



February 15, 2019

SENATE BILL No. 609

DIGEST OF SB 609 (Updated February 13, 2019 2:08 pm - DI 106)

Citations Affected: IC 7.1-3.

Synopsis: Alcohol matters. Provides that a farm winery permit holder or an artisan distiller's permit holder may: (1) be the proprietor of a restaurant; (2) transfer wine or liquor from the winery or distillery to the restaurant; (3) have a window between the winery or distillery and the restaurant; and (4) have a doorway or other opening between the winery or distillery and the restaurant.

Effective: July 1, 2019.

Grooms, Garten

January 15, 2019, read first time and referred to Committee on Public Policy.
February 14, 2019, amended, reported favorably — Do Pass.

SB 609—LS 7536/DI 107



February 15, 2019

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.

SENATE BILL No. 609

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

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

1 SECTION 1. IC 7.1-3-12-5, AS AMENDED BY P.L.270-2017,
2 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2019]: Sec. 5. (a) The holder of a farm winery permit:
4 (1) is entitled to manufacture wine and to bottle wine produced by
5 the permit holder's farm winery;
6 (2) is entitled to serve complimentary samples of the winery's
7 wine on the licensed premises or an outside area that is
8 contiguous to the licensed premises, as approved by the
9 commission if each employee who serves wine on the licensed
10 premises:
11 (A) holds an employee's permit under IC 7.1-3-18-9; and
12 (B) completes a server training program approved by the
13 commission;
14 (3) is entitled to sell the winery's wine on the licensed premises to
15 consumers either by the glass, or by the bottle, or both;

SB 609—LS 7536/DI 107



- 1 (4) is entitled to sell the winery's wine to consumers by the bottle
 2 at a farmers' market that is operated on a nonprofit basis;
 3 (5) is entitled to sell wine by the bottle or by the case to a person
 4 who is the holder of a permit to sell wine at wholesale;
 5 (6) is exempt from the provisions of IC 7.1-3-14;
 6 (7) is entitled to advertise the name and address of any retailer or
 7 dealer who sells wine produced by the permit holder's winery;
 8 (8) for wine described in IC 7.1-1-2-3(a)(4):
 9 (A) may allow transportation to and consumption of the wine
 10 on the licensed premises; and
 11 (B) may not sell, offer to sell, or allow the sale of the wine on
 12 the licensed premises;
 13 (9) is entitled to purchase and sell bulk wine as set forth in this
 14 chapter;
 15 (10) is entitled to sell wine as authorized by this section for
 16 carryout on Sunday; ~~and~~
 17 (11) is entitled to sell and ship the farm winery's wine to a person
 18 located in another state in accordance with the laws of the other
 19 state; **and**
 20 **(12) is entitled to be the proprietor of a restaurant and**
 21 **conduct activities under IC 7.1-3-29-2.**
 22 (b) With the approval of the commission, a holder of a permit under
 23 this chapter may conduct business at not more than three (3) additional
 24 locations that are separate from the winery. At the additional locations,
 25 the holder of a permit may conduct any business that is authorized at
 26 the first location, except for the manufacturing or bottling of wine.
 27 (c) With the approval of the commission, a holder of a permit under
 28 this chapter may:
 29 (1) individually; or
 30 (2) with other permit holders under this chapter, holders of artisan
 31 distiller's permits, holders of brewer's permits issued under
 32 IC 7.1-3-2-2(b), or any combination of holders described in this
 33 subdivision;
 34 participate in a trade show or an exposition at which products of each
 35 permit holder participant are displayed, promoted, and sold. All of the
 36 permit holders may occupy the same tent, structure, or building. The
 37 commission may not grant approval under this subsection to a holder
 38 of a permit under this chapter for more than forty-five (45) days in a
 39 calendar year.
 40 SECTION 2. IC 7.1-3-27-8, AS AMENDED BY P.L.270-2017,
 41 SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 42 JULY 1, 2019]: Sec. 8. (a) The holder of an artisan distiller's permit



- 1 may do only the following:
- 2 (1) Manufacture liquor, including blending liquor purchased from
- 3 another manufacturer with liquor the artisan distiller
- 4 manufactures under section 11 of this chapter.
- 5 (2) Bottle liquor manufactured by the artisan distiller.
- 6 (3) Store liquor manufactured by the artisan distiller, including at
- 7 a facility within ten (10) miles of the artisan distiller's distillery.
- 8 (4) Transport, sell, and deliver liquor manufactured by the artisan
- 9 distiller to:
- 10 (A) places outside Indiana; or
- 11 (B) the holder of a liquor wholesaler's permit under IC 7.1-3-8.
- 12 (5) Sell liquor manufactured by the artisan distiller to consumers
- 13 by the drink, bottle, or case from the premises of the distillery
- 14 where the liquor was manufactured.
- 15 (6) Serve complimentary samples of the liquor manufactured by
- 16 the artisan distiller to consumers on the premises of the distillery
- 17 where the liquor was manufactured.
- 18 (7) Sell liquor as authorized by this section for carryout on
- 19 Sunday in a quantity at any one (1) time of not more than four and
- 20 five-tenths (4.5) liters.
- 21 (8) With the approval of the commission, participate:
- 22 (A) individually; or
- 23 (B) with other permit holders under this chapter, holders of
- 24 farm winery permits, holders of brewer's permits issued under
- 25 IC 7.1-3-2-2(b), or any combination of holders described in
- 26 this clause;
- 27 in a trade show or an exposition at which products of each permit
- 28 holder participant are displayed, promoted, and sold. All of the
- 29 permit holders may occupy the same tent, structure, or building.
- 30 The commission may not grant to a holder of a permit under this
- 31 chapter approval under this subdivision to participate in a trade
- 32 show or exposition for more than forty-five (45) days in a
- 33 calendar year.
- 34 **(9) Be the proprietor of a restaurant and conduct activities**
- 35 **listed in IC 7.1-3-29-2.**
- 36 (b) The holder of an artisan distiller's permit who provides samples
- 37 or sells liquor by the glass must furnish the minimum food
- 38 requirements prescribed by the commission.
- 39 (c) A storage facility used by an artisan distiller under subsection
- 40 (a)(3):
- 41 (1) must conform with federal laws, rules, and regulations; and
- 42 (2) must not be used for any purposes except for the storage of



1 liquor.

2 (d) An artisan distiller who knowingly or intentionally violates this

3 section commits a Class B misdemeanor.

4 SECTION 3. IC 7.1-3-29 IS ADDED TO THE INDIANA CODE

5 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE

6 JULY 1, 2019]:

7 **Chapter 29. Restaurants Owned by Farm Winery and Artisan**

8 **Distiller's Permit Holders**

9 **Sec. 1. (a) This chapter applies to the holder of:**

10 (1) a farm winery permit;

11 (2) an artisan distiller's permit; or

12 (3) a combination of the permits described in subdivisions (1)

13 and (2).

14 (b) A permit holder described in subsection (a) may also hold a

15 beer retailer's permit.

16 **Sec. 2. The holder of a permit described in section 1(a) of this**

17 **chapter may do the following:**

18 (1) Be the proprietor of a restaurant.

19 (2) Transfer wine or liquor directly from the winery, the

20 distillery, or the artisan distillery to the restaurant by means

21 of:

22 (A) bottles;

23 (B) bulk containers; or

24 (C) a continuous flow system.

25 (3) Install a window between the winery, the distillery, or the

26 artisan distillery and an adjacent restaurant that allows the

27 public and the holder of the permit to view both premises.

28 (4) Install a doorway or other opening between the winery,

29 the distillery, or the artisan distillery and an adjacent

30 restaurant that provides the public and the holder of the

31 permit with access to both premises.



COMMITTEE REPORT

Madam President: The Senate Committee on Public Policy, to which was referred Senate Bill No. 609, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 1, delete lines 1 through 15.

Delete page 2.

Page 3, delete lines 1 through 39.

Page 4, delete lines 11 through 42, begin a new line block indented and insert:

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

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

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

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

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

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

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

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

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

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

(11) is entitled to sell and ship the farm winery's wine to a person located in another state in accordance with the laws of the other state; ~~and~~

(12) is entitled to be the proprietor of a restaurant and conduct activities under IC 7.1-3-29-2."

Page 5, delete lines 1 through 10.

Page 5, delete lines 29 through 42.

Delete pages 6 through 8.

Page 9, delete lines 1 through 29.

Page 10, delete lines 24 through 37.

Page 10, line 38, delete "(11)" and insert "(9)".

Page 11, delete lines 8 through 42.

Delete pages 12 through 13.



Page 14, delete lines 1 through 40.

Page 15, delete lines 27 through 42.

Delete pages 16 through 21.

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 609 as introduced.)

ALTING, Chairperson

Committee Vote: Yeas 8, Nays 0.

