
HOUSE BILL No. 1369

DIGEST OF INTRODUCED BILL

Citations Affected: IC 7.1-2-3-32; IC 7.1-3-21; IC 7.1-5-9-5.

Synopsis: Wholesaler's permits. Provides that retailers and dealers of alcoholic beverages may not transport alcoholic beverages in a manner that would cause the wholesaler to violate an agreement with the wholesaler's supplier. Allows the alcohol and tobacco commission to issue a wholesaler's permit to: (1) a person who is not a resident of Indiana; or (2) a corporation, partnership, limited partnership, or limited liability company if no person having an interest in the corporation, partnership, limited partnership, or limited liability company is a resident of Indiana. Repeals a statute that prohibits a corporation that does business in Indiana from enabling a nonresident of Indiana to control or acquire an interest in a beer wholesaler's permit.

Effective: July 1, 2003.

Kuzman

January 14, 2003, read first time and referred to Committee on Public Policy, Ethics and Veterans Affairs.

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First Regular Session 113th General Assembly (2003)

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 2002 Regular or Special Session of the General Assembly.

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HOUSE BILL No. 1369



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

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

- 1 SECTION 1. IC 7.1-2-3-32 IS AMENDED TO READ AS
- 2 FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 32. (a) The
- 3 commission, by rule, may provide procedures whereby two (2) or more
- 4 retailers and dealers may enter into a formal group purchasing
- 5 agreement for the purpose of purchasing alcoholic beverages from
- 6 permittees authorized to sell alcoholic beverages to them.
- 7 (b) If the commission exercises the power granted in subsection (a),
- 8 the rule shall make provisions for at least the following:
- 9 (1) the formal requirements of a group purchasing agreement;
- 10 (2) the vesting of title to the alcoholic beverages purchased under
- 11 a group purchasing agreement;
- 12 (3) the transportation by retailers and dealers of the alcoholic
- 13 beverages purchased under a group purchasing agreement;
- 14 (4) the purchase and transportation of alcoholic beverages by
- 15 retailers and dealers, whether they are parties to a group
- 16 purchasing agreement or not, as a result of a service interruption
- 17 or other emergency; and



1 (5) the filing requirements of a group purchasing agreement or
2 any amendments or additions thereto.

3 **(c) Retailers and dealers may not transport alcoholic beverages**
4 **in a manner that would place the wholesaler that sold the alcoholic**
5 **beverages to the retailers and dealers in violation of the**
6 **contractual agreement between the wholesaler and the wholesaler's**
7 **supplier of the alcoholic beverages.**

8 SECTION 2. IC 7.1-3-21-3 IS AMENDED TO READ AS
9 FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 3. ~~Residency~~
10 ~~Requirements~~. The commission shall not issue an alcoholic beverage
11 ~~wholesaler's~~, retailer's or dealer's permit of any type to a person who
12 has not been a continuous and bona fide resident of this state for five
13 (5) years immediately preceding the date of the application for a
14 permit.

15 SECTION 3. IC 7.1-3-21-4 IS AMENDED TO READ AS
16 FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 4. The commission
17 shall not issue an alcoholic beverage ~~wholesaler's~~, retailer's or dealer's
18 permit of any type to a partnership unless each member of the
19 partnership possesses the same qualifications as those required of an
20 individual applicant for that particular type of permit.

21 SECTION 4. IC 7.1-3-21-5 IS AMENDED TO READ AS
22 FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 5. (a) ~~Corporations~~.
23 The commission shall not issue an alcoholic beverage ~~wholesaler's~~,
24 retailer's or dealer's permit of any type to a corporation unless sixty
25 percent (60%) of the outstanding common stock is owned by persons
26 who have been continuous and bona fide residents of this state for five
27 (5) years.

28 ~~(b) The commission shall not issue an alcoholic beverage~~
29 ~~wholesaler's permit of any type to a corporation unless at least one (1)~~
30 ~~of the stockholders shall have been a resident, for at least one (1) year~~
31 ~~immediately prior to making application for the permit, of the county~~
32 ~~in which the licensed premises are to be situated.~~

33 ~~(c)~~ **(b)** Each officer and stockholder of a corporation shall possess
34 all other qualifications required of an individual applicant for that
35 particular type of permit.

36 SECTION 5. IC 7.1-3-21-5.2 IS AMENDED TO READ AS
37 FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 5.2. (a) The
38 commission shall not issue an alcoholic beverage ~~wholesaler's~~, retailers
39 or dealers permit of any type to a limited partnership unless at least
40 sixty percent (60%) of the partnership interest is owned by persons who
41 have been continuous and bona fide residents of Indiana for five (5)
42 years.



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1 (b) The commission shall not issue an alcoholic beverage
2 wholesaler's permit of any type to a limited partnership unless for at
3 least one (1) year immediately before making application for the
4 permit, at least one (1) of the persons having a partnership interest has
5 been a resident of the county in which the licensed premises are to be
6 situated.

7 (c) (b) Each general partner and limited partner of a limited
8 partnership must possess all other qualifications required of an
9 individual applicant for that particular type of permit.

10 SECTION 6. IC 7.1-3-21-5.4 IS AMENDED TO READ AS
11 FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 5.4. (a) The
12 commission shall not issue an alcoholic beverage ~~wholesalers~~, retailers
13 or dealers permit of any type to a limited liability company unless at
14 least sixty percent (60%) of the membership interest is owned by
15 persons who have been continuous and bona fide residents of Indiana
16 for five (5) years.

17 (b) The commission shall not issue an alcoholic beverage
18 wholesaler's permit of any type to a limited liability company unless for
19 at least one (1) year immediately before making application for the
20 permit, at least one (1) of the persons having a membership interest has
21 been a resident of the county in which the licensed premises are to be
22 situated.

23 (c) (b) Each manager and member of a limited liability company
24 must possess all other qualifications required of an individual applicant
25 for that particular type of permit.

26 SECTION 7. IC 7.1-5-9-5 IS REPEALED [EFFECTIVE JULY 1,
27 2003].

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