

HOUSE BILL No. 1090

DIGEST OF INTRODUCED BILL

Citations Affected: IC 7.1-3-20.

Synopsis: Municipal lakefront development projects. Removes the requirements that: (1) an oil refinery be located within a municipal lakefront development project; and (2) a municipal lakefront development project must be funded in part with local, state, and federal money.

Effective: July 1, 2021.

Harris, Eberhart, Summers, Soliday

January 4, 2021, read first time and referred to Committee on Public Policy.



First Regular Session of the 122nd General Assembly (2021)

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 2020 Regular Session of the General Assembly.

HOUSE BILL No. 1090

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 7.1-3-20-16, AS AMENDED BY P.L.285-2019,
2 SECTION 35, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2021]: Sec. 16. (a) A permit that is authorized by this section
4 may be issued without regard to the quota provisions of IC 7.1-3-22.

5 (b) The commission may issue a three-way permit to sell alcoholic
6 beverages for on-premises consumption only to an applicant who is the
7 proprietor, as owner or lessee, or both, of a restaurant facility in the
8 passenger terminal complex of a publicly owned airport. A permit
9 issued under this subsection shall not be transferred to a location off
10 the airport premises.

11 (c) Except as provided in section 16.3 of this chapter, the
12 commission may issue a three-way, two-way, or one-way permit to sell
13 alcoholic beverages for on-premises consumption only to an applicant
14 who is the proprietor, as owner or lessee, or both, of a restaurant within
15 a redevelopment project consisting of a building or group of buildings
16 that:

17 (1) was formerly used as part of a union railway station;



1 (2) has been listed in or is within a district that has been listed in
 2 the federal National Register of Historic Places maintained
 3 pursuant to the National Historic Preservation Act of 1966, as
 4 amended; and

5 (3) has been redeveloped or renovated, with the redevelopment or
 6 renovation being funded in part with grants from the federal,
 7 state, or local government.

8 A permit issued under this subsection shall not be transferred to a
 9 location outside of the redevelopment project.

10 (d) Subject to section 16.1 of this chapter and except as provided in
 11 section 16.3 of this chapter, the commission may issue a three-way,
 12 two-way, or one-way permit to sell alcoholic beverages for on-premises
 13 consumption only to an applicant who is the proprietor, as owner or
 14 lessee, or both, of a restaurant:

15 (1) on land; or

16 (2) in a historic river vessel;

17 within a municipal riverfront development project funded in part with
 18 state and city money. The ownership of a permit issued under this
 19 subsection and the location for which the permit was issued may not be
 20 transferred. The legislative body of the municipality in which the
 21 municipal riverfront development project is located shall recommend
 22 to the commission sites that are eligible to be permit premises. The
 23 commission shall consider, but is not required to follow, the municipal
 24 legislative body's recommendation in issuing a permit under this
 25 subsection. A permit holder and any lessee or proprietor of the permit
 26 premises are subject to the formal written commitment required under
 27 IC 7.1-3-19-17. Notwithstanding IC 7.1-3-1-3.5 and IC 7.1-3-1.1, if
 28 business operations cease at the permit premises for more than six (6)
 29 months, the permit shall revert to the commission. The permit holder
 30 is not entitled to any refund or other compensation.

31 (e) Except as provided in section 16.3 of this chapter, the
 32 commission may issue a three-way, two-way, or one-way permit to sell
 33 alcoholic beverages for on-premises consumption only to an applicant
 34 who is the proprietor, as owner or lessee, or both, of a restaurant within
 35 a renovation project consisting of:

36 (1) a building that:

37 (A) was formerly used as part of a passenger and freight
 38 railway station; and

39 (B) was built before 1900; or

40 (2) a complex of buildings that:

41 (A) is part of an economic development area established under
 42 IC 36-7-14; and



1 (B) includes, as part of the renovation project, the use and
 2 repurposing of two (2) or more buildings and structures that
 3 are:

- 4 (i) at least seventy-five (75) years old; and
 5 (ii) located at a site at which manufacturing previously
 6 occurred over a period of at least seventy-five (75) years.

7 The permit authorized by this subsection may be issued without regard
 8 to the proximity provisions of IC 7.1-3-21-11.

9 (f) Except as provided in section 16.3 of this chapter, the
 10 commission may issue a three-way permit for the sale of alcoholic
 11 beverages for on-premises consumption at a cultural center for the
 12 visual and performing arts to the following:

13 (1) A town that:

14 (A) is located in a county having a population of more than
 15 four hundred thousand (400,000) but less than seven hundred
 16 thousand (700,000); and

17 (B) has a population of more than twenty thousand (20,000)
 18 but less than twenty-three thousand seven hundred (23,700).

19 (2) A city that has an indoor theater as described in section 26 of
 20 this chapter.

21 (g) Except as provided in section 16.3 of this chapter, the
 22 commission may issue not more than ten (10) new three-way, two-way,
 23 or one-way permits to sell alcoholic beverages for on-premises
 24 consumption to applicants, each of whom must be the proprietor, as
 25 owner or lessee, or both, of a restaurant located within a district, or not
 26 more than seven hundred (700) feet from a district, that meets the
 27 following requirements:

28 (1) The district has been listed in the National Register of Historic
 29 Places maintained under the National Historic Preservation Act
 30 of 1966, as amended.

31 (2) A county courthouse is located within the district.

32 (3) A historic opera house listed on the National Register of
 33 Historic Places is located within the district.

34 (4) A historic jail and sheriff's house listed on the National
 35 Register of Historic Places is located within the district.

36 The legislative body of the municipality in which the district is located
 37 shall recommend to the commission sites that are eligible to be permit
 38 premises. The commission shall consider, but is not required to follow,
 39 the municipal legislative body's recommendation in issuing a permit
 40 under this subsection. An applicant is not eligible for a permit if, less
 41 than two (2) years before the date of the application, the applicant sold
 42 a retailer's permit that was subject to IC 7.1-3-22 and that was for



1 premises located within the district described in this section or within
 2 seven hundred (700) feet of the district. The ownership of a permit
 3 issued under this subsection and the location for which the permit was
 4 issued shall not be transferred. A permit holder and any lessee or
 5 proprietor of the permit premises is subject to the formal written
 6 commitment required under IC 7.1-3-19-17. Notwithstanding
 7 IC 7.1-3-1-3.5 and IC 7.1-3-1.1, if business operations cease at the
 8 permit premises for more than six (6) months, the permit shall revert
 9 to the commission. The permit holder is not entitled to any refund or
 10 other compensation. The total number of active permits issued under
 11 this subsection may not exceed ten (10) at any time. The cost of an
 12 initial permit issued under this subsection is six thousand dollars
 13 (\$6,000).

14 (h) Except as provided in section 16.3 of this chapter, the
 15 commission may issue a three-way permit for the sale of alcoholic
 16 beverages for on-premises consumption to an applicant who will locate
 17 as the proprietor, as owner or lessee, or both, of a restaurant within an
 18 economic development area under IC 36-7-14 in:

19 (1) a town with a population of more than twenty thousand
 20 (20,000); or

21 (2) a city with a population of more than forty-four thousand five
 22 hundred (44,500) but less than forty-five thousand (45,000);

23 located in a county having a population of more than one hundred ten
 24 thousand (110,000) but less than one hundred eleven thousand
 25 (111,000). The commission may issue not more than five (5) licenses
 26 under this section to premises within a municipality described in
 27 subdivision (1) and not more than five (5) licenses to premises within
 28 a municipality described in subdivision (2). The commission shall
 29 conduct an auction of the permits under IC 7.1-3-22-9, except that the
 30 auction may be conducted at any time as determined by the
 31 commission. Notwithstanding any other law, the minimum bid for an
 32 initial license under this subsection is thirty-five thousand dollars
 33 (\$35,000), and the renewal fee for a license under this subsection is one
 34 thousand three hundred fifty dollars (\$1,350). Before the district
 35 expires, a permit issued under this subsection may not be transferred.
 36 After the district expires, a permit issued under this subsection may be
 37 renewed, and the ownership of the permit may be transferred, but the
 38 permit may not be transferred from the permit premises.

39 (i) After June 30, 2006, and except as provided in section 16.3 of
 40 this chapter, the commission may issue not more than five (5) new
 41 three-way, two-way, or one-way permits to sell alcoholic beverages for
 42 on-premises consumption to applicants, each of whom must be the



1 proprietor, as owner or lessee, or both, of a restaurant located within a
 2 district, or not more than five hundred (500) feet from a district, that
 3 meets all of the following requirements:

4 (1) The district is within an economic development area, an area
 5 needing redevelopment, or a redevelopment district as established
 6 under IC 36-7-14.

7 (2) A unit of the National Park Service is partially located within
 8 the district.

9 (3) An international deep water seaport is located within the
 10 district.

11 An applicant is not eligible for a permit under this subsection if, less
 12 than two (2) years before the date of the application, the applicant sold
 13 a retailers' permit that was subject to IC 7.1-3-22 and that was for
 14 premises located within the district described in this subsection or
 15 within five hundred (500) feet of the district. A permit issued under this
 16 subsection may not be transferred. If the commission issues five (5)
 17 new permits under this subsection, and a permit issued under this
 18 subsection is later revoked or is not renewed, the commission may
 19 issue another new permit, as long as the total number of active permits
 20 issued under this subsection does not exceed five (5) at any time. The
 21 commission shall conduct an auction of the permits under
 22 IC 7.1-3-22-9, except that the auction may be conducted at any time as
 23 determined by the commission.

24 (j) Subject to section 16.2 of this chapter and except as provided in
 25 section 16.3 of this chapter, the commission may issue not more than
 26 six (6) new three-way, two-way, or one-way permits to sell alcoholic
 27 beverages for on-premises consumption only to an applicant who is the
 28 proprietor, as owner or lessee, or both, of a restaurant on land within a
 29 municipal lakefront development project. ~~funded in part with state,
 30 local, and federal money.~~ A permit issued under this subsection may
 31 not be transferred. If the commission issues six (6) new permits under
 32 this subsection, and a permit issued under this subsection is later
 33 revoked or is not renewed, the commission may issue another new
 34 permit, as long as the total number of active permits issued under this
 35 subsection does not exceed six (6) at any time. The commission shall
 36 conduct an auction of the permits under IC 7.1-3-22-9, except that the
 37 auction may be conducted at any time as determined by the
 38 commission. Notwithstanding any other law, the minimum bid for an
 39 initial permit under this subsection is ten thousand dollars (\$10,000).

40 (k) Except as provided in section 16.3 of this chapter, the
 41 commission may issue not more than nine (9) new three-way permits
 42 to sell alcoholic beverages for on-premises consumption to applicants,



1 each of whom must be a proprietor, as owner or lessee, or both, of a
2 restaurant located:

3 (1) within a motorsports investment district (as defined in
4 IC 5-1-17.5-11); or

5 (2) not more than one thousand five hundred (1,500) feet from a
6 motorsports investment district.

7 The ownership of a permit issued under this subsection and the location
8 for which the permit was issued shall not be transferred. If the
9 commission issues nine (9) new permits under this subsection, and a
10 permit issued under this subsection is later revoked or is not renewed,
11 the commission may issue another new permit, as long as the total
12 number of active permits issued under this subsection does not exceed
13 nine (9) at any time. A permit holder and any lessee or proprietor of the
14 permit premises are subject to the formal written commitment required
15 under IC 7.1-3-19-17. Notwithstanding IC 7.1-3-1-3.5 and IC 7.1-3-1.1,
16 if business operations cease at the permit premises for more than six
17 (6) months, the permit shall revert to the commission. The permit
18 holder is not entitled to any refund or other compensation.

19 (l) Except as provided in section 16.3 of this chapter, the
20 commission may issue not more than two (2) new three-way permits to
21 sell alcoholic beverages for on-premises consumption for premises
22 located within a qualified motorsports facility (as defined in
23 IC 5-1-17.5-14). The ownership of a permit issued under this
24 subsection and the location for which the permit was issued shall not
25 be transferred. If the commission issues two (2) new permits under this
26 subsection, and a permit issued under this subsection is later revoked
27 or is not renewed, the commission may issue another new permit, as
28 long as the total number of active permits issued under this subsection
29 does not exceed two (2) at any time. A permit holder and any lessee or
30 proprietor of the permit premises are subject to the formal written
31 commitment required under IC 7.1-3-19-17. Notwithstanding
32 IC 7.1-3-1-3.5 and IC 7.1-3-1.1, if business operations cease at the
33 permit premises for more than six (6) months, the permit shall revert
34 to the commission. The permit holder is not entitled to any refund or
35 other compensation.

36 SECTION 2. IC 7.1-3-20-16.2, AS ADDED BY P.L.176-2013,
37 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
38 JULY 1, 2021]: Sec. 16.2. (a) This section applies to a municipal
39 lakefront development project authorized under section 16(j) of this
40 chapter.

41 (b) In order to qualify for a permit, an applicant must demonstrate
42 that the municipal lakefront development project area where the permit



- 1 is to be located meets the following criteria:
- 2 (1) The municipal lakefront development project area must be
- 3 located in a city (as defined in IC 36-1-2-3).
- 4 (2) All of the following must be located within the corporate
- 5 boundaries of the city described in subdivision (1):
- 6 (A) A city park.
- 7 (B) A baseball stadium.
- 8 ~~(C) An oil refinery.~~
- 9 (3) The project boundaries must border on Lake Michigan.
- 10 (4) The proposed permit premises may not be located more than:
- 11 (A) one thousand five hundred (1,500) feet; or
- 12 (B) three (3) city blocks;
- 13 from Lake Michigan, whichever is greater. However, if the area
- 14 adjacent to Lake Michigan is incapable of being developed
- 15 because the area is in a floodplain, or for any other reason that
- 16 prevents the area from being developed, the distances described
- 17 in clauses (A) and (B) are measured from the city blocks located
- 18 nearest to Lake Michigan that are capable of being developed.
- 19 (5) The permit premises are located within:
- 20 (A) an economic development area, a redevelopment project
- 21 area, an urban renewal area, or a redevelopment area
- 22 established under IC 36-7-14, IC 36-7-14.5, or IC 36-7-15.1;
- 23 (B) an economic development project district under
- 24 IC 36-7-15.2 or IC 36-7-26; or
- 25 (C) a community revitalization enhancement district
- 26 designated under IC 36-7-13-12.1.
- 27 ~~(6) The project must be funded in part with state, local, and~~
- 28 ~~federal money.~~
- 29 ~~(7)~~ (6) The boundaries of the municipal lakefront development
- 30 project must be designated by ordinance or resolution by the
- 31 legislative body (as defined in IC 36-1-2-9) of the city in which
- 32 the project is located.
- 33 (c) Proof of compliance with subsection (b) must consist of the
- 34 following documentation, which is required at the time the permit
- 35 application is filed with the commission:
- 36 (1) A detailed map showing:
- 37 (A) definite boundaries of the entire municipal lakefront
- 38 development project; and
- 39 (B) the location of the proposed permit within the project.
- 40 (2) A copy of the local ordinance or resolution of the local
- 41 governing body authorizing the municipal lakefront development
- 42 project.



- 1 (3) Detailed information concerning the expenditures of state;
- 2 local; and federal funds on the municipal lakefront development
- 3 project.
- 4 (d) A permit may not be issued if the proposed permit premises is
- 5 the location of an existing three-way permit subject to IC 7.1-3-22-3.

