

HOUSE BILL No. 1259

DIGEST OF INTRODUCED BILL

Citations Affected: IC 7.1-3-21.

Synopsis: Alcoholic beverage permit residency requirements. Eliminates the residency requirements for an alcoholic beverage retailer's permit. Changes the residency requirement from five to six years for a grocery store, drug store, or package liquor store permit (dealer's permit) issued to a person. Changes from five to six years the residency requirements for a package liquor store or liquor wholesaler permit held by a corporation, partnership, limited partnership, or limited liability company.

Effective: July 1, 2013.

Davis

January 14, 2013, read first time and referred to Committee on Public Policy.

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First Regular Session 118th General Assembly (2013)

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 2012 Regular Session of the General Assembly.

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HOUSE BILL No. 1259



A BILL FOR AN ACT to amend the Indiana Code concerning alcohol and tobacco.

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

1 SECTION 1. IC 7.1-3-21-3, AS AMENDED BY P.L.165-2006,
2 SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2013]: Sec. 3. The commission shall not issue:
4 (1) an alcoholic beverage ~~retailer's or dealer's~~ permit of any type;
5 or
6 (2) a liquor wholesaler's permit;
7 to a person who has not been a continuous and bona fide resident of
8 Indiana for ~~five (5)~~ **six (6)** years immediately preceding the date of the
9 application for a permit.

10 SECTION 2. IC 7.1-3-21-5, AS AMENDED BY P.L.165-2006,
11 SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
12 JULY 1, 2013]: Sec. 5. (a) The commission shall not issue:
13 (1) ~~an alcoholic beverage retailer's or dealer's~~ **a package liquor**
14 **store** permit; ~~of any type~~; or
15 (2) a liquor wholesaler's permit;
16 to a corporation unless sixty percent (60%) of the outstanding common
17 stock is owned by persons who have been continuous and bona fide



1 residents of Indiana for ~~five (5)~~ **six (6)** years.

2 (b) The commission shall not issue a liquor wholesaler's permit to
3 a corporation unless at least one (1) of the stockholders shall have been
4 a resident, for at least one (1) year immediately prior to making
5 application for the permit, of the county in which the licensed premises
6 are to be situated.

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

10 SECTION 3. IC 7.1-3-21-5.2, AS AMENDED BY P.L.165-2006,
11 SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
12 JULY 1, 2013]: Sec. 5.2. (a) The commission shall not issue:

13 (1) ~~an alcoholic beverage retailer's or dealer's a package liquor~~
14 ~~store permit; of any type;~~ or

15 (2) a liquor wholesaler's permit;

16 to a limited partnership unless at least sixty percent (60%) of the
17 partnership interest is owned by persons who have been continuous and
18 bona fide residents of Indiana for ~~five (5)~~ **six (6)** years.

19 (b) The commission shall not issue a liquor wholesaler's permit to
20 a limited partnership unless for at least one (1) year immediately before
21 making application for the permit, at least one (1) of the persons having
22 a partnership interest has been a resident of the county in which the
23 licensed premises are to be situated.

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

27 SECTION 4. IC 7.1-3-21-5.4, AS AMENDED BY P.L.165-2006,
28 SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
29 JULY 1, 2013]: Sec. 5.4. (a) The commission shall not issue:

30 (1) ~~an alcoholic beverage retailer's or dealer's a package liquor~~
31 ~~store permit; of any type;~~ or

32 (2) a liquor wholesaler's permit;

33 to a limited liability company unless at least sixty percent (60%) of the
34 membership interest is owned by persons who have been continuous
35 and bona fide residents of Indiana for ~~five (5)~~ **six (6)** years.

36 (b) The commission shall not issue a liquor wholesaler's permit to
37 a limited liability company unless for at least one (1) year immediately
38 before making application for the permit, at least one (1) of the persons
39 having a membership interest has been a resident of the county in
40 which the licensed premises are to be situated.

41 (c) Each manager and member of a limited liability company must
42 possess all other qualifications required of an individual applicant for

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1 that particular type of permit.

2 SECTION 5. IC 7.1-3-21-6, AS AMENDED BY P.L.233-2007,
 3 SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 4 JULY 1, 2013]: Sec. 6. (a) ~~The provisions of sections 4, 5, 5.2, and 5.4~~
 5 ~~of this chapter concerning retail and dealer partnerships, corporations,~~
 6 ~~limited partnerships, and limited liability companies shall not apply to~~
 7 ~~the issuance of:~~ **The commission may not issue the following permits**
 8 **to a foreign corporation, foreign limited partnership, or foreign**
 9 **limited liability company that is not qualified to do business in**
 10 **Indiana:**

- 11 (1) a dining car permit;
 12 (2) a boat permit;
 13 (3) a drug store permit;
 14 (4) a grocery store permit;
 15 (5) a hotel permit;
 16 (6) an airplane permit;
 17 (7) a gaming site permit;
 18 (8) a horse track permit;
 19 (9) a satellite facility permit; or
 20 (10) a retail permit to an establishment:
 21 (A) that is sufficiently served by adequate law enforcement at
 22 its permit location; and
 23 (B) whose annual gross food sales at the permit location:
 24 (i) exceed one hundred thousand dollars (\$100,000); or
 25 (ii) in the case of a new application and as proved by the
 26 applicant to the local board and the commission, will exceed
 27 two hundred thousand dollars (\$200,000) by the end of the
 28 two (2) year period from the date of the issuance of the
 29 permit.

30 (b) ~~The commission shall not issue a permit listed in subsection (a)~~
 31 ~~to a foreign:~~

- 32 (1) ~~corporation;~~
 33 (2) ~~limited partnership; or~~
 34 (3) ~~limited liability company;~~

35 that is not duly qualified to do business in Indiana:

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