

HOUSE BILL No. 1386

DIGEST OF INTRODUCED BILL

Citations Affected: IC 7.1-2-3-33; IC 7.1-3; IC 7.1-4; IC 7.1-5; IC 34-30-2-20.8.

Synopsis: Various alcohol and tobacco matters. Allows, if certain conditions are met, the holder of a retailer permit that is issued for the premises of a hotel that is owned by an accredited college or university to sell or dispense, for on premise consumption only, alcoholic beverages from a: (1) nonpermanent bar that is located on; or (2) service window located on the licensed premises that opens to; an outside area or terrace that is contiguous to the main building of the licensed premises of the hotel. Allows the refilling of a bottle or container with hard cider in an establishment that manufactures hard cider. Allows an artisan distiller, with the approval of the alcohol and tobacco commission (commission), to participate in a trade show or an exposition for not more than 45 days in a calendar year. Provides for a temporary liquor permit, and establishes requirements and fees regarding the permit. Adds violations of certain tobacco and cigarette laws to the list of laws for which the commission may investigate and enforce penalties. Allow the commission to: (1) investigate; (2) enforce penalties; and (3) suspend or revoke tobacco sales certificates for failing to pay a civil penalty; if a certificate holder sells or distributes tobacco products or electronic cigarettes at a location determined to be a public nuisance or at which conduct or acts that are prohibited under IC 35 occur. Allows an alcoholic beverage permittee (permittee) or employee of the permittee to retain a driver's license, identification card, or government issued document (ID card) that is provided as proof of age for making an alcoholic beverage purchase, if the permittee has: (1) received alcohol server training; and (2) a reasonable belief that the ID card has been altered, falsified, or was not issued to
(Continued next page)

Effective: Upon passage; July 1, 2016.

Dermody, GiaQuinta

January 13, 2016, read first time and referred to Committee on Public Policy.



Digest Continued

the person who provided the card. Establishes requirements concerning retaining an ID card. Provides that the permittee is immune from civil or criminal liability for retaining an ID card, unless the permittee obtains the ID card by using force against the person. Removes a provision that makes it unlawful for the holder of a retailer's permit to sell alcoholic beverages at a reduced price for a part of the day. Allows the commission to issue, if certain conditions are met, a temporary beer permit for a festival or event to a person who has held a brewer's permit for a microbrewery for at least three years and meets other requirements. Amends the definition of hotel, for purposes of the alcoholic and tobacco laws, to allow the hotel to have at least 25 separate sleeping rooms under separate roofs if certain conditions are met. (Current law defines a hotel as having at least 25 separate sleeping rooms under one continuous roof.)



Introduced

Second Regular Session of the 119th General Assembly (2016)

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 2015 Regular Session of the General Assembly.

HOUSE BILL No. 1386

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 7.1-2-3-33 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 33. The commission is
3 authorized to:

4 (1) investigate a violation of; and
5 (2) enforce a penalty for a violation of;
6 IC 35-46-1-10, IC 35-46-1-10.2, **IC 35-46-1-11, IC 35-46-1-11.2,**
7 **IC 35-46-1-11.5, or IC 35-46-1-11.7, or IC 35-46-1-11.8.**

8 SECTION 2. IC 7.1-3-6-2 IS AMENDED TO READ AS
9 FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 2. ~~Persons Eligible for~~
10 ~~Permits~~. The commission may issue a temporary beer permit to a
11 person who is qualified to hold a beer retailer's permit and who has
12 such other qualifications as the commission may prescribe by a
13 provisional order until it adopts a rule or regulation on the matter.
14 However, the special disqualifications listed in ~~IC 1971, 7.1-3-4-2(c);~~
15 ~~(h); and (m);~~ **IC 7.1-3-4-2(a)(3), IC 7.1-3-4-2(a)(8), and**

2016

IN 1386—LS 7056/DI 110



1 **IC 7.1-3-4-2(a)(13)**, and the residency requirements provided in
 2 ~~IC 1971~~, **IC 7.1-3-21-3**, shall not apply to an applicant for a temporary
 3 beer permit.

4 SECTION 3. IC 7.1-3-6-3.6 IS AMENDED TO READ AS
 5 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3.6. (a) This
 6 section applies to a temporary beer permit for the sale of beer in a town
 7 park in a town having a population of less than ten thousand (10,000).

8 (b) The commission may not issue a temporary beer permit to a
 9 person unless:

10 (1) the person meets all of the requirements for a temporary beer
 11 permit under: ~~this chapter~~

12 **(A) sections 1 through 3 of this chapter; or**

13 **(B) section 3.8 of this chapter; and**

14 (2) the town council:

15 (A) holds a public hearing on the request for a permit; and

16 (B) approves the issuance of the temporary beer permit.

17 (c) If a person asks a town council to approve the issuance of a
 18 temporary beer permit, the town clerk-treasurer shall notify the
 19 commission of the town council's decision to approve or disapprove the
 20 permit not later than thirty (30) days after the person's request for
 21 approval.

22 (d) If a person who applies for a temporary beer permit from the
 23 commission demonstrates to the satisfaction of the commission that no
 24 action was taken on the person's request by the town council under
 25 subsection (c), the commission shall consider the request to be
 26 approved by the town council.

27 SECTION 4. IC 7.1-3-6-3.8 IS ADDED TO THE INDIANA CODE
 28 AS A **NEW SECTION TO READ AS FOLLOWS [EFFECTIVE**
 29 **UPON PASSAGE]: Sec. 3.8. (a) Notwithstanding any other**
 30 **provision in this chapter, the commission may issue a temporary**
 31 **beer permit if all the following apply:**

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

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

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

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

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

42 **(2) The applicant for the temporary beer permit:**



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

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

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

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

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

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

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

26 SECTION 5. IC 7.1-3-8-3, AS AMENDED BY P.L.153-2015,
27 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
28 JULY 1, 2016]: Sec. 3. (a) The holder of a liquor wholesaler's permit
29 shall be entitled to sell liquor at wholesale.

30 (b) A liquor wholesaler shall be entitled to purchase liquor within
31 this state from a person who holds an artisan distiller's permit, a
32 distiller's permit, a rectifier's permit, or a liquor wholesaler's permit. A
33 liquor wholesaler also may purchase liquor outside this state from the
34 primary source of supply and, from that source, may transport and
35 import liquor into this state.

36 (c) A liquor wholesaler may sell, transport, and deliver liquor only
37 to a person who, under this title, holds a:

- 38 (1) liquor retailer's permit;
39 (2) supplemental caterer's permit;
40 (3) liquor dealer's permit; or
41 (4) liquor wholesaler's permit; or
42 (5) temporary liquor permit.



1 A liquor wholesaler may sell, donate, transport, and deliver liquor to a
 2 qualified organization for an allowable event to which IC 7.1-3-6.1
 3 applies or charity auction to which IC 7.1-3-6.2 applies. The sale,
 4 transportation, donation to a qualified organization, and delivery of
 5 liquor shall be made only from inventory that has been located on the
 6 wholesaler's premises before the time of invoicing and delivery, and
 7 only in permissible containers and is subject to the rules of the
 8 commission fixing the quantity which may be sold or delivered at any
 9 one (1) time.

10 (d) A liquor wholesaler's bona fide regular employees may purchase
 11 liquor from the wholesaler in an amount not to exceed eighteen (18)
 12 liters.

13 SECTION 6. IC 7.1-3-11-11 IS ADDED TO THE INDIANA CODE
 14 AS A **NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY**
 15 **1, 2016]: Sec. 11. (a) Subject to section 13 of this chapter, the**
 16 **commission may issue a temporary liquor permit without**
 17 **publication of notice or investigation before a local board to a**
 18 **qualified person as provided in this chapter. In all other respects,**
 19 **a temporary liquor permit shall be issued, revoked, and governed**
 20 **by the restrictions and limitations made in a provisional order or**
 21 **rule or regulation of the commission.**

22 (b) The commission shall issue a temporary liquor permit to an
 23 applicant if:

- 24 (1) the applicant submits an application for a temporary
 25 liquor permit to the commission not later than five (5)
 26 business days before the event for which the permit is
 27 requested; and
- 28 (2) the applicant meets all requirements for a temporary
 29 liquor permit.

30 (c) If authorized by the chairman or the chairman's designee,
 31 and at the commission's discretion, a temporary liquor permit may
 32 be issued to an applicant that:

- 33 (1) submits an application for the temporary liquor permit to
 34 the commission not later than five (5) business days before the
 35 event for which the temporary liquor permit is requested; and
- 36 (2) meets all requirements for a temporary liquor permit.

37 SECTION 7. IC 7.1-3-11-12 IS ADDED TO THE INDIANA CODE
 38 AS A **NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY**
 39 **1, 2016]: Sec. 12. The commission may issue a temporary liquor**
 40 **permit only to a person who is qualified to hold a beer retailer's**
 41 **permit and who has other qualifications as the commission may**
 42 **prescribe by a provisional order until it adopts a rule or regulation**



1 on the matter. However, the special disqualifications listed in
 2 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), and
 3 the residency requirements provided in IC 7.1-3-21-3, do not apply
 4 to an applicant for a temporary liquor permit.

5 SECTION 8. IC 7.1-3-11-13 IS ADDED TO THE INDIANA CODE
 6 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 7 1, 2016]: **Sec. 13. (a) This section applies to a temporary liquor
 8 permit for the sale of liquor in a town park in a town having a
 9 population of less than ten thousand (10,000).**

10 **(b) The commission may not issue a temporary liquor permit to
 11 a person unless:**

12 **(1) the person meets all the requirements for a temporary
 13 liquor permit under this chapter; and**

14 **(2) the town council:**

15 **(A) holds a public hearing on the request for a permit; and**

16 **(B) approves the issuance of the temporary liquor permit.**

17 **(c) If a person asks a town council to approve the issuance of a
 18 temporary liquor permit, the town clerk-treasurer shall notify the
 19 commission of the town council's decision to approve or disapprove
 20 the permit not later than thirty (30) days after the person's request
 21 for approval.**

22 **(d) If a person who applies for a temporary liquor permit from
 23 the commission demonstrates to the satisfaction of the commission
 24 that no action was taken on the person's request by the town
 25 council under subsection (c), the commission shall consider the
 26 request to be approved by the town council.**

27 SECTION 9. IC 7.1-3-11-14 IS ADDED TO THE INDIANA CODE
 28 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 29 1, 2016]: **Sec. 14. The commission may issue a temporary liquor
 30 permit only to:**

31 **(1) enable a fair, athletic event, barbecue, picnic, wedding
 32 reception, convention, exhibition, spectacle, or contest to be
 33 publicly held and carried on; or**

34 **(2) accommodate the institutional activities of an association,
 35 society, charitable or benevolent organization, or a branch of
 36 one (1) of these, or both.**

37 SECTION 10. IC 7.1-3-11-15 IS ADDED TO THE INDIANA
 38 CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: **Sec. 15. The commission may issue a
 39 temporary liquor permit for a term, up to and including, fifteen
 40 (15) days from its issuance. However, if an emergency exists, in the
 41 judgment of the commission, a temporary liquor permit may be
 42**



1 renewed for a period not to exceed fifteen (15) additional days.

2 SECTION 11. IC 7.1-3-11-16 IS ADDED TO THE INDIANA
3 CODE AS A NEW SECTION TO READ AS FOLLOWS
4 [EFFECTIVE JULY 1, 2016]: **Sec. 16. The holder of a temporary**
5 **liquor permit is entitled to purchase and receive liquor on any day**
6 **of the year, only from a lawful supplier under this title at their**
7 **respective places of business. A lawful supplier may sell and deliver**
8 **liquor to a temporary liquor permit holder on any day of the year**
9 **at the location for which the temporary liquor permit is issued.**
10 **Except as provided in IC 7.1-3-6.1 and IC 7.1-3-6.2, the holder of**
11 **a temporary liquor permit is entitled to sell liquor only for**
12 **consumption on the licensed premises, and is subject to the same**
13 **restrictions as apply to the sale of beer by the holder of a**
14 **temporary beer permit. Except as provided in IC 7.1-3-6.1 and**
15 **IC 7.1-3-6.2, a temporary liquor permittee is not entitled to sell at**
16 **wholesale or for carry-out from the licensed premises.**

17 SECTION 12. IC 7.1-3-16-6 IS AMENDED TO READ AS
18 FOLLOWS [EFFECTIVE JULY 1, 2016]: ~~Sec. 6. Persons Eligible for~~
19 ~~Permits.~~ The commission may issue a temporary wine permit to a
20 person who is qualified to hold a beer retailer's permit and who has
21 such other qualifications as the commission may prescribe by a
22 provisional order until it adopts a rule or regulation on the matter.
23 However, the special disqualifications listed in ~~IC 1971, 7.1-3-4-2(e),~~
24 ~~(h), and (m); IC 7.1-3-4-2(a)(3), IC 7.1-3-4-2(a)(8), and~~
25 **IC 7.1-3-4-2(a)(13)**, and the residency requirements provided in
26 ~~IC 1971, IC 7.1-3-21-3~~, shall not apply to an applicant for a temporary
27 wine permit.

28 SECTION 13. IC 7.1-3-18.5-5, AS AMENDED BY P.L.94-2008,
29 SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
30 JULY 1, 2016]: Sec. 5. (a) Subject to subsection (b), the commission
31 may suspend the certificate of a person who fails to pay a civil penalty
32 imposed for violating IC 35-46-1-10, IC 35-46-1-10.2, **IC 35-46-1-11,**
33 **IC 35-46-1-11.2,** IC 35-46-1-11.5, ~~or~~ IC 35-46-1-11.7, **or**
34 **IC 35-46-1-11.8.**

35 (b) Before enforcing the imposition of a civil penalty or suspending
36 or revoking a certificate under this chapter, the commission shall
37 provide written notice of the alleged violation to the certificate holder
38 and conduct a hearing. The commission shall provide written notice of
39 the civil penalty or suspension or revocation of a certificate to the
40 certificate holder.

41 (c) Subject to subsection (b), the commission shall revoke the
42 certificate of a person upon a finding by a preponderance of the



- 1 evidence that the person:
- 2 (1) has violated IC 35-45-5-3, IC 35-45-5-3.5, ~~or~~ IC 35-45-5-4,
- 3 **IC 35-46-1-11, IC 35-46-1-11.2, or IC 35-46-1-11.8;**
- 4 (2) has committed habitual illegal sale of tobacco as established
- 5 under IC 35-46-1-10.2(h); or
- 6 (3) has committed habitual illegal entrance by a minor as
- 7 established under IC 35-46-1-11.7(f).
- 8 SECTION 14. IC 7.1-3-18.5-6, AS AMENDED BY P.L.231-2015,
- 9 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 10 JULY 1, 2016]: Sec. 6. (a) If a certificate has:
- 11 (1) expired; or
- 12 (2) been suspended;
- 13 the commission may not reinstate or renew the certificate until all civil
- 14 penalties imposed against the certificate holder for violating
- 15 IC 35-46-1-10, IC 35-46-1-10.2, **IC 35-46-1-11, IC 35-46-1-11.2,**
- 16 **IC 35-46-1-11.5, ~~or~~ IC 35-46-1-11.7, or IC 35-46-1-11.8** have been
- 17 paid.
- 18 (b) The failure to pay a civil penalty described in subsection (a) is
- 19 a Class B infraction.
- 20 (c) If a certificate has been revoked, the commission may not
- 21 reinstate or renew the certificate for at least one hundred eighty (180)
- 22 days after the date of revocation. The commission may reinstate or
- 23 renew the certificate only upon a reasonable showing by the applicant
- 24 that the applicant shall:
- 25 (1) exercise due diligence in the sale of tobacco products or
- 26 electronic cigarettes on the applicant's premises where the
- 27 tobacco products or electronic cigarettes are sold or distributed;
- 28 and
- 29 (2) properly supervise and train the applicant's employees or
- 30 agents in the handling and sale of tobacco products or electronic
- 31 cigarettes.
- 32 If a certificate is reinstated or renewed, the applicant of the certificate
- 33 shall pay an application fee of one thousand dollars (\$1,000).
- 34 (d) Notwithstanding IC 34-28-5-5(c), civil penalties collected under
- 35 this section must be deposited in the youth tobacco education and
- 36 enforcement fund established under IC 7.1-6-2-6.
- 37 SECTION 15. IC 7.1-3-18.5-8, AS AMENDED BY P.L.231-2015,
- 38 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 39 JULY 1, 2016]: Sec. 8. The commission may mitigate civil penalties
- 40 imposed against a certificate holder for violating IC 35-46-1-10,
- 41 IC 35-46-1-10.2, **IC 35-46-1-11, IC 35-46-1-11.2,** IC 35-46-1-11.5,
- 42 IC 35-46-1-11.7, **IC 35-46-1-11.8,** or any of the provisions of this



1 chapter if a certificate holder provides a training program for the
 2 certificate holder's employees that includes at least the following
 3 topics:

- 4 (1) Laws governing the sale of tobacco products and electronic
 5 cigarettes.
 6 (2) Methods of recognizing and handling customers who are less
 7 than eighteen (18) years of age.
 8 (3) Procedures for proper examination of identification cards to
 9 verify that customers are under eighteen (18) years of age.

10 SECTION 16. IC 7.1-3-18.5-11 IS ADDED TO THE INDIANA
 11 CODE AS A NEW SECTION TO READ AS FOLLOWS
 12 [EFFECTIVE JULY 1, 2016]: **Sec. 11. If a certificate holder sells or**
 13 **distributes tobacco products or electronic cigarettes at a location:**

- 14 **(1) determined to be a public nuisance; or**
 15 **(2) at which conduct or acts that are crimes or infractions**
 16 **under IC 35 occur;**

17 **the commission may impose sanctions against the certificate holder**
 18 **under IC 7.1-2-3-33 and section 5 of this chapter.**

19 SECTION 17. IC 7.1-3-20-18 IS AMENDED TO READ AS
 20 FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 18. (a) In order to be
 21 considered a "hotel" within the meaning of this title and to be eligible
 22 to receive an appropriate hotel permit under this title, an establishment
 23 shall meet the following requirements:

- 24 (1) It shall be provided with special space and accommodations
 25 where, in consideration of payment, food and lodging are
 26 habitually furnished to travelers.
 27 (2) It shall have at least twenty-five (25), adequately furnished
 28 and completely separate sleeping rooms with adequate facilities:
 29 (A) under one (1) continuous roof; **or**
 30 **(B) under separate roofs if:**
 31 **(i) each sleeping room is on the same parcel of land or**
 32 **contiguous parcels of land as the main building in which**
 33 **a room described in subdivision (4) is operated; and**
 34 **(ii) the main building and sleeping rooms are operated**
 35 **by one (1) person, or under one (1) management.**
 36 (3) It shall be so disposed that persons usually apply for and
 37 receive overnight accommodations in it in the course of usual and
 38 regular travel or as a residence.
 39 (4) It shall operate either a:
 40 (A) regular dining room constantly frequented by customers
 41 each day; or
 42 (B) room in which continental breakfasts and hors d'oeuvres



1 are served in areas designated as dining rooms.

2 (b) This subsection applies to a hotel that qualifies under subsection
3 (a)(4)(B). All laws and commission rules regarding legal serving for
4 alcoholic beverages fully apply to the hotel. Rooms that qualify under
5 subsection (a)(4)(B) qualify as rooms under IC 7.1-5-7-11(a)(16). The
6 commission may adopt rules under IC 4-22-2 concerning floor plans of
7 the hotel.

8 SECTION 18. IC 7.1-3-20-18.5 IS ADDED TO THE INDIANA
9 CODE AS A NEW SECTION TO READ AS FOLLOWS
10 [EFFECTIVE JULY 1, 2016]: **Sec. 18.5. (a) If the commission issues**
11 **a hotel permit for a hotel that meets the requirements of section**
12 **18(a)(2)(B) of this chapter, the holder of the hotel permit shall**
13 **submit a floor plan or design to the commission of the premises**
14 **where alcoholic beverages will be served and consumed, including**
15 **any sleeping rooms of the hotel.**

16 (b) If the commission approves a floor plan or design described
17 in subsection (a), the holder of the hotel permit may serve alcoholic
18 beverages, as provided under the permit, to any building included
19 in the floor plan or design.

20 SECTION 19. IC 7.1-3-20-18.7 IS ADDED TO THE INDIANA
21 CODE AS A NEW SECTION TO READ AS FOLLOWS
22 [EFFECTIVE JULY 1, 2016]: **Sec. 18.7. (a) This section applies to**
23 **the premises of a hotel that is owned by an accredited college or**
24 **university (as described in IC 24-4-11-2).**

25 (b) Subject to subsection (c), the holder of a retailer permit that
26 is issued for the premises of a hotel may sell or dispense, for on
27 premise consumption only, alcoholic beverages, for which the
28 permittee holds the appropriate permit, from a:

29 (1) nonpermanent bar located on an outside patio or terrace;
30 or

31 (2) service window located on the licensed premises that opens
32 to an outside patio or terrace;

33 that is contiguous to the main building of the licensed premises of
34 the hotel.

35 (c) The holder of a retailer permit that is issued for the premises
36 of a hotel may sell or dispense alcoholic beverages as provided
37 under subsection (b) only if all the following conditions are met:

38 (1) The patio or terrace area described in subsection (b) is:

39 (A) part of the licensed premises; and

40 (B) clearly delineated and completely enclosed on all sides
41 by a fence, rail, wall, or hedge that is at least four (4) feet
42 in height.



1 **(2) Access to the nonpermanent bar or service window is**
2 **limited by a barrier that reasonably deters free access by**
3 **minors to the bar or window.**

4 **(3) A conspicuous sign is posted by the barrier described in**
5 **subdivision (2) that states that minors are not allowed to cross**
6 **the barrier to enter the area near the nonpermanent bar or**
7 **service window.**

8 SECTION 20. IC 7.1-3-27-8, AS AMENDED BY P.L.159-2014,
9 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
10 JULY 1, 2016]: Sec. 8. (a) The holder of an artisan distiller's permit
11 may do only the following:

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

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

16 (3) Store liquor manufactured by the artisan distiller.

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

19 (A) places outside Indiana; or

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

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

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

27 **(7) With the approval of the commission, participate:**

28 **(A) individually; or**

29 **(B) with other permit holders under this chapter;**
30 **in a trade show or an exposition at which products of each**
31 **permit holder participant are displayed, promoted, and sold.**
32 **The commission may not grant to a holder of a permit under**
33 **this chapter approval under this clause to participate in a**
34 **trade show or exposition for more than forty-five (45) days in**
35 **a calendar year.**

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

41 SECTION 21. IC 7.1-4-4.1-5 IS AMENDED TO READ AS
42 FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 5. (a) This section



1 applies to the following permits:
 2 (1) Temporary beer permit.
 3 (2) Temporary wine permit.
 4 **(3) Temporary liquor permit.**
 5 (b) **Except as provided in subsection (d)**, a license fee for a
 6 temporary permit is the greater of the following:
 7 (1) Two dollars (\$2) per day of operation.
 8 (2) The amount per day set by the commission under subsection
 9 (c).
 10 (c) Subject to any rates or schedules adopted by the commission, the
 11 commission may set a higher daily rate for a temporary beer permit
 12 under subsection (b)(2) if, in the judgment of the commission, the
 13 number of persons likely to be accommodated, or any other facts
 14 bearing on the value of the permit warrant the increase. However,
 15 **except as provided under subsection (d)**, the fee may not exceed one
 16 thousand dollars (\$1,000) per day.
 17 **(d) A license fee for a temporary permit issued under**
 18 **IC 7.1-3-6-3.8 is two thousand five hundred dollars (\$2,500).**
 19 SECTION 22. IC 7.1-4-7-1, AS AMENDED BY P.L.109-2013,
 20 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 21 JULY 1, 2016]: Sec. 1. The chairman shall collect the required annual
 22 license fee paid in connection with the issuance of a brewer's permit,
 23 a beer wholesaler's permit, a temporary beer permit, a dining car permit
 24 of any type, a boat permit of any type, an artisan distiller's permit, a
 25 distiller's permit, a rectifier's permit, a liquor wholesaler's permit, **a**
 26 **temporary liquor permit**, a vintner's permit, a farm winery permit, a
 27 farm winery brandy distiller's permit, a wine wholesaler's permit, a
 28 wine bottler's permit, a temporary wine permit, a direct wine seller's
 29 permit, a salesman's permit, and a carrier's alcoholic permit.
 30 SECTION 23. IC 7.1-5-3-4, AS AMENDED BY P.L.79-2015,
 31 SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 32 JULY 1, 2016]: Sec. 4. (a) This section does not apply to the following:
 33 (1) The necessary refilling of a container by a person holding a
 34 permit that authorizes the person to manufacture, rectify, or bottle
 35 liquor.
 36 (2) An establishment where alcoholic beverages are sold that is
 37 owned, in whole or part, by an entity that holds a brewer's permit
 38 issued under IC 7.1-3-2-2(b).
 39 (3) An establishment where alcoholic beverages are sold that is
 40 owned, in whole or part, by a statewide trade organization
 41 consisting of members, each of whom holds a brewer's permit
 42 issued under IC 7.1-3-2-2(b).



1 (4) The refilling of a bottle or container or possession of a refilled
 2 bottle or container if the refilling or possession is not for resale or
 3 another commercial purpose.

4 **(5) The refilling of a bottle or container with hard cider in an**
 5 **establishment in which alcoholic beverages are sold that is**
 6 **owned, in whole or in part, by an entity that manufactures**
 7 **hard cider under the appropriate permit issued under this**
 8 **title.**

9 (b) Except as provided in section 6 of this chapter, it is unlawful for
 10 a person to:

11 (1) refill a bottle or container, in whole or in part, with an
 12 alcoholic beverage; or

13 (2) knowingly possess a bottle or container that has been refilled,
 14 in whole or in part, with an alcoholic beverage;

15 after the container of liquor has been emptied in whole or in part.

16 (c) A person who knowingly or intentionally violates subsection (a)
 17 or (b) commits a Class B misdemeanor.

18 SECTION 24. IC 7.1-5-7-4.5 IS ADDED TO THE INDIANA
 19 CODE AS A NEW SECTION TO READ AS FOLLOWS
 20 [EFFECTIVE JULY 1, 2016]: **Sec. 4.5. (a) As used in this section,**
 21 **"ID card" means any of the following:**

22 (1) A driver's license.

23 (2) A photographic identification card issued under
 24 IC 9-24-16-1 or a similar card issued under the laws of
 25 another state or the federal government.

26 (3) A government issued document bearing an individual's
 27 photograph.

28 (b) As used in this section, "permittee" means a person who
 29 holds a valid permit under this title, including an employee of a
 30 permittee.

31 (c) A permittee may retain an ID card that was provided to the
 32 permittee by a person as proof of age for making a purchase of an
 33 alcoholic beverage, if the permittee has:

34 (1) received alcohol server training under IC 7.1-3-1.5; and

35 (2) a reasonable belief that the ID card:

36 (A) has been altered or falsified; or

37 (B) was not issued to the person who provided the ID card
 38 to the permittee.

39 (d) If the permittee retains an ID card, the permittee shall do the
 40 following:

41 (1) Issue a receipt to the person who provided the ID card.

42 The receipt must state the date and the hour that the



1 **permittee retained the ID card.**

2 **(2) Not later than twenty-four (24) hours after the ID card is**
 3 **retained, provide:**

4 **(A) the ID card; and**

5 **(B) a written statement of the facts and circumstances**
 6 **surrounding the permittee's retention of the ID card;**
 7 **to a state or local law enforcement agency that has**
 8 **jurisdiction where the permit premises is located.**

9 **(e) If the law enforcement agency does not:**

10 **(1) initiate an investigation; or**

11 **(2) find that probable cause exists;**

12 **as to any violation of section 1, 3, or 4 of this chapter, the law**
 13 **enforcement agency shall release the ID card to the person who**
 14 **was issued the ID card.**

15 **(f) A permittee is not subject to criminal liability or civil liability**
 16 **for retention of an ID card in accordance with this section.**

17 **(g) A permittee is not immune from civil or criminal liability for**
 18 **using force against a person in order to obtain an ID card.**

19 SECTION 25. IC 7.1-5-10-20, AS AMENDED BY P.L.159-2014,
 20 SECTION 84, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 21 JULY 1, 2016]: Sec. 20. (a) It is unlawful for a holder of a retailer's
 22 permit to do **any either** of the following:

23 ~~(1)~~ **Sell alcoholic beverages during a portion of the day at a price**
 24 ~~that is reduced from the usual, customary, or established price that~~
 25 ~~the permittee charges during the remainder of that day.~~

26 ~~(2)~~ **(1) Furnish two (2) or more servings of an alcoholic beverage**
 27 ~~upon the placing of an order for one (1) serving to one (1) person~~
 28 ~~for that person's personal consumption.~~

29 ~~(3)~~ **(2) Charge a single price for the required purchase of two (2)**
 30 ~~or more servings of an alcoholic beverage.~~

31 (b) Subsection (a) applies to private clubs but does not apply to
 32 private functions that are not open to the public.

33 ~~(c)~~ **Notwithstanding subsection (a)(1), it is lawful for a holder of a**
 34 ~~retailer's permit to sell alcoholic beverages during a portion of the day~~
 35 ~~at a price that is increased from the usual, customary, or established~~
 36 ~~price that the permittee charges during the remainder of that day as~~
 37 ~~long as the price increase is charged when the permittee provides paid~~
 38 ~~live entertainment not incidental to the services customarily provided.~~

39 ~~(d)~~ **(c) Notwithstanding subsection (a), section 12 of this chapter,**
 40 ~~and IC 7.1-5-5-7, it is lawful for a hotel, in an area of the hotel in which~~
 41 ~~alcoholic beverages are not sold, to make available to its registered~~
 42 ~~guests and their guests alcoholic beverages at no additional charge~~



1 beyond what is to be paid by the registered guests as the room rate.
2 ~~(e)~~ **(d)** A person who knowingly or intentionally violates this section
3 commits a Class B misdemeanor.

4 SECTION 26. IC 34-30-2-20.8 IS ADDED TO THE INDIANA
5 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
6 [EFFECTIVE JULY 1, 2016]: **Sec. 20.8. IC 7.1-5-7-4.5 (Concerning**
7 **an alcoholic beverage permittee or employee of a permittee who**
8 **retains a person's identification card).**

9 SECTION 27. **An emergency is declared for this act.**

