



February 25, 1999

HOUSE BILL No. 1104

DIGEST OF HB 1104 (Updated February 24, 1999 3:31 pm - DI 51)

Citations Affected: IC 7.1-1; IC 7.1-3; IC 7.1-5.

Synopsis: Noncommercial beer and wine. Provides that the alcoholic beverage laws do not prohibit the manufacture of beer or wine that is not offered for sale and is used only for specific personal or noncommercial uses. Provides that a brewer or winery may allow transportation to and consumption of this beer or wine on the licensed premises but may not allow sale of the product on the licensed premises. Allows a person to carry, convey, or consume this beer or wine on or about a licensed premises.

Effective: July 1, 1999.

Hasler, Budak, Kuzman, Alderman

January 6, 1999, read first time and referred to Committee on Public Policy, Ethics and Veterans Affairs.
February 24, 1999, amended, reported — Do Pass.

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February 25, 1999

First Regular Session 111th General Assembly (1999)

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 1998 General Assembly.

HOUSE BILL No. 1104

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

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

- 1 SECTION 1. IC 7.1-1-2-3 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 3. ~~Scope: Exceptions:~~
3 (a) The provisions of this title shall not prohibit **the following**:
4 (1) The manufacture, sale, possession, transportation, or use of
5 vinegar.
6 (2) The sale or transportation of sacramental wine to a minister,
7 priest, or rabbi for a religious purpose.
8 (3) The manufacture, purchase, possession, transportation, or
9 distribution of sacramental wine for a religious purpose by a
10 minister, priest, or rabbi.
11 (4) The manufacture of wine or beer **that is not offered for sale**
12 **and is used only for the following purposes**:
13 (A) **Personal or family use.**
14 (B) **Use in one's own the residence of the person who**
15 **manufactures the wine or beer.**
16 (C) **Use at organized affairs or exhibitions.**
17 (D) **Technical or sensory evaluations.**

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- 1 **(E) Wine or beer educational seminars.**
 2 **(F) Wine or beer competitions including contests, tastings,**
 3 **or judgments.**
 4 (5) The manufacture, sale, possession, transportation, or use of
 5 industrial alcohol. ~~or~~
 6 (6) Alcoholic beverages held, served, or consumed on airline
 7 flights.
 8 (b) The ~~purchase~~, transportation ~~to~~, and the possession of alcoholic
 9 beverages ~~for use only in one's own residence~~ **described in subsection**
 10 **(a)(4)** shall not be prohibited but shall be subject to the applicable
 11 provisions of this title.
 12 (c) The manufacture, sale, possession, transportation, or use of
 13 alcohol or alcoholic beverages, or a preparation containing alcohol for
 14 a medicinal, scientific, or mechanical purpose, shall not be prohibited
 15 but shall be controlled, regulated, and confined to permittees as
 16 provided in this title.
 17 SECTION 2. IC 7.1-3-2-7 IS AMENDED TO READ AS
 18 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 7. The holder of a
 19 brewer's permit or an out-of-state brewer holding either a primary
 20 source of supply permit or an out-of-state brewer's permit may do the
 21 following:
 22 (1) Manufacture beer.
 23 (2) Place beer in containers or bottles.
 24 (3) Transport beer.
 25 (4) Sell and deliver beer to a person holding a beer wholesaler's
 26 permit issued under IC 7.1-3-3.
 27 (5) If the brewer's brewery manufactures not more than twenty
 28 thousand (20,000) barrels of beer in a calendar year, do the
 29 following:
 30 (A) Sell and deliver beer to a person holding a retailer or a
 31 dealer permit under this title.
 32 (B) Be the proprietor of a restaurant.
 33 (C) Hold a beer retailer's permit, a wine retailer's permit, or a
 34 liquor retailer's permit for a restaurant established under clause
 35 (B).
 36 (D) Transfer beer directly from the brewery to the restaurant
 37 by means of:
 38 (i) bulk containers; or
 39 (ii) a continuous flow system.
 40 (E) Install a window between the brewery and an adjacent
 41 restaurant that allows the public and the permittee to view both
 42 premises.

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- 1 (F) Install a doorway or other opening between the brewery
 2 and an adjacent restaurant that provides the public and the
 3 permittee with access to both premises.
 4 (6) If the brewer's brewery manufactures more than twenty
 5 thousand (20,000) barrels of beer in a calendar year, own a
 6 portion of the corporate stock of another brewery that:
 7 (A) is located in the same county as the brewer's brewery;
 8 (B) manufactures less than twenty thousand (20,000) barrels
 9 of beer in a calendar year; and
 10 (C) is the proprietor of a restaurant that operates under
 11 subdivision (5).
 12 (7) Sell and deliver beer to a consumer at the plant of the brewer
 13 or at the residence of the consumer. The delivery to a consumer
 14 shall be made only in a quantity at any one (1) time of not more
 15 than one-half (1/2) barrel, but the beer may be contained in bottles
 16 or other permissible containers.
 17 (8) Provide complimentary samples of beer that are:
 18 (A) produced by the brewer; and
 19 (B) offered to consumers for consumption on the brewer's
 20 premises.
 21 (9) Own a portion of the corporate stock of a sports corporation
 22 that:
 23 (A) manages a minor league baseball stadium located in the
 24 same county as the brewer's brewery; and
 25 (B) holds a beer retailer's permit, a wine retailer's permit, or a
 26 liquor retailer's permit for a restaurant located in that stadium.
 27 **(10) For beer described in IC 7.1-1-2-3(a)(4):**
 28 **(A) may allow transportation to and consumption of the**
 29 **beer on the licensed premises; and**
 30 **(B) may not sell, offer to sell, or allow sale of the beer on**
 31 **the licensed premises.**
 32 SECTION 3. IC 7.1-3-12-5 IS AMENDED TO READ AS
 33 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 5. (a) The holder of a
 34 small winery permit:
 35 (1) is entitled to manufacture table wine, to bottle wine, and to
 36 bottle table wine produced by the permit holder's small winery;
 37 (2) is entitled to serve complimentary samples of the winery's
 38 table wine on the licensed premises;
 39 (3) is entitled to sell the winery's table wine on the licensed
 40 premises to consumers either by the glass, or by the bottle, or
 41 both;
 42 (4) is entitled to sell table wine by the bottle or by the case to a

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1 person who is the holder of a permit to sell wine at either
2 wholesale or retail;

3 (5) is exempt from the provisions of IC 7.1-3-14; ~~and~~

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

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

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

10 **(B) may not sell, offer to sell, or allow the sale of the wine**
11 **on the licensed premises.**

12 (b) With the approval of the commission, a holder of a permit under
13 this chapter may conduct business at a second location that is separate
14 from the winery. At the second location, the holder of a permit may
15 conduct any business that is authorized at the first location, except for
16 the manufacturing or bottling of wine.

17 (c) With the approval of the commission, a holder of a permit under
18 this chapter may, individually or with other permit holders under this
19 chapter, participate in a trade show or an exposition at which products
20 of each permit holder participant are displayed, promoted, and sold.
21 The commission may not grant approval under this subsection to a
22 holder of a permit under this chapter:

23 (1) more than three (3) times in a calendar year; and

24 (2) for more than three (3) days for each event.

25 SECTION 4. IC 7.1-5-8-5 IS AMENDED TO READ AS
26 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 5. ~~Taking Alcoholic~~
27 ~~Beverage On Licensed Premises Prohibited.~~ **(a) This section does not**
28 **apply to a person who, on or about a licensed premises, carries,**
29 **conveys, or consumes beer or wine:**

30 **(1) described in IC 7.1-1-2-3(a)(4); and**

31 **(2) not sold or offered for sale.**

32 **(b)** It is a Class C misdemeanor for a person, for his own use, to
33 knowingly carry on, convey to, or consume, on or about the licensed
34 premises of a permittee, an alcoholic beverage that was not then and
35 there purchased from that permittee.

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Policy, Ethics and Veterans Affairs, to which was referred House Bill 1104, 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 2, line 8, strike "purchase,".

Page 2, line 8, strike "to,".

Page 4, line 28, delete "the" and insert "**a**".

Page 4, line 28, after "premises" insert ",".

Page 4, line 28, delete "of a".

Page 4, line 29, delete "brewer or winery,".

and when so amended that said bill do pass.

(Reference is to HB 1104 as introduced.)

KUZMAN, Chair

Committee Vote: yeas 10, nays 0.

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