



Reprinted
April 13, 2021

ENGROSSED HOUSE BILL No. 1090

DIGEST OF HB 1090 (Updated April 12, 2021 6:55 pm - DI 107)

Citations Affected: IC 7.1-3; IC 7.1-5.

Synopsis: Alcohol matters. 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. Requires a local alcohol board to provide notice to the city or town council and the mayor's office of the city or town in which a municipal lakefront development is located of certain hearings. Requires a local alcohol board to post signs indicating when and where certain hearings will take place. Provides that certain provisions of the food master hall permit section do not apply to a food hall that: (1) is located in a certified technology park; and (2) operates in a certain type of building or complex of buildings. Provides that a municipal riverfront development project may include a project that borders a lake that is at least 750 acres and is completely within the boundaries of a municipality. Allows a person who holds a
(Continued next page)

Effective: Upon passage; July 1, 2021.

Harris, Eberhart, Summers, Soliday

(SENATE SPONSORS — CHARBONNEAU, MELTON,
RANDOLPH LONNIE M)

January 4, 2021, read first time and referred to Committee on Public Policy.
February 11, 2021, reported — Do Pass.
February 16, 2021, read second time, ordered engrossed. Engrossed.
February 17, 2021, read third time, passed. Yeas 95, nays 2.

SENATE ACTION

February 24, 2021, read first time and referred to Committee on Public Policy.
April 8, 2021, amended, reported favorably — Do Pass.
April 12, 2021, read second time, amended, ordered engrossed.

EH 1090—LS 6495/DI 107



Digest Continued

restaurant permit in an economic development area and an interest in a brewery, farm winery, or artisan distillery (production facility) located on or adjacent to the restaurant to sell alcoholic beverages for carryout that are manufactured at the production facility in a general merchandising area of the restaurant. Provides that carryout may be sold from a self-service display in the general merchandising area. Provides that a minor may: (1) be in the general merchandising area; and (2) tour the production facility, if the minor is accompanied by an adult family member and the tour does not include the consumption, tasting, or sampling of alcoholic beverages. (Current law allows a minor to be on the premises of a farm winery or artisan distillery if accompanied by an adult family member, but not a brewery.)

EH 1090—LS 6495/DI 107



Reprinted
April 13, 2021

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.

ENGROSSED 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~~ **sections 16.3 and 16.4** of this
12 chapter, the commission may issue a three-way, two-way, or one-way
13 permit to sell alcoholic beverages for on-premises consumption only to
14 an applicant who is the proprietor, as owner or lessee, or both, of a
15 restaurant within a redevelopment project consisting of a building or
16 group of buildings that:

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

EH 1090—LS 6495/DI 107



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~~ **sections 16.3 and 16.4** of this
 32 chapter, the commission may issue a three-way, two-way, or one-way
 33 permit to sell alcoholic beverages for on-premises consumption only to
 34 an applicant who is the proprietor, as owner or lessee, or both, of a
 35 restaurant within 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 7.1-3-20-16.1, AS AMENDED BY SEA 35-2021,
37 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
38 JULY 1, 2021]: Sec. 16.1. (a) This section applies to a municipal
39 riverfront development project authorized under section 16(d) of this
40 chapter.

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



- 1 is to be located meets the following criteria:
- 2 (1) The project boundaries:
- 3 (A) must border on at least one (1) side of a river; **or**
- 4 (B) **must border a lake that is:**
- 5 (i) **at least seven hundred and fifty (750) acres; and**
- 6 (ii) **completely within the boundaries of a municipality.**
- 7 (2) The proposed permit premises may not be located more than:
- 8 (A) one thousand five hundred (1,500) feet; or
- 9 (B) three (3) city blocks;
- 10 from the river **or the lake**, whichever is greater. However, if the
- 11 area adjacent to the river **or the lake** is incapable of being
- 12 developed because the area is in a floodplain, or for any other
- 13 reason that prevents the area from being developed, the distances
- 14 described in clauses (A) and (B) are measured from the city
- 15 blocks located nearest to the river **or the lake** that are capable of
- 16 being developed.
- 17 (3) The permit premises are located within:
- 18 (A) an economic development area, a redevelopment project
- 19 area, an urban renewal area, or a redevelopment area
- 20 established under IC 36-7-14, IC 36-7-14.5, or IC 36-7-15.1;
- 21 (B) an economic development project district under
- 22 IC 36-7-15.2 or IC 36-7-26; or
- 23 (C) a community revitalization enhancement district
- 24 designated under IC 36-7-13-12.1.
- 25 (4) The project must be funded in part with state and city money.
- 26 (5) The boundaries of the municipal riverfront development
- 27 project must be designated by ordinance or resolution by the
- 28 legislative body (as defined in IC 36-1-2-9(3) or IC 36-1-2-9(4))
- 29 of the city in which the project is located.
- 30 (c) Proof of compliance with subsection (b) must consist of the
- 31 following documentation, which is required at the time the permit
- 32 application is filed with the commission:
- 33 (1) A detailed map showing:
- 34 (A) definite boundaries of the entire municipal riverfront
- 35 development project; and
- 36 (B) the location of the proposed permit within the project.
- 37 (2) A copy of the local ordinance or resolution of the local
- 38 governing body authorizing the municipal riverfront development
- 39 project.
- 40 (3) Detailed information concerning the expenditures of state and
- 41 city funds on the municipal riverfront development project.
- 42 (d) Notwithstanding subsection (b), the commission may issue a



1 permit for premises, the location of which does not meet the criteria of
2 subsection (b)(2), if all the following requirements are met:

3 (1) All other requirements of this section and section 16(d) of this
4 chapter are satisfied.

5 (2) The proposed premises is located not more than:

6 (A) three thousand (3,000) feet; or

7 (B) six (6) blocks;

8 from the river **or the lake**, whichever is greater. However, if the
9 area adjacent to the river **or the lake** is incapable of being
10 developed because the area is in a floodplain, or for any other
11 reason that prevents the area from being developed, the distances
12 described in clauses (A) and (B) are measured from the city
13 blocks located nearest to the river **or the lake** that are capable of
14 being developed.

15 (3) The permit applicant satisfies the criteria established by the
16 commission by rule adopted under IC 4-22-2. The criteria
17 established by the commission may require that the proposed
18 premises be located in an area or district set forth in subsection
19 (b)(3).

20 (4) The permit premises may not be located less than two hundred
21 (200) feet from facilities owned by a state educational institution.

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

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

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

32 (1) The municipal lakefront development project area must be
33 located in a city (as defined in IC 36-1-2-3).

34 (2) All of the following must be located within the corporate
35 boundaries of the city described in subdivision (1):

36 (A) A city park.

37 (B) A baseball stadium.

38 ~~(C) An oil refinery.~~

39 (3) The project boundaries must border on Lake Michigan.

40 (4) The proposed permit premises may not be located more than:

41 (A) one thousand five hundred (1,500) feet; or

42 (B) three (3) city blocks;



1 from Lake Michigan, whichever is greater. However, if the area
 2 adjacent to Lake Michigan is incapable of being developed
 3 because the area is in a floodplain, or for any other reason that
 4 prevents the area from being developed, the distances described
 5 in clauses (A) and (B) are measured from the city blocks located
 6 nearest to Lake Michigan that are capable of being developed.

7 (5) The permit premises are located within:

8 (A) an economic development area, a redevelopment project
 9 area, an urban renewal area, or a redevelopment area
 10 established under IC 36-7-14, IC 36-7-14.5, or IC 36-7-15.1;

11 (B) an economic development project district under
 12 IC 36-7-15.2 or IC 36-7-26; or

13 (C) a community revitalization enhancement district
 14 designated under IC 36-7-13-12.1.

15 ~~(6) The project must be funded in part with state, local, and~~
 16 ~~federal money.~~

17 ~~(7)~~ (6) The boundaries of the municipal lakefront development
 18 project must be designated by ordinance or resolution by the
 19 legislative body (as defined in IC 36-1-2-9) of the city in which
 20 the project is located.

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

24 (1) A detailed map showing:

25 (A) definite boundaries of the entire municipal lakefront
 26 development project; and

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

28 (2) A copy of the local ordinance or resolution of the local
 29 governing body authorizing the municipal lakefront development
 30 project.

31 ~~(3) Detailed information concerning the expenditures of state,~~
 32 ~~local, and federal funds on the municipal lakefront development~~
 33 ~~project.~~

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

36 SECTION 4. IC 7.1-3-20-16.4 IS ADDED TO THE INDIANA
 37 CODE AS A NEW SECTION TO READ AS FOLLOWS
 38 [EFFECTIVE JULY 1, 2021]: **Sec. 16.4. (a) If a holder of a permit**
 39 **issued under section 16(e)(2) of this chapter has an interest in a**
 40 **production facility permit for:**

41 (1) a brewery described in IC 7.1-3-2-7(5);

42 (2) a farm winery described in IC 7.1-3-12-3;



- 1 **(3) an artisan distillery described in IC 7.1-3-27-2; or**
 2 **(4) a combination of the entities described in subdivisions (1)**
 3 **through (3);**

4 **that is located on or adjacent to the premises for which the permit**
 5 **was issued under section 16(e)(2) of this chapter, notwithstanding**
 6 **905 IAC 1-29-2 and 905 IAC 1-41-2(c), the holder of the permit**
 7 **may sell carryout beer, wine, or spirits manufactured at the entity**
 8 **described in subdivisions (1) through (3) in the general**
 9 **merchandising area on the restaurant premises and in a**
 10 **self-serving display. Minors may be allowed in the general**
 11 **merchandising area of the restaurant.**

12 **(b) If a holder of a permit issued under section 16(e)(2) of this**
 13 **chapter has an interest in a production facility permit for:**

- 14 **(1) a brewery described in IC 7.1-3-2-7(5);**
 15 **(2) a farm winery described in IC 7.1-3-12-3;**
 16 **(3) an artisan distillery described in IC 7.1-3-27-2; or**
 17 **(4) a combination of the entities described in subdivisions (1)**
 18 **through (3);**

19 **that is located on or adjacent to the premises for which the permit**
 20 **was issued under section 16(e)(2) of this chapter, the holder of the**
 21 **permit may allow a minor to participate in a nondrinking tour of**
 22 **the production facilities on the premises if the minor is**
 23 **accompanied by an adult as provided in IC 7.1-5-7-11(a)(27),**
 24 **IC 7.1-5-7-11(a)(28), and IC 7.1-5-7-11(a)(29), and the tour does**
 25 **not include allowing tour participants to consume, taste, or sample**
 26 **alcoholic beverages.**

27 SECTION 5. IC 7.1-3-20-29, AS ADDED BY P.L.285-2019,
 28 SECTION 40, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 29 UPON PASSAGE]: Sec. 29. (a) As used in this section, "food hall"
 30 means the premises:

- 31 (1) located within a retail shopping and food service district; and
 32 (2) to which a master permit is issued under this section.

33 (b) As used in this section, "master permit" means a food hall master
 34 permit issued under this section.

35 (c) **Except as provided in subsection (d)**, the commission may
 36 issue a master permit, which is a three-way retailer's permit for on
 37 premises consumption, to a food hall located in a retail shopping and
 38 food service district that meets the following requirements:

- 39 (1) The district consists of an area that:
 40 (A) has been redeveloped, renovated, or environmentally
 41 remediated in part with grants from the federal, state, or local
 42 government under IC 36-7-11; and



- 1 (B) is entirely located within an incorporated city or town.
- 2 (2) The district consists of land and a building or group of
- 3 buildings that are part of a common development.
- 4 (3) The district is located within a locally designated historic
- 5 district under IC 36-7-11 established by a city or town ordinance.
- 6 (4) The district contains at least one (1) building that:
- 7 (A) is on the list of the National Register for Historic Places or
- 8 qualifies as a historic building worthy of preservation under
- 9 IC 36-7-11; and
- 10 (B) has been approved for present commercial use by the local
- 11 historic preservation commission of the city or town.

12 **(d) Subsection (c)(3) and (c)(4) does not apply to a food hall**
 13 **that:**

- 14 **(1) is located within a certified technology park established**
- 15 **under IC 36-7-32; and**
- 16 **(2) operates within a previously vacant building that was or**
- 17 **a complex of buildings that were:**
- 18 **(A) placed in service at least twenty-five (25) years prior to**
- 19 **the redevelopment of the building or buildings; and**
- 20 **(B) owned by a unit of local government or a public**
- 21 **charitable trust prior to redevelopment.**

22 ~~(d)~~ **(e)** The commission may issue a master permit to the owner or
 23 developer of a food hall. The food hall constitutes a single permit
 24 premises that:

- 25 (1) contains not less than seven (7) distinct, nonaffiliated retail
- 26 food and beverage vendors, each of which may apply for a food
- 27 hall vendor permit under section 30 of this chapter; and
- 28 (2) has a seating capacity of the type traditionally designed for
- 29 food and drink for at least one hundred (100) people.

30 ~~(e)~~ **(f)** An applicant for a master permit shall post notice and appear
 31 in front of the local board in which the permit premises is situated. The
 32 local board shall determine the eligibility of the applicant under this
 33 section and hear evidence in support of or against the master permit
 34 location. A master permit may not be transferred to a location outside
 35 the food hall permit premises. A permit that is inactive for more than
 36 six (6) months shall revert back to the commission or may be deposited
 37 with the commission under IC 7.1-3-1.1 with the commission's
 38 permission.

39 ~~(f)~~ **(g)** A master permit authorized by this section may be issued
 40 without regard to the proximity provisions of IC 7.1-3-21-11 or the
 41 quota provisions of IC 7.1-3-22.

42 SECTION 6. IC 7.1-3-22-9, AS AMENDED BY P.L.285-2019,



1 SECTION 44, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
2 JULY 1, 2021]: Sec. 9. (a) This section applies to any permit that is
3 subject to the quota provisions of this chapter unless the permit is
4 obtained by sale, assignment, or transfer under IC 7.1-3-24 **and a**
5 **permit described in IC 7.1-3-20-16(j).**

6 (b) Whenever a permit to which this chapter applies becomes
7 available, the commission shall offer an opportunity to bid for that
8 permit to all persons who are qualified to receive that permit and who
9 have indicated a desire to obtain that permit. The commission shall
10 receive bids at an auction that it conducts. The highest bidder at the
11 commission's auction who is qualified to receive the permit in all
12 respects, including a determination by the local board that the person:

13 (1) does not have a conviction described in IC 7.1-3-4-2(a)(3) that
14 has not been expunged under IC 35-38-9; and

15 (2) is of good repute in the community in which that person
16 resides;

17 is entitled to receive the permit. This bidder shall pay the amount of the
18 bid at the time the permit is issued as a special fee for initial issuance
19 of the permit.

20 (c) The special fee for initial issuance of a permit that is prescribed
21 by this section is in addition to any other fees imposed by this title.

22 (d) All fee revenues collected under this section are subject to
23 IC 7.1-4-7-4.

24 (e) **Thirty (30) days before a local board holds a hearing**
25 **concerning an applicant for a permit described in IC 7.1-3-20-16(j),**
26 **the local board shall provide notice of the hearing to the:**

27 (1) **city or town council; and**

28 (2) **mayor's office;**

29 **of the city or town in which the municipal lakefront development**
30 **project is located.**

31 (f) **A local board shall post signs indicating when and where a**
32 **hearing described in subsection (e) will take place.**

33 (g) The commission shall adopt rules under IC 4-22-2 to
34 implement this section.

35 SECTION 7. IC 7.1-5-7-11, AS AMENDED BY P.L.285-2019,
36 SECTION 59, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
37 JULY 1, 2021]: Sec. 11. (a) The provisions of sections 9 and 10 of this
38 chapter shall not apply if the public place involved is one (1) of the
39 following:

40 (1) Civic center.

41 (2) Convention center.

42 (3) Sports arena.



- 1 (4) Bowling center.
- 2 (5) Bona fide club.
- 3 (6) Drug store.
- 4 (7) Grocery store.
- 5 (8) Boat.
- 6 (9) Dining car.
- 7 (10) Pullman car.
- 8 (11) Club car.
- 9 (12) Passenger airplane.
- 10 (13) Horse racetrack facility holding a recognized meeting permit
- 11 under IC 4-31-5.
- 12 (14) Satellite facility (as defined in IC 4-31-2-20.5).
- 13 (15) Catering hall under IC 7.1-3-20-24 that is not open to the
- 14 public.
- 15 (16) That part of a restaurant which is separate from a room in
- 16 which is located a bar over which alcoholic beverages are sold or
- 17 dispensed by the drink.
- 18 (17) Entertainment complex.
- 19 (18) Indoor golf facility.
- 20 (19) A recreational facility such as a golf course, bowling center,
- 21 or similar facility that has the recreational activity and not the sale
- 22 of food and beverages as the principal purpose or function of the
- 23 person's business.
- 24 (20) A licensed premises owned or operated by a postsecondary
- 25 educational institution described in IC 21-17-6-1.
- 26 (21) An automobile racetrack.
- 27 (22) An indoor theater under IC 7.1-3-20-26.
- 28 (23) A senior residence facility campus (as defined in
- 29 IC 7.1-3-1-29(c)) at which alcoholic beverages are given or
- 30 furnished as provided under IC 7.1-3-1-29.
- 31 (24) A hotel other than a part of a hotel that is a room in a
- 32 restaurant in which a bar is located over which alcoholic
- 33 beverages are sold or dispensed by the drink.
- 34 (25) The location of an allowable event to which IC 7.1-3-6.1
- 35 applies.
- 36 (26) The location of a charity auction to which IC 7.1-3-6.2
- 37 applies.
- 38 **(27) A tour of a brewery as provided in IC 7.1-3-20-16.4, if the**
- 39 **minor is in the company of a parent, legal guardian or**
- 40 **custodian, or family member who is at least twenty-one (21)**
- 41 **years of age.**
- 42 ~~(27)~~ **(28)** A farm winery and any additional locations of the farm



1 winery under IC 7.1-3-12, if the minor is in the company of a
 2 parent, legal guardian or custodian, or family member who is at
 3 least twenty-one (21) years of age and the minor is accompanied
 4 by the adult in any area that the adult may be present whether or
 5 not the area:

6 (A) is separated in any manner from where the wine is
 7 manufactured, sold, or consumed within the farm winery
 8 premises; or

9 (B) operates under a retailer's permit.

10 ~~(28)~~ **(29)** An artisan distillery under IC 7.1-3-27, if:

11 (A) the person who holds the artisan distiller's permit also
 12 holds a farm winery permit under IC 7.1-3-12, **or**
 13 **IC 7.1-3-20-16.4(a) applies to the person;** and

14 (B) the minor is in the company of a parent, legal guardian or
 15 custodian, or family member who is at least twenty-one (21)
 16 years of age.

17 ~~(29)~~ **(30)** An art instruction studio under IC 7.1-5-8-4.6.

18 ~~(30)~~ **(31)** The licensed premises of a food hall under
 19 IC 7.1-3-20-29 and the food and beverage vending space of a food
 20 hall vendor permittee under IC 7.1-3-20-30. However, sections 9
 21 and 10 of this chapter apply to a bar within the food and beverage
 22 vending space of a food hall vendor permittee under
 23 IC 7.1-3-20-30 that serves alcoholic beverages intended to be
 24 consumed while sitting or standing at the bar.

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

30 (1) The minor is eighteen (18) years of age or older.

31 (2) The minor is in the company of a parent, guardian, or family
 32 member who is twenty-one (21) years of age or older.

33 (3) The purpose for being on the licensed premises is the
 34 consumption of food and not the consumption of alcoholic
 35 beverages.

36 **SECTION 8. An emergency is declared for this act.**



COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Policy, to which was referred House Bill 1090, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

(Reference is to HB 1090 as introduced.)

SMALTZ

Committee Vote: Yeas 10, Nays 0

COMMITTEE REPORT

Madam President: The Senate Committee on Public Policy, to which was referred House Bill No. 1090, 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, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 4-36-2-9.5 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9.5. "Jumbo boat" has the meaning set forth in IC 7.1-1-3-19.6.**

SECTION 2. IC 4-36-2-17, AS ADDED BY P.L.95-2008, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 17. "Retailer" means a person that:

(1) is licensed to sell alcoholic beverages under IC 7.1-3 to customers for consumption:

(A) on the licensed premises of the person's tavern; **or**

(B) on a jumbo boat; and

(2) holds an endorsement to conduct type II gambling games that was issued by the commission under IC 4-36-4.

SECTION 3. IC 4-36-2-21, AS ADDED BY P.L.95-2008, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 21. "Type II gambling operation" means the conduct of gambling games authorized under this article in a tavern **or on a jumbo boat.**

SECTION 4. IC 4-36-4-1, AS ADDED BY P.L.95-2008, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) Subject to section 13 of this chapter, the commission shall issue a retailer's endorsement to an applicant that

EH 1090—LS 6495/DI 107



satisfies the requirements of this article. A retailer's endorsement allows the retailer to conduct type II gaming at only the tavern **or jumbo boat** specified in the retailer's application under section 3(b)(2) of this chapter. An applicant must obtain a separate retailer's endorsement for each tavern **or jumbo boat** at which the applicant wishes to conduct type II gaming.

(b) The commission shall affix an endorsement issued under this chapter to the retailer's alcoholic beverage permit that authorizes the retailer to sell alcoholic beverages at the tavern **or jumbo boat** specified in the retailer's application under section 3(b)(2) of this chapter. An endorsement issued under this chapter is valid for one (1) year.

SECTION 5. IC 4-36-4-2, AS AMENDED BY P.L.58-2019, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) To qualify for a retailer's endorsement, a person must operate a:

- (1) tavern licensed under IC 7.1-3 to sell alcoholic beverages to customers for consumption on the premises of the tavern; **or**
- (2) **jumbo boat and hold a:**
 - (A) **boat beer permit under IC 7.1-3-6-12 through IC 7.1-3-6-14;**
 - (B) **boat liquor permit under IC 7.1-3-11-9 through IC 7.1-3-11-10; or**
 - (C) **boat wine permit under IC 7.1-3-16-3 through IC 7.1-3-16-4.**

(b) The following may not apply for a retailer's endorsement under this article:

- (1) A person holding a horse track permit under IC 7.1-3-17.7.
- (2) A licensed owner of a riverboat licensed under IC 4-33.
- (3) An operating agent who operates a riverboat in a historic hotel district under IC 4-33.
- (4) A qualified organization (as defined in IC 4-32.3-2-31).
- (5) An organization that is eligible to apply for a charity gaming license under IC 4-32.3.
- (6) A person holding a gambling game license issued under IC 4-35-5.
- (7) **Except for a person holding a boat permit that operates a jumbo boat,** a person holding a permit issued under IC 7.1-3 for a licensed premises that is not a tavern, including holders of the following:
 - (A) A boat permit.
 - (B) A hotel permit.



- (C) A fraternal club permit.
- (D) A resort hotel permit.
- (E) An airport permit.
- (F) A satellite facility permit.
- (G) A microbrewery permit.
- (H) A social club permit.
- (I) A civic center permit.
- (J) A catering hall permit.
- (K) A dining car permit.
- (L) A temporary event permit.
- (M) A permit for any of the following facilities:
 - (i) A stadium.
 - (ii) An automobile race track.
 - (iii) A concert hall.

SECTION 6. IC 4-36-4-3, AS ADDED BY P.L.95-2008, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) To obtain a retailer's endorsement, a person must submit an application form to the commission.

(b) An application submitted under this section must include at least the following:

- (1) The name and address of the applicant and of any person holding at least a ten percent (10%) interest in the applicant.
- (2) The name and address of the tavern **or jumbo boat** for which the applicant seeks a retailer's endorsement.
- (3) The applicant's consent to credit investigations and criminal record searches.
- (4) Waivers and releases signed by the applicant that the commission believes are necessary to ensure a full and complete review of the application.

(c) An applicant must furnish all information requested by the commission, including financial data and documents, certifications, consents, waivers, and individual histories.

(d) The commission shall review the applications for a retailer's endorsement under this chapter and shall inform each applicant of the commission's decision concerning the issuance of a retailer's endorsement.

SECTION 7. IC 4-36-4-5, AS AMENDED BY P.L.108-2009, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) The commission shall charge the following fees for the issuance of a person's initial annual endorsement or license under this chapter:

- (1) Two hundred fifty dollars (\$250) for a retailer's endorsement

EH 1090—LS 6495/DI 107



to conduct a type II gambling operation in the retailer's tavern **or on the retailer's jumbo boat.**

(2) One thousand dollars (\$1,000) for a distributor's license.

(3) One thousand five hundred dollars (\$1,500) for a manufacturer's license.

(b) The commission shall charge the following fees for the renewal of a person's annual endorsement or license under this chapter:

(1) The following amounts for a retailer's endorsement:

(A) One hundred dollars (\$100) in the case of a retailer that had adjusted gross revenues of less than twenty-five thousand dollars (\$25,000) in the previous year.

(B) Two hundred fifty dollars (\$250) in the case of a retailer that had adjusted gross revenues of at least twenty-five thousand dollars (\$25,000) but less than fifty thousand dollars (\$50,000) in the previous year.

(C) Five hundred dollars (\$500) in the case of a retailer that had adjusted gross revenues of at least fifty thousand dollars (\$50,000) but less than one hundred thousand dollars (\$100,000) in the previous year.

(D) One thousand dollars (\$1,000) in the case of a retailer that had adjusted gross revenues of at least one hundred thousand dollars (\$100,000) in the previous year.

(2) One thousand dollars (\$1,000) for a distributor's license.

(3) One thousand five hundred dollars (\$1,500) for a manufacturer's license.

(c) A retailer shall report the amount of the retailer's adjusted gross receipts on the form required to renew the retailer's endorsement. The renewal fee required under subsection (b)(1) must be submitted with the renewal form.

(d) The commission shall deposit all fees collected under this chapter into the enforcement and administration fund established under IC 7.1-4-10.

SECTION 8. IC 4-36-5-1, AS AMENDED BY P.L.19-2011, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) A retailer may offer the sale of type II gambling games in accordance with this article.

(b) A retailer's endorsement also authorizes a retailer to conduct qualified drawings:

(1) on the premises of the retailer's tavern; or

(2) on the retailer's jumbo boat.

A qualified drawing must be conducted in the manner required by this section.



(c) A qualified drawing is subject to the following rules and limitations:

(1) The purchase price for a chance to win a prize in a qualified drawing may not exceed five dollars (\$5).

(2) This subdivision does not apply to a qualified drawing conducted under subdivision (12). The total value of all prizes that may be won in a particular qualified drawing may not exceed three hundred dollars (\$300) for any of the following:

(A) A daily drawing.

(B) A weekly drawing.

(C) A monthly drawing.

(3) A qualified drawing must be conducted in accordance with the following limitations:

(A) Not more than one (1) daily drawing may be conducted each day.

(B) Not more than one (1) weekly drawing may be conducted each week.

(C) Not more than one (1) monthly drawing may be conducted each month.

(D) Weekly drawings must be held on regular seven (7) day intervals posted in the information required by subdivision (10).

(E) Monthly drawings must be held on regular monthly intervals posted in the information required by subdivision (10).

A weekly or monthly drawing may be conducted on the same day that a daily drawing is conducted.

(4) Except as otherwise provided in this section, a patron must be present to claim a prize awarded in a qualified drawing.

(5) A retailer may profit from conducting a qualified drawing.

(6) A retailer may not conduct a qualified drawing or any other event in which the winner of the prize is determined, in whole or in part, by a sporting event.

(7) If no winning ticket is drawn in a qualified drawing, a retailer may:

(A) carry the prize over to a later drawing in accordance with this section; or

(B) continue drawing tickets until a winner is drawn.

(8) If a patron who purchased a winning ticket is not present to claim a prize at the time of the qualified drawing, a retailer shall hold the prize for the winning patron in accordance with the rules of the retailer.



(9) In order to comply with subdivision (8), a retailer shall obtain the name, address, and telephone number of each patron who purchases a ticket for a qualified drawing.

(10) A retailer must conspicuously display the following information concerning each qualified drawing conducted by the retailer:

- (A) The price of a ticket.
- (B) The time of the drawing.
- (C) The description and value of the prizes awarded in the drawing.
- (D) The manner in which a prize may be claimed.
- (E) The rules of the retailer concerning the following:
 - (i) Qualified drawings in which no winning ticket is drawn.
 - (ii) The period that the retailer will hold a prize for a winning patron who was not present to claim the prize at the time of the qualified drawing.
- (F) Whether:
 - (i) the retailer will retain the profits realized from conducting the qualified drawing; or
 - (ii) the amount wagered on the qualified drawing will be returned to the retailer's patrons in the form of prizes.

(11) Notwithstanding any other provision of this chapter, a retailer must continue drawing tickets in a monthly drawing until the retailer draws a ticket purchased by a patron who is present to claim the prize.

(12) The following rules apply only to a qualified drawing from which the retailer retains the profits:

- (A) Cash may not be awarded to the winner of the qualified drawing.
- (B) All prizes must be in the form of merchandise other than alcohol or tobacco.
- (C) The maximum amount of wagers that a retailer may accept in the course of conducting the qualified drawing is five hundred dollars (\$500).

(d) When the winning patron is not present at the time of the qualified drawing to claim a prize, the retailer shall award the prize in the following manner:

- (1) The retailer shall immediately notify the winning patron by telephone that the patron's name was drawn in a qualified drawing and that the patron has the time permitted by the rules of the retailer, which must be at least seventy-two (72) hours, to claim the prize.



(2) The winning patron must appear at the retailer's premises within the time permitted by the rules of the retailer to claim the prize in person.

(3) The retailer shall verify the identity of the winning patron and award the prize.

(e) This subsection applies when the rules of a retailer require the retailer to carry over a prize when no winning ticket is drawn and when a winning patron fails to claim a prize in the manner required by subsection (d). The retailer shall carry the prize over to a later qualified drawing as follows:

(1) An unclaimed prize from a daily drawing must be carried over to the next daily drawing.

(2) Subject to the prize limits set forth in subsection (c)(2), a retailer may carry over a prize under subdivision (1) not more than fourteen (14) times. On the fourteenth calendar day to which a prize has been carried over, the retailer must continue drawing tickets until the retailer draws a ticket purchased by a patron who is present to claim the prize.

(3) An unclaimed prize from a weekly drawing must be carried over to the next weekly drawing.

(4) Subject to the prize limits set forth in subsection (c)(2), a retailer may carry over a prize under subdivision (3) not more than one (1) time. On the day that the retailer conducts a weekly drawing for the carried over prize, the retailer must continue drawing tickets until the retailer draws a ticket purchased by a patron who is present to claim the prize.

(f) The following apply to a retailer that carries over a prize under subsection (e):

(1) A retailer may conduct the daily drawing regularly scheduled for a calendar day occurring during the time that the retailer holds a prize for a winning patron who was not present at the time of a qualified drawing.

(2) If an unclaimed prize from a daily drawing is carried over to a particular date, the retailer may not conduct the regular daily drawing that would otherwise be permitted under this section on that date.

(3) If an unclaimed prize from a weekly drawing is carried over to a particular date, the retailer may not conduct the regular weekly drawing that would otherwise be permitted under this section on that date.

(4) Subject to the prize limits set forth in subsection (c)(2), a retailer may accept additional entries to a drawing for a carried



over prize.

SECTION 9. IC 4-36-5-2, AS AMENDED BY P.L.19-2011, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) A type II gambling game may be sold under this article only on the premises of the retailer's tavern **or jumbo boat**.

(b) Type II gambling games and qualified drawings conducted under section 1(c) of this chapter may not be offered in any part of the retailer's licensed premises in which a minor may be present under IC 7.1-5-7-11(a)(16).

SECTION 10. IC 4-36-5-4, AS AMENDED BY P.L.19-2011, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) A retailer shall maintain accurate records of all financial aspects of the retailer's type II gambling operation. A retailer shall make accurate reports of all financial aspects of the type II gambling operation to the commission within the time established by the commission. The commission shall prescribe forms for this purpose. The forms prescribed under this subsection must enable a retailer to report the amount of qualified drawing profits retained by the retailer during the reporting period.

(b) As long as a retailer's receipts from the retailer's type II gambling operation remain on the premises of the retailer's tavern **or jumbo boat**, the receipts may not be commingled with the receipts of the retailer's alcoholic beverage sales, food sales, and other related nongambling activities.

SECTION 11. IC 4-36-7-2, AS ADDED BY P.L.95-2008, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. The commission may do any of the following:

- (1) Investigate an alleged violation of this article.
- (2) Enter the following premises for the performance of the commission's lawful duties:
 - (A) A retailer's tavern.
 - (B) A jumbo boat.**
 - ~~(B)~~ **(C)** A place in which type II gambling games are being purchased, sold, manufactured, printed, or stored.
- (3) Take necessary equipment from the premises referred to in subdivision (2) for further investigation.
- (4) Obtain full access to all financial records of the alleged violator on request.
- (5) If there is a reason to believe that a violation has occurred, search and inspect the premises where the violation is alleged to



have occurred or is occurring. A search under this subdivision may not be conducted unless a warrant has first been obtained by the commission. A contract entered into by the commission may not include a provision allowing for warrantless searches. A warrant may be obtained in the county in which the search will be conducted or in Marion County.

(6) Seize or take possession of:

- (A) papers;
- (B) records;
- (C) tickets;
- (D) currency; or
- (E) other items;

related to an alleged violation.

SECTION 12. IC 7.1-1-3-19.6, AS ADDED BY P.L.285-2019, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 19.6. The term "jumbo boat" means a ~~United States Coast Guard approved~~ vessel having a length of at least one hundred thirty-five (135) feet and a width of at least thirty-five (35) feet. The term does not include a riverboat (as defined in IC 4-33-2-17).

SECTION 13. IC 7.1-3-6-14, AS AMENDED BY P.L.285-2019, SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 14. (a) Except as provided in subsection (b), the holder of a boat beer permit may purchase beer, possess it, and sell it at retail for consumption only in the dining room of the boat described in the application. The permit holder may sell beer only in the course of a run and only one (1) hour before the boat embarks on the run.

(b) This subsection applies only to the holder of a boat beer permit who operates a jumbo boat. Subject to the approval of the local board of each county where the jumbo boat docks, the holder of a boat beer permit may purchase beer, possess it, ~~and~~ sell it at retail for consumption ~~only~~ on the jumbo boat described in the application, **and sell it for carryout**. The permit holder may sell beer during the time periods specified under IC 7.1-3-1-14."

Page 1, line 11, strike "section" and insert "**sections**".

Page 1, line 11, after "16.3" insert "**and 16.4**".

Page 2, line 31, strike "section" and insert "**sections**".

Page 2, line 31, after "16.3" insert "**and 16.4**".

Page 6, between lines 35 and 36, begin a new paragraph and insert:
"SECTION 15. IC 7.1-3-20-16.1, AS AMENDED BY SEA 35-2021, SECTION 1, IS AMENDED TO READ AS FOLLOWS



[EFFECTIVE JULY 1, 2021]: 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:
 - (A) must border on at least one (1) side of a river; **or**
 - (B) **must border a lake that is:**
 - (i) **at least seven hundred and fifty (750) acres; and**
 - (ii) **completely within the boundaries of a municipality.**

- (2) The proposed permit premises may not be located more than:
 - (A) one thousand five hundred (1,500) feet; **or**
 - (B) three (3) city blocks;

from the river **or the lake**, whichever is greater. However, if the area adjacent to the river **or the lake** is incapable of being developed because the area is in a floodplain, or for any other reason that prevents the area from being developed, the distances described in clauses (A) and (B) are measured from the city blocks located nearest to the river **or the lake** that are capable of being developed.

- (3) The permit premises are located within:
 - (A) an economic development area, a redevelopment project area, an urban renewal area, or a redevelopment area established under IC 36-7-14, IC 36-7-14.5, or IC 36-7-15.1;
 - (B) an economic development project district under IC 36-7-15.2 or IC 36-7-26; **or**
 - (C) a community revitalization enhancement district designated under IC 36-7-13-12.1.

- (4) The project must be funded in part with state and city money.
- (5) 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 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) Notwithstanding subsection (b), the commission may issue a permit for premises, the location of which does not meet the criteria of subsection (b)(2), if all the following requirements are met:

(1) All other requirements of this section and section 16(d) of this chapter are satisfied.

(2) The proposed premises is located not more than:

(A) three thousand (3,000) feet; or

(B) six (6) blocks;

from the river **or the lake**, whichever is greater. However, if the area adjacent to the river **or the lake** is incapable of being developed because the area is in a floodplain, or for any other reason that prevents the area from being developed, the distances described in clauses (A) and (B) are measured from the city blocks located nearest to the river **or the lake** that are capable of being developed.

(3) The permit applicant satisfies the criteria established by the commission by rule adopted under IC 4-22-2. The criteria established by the commission may require that the proposed premises be located in an area or district set forth in subsection (b)(3).

(4) The permit premises may not be located less than two hundred (200) feet from facilities owned by a state educational institution.

(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."

Page 8, after line 5, begin a new paragraph and insert:

"SECTION 17. IC 7.1-3-20-16.4 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: **Sec. 16.4. (a) If a holder of a permit issued under section 16(e)(2) of this chapter has an interest in a production facility permit for:**

(1) a brewery described in IC 7.1-3-2-7(5);

(2) a farm winery described in IC 7.1-3-12-3;

(3) an artisan distillery described in IC 7.1-3-27-2; or

(4) a combination of the entities described in subdivisions (1) through (3);

that is located on or adjacent to the premises for which the permit was issued under section 16(e)(2) of this chapter, notwithstanding 905 IAC 1-29-2 and 905 IAC 1-41-2(c), the holder of the permit



may sell carryout beer, wine, or spirits manufactured at the entity described in subdivisions (1) through (3) in the general merchandising area on the restaurant premises and in a self-serving display. Minors may be allowed in the general merchandising area of the restaurant.

(b) If a holder of a permit issued under section 16(e)(2) of this chapter has an interest in a production facility permit for:

- (1) a brewery described in IC 7.1-3-2-7(5);
- (2) a farm winery described in IC 7.1-3-12-3;
- (3) an artisan distillery described in IC 7.1-3-27-2; or
- (4) a combination of the entities described in subdivisions (1) through (3);

that is located on or adjacent to the premises for which the permit was issued under section 16(e)(2) of this chapter, the holder of the permit may allow a minor to participate in a nondrinking tour of the production facilities on the premises if the minor is accompanied by an adult as provided in IC 7.1-5-7-11(a)(27), IC 7.1-5-7-11(a)(28), and IC 7.1-5-7-11(a)(29), and the tour does not include allowing tour participants to consume, taste, or sample alcoholic beverages.

SECTION 18. IC 7.1-3-20-29, AS ADDED BY P.L.285-2019, SECTION 40, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 29. (a) As used in this section, "food hall" means the premises:

- (1) located within a retail shopping and food service district; and
- (2) to which a master permit is issued under this section.

(b) As used in this section, "master permit" means a food hall master permit issued under this section.

(c) **Except as provided in subsection (d)**, the commission may issue a master permit, which is a three-way retailer's permit for on premises consumption, to a food hall located in a retail shopping and food service district that meets the following requirements:

- (1) The district consists of an area that:
 - (A) has been redeveloped, renovated, or environmentally remediated in part with grants from the federal, state, or local government under IC 36-7-11; and
 - (B) is entirely located within an incorporated city or town.
- (2) The district consists of land and a building or group of buildings that are part of a common development.
- (3) The district is located within a locally designated historic district under IC 36-7-11 established by a city or town ordinance.
- (4) The district contains at least one (1) building that:



(A) is on the list of the National Register for Historic Places or qualifies as a historic building worthy of preservation under IC 36-7-11; and

(B) has been approved for present commercial use by the local historic preservation commission of the city or town.

(d) Subsection (c)(3) and (c)(4) does not apply to a food hall that:

(1) is located within a certified technology park established under IC 36-7-32; and

(2) operates within a previously vacant building that was or a complex of buildings that were:

(A) placed in service at least twenty-five (25) years prior to the redevelopment of the building or buildings; and

(B) owned by a unit of local government or a public charitable trust prior to redevelopment.

~~(d)~~ **(e)** The commission may issue a master permit to the owner or developer of a food hall. The food hall constitutes a single permit premises that:

(1) contains not less than seven (7) distinct, nonaffiliated retail food and beverage vendors, each of which may apply for a food hall vendor permit under section 30 of this chapter; and

(2) has a seating capacity of the type traditionally designed for food and drink for at least one hundred (100) people.

~~(e)~~ **(f)** An applicant for a master permit shall post notice and appear in front of the local board in which the permit premises is situated. The local board shall determine the eligibility of the applicant under this section and hear evidence in support of or against the master permit location. A master permit may not be transferred to a location outside the food hall permit premises. A permit that is inactive for more than six (6) months shall revert back to the commission or may be deposited with the commission under IC 7.1-3-1.1 with the commission's permission.

~~(f)~~ **(g)** A master permit authorized by this section may be issued without regard to the proximity provisions of IC 7.1-3-21-11 or the quota provisions of IC 7.1-3-22.

SECTION 19. IC 7.1-5-7-11, AS AMENDED BY P.L.285-2019, SECTION 59, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: 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.

EH 1090—LS 6495/DI 107



- (3) Sports arena.
- (4) Bowling center.
- (5) Bona fide club.
- (6) Drug store.
- (7) Grocery store.
- (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 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 that has the recreational activity and not the sale of food and beverages as the principal purpose or function of the person's business.
- (20) A licensed premises owned or operated by a postsecondary educational institution described in IC 21-17-6-1.
- (21) An automobile racetrack.
- (22) An indoor theater under IC 7.1-3-20-26.
- (23) A senior residence facility campus (as defined in IC 7.1-3-1-29(c)) at which alcoholic beverages are given or furnished as provided under IC 7.1-3-1-29.
- (24) A hotel other than a part of a hotel that is a room in a restaurant in which a bar is located over which alcoholic beverages are sold or dispensed by the drink.
- (25) The location of an allowable event to which IC 7.1-3-6.1 applies.
- (26) The location of a charity auction to which IC 7.1-3-6.2 applies.
- (27) A tour of a brewery as provided in IC 7.1-3-20-16.4, if the minor is in the company of a parent, legal guardian or custodian, or family member who is at least twenty-one (21) years of age.**



~~(27)~~ **(28)** A farm winery and any additional locations of the farm winery under IC 7.1-3-12, if the minor is in the company of a parent, legal guardian or custodian, or family member who is at least twenty-one (21) years of age and the minor is accompanied by the adult in any area that the adult may be present whether or not the area:

(A) is separated in any manner from where the wine is manufactured, sold, or consumed within the farm winery premises; or

(B) operates under a retailer's permit.

~~(28)~~ **(29)** An artisan distillery under IC 7.1-3-27, if:

(A) the person who holds the artisan distiller's permit also holds a farm winery permit under IC 7.1-3-12, **or IC 7.1-3-20-16.4(a) applies to the person;** and

(B) the minor is in the company of a parent, legal guardian or custodian, or family member who is at least twenty-one (21) years of age.

~~(29)~~ **(30)** An art instruction studio under IC 7.1-5-8-4.6.

~~(30)~~ **(31)** The licensed premises of a food hall under IC 7.1-3-20-29 and the food and beverage vending space of a food hall vendor permittee under IC 7.1-3-20-30. However, sections 9 and 10 of this chapter apply to a bar within the food and beverage vending space of a food hall vendor permittee under IC 7.1-3-20-30 that serves alcoholic beverages intended to be consumed while sitting or standing at the bar.

(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 20. An emergency is declared for this act."

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1090 as printed February 11, 2021.)

ALTING, Chairperson

Committee Vote: Yeas 10, Nays 0.

SENATE MOTION

Madam President: I move that Engrossed House Bill 1090 be amended to read as follows:

Page 1, delete lines 1 through 17.

Delete pages 2 through 8.

Page 9, delete lines 1 through 40.

Renumber all SECTIONS consecutively.

(Reference is to EHB 1090 as printed April 9, 2021.)

ALTING

SENATE MOTION

Madam President: I move that Engrossed House Bill 1090 be amended to read as follows:

Page 20, between lines 14 and 15, begin a new paragraph and insert:

"SECTION 19. IC 7.1-3-22-9, AS AMENDED BY P.L.285-2019, SECTION 44, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 9. (a) This section applies to any permit that is subject to the quota provisions of this chapter unless the permit is obtained by sale, assignment, or transfer under IC 7.1-3-24 **and a permit described in IC 7.1-3-20-16(j).**

(b) Whenever a permit to which this chapter applies becomes available, the commission shall offer an opportunity to bid for that permit to all persons who are qualified to receive that permit and who have indicated a desire to obtain that permit. The commission shall receive bids at an auction that it conducts. The highest bidder at the



commission's auction who is qualified to receive the permit in all respects, including a determination by the local board that the person:

- (1) does not have a conviction described in IC 7.1-3-4-2(a)(3) that has not been expunged under IC 35-38-9; and
- (2) is of good repute in the community in which that person resides;

is entitled to receive the permit. This bidder shall pay the amount of the bid at the time the permit is issued as a special fee for initial issuance of the permit.

(c) The special fee for initial issuance of a permit that is prescribed by this section is in addition to any other fees imposed by this title.

(d) All fee revenues collected under this section are subject to IC 7.1-4-7-4.

(e) Thirty (30) days before a local board holds a hearing concerning an applicant for a permit described in IC 7.1-3-20-16(j), the local board shall provide notice of the hearing to the:

- (1) city or town council; and**
- (2) mayor's office;**

of the city or town in which the municipal lakefront development project is located.

(f) A local board shall post signs indicating when and where a hearing described in subsection (e) will take place.

(g) The commission shall adopt rules under IC 4-22-2 to implement this section."

Renumber all SECTIONS consecutively.

(Reference is to EHB 1090 as printed April 9, 2021.)

MELTON

