

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 ENROLLED ACT No. 1518

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AN ACT to amend the Indiana Code concerning alcohol.

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

SECTION 1. IC 6-8.1-1-1, AS AMENDED BY P.L.212-2018(ss), SECTION 27, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 1. "Listed taxes" or "taxes" includes only the pari-mutuel taxes (IC 4-31-9-3 through IC 4-31-9-5); the supplemental wagering tax (IC 4-33-12); the riverboat wagering tax (IC 4-33-13); the slot machine wagering tax (IC 4-35-8); the type II gambling game excise tax (IC 4-36-9); the gross income tax (IC 6-2.1) (repealed); the utility receipts and utility services use taxes (IC 6-2.3); the state gross retail and use taxes (IC 6-2.5); the adjusted gross income tax (IC 6-3); the supplemental net income tax (IC 6-3-8) (repealed); the county adjusted gross income tax (IC 6-3.5-1.1) (repealed); the county option income tax (IC 6-3.5-6) (repealed); the county economic development income tax (IC 6-3.5-7) (repealed); the local income tax (IC 6-3.6); the auto rental excise tax (IC 6-6-9); the financial institutions tax (IC 6-5.5); the gasoline tax (IC 6-6-1.1); the special fuel tax (IC 6-6-2.5); the motor carrier fuel tax (IC 6-6-4.1); a motor fuel tax collected under a reciprocal agreement under IC 6-8.1-3; the vehicle excise tax (IC 6-6-5); the aviation fuel excise tax (IC 6-6-13); the commercial vehicle excise tax (IC 6-6-5.5); the excise tax imposed on recreational vehicles and truck campers (IC 6-6-5.1); the hazardous waste disposal tax (IC 6-6-6.6) (repealed); the heavy equipment rental excise tax (IC 6-6-15); the cigarette tax (IC 6-7-1); the beer excise tax (IC 7.1-4-2); the liquor

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excise tax (IC 7.1-4-3); the wine excise tax (IC 7.1-4-4); the hard cider excise tax (IC 7.1-4-4.5); ~~the malt excise tax (IC 7.1-4-5)~~; the petroleum severance tax (IC 6-8-1); the various innkeeper's taxes (IC 6-9); the various food and beverage taxes (IC 6-9); the county admissions tax (IC 6-9-13 and IC 6-9-28); the oil inspection fee (IC 16-44-2); the penalties assessed for oversize vehicles (IC 9-20-3 and IC 9-20-18); the fees and penalties assessed for overweight vehicles (IC 9-20-4 and IC 9-20-18); and any other tax or fee that the department is required to collect or administer.

SECTION 2. IC 6-8.1-7-1, AS AMENDED BY P.L.86-2018, SECTION 80, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 1. (a) This subsection does not apply to the disclosure of information concerning a conviction on a tax evasion charge. Unless in accordance with a judicial order or as otherwise provided in this chapter, the department, its employees, former employees, counsel, agents, or any other person may not divulge the amount of tax paid by any taxpayer, terms of a settlement agreement executed between a taxpayer and the department, investigation records, investigation reports, or any other information disclosed by the reports filed under the provisions of the law relating to any of the listed taxes, including required information derived from a federal return, except to any of the following when it is agreed that the information is to be confidential and to be used solely for official purposes:

- (1) Members and employees of the department.
- (2) The governor.
- (3) A member of the general assembly or an employee of the house of representatives or the senate when acting on behalf of a taxpayer located in the member's legislative district who has provided sufficient information to the member or employee for the department to determine that the member or employee is acting on behalf of the taxpayer.
- (4) An employee of the legislative services agency to carry out the responsibilities of the legislative services agency under IC 2-5-1.1-7 or another law.
- (5) The attorney general or any other legal representative of the state in any action in respect to the amount of tax due under the provisions of the law relating to any of the listed taxes.
- (6) Any authorized officers of the United States.

(b) The information described in subsection (a) may be revealed upon the receipt of a certified request of any designated officer of the state tax department of any other state, district, territory, or possession of the United States when:



- (1) the state, district, territory, or possession permits the exchange of like information with the taxing officials of the state; and
- (2) it is agreed that the information is to be confidential and to be used solely for tax collection purposes.

(c) The information described in subsection (a) relating to a person on public welfare or a person who has made application for public welfare may be revealed to the director of the division of family resources, and to any director of a county office of the division of family resources located in Indiana, upon receipt of a written request from either director for the information. The information shall be treated as confidential by the directors. In addition, the information described in subsection (a) relating to a person who has been designated as an absent parent by the state Title IV-D agency shall be made available to the state Title IV-D agency upon request. The information shall be subject to the information safeguarding provisions of the state and federal Title IV-D programs.

(d) The name, address, Social Security number, and place of employment relating to any individual who is delinquent in paying educational loans owed to a postsecondary educational institution may be revealed to that institution if it provides proof to the department that the individual is delinquent in paying for educational loans. This information shall be provided free of charge to approved postsecondary educational institutions (as defined by IC 21-7-13-6(a)). The department shall establish fees that all other institutions must pay to the department to obtain information under this subsection. However, these fees may not exceed the department's administrative costs in providing the information to the institution.

(e) The information described in subsection (a) relating to reports submitted under IC 6-6-1.1-502 concerning the number of gallons of gasoline sold by a distributor and IC 6-6-2.5 concerning the number of gallons of special fuel sold by a supplier and the number of gallons of special fuel exported by a licensed exporter or imported by a licensed transporter may be released by the commissioner upon receipt of a written request for the information.

(f) The information described in subsection (a) may be revealed upon the receipt of a written request from the administrative head of a state agency of Indiana when:

- (1) the state agency shows an official need for the information; and
- (2) the administrative head of the state agency agrees that any information released will be kept confidential and will be used solely for official purposes.



(g) The information described in subsection (a) may be revealed upon the receipt of a written request from the chief law enforcement officer of a state or local law enforcement agency in Indiana when it is agreed that the information is to be confidential and to be used solely for official purposes.

(h) The name and address of retail merchants, including township, as specified in IC 6-2.5-8-1(k) may be released solely for tax collection purposes to township assessors and county assessors.

(i) The department shall notify the appropriate innkeeper's tax board, bureau, or commission that a taxpayer is delinquent in remitting innkeepers' taxes under IC 6-9.

(j) All information relating to the delinquency or evasion of the vehicle excise tax may be disclosed to the bureau of motor vehicles in Indiana and may be disclosed to another state, if the information is disclosed for the purpose of the enforcement and collection of the taxes imposed by IC 6-6-5.

(k) All information relating to the delinquency or evasion of commercial vehicle excise taxes payable to the bureau of motor vehicles in Indiana may be disclosed to the bureau and may be disclosed to another state, if the information is disclosed for the purpose of the enforcement and collection of the taxes imposed by IC 6-6-5.5.

(l) All information relating to the delinquency or evasion of commercial vehicle excise taxes payable under the International Registration Plan may be disclosed to another state, if the information is disclosed for the purpose of the enforcement and collection of the taxes imposed by IC 6-6-5.5.

(m) All information relating to the delinquency or evasion of the excise taxes imposed on recreational vehicles and truck campers that are payable to the bureau of motor vehicles in Indiana may be disclosed to the bureau and may be disclosed to another state if the information is disclosed for the purpose of the enforcement and collection of the taxes imposed by IC 6-6-5.1.

(n) This section does not apply to:

- (1) the beer excise tax, including brand and packaged type (IC 7.1-4-2);
- (2) the liquor excise tax (IC 7.1-4-3);
- (3) the wine excise tax (IC 7.1-4-4);
- (4) the hard cider excise tax (IC 7.1-4-4.5);
- ~~(5) the malt excise tax (IC 7.1-4-5);~~
- ~~(6) (5) the vehicle excise tax (IC 6-6-5);~~
- ~~(7) (6) the commercial vehicle excise tax (IC 6-6-5.5); and~~



~~(8)~~ (7) the fees under IC 13-23.

(o) The name and business address of retail merchants within each county that sell tobacco products may be released to the division of mental health and addiction and the alcohol and tobacco commission solely for the purpose of the list prepared under IC 6-2.5-6-14.2.

(p) The name and business address of a person licensed by the department under IC 6-6 or IC 6-7 may be released for the purpose of reporting the status of the person's license.

(q) The department may release information concerning total incremental tax amounts under:

- (1) IC 5-28-26;
- (2) IC 36-7-13;
- (3) IC 36-7-26;
- (4) IC 36-7-27;
- (5) IC 36-7-31;
- (6) IC 36-7-31.3; or
- (7) any other statute providing for the calculation of incremental state taxes that will be distributed to or retained by a political subdivision or other entity;

to the fiscal officer of the political subdivision or other entity that established the district or area from which the incremental taxes were received if that fiscal officer enters into an agreement with the department specifying that the political subdivision or other entity will use the information solely for official purposes.

(r) The department may release the information as required in IC 6-8.1-3-7.1 concerning:

- (1) an innkeeper's tax, a food and beverage tax, or an admissions tax under IC 6-9;
- (2) the supplemental auto rental excise tax under IC 6-6-9.7; and
- (3) the covered taxes allocated to a professional sports development area fund, sports and convention facilities operating fund, or other fund under IC 36-7-31 and IC 36-7-31.3.

(s) Information concerning state gross retail tax exemption certificates that relate to a person who is exempt from the state gross retail tax under IC 6-2.5-4-5 may be disclosed to a power subsidiary (as defined in IC 6-2.5-4-5) or a person selling the services or commodities listed in IC 6-2.5-4-5(b) for the purpose of enforcing and collecting the state gross retail and use taxes under IC 6-2.5.

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



(1) is a site for the performance of musical, theatrical, or other entertainment;

(2) if located in a county containing a consolidated city:

(A) includes an area where at least two thousand (2,000) individuals may be seated at one (1) time in permanent seating; and

(B) is located in a facility that is:

(i) on the National Register of Historic Places; or

(ii) located within the boundaries of a historic district that is established by ordinance under IC 36-7-11-7; and

(3) if located in a county other than a county containing a consolidated city, includes an area where at least twelve thousand (12,000) individuals may be seated at one (1) time in permanent seating.

(1) The premises:

(A) is a site for the performance of musical, theatrical, or other entertainment; and

(B) includes an area where at least eight hundred (800) individuals may be seated at one (1) time in permanent seating.

(2) The premises:

(A) is located entirely within a one (1) mile radius of the center of a consolidated city;

(B) is used by a nonprofit organization primarily for the professional performance of musical or theatrical entertainment; and

(C) has audience seating in one (1) or more performance spaces for at least two hundred (200) individuals.

SECTION 4. IC 7.1-1-3-19.6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: **Sec. 19.6. The term "jumbo boat" means a United States Coast Guard approved vessel having a length of at least one hundred thirty-five (135) feet and a width of at least thirty-five (35) feet. The term does not include a riverboat (as defined in IC 4-33-2-17).**

SECTION 5. IC 7.1-2-1-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: **Sec. 4. Qualifications of Commissioners:** To be eligible for appointment as a commissioner, a person shall possess the following qualifications:

(a) He (1) ~~shall~~ **must be at least** thirty-one (31) years of age. ~~or older.~~

(b) He (2) ~~shall~~ **have a good moral character; and,**



may not have a conviction within ten (10) years before the date of appointment of:

- (A) a federal crime having a sentence of at least one (1) year;
- (B) an Indiana Class A, Class B, or Class C felony (for a crime committed before July 1, 2014) or a Level 1, Level 2, Level 3, Level 4, or Level 5 felony (for a crime committed after June 30, 2014); or
- (C) a crime in a state other than Indiana having a penalty equal to the penalty for an Indiana Class A, Class B, or Class C felony (for a crime committed before July 1, 2014) or a Level 1, Level 2, Level 3, Level 4, or Level 5 felony (for a crime committed after June 30, 2014).

However, this subdivision does not apply to a conviction that has been expunged under IC 35-38-9.

~~(c) He~~ (3) ~~The person shall have been a~~ **must be an Indiana** resident of the state for at least ten (10) years immediately preceding his ~~the person's~~ appointment.

SECTION 6. IC 7.1-2-3-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 4. ~~General Powers of Commission.~~ The commission shall have the power **to**:

- ~~(a) to~~ (1) hold hearings before the commission or its representative;
- ~~(b) to~~ (2) take testimony and receive evidence;
- ~~(c) to~~ (3) conduct inquiries with or without hearings;
- ~~(d) to~~ (4) receive reports of investigators or other governmental officers and employees;
- ~~(e) to~~ (5) administer oaths;
- ~~(f) to~~ (6) subpoena witnesses and to compel them to appear and testify;
- ~~(g) to~~ (7) issue and enforce subpoenas duces tecum;
- ~~(h) to~~ (8) take or institute proceedings to enforce subpoenas, the rules and regulations, orders, or requirements of the commission or its representative;
- ~~(i) to~~ (9) fix the compensation paid to witnesses appearing before the commission;
- ~~(j) to~~ (10) establish and use a seal of the commission;
- ~~(k) to~~ (11) certify copies of records of the commission or any other document or record on file with the commission;
- ~~(l) to~~ (12) fix the form, mode, manner, time, and number of times for the posting or publication of any required notices if not otherwise provided in this title;



~~(m) to (13)~~ issue letters of extension as authorized by IC 7.1-3-1-3.1; and

~~(n) to (14)~~ hold permits on deposit as authorized by IC 7.1-3-1-3.5 and IC 7.1-3-1.1.

SECTION 7. IC 7.1-2-3-4.6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: **Sec. 4.6. (a) The commission shall prepare quarterly reports that provide the violations by permittees subject to an enforcement action under IC 7.1-5-7-17. The commission shall issue the quarterly reports on or before the fifteenth day of:**

**(1) January, concerning violations committed during the preceding quarter consisting of the months of October through December;**

**(2) April, concerning violations committed during the preceding quarter consisting of the months of January through March;**

**(3) July, concerning violations committed during the preceding quarter consisting of the months of April through June; and**

**(4) October, concerning violations committed during the preceding quarter consisting of the months of July through September.**

**(b) The commission's quarterly report must provide noncompliance violations by:**

**(1) business listing;**

**(2) permit type; and**

**(3) county.**

**(c) The commission shall post the quarterly reports on the commission's Internet web site. The commission shall:**

**(1) prepare a report annually that compiles the violations for the preceding calendar year; and**

**(2) provide the report to the legislative council not later than February 1 of each year in an electronic format under IC 5-14-6.**

SECTION 8. IC 7.1-2-4-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: **Sec. 2. ~~Qualifications of Appointed Members.~~ An appointed member of a local board shall possess the following qualifications:**

~~(a) He~~ **(1) The person shall must be at least twenty-one (21) years of age. or older;**

~~(b) He~~ **(2) The person shall have been must be a bona fide resident of the county in which he the person is to serve for at**





least five (5) years immediately preceding his the person's appointment.

~~(c) He~~ **(3) The person shall never have been convicted of a felony under the laws of this state or of the United States; and may not have a conviction within ten (10) years before the date of appointment of:**

**(A) a federal crime having a sentence of at least one (1) year;**

**(B) an Indiana Class A, Class B, or Class C felony (for a crime committed before July 1, 2014) or a Level 1, Level 2, Level 3, Level 4, or Level 5 felony (for a crime committed after June 30, 2014); or**

**(C) a crime in a state other than Indiana having a penalty equal to the penalty for an Indiana Class A, Class B, or Class C felony (for a crime committed before July 1, 2014) or a Level 1, Level 2, Level 3, Level 4, or Level 5 felony (for a crime committed after June 30, 2014).**

**However, this subdivision does not apply to a conviction that has been expunged under IC 35-38-9.**

~~(d) He shall have a good moral character.~~

SECTION 9. IC 7.1-2-4-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 3. ~~Qualifications of Designated Members:~~ **(a) The designated member of a local board shall be a person of good moral character; meet the following requirements:**

**(1) The person must be an Indiana a resident. of Indiana and**

**(2) The person must be familiar with the laws of Indiana concerning alcoholic beverages. beverage law.**

**(3) The person may not have a conviction within ten (10) years before the date of appointment of:**

**(A) a federal crime having a sentence of at least one (1) year;**

**(B) an Indiana Class A, Class B, or Class C felony (for a crime committed before July 1, 2014) or a Level 1, Level 2, Level 3, Level 4, or Level 5 felony (for a crime committed after June 30, 2014); or**

**(C) a crime in a state other than Indiana having a penalty equal to the penalty for an Indiana Class A, Class B, or Class C felony (for a crime committed before July 1, 2014) or a Level 1, Level 2, Level 3, Level 4, or Level 5 felony (for a crime committed after June 30, 2014).**

**However, this subdivision does not apply to a conviction that**



**has been expunged under IC 35-38-9.**

(b) The designated member may be an officer or employee of the commission.

SECTION 10. IC 7.1-3-1-3, AS AMENDED BY P.L.196-2015, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 3. (a) A permit of any type issued by the commission, except as provided in subsections (b) and (f) or unless otherwise provided in this title, shall be in force for one (1) calendar year only, including the day upon which it is granted. At the end of the one (1) year period the permit shall be fully expired and null and void.

(b) Notwithstanding subsection (a), a permit that is subject to section 5.5 or 5.6 of this chapter is effective for two (2) calendar years, including the day upon which the permit is granted. However, a local board may recommend to the commission that the permit be issued or renewed for only a one (1) year period. The commission may issue or renew a permit for the period recommended by the local board.

(c) A permittee who is granted a two (2) year permit under subsection (b) or subsection (f) is liable for any annual fees assessed by the commission. The annual fee is due on the annual anniversary date upon which the permit was granted.

(d) If the commission grants a two (2) year permit, the commission may ask a local board to hold a hearing to reconsider the duration of a permittee's permit. A hearing held under this subsection is subject to section 5.5 or 5.6 of this chapter. A local board shall hold the hearing requested by the commission within thirty (30) days before the permittee's next annual anniversary date and forward a recommendation to the commission following the hearing.

(e) If a permittee is granted a permit for more than one (1) year, the commission shall require the permittee to file annually with the commission the information required for an annual permit renewal.

(f) Notwithstanding subsection (a), the following are effective for two (2) calendar years, including the day upon which the permit is granted:

- (1) A beer wholesaler's permit issued under IC 7.1-3-3-1.
- (2) A wine wholesaler's permit issued under IC 7.1-3-13-1.
- (3) A liquor wholesaler's permit issued under IC 7.1-3-8-1.

(g) Except as provided in subsection (h), the commission shall timely process a permittee's application for renewal of a permit unless the permittee receives a notice of a violation from the office of the prosecutor created under IC 7.1-2-2-1.

(h) The commission may timely process an application for renewal of a permit filed by a permittee that receives notice of a violation as



described in subsection (g) if the chairman or the chairman's designee authorizes the application for renewal of the permit to be timely processed.

(i) Except as provided in subsection (k), a permittee may file an application for renewal of a permit not later than:

**(1) one (1) year after the date the permit expires (in the case of a permit that expires before July 1, 2019); or**

**(2) six (6) months after the date the permit expires (in the case of a permit that expires after June 30, 2019).**

(j) Except as provided in subsection (k), if a permittee does not file an application for renewal of a permit within ~~one (1) year~~ as the time provided in subsection (i), the permit reverts to the commission. At least thirty (30) days before the date that a permit reverts to the commission, the commission shall provide written notice to the permittee informing the permittee of the date that the permittee's permit will revert to the commission.

(k) Subject to subsection (l), a permittee:

**(1) under subsection (i)(1) may file an application for renewal of a permit more than one (1) year after the date the permit expires if, not later than one (1) year after the date the permit expires, the permittee obtains approval from the chairman or the chairman's designee for an extension to file the application for renewal; or**  
**(2) under subsection (i)(2) may file an application for renewal of a permit more than six (6) months after the date the permit expires if, not later than six (6) months after the date the permit expires, the permittee obtains approval from the chairman or the chairman's designee for an extension to file the application for renewal.**

(l) The chairman may allow the permittee to renew the permit:

**(1) more than one (1) year, in the case of a permittee under subsection (k)(1); or**

**(2) more than six (6) months in the case of a permittee under subsection (k)(2);**

after the date the permit expires only if the permittee provides evidence that the permittee is engaged in an administrative or court proceeding that prevents the permittee from renewing the permit.

(m) A permit is effective upon the final approval of the commission. Upon final approval of a permit, and upon the request of the permittee, the commission shall provide the permittee with a letter of authority to operate. The letter of authority to operate constitutes authorization for the permittee to perform the actions allowed under the permit until the date the permittee receives the permit issued by the commission.



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

**(b)** A permittee to whom a retailer or dealer permit has been issued under this title may deposit that permit with the commission for a period of one (1) year if the permittee is unable to immediately operate the business to which the permit applies. **Subject to subsections (d) through (e)**, the commission may extend the term of the deposit ~~for not more than four (4) additional one (1) year periods if the permittee is able to show to the satisfaction of the commission that the permittee is making a good faith effort to put the permit into operation.~~ **under IC 7.1-3-1.1.**

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

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

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

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

SECTION 12. IC 7.1-3-1-5, AS AMENDED BY P.L.196-2015, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) Except as provided in subsection (b), an application for a permit to sell alcoholic beverages of any kind, and the required publication of notice, shall disclose the name of the applicant and the specific address where the alcoholic beverages are to be sold, and any assumed business name under which the business will be conducted. The application and notice also shall disclose the names and addresses of the president and secretary of the corporation, club, association, or organization who will be responsible to the public for the sale of the alcoholic beverage if the applicant is a corporation, club, association, or other type of organization.

**(b)** An application for a permit may be processed by the commission while the location of the permit premises is pending, upon a showing of need by the permit applicant. Any permit issued by the commission while the location of the permit premises is pending shall be placed immediately ~~into escrow~~ **on deposit with the commission under**



**IC 7.1-3-1-3.5 (before July 1, 2019) or (after June 30, 2019) IC 7.1-3-1.1** upon approval of the permit by the commission. If a permit issued by the commission is **placed into escrow deposited with the commission** under this subsection:

(1) the applicant must go before the local board for approval of the applicant; **and**

(2) before making ~~a~~ **the permit in escrow** active, the permittee must go before the local board for approval of the location.

SECTION 13. IC 7.1-3-1-18, AS AMENDED BY P.L.196-2015, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 18. (a) Except as provided in subsections (d) and (e), if publication of notice of application for a permit is required under this title, the publication shall be made in one (1) newspaper of general circulation published in the county where the permit is to be in effect.

(b) Publication required under subsection (a) may be made in any newspaper of general circulation published one (1) or more times each week.

(c) The rates which shall be paid for the advertising of a notice required under this title shall be those required to be paid in case of other notices published for or on behalf of the state.

(d) The commission may publish notice of application for a  
~~(1)~~ three-way permit for a restaurant described in  
 IC 7.1-3-20-12(4) ~~or~~

~~(2) seasonal permit granted under IC 7.1-3-20-22;~~

by posting the notice on the commission's Internet web site.

(e) If:

(1) the commission is unable to procure advertising of a notice as required under subsection (a) at the rates set forth in IC 5-3-1; or

(2) the newspaper published in the county as described in subsection (a) refuses to publish the notice;

the commission may, instead of publication in a newspaper as required under subsection (a), require the designated member of the local board of the county to post printed notices in three (3) prominent locations in the county.

SECTION 14. IC 7.1-3-1-25, AS AMENDED BY P.L.119-2012, SECTION 79, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 25. (a) ~~A city or county listed in this subsection~~ **county, city, town, or township** that by itself or in combination with any other ~~municipal~~ **body of a county, city, town, or township** acquires by ownership or by lease any stadium, exhibition hall, auditorium, theater, convention center, or civic center may permit the retail sale of alcoholic beverages upon the premises if the governing



board of the facility first applies for and secures the necessary permits as required by this title. The cities and counties to which this subsection applies are as follows:

(1) A consolidated city or its county:

(2) A second class city:

(3) A county having a population of more than one hundred eighty-five thousand (185,000) but less than two hundred fifty thousand (250,000):

(4) A county having a population of more than one hundred seventy-five thousand (175,000) but less than one hundred eighty-five thousand (185,000):

(5) A county having a population of more than one hundred twenty-five thousand (125,000) but less than one hundred thirty-five thousand (135,000):

(6) A county having a population of more than three hundred thousand (300,000) but less than four hundred thousand (400,000):

(7) A city having a population of more than four thousand nine hundred fifty (4,950) but less than five thousand (5,000):

(8) A county having a population of more than one hundred thirty-five thousand (135,000) but less than one hundred thirty-eight thousand (138,000):

(9) A county having a population of more than two hundred seventy thousand (270,000) but less than three hundred thousand (300,000):

(b) A county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000) or a township located in such a county that has established a public park with a golf course within its jurisdiction under IC 36-10-3 or IC 36-10-7 may be issued a permit for the retail sale of alcoholic beverages on the premises of any community center within the park, including a clubhouse, social center, or pavilion:

(c) A township that:

(1) is located in a county having a population of more than one hundred five thousand (105,000) but less than one hundred ten thousand (110,000); and

(2) acquires ownership of a golf course;

may permit the retail sale of alcoholic beverages upon the premises of the golf course; if the governing board of the golf course first applies for and secures the necessary permits required by this title.

(d) (b) A county or township (1) having a population of more than thirty-five thousand (35,000) but less than one hundred thousand



(100,000); and (2) located in a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000); may be issued a permit for the retail sale of alcoholic beverages on the premises of any community center, **including a clubhouse, pavilion,** or social center that is located within a **public park the township and or** operated by the township.

(e) (c) A **county, city, town, or township** that owns a golf course may permit the retail sale of alcoholic beverages upon the premises of the golf course if the governing board of the golf course first applies for and secures the necessary permits required by this title.

(f) A city that:

(1) has a population of more than twenty-nine thousand six hundred (29,600) but less than twenty-nine thousand nine hundred (29,900); and

(2) owns or leases a marina;

may permit the retail sale of alcoholic beverages upon the premises of the marina if the governing board of the marina first applies for and secures the necessary permits required by this title. The permit may include the carryout sale of alcoholic beverages in accordance with IC 7.1-3-4-6(c), IC 7.1-3-9-9(c), IC 7.1-3-14-4(c), and 905 IAC 1-29 but may not include at-home delivery of alcoholic beverages.

(g) (d) A **county, city, town, or township** listed in this subsection that owns a marina may be issued a permit for the retail sale of alcoholic beverages on the premises of the marina. The permit may include the carryout sale of alcoholic beverages in accordance with IC 7.1-3-4-6(c), IC 7.1-3-9-9(c), IC 7.1-3-14-4(c), and 905 IAC 1-29 but may not include at-home delivery of alcoholic beverages. However, the **county, city, town, or township** must apply for and secure the necessary permits that this title requires. **This subsection applies to the following cities:**

(1) A city having a population of more than eighty thousand (80,000) but less than eighty thousand four hundred (80,400):

(2) A city having a population of more than eighty thousand five hundred (80,500) but less than one hundred thousand (100,000):

(3) A city having a population of more than thirty-one thousand (31,000) but less than thirty-one thousand five hundred (31,500):

(4) A city having a population of more than thirty-six thousand eight hundred twenty-five (36,825) but less than forty thousand (40,000):

(5) A city having a population of more than forty-four thousand five hundred (44,500) but less than forty-five thousand (45,000):

(h) (e) Notwithstanding subsection (a), the commission may issue



a civic center permit to a person that:

- (1) by the person's self or in combination with another person is the proprietor, as owner or lessee, of an entertainment complex; or
- (2) has an agreement with a person described in subdivision (1) to act as a concessionaire for the entertainment complex for the full period for which the permit is to be issued.

SECTION 15. IC 7.1-3-1.1 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

**Chapter 1.1. Deposit of Retailer and Dealer Permits**

**Sec. 1. A permit deposited with the commission before, after, or on July 1, 2019, is subject to this chapter.**

**Sec. 2. (a) If a permit holder is unable to immediately operate the business for which the permit was issued, the permit holder shall deposit the permit with the commission, subject to the commission's approval. The commission may approve the deposit of the permit for the following terms:**

- (1) An initial term of deposit that expires twenty-four (24) months after the date of the commission's approval.
- (2) An extension of the term of deposit that expires twelve (12) months after the date the initial term of deposit under subdivision (1) expires.
- (3) An extension of the term of deposit that expires twelve (12) months after the date the initial term of deposit under subdivision (2) expires.
- (4) An extension of the term of deposit that expires twelve (12) months after the date the initial term of deposit under subdivision (3) expires.

**(b) If the permit has not expired or reverted to the commission, a permit holder may withdraw a permit that is deposited with the commission and make the permit active at any time before the term of deposit expires, subject to any requirements of the commission.**

**Sec. 3. (a) A permit reverts to the commission if:**

- (1) a term of deposit under section 2(a) of this chapter expires without the commission approving an extension of the term; and
- (2) the permit is not active.

**(b) In addition to the notice provided under IC 7.1-3-1-3, at least ninety (90) days before the date that a term of deposit expires, the commission shall provide written notice to the permit holder of the**





date that:

- (1) the term of deposit expires; and
- (2) the permit will revert to the commission if:
  - (A) the permit is not active; or
  - (B) an extension of the term of deposit has not been approved by the commission.

**Sec. 4.** This section sets out the procedure for a permit holder to request deposit of a permit or extension of a term of deposit. A permit holder must do the following:

- (1) Submit the permit holder's request for deposit or an extension of the term of deposit to the commission in writing. A permit holder must submit a request for extension at least sixty (60) days before the term of deposit expires.
- (2) Appear at a public meeting of the commission and provide to the commission's satisfaction an explanation of the following:
  - (A) The specific reasons why the business for which the permit was issued is not immediately operational.
  - (B) A timetable for making the business operational and the permit active.
  - (C) A detailed statement of the permit holder's efforts to make the business operational and the permit active.
- (3) The permit holder shall submit to the commission any other documentation of the permit holder's efforts under subdivision (2)(C), including:
  - (A) contracts for construction or renovation of the permit premises;
  - (B) zoning applications and approvals; and
  - (C) building permits and any other necessary government approvals.
- (4) If the commission approves the permit holder's request, pay any permit renewal fees that are due.

**Sec. 5.** The commission shall send a notice by mail or electronic mail to a person of:

- (1) the commission's approval or denial of a request for deposit or extension of a term of deposit; and
- (2) if the permit holder's request is approved:
  - (A) the date that the term of deposit expires; and
  - (B) any fees that are due and payable by the permit holder.

A person adversely affected by the commission's determination under this chapter may seek judicial review of the determination under IC 4-21.5.



**Sec. 6. (a) This section applies to a permit deposited with the commission that:**

**(1) has never been put into operation by the permit holder; and**

**(2) is subject to the quota provisions of IC 7.1-3-22.**

**(b) The commission may not accept an application for transfer of ownership of the permit except upon a showing to the satisfaction of the commission of both of the following:**

**(1) Exceptional and unusual circumstances that necessitate a transfer of ownership of the permit, including bankruptcy or death of the permit holder.**

**(2) That the permit holder does not intend to speculatively sell the permit. Evidence of the permit holder's intent may be shown by submitting to the commission documentation showing that the proposed sale price for the permit does not exceed the amount that the permit holder paid the commission or the previous permit holder for the permit.**

SECTION 16. IC 7.1-3-1.5-1, AS ADDED BY P.L.161-2005, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 1. As used in this chapter, "alcohol server" means the following:

(1) A person who works on the licensed premises of a retailer permittee as a:

- (A) manager;
- (B) bartender; or
- (C) waiter or a waitress.

(2) A person who works on the licensed premises of a dealer permittee as a:

- (A) manager; or
- (B) sales clerk.

**(3) A person who is the proprietor of or is employed by an art instruction studio under IC 7.1-5-8-4.6 that serves wine brought into the studio by patrons.**

SECTION 17. IC 7.1-3-2-7, AS AMENDED BY P.L.270-2017, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: 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 directly from the brewery to the restaurant by means of:

(i) bulk containers; or

(ii) a continuous flow system.

(E) Install a window between the brewery and an adjacent restaurant that allows the public and the permittee to view both premises.

(F) Install a doorway or other opening between the brewery and an adjacent restaurant that provides the public and the permittee with access to both premises.

(G) Sell the brewery's beer by the glass for consumption on the premises. Brewers permitted to sell beer by the glass under this clause must make food available for consumption on the premises. A brewer may comply with the requirements of this clause by doing any of the following:

(i) Allowing a vehicle of transportation that is a food establishment (as defined in IC 16-18-2-137) to serve food near the brewer's licensed premises.

(ii) Placing menus in the brewer's premises of restaurants that will deliver food to the brewery.

(iii) Providing food prepared at the brewery.

(H) Sell and deliver beer to a consumer at the permit 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 may be contained in bottles or other permissible containers.

(I) Sell the brewery's beer as authorized by this section for



carryout on Sunday in a quantity at any one (1) time of not more than five hundred seventy-six (576) ounces. A brewer's beer may be sold under this clause at any address for which the brewer holds a brewer's permit issued under this chapter if the address is located within the same city boundaries in which the beer was manufactured.

(J) With the approval of the commission, participate:

(i) individually; or

(ii) with other permit holders under this chapter, holders of artisan distiller's permits, holders of farm winery permits, or any combination of holders described in this item;

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

(K) Store or condition beer in a secure building that is:

(i) separate from the brewery; and

(ii) owned or leased by the permit holder.

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

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

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

(6) If the brewer's brewery manufactures more than ninety thousand (90,000) barrels of beer in a calendar year for sale or distribution within Indiana, the permit holder may own a portion of the corporate stock of another brewery that:

(A) is located in the same county as the brewer's brewery;



- (B) manufactures less than ninety thousand (90,000) barrels of beer in a calendar year; and
- (C) is the proprietor of a restaurant that operates under subdivision (5).
- (7) Provide complimentary samples of beer that are:
  - (A) produced by the brewer; and
  - (B) offered to consumers for consumption on the brewer's premises.
- (8) Own a portion of the corporate stock of a sports corporation that:
  - (A) manages a minor league baseball stadium located in the same county as the brewer's brewery; and
  - (B) holds a beer retailer's permit, a wine retailer's permit, or a liquor retailer's permit for a restaurant located in that stadium.
- (9) For beer described in IC 7.1-1-2-3(a)(4):
  - (A) may allow transportation to and consumption of the beer on the licensed premises; and
  - (B) may not sell, offer to sell, or allow sale of the beer on the licensed premises.

SECTION 18. IC 7.1-3-2-7.5, AS ADDED BY P.L.97-2015, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 7.5. (a) This section applies ~~only if the permit premises of if:~~

**(1) a person having an interest in a brewer's permit under section 7(5) of this chapter also has an interest in ~~(1)~~ a farm winery or an artisan distillery; and**

**~~(2) a brewery under section 7(5) of this chapter;~~**

**(2) the brewery production facility and the farm winery or artisan distillery production facility occupy the same building.**

(b) Notwithstanding any other provision, a person ~~who holds a farm winery permit and a brewery permit to which this section applies~~ may sell by the glass for consumption on the premises ~~(1) the farm winery's wine; and (2) the brewery's beer; from the same service bar; without a partition, wall, or any other structure separating the service of wine and the service of beer. all alcoholic beverages:~~

**(1) manufactured by the two (2) production facilities; and**

**(2) from a single bar.**

**The commission may not require any physical separation at the bar between the service of alcoholic beverages manufactured by one (1) production facility and the service of alcoholic beverages manufactured by the other production facility.**

(c) This section does not exempt a permit holder from



complying with permit restrictions that affect the sales and service of any of the alcoholic beverages manufactured by the production facilities. If the law applicable to one (1) of the permits under subsection (a)(2) that the person has an interest in is more prohibitive or restrictive regarding the presence of a minor in the bar area of the licensed premises than the law applicable to the other premises under subsection (a)(2) that the person has an interest in, the more prohibitive or restrictive law applies to the single bar area.

SECTION 19. IC 7.1-3-4-2, AS AMENDED BY P.L.158-2013, SECTION 123, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 2. (a) The commission shall not issue a beer retailer's permit, except as otherwise authorized in this title and subject to the other restrictions contained in this title, to the following persons:

- (1) An alien.
- (2) A person who ~~(A)~~ is not of good moral character and of good repute in the community in which the person resides. ~~or (B)~~
- (3) A person who** has been convicted within ten (10) years before the date of application of:
  - ~~(i)~~ **(A)** a federal crime having a sentence of at least one (1) year;
  - ~~(ii)~~ **(B)** an Indiana Class A, Class B, or Class C felony (for a crime committed before July 1, 2014) or a Level 1, Level 2, Level 3, Level 4, or Level 5 felony (for a crime committed after June 30, 2014); or
  - ~~(iii)~~ **(C)** a crime in a state other than Indiana having a penalty equal to the penalty for an Indiana Class A, Class B, or Class C felony (for a crime committed before July 1, 2014) or a Level 1, Level 2, Level 3, Level 4, or Level 5 felony (for a crime committed after June 30, 2014).

**However, this subdivision does not apply to a conviction that has been expunged under IC 35-38-9.**

- ~~(3)~~ **(4)** A person who does not own the premises to which the permit will be applicable, or who does not have a bona fide lease on the premises for the full period for which the permit is to be issued.
- ~~(4)~~ **(5)** A law enforcement officer or an officer who is not an elected officer of a municipal corporation, or governmental subdivision, or of ~~this state~~, **Indiana**, charged with any duty or function in the enforcement of this title.
- ~~(5)~~ **(6)** An officer or employee of a person engaged in the



alcoholic beverage traffic, which person is a nonresident of ~~this state~~, **Indiana**, or is engaged in carrying on any phase of the manufacture of, traffic in, or transportation of alcoholic beverages without a permit under this title when a permit is required by this title.

~~(6)~~ **(7)** If the permit applicant does not hold a brewer's permit, a person who leases from a person, or an officer or agent of that person, who holds a brewer's permit or a beer wholesaler's permit.

~~(7)~~ **(8)** If the permit applicant does not hold a brewer's permit, a person who is indebted to a person who holds a brewer's permit or a beer wholesaler's permit, or an officer or agent of that person, for a debt secured by a lien, mortgage, or otherwise, upon the premises for which the beer retailer's permit is to be applicable, or upon any of the property or fixtures on the premises, or used, or to be used in connection with the premises.

~~(8)~~ **(9)** A person whose place of business is conducted by a manager or agent, unless the manager or agent possesses the same qualifications required for the issuance of a beer retailer's permit to the person.

~~(9)~~ **(10)** A minor.

~~(10)~~ **(11)** A person non compos mentis.

~~(11)~~ **(12)** A person who has held a permit under this title and who has had that permit revoked within one (1) year prior to the date of application for a beer retailer's permit.

~~(12)~~ **(13)** A person who has made an application for a permit of any type which has been denied less than one (1) year prior to the person's application for a beer retailer's permit unless the first application was denied by reason of a procedural or technical defect.

~~(13)~~ **(14)** A person who is not the proprietor of a restaurant located and being operated on the premises described in the application for the beer retailer's permit, or of a hotel, or of a club, owning, or leasing the premises as a part of it. The disqualification contained in this subdivision shall not apply to the qualifications for or affect the privileges to be accorded under a beer dealer's permit or a dining car beer permit.

(b) Subsection ~~(a)(9)~~ **(a)(10)** does not prevent a minor from being a stockholder in a corporation.

SECTION 20. IC 7.1-3-5-2, AS AMENDED BY P.L.214-2016, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 2. (a) As used in this section, "proprietor of a package liquor store" means the person that:



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

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

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

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

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

(e) The commission shall not issue a beer dealer's permit to a person who is disqualified under the special disqualifications. However, the special disqualification listed in ~~IC 7.1-3-4-2(a)(13)~~ **IC 7.1-3-4-2(a)(14)** shall not apply to an applicant for a beer dealer's permit.

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

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

SECTION 21. IC 7.1-3-6-2, AS AMENDED BY P.L.214-2016, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 2. The commission may issue a temporary beer permit to a person who is qualified to hold a beer retailer's permit and who has such other qualifications as the commission may prescribe by a provisional order until it adopts a rule or regulation on the matter. However, the special disqualifications listed in ~~IC 7.1-3-4-2(a)(3)~~, ~~IC 7.1-3-4-2(a)(8)~~, and ~~IC 7.1-3-4-2(a)(13)~~, **IC 7.1-3-4-2(a)(4)**, **IC 7.1-3-4-2(a)(9)**, and **IC 7.1-3-4-2(a)(14)**, and the residency requirements provided in IC 7.1-3-21-3, shall not apply to an applicant for a temporary beer permit.

SECTION 22. IC 7.1-3-6-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 14. (a) **Except as**





**provided in subsection (b)**, the holder of a boat beer permit may purchase beer, possess it, and sell it at retail for consumption only in the dining room of the boat described in the application. The permit holder may sell beer only in the course of a run and only one (1) hour before the boat embarks on the run.

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

SECTION 23. IC 7.1-3-7-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 3. **Scope of Permit.** The holder of a distiller's permit shall be entitled to manufacture liquor, to rectify it, and to bottle it. A distiller shall enjoy all the privileges accorded the holder of a rectifier's permit, but ~~he~~ **the distiller** shall not have to obtain a separate rectifier's permit nor pay an additional fee. A distiller shall be entitled to transport liquor and to sell and deliver it in shipments to points outside this state, or to the holder of a liquor wholesaler's permit, or to the holder of a rectifier's permit. A distiller may not sell liquor to a consumer, nor to a person for the purpose of having it retailed by ~~him~~, **the person**, whether that person holds a liquor retailer's permit under this title or not. **A distiller may transport liquor to and from a brewery located within the same county for the purposes of carbonating and canning by the brewery. The activity under this section is not an interest under IC 7.1-5-9.**

SECTION 24. IC 7.1-3-9.5-3, AS AMENDED BY P.L.85-2017, SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 3. **(a)** The holder of a supplemental caterer's permit is entitled to purchase alcoholic beverages only from:

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

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



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

SECTION 25. IC 7.1-3-10-2, AS AMENDED BY P.L.86-2018, SECTION 110, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 2. The commission may issue a liquor dealer's permit to the proprietor of a drug store who holds a license issued by the state board of pharmacy. An applicant for a liquor dealer's permit for a drug store shall not be disqualified under ~~IC 7.1-3-4-2(a)(13)~~. **IC 7.1-3-4-2(a)(14)**.

SECTION 26. IC 7.1-3-10-4, AS AMENDED BY P.L.86-2018, SECTION 111, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 4. The commission may issue a liquor dealer's permit to the proprietor of a package liquor store. An applicant for a liquor dealer's permit for a package liquor store shall not be disqualified under ~~IC 7.1-3-4-2(a)(13)~~. **IC 7.1-3-4-2(a)(14)**.

SECTION 27. IC 7.1-3-11-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 10. ~~Scope of Permit: (a)~~ The holder of a boat liquor permit shall enjoy the same privileges and be subject to the same conditions, restrictions, and limitations in regard to liquor under ~~his the~~ permit as is provided in the case of the holder of a boat beer permit in regard to beer under ~~his the~~ permit.

**(b) Subject to the approval of the local board of each county where the jumbo boat docks, the holder of a boat liquor permit who operates a jumbo boat shall enjoy the same privileges and be subject to the same conditions, restrictions, and limitations in regard to liquor under the permit as is provided in the case of the holder of a boat beer permit described in IC 7.1-3-6-14(b) who operates a jumbo boat.**

SECTION 28. IC 7.1-3-12-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 2. ~~Scope of Permit:~~ The holder of a vintner's permit is entitled to manufacture wine and to bottle it or place it in other containers, **including boxes that contain a bag designed to store and dispense wine, and bulk containers. He A vintner** also is entitled to transport wine and either to sell it, or deliver it, or both, in shipments to points outside this state, and to a wine wholesaler, and to another vintner. A vintner is not entitled to rectify or fortify wine unless ~~he the~~ vintner is also the holder of either a



distiller's permit, or a rectifier's permit, or both. A vintner is not entitled to sell to a consumer or to a permittee who sells wine at retail. A vintner is entitled to advertise the name and address of any retailer or dealer who sells wine produced by ~~his~~ **the vintner's** winery.

SECTION 29. IC 7.1-3-12-5, AS AMENDED BY P.L.270-2017, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: 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'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:~~

(A) ~~the glass; or by the~~

(B) ~~the bottle; or both;~~

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

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

(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:~~

(A) ~~the bottle; or by the~~

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

**(C) bulk container;**

**(D) the case; or**

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

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; **and**
- (12) is entitled to sell the farm winery's wine to the holder of a supplemental caterer's permit issued under IC 7.1-3-9.5 for on-premises consumption only at an event that is held outdoors on property that is contiguous to the farm winery as approved by the commission.**

(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 brewer's permits issued under IC 7.1-3-2-2(b), or any combination of holders described in this subdivision;

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

SECTION 30. IC 7.1-3-12-7.5, AS ADDED BY P.L.97-2015, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 7.5. (a) This section applies if: ~~the permit premises of any combination of the following:~~

- (1) a person having an interest in a farm winery permit also has an interest in a (1) a farm winery; (2) a brewery brewer's permit under IC 7.1-3-2-7(5) and or (3) an artisan distillery; and**
- (2) the farm winery and the brewery or artisan distillery production facility occupy the same building.**

(b) Notwithstanding any other provision, a person ~~who holds any~~



combination of a farm winery permit, a brewery permit under IC 7.1-3-2-7(5), and an artisan distiller's permit, **to whom this section applies** may sell by the glass for consumption on the premises (1) the farm winery's wine; (2) the brewery's beer; and (3) an artisan distillery's liquor; from the same service bar, without a partition, wall, or any other structure separating the service of wine, the service of beer, and the service of liquor: **all alcoholic beverages:**

- (1) **manufactured by the two (2) production facilities; and**
- (2) **from a bar.**

The commission may not require any physical separation at the bar between the service of alcoholic beverages manufactured by one (1) production facility and the service of alcoholic beverages manufactured by the other production facility.

(c) Except as provided in this chapter, the restrictions and provisions of a permittee's permit governing the sale or service of the alcoholic beverage that is the subject of the permit apply to the sale and service of the alcoholic beverage under this chapter. **This section does not exempt a person to whom this section applies from complying with permit restrictions affecting the sales and service of each of the alcoholic beverages manufactured by the production facilities. If the law applicable to one (1) of the permits under subsection (a)(2) that the person has an interest in is more prohibitive or restrictive regarding the presence of a minor in the bar area of the licensed premises than the law applicable to the other premises under subsection (a)(2) that the person has an interest in, the more prohibitive or restrictive law applies to the single bar area.**

SECTION 31. IC 7.1-3-16-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 4. **Scope of Permit: (a)** The holder of a boat wine permit shall enjoy the same privileges and be subject to the same conditions, restrictions, and limitations in regard to wine under ~~his~~ **the** permit as is provided in the case of the holder of a boat beer permit in regard to beer under ~~his~~ **the** permit.

(b) **Subject to the approval of the local board of each county where the jumbo boat docks, the holder of a boat wine permit who operates a jumbo boat shall enjoy the same privileges and be subject to the same conditions, restrictions, and limitations in regard to wine under the permit as is provided in the case of the holder of a boat beer permit described in IC 7.1-3-6-14(b) who operates a jumbo boat.**

SECTION 32. IC 7.1-3-16-6, AS AMENDED BY P.L.214-2016, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 6. The commission may issue a temporary wine



permit to a person who is qualified to hold a beer retailer's permit and who has such other qualifications as the commission may prescribe by a provisional order until it adopts a rule or regulation on the matter. However, the special disqualifications listed in ~~IC 7.1-3-4-2(a)(3)~~, ~~IC 7.1-3-4-2(a)(8)~~, and ~~IC 7.1-3-4-2(a)(13)~~, **IC 7.1-3-4-2(a)(4)**, **IC 7.1-3-4-2(a)(9)**, and **IC 7.1-3-4-2(a)(14)**, and the residency requirements provided in IC 7.1-3-21-3, shall not apply to an applicant for a temporary wine permit.

SECTION 33. IC 7.1-3-20-9.5, AS AMENDED BY P.L.86-2018, SECTION 117, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 9.5. (a) This section applies only to a retailer's permit for a restaurant.

(b) This section does not apply to a retailer's permit that is issued or transferred to the following:

- (1) A city market under IC 7.1-3-20-25.
- (2) A marina under IC 7.1-3-1-25.
- (3) A state park under IC 7.1-3-17.8.
- (4) A golf course.
- (5) A hotel or resort hotel.
- (6) A social or fraternal club.
- (7) A restaurant, the proprietor of which is the holder of a brewer's permit under IC 7.1-3-2-7(5).

(c) Except as provided in subsections (d) and (e), after May 14, 2017, a retailer permittee may not sell alcoholic beverages for carryout unless at least sixty percent (60%) of the retailer permittee's gross retail income from the sale of alcoholic beverages is derived from the sale of alcoholic beverages for consumption on the licensed premises.

(d) This subsection applies only to a retailer's permit with carryout privileges that was ~~initially: (1) issued to the current permit holder or (2) transferred as to ownership or to the premises location;~~ before November 1, 2016. Notwithstanding IC 7.1-3-1-1.5, a retailer permittee may continue to sell carryout after May 14, 2017, and is not required to comply with the gross retail income requirements. ~~However, if the permit is transferred to a new location after May 14, 2017, and the location is not exempt under subsection (b), the gross retail income requirements of this section apply to the transferred permit.~~

(e) This subsection applies to a retailer's permit with carryout privileges that was initially:

- (1) issued; or
- (2) transferred to the premises location;

after October 31, 2016, and before May 15, 2017. Notwithstanding IC 7.1-3-1-1.5, a retailer permittee may continue to sell carryout after



May 14, 2017, and is not required to comply with the gross retail income requirements until the retailer's permit is renewed. A retailer permittee may be issued a letter of extension, and subsequent renewals of the extension under IC 7.1-3-1-3.1 but the permit term may not be extended past April 1, 2018. A retailer permittee may continue to sell carryout while the extension is in effect. If the permit is transferred as to ownership or to a location that is not exempt under subsection (b), the gross retail income requirements of this section apply upon transfer of the permit.

(f) Except for a retailer permittee described in subsection (d), a retailer permittee that has carryout privileges must apply for renewal of the carryout privileges when applying for renewal of the retailer's permit. The retailer permittee must provide the commission with a financial statement with information that shows the dollar amounts and percentages of the retailer permittee's gross retail income that is derived from sales of alcoholic beverages:

- (1) for consumption on the licensed premises; and
- (2) for carryout;

during the one hundred eighty (180) days preceding the date of the application for renewal.

(g) For subsequent applications for renewal, the commission may allow a retailer permittee to submit to the commission an affidavit of compliance that is signed by the permittee, or by a responsible officer or partner, under the penalties of perjury, that states that the requirements of subsection (c) continue to be met. If the commission has reasonable grounds to doubt the truthfulness of an affidavit of compliance, the commission may require the retailer permittee to provide audited financial statements.

(h) If an applicant for renewal of carryout privileges does not meet the requirements of subsection (c) and the commission denies the application, the applicant may apply for a reinstatement of carryout privileges with the permittee's next application for renewal of the retailer's permit that is made in accordance with subsection (i).

(i) An applicant:

- (1) for a retailer's permit and carryout privileges that has not opened for business; or
- (2) for carryout privileges that:
  - (A) is the holder of a retailer's permit for an operating business; and
  - (B) has had the previous application for carryout privileges or renewal of carryout privileges denied by the commission;

must provide the commission with a verified certification stating that



the projected gross retail income from alcoholic beverage sales during the business's first two (2) years of operations with carryout privileges will meet the requirements of subsection (c). Not more than one hundred eighty (180) days after the date the applicant begins or resumes alcoholic beverage sales with carryout privileges, the applicant shall provide a financial statement with sufficient information to show that during the first one hundred twenty (120) days of business operations with carryout privileges, sixty percent (60%) of the gross retail income from all alcoholic beverage sales was derived from sales of alcoholic beverages for consumption on the premises.

(j) The commission may:

- (1) require that a financial statement submitted by an applicant under this chapter be audited by a certified public accountant; and
- (2) with the cooperation of the department of state revenue, verify the information provided by the applicant.

(k) The information provided to the commission under this chapter regarding gross retail income is confidential information and may not be disclosed to the public under IC 5-14-3. However, the commission may disclose the information:

- (1) to the department of state revenue to verify the accuracy of the amount of gross retail income from sales of alcoholic beverages; and
- (2) in any administrative or judicial proceeding to revoke or suspend the holder's permit as a result of a discrepancy in the amount of gross retail income from sales of alcoholic beverages discovered by the department of state revenue.

(l) Notwithstanding IC 6-8.1-7-1 or any other law, in fulfilling its obligations under this section, the department of state revenue may provide confidential information to the commission. The commission shall maintain the confidentiality of information provided by the department of state revenue under this chapter. However, the commission may disclose the information in any administrative or judicial proceeding to revoke or suspend the holder's permit as a result of any information provided by the department of state revenue.

(m) If the commission does not grant or renew a retailer permittee's carryout privileges, the denial shall not affect the other rights, privileges, and restrictions of the retailer's permit, including the retailer permittee's ability to sell alcoholic beverages for on-premises consumption.

SECTION 34. IC 7.1-3-20-13.6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 13.6. (a) As used in this section, "clubhouse" means a facility:





- (1) that is located on a golf course; and
- (2) where alcoholic beverages are sold under a retailer's permit or a club permit issued by the commission.

(b) The holder of a retailer's permit or a club permit for the sale of alcoholic beverages at a clubhouse may, under the same permit, sell alcoholic ~~mat~~ beverages at a permanent, semipermanent, or portable structure or cart that meets the following requirements:

- (1) Is on the same golf course premises as the clubhouse.
- (2) Is within reasonable proximity of the clubhouse.
- (3) Provides minimum food service.
- (4) Has a floor plan or design that meets the following requirements:
  - (A) Is on file with the commission.
  - (B) Has been approved by the commission.

(c) All employees of a permittee described in subsection (b), who are involved in the furnishing, supplying, conveying, selling or serving of alcoholic beverages, shall have an employee's permit or bartender's permit, as applicable.

SECTION 35. IC 7.1-3-20-16, AS AMENDED BY P.L.214-2016, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 16. (a) A permit that is authorized by this section may be issued without regard to the quota provisions of IC 7.1-3-22.

(b) The commission may issue a three-way permit to sell alcoholic beverages for on-premises consumption only to an applicant who is the proprietor, as owner or lessee, or both, of a restaurant facility in the passenger terminal complex of a publicly owned airport. A permit issued under this subsection shall not be transferred to a location off the airport premises.

(c) Except as provided in section 16.3 of this chapter, the commission may issue a three-way, two-way, or one-way permit to sell alcoholic beverages for on-premises consumption only to an applicant who is the proprietor, as owner or lessee, or both, of a restaurant within a redevelopment project consisting of a building or group of buildings that:

- (1) was formerly used as part of a union railway station;
- (2) has been listed in or is within a district that has been listed in the federal National Register of Historic Places maintained pursuant to the National Historic Preservation Act of 1966, as amended; and
- (3) has been redeveloped or renovated, with the redevelopment or renovation being funded in part with grants from the federal, state, or local government.



A permit issued under this subsection shall not be transferred to a location outside of the redevelopment project.

(d) Subject to section 16.1 of this chapter and except as provided in section 16.3 of this chapter, the commission may issue a three-way, two-way, or one-way permit to sell alcoholic beverages for on-premises consumption only to an applicant who is the proprietor, as owner or lessee, or both, of a restaurant:

- (1) on land; or
- (2) in a historic river vessel;

within a municipal riverfront development project funded in part with state and city money. The ownership of a permit issued under this subsection and the location for which the permit was issued may not be transferred. The legislative body of the municipality in which the municipal riverfront development project is located shall recommend to the commission sites that are eligible to be permit premises. The commission shall consider, but is not required to follow, the municipal legislative body's recommendation in issuing a permit under this subsection. A permit holder and any lessee or proprietor of the permit premises are subject to the formal written commitment required under IC 7.1-3-19-17. Notwithstanding IC 7.1-3-1-3.5 **and IC 7.1-3-1.1**, if business operations cease at the permit premises for more than six (6) months, the permit shall revert to the commission. The permit holder is not entitled to any refund or other compensation.

(e) Except as provided in section 16.3 of this chapter, the commission may issue a three-way, two-way, or one-way permit to sell alcoholic beverages for on-premises consumption only to an applicant who is the proprietor, as owner or lessee, or both, of a restaurant within a renovation project consisting of:

- (1) a building that:
  - (+) (A) was formerly used as part of a passenger and freight railway station; and
  - (-) (B) was built before 1900; or
- (2) a complex of buildings that:
  - (A) is part of an economic development area established under IC 36-7-14; and
  - (B) includes, as part of the renovation project, the use and repurposing of two (2) or more buildings and structures that are:
    - (i) at least seventy-five (75) years old; and
    - (ii) located at a site at which manufacturing previously occurred over a period of at least seventy-five (75) years.

The permit authorized by this subsection may be issued without regard



to the proximity provisions of IC 7.1-3-21-11.

(f) Except as provided in section 16.3 of this chapter, the commission may issue a three-way permit for the sale of alcoholic beverages for on-premises consumption at a cultural center for the visual and performing arts to the following:

(1) A town that:

(A) is located in a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000); and

(B) has a population of more than twenty thousand (20,000) but less than twenty-three thousand seven hundred (23,700).

(2) A city that has an indoor theater as described in section 26 of this chapter.

(g) Except as provided in section 16.3 of this chapter, the commission may issue not more than ten (10) new three-way, two-way, or one-way permits to sell alcoholic beverages for on-premises consumption to applicants, each of whom must be the proprietor, as owner or lessee, or both, of a restaurant located within a district, or not more than seven hundred (700) feet from a district, that meets the following requirements:

(1) The district has been listed in the National Register of Historic Places maintained under the National Historic Preservation Act of 1966, as amended.

(2) A county courthouse is located within the district.

(3) A historic opera house listed on the National Register of Historic Places is located within the district.

(4) A historic jail and sheriff's house listed on the National Register of Historic Places is located within the district.

The legislative body of the municipality in which the district is located shall recommend to the commission sites that are eligible to be permit premises. The commission shall consider, but is not required to follow, the municipal legislative body's recommendation in issuing a permit under this subsection. An applicant is not eligible for a permit if, less than two (2) years before the date of the application, the applicant sold a retailer's permit that was subject to IC 7.1-3-22 and that was for premises located within the district described in this section or within seven hundred (700) feet of the district. The ownership of a permit issued under this subsection and the location for which the permit was issued shall not be transferred. A permit holder and any lessee or proprietor of the permit premises is subject to the formal written commitment required under IC 7.1-3-19-17. Notwithstanding IC 7.1-3-1-3.5 and IC 7.1-3-1.1, if business operations cease at the



permit premises for more than six (6) months, the permit shall revert to the commission. The permit holder is not entitled to any refund or other compensation. The total number of active permits issued under this subsection may not exceed ten (10) at any time. The cost of an initial permit issued under this subsection is six thousand dollars (\$6,000).

(h) Except as provided in section 16.3 of this chapter, the commission may issue a three-way permit for the sale of alcoholic beverages for on-premises consumption to an applicant who will locate as the proprietor, as owner or lessee, or both, of a restaurant within an economic development area under IC 36-7-14 in:

(1) a town with a population of more than twenty thousand (20,000); or

(2) a city with a population of more than forty-four thousand five hundred (44,500) but less than forty-five thousand (45,000);

located in a county having a population of more than one hundred ten thousand (110,000) but less than one hundred eleven thousand (111,000). The commission may issue not more than five (5) licenses under this section to premises within a municipality described in subdivision (1) and not more than five (5) licenses to premises within a municipality described in subdivision (2). The commission shall conduct an auction of the permits under IC 7.1-3-22-9, except that the auction may be conducted at any time as determined by the commission. Notwithstanding any other law, the minimum bid for an initial license under this subsection is thirty-five thousand dollars (\$35,000), and the renewal fee for a license under this subsection is one thousand three hundred fifty dollars (\$1,350). Before the district expires, a permit issued under this subsection may not be transferred. After the district expires, a permit issued under this subsection may be renewed, and the ownership of the permit may be transferred, but the permit may not be transferred from the permit premises.

(i) After June 30, 2006, and except as provided in section 16.3 of this chapter, the commission may issue not more than five (5) new three-way, two-way, or one-way permits to sell alcoholic beverages for on-premises consumption to applicants, each of whom must be the proprietor, as owner or lessee, or both, of a restaurant located within a district, or not more than five hundred (500) feet from a district, that meets all of the following requirements:

(1) The district is within an economic development area, an area needing redevelopment, or a redevelopment district as established under IC 36-7-14.

(2) A unit of the National Park Service is partially located within



the district.

(3) An international deep water seaport is located within the district.

An applicant is not eligible for a permit under this subsection if, less than two (2) years before the date of the application, the applicant sold a retailers' permit that was subject to IC 7.1-3-22 and that was for premises located within the district described in this subsection or within five hundred (500) feet of the district. A permit issued under this subsection may not be transferred. If the commission issues five (5) new permits under this subsection, and a permit issued under this subsection is later revoked or is not renewed, the commission may issue another new permit, as long as the total number of active permits issued under this subsection does not exceed five (5) at any time. The commission shall conduct an auction of the permits under IC 7.1-3-22-9, except that the auction may be conducted at any time as determined by the commission.

(j) Subject to section 16.2 of this chapter and except as provided in section 16.3 of this chapter, the commission may issue not more than six (6) new three-way, two-way, or one-way permits to sell alcoholic beverages for on-premises consumption only to an applicant who is the proprietor, as owner or lessee, or both, of a restaurant on land within a municipal lakefront development project funded in part with state, local, and federal money. A permit issued under this subsection may not be transferred. If the commission issues six (6) new permits under this subsection, and a permit issued under this subsection is later revoked or is not renewed, the commission may issue another new permit, as long as the total number of active permits issued under this subsection does not exceed six (6) at any time. The commission shall conduct an auction of the permits under IC 7.1-3-22-9, except that the auction may be conducted at any time as determined by the commission. Notwithstanding any other law, the minimum bid for an initial permit under this subsection is ten thousand dollars (\$10,000).

(k) Except as provided in section 16.3 of this chapter, the commission may issue not more than nine (9) new three-way permits to sell alcoholic beverages for on-premises consumption to applicants, each of whom must be a proprietor, as owner or lessee, or both, of a restaurant located:

- (1) within a motorsports investment district (as defined in IC 5-1-17.5-11); or
- (2) not more than one thousand five hundred (1,500) feet from a motorsports investment district.

The ownership of a permit issued under this subsection and the location



for which the permit was issued shall not be transferred. If the commission issues nine (9) new permits under this subsection, and a permit issued under this subsection is later revoked or is not renewed, the commission may issue another new permit, as long as the total number of active permits issued under this subsection does not exceed nine (9) at any time. A permit holder and any lessee or proprietor of the permit premises are subject to the formal written commitment required under IC 7.1-3-19-17. Notwithstanding IC 7.1-3-1-3.5 **and IC 7.1-3-1.1**, if business operations cease at the permit premises for more than six (6) months, the permit shall revert to the commission. The permit holder is not entitled to any refund or other compensation.

(l) Except as provided in section 16.3 of this chapter, the commission may issue not more than two (2) new three-way permits to sell alcoholic beverages for on-premises consumption for premises located within a qualified motorsports facility (as defined in IC 5-1-17.5-14). The ownership of a permit issued under this subsection and the location for which the permit was issued shall not be transferred. If the commission issues two (2) new permits under this subsection, and a permit issued under this subsection is later revoked or is not renewed, the commission may issue another new permit, as long as the total number of active permits issued under this subsection does not exceed two (2) at any time. A permit holder and any lessee or proprietor of the permit premises are subject to the formal written commitment required under IC 7.1-3-19-17. Notwithstanding IC 7.1-3-1-3.5 **and IC 7.1-3-1.1**, if business operations cease at the permit premises for more than six (6) months, the permit shall revert to the commission. The permit holder is not entitled to any refund or other compensation.

SECTION 36. IC 7.1-3-20-16.8, AS ADDED BY P.L.214-2016, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 16.8. (a) A permit that is authorized by this section may be issued without regard to the quota provisions of IC 7.1-3-22.

(b) Except as provided in section 16.3 of this chapter, the commission may issue not more than four (4) new three-way permits to sell alcoholic beverages for on-premises consumption to applicants in each of the following municipalities:

- (1) Whitestown.
- (2) Lebanon.
- (3) Zionsville.
- (4) Westfield.
- (5) Carmel.



- (6) Fishers.
- (c) The following apply to permits issued under this section:
- (1) An applicant for a permit under this section must be a proprietor, as owner or lessee, or both, of a restaurant located within an economic development area, an area needing redevelopment, or a redevelopment district as established under IC 36-7-14 in a municipality's:
    - (A) downtown redevelopment district; or
    - (B) downtown economic revitalization area.
  - (2) The cost of an initial permit is forty thousand dollars (\$40,000).
  - (3) The total number of active permits issued under this section may not exceed twenty-four (24) permits at any time. If any of the permits issued under this section are revoked or not renewed, the commission may issue only enough new permits to bring the total number of permits to twenty-four (24) active permits, with not more than four (4) in each municipality listed in subsection (b)(1) through (b)(6).
  - (4) The municipality may adopt an ordinance under IC 7.1-3-19-17 requiring a permit holder to enter into a formal written commitment as a condition of eligibility for a permit. As set forth in IC 7.1-3-19-17(b), a formal written commitment is binding on the permit holder and on any lessee or proprietor of the permit premises.
  - (5) Notwithstanding IC 7.1-3-1-3.5 **and IC 7.1-3-1.1**, if business operations cease at the permit premises for more than six (6) months, the permit shall revert to the commission and the permit holder is not entitled to any refund or other compensation.
  - (6) Except as provided in subdivision (8), the ownership of a permit may not be transferred.
  - (7) A permit may not be transferred from the premises for which the permit was issued.
  - (8) If the area in which the permit premises is located is no longer designated an economic development area, an area needing redevelopment, or a redevelopment district, a permit issued under this section may be renewed, and the ownership of the permit may be transferred, but the permit may not be transferred from the permit premises.

SECTION 37. IC 7.1-3-20-22 IS REPEALED [EFFECTIVE JULY 1, 2019]. ~~Sec. 22. Resort Hotels: Seasonal Permits: The commission may grant a seasonal permit to a resort hotel upon the application of its owner or manager if he possesses the same qualifications that are~~



required for the issuance of corresponding permits to other applicants. The seasonal permit shall entitle the permittee to sell beer, liquor, or wine, from the fifteenth day of April to the fifteenth day of October, both dates inclusive.

SECTION 38. IC 7.1-3-20-28 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 28. A retailer permittee may sell or dispense alcoholic beverages for on-premises consumption only in an outdoor beer garden that:**

- (1) has a bar;
- (2) is accessible only through the permit premises; and
- (3) is a defined area that is enclosed by:
  - (A) the outside walls of the permit premises; or
  - (B) a nontransparent wall that is at least seventy-two (72) inches in height.

SECTION 39. IC 7.1-3-20-28.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: **Sec. 28.5. (a) This section applies to the premises of a:**

- (1) civic center permit; or
- (2) retail permit that operates as a recreational facility offering bowling, arcade games, and outside volleyball courts or other outside recreational games on the licensed premises.
- (b) In accordance with subsection (c), the holder of a:
  - (1) civic center permit; or
  - (2) retail permit described in subsection (a)(2) which has a gross business of at least one million dollars (\$1,000,000) in the retail sale of food;

may, subject to the approval of the commission, sell or dispense alcoholic beverages for which the permittee holds the appropriate permit, for on-premises consumption only, from a bar that is located on an outside patio, porch, veranda, terrace, or rooftop of a building that is contiguous to the main building of the licensed premises.

(c) The holder of the civic center or retail permit described in subsection (a)(2) may sell or dispense alcoholic beverages as provided under subsection (b) only if all the following conditions are met:

- (1) The outside area described in subsection (b) is:
  - (A) part of the licensed premises; and
  - (B) clearly delineated in some manner by a fence, hedge, rail, wall, or similar barrier.





**(2) Except as provided in IC 7.1-5-7-11, if minors are allowed on the premises:**

**(A) the bar area must be separated from the outside dining area where minors may be served by a structure or barrier that reasonably deters free access and egress, without requirement for doors or gates; and**

**(B) a conspicuous sign must be posted by the barrier described in clause (A) stating that minors may not cross the barrier to enter the bar area.**

SECTION 40. IC 7.1-3-20-29 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 29. **(a) As used in this section, "food hall" means the premises:**

**(1) located within a retail shopping and food service district; and**

**(2) to which a master permit is issued under this section.**

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

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

**(1) The district consists of an area that:**

**(A) has been redeveloped, renovated, or environmentally remediated in part with grants from the federal, state, or local government under IC 36-7-11; and**

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

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

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

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

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

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

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

**(1) contains not less than seven (7) distinct, nonaffiliated retail**



food and beverage vendors, each of which may apply for a food hall vendor permit under section 30 of this chapter; and (2) has a seating capacity of the type traditionally designed for food and drink for at least one hundred (100) people.

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

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

SECTION 41. IC 7.1-3-20-30 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 30. (a) The definitions in section 29 of this chapter apply to this section.

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

(c) The commission may issue a one-, two-, or three-way retailer's permit for on-premises consumption only to an applicant for a vendor's permit that has been approved by the commission to operate within a food hall. Each vendor that sells alcoholic beverages within the food hall must obtain a vendor's permit.

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

- (1) Each vendor permittee shall:
  - (A) maintain the vendor permittee's own retail merchant's certificate; and
  - (B) be responsible for the payment of the vendor permittee's own state gross retail taxes under IC 6-2.5 and withholding taxes required to be remitted under IC 6-3-4.
- (2) Each vendor permittee shall conform to all health and safety requirements of local and state agencies.
- (3) Each vendor permittee shall comply with all requirements under IC 7.1-5-9-15.
- (4) Each vendor permittee shall comply with IC 7.1-5-10-20



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

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

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

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

(8) Any vendor permittee that desires to relocate its food and beverage space within the food hall premises may relocate upon the commission's approval of a floor plan change.

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

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

SECTION 42. IC 7.1-3-21-11, AS AMENDED BY P.L.196-2015, SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 11. (a) As used in this section, "wall" means a wall of a building. The term does not include a boundary wall.

(b) Except as provided in subsections (c), ~~and~~ (g), **and** (h), the commission may not issue a permit for a premises if a wall of the premises is situated within two hundred (200) feet from a wall of a school or church, if no permit has been issued for the premises under the provisions of Acts 1933, Chapter 80.

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

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

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



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

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

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

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

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

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

(g) If the commission:

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

(2) determines the church or school does not object as described in subsection (c)(1)(C);

the commission may not consider subsequent objections from the church or school to the issuance of the same permit type at the same premises location.

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

SECTION 43. IC 7.1-3-21-14, AS AMENDED BY P.L.28-2014, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 14. (a) The commission shall issue a permit for the sale of alcoholic beverages on the Indiana state fair grounds to the Indiana state fair commission.

(b) The **following applies** ~~holder of a permit~~ under this section: **is**

(1) **A permit holder is** entitled to sell alcoholic beverages on the state fair grounds to consumers by the glass.

(2) **The state fair commission is entitled to allow a brewery**



**under IC 7.1-3-2-7(5), a farm winery under IC 7.1-3-12, or an artisan distillery under IC 7.1-3-27, to sell alcoholic beverages to consumers for consumption off the state fair grounds:**

- (A) at a trade show or an exposition at which products of a permittee participant are displayed, promoted, and sold;**
- (B) at a time other than during the state fair; and**
- (C) including at a location on the property of the state fair grounds for which a supplemental caterer's permit has been approved.**

~~(2)~~ **(3) A permit holder is** entitled to permit multiple vendors of the state fair commission with separate permits at different locations on the state fair grounds to sell alcoholic beverages by the glass under the permit.

~~(3)~~ **(4) A permit holder is** entitled to receive the permit directly from the commission without local board approval.

~~(4)~~ **(5) A permit holder is** not subject to quota restrictions under IC 7.1-3-22-3. ~~and~~

~~(5)~~ **(6) A permit holder is** entitled to allow a minor to be present in the places where alcoholic beverages are sold.

(c) The holder of a permit under this section must comply with the following requirements:

- (1) File a floor plan of the premises where alcoholic beverages will be served and consumed.
- (2) Provide that service of alcoholic beverages may be performed only by servers certified under IC 7.1-3-1.5.
- (3) Allow sales during the times prescribed under IC 7.1-3-1-14.
- (4) Prohibit sales prohibited under IC 7.1-5-10-1.
- (5) Operate under rules adopted by the commission to protect the public interest under IC 7.1-1-1.

SECTION 44. IC 7.1-3-22-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 9. (a) This section applies to any permit that is subject to the quota provisions of this chapter unless ~~that the~~ permit is obtained by sale, assignment, or transfer under IC 7.1-3-24.

(b) Whenever a permit to which this chapter applies becomes available, the commission shall offer an opportunity to bid for that permit to all persons who are qualified to receive that permit and who have indicated a desire to obtain that permit. The commission shall receive bids at an auction that it conducts. The highest bidder at the commission's auction who is qualified to receive the permit in all respects, including a determination by the local board that the person:

- (1) is of good moral character and does not have a conviction**



**described in IC 7.1-3-4-2(a)(3) that has not been expunged under IC 35-38-9; and**

**(2) is of good repute in the community in which that person resides;**

is entitled to receive the permit. This bidder shall pay the amount of the bid at the time the permit is issued as a special fee for initial issuance of the permit.

(c) The special fee for initial issuance of a permit that is prescribed by this section is in addition to any other fees imposed by this title.

(d) All fee revenues collected under this section are subject to IC 7.1-4-7-4.

(e) The commission shall adopt rules under IC 4-22-2 to implement this section.

SECTION 45. IC 7.1-3-23-2, AS AMENDED BY P.L.3-2008, SECTION 69, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 2. (a) The commission may:

(1) fine or suspend or revoke the permit **or certificate** of; or

(2) fine and suspend or revoke the permit **or certificate** of;

a permittee for the violation of a provision of this title or of a rule or regulation of the commission. The commission may fine a permittee for each day the violation continues if the violation is of a continuing nature.

(b) The commission shall revoke the permit of a permittee for the violation of IC 35-45-5-3, IC 35-45-5-3.5, or IC 35-45-5-4. A finding that a permittee has violated IC 35-45-5-3, IC 35-45-5-3.5, or IC 35-45-5-4 must be supported by a preponderance of the evidence.

SECTION 46. IC 7.1-3-24-3.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: **Sec. 3.5. (a) A person purchasing an existing permit from another permit holder must submit an executed purchase agreement to the commission as part of the applicant's request to transfer the ownership of the permit. The purchase agreement must include the following:**

**(1) The agreement must be signed by the applicant and the current permit holder.**

**(2) The agreement must provide detailed information regarding the purchase price and sale terms of the permit and other business assets, including the following:**

**(A) An itemization of all personal and real property being sold, detailing the sale terms and price for each item.**

**(B) If the personal property and real property are being purchased by different persons, the purchase agreement**



**must identify the persons purchasing each item of personal property and real property.**

**(C) Any other information required by the commission.**

**(b) A purchase agreement provided to the commission is confidential under IC 5-14-3 and may not be disclosed to the public except for the following information:**

- (1) The type of permit sold.**
- (2) The permit sale price.**
- (3) The jurisdiction (city, town, or county) in which the permit is located.**

**(c) The commission shall maintain a publicly accessible data base of the information listed in subsection (b).**

**(d) The commission shall review and consider an application for transfer of the permit and a purchase agreement before approving or denying the transfer application.**

SECTION 47. IC 7.1-3-27-6, AS AMENDED BY P.L.79-2015, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 6. (a) A holder of an artisan distiller's permit may also hold: ~~one (1) of the following:~~

- (1) A one (1) or more farm winery permit permits;**
- (2) A one (1) or more brewer's permit permits issued under IC 7.1-3-2-2(b); or**
- (3) A one (1) or more distiller's permit under IC 7.1-3-7.**

**(b) A holder of an artisan distiller's permit who also holds a permit described under subsection (a)(2) may hold a beer retailer's permit, a wine retailer's permit, or a liquor retailer's permit for a restaurant. as described in IC 7.1-3-2-7(5)(C).**

SECTION 48. IC 7.1-3-27-8, AS AMENDED BY P.L.270-2017, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: 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) The holder of an artisan distiller's permit may transport liquor to and from a brewery located within the same county for the purposes of carbonating and canning by the brewery. The activity under this subsection is not an interest under IC 7.1-5-9.**

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

SECTION 49. IC 7.1-3-27-8.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: **Sec. 8.5. (a) This section applies if:**

**(1) a person that has an artisan distiller's permit also has an interest in:**

**(A) a farm winery permit; or**

**(B) a brewer's permit under IC 7.1-3-2-7(5); and**





(2) the artisan distillery and the brewery or farm winery production facility occupy the same building.

(b) Notwithstanding any other provision, a person to whom this section applies may sell for consumption on the premises all alcoholic beverages:

- (1) manufactured at the two (2) production facilities; and
- (2) from a single bar.

The commission may not require any physical separation at the bar between the service of alcoholic beverages manufactured by one (1) production facility and the service of alcoholic beverages manufactured by the other production facility.

(c) This section does not exempt a person to which this section applies from complying with permit restrictions affecting the sales and service of each alcoholic beverage produced by the two (2) production facilities. If the law applicable to one (1) of the permits under subsection (a)(2) that the person has an interest in is more prohibitive or restrictive regarding the presence of a minor in the bar area of the licensed premises than the law applicable to the other premises under subsection (a)(2) that the person has an interest in, the more prohibitive or restrictive law applies to the single bar area.

SECTION 50. IC 7.1-3-29 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1 2019]:

**Chapter 29. College Stadiums**

**Sec. 1.** As used in this chapter, "stadium" means an intercollegiate stadium that has a permanent seating capacity of at least seventy thousand (70,000) people.

**Sec. 2. (a)** A stadium may:

- (1) submit a floor plan of proposed storage locations to the commission for approval; and
- (2) indicate the primary concessionaire operating at the stadium;

if a stadium intends to allow alcoholic beverages to be stored at the stadium for use by a supplemental caterer operating at the stadium.

(b) The stadium may change the primary concessionaire operating at the stadium with notification to the commission.

**Sec. 3.** A holder of a supplemental caterer's permit that operates at a stadium may purchase alcoholic beverages from a wholesaler or a brewery described in IC 7.1-3-2-7(5), and the wholesaler or brewery described in IC 7.1-3-2-7(5) may deliver the alcoholic



beverages to the stadium to be stored in an area that has been approved by the commission. The alcoholic beverages may be stored temporarily or permanently to be served later by a holder of a supplemental caterer's permit.

**Sec. 4. This chapter does not restrict or limit the use of a supplemental caterer's permit at a stadium.**

SECTION 51. IC 7.1-4-4.1-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 7. The fee for:

- (1) a letter of extension; and
- (2) each renewal of a letter of extension;

is ~~fifty two hundred~~ dollars ~~(\$50)~~ **(\$200)** if the need for the letter of extension, or renewal, is occasioned by the act or omission of the permittee. The commission shall waive the fee for a letter of extension, and a renewal, if the need for the letter of extension, or renewal, is occasioned by the act or omission of the commission, a local board, or a third party unrelated to the permittee involved and not employed by the permittee or under the control of the permittee. **From each fee collected under this section, fifty dollars (\$50) shall be deposited in the state general fund, and the remainder shall be deposited in the enforcement and administration fund under IC 7.1-4-10.**

SECTION 52. IC 7.1-4-4.1-9, AS AMENDED BY P.L.214-2016, SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 9. (a) This section applies to the following biennial permits:

- (1) Beer retailer's permit.
- (2) Liquor retailer's permit.
- (3) Wine retailer's permit.
- (4) One-way permit.
- (5) Two-way permit.
- (6) Three-way permit.
- (7) Airplane beer permit.
- (8) Airplane liquor permit.
- (9) Airplane wine permit.
- (10) Boat beer permit.
- (11) Boat liquor permit.
- (12) Boat wine permit.
- (13) Dining car beer permit.
- (14) Dining car liquor permit.
- (15) Dining car wine permit.
- ~~(16) Hotel seasonal permit.~~

(b) The commission shall charge a single fee for the issuance of any combination of retailer's permits issued for the same location or



conveyance.

(c) Except as provided in subsection (d), an annual permit fee in the following amount is imposed on a retailer:

- (1) Five hundred dollars (\$500), if the retailer serves only beer or only wine.
- (2) Seven hundred fifty dollars (\$750), if the retailer serves both beer and wine but no liquor.
- (3) One thousand dollars (\$1,000), if the retailer serves beer, wine, and liquor.

(d) An annual permit fee for a three-way permit issued to a state park under IC 7.1-3-17.8-1 is two hundred fifty dollars (\$250).

SECTION 53. IC 7.1-4-4.1-12, AS AMENDED BY P.L.224-2005, SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 12. (a) This section applies to the following biennial permits:

- (1) Beer dealer's permit.
- (2) Liquor dealer's permit.
- ~~(3) Malt dealer's permit.~~
- ~~(4)~~ (3) Wine dealer's permit.

(b) The commission shall charge a single fee for the issuance of any combination of dealers' permits issued for the same location. The fee is equal to the sum of the amount determined under subsection (c).

(c) An annual permit fee in the following amount is imposed on a dealer:

- (1) Five hundred dollars (\$500), if the dealer sells only beer, only liquor, or only wine.
- (2) Seven hundred fifty dollars (\$750), if the dealer sells:
  - (A) both beer and wine but no liquor;
  - (B) both wine and liquor but no beer; or
  - (C) both beer and liquor but no wine.
- (3) One thousand dollars (\$1,000), if the dealer sells beer, wine, and liquor.

SECTION 54. IC 7.1-4-4.1-13, AS AMENDED BY P.L.165-2006, SECTION 35, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 13. (a) This section applies to the following permits:

- (1) Beer wholesaler's permit.
- ~~(2) Malt wholesaler's permit.~~
- ~~(3)~~ (2) Liquor wholesaler's permit.
- ~~(4)~~ (3) Wine wholesaler's permit.

(b) Except as provided in subsection (c), a permit fee of two thousand dollars (\$2,000) is annually imposed for the issuance of each



of the permits described in subsection (a).

(c) A permit fee of one hundred dollars (\$100) is annually imposed for the issuance of a wine wholesaler's permit to a permit applicant who:

- (1) has never previously held a wine wholesaler's permit and anticipates selling less than twelve thousand (12,000) gallons of wine and brandy in a year; or
- (2) previously held a wine wholesaler's permit and certifies to the commission that the permit applicant sold less than twelve thousand (12,000) gallons of wine and brandy in the previous year.

SECTION 55. IC 7.1-4-4.1-20 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 20. (a) The initial fee for a food hall master permit is fifty thousand dollars (\$50,000).**

**(b) The annual renewal fee for a food hall master permit is five thousand dollars (\$5,000).**

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

SECTION 56. IC 7.1-4-4.1-21 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 21. (a) The initial application fee for a food hall vendor's permit is as follows:**

- (1) For a vending space that is less than one thousand (1,000) square feet, the cost of an initial permit is two thousand five hundred dollars (\$2,500).**
- (2) For a vending space that is at least one thousand (1,000) square feet but not more than two thousand (2,000) square feet, the cost of an initial permit fee is five thousand dollars (\$5,000).**

**(b) The annual renewal fee for a food hall vendor's permit under subsection (a) is one thousand dollars (\$1,000). The commission shall deposit all fees collected for a food hall vendor's permit under subsection (a) and this subsection into the enforcement and administration fund established under IC 7.1-4-10.**

**(c) If a vending space is more than two thousand (2,000) square feet, a vendor must purchase a one-way, two-way, or three-way permit, subject to:**

- (1) availability under IC 7.1-3-22; and**
- (2) the annual renewal fees under section 9 of this chapter.**



SECTION 57. IC 7.1-4-5 IS REPEALED [EFFECTIVE JULY 1, 2019]. (Malt Excise Tax).

SECTION 58. IC 7.1-5-5-13 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: **Sec. 13. (a) Notwithstanding any other provision of this title, manufacturers, wholesalers, and retailer permittees may provide directly to consumers free or discounted rides through:**

- (1) taxicabs;
- (2) transportation network companies (as defined in IC 8-2.1-17-18); or
- (3) other ride services;

**for the purpose of furthering public safety.**

**(b) Free or discounted rides may be provided to consumers by vouchers, codes, or any other method to deliver the free or discounted ride. A free or discounted ride, or the provision of a voucher, code, or other method of delivery, may not be conditioned upon the purchase of an alcoholic beverage.**

SECTION 59. IC 7.1-5-7-11, AS AMENDED BY P.L.270-2017, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: **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.
  - (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 and any additional locations of the farm winery under IC 7.1-3-12, if the minor is in the company of a parent, legal guardian or custodian, or family member who is at least twenty-one (21) years of age.
  - (28) An artisan distillery under IC 7.1-3-27, if:
    - (A) the person who holds the artisan distiller's permit also holds a farm winery permit under IC 7.1-3-12; and
    - (B) the minor is in the company of a parent, legal guardian or custodian, or family member who is at least twenty-one (21) years of age.
  - (29) An art instruction studio under IC 7.1-5-8-4.6.**
  - (30) The licensed premises of a food hall under IC 7.1-3-20-29 and the food and beverage vending space of a food hall vendor permittee under IC 7.1-3-20-30. However, sections 9 and 10 of this chapter apply to a bar within the food and beverage vending space of a food hall vendor permittee under IC 7.1-3-20-30 that serves alcoholic beverages intended to be consumed while sitting or standing at the bar.**
- (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 60. IC 7.1-5-8-4, AS AMENDED BY P.L.153-2015, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 4. (a) It is a Class B misdemeanor for a person who owns or operates a private or public restaurant or place of public or private entertainment to knowingly or intentionally permit another person to come into the establishment with an alcoholic beverage for sale or gift, or for consumption in the establishment by that person or another, or to serve a setup to a person who comes into the establishment. However, the provisions of this section do not apply to the following:

- (1) A private room hired by a guest of a bona fide club or hotel that holds a retail permit.
- (2) A facility that is used in connection with the operation of a paved track that is used primarily in the sport of auto racing.
- (3) An outdoor place of public entertainment that:
  - (A) has an area of at least four (4) acres and not more than six (6) acres;
  - (B) is located within one (1) mile of the White River;
  - (C) is owned and operated by a nonprofit corporation exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code; and
  - (D) is used primarily in connection with live music concerts.

(b) An establishment operated in violation of this section is declared to be a public nuisance and subject to abatement as other public nuisances are abated under the provisions of this title.

(c) This section does not apply to a person who owns or operates a private or public restaurant or place of public or private entertainment where a qualified organization is conducting:

- (1) an allowable event to which IC 7.1-3-6.1 applies, and the alcoholic beverage brought into the establishment is:
  - (A) in sealed bottles or cases; and
  - (B) donated to or purchased by the qualified organization to be offered as a prize in the allowable event; or
- (2) a charity auction to which IC 7.1-3-6.2 applies, and the alcoholic beverage brought into the establishment is:



- (A) in sealed bottles or cases; and
- (B) donated to or purchased by the qualified organization to be offered for sale in the charity auction.

**(d) This section does not apply to an art instruction studio under section 4.6 of this chapter.**

SECTION 61. IC 7.1-5-8-4.6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: **Sec. 4.6. (a) As used in this section, "art instruction studio" means any commercial establishment that provides to its customers:**

- (1) all required supplies; and**
- (2) step-by-step instruction in creating a painting or other work of art;**

**during a studio instructional session that is not conducted on a licensed premises.**

**(b) As used in this section, "proprietor" means the proprietor of an art instruction studio who is at least twenty-one (21) years of age.**

**(c) A proprietor may allow a patron who is at least twenty-one (21) years of age to bring one (1) seven hundred fifty (750) milliliter bottle of wine into the art instruction studio, if the requirements of this section are satisfied.**

**(d) Wine that is brought into an art instruction studio must be:**

- (1) in a sealed bottle; and**
- (2) only for consumption by:**
  - (A) the patron; and**
  - (B) persons in the company of the patron who are at least twenty-one (21) years of age;**

**while receiving art instruction.**

**(e) The proprietor or an employee who is at least twenty-one (21) years of age may open and serve wine that is brought into the licensed premises by a patron. The proprietor may provide wine glasses and other barware for the use of patrons in opening and consuming wine brought into the art instruction studio. However, the proprietor or employee may not provide ice, mixers, or garnishes.**

**(f) The proprietor and an employee who opens or serves wine:**

- (1) must have successfully completed a server program or trainer program under IC 7.1-3-1.5;**
- (2) must verify the age of a person consuming wine by examining:**
  - (A) a driver's license bearing the person's photograph;**





**(B) a photographic identification card issued under IC 9-24-16-1, or a similar card, issued under the laws of another state or the federal government, showing the person's age; or**

**(C) a government issued document bearing the person's photograph and showing the person to be at least twenty-one (21) years of age; and**

**(3) is responsible for any violation of IC 7.1-5-10-15.**

**(g) A proprietor who permits patrons to bring wine into the art instruction studio must make food available for consumption at the art instruction studio by:**

**(1) allowing a vehicle of transportation that is a food establishment (as defined in IC 16-18-2-137) to serve food near the art studio;**

**(2) placing menus in the art studio's premises of restaurants that will deliver food to the art studio; or**

**(3) providing food prepared at the art studio.**

SECTION 62. IC 7.1-5-8-5, AS AMENDED BY P.L.94-2008, SECTION 55, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 5. (a) This section does not apply to a person who, on or about a licensed premises, carries, conveys, or consumes beer or wine:

(1) described in IC 7.1-1-2-3(a)(4); and

(2) not sold or offered for sale.

(b) This section does not apply to a person at a facility that is used in connection with the operation of a track that is used primarily in the sport of auto racing.

(c) This section does not apply to a person at an outdoor place of public entertainment that:

(1) has an area of at least four (4) acres and not more than six (6) acres;

(2) is located within one (1) mile of the White River;

(3) is owned and operated by a nonprofit corporation exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code; and

(4) is used primarily in connection with live music concerts.

**(d) This section does not apply to a person who brings wine into an art instruction studio or consumes wine that is brought into the art instruction studio in accordance with section 4.6 of this chapter.**

~~(d)~~ (e) It is a Class C misdemeanor for a person, for the person's own use, to knowingly carry on, convey to, or consume on or about the licensed premises of a permittee an alcoholic beverage that was not



then and there purchased from that permittee.

SECTION 63. IC 7.1-5-9-10, AS AMENDED BY P.L.79-2015, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. (a) Except as provided in subsection (b), it is unlawful for a holder of a retailer's permit of any type to acquire, hold, own, or possess an interest of any type in a manufacturer's or wholesaler's permit of any type.

(b) It is lawful for a holder of a retailer's permit of any type to acquire, hold, own, or possess an interest of any type in **any of the following:**

- (1) A brewer's permit issued under IC 7.1-3-2-2(b). ~~and~~
- (2) An artisan distiller's permit if the holder of the retailer's permit also holds a brewer's permit described in subdivision (1).

**(c) It is lawful for the holder of a food hall vendor's permit under IC 7.1-3-20-30 to acquire, hold, own, or possess an interest of any type in a brewer's permit issued under IC 7.1-3-2-2, a farm winery permit issued under IC 7.1-3-12-3, or an artisan distiller's permit issued under IC 7.1-3-27-2. However, it is unlawful and a violation of subsection (a) for the holder of a food hall master permit under IC 7.1-3-20-29 to have ownership or control in the farm winery permit, artisan distiller's permit, or brewer's permit or in the farm winery's, artisan distiller's, or the brewer's food hall vendor's permit.**

~~(c)~~ (d) A person who knowingly or intentionally violates subsection (a) commits a Class B misdemeanor.

SECTION 64. IC 7.1-5-10-12, AS AMENDED BY P.L.234-2017, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 12. (a) Except as provided in subsections (b) through (d) and subsection (f), it is unlawful for a permittee to sell, offer to sell, purchase or receive, an alcoholic beverage for anything other than cash. A permittee who extends credit in violation of this section shall have no right of action on the claim.

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

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

(d) An artisan distiller, a distiller, or a liquor or wine wholesaler



may extend credit on liquor, flavored malt beverages, and wine sold to a permittee for a period of fifteen (15) days from the date of invoice, date of invoice included. However, if the fifteen (15) day period passes without payment in full, the wholesaler shall sell to that permittee on a cash on delivery basis only.

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

(f) Nothing in this section may be construed to prohibit ~~a retailer or dealer~~ **a hotel, restaurant, caterer, or a club that is not open to the general public** from ~~(+) extending credit to a consumer purchasing alcohol for personal use at any time. as long as any amount owed to the retailer or dealer by a consumer for alcohol is paid in full before the consumer leaves the permittee's premises; or~~

**(g) ~~(2)~~ Nothing in this section may be construed to prohibit a retailer or dealer from** accepting a:

- ~~(A)~~ **(1)** credit card;
- ~~(B)~~ **(2)** debit card;
- ~~(C)~~ **(3)** charge card; or
- ~~(D)~~ **(4)** stored value card;

from a consumer purchasing alcohol for personal use.

**SECTION 65. An emergency is declared for this act.**



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Speaker of the House of Representatives

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President of the Senate

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President Pro Tempore

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Governor of the State of Indiana

Date: \_\_\_\_\_ Time: \_\_\_\_\_

**HEA 1518 — CC 1**

