations;**
 7 **and**

8 (2) **must not be used for any purposes except for the storage**
 9 **of liquor.**

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

12 SECTION 6. IC 7.1-5-7-11, AS AMENDED BY P.L.196-2015,
 13 SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 14 JULY 1, 2017]: Sec. 11. (a) The provisions of sections 9 and 10 of this
 15 chapter shall not apply if the public place involved is one (1) of the
 16 following:

- 17 (1) Civic center.
- 18 (2) Convention center.
- 19 (3) Sports arena.
- 20 (4) Bowling center.
- 21 (5) Bona fide club.
- 22 (6) Drug store.
- 23 (7) Grocery store.
- 24 (8) Boat.
- 25 (9) Dining car.
- 26 (10) Pullman car.
- 27 (11) Club car.
- 28 (12) Passenger airplane.
- 29 (13) Horse racetrack facility holding a recognized meeting permit
 30 under IC 4-31-5.
- 31 (14) Satellite facility (as defined in IC 4-31-2-20.5).
- 32 (15) Catering hall under IC 7.1-3-20-24 that is not open to the
 33 public.
- 34 (16) That part of a restaurant which is separate from a room in
 35 which is located a bar over which alcoholic beverages are sold or
 36 dispensed by the drink.
- 37 (17) Entertainment complex.
- 38 (18) Indoor golf facility.
- 39 (18) Indoor golf facility.
- 40 (19) A recreational facility such as a golf course, bowling center,
 41 or similar facility that has the recreational activity and not the sale
 42 of food and beverages as the principal purpose or function of the



- 1 person's business.
- 2 (20) A licensed premises owned or operated by a postsecondary
- 3 educational institution described in IC 21-17-6-1.
- 4 (21) An automobile racetrack.
- 5 (22) An indoor theater under IC 7.1-3-20-26.
- 6 (23) A senior residence facility campus (as defined in
- 7 IC 7.1-3-1-29(c)) at which alcoholic beverages are given or
- 8 furnished as provided under IC 7.1-3-1-29.
- 9 (24) A hotel other than a part of a hotel that is a room in a
- 10 restaurant in which a bar is located over which alcoholic
- 11 beverages are sold or dispensed by the drink.
- 12 (25) The location of an allowable event to which IC 7.1-3-6.1
- 13 applies.
- 14 (26) The location of a charity auction to which IC 7.1-3-6.2
- 15 applies.
- 16 **(27) A farm winery under IC 7.1-3-12, including a farm**
- 17 **winery that holds a brandy distiller's permit under**
- 18 **IC 7.1-3-7.5.**
- 19 **(28) An artisan distillery under IC 7.1-3-27.**
- 20 (b) For the purpose of this subsection, "food" means meals prepared
- 21 on the licensed premises. It is lawful for a minor to be on licensed
- 22 premises in a room in which is located a bar over which alcoholic
- 23 beverages are sold or dispensed by the drink if all the following
- 24 conditions are met:
- 25 (1) The minor is eighteen (18) years of age or older.
- 26 (2) The minor is in the company of a parent, guardian, or family
- 27 member who is twenty-one (21) years of age or older.
- 28 (3) The purpose for being on the licensed premises is the
- 29 consumption of food and not the consumption of alcoholic
- 30 beverages.
- 31 SECTION 7. IC 7.1-5-7-13, AS AMENDED BY P.L.94-2008,
- 32 SECTION 51, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 33 JULY 1, 2017]: Sec. 13. (a) Section 12 of this chapter does not prohibit
- 34 the following:
- 35 (1) The employment of a person at least eighteen (18) years of age
- 36 but less than twenty-one (21) years of age on or about licensed
- 37 premises where alcoholic beverages are sold, furnished, or given
- 38 away for consumption either on or off the licensed premises, for
- 39 a purpose other than:
- 40 (A) selling;
- 41 (B) furnishing, other than serving;
- 42 (C) consuming; or



- 1 (D) otherwise dealing in;
- 2 alcoholic beverages.
- 3 (2) A person at least nineteen (19) years of age but less than
- 4 twenty-one (21) years of age from ringing up a sale of alcoholic
- 5 beverages in the course of the person's employment.
- 6 (3) A person who is at least nineteen (19) years of age but less
- 7 than twenty-one (21) years of age and who has successfully
- 8 completed an alcohol server training program certified under
- 9 IC 7.1-3-1.5 from serving alcoholic beverages in a dining area or
- 10 family room of a restaurant or hotel:
- 11 (A) in the course of a person's employment as a waiter,
- 12 waitress, or server; and
- 13 (B) under the supervision of a person who:
- 14 (i) is at least twenty-one (21) years of age;
- 15 (ii) is present at the restaurant or hotel; and
- 16 (iii) has successfully completed an alcohol server training
- 17 program certified under IC 7.1-3-1.5 by the commission.
- 18 This subdivision does not allow a person at least nineteen (19)
- 19 years of age but less than twenty-one (21) years of age to be a
- 20 bartender.
- 21 **(b) This chapter does not prohibit a person less than twenty-one**
- 22 **(21) years of age from being on the premises of a brewery under**
- 23 **IC 7.1-3-2-7(5), a farm winery under IC 7.1-3-12-5, or an artisan**
- 24 **distillery under IC 7.1-3-27-5, if the person is:**
- 25 **(1) the child, stepchild, grandchild, nephew, or niece of an**
- 26 **owner of the:**
- 27 **(A) brewery;**
- 28 **(B) farm winery; or**
- 29 **(C) artisan distiller; and**
- 30 **(2) employed on the premises for a purpose other than:**
- 31 **(A) selling;**
- 32 **(B) furnishing, other than serving;**
- 33 **(C) consuming; or**
- 34 **(D) otherwise dealing in;**
- 35 **alcoholic beverages.**



COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Policy, to which was referred House Bill 1496, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 7.1-3-2-7, AS AMENDED BY P.L.214-2016, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: 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.
 - (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 **or hard cider** 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 **and hard cider** by the glass for consumption on the premises. Brewers permitted to sell beer **and hard cider** 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 **and hard cider** to a consumer at the permit premises of the brewer or at the residence of the consumer. 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 **or hard cider** may be contained in bottles or other permissible containers.

(I) Sell the brewery's beer **or hard cider** 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 **or hard cider** 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 **or hard cider** 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) **Package**, store, or condition beer **and hard cider** in a secure building that is:

- (i) separate from the brewery; and
- (ii) owned or leased by the permit holder.



A brewer may not sell or transfer beer **or hard cider** directly to a permittee or consumer from a building described in this clause.

(L) Transfer the beer or hard cider to a brewer that holds a permit under this subdivision. The brewer that receives the beer or hard cider may pick up and transport beer or hard cider from the transferring brewery. The beer that is transferred to a brewer does not count against that brewer's barrel limits under this subdivision until the receiving brewer sells the beer.

(M) Manufacture hard cider, place hard cider in containers or bottles, transport hard cider, and sell and deliver hard cider to a person holding a wine wholesaler's permit.

(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 2. IC 7.1-3-6-3.8, AS ADDED BY P.L.214-2016, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 3.8. (a) Notwithstanding any other provision in this chapter, the commission may issue a temporary beer permit if all



the following apply:

(1) The temporary beer permit is issued for a festival or event that meets all the following:

(A) The festival or event promotes, at least in part, beer **or hard cider** manufactured at a brewery described in IC 7.1-3-2-7(5).

(B) The anticipated attendance of the festival or event is at least seven thousand five hundred (7,500) people.

(C) Adequate security measures will be provided at the festival or event.

(D) Individuals less than twenty-one (21) years of age will not be allowed to attend the festival or event.

(2) The applicant for the temporary beer permit:

(A) has held a brewer's permit for a brewery described in IC 7.1-3-2-7(5) for at least three (3) years; and

(B) pays an application fee to the commission of two thousand five hundred dollars (\$2,500).

(b) The commission may issue a temporary beer permit only for an area at a festival or event that is enclosed by fencing, barricades, or structures. The area may be an outside area that is contiguous to a brewery described in IC 7.1-3-2-7(5) or restaurant or at another location that is not on or near the premises of a brewery or restaurant.

(c) The commission may issue a temporary beer permit under this section for a term, up to and including, three (3) days from its issuance.

(d) The commission may not issue a temporary beer permit under this section to any one (1) person more than two (2) times in a calendar year.

(e) Notwithstanding any other provision of this title, the holder of the temporary beer permit may allow an individual who attends the festival or event to carry beer **or hard cider**, in a quantity that does not exceed a total of two hundred eighty-eight (288) ounces, into the permitted area. Beer **or hard cider** carried in to a festival or event under this subsection may be consumed or traded only in the permitted area.

(f) An individual who attends the festival or event may carry out beer **or hard cider** in sealed, unopened containers from the temporary beer permit area.

SECTION 3. IC 7.1-3-12-5, AS AMENDED BY THE TECHNICAL CORRECTIONS BILL OF THE 2017 GENERAL ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]:
Sec. 5. (a) The holder of a farm winery permit:

(1) is entitled to manufacture wine and to bottle wine produced by



the permit holder's farm winery;

(2) 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~~ **employee's** permit under IC 7.1-3-18-9; and

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

(3) is entitled to sell the winery's wine on the licensed premises to consumers either by the glass, or by the bottle, or both;

(4) 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) is entitled to sell wine by the bottle or by the case to a person who is the holder of a permit to sell wine at wholesale;

(6) is exempt from the provisions of IC 7.1-3-14;

(7) is entitled to advertise the name and address of any retailer or dealer who sells wine produced by the permit holder's winery;

(8) 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) is entitled to purchase and sell bulk wine as set forth in this chapter;

(10) is entitled to sell wine as authorized by this section for carryout on Sunday; and

(11) 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.

(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 or bottling of wine.

(c) 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 a 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."

Page 2, after line 6, begin a new paragraph and insert:

"SECTION 5. IC 7.1-3-27-8, AS AMENDED BY P.L.214-2016, SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: 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) Store liquor manufactured by the artisan distiller, **including at a facility within ten (10) miles of the artisan distiller's distillery.**
- (4) 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) Sell liquor manufactured by the artisan distiller to consumers by the drink, bottle, or case from the premises of the distillery where the liquor was manufactured.
- (6) 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) 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) 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.

(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) must conform with federal laws, rules, and regulations; and

(2) must not be used for any purposes except for the storage of liquor.

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

SECTION 6. IC 7.1-5-7-11, AS AMENDED BY P.L.196-2015, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 11. (a) The provisions of sections 9 and 10 of this chapter shall not apply if the public place involved is one (1) of the following:

- (1) Civic center.
- (2) Convention center.
- (3) Sports arena.
- (4) Bowling center.
- (5) Bona fide club.
- (6) Drug store.
- (7) Grocery store.
- (8) Boat.
- (9) Dining car.
- (10) Pullman car.
- (11) Club car.
- (12) Passenger airplane.
- (13) Horse racetrack facility holding a recognized meeting permit under IC 4-31-5.
- (14) Satellite facility (as defined in IC 4-31-2-20.5).
- (15) Catering hall under IC 7.1-3-20-24 that is not open to the public.
- (16) That part of a restaurant which is separate from a room in which is located a bar over which alcoholic beverages are sold or dispensed by the drink.
- (17) Entertainment complex.
- (18) Indoor golf facility.
- (18) Indoor golf facility.



(19) A recreational facility such as a golf course, bowling center, or similar facility that has the recreational activity and not the sale of food and beverages as the principal purpose or function of the person's business.

(20) A licensed premises owned or operated by a postsecondary educational institution described in IC 21-17-6-1.

(21) An automobile racetrack.

(22) An indoor theater under IC 7.1-3-20-26.

(23) A senior residence facility campus (as defined in IC 7.1-3-1-29(c)) at which alcoholic beverages are given or furnished as provided under IC 7.1-3-1-29.

(24) A hotel other than a part of a hotel that is a room in a restaurant in which a bar is located over which alcoholic beverages are sold or dispensed by the drink.

(25) The location of an allowable event to which IC 7.1-3-6.1 applies.

(26) The location of a charity auction to which IC 7.1-3-6.2 applies.

(27) A farm winery under IC 7.1-3-12, including a farm winery that holds a brandy distiller's permit under IC 7.1-3-7.5.

(28) An artisan distillery under IC 7.1-3-27.

(b) For the purpose of this subsection, "food" means meals prepared on the licensed premises. It is lawful for a minor to be on licensed premises in a room in which is located a bar over which alcoholic beverages are sold or dispensed by the drink if all the following conditions are met:

(1) The minor is eighteen (18) years of age or older.

(2) The minor is in the company of a parent, guardian, or family member who is twenty-one (21) years of age or older.

(3) The purpose for being on the licensed premises is the consumption of food and not the consumption of alcoholic beverages.

SECTION 7. IC 7.1-5-7-13, AS AMENDED BY P.L.94-2008, SECTION 51, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 13. **(a)** Section 12 of this chapter does not prohibit the following:

(1) The employment of a person at least eighteen (18) years of age but less than twenty-one (21) years of age on or about licensed premises where alcoholic beverages are sold, furnished, or given away for consumption either on or off the licensed premises, for a purpose other than:



- (A) selling;
- (B) furnishing, other than serving;
- (C) consuming; or
- (D) otherwise dealing in;

alcoholic beverages.

(2) A person at least nineteen (19) years of age but less than twenty-one (21) years of age from ringing up a sale of alcoholic beverages in the course of the person's employment.

(3) A person who is at least nineteen (19) years of age but less than twenty-one (21) years of age and who has successfully completed an alcohol server training program certified under IC 7.1-3-1.5 from serving alcoholic beverages in a dining area or family room of a restaurant or hotel:

- (A) in the course of a person's employment as a waiter, waitress, or server; and
- (B) under the supervision of a person who:
 - (i) is at least twenty-one (21) years of age;
 - (ii) is present at the restaurant or hotel; and
 - (iii) has successfully completed an alcohol server training program certified under IC 7.1-3-1.5 by the commission.

This subdivision does not allow a person at least nineteen (19) years of age but less than twenty-one (21) years of age to be a bartender.

(b) This chapter does not prohibit a person less than twenty-one (21) years of age from being on the premises of a brewery under IC 7.1-3-2-7(5), a farm winery under IC 7.1-3-12-5, or an artisan distillery under IC 7.1-3-27-5, if the person is:

- (1) the child, stepchild, grandchild, nephew, or niece of an owner of the:**
 - (A) brewery;**
 - (B) farm winery; or**
 - (C) artisan distiller; and**
- (2) employed on the premises for a purpose other than:**
 - (A) selling;**
 - (B) furnishing, other than serving;**
 - (C) consuming; or**



**(D) otherwise dealing in;
alcoholic beverages."**

Renumber all SECTIONS consecutively.
and when so amended that said bill do pass.

(Reference is to HB 1496 as introduced.)

SMALTZ

Committee Vote: yeas 11, nays 1.

