February 20, 2004

ENGROSSED
HOUSE BILL No. 1207

DIGEST OF HB 1207 (Updated February 18, 2004 2:30 pm - DI 110)

Citations Affected: IC 4-1; IC 6-1.1; IC 7.1-2; IC 7.1-3; IC 7.1-5; noncode.

Synopsis: Exempts the alcohol and tobacco commission (ATC) from statutes that prevent a state agency from compelling an individual to disclose a social security number. Allows the ATC to issue a beer wholesaler's permit to a person if the person: (1) is a resident or is not a resident of Indiana at the time of the permit application; and (2) is a resident before final approval by the ATC of the permit transfer or issuance. Provides that the five years residency requirement for beer wholesalers remains in effect for contracts entered into before July 1, 2004. Allows the ATC to issue a beer wholesaler's permit to a corporation, limited partnership, or limited liability company if at least 60% of the membership interests are owned by persons who: (1) are residents or are not residents of Indiana at the time of the permit application; and (2) are residents before final approval by the ATC of the permit transfer or issuance. Allows the ATC to issue a beer or wine wholesaler's permit to a corporation, limited liability company, or limited partnership if no stockholder or person having an interest is a resident of the county in which the licensed premises is to be situated. Allows the holder of a retailer's permit to have an interest in a brewer's

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Effective: Upon passage; July 1, 2004.

Kuzman, Whetstone

(SENATE SPONSORS — SERVER, BRODEN)

January 13, 2004, read first time and referred to Committee on Public Policy, Ethics and Veterans Affairs.
January 26, 2004, amended, reported — Do Pass.
February 2, 2004, read second time, amended, ordered engrossed.
February 3, 2004, engrossed.
February 5, 2004, read third time, passed. Yeas 81, nays 12.

SENATE ACTION

February 12, 2004, read first time and referred to Committee on Commerce and Consumer Affairs.
February 19, 2004, amended, reported favorably — Do Pass.

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Digest Continued

permit of a brewery that manufactures not more than 20,000 barrels in a calendar year. Allows a microbrewer to sell beer by the glass at a brewery. Provides that the holder of a beer, wine, and liquor retailer permit may allow the self-service of alcoholic beverages in a suite of a civic center, a sports arena, a stadium, an exhibition hall, an auditorium, a theater, a tract that contains a paved auto racetrack more than two miles in length, or a convention center. Increases the attendance and duration of an event at which the holder of an excursion and adjacent landsite permit provides free alcoholic beverages. Provides that if an applicant for an alcoholic beverage permit for a restaurant in a municipal riverfront development project already holds a three-way permit for the premises, the applicant is not eligible for the special permit. Specifies the criteria that an applicant must demonstrate in applying for a special permit in a municipal riverfront development project. Allows a supplemental retailer to sell alcoholic beverages on Sunday from 10 a.m. to 12:30 a.m. Allows a beer, wine, or liquor wholesaler to obtain a deduction for the redevelopment or rehabilitation of real property in areas designated as economic revitalization areas. Allows the ATC to issue a brewer's permit for a microbrewery to an individual, limited liability company, or corporation that are not residents of or organized under Indiana law. Exempts a licensed premises owned or operated by an educational institution of higher learning or an automobile race track from provisions imposing criminal or civil liability for the presence of a minor in a public place where alcoholic beverages are sold. 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. Allows a liquor retailer or a package liquor store to provide samples of beer that do not exceed six ounces. Makes conforming amendments.

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February 20, 2004

Second Regular Session 113th General Assembly (2004)

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 2003 Regular Session of the General Assembly.

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ENGROSSED HOUSE BILL No. 1207

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

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

SECTION 1. IC 4-1-8-1, AS AMENDED BY P.L.178-2003, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 1. (a) No individual may be compelled by any state agency, board, commission, department, bureau, or other entity of state government (referred to as "state agency" in this chapter) to provide the individual's Social Security number to the state agency against the individual's will, absent federal requirements to the contrary. However, the provisions of this chapter do not apply to the following:

(1) Department of state revenue.

(2) Department of workforce development.

(3) The programs administered by:

(A) the division of family and children;

(B) the division of mental health and addiction;

(C) the division of disability, aging, and rehabilitative services; and

(D) the office of Medicaid policy and planning;

of the office of the secretary of family and social services.

(4) Auditor of state.

(5) State personnel department.

(6) Secretary of state, with respect to the registration of broker-dealers, agents, and investment advisors.

(7) The legislative ethics commission, with respect to the registration of lobbyists.

(8) Indiana department of administration, with respect to bidders on contracts.

(9) Indiana department of transportation, with respect to bidders on contracts.

(10) Health professions bureau.

(11) Indiana professional licensing agency.

(12) Indiana department of insurance, with respect to licensing of insurance producers.

(13) A pension fund administered by the board of trustees of the public employees' retirement fund.

(14) The Indiana state teachers' retirement fund.

(15) The state police benefit system.

(16) The alcohol and tobacco commission.

(b) The bureau of motor vehicles may, notwithstanding this chapter, require the following:

(1) That an individual include the individual's Social Security number in an application for an official certificate of title for any vehicle required to be titled under IC 9-17.

(2) That an individual include the individual's Social Security number on an application for registration.

(3) That a corporation, limited liability company, firm, partnership, or other business entity include its federal tax identification number on an application for registration.

(c) The Indiana department of administration, the Indiana department of transportation, the health professions bureau, and the Indiana professional licensing agency may require an employer to provide its federal employer identification number.

(d) The department of correction may require a committed offender to provide the offender's Social Security number for purposes of matching data with the Social Security Administration to determine benefit eligibility.

(e) The Indiana gaming commission may, notwithstanding this chapter, require the following:

(1) That an individual include the individual's Social Security number in any application for a riverboat owner's license,

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supplier's license, or occupational license.

(2) That a sole proprietorship, a partnership, an association, a fiduciary, a corporation, a limited liability company, or any other business entity include its federal tax identification number on an application for a riverboat owner's license or supplier's license.

(f) Notwithstanding this chapter, the professional standards board established by IC 20-1-1.4-2 may require an individual who applies to the board for a license or an endorsement to provide the individual's Social Security number. The Social Security number may be used by the board only for conducting a background investigation, if the board is authorized by statute to conduct a background investigation of an individual for issuance of the license or endorsement.

SECTION 2. IC 6-1.1-12.1-3, AS AMENDED BY P.L.90-2002, SECTION 118, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) An applicant must provide a statement of benefits to the designating body. If the designating body requires information from the applicant for economic revitalization area status for use in making its decision about whether to designate an economic revitalization area, the applicant shall provide the completed statement of benefits form to the designating body before the hearing required by section 2.5(c) of this chapter. Otherwise, the statement of benefits form must be submitted to the designating body before the initiation of the redevelopment or rehabilitation for which the person desires to claim a deduction under this chapter. The department of local government finance shall prescribe a form for the statement of benefits. The statement of benefits must include the following information:

(1) A description of the proposed redevelopment or rehabilitation.

(2) An estimate of the number of individuals who will be employed or whose employment will be retained by the person as a result of the redevelopment or rehabilitation and an estimate of the annual salaries of these individuals.

(3) An estimate of the value of the redevelopment or rehabilitation.

With the approval of the designating body, the statement of benefits may be incorporated in a designation application. Notwithstanding any other law, a statement of benefits is a public record that may be inspected and copied under IC 5-14-3-3.

(b) The designating body must review the statement of benefits required under subsection (a). The designating body shall determine whether an area should be designated an economic revitalization area or whether a deduction should be allowed, based on (and after it has

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made) the following findings:

(1) Whether the estimate of the value of the redevelopment or rehabilitation is reasonable for projects of that nature.

(2) Whether the estimate of the number of individuals who will be employed or whose employment will be retained can be reasonably expected to result from the proposed described redevelopment or rehabilitation.

(3) Whether the estimate of the annual salaries of those individuals who will be employed or whose employment will be retained can be reasonably expected to result from the proposed described redevelopment or rehabilitation.

(4) Whether any other benefits about which information was requested are benefits that can be reasonably expected to result from the proposed described redevelopment or rehabilitation.

(5) Whether the totality of benefits is sufficient to justify the deduction.

A designating body may not designate an area an economic revitalization area or approve a deduction unless the findings required by this subsection are made in the affirmative.

(c) Except as provided in subsections (a) through (b), the owner of property which is located in an economic revitalization area is entitled to a deduction from the assessed value of the property. If the area is a residentially distressed area, the period is not more than five (5) years. For all other economic revitalization areas designated before July 1, 2000, the period is three (3), six (6), or ten (10) years. For all economic revitalization areas designated after June 30, 2000, the period is the number of years determined under subsection (d). The owner is entitled to a deduction if:

(1) the property has been rehabilitated; or

(2) the property is located on real estate which has been redeveloped.

The owner is entitled to the deduction for the first year, and any successive year or years, in which an increase in assessed value resulting from the rehabilitation or redevelopment occurs and for the following years determined under subsection (d). However, property owners who had an area designated an urban development area pursuant to an application filed prior to January 1, 1979, are only entitled to a deduction for a five (5) year period. In addition, property owners who are entitled to a deduction under this chapter pursuant to an application filed after December 31, 1978, and before January 1, 1986, are entitled to a deduction for a ten (10) year period.

(d) For an area designated as an economic revitalization area after

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June 30, 2000, that is not a residentially distressed area, the designating body shall determine the number of years for which the property owner is entitled to a deduction. However, the deduction may not be allowed for more than ten (10) years. This determination shall be made:

(1) as part of the resolution adopted under section 2.5 of this chapter; or

(2) by resolution adopted within sixty (60) days after receiving a copy of a property owner's certified deduction application from the county auditor. A certified copy of the resolution shall be sent to the county auditor who shall make the deduction as provided in section 5 of this chapter.

A determination about the number of years the deduction is allowed that is made under subdivision (1) is final and may not be changed by following the procedure under subdivision (2).

(e) Except for deductions related to redevelopment or rehabilitation of real property in a county containing a consolidated city or a deduction related to redevelopment or rehabilitation of real property initiated before December 31, 1987, in areas designated as economic revitalization areas before that date, a deduction for the redevelopment or rehabilitation of real property may not be approved for the following facilities:

(1) Private or commercial golf course.

(2) Country club.

(3) Massage parlor.

(4) Tennis club.

(5) Skating facility (including roller skating, skateboarding, or ice skating).

(6) Racquet sport facility (including any handball or racquetball court).

(7) Hot tub facility.

(8) Suntan facility.

(9) Racetrack.

(10) Any facility the primary purpose of which is:

(A) retail food and beverage service;

(B) automobile sales or service; or

(C) other retail;

unless the facility is located in an economic development target area established under section 7 of this chapter.

(11) Residential, unless:

(A) the facility is a multifamily facility that contains at least twenty percent (20%) of the units available for use by low and moderate income individuals;

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(B) the facility is located in an economic development target area established under section 7 of this chapter; or

(C) the area is designated as a residentially distressed area.

(12) A package liquor store that holds a liquor dealer's permit under IC 7.1-3-10 or any other entity that is required to operate under a license issued under IC 7.1. This subdivision does not apply to an applicant that:

(A) was eligible for tax abatement under this chapter before July 1, 1995; ~~or~~

(B) is described in IC 7.1-5-7-11; **or**

(C) operates a facility under:

(i) a beer wholesaler's permit under IC 7.1-3-3;

(ii) a liquor wholesaler's permit under IC 7.1-3-8; or

(iii) a wine wholesaler's permit under IC 7.1-3-13;

for which the applicant claims a deduction under this chapter.

(f) This subsection applies only to a county having a population of more than two hundred thousand (200,000) but less than three hundred thousand (300,000). Notwithstanding subsection (e)(11), in a county subject to this subsection a designating body may, before September 1, 2000, approve a deduction under this chapter for the redevelopment or rehabilitation of real property consisting of residential facilities that are located in unincorporated areas of the county if the designating body makes a finding that the facilities are needed to serve any combination of the following:

(1) Elderly persons who are predominately low-income or moderate-income persons.

(2) Disabled persons.

A designating body may adopt an ordinance approving a deduction under this subsection only one (1) time. This subsection expires January 1, 2011.

SECTION 3. IC 7.1-2-3-16.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 16.5. (a) As used in this section, "facility" includes the following:

(1) A facility to which IC 7.1-3-1-25(a) applies.

(2) A tract that contains a premises that is described in ~~IC 7.1-3-1-14(c)(2).~~ **IC 7.1-3-1-14(c)(2).**

(3) A horse track or satellite facility to which IC 7.1-3-17.7 applies.

(4) A tract that contains an entertainment complex.

(b) As used in this section, "tract" has the meaning set forth in IC 6-1.1-1-22.5.

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(c) A facility may advertise alcoholic beverages:

(1) in the facility's interior; or

(2) on the facility's exterior.

(d) The commission may not exercise the prohibition power contained in section 16(a) of this chapter on advertising by a brewer, distiller, rectifier, or vintner in or on a facility.

(e) Notwithstanding IC 7.1-5-5-10 and IC 7.1-5-5-11, a facility may provide advertising to a permittee that is a brewer, distiller, rectifier, or vintner in exchange for compensation from that permittee.

SECTION 4. IC 7.1-3-1-14, AS AMENDED BY P.L.136-2000, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 14. (a) It is lawful for an appropriate permittee, unless otherwise specifically provided in this title, to sell alcoholic beverages each day Monday through Saturday from 7 a.m., prevailing local time, until 3 a.m., prevailing local time, the following day. Sales shall cease wholly on Sunday at 3 a.m., prevailing local time, and not be resumed until the following Monday at 7 a.m., prevailing local time.

(b) It is lawful for the holder of a supplemental retailer's permit ~~which is not specified in subsection (c)~~ to sell the appropriate alcoholic beverages on Sunday from ~~noon,~~ **10 a.m.,** prevailing local time, until 12:30 a.m., prevailing local time, the following day.

~~(c) It is lawful for the holder of a supplemental retailer's permit to sell the appropriate alcoholic beverages on Sunday from 11:00 a.m., prevailing local time, until 12:30 a.m., prevailing local time, the following day if the holder of the permit meets the following criteria:~~

~~(1) the holder of the permit is a hotel; or~~

~~(2) the holder of the permit meets the requirements of 905 IAC 1-41-2(a).~~

~~(d) Notwithstanding subsections (b) and (c), if December 31 (New Year's Eve) is on a Sunday, it is lawful for the holder of a supplemental retailer's permit to sell the appropriate alcoholic beverages on Sunday, December 31 from the time provided in subsection (b) or (c) until 3 a.m. the following day.~~

~~(e)~~ **(c)** It is lawful for the holder of a permit under this article to sell alcoholic beverages at athletic or sports events held on Sunday upon premises that:

(1) are described in section 25(a) of this chapter;

(2) are a facility used in connection with the operation of a paved track more than two (2) miles in length that is used primarily in the sport of auto racing; or

(3) are being used for a professional or an amateur tournament;

beginning one (1) hour before the scheduled starting time of the event

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or, if the scheduled starting time of the event is 1 p.m. or later, beginning at noon.

~~(f)~~ **(d)** It is lawful for the holder of a valid beer, wine, or liquor wholesaler's permit to sell to the holder of a valid retailer's or dealer's permit at any time.

SECTION 5. IC 7.1-3-2-7, AS AMENDED BY P.L.177-1999, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 7. The holder of a brewer's permit or an out-of-state brewer holding either a primary source of supply permit or an out-of-state brewer's permit may do the following:

(1) Manufacture beer.

(2) Place beer in containers or bottles.

(3) Transport beer.

(4) Sell and deliver beer to a person holding a beer wholesaler's permit issued under IC 7.1-3-3.

(5) If the brewer's brewery manufactures not more than twenty thousand (20,000) barrels of beer in a calendar year, do the following:

(A) Sell and deliver beer to a person holding a retailer or a dealer permit under this title.

(B) Be the proprietor of a restaurant.

(C) Hold a beer retailer's permit, a wine retailer's permit, or a liquor retailer's permit for a restaurant established under clause (B).

(D) Transfer beer directly from the brewery to the restaurant by means of:

(i) bulk containers; or

(ii) a continuous flow system.

(E) Install a window between the brewery and an adjacent restaurant that allows the public and the permittee to view both premises.

(F) Install a doorway or other opening between the brewery and an adjacent restaurant that provides the public and the permittee with access to both premises.

(G) Sell the brewery's beer by the glass for consumption on the premises.

(6) If the brewer's brewery manufactures more than twenty thousand (20,000) barrels of beer in a calendar year, own a portion of the corporate stock of another brewery that:

(A) is located in the same county as the brewer's brewery;

(B) manufactures less than twenty thousand (20,000) barrels of beer in a calendar year; and

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(C) is the proprietor of a restaurant that operates under subdivision (5).

(7) Sell and deliver beer to a consumer at the plant of the brewer or at the residence of the consumer. The delivery to a consumer shall be made only in a quantity at any one (1) time of not more than one-half (1/2) barrel, but the beer may be contained in bottles or other permissible containers.

(8) Provide complimentary samples of beer that are:

(A) produced by the brewer; and

(B) offered to consumers for consumption on the brewer's premises.

(9) Own a portion of the corporate stock of a sports corporation that:

(A) manages a minor league baseball stadium located in the same county as the brewer's brewery; and

(B) holds a beer retailer's permit, a wine retailer's permit, or a liquor retailer's permit for a restaurant located in that stadium.

(10) For beer described in IC 7.1-1-2-3(a)(4):

(A) may allow transportation to and consumption of the beer on the licensed premises; and

(B) may not sell, offer to sell, or allow sale of the beer on the licensed premises.

SECTION 6. IC 7.1-3-2-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 2. **(a) Except as provided in subsection (b),** ~~The~~ **the** commission may issue a brewer's permit only to:

(1) an individual;

(2) a partnership, all the partners of which are bona fide residents of this state;

(3) a limited liability company, all the members of which are bona fide residents of this state; or

(4) a corporation organized and existing under the laws of this state and having authority under its charter to manufacture or sell beer.

(b) The commission may issue a brewer's permit to a brewer for a brewery that manufactures not more than twenty thousand (20,000) barrels of beer in a calendar year to an individual, a partnership, a limited liability company or a corporation.

SECTION 7. IC 7.1-3-9-11, AS ADDED BY P.L.12-1999, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 11. (a) A liquor retailer may allow customers to sample the following:

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(1) **Beer.**
(2) Wines.
~~(2)~~ **(3)** Liquors.
~~(3)~~ **(4)** Liqueurs and cordials (as defined in 27 CFR 5.22(h)).

(b) Sampling is permitted only:
(1) on the liquor retailer's permit premises; and
(2) during the permittee's regular business hours.

(c) A liquor retailer may not charge for the samples provided to customers.

(d) Sample size of wines may not exceed one (1) ounce.

(e) In addition to the other provisions of this section, a liquor retailer who allows customers to sample liquors, liqueurs, or cordials shall comply with all of the following:
(1) A liquor retailer may allow a customer to sample only a combined total of two (2) liquor, liqueur, or cordial samples per day.
(2) Sample size of liqueurs or cordials may not exceed one-half (1/2) ounce.
(3) Sample size of liquors may not exceed four-tenths (0.4) ounce.

(f) A sample size of beer may not exceed six (6) ounces.

SECTION 8. IC 7.1-3-9-12 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: **Sec. 12. (a) This section applies to:**
(1) the holder of a three-way permit that is issued to a civic center, a sports arena, a stadium, an exhibition hall, an auditorium, a theater, a tract that contains a premises that is described in IC 7.1-3-1-14(c)(2), or a convention center; or
(2) the holder of a catering permit while catering alcoholic beverages at a civic center, a sports arena, a stadium, an exhibition hall, an auditorium, a theater, a tract that contains a premises that is described in IC 7.1-3-1-14(c)(2), or a convention center.

(b) As used in this section, "suite" means an area in a building or facility referred to in subsection (a) that:
(1) is not accessible to the general public;
(2) has accommodations for not more than seventy-five (75) persons per suite; and
(3) is accessible only to persons who possess a ticket:
(A) to an event in a building or facility referred to in subsection (a); and
(B) that entitles the person to occupy the area while viewing the event described in clause (A).

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The term does not include a restaurant, lounge, or concession area even if access to the restaurant, lounge, or concession area is limited to certain ticket holders.

(c) A permittee may allow the self-service of individual servings of alcoholic beverages in a suite.

(d) A person who:

(1) possesses a ticket described in subsection (b)(3); and

(2) is at least twenty-one (21) years of age;

may obtain an alcoholic beverage in a suite by self-service.

(e) A permittee may do any of the following:

(1) Demand that a person occupying a suite provide:

(A) a written statement under IC 7.1-5-7-4; and

(B) identification indicating that the person is at least twenty-one (21) years of age.

(2) Supervise the self-service of alcoholic beverages.

(3) Have an employee in the suite who holds an employee permit under IC 7.1-3-18-9 to serve some or all of the alcoholic beverages.

SECTION 9. IC 7.1-3-10-13, AS AMENDED BY P.L.12-1999, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 13. (a) A liquor dealer permittee who is a proprietor of a package liquor store may allow customers to sample the following:

(1) **Beer.**

(2) Wines.

~~(2)~~ **(3)** Liquors.

~~(3)~~ **(4)** Liqueurs and cordials (as defined in 27 CFR 5.22(h)).

(b) Sampling is permitted:

(1) only on the package liquor store permit premises; and

(2) only during the store's regular business hours.

(c) No charge may be made for the samples provided to the customers.

(d) Sample size of wines may not exceed one (1) ounce.

(e) In addition to the other provisions of this section, a proprietor who allows customers to sample liquors, liqueurs, or cordials shall comply with all of the following:

(1) A proprietor may allow a customer to sample not more than a combined total of two (2) liquor, liqueur, or cordial samples per day.

(2) Sample size of liqueurs or cordials may not exceed one-half (1/2) ounce.

(3) Sample size of liquors may not exceed four-tenths (0.4) ounce.

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(f) Sample size of beer may not exceed six (6) ounces.

SECTION 10. IC 7.1-3-17.5-6, AS ADDED BY P.L.250-2003, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 6. Notwithstanding IC 7.1-5-5-7, the holder of an excursion and adjacent landsite permit may, subject to the approval of the commission, provide alcoholic beverages to guests without charge at an event on the licensed premises if all the following requirements are met:

(1) The event is attended by not more than ~~five hundred (500)~~ **one thousand (1,000)** guests.

(2) The event is not more than ~~three (3)~~ **six (6)** hours in duration.

(3) Each alcoholic beverage dispensed to a guest:

(A) is entered into a cash register that records and itemizes on the cash register tape each alcoholic beverage dispensed; and

(B) is entered into a cash register as a sale and at the same price that is charged to the general public.

(4) At the conclusion of the event, all alcoholic beverages recorded on the cash register tape are paid by the holder of the excursion and adjacent landsite permit.

(5) All records of the alcoholic beverage sales, including the cash register tape, shall be maintained by the holder of the excursion and adjacent landsite permit for not less than two (2) years.

(6) The holder of the excursion and adjacent landsite permit complies with the rules of the commission.

SECTION 11. IC 7.1-3-20-16.1 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: **Sec. 16.1. (a) This section applies to a municipal riverfront development project authorized under section 16(d) of this chapter.**

(b) In order to qualify for a permit, an applicant must demonstrate that the municipal riverfront development project area where the permit is to be located meets the following criteria:

(1) The project boundaries must border on at least one (1) side of a river.

(2) The proposed permit premises may not be located more than one thousand five hundred (1,500) feet or three (3) city blocks from the river, whichever is greater.

(3) The project must be funded in part with state and city money.

(4) The boundaries of the municipal riverfront development project must be designated by ordinance or resolution by the legislative body (as defined in IC 36-1-2-9(3) or

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IC 36-1-2-9(4)) of the city in which the project is located.

(c) Proof of compliance with subsection (b) must consist of the following documentation, which is required at the time the permit application is filed with the commission:

(1) A detailed map showing:

(A) definite boundaries of the entire municipal riverfront development project; and

(B) the location of the proposed permit within the project.

(2) A copy of the local ordinance or resolution of the local governing body authorizing the municipal riverfront development project.

(3) Detailed information concerning the expenditures of state and city funds on the municipal riverfront development project.

(d) At the request of the city executive with the approval of the city legislative body, the commission may consider an application for a proposed permit premises, the location of which does not meet the criteria of subsection (b)(2), if all other requirements of this section and section 16(d) of this chapter are satisfied.

(e) A permit may not be issued if the proposed permit premises is the location of an existing three-way permit subject to IC 7.1-3-22-3.

SECTION 12. IC 7.1-3-21-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 3. ~~Residency Requirements.~~ **(a)** The commission shall not issue:

(1) an alcoholic beverage ~~wholesaler's,~~ retailer's or dealer's permit of any type; **or**

(2) a wine wholesaler's or liquor wholesaler's permit;

to a person who has not been a continuous and bona fide resident of this state for five (5) years immediately preceding the date of the application for a permit.

(b) The commission may issue a beer wholesaler's permit to a person who is:

(1) either a resident or not a resident of Indiana at the time the person applies for a beer wholesaler's permit; and

(2) a resident of Indiana before final approval of the permit transfer or issuance by the commission.

SECTION 13. IC 7.1-3-21-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 5. (a) ~~Corporations.~~ The commission shall not issue:

(1) an alcoholic beverage ~~wholesaler's,~~ retailer's or dealer's permit of any type; **or**

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(2) a wine wholesaler's or liquor wholesaler's permit;

to a corporation unless sixty percent (60%) of the outstanding common stock is owned by persons who have been continuous and bona fide residents of this state for five (5) years.

(b) **The commission may issue a beer wholesaler's permit to a corporation if at least sixty percent (60%) of the outstanding common stock is owned by persons who are:**

(1) either residents or not residents of Indiana at the time the application is made to the commission for a beer wholesaler's permit; and

(2) residents of Indiana before final approval of the permit transfer or issuance by the commission.

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

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

SECTION 14. IC 7.1-3-21-5.2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 5.2. (a) The commission shall not issue:

(1) an alcoholic beverage ~~wholesalers, retailers~~ **retailer's** or ~~dealers~~ **dealer's** permit of any type; **or**

(2) a wine wholesaler's or liquor wholesaler's permit;

to a limited partnership unless at least sixty percent (60%) of the partnership interest is owned by persons who have been continuous and bona fide residents of Indiana for five (5) years.

(b) **The commission may issue a beer wholesaler's permit to a limited partnership if at least sixty percent (60%) of the partnership interest is owned by persons who are:**

(1) either residents or not residents of Indiana at the time the application is made to the commission for a beer wholesaler's permit; and

(2) residents of Indiana before final approval of the permit transfer or issuance by the commission.

(c) The commission shall not issue ~~an alcoholic beverage~~ **a liquor** wholesaler's permit ~~of any type~~ to a limited partnership unless for at least one (1) year immediately before making application for the permit, at least one (1) of the persons having a partnership interest has been a resident of the county in which the licensed premises are to be

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situated.

~~(c)~~ **(d)** Each general partner and limited partner of a limited partnership must possess all other qualifications required of an individual applicant for that particular type of permit.

SECTION 15. IC 7.1-3-21-5.4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 5.4. (a) The commission shall not issue:

(1) an alcoholic beverage ~~wholesalers, retailers~~ **retailer's** or ~~dealers~~ **dealer's** permit of any type; **or**

(2) a wine wholesaler's or liquor wholesaler's permit;

to a limited liability company unless at least sixty percent (60%) of the membership interest is owned by persons who have been continuous and bona fide residents of Indiana for five (5) years.

(b) **The commission may issue a beer wholesaler's permit to a limited liability company if at least sixty percent (60%) of the membership interest is owned by persons who are:**

(1) either residents or not residents of Indiana at the time the application is made to the commission for a beer wholesaler's permit; and

(2) residents of Indiana before final approval of the permit transfer or issuance by the commission.

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

~~(c)~~ **(d)** Each manager and member of a limited liability company must possess all other qualifications required of an individual applicant for that particular type of permit.

SECTION 16. IC 7.1-5-7-11, AS AMENDED BY P.L.117-2000, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. (a) The provisions of sections 9 and 10 of this chapter shall not apply if the public place involved is one (1) of the following:

(1) Civic center.
(2) Convention center.
(3) Sports arena.
(4) Bowling center.
(5) Bona fide club.
(6) Drug store.
(7) Grocery store.

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(8) Boat.
(9) Dining car.
(10) Pullman car.
(11) Club car.
(12) Passenger airplane.
(13) Horse racetrack facility holding a recognized meeting permit under IC 4-31-5.
(14) Satellite facility (as defined in IC 4-31-2-20.5).
(15) Catering hall under IC 7.1-3-20-24 that is not open to the public.
(16) That part of a hotel or restaurant which is separate from a room in which is located a bar over which alcoholic beverages are sold or dispensed by the drink.
(17) Entertainment complex.
(18) Indoor golf facility.
(19) A recreational facility such as a golf course, bowling center, or similar facility to which IC 7.1-3-16.5-2(c) applies.
(20) A licensed premises owned or operated by an educational institution of higher learning (as defined in IC 20-12-15-1).
(21) An automobile race track.

(b) For the purpose of this subsection, "food" means meals prepared on the licensed premises. It is lawful for a minor to be on licensed premises in a room in which is located a bar over which alcoholic beverages are sold or dispensed by the drink if all the following conditions are met:

(1) The minor is eighteen (18) years of age or older.
(2) The minor is in the company of a parent, guardian, or family member who is twenty-one (21) years of age or older.
(3) The purpose for being on the licensed premises is the consumption of food and not the consumption of alcoholic beverages.

SECTION 17. IC 7.1-5-9-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 10. ~~Retailer Owning Interest in Another Permit Prohibited.~~ **(a) Except as provided in subsection (b),** it is unlawful for a holder of a retailer's permit of any type to acquire, hold, own, or possess an interest of any type in a manufacturer's or wholesaler's permit of any type.

(b) It is lawful for a holder of a retailer's permit of any type to acquire, hold, own, or possess an interest of any type in a brewer's permit for a brewery that manufactures not more than twenty thousand (20,000) barrels of beer in a calendar year.

SECTION 18. IC 7.1-5-9-5 IS REPEALED [EFFECTIVE JULY 1,

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2004].

SECTION 19. [EFFECTIVE UPON PASSAGE] **IC 6-1.1-12.1-3, as amended by this act, applies to property taxes first due and payable after December 31, 2004.**

SECTION 20. [EFFECTIVE JULY 1, 2004] **IC 7.1-3-20-16.1, as added by this act, applies to an application for a permit received after June 30, 2004.**

SECTION 21. [EFFECTIVE JULY 1, 2004] **Notwithstanding IC 7.1-3-21-3, IC 7.1-3-21-5, IC 7.1-3-21-5.2, and IC 7.1-3-21-5.4, all as amended by this act, the residency requirement of five (5) years for beer wholesalers shall remain in effect for all contracts entered into before July 1, 2004, under which a permit is to be transferred from an Indiana resident to a person who was not an Indiana resident at the time of execution of the contract.**

SECTION 22. **An emergency is declared for this act.**

C o p y

COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Policy, Ethics and Veterans Affairs, to which was referred House Bill 1207, 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:

Delete everything after the enacting clause and insert the following:

(SEE TEXT OF BILL)

and when so amended that said bill do pass.

(Reference is to HB 1207 as introduced.)

LYTLE, Chair

Committee Vote: yeas 12, nays 1.

C o p y

HOUSE MOTION

Mr. Speaker: I move that House Bill 1207 be amended to read as follows:

Page 6, between lines 18 and 19, begin a new paragraph and insert:

"SECTION 4. IC 7.1-3-1-25, AS AMENDED BY P.L.170-2002, SECTION 54, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 25. (a) A city or county listed in this subsection that by itself or in combination with any other municipal body acquires by ownership or by lease any stadium, exhibition hall, auditorium, theater, convention center, or civic center may permit the retail sale of alcoholic beverages upon the premises if the governing board of the facility first applies for and secures the necessary permits as required by this title. The cities and counties to which this subsection applies are as follows:

(1) A consolidated city or its county.

(2) A city of the second class.

(3) A county having a population of more than one hundred eighty-two thousand seven hundred ninety (182,790) but less than two hundred thousand (200,000).

(4) A county having a population of more than one hundred seventy thousand (170,000) but less than one hundred eighty thousand (180,000).

(5) A county having a population of more than one hundred thirty thousand (130,000) but less than one hundred forty-five thousand (145,000).

(6) A county having a population of more than three hundred thousand (300,000) but less than four hundred thousand (400,000).

(7) A city having a population of more than five thousand one hundred thirty-five (5,135) but less than five thousand two hundred (5,200).

(8) A county having a population of more than one hundred twenty thousand (120,000) but less than one hundred thirty thousand (130,000).

(9) A county having a population of more than one hundred eighty thousand (180,000) but less than one hundred eighty-two thousand seven hundred ninety (182,790).

(b) A county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000) or a township located in such a county that has established a public park with a golf course within its jurisdiction under IC 36-10-3 or IC 36-10-7 may be issued a permit for the retail sale of alcoholic

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beverages on the premises of any community center within the park, including a clubhouse, social center, or pavilion.

(c) A township that:

(1) is located in a county having a population of more than one hundred five thousand (105,000) but less than one hundred ten thousand (110,000); and

(2) acquires ownership of a golf course;

may permit the retail sale of alcoholic beverages upon the premises of the golf course, if the governing board of the golf course first applies for and secures the necessary permits required by this title.

(d) A township:

(1) having a population of more than thirty-five thousand (35,000) but less than one hundred thousand (100,000); and

(2) located in a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000);

may be issued a permit for the retail sale of alcoholic beverages on the premises of any community center or social center that is located within the township and operated by the township.

(e) **If a township acquires a community center or social center after January 1, 2004, and before January 1, 2005, the commission may issue a permit to the township to sell alcoholic beverages for on premises consumption on the premises of the community center or social center.**

(f) A city that:

(1) has a population of:

(A) more than fifty-nine thousand seven hundred (59,700) but less than sixty-five thousand (65,000); or

(B) more than forty-six thousand five hundred (46,500) but less than fifty thousand (50,000); and

(2) owns a golf course;

may permit the retail sale of alcoholic beverages upon the premises of the golf course if the governing board of the golf course first applies for and secures the necessary permits required by this title.

~~(f)~~ **(g)** A city that:

(1) has a population of more than thirty-two thousand (32,000) but less than thirty-two thousand eight hundred (32,800); and

(2) owns or leases a marina;

may permit the retail sale of alcoholic beverages upon the premises of the marina, if the governing board of the marina first applies for and secures the necessary permits required by this title. The permit may include the carryout sale of alcoholic beverages in accordance with

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IC 7.1-3-4-6(c), IC 7.1-3-9-9(c), IC 7.1-3-14-4(c), and 905 IAC 1-29 but may not include at-home delivery of alcoholic beverages.

~~(g)~~ **(h)** A city listed in this subsection that owns a marina may be issued a permit for the retail sale of alcoholic beverages on the premises of the marina. The permit may include the carryout sale of alcoholic beverages in accordance with IC 7.1-3-4-6(c), IC 7.1-3-9-9(c), IC 7.1-3-14-4(c), and 905 IAC 1-29 but may not include at-home delivery of alcoholic beverages. However, the city must apply for and secure the necessary permits that this title requires. This subsection applies to the following cities:

(1) A city having a population of more than ninety thousand (90,000) but less than one hundred five thousand (105,000).

(2) A city having a population of more than seventy-five thousand (75,000) but less than ninety thousand (90,000).

(3) A city having a population of more than thirty-two thousand eight hundred (32,800) but less than thirty-three thousand (33,000).

(4) A city having a population of more than thirty-three thousand (33,000) but less than thirty-six thousand (36,000).

(5) A city having a population of more than twenty-seven thousand (27,000) but less than twenty-seven thousand four hundred (27,400).

~~(h)~~ **(i)** Notwithstanding subsection (a), the commission may issue a civic center permit to a person that:

(1) by the person's self or in combination with another person is the proprietor, as owner or lessee, of an entertainment complex; or

(2) has an agreement with a person described in subdivision (1) to act as a concessionaire for the entertainment complex for the full period for which the permit is to be issued.".

Renumber all SECTIONS consecutively.

(Reference is to HB 1207as printed January 27, 2004.)

PELATH

HOUSE MOTION

Mr. Speaker: I move that House Bill 1207 be amended to read as follows:

Page 15, line 2, delete “(a) This SECTION" and insert “Notwithstanding Section 12 of this Act, the residency requirement of

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five (5) years for beer wholesalers shall remain in effect for all contracts entered into before July 1, 2004 under which a permit is to be transferred from an Indiana resident to a person who was not an Indiana resident at the time of execution of the contract".

Page 15, delete lines 3 through 6.

Page 15, run in lines 2 through 7.

(Reference is to HB 1207 as printed January 27, 2004.)

WHETSTONE

HOUSE MOTION

Mr. Speaker: I move that House Bill 1207 be amended to read as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

SECTION 1. IC 4-1-8-1, AS AMENDED BY P.L.178-2003, SECTION 1, IS AMENDED TO READ AS FOLLOWS: Sec. 1. (a) No individual may be compelled by any state agency, board, commission, department, bureau, or other entity of state government (referred to as "state agency" in this chapter) to provide the individual's Social Security number to the state agency against the individual's will, absent federal requirements to the contrary. However, the provisions of this chapter do not apply to the following:

(1) Department of state revenue.

(2) Department of workforce development.

(3) The programs administered by:

(A) the division of family and children;

(B) the division of mental health and addiction;

(C) the division of disability, aging, and rehabilitative services; and

(D) the office of Medicaid policy and planning;

of the office of the secretary of family and social services.

(4) Auditor of state.

(5) State personnel department.

(6) Secretary of state, with respect to the registration of broker-dealers, agents, and investment advisors.

(7) The legislative ethics commission, with respect to the registration of lobbyists.

(8) Indiana department of administration, with respect to bidders on contracts.

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(9) Indiana department of transportation, with respect to bidders on contracts.

(10) Health professions bureau.

(11) Indiana professional licensing agency.

(12) Indiana department of insurance, with respect to licensing of insurance producers.

(13) A pension fund administered by the board of trustees of the public employees' retirement fund.

(14) The Indiana state teachers' retirement fund.

(15) The state police benefit system.

(16) The Indiana Alcohol and Tobacco Commission.

(b) The bureau of motor vehicles may, notwithstanding this chapter, require the following:

(1) That an individual include the individual's Social Security number in an application for an official certificate of title for any vehicle required to be titled under IC 9-17.

(2) That an individual include the individual's Social Security number on an application for registration.

(3) That a corporation, limited liability company, firm, partnership, or other business entity include its federal tax identification number on an application for registration.

(c) The Indiana department of administration, the Indiana department of transportation, the health professions bureau, and the Indiana professional licensing agency may require an employer to provide its federal employer identification number.

(d) The department of correction may require a committed offender to provide the offender's Social Security number for purposes of matching data with the Social Security Administration to determine benefit eligibility.

(e) The Indiana gaming commission may, notwithstanding this chapter, require the following:

(1) That an individual include the individual's Social Security number in any application for a riverboat owner's license, supplier's license, or occupational license.

(2) That a sole proprietorship, a partnership, an association, a fiduciary, a corporation, a limited liability company, or any other business entity include its federal tax identification number on an application for a riverboat owner's license or supplier's license.

(f) Notwithstanding this chapter, the professional standards board established by IC 20-1-1.4-2 may require an individual who applies to the board for a license or an endorsement to provide the individual's Social Security number. The Social Security number may be used by

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the board only for conducting a background investigation, if the board is authorized by statute to conduct a background investigation of an individual for issuance of the license or endorsement.

Renumber all SECTIONS consecutively.

1207 (Reference is to HB 1207 as printed January 27, 2004.)

WHETSTONE

HOUSE MOTION

Mr. Speaker: I move that House Bill 1207 be amended to read as follows:

Page 5, between lines 22 and 23, begin a new paragraph and insert: SECTION 3. IC 7.1-3-1-7, AS AMENDED BY P.L.205-1999, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 7. (a) An applicant for a brewer's permit **for a brewery that manufactures not more than twenty thousand (20,000) barrels of beer in a calendar year**, a distiller's permit, or a liquor wholesaler's permit shall file with the commission a surety bond in the penal sum of ten thousand dollars ($10,000).

(b) An applicant for a rectifier's permit shall file with the commission a surety bond in the penal sum of fifteen thousand dollars ($15,000).

(c) An applicant for a vintner's permit shall file with the commission a surety bond in the penal sum of one thousand dollars ($1,000).

Page 5, line 34, reset in roman "12:30 a.m.".

Page 5, line 34, delete "3 a.m.".

Page 7, between lines 35 and 36, begin a new paragraph and insert: SECTION 6. IC 7.1-3-2-2 IS AMENDED TO READ AS FOLLOWS: Sec. 2. **(a) Except as provided in subsection (b),** ~~The~~ **the** commission may issue a brewer's permit only to:

(1) an individual;

(2) a partnership, all the partners of which are bona fide residents of this state;

(3) a limited liability company, all the members of which are bona fide residents of this state; or

(4) a corporation organized and existing under the laws of this state and having authority under its charter to manufacture or sell beer.

(b) The commission may issue a brewer's permit to a brewer for a brewery that manufactures not more than twenty thousand

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(20,000) barrels of beer in a calendar year to an individual, a partnership, a limited liability company or a corporation.

Renumber all SECTIONS consecutively.

(Reference is to HB 1207 as printed January 27, 2004.)

ALDERMAN

C o p y

COMMITTEE REPORT

Madam President: The Senate Committee on Commerce and Consumer Affairs, to which was referred House Bill No. 1207, 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:

Page 1, line 2, delete "FOLLOWS:" and insert "FOLLOWS [EFFECTIVE JULY 1, 2004]:".

Page 2, line 19, delete "Indiana Alcohol and Tobacco Commission." and insert "**alcohol and tobacco commission.**".

Page 7, delete lines 9 through 20.

Page 7, line 32, after "a.m." reset in roman ",".

Page 8, delete lines 17 through 42,

Delete pages 9 through 10.

Page 12, line 19, delete "FOLLOWS:" and insert "FOLLOWS [EFFECTIVE JULY 1, 2004]:".

Page 16, line 28, after "(1)" insert "**either a resident or**".

Page 17, line 2, after "(1)" insert "**either residents or**".

Page 17, line 26, after "(1)" insert "**either residents or**".

Page 18, line 9, after "(1)" insert "**either residents or**".

Page 19, line 41, reset in bold "Notwithstanding".

Page 19, line 42, delete "Section 12 of this Act," and insert "**IC 7.1-3-21-3, IC 7.1-3-21-5, IC 7.1-3-21-5.2, and IC 7.1-3-21-5.4, all as amended by this act,**".

Page 19, reset in bold "the residency requirement of five (5) years for".

Page 20, reset in bold line 1.

Page 20, line 2, reset in bold "before July 1,".

Page 20, line 2, delete "2004" and insert "**2004,**".

Page 20, line 2, reset in bold "under which a permit is to be transferred from an".

Page 20, reset in bold lines 3 through 4.

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1207 as reprinted February 3, 2004.)

SERVER, Chairperson

Committee Vote: Yeas 7, Nays 1.

C o p y