

COMMITTEE REPORT

MADAM PRESIDENT:

The Senate Committee on Public Policy, to which was referred House Bill No. 1054, 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:

- 1 Page 1, between the enacting clause and line 1, begin a new
2 paragraph and insert:
3 "SECTION 1. IC 7.1-3-2-2, AS AMENDED BY P.L.186-2011,
4 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
5 JULY 1, 2012]: Sec. 2. (a) ~~Except as provided in subsection (b),~~ The
6 commission may issue a brewer's permit **for a brewery that**
7 **manufactures more than thirty thousand (30,000) barrels of beer**
8 **in a calendar year for sale or distribution within Indiana. The**
9 **commission may issue a permit under this subsection only to:**
10 (1) an individual;
11 (2) a partnership, all the partners of which are bona fide residents
12 of Indiana;
13 (3) a limited liability company, all the members of which are bona
14 fide residents of Indiana; or
15 (4) a corporation organized and existing under the laws of Indiana
16 and having authority under its charter to manufacture or sell beer.
17 **The permit does not limit the number of barrels of beer in a**
18 **calendar year that the brewer may manufacture for sale or**
19 **distribution outside Indiana.**
20 (b) The commission may issue a brewer's permit to a brewer for a

1 brewery that manufactures not more than thirty thousand (30,000)
 2 barrels of beer in a calendar year **for sale or distribution within**
 3 **Indiana. The commission may issue a permit under this subsection**
 4 **only to:**

- 5 (1) an individual;
- 6 (2) a partnership organized and existing under the laws of
 7 Indiana;
- 8 (3) a limited liability company organized and existing under the
 9 laws of Indiana; or
- 10 (4) a corporation organized and existing under the laws of
 11 Indiana.

12 **The permit does not limit the number of barrels of beer in a**
 13 **calendar year that the brewer may manufacture for sale or**
 14 **distribution outside Indiana.**

15 SECTION 2. IC 7.1-3-2-7, AS AMENDED BY P.L.186-2011,
 16 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 17 JULY 1, 2012]: Sec. 7. The holder of a brewer's permit or an
 18 out-of-state brewer holding either a primary source of supply permit or
 19 an out-of-state brewer's permit may do the following:

- 20 (1) Manufacture beer.
- 21 (2) Place beer in containers or bottles.
- 22 (3) Transport beer.
- 23 (4) Sell and deliver beer to a person holding a beer wholesaler's
 24 permit issued under IC 7.1-3-3.
- 25 (5) If the brewer's brewery manufactures not more than thirty
 26 thousand (30,000) barrels of beer in a calendar year **for sale or**
 27 **distribution within Indiana, the permit holder may** do the
 28 following:
 - 29 (A) Sell and deliver beer to a person holding a retailer or a
 30 dealer permit under this title.
 - 31 (B) Be the proprietor of a restaurant.
 - 32 (C) Hold a beer retailer's permit, a wine retailer's permit, or a
 33 liquor retailer's permit for a restaurant established under clause
 34 (B).
 - 35 (D) Transfer beer directly from the brewery to the restaurant
 36 by means of:
 - 37 (i) bulk containers; or
 - 38 (ii) a continuous flow system.

- 1 (E) Install a window between the brewery and an adjacent
 2 restaurant that allows the public and the permittee to view both
 3 premises.
- 4 (F) Install a doorway or other opening between the brewery
 5 and an adjacent restaurant that provides the public and the
 6 permittee with access to both premises.
- 7 (G) Sell the brewery's beer by the glass for consumption on the
 8 premises. Brewers permitted to sell beer by the glass under
 9 this clause must furnish the minimum food requirements
 10 prescribed by the commission.
- 11 (H) Sell and deliver beer to a consumer at the permit premises
 12 of the brewer or at the residence of the consumer. The delivery
 13 to a consumer may be made only in a quantity at any one (1)
 14 time of not more than one-half (1/2) barrel, but the beer may
 15 be contained in bottles or other permissible containers.
- 16 (I) Sell the brewery's beer as authorized by this section for
 17 carryout on Sunday in a quantity at any one (1) time of not
 18 more than five hundred seventy-six (576) ounces. A brewer's
 19 beer may be sold under this clause ~~only at the any~~ address for
 20 which the **brewer holds a** brewer's permit ~~was~~ issued under
 21 this chapter **if the address is located within the same city**
 22 **boundaries in which the beer was manufactured.**
- 23 (6) If the brewer's brewery manufactures more than thirty
 24 thousand (30,000) barrels of beer in a calendar year **for sale or**
 25 **distribution within Indiana, the permit holder may own a**
 26 portion of the corporate stock of another brewery that:
- 27 (A) is located in the same county as the brewer's brewery;
 28 (B) manufactures less than thirty thousand (30,000) barrels of
 29 beer in a calendar year; and
 30 (C) is the proprietor of a restaurant that operates under
 31 subdivision (5).
- 32 (7) Provide complimentary samples of beer that are:
 33 (A) produced by the brewer; and
 34 (B) offered to consumers for consumption on the brewer's
 35 premises.
- 36 (8) Own a portion of the corporate stock of a sports corporation
 37 that:
 38 (A) manages a minor league baseball stadium located in the

- 1 same county as the brewer's brewery; and
 2 (B) holds a beer retailer's permit, a wine retailer's permit, or a
 3 liquor retailer's permit for a restaurant located in that stadium.
 4 (9) For beer described in IC 7.1-1-2-3(a)(4):
 5 (A) may allow transportation to and consumption of the beer
 6 on the licensed premises; and
 7 (B) may not sell, offer to sell, or allow sale of the beer on the
 8 licensed premises.".

9 Page 4, after line 37, begin a new paragraph and insert:

10 "SECTION 4. IC 7.1-3-22-1, AS AMENDED BY P.L.186-2011,
 11 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 12 JULY 1, 2012]: Sec. 1. (a) This section applies to a brewer that
 13 manufactures more than thirty thousand (30,000) barrels of beer in a
 14 calendar year **for sale or distribution within Indiana.**

15 (b) The commission may issue and have outstanding only one (1)
 16 brewer's permit for each unit of population of this state of one hundred
 17 and seventy-five thousand (175,000) or major fraction thereof. The
 18 commission, however, shall not issue more than four (4) brewer's
 19 permits in the same congressional district.

20 SECTION 5. IC 7.1-3-23-23, AS AMENDED BY P.L.186-2011,
 21 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 22 JULY 1, 2012]: Sec. 23. (a) This section applies to a brewer that
 23 manufactures more than thirty thousand (30,000) barrels of beer in a
 24 calendar year **for sale or distribution within Indiana.**

25 (b) The commission shall revoke the permit of a brewer or beer
 26 wholesaler who holds an interest in another permit in violation of
 27 IC 7.1-5-9-3.

28 SECTION 6. IC 7.1-4-4.1-14, AS AMENDED BY P.L.186-2011,
 29 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 30 JULY 1, 2012]: Sec. 14. (a) This section applies to the following
 31 permits:

- 32 (1) Brewer's permit for the manufacture of more than thirty
 33 thousand (30,000) barrels of beer in a calendar year **for sale or**
 34 **distribution within Indiana.**
 35 (2) Distiller's permit.
 36 (3) Malt manufacturer's permit.
 37 (4) Rectifier's permit.
 38 (5) Vintner's permit.

1 (6) Wine bottler's permit.

2 (b) A permit fee of two thousand dollars (\$2,000) is annually
3 imposed for the issuance of each permit described in subsection (a).

4 SECTION 7. IC 7.1-4-4.1-16, AS AMENDED BY P.L.186-2011,
5 SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
6 JULY 1, 2012]: Sec. 16. The annual fee for a brewer's permit for the
7 manufacture of not more than thirty thousand (30,000) barrels of beer
8 in a calendar year **for sale or distribution within Indiana** is five
9 hundred dollars (\$500).

10 SECTION 8. IC 7.1-5-9-3, AS AMENDED BY P.L.186-2011,
11 SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
12 JULY 1, 2012]: Sec. 3. (a) This section applies to a brewer that
13 manufactures more than thirty thousand (30,000) barrels of beer in a
14 calendar year **for sale or distribution within Indiana**.

15 (b) It is unlawful for the holder of a brewer's or beer wholesaler's
16 permit to have an interest in a liquor permit of any type under this title.

17 SECTION 9. IC 7.1-5-9-10, AS AMENDED BY P.L.186-2011,
18 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
19 JULY 1, 2012]: Sec. 10. (a) Except as provided in subsection (b), it is
20 unlawful for a holder of a retailer's permit of any type to acquire, hold,
21 own, or possess an interest of any type in a manufacturer's or
22 wholesaler's permit of any type.

23 (b) It is lawful for a holder of a retailer's permit of any type to
24 acquire, hold, own, or possess an interest of any type in a brewer's
25 permit for a brewery that manufactures not more than thirty thousand
26 (30,000) barrels of beer in a calendar year **for sale or distribution**
27 **within Indiana**.

28 SECTION 10. IC 14-18-2-3 IS AMENDED TO READ AS
29 FOLLOWS [EFFECTIVE JULY 1, 2012]: Sec. 3. (a) As used in this
30 section, "inn" means a public facility that has the following:

31 (1) At least twenty (20) rooms for the accommodation of
32 overnight guests.

33 (2) A dining room that offers table service for at least forty (40)
34 individuals at one (1) time during normal dining hours.

35 (b) A lease and contract authorized by this chapter must include in
36 its terms the following provisions and conditions:

37 (1) The legal description of the leasehold. A survey for the
38 description is not required.

1 (2) The term of the lease. The term may not exceed forty (40)
2 years with two (2) additional options to renew of thirty (30) years
3 each.

4 (3) Provision for the submission of complete plans and
5 specifications to the department for review and written approval
6 before beginning any construction.

7 (4) The manner of payment of rental.

8 (5) The facilities provided will be available to the public without
9 discrimination and at charges designed to make the facilities
10 available to a maximum number of the citizens of Indiana.

11 (6) That the rates and fees charged for goods and services on the
12 leased area will be in accord with those charged at similar
13 developments in the area.

14 (7) The disposition of the leasehold and improvements at the
15 termination of the lease.

16 (8) **Except as provided in subsection (e)**, if the lease and
17 contract concerns state owned land under the management and
18 control of the department, including state parks, a prohibition on
19 the sale or public display of alcoholic beverages on the premises.

20 ~~(9) If the lease and contract concerns federally owned land under
21 the control and management of the department, the~~

22 **(c) A lease and contract authorized by this chapter may permit in
23 its terms the retail sale of alcoholic beverages for consumption on the
24 licensed premises of an inn if:**

25 ~~(A) for consumption on the licensed premises and~~

26 ~~(B) if~~

27 **(1) the lease and contract concerns federally owned land
28 under the control and management of the department; and**

29 **(2) the lessee or concessionaire applies for and secures the
30 necessary permits required by IC 7.1.**

31 **(d) A lease and contract authorized by this chapter may permit
32 in its terms the retail sale of alcoholic beverages for consumption
33 on the licensed premises of a public golf course if:**

34 **(1) the lease and contract concerns federally owned land that
35 is:**

36 **(A) under the control and management of the department;
37 and**

38 **(B) located on Brookville Reservoir; and**

- 1 **(2) the lessee or concessionaire applies for and secures the**
- 2 **necessary permits required by IC 7.1.**
- 3 **(e) A lease and contract authorized by this chapter may permit**
- 4 **in its terms the retail sale of alcoholic beverages for consumption**
- 5 **on the licensed premises of a pavilion located within Indiana Dunes**
- 6 **State Park if the lessee or concessionaire applies for and secures**
- 7 **the necessary permits required by IC 7.1.**
- 8 **(f) The retail sale of alcoholic beverages on licensed premises**
- 9 **described in subsections (c), (d), and (e) is subject to any other**
- 10 **applicable alcoholic beverage provisions under the Indiana Code**
- 11 **and any rule adopted to implement any other applicable alcoholic**
- 12 **beverage provisions under the Indiana Code.**
- 13 ~~(e)~~ **(g) A lease and contract may prescribe other terms and**
- 14 **conditions that the department considers necessary and advisable to**
- 15 **carry out the intent and purposes of this chapter."**
- 16 Renumber all SECTIONS consecutively.
- (Reference is to HB 1054 as printed January 27, 2012.)

and when so amended that said bill do pass.

Committee Vote: Yeas 10, Nays 0.

Alting

Chairperson