



January 27, 2004

HOUSE BILL No. 1207

DIGEST OF HB 1207 (Updated January 21, 2004 6:16 pm - DI 14)

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

Synopsis: Allows the alcohol and tobacco commission (ATC) to issue a beer wholesaler's permit to a person if the person: (1) 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. 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 common stock, partnership interests, or membership interests are owned by persons who: (1) 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 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.
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Effective: Upon passage; July 1, 2004.

Kuzman, Whetstone

January 13, 2004, read first time and referred to Committee on Public Policy, Ethics and Veterans Affairs.
January 26, 2004, amended, reported — Do Pass.

HB 1207—LS 6497/DI 92+



Digest Continued

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 3 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. 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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January 27, 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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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:

1 SECTION 1. IC 6-1.1-12.1-3, AS AMENDED BY P.L.90-2002,
2 SECTION 118, IS AMENDED TO READ AS FOLLOWS
3 [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) An applicant must
4 provide a statement of benefits to the designating body. If the
5 designating body requires information from the applicant for economic
6 revitalization area status for use in making its decision about whether
7 to designate an economic revitalization area, the applicant shall provide
8 the completed statement of benefits form to the designating body
9 before the hearing required by section 2.5(c) of this chapter. Otherwise,
10 the statement of benefits form must be submitted to the designating
11 body before the initiation of the redevelopment or rehabilitation for
12 which the person desires to claim a deduction under this chapter. The
13 department of local government finance shall prescribe a form for the
14 statement of benefits. The statement of benefits must include the
15 following information:

- 16 (1) A description of the proposed redevelopment or rehabilitation.
- 17 (2) An estimate of the number of individuals who will be

HB 1207—LS 6497/DI 92+



1 employed or whose employment will be retained by the person as
 2 a result of the redevelopment or rehabilitation and an estimate of
 3 the annual salaries of these individuals.
 4 (3) An estimate of the value of the redevelopment or
 5 rehabilitation.
 6 With the approval of the designating body, the statement of benefits
 7 may be incorporated in a designation application. Notwithstanding any
 8 other law, a statement of benefits is a public record that may be
 9 inspected and copied under IC 5-14-3-3.
 10 (b) The designating body must review the statement of benefits
 11 required under subsection (a). The designating body shall determine
 12 whether an area should be designated an economic revitalization area
 13 or whether a deduction should be allowed, based on (and after it has
 14 made) the following findings:
 15 (1) Whether the estimate of the value of the redevelopment or
 16 rehabilitation is reasonable for projects of that nature.
 17 (2) Whether the estimate of the number of individuals who will be
 18 employed or whose employment will be retained can be
 19 reasonably expected to result from the proposed described
 20 redevelopment or rehabilitation.
 21 (3) Whether the estimate of the annual salaries of those
 22 individuals who will be employed or whose employment will be
 23 retained can be reasonably expected to result from the proposed
 24 described redevelopment or rehabilitation.
 25 (4) Whether any other benefits about which information was
 26 requested are benefits that can be reasonably expected to result
 27 from the proposed described redevelopment or rehabilitation.
 28 (5) Whether the totality of benefits is sufficient to justify the
 29 deduction.
 30 A designating body may not designate an area an economic
 31 revitalization area or approve a deduction unless the findings required
 32 by this subsection are made in the affirmative.
 33 (c) Except as provided in subsections (a) through (b), the owner of
 34 property which is located in an economic revitalization area is entitled
 35 to a deduction from the assessed value of the property. If the area is a
 36 residentially distressed area, the period is not more than five (5) years.
 37 For all other economic revitalization areas designated before July 1,
 38 2000, the period is three (3), six (6), or ten (10) years. For all economic
 39 revitalization areas designated after June 30, 2000, the period is the
 40 number of years determined under subsection (d). The owner is entitled
 41 to a deduction if:
 42 (1) the property has been rehabilitated; or

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

3 The owner is entitled to the deduction for the first year, and any
4 successive year or years, in which an increase in assessed value
5 resulting from the rehabilitation or redevelopment occurs and for the
6 following years determined under subsection (d). However, property
7 owners who had an area designated an urban development area
8 pursuant to an application filed prior to January 1, 1979, are only
9 entitled to a deduction for a five (5) year period. In addition, property
10 owners who are entitled to a deduction under this chapter pursuant to
11 an application filed after December 31, 1978, and before January 1,
12 1986, are entitled to a deduction for a ten (10) year period.

13 (d) For an area designated as an economic revitalization area after
14 June 30, 2000, that is not a residentially distressed area, the designating
15 body shall determine the number of years for which the property owner
16 is entitled to a deduction. However, the deduction may not be allowed
17 for more than ten (10) years. This determination shall be made:

- 18 (1) as part of the resolution adopted under section 2.5 of this
19 chapter; or
- 20 (2) by resolution adopted within sixty (60) days after receiving a
21 copy of a property owner's certified deduction application from
22 the county auditor. A certified copy of the resolution shall be sent
23 to the county auditor who shall make the deduction as provided
24 in section 5 of this chapter.

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

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

- 35 (1) Private or commercial golf course.
- 36 (2) Country club.
- 37 (3) Massage parlor.
- 38 (4) Tennis club.
- 39 (5) Skating facility (including roller skating, skateboarding, or ice
40 skating).
- 41 (6) Racquet sport facility (including any handball or racquetball
42 court).

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- 1 (7) Hot tub facility.
- 2 (8) Suntan facility.
- 3 (9) Racetrack.
- 4 (10) Any facility the primary purpose of which is:
 - 5 (A) retail food and beverage service;
 - 6 (B) automobile sales or service; or
 - 7 (C) other retail;
 unless the facility is located in an economic development target

area established under section 7 of this chapter.
- 10 (11) Residential, unless:
 - 11 (A) the facility is a multifamily facility that contains at least
 - 12 twenty percent (20%) of the units available for use by low and
 - 13 moderate income individuals;
 - 14 (B) the facility is located in an economic development target
 - 15 area established under section 7 of this chapter; or
 - 16 (C) the area is designated as a residentially distressed area.
- 17 (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:
 - 21 (A) was eligible for tax abatement under this chapter before
 - 22 July 1, 1995; ~~or~~
 - 23 (B) is described in IC 7.1-5-7-11; **or**
 - 24 (C) **operates a facility under:**
 - 25 (i) **a beer wholesaler's permit under IC 7.1-3-3;**
 - 26 (ii) **a liquor wholesaler's permit under IC 7.1-3-8; or**
 - 27 (iii) **a wine wholesaler's permit under IC 7.1-3-13;**
 - 28 **for which the applicant claims a deduction under this**
 - 29 **chapter.**
- 30 (f) This subsection applies only to a county having a population of

31 more than two hundred thousand (200,000) but less than three hundred

32 thousand (300,000). Notwithstanding subsection (e)(11), in a county

33 subject to this subsection a designating body may, before September 1,

34 2000, approve a deduction under this chapter for the redevelopment or

35 rehabilitation of real property consisting of residential facilities that are

36 located in unincorporated areas of the county if the designating body

37 makes a finding that the facilities are needed to serve any combination

38 of the following:
 - 39 (1) Elderly persons who are predominately low-income or
 - 40 moderate-income persons.
 - 41 (2) Disabled persons.
- 42 A designating body may adopt an ordinance approving a deduction

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1 under this subsection only one (1) time. This subsection expires
2 January 1, 2011.

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

- 6 (1) A facility to which IC 7.1-3-1-25(a) applies.
7 (2) A tract that contains a premises that is described in
8 ~~IC 7.1-3-1-14(c)(2)~~; **IC 7.1-3-1-14(c)(2)**.
9 (3) A horse track or satellite facility to which IC 7.1-3-17.7
10 applies.
11 (4) A tract that contains an entertainment complex.

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

14 (c) A facility may advertise alcoholic beverages:

- 15 (1) in the facility's interior; or
16 (2) on the facility's exterior.

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

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

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

31 (b) It is lawful for the holder of a supplemental retailer's permit
32 ~~which is not specified in subsection (c)~~ to sell the appropriate alcoholic
33 beverages on Sunday from ~~noon~~; **10 a.m.**, prevailing local time, until
34 ~~12:30 a.m.~~; **3 a.m.**, prevailing local time, the following day.

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

- 39 (1) ~~the holder of the permit is a hotel; or~~
40 (2) ~~the holder of the permit meets the requirements of 905~~
41 ~~IAC 1-41-2(a).~~

42 (d) ~~Notwithstanding subsections (b) and (c); if December 31 (New~~

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1 Year's Eve) is on a Sunday, it is lawful for the holder of a supplemental
2 retailer's permit to sell the appropriate alcoholic beverages on Sunday;
3 December 31 from the time provided in subsection (b) or (c) until 3
4 a.m. the following day.

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

- 8 (1) are described in section 25(a) of this chapter;
- 9 (2) are a facility used in connection with the operation of a paved
10 track more than two (2) miles in length that is used primarily in
11 the sport of auto racing; or
- 12 (3) are being used for a professional or an amateur tournament;
13 beginning one (1) hour before the scheduled starting time of the event
14 or, if the scheduled starting time of the event is 1 p.m. or later,
15 beginning at noon.

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

19 SECTION 4. IC 7.1-3-2-7, AS AMENDED BY P.L.177-1999,
20 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
21 JULY 1, 2004]: Sec. 7. The holder of a brewer's permit or an
22 out-of-state brewer holding either a primary source of supply permit or
23 an out-of-state brewer's permit may do the following:

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

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- 1 restaurant that allows the public and the permittee to view both
 2 premises.
 3 (F) Install a doorway or other opening between the brewery
 4 and an adjacent restaurant that provides the public and the
 5 permittee with access to both premises.
 6 **(G) Sell the brewery's beer by the glass for consumption on**
 7 **the premises.**
 8 (6) If the brewer's brewery manufactures more than twenty
 9 thousand (20,000) barrels of beer in a calendar year, own a
 10 portion of the corporate stock of another brewery that:
 11 (A) is located in the same county as the brewer's brewery;
 12 (B) manufactures less than twenty thousand (20,000) barrels
 13 of beer in a calendar year; and
 14 (C) is the proprietor of a restaurant that operates under
 15 subdivision (5).
 16 (7) Sell and deliver beer to a consumer at the plant of the brewer
 17 or at the residence of the consumer. The delivery to a consumer
 18 shall be made only in a quantity at any one (1) time of not more
 19 than one-half (1/2) barrel, but the beer may be contained in bottles
 20 or other permissible containers.
 21 (8) Provide complimentary samples of beer that are:
 22 (A) produced by the brewer; and
 23 (B) offered to consumers for consumption on the brewer's
 24 premises.
 25 (9) Own a portion of the corporate stock of a sports corporation
 26 that:
 27 (A) manages a minor league baseball stadium located in the
 28 same county as the brewer's brewery; and
 29 (B) holds a beer retailer's permit, a wine retailer's permit, or a
 30 liquor retailer's permit for a restaurant located in that stadium.
 31 (10) For beer described in IC 7.1-1-2-3(a)(4):
 32 (A) may allow transportation to and consumption of the beer
 33 on the licensed premises; and
 34 (B) may not sell, offer to sell, or allow sale of the beer on the
 35 licensed premises.
 36 SECTION 5. IC 7.1-3-9-11, AS ADDED BY P.L.12-1999,
 37 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 38 JULY 1, 2004]: Sec. 11. (a) A liquor retailer may allow customers to
 39 sample the following:
 40 (1) **Beer.**
 41 (2) **Wines.**
 42 (2) **Liquors.**

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1 ~~(3)~~ **(4)** Liqueurs and cordials (as defined in 27 CFR 5.22(h)).
2 (b) Sampling is permitted only:
3 (1) on the liquor retailer's permit premises; and
4 (2) during the permittee's regular business hours.
5 (c) A liquor retailer may not charge for the samples provided to
6 customers.
7 (d) Sample size of wines may not exceed one (1) ounce.
8 (e) In addition to the other provisions of this section, a liquor retailer
9 who allows customers to sample liquors, liqueurs, or cordials shall
10 comply with all of the following:
11 (1) A liquor retailer may allow a customer to sample only a
12 combined total of two (2) liquor, liqueur, or cordial samples per
13 day.
14 (2) Sample size of liqueurs or cordials may not exceed one-half
15 (1/2) ounce.
16 (3) Sample size of liquors may not exceed four-tenths (0.4) ounce.
17 **(f) A sample size of beer may not exceed six (6) ounces.**
18 SECTION 6. IC 7.1-3-9-12 IS ADDED TO THE INDIANA CODE
19 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
20 1, 2004]: **Sec. 12. (a) This section applies to:**
21 **(1) the holder of a three-way permit that is issued to a civic**
22 **center, a sports arena, a stadium, an exhibition hall, an**
23 **auditorium, a theater, a tract that contains a premises that is**
24 **described in IC 7.1-3-1-14(c)(2), or a convention center; or**
25 **(2) the holder of a catering permit while catering alcoholic**
26 **beverages at a civic center, a sports arena, a stadium, an**
27 **exhibition hall, an auditorium, a theater, a tract that contains**
28 **a premises that is described in IC 7.1-3-1-14(c)(2), or a**
29 **convention center.**
30 **(b) As used in this section, "suite" means an area in a building**
31 **or facility referred to in subsection (a) that:**
32 **(1) is not accessible to the general public;**
33 **(2) has accommodations for not more than seventy-five (75)**
34 **persons per suite; and**
35 **(3) is accessible only to persons who possess a ticket:**
36 **(A) to an event in a building or facility referred to in**
37 **subsection (a); and**
38 **(B) that entitles the person to occupy the area while**
39 **viewing the event described in clause (A).**
40 **The term does not include a restaurant, lounge, or concession area**
41 **even if access to the restaurant, lounge, or concession area is**
42 **limited to certain ticket holders.**

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

3 (d) A person who:

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

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

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

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

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

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

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

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

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

16 SECTION 7. IC 7.1-3-10-13, AS AMENDED BY P.L.12-1999,
17 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
18 JULY 1, 2004]: Sec. 13. (a) A liquor dealer permittee who is a
19 proprietor of a package liquor store may allow customers to sample the
20 following:

21 (1) **Beer.**

22 (2) Wines.

23 ~~(2)~~ (3) Liquors.

24 ~~(3)~~ (4) Liqueurs and cordials (as defined in 27 CFR 5.22(h)).

25 (b) Sampling is permitted:

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

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

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

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

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

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

37 (2) Sample size of liqueurs or cordials may not exceed one-half
38 (1/2) ounce.

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

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

41 SECTION 8. IC 7.1-3-17.5-6, AS ADDED BY P.L.250-2003,
42 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

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1 JULY 1, 2004]: Sec. 6. Notwithstanding IC 7.1-5-5-7, the holder of an
2 excursion and adjacent landsite permit may, subject to the approval of
3 the commission, provide alcoholic beverages to guests without charge
4 at an event on the licensed premises if all the following requirements
5 are met:

- 6 (1) The event is attended by not more than ~~five hundred (500)~~ **one**
7 **thousand (1,000)** guests.
- 8 (2) The event is not more than ~~three (3)~~ **six (6)** hours in duration.
- 9 (3) Each alcoholic beverage dispensed to a guest:
10 (A) is entered into a cash register that records and itemizes on
11 the cash register tape each alcoholic beverage dispensed; and
12 (B) is entered into a cash register as a sale and at the same
13 price that is charged to the general public.
- 14 (4) At the conclusion of the event, all alcoholic beverages
15 recorded on the cash register tape are paid by the holder of the
16 excursion and adjacent landsite permit.
- 17 (5) All records of the alcoholic beverage sales, including the cash
18 register tape, shall be maintained by the holder of the excursion
19 and adjacent landsite permit for not less than two (2) years.
- 20 (6) The holder of the excursion and adjacent landsite permit
21 complies with the rules of the commission.

22 SECTION 9. IC 7.1-3-20-16.1 IS ADDED TO THE INDIANA
23 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
24 [EFFECTIVE JULY 1, 2004]: **Sec. 16.1. (a) This section applies to a**
25 **municipal riverfront development project authorized under section**
26 **16(d) of this chapter.**

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

- 30 **(1) The project boundaries must border on at least one (1)**
31 **side of a river.**
- 32 **(2) The proposed permit premises may not be located more**
33 **than one thousand five hundred (1,500) feet or three (3) city**
34 **blocks from the river, whichever is greater.**
- 35 **(3) The project must be funded in part with state and city**
36 **money.**
- 37 **(4) The boundaries of the municipal riverfront development**
38 **project must be designated by ordinance or resolution by the**
39 **legislative body (as defined in IC 36-1-2-9(3) or**
40 **IC 36-1-2-9(4)) of the city in which the project is located.**

41 **(c) Proof of compliance with subsection (b) must consist of the**
42 **following documentation, which is required at the time the permit**

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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 10. 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) 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 11. 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
 - (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

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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) **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 12. 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) **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 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 13. IC 7.1-3-21-5.4 IS AMENDED TO READ AS

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1 FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 5.4. (a) The
2 commission shall not issue:

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

5 (2) **a wine wholesaler's or liquor wholesaler's permit;**
6 to a limited liability company unless at least sixty percent (60%) of the
7 membership interest is owned by persons who have been continuous
8 and bona fide residents of Indiana for five (5) years.

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

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

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

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

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

25 SECTION 14. IC 7.1-5-7-11, AS AMENDED BY P.L.117-2000,
26 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
27 UPON PASSAGE]: Sec. 11. (a) The provisions of sections 9 and 10 of
28 this chapter shall not apply if the public place involved is one (1) of the
29 following:

- 30 (1) Civic center.
- 31 (2) Convention center.
- 32 (3) Sports arena.
- 33 (4) Bowling center.
- 34 (5) Bona fide club.
- 35 (6) Drug store.
- 36 (7) Grocery store.
- 37 (8) Boat.
- 38 (9) Dining car.
- 39 (10) Pullman car.
- 40 (11) Club car.
- 41 (12) Passenger airplane.
- 42 (13) Horse racetrack facility holding a recognized meeting permit

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

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

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

26 SECTION 15. IC 7.1-5-9-10 IS AMENDED TO READ AS
 27 FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 10. ~~Retailer Owning~~
 28 ~~Interest in Another Permit Prohibited.~~ **(a) Except as provided in**
 29 **subsection (b), it is unlawful for a holder of a retailer's permit of any**
 30 **type to acquire, hold, own, or possess an interest of any type in a**
 31 **manufacturer's or wholesaler's permit of any type.**

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

36 SECTION 16. IC 7.1-5-9-5 IS REPEALED [EFFECTIVE JULY 1,
 37 2004].

38 SECTION 17. [EFFECTIVE UPON PASSAGE] **IC 6-1.1-12.1-3,**
 39 **as amended by this act, applies to property taxes first due and**
 40 **payable after December 31, 2004.**

41 SECTION 18. [EFFECTIVE JULY 1, 2004] **IC 7.1-3-20-16.1, as**
 42 **added by this act, applies to an application for a permit received**

COPY



1 **after June 30, 2004.**

2 SECTION 19. [EFFECTIVE JULY 1, 2004] (a) This SECTION
3 applies to a permit issued before July 1, 2004, under IC 7.1-3-21-3.

4 (b) A permit described in subsection (a) that does not meet the
5 requirements of IC 7.1-3-21-3 (as it existed on June 30, 2004) is
6 valid and enforceable.

7 SECTION 20. An emergency is declared for this act.

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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.

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