



March 13, 2009

**ENGROSSED
HOUSE BILL No. 1037**

DIGEST OF HB 1037 (Updated March 11, 2009 2:39 pm - DI 110)

Citations Affected: IC 7.1-3.

Synopsis: Product transfer between beer wholesalers. Provides that a primary source of supply that acquires brands of beer or flavored malt beverages: (1) shall reappoint the existing beer wholesaler to distribute the brands; and (2) is prohibited from transferring the brands to another beer wholesaler; if the brands represent at least 15% of the existing wholesaler's dollar sales in the 12 months preceding the acquisition. Requires a primary source of supply that acquires brands of beer or flavored malt beverages to give a beer wholesaler notice of the primary source of supply's intent not to reappoint the wholesaler not later than 60 days after acquisition of the brands.

Effective: July 1, 2009.

Van Haften

(SENATE SPONSORS — ALTING, DEIG)

January 7, 2009, read first time and referred to Committee on Public Policy.
February 19, 2009, amended, reported — Do Pass.
February 23, 2009, read second time, ordered engrossed. Engrossed.
February 24, 2009, read third time, passed. Yeas 89, nays 5.

SENATE ACTION

February 25, 2009, read first time and referred to Committee on Commerce, Public Policy and Interstate Cooperation.
March 12, 2009, reported favorably — Do Pass.

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March 13, 2009

First Regular Session 116th General Assembly (2009)

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 2008 Regular Session of the General Assembly.

ENGROSSED HOUSE BILL No. 1037

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 7.1-3-25-4.5 IS ADDED TO THE INDIANA
2 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
3 [EFFECTIVE JULY 1, 2009]: **Sec. 4.5. (a) Except as provided in**
4 **subsection (b), a successor, upon acquiring products, shall:**
5 (1) **reappoint the existing wholesaler for:**
6 (A) **all acquired products; and**
7 (B) **the territories covered by the existing wholesaler for**
8 **the products; or**
9 (2) **comply with this chapter to transfer the products to**
10 **another wholesaler.**
11 (b) **If the products acquired by a successor represent at least**
12 **fifteen percent (15%) of an existing wholesaler's dollar sales in the**
13 **twelve (12) months preceding the closing of the transaction in**
14 **which the successor acquires the products, the successor:**
15 (1) **shall reappoint the existing wholesaler for:**
16 (A) **all acquired products; and**
17 (B) **the territories covered by the existing wholesaler for**

EH 1037—LS 6277/DI 87+



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the products; and
(2) may not transfer the product to another wholesaler.
SECTION 2. IC 7.1-3-25-6, AS ADDED BY P.L.224-2005,
SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
JULY 1, 2009]: Sec. 6. The successor shall notify the existing
wholesaler of the successor's intent not to appoint the existing
wholesaler for all or a part of the existing wholesaler's territory for the
product **not later than sixty (60) days after the closing of the**
transaction in which the successor acquires the product. The
successor shall mail the notice by certified mail, return receipt
requested, to the existing wholesaler. The successor shall include in the
notice the names, addresses, and telephone numbers of the successor's
designees.

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Policy, to which was referred House Bill 1037, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, delete lines 1 through 7.

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1037 as introduced.)

VAN HAAFTEN, Chair

Committee Vote: yeas 5, nays 2.

COMMITTEE REPORT

Madam President: The Senate Committee on Commerce, Public Policy and Interstate Cooperation, to which was referred House Bill No. 1037, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill DO PASS.

(Reference is made to House Bill 1037 as printed February 20, 2009.)

ALTING, Chairperson

Committee Vote: Yeas 9, Nays 0.

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