



Reprinted
February 12, 1999

HOUSE BILL No. 1299

DIGEST OF HB 1299 (Updated February 11, 1999 11:05 am - DI 02)

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

Synopsis: Small and farm wineries. Changes the name of small winery to farm winery in some sections of the Indiana Code. Provides that a farm winery may produce, bottle, and sell any wine. (Current law limits these activities to table wine only.) Changes the 100,000 gallon limitation on annual production of these wineries to 500,000 gallons.

Effective: July 1, 1999.

Kruzan, Foley, Welch, Steele

January 11, 1999, read first time and referred to Committee on Commerce and Economic Development.
February 8, 1999, reported — Do Pass.
February 11, 1999, read second time, amended, ordered engrossed.

HB 1299—LS 7408/DI 2+



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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 *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 1998 General Assembly.

HOUSE BILL No. 1299

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 7.1-1-3-44 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 44. ~~Small Winery~~. The
3 term "**farm winery**" means a commercial winemaking establishment
4 that produces table wine in an amount allowed by IC 1971, 7.1-3-12-4,
5 from products allowed by that section: **IC 7.1-3-12-4**.

6 SECTION 2. IC 7.1-3-12-3 IS AMENDED TO READ AS
7 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 3. ~~Small Farm Winery~~
8 Permit. The commission may issue a ~~small farm~~ winery permit to a
9 person who is the proprietor of a ~~small farm~~ winery and who desires
10 to commercially manufacture wine. A ~~small farm~~ winery permit shall
11 be valid from July 1, of the then current year to June 30, of the
12 following year.

13 SECTION 3. IC 7.1-3-12-4 IS AMENDED TO READ AS
14 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 4. ~~Small Winery~~:
15 ~~General Requirements~~: (a) In order to be considered a "**farm winery**"
16 within the meaning of this title and to be eligible to receive a **farm**
17 winery permit, a wine-making establishment shall meet the following

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1 requirements:

2 ~~(1) It shall~~ **(1) must** produce ~~table~~ wine from grapes, other fruits,
3 or honey produced in this state: ~~and, and;~~

4 **(2) Its annual production of wine shall not exceed five**
5 **hundred thousand (500,000) gallons.**

6 ~~(2) Its annual production of table wine shall not exceed one~~
7 ~~hundred thousand (100,000) gallons:~~

8 ~~(b) Table wine that is shipped by the winery outside the state and~~
9 ~~that involves a change of ownership may not be considered as part of~~
10 ~~the winery's annual production for purposes of subsection (a)(2):~~

11 SECTION 4. IC 7.1-3-12-5 IS AMENDED TO READ AS
12 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 5. (a) The holder of a
13 **farm** winery permit:

14 (1) is entitled to manufacture ~~table~~ wine ~~to bottle wine~~; and to
15 bottle ~~table~~ wine produced by the permit holder's **farm** winery;

16 (2) is entitled to serve complimentary samples of the winery's
17 ~~table~~ wine on the licensed premises;

18 (3) is entitled to sell the winery's ~~table~~ wine on the licensed
19 premises to consumers either by the glass, or by the bottle, or
20 both;

21 (4) is entitled to sell ~~table~~ wine by the bottle or by the case to a
22 person who is the holder of a permit to sell wine at either
23 wholesale or retail;

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

25 (6) is entitled to advertise the name and address of any retailer or
26 dealer who sells wine produced by the permit holder's winery.

27 (b) With the approval of the commission, a holder of a permit under
28 this chapter may conduct business at a second location that is separate
29 from the winery. At the second location, the holder of a permit may
30 conduct any business that is authorized at the first location, except for
31 the manufacturing or bottling of wine.

32 (c) With the approval of the commission, a holder of a permit under
33 this chapter may, individually or with other permit holders under this
34 chapter, participate in a trade show or an exposition at which products
35 of each permit holder participant are displayed, promoted, and sold.
36 The commission may not grant approval under this subsection to a
37 holder of a permit under this chapter:

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

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

40 SECTION 5. IC 7.1-3-12-6 IS AMENDED TO READ AS
41 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 6. Importation by
42 ~~Small Farm~~ Winery. The holder of a **small farm** winery permit, by

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- 1 filing an affidavit with the commission stating that grapes, grape juice,
- 2 other fruits or fruit juice, or honey produced in Indiana is not
- 3 obtainable, may apply for a permit to import these products.

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Commerce and Economic Development, to which was referred House Bill 1299, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

BOTTORFF, Chair

Committee Vote: yeas 14, nays 0.

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HOUSE MOTION

Mr. Speaker: I move that House Bill 1299 be amended to read as follows:

Page 1, line 3, delete "small winery" and insert "**farm winery**".

Page 1, between lines 5 and 6, begin a new paragraph and insert:

"SECTION 2. IC 7.1-3-12-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 3. **Small Farm** Winery Permit. The commission may issue a **small farm** winery permit to a person who is the proprietor of a **small farm** winery and who desires to commercially manufacture wine. A **small farm** winery permit shall be valid from July 1, of the then current year to June 30, of the following year.

Page 1, line 8, delete "small winery" and insert "**farm winery**".

Page 1, line 9, delete "small" and insert "**farm**".

Page 1, line 12, before "must" insert "**(1)**".

Page 1, line 13, strike "." and insert "**and,**".

Page 1, after line 13, insert "(2) **Its annual production of wine shall not exceed five hundred thousand (500,000) gallons.**".

Page 2, line 4, delete "small" and insert "**farm**".

Page 2, line 6, delete "small" and insert "**farm**".

Page 2, after line 30, begin a new paragraph and insert:

SECTION 4. IC 7.1-3-12-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 6. Importation by **Small Farm** Winery. The holder of a **small farm** winery permit, by filing an affidavit with the commission stating that grapes, grape juice, other fruits or fruit juice, or honey produced in Indiana is not obtainable, may apply for a permit to import these products.

Re-number all SECTIONS consecutively.

(Reference is to HB 1299 as printed February 9, 1999.)

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