



February 5, 2021

SENATE BILL No. 43

DIGEST OF SB 43 (Updated February 4, 2021 9:02 am - DI 143)

Citations Affected: IC 4-36; IC 7.1-1; IC 7.1-3.

Synopsis: Jumbo boats. Modifies the definition of "jumbo boat" by removing the requirement that the vessel be approved by the United States Coast Guard. Provides that a holder of a: (1) boat beer permit who operates a jumbo boat may sell beer for carryout; (2) boat liquor permit who operates a jumbo boat may sell liquor for carryout; and (3) boat wine permit who operates a jumbo boat may sell wine for carryout.

Effective: Upon passage.

Alting, Buchanan

January 4, 2021, read first time and referred to Committee on Public Policy.
February 4, 2021, amended, reported favorably — Do Pass.

SB 43—LS 6410/DI 107



February 5, 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.

SENATE BILL No. 43

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

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

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

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

11 (B) **on a jumbo boat**; and

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

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

SB 43—LS 6410/DI 107



- 1 **on a jumbo boat.**
 2 SECTION 4. IC 4-36-4-1, AS ADDED BY P.L.95-2008, SECTION
 3 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON
 4 PASSAGE]: Sec. 1. (a) Subject to section 13 of this chapter, the
 5 commission shall issue a retailer's endorsement to an applicant that
 6 satisfies the requirements of this article. A retailer's endorsement
 7 allows the retailer to conduct type II gaming at only the tavern **or**
 8 **jumbo boat** specified in the retailer's application under section 3(b)(2)
 9 of this chapter. An applicant must obtain a separate retailer's
 10 endorsement for each tavern **or jumbo boat** at which the applicant
 11 wishes to conduct type II gaming.
 12 (b) The commission shall affix an endorsement issued under this
 13 chapter to the retailer's alcoholic beverage permit that authorizes the
 14 retailer to sell alcoholic beverages at the tavern **or jumbo boat**
 15 specified in the retailer's application under section 3(b)(2) of this
 16 chapter. An endorsement issued under this chapter is valid for one (1)
 17 year.
 18 SECTION 5. IC 4-36-4-2, AS AMENDED BY P.L.58-2019,
 19 SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 20 UPON PASSAGE]: Sec. 2. (a) To qualify for a retailer's endorsement,
 21 a person must operate a:
 22 (1) tavern licensed under IC 7.1-3 to sell alcoholic beverages to
 23 customers for consumption on the premises of the tavern; **or**
 24 (2) **jumbo boat and hold a:**
 25 (A) **boat beer permit under IC 7.1-3-6-12 through**
 26 **IC 7.1-3-6-14;**
 27 (B) **boat liquor permit under IC 7.1-3-11-9 through**
 28 **IC 7.1-3-11-10; or**
 29 (C) **boat wine permit under IC 7.1-3-16-3 through**
 30 **IC 7.1-3-16-4.**
 31 (b) The following may not apply for a retailer's endorsement under
 32 this article:
 33 (1) A person holding a horse track permit under IC 7.1-3-17.7.
 34 (2) A licensed owner of a riverboat licensed under IC 4-33.
 35 (3) An operating agent who operates a riverboat in a historic hotel
 36 district under IC 4-33.
 37 (4) A qualified organization (as defined in IC 4-32.3-2-31).
 38 (5) An organization that is eligible to apply for a charity gaming
 39 license under IC 4-32.3.
 40 (6) A person holding a gambling game license issued under
 41 IC 4-35-5.
 42 (7) **Except for a person holding a boat permit that operates a**



1 **jumbo boat**, a person holding a permit issued under IC 7.1-3 for
 2 a licensed premises that is not a tavern, including holders of the
 3 following:

- 4 (A) A boat permit.
 5 (B) A hotel permit.
 6 (C) A fraternal club permit.
 7 (D) A resort hotel permit.
 8 (E) An airport permit.
 9 (F) A satellite facility permit.
 10 (G) A microbrewery permit.
 11 (H) A social club permit.
 12 (I) A civic center permit.
 13 (J) A catering hall permit.
 14 (K) A dining car permit.
 15 (L) A temporary event permit.
 16 (M) A permit for any of the following facilities:
 17 (i) A stadium.
 18 (ii) An automobile race track.
 19 (iii) A concert hall.

20 SECTION 6. IC 4-36-4-3, AS ADDED BY P.L.95-2008, SECTION
 21 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON
 22 PASSAGE]: Sec. 3. (a) To obtain a retailer's endorsement, a person
 23 must submit an application form to the commission.

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

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

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

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

42 SECTION 7. IC 4-36-4-5, AS AMENDED BY P.L.108-2009,

SB 43—LS 6410/DI 107



1 SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
2 UPON PASSAGE]: Sec. 5. (a) The commission shall charge the
3 following fees for the issuance of a person's initial annual endorsement
4 or license under this chapter:

5 (1) Two hundred fifty dollars (\$250) for a retailer's endorsement
6 to conduct a type II gambling operation in the retailer's tavern **or**
7 **on the retailer's jumbo boat.**

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

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

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

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

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

17 (B) Two hundred fifty dollars (\$250) in the case of a retailer
18 that had adjusted gross revenues of at least twenty-five
19 thousand dollars (\$25,000) but less than fifty thousand dollars
20 (\$50,000) in the previous year.

21 (C) Five hundred dollars (\$500) in the case of a retailer that
22 had adjusted gross revenues of at least fifty thousand dollars
23 (\$50,000) but less than one hundred thousand dollars
24 (\$100,000) in the previous year.

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

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

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

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

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

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

42 (b) A retailer's endorsement also authorizes a retailer to conduct



- 1 qualified drawings:
 2 **(1) on the premises of the retailer's tavern; or**
 3 **(2) on the retailer's jumbo boat.**
 4 A qualified drawing must be conducted in the manner required by this
 5 section.
 6 (c) A qualified drawing is subject to the following rules and
 7 limitations:
 8 (1) The purchase price for a chance to win a prize in a qualified
 9 drawing may not exceed five dollars (\$5).
 10 (2) This subdivision does not apply to a qualified drawing
 11 conducted under subdivision (12). The total value of all prizes
 12 that may be won in a particular qualified drawing may not exceed
 13 three hundred dollars (\$300) for any of the following:
 14 (A) A daily drawing.
 15 (B) A weekly drawing.
 16 (C) A monthly drawing.
 17 (3) A qualified drawing must be conducted in accordance with the
 18 following limitations:
 19 (A) Not more than one (1) daily drawing may be conducted
 20 each day.
 21 (B) Not more than one (1) weekly drawing may be conducted
 22 each week.
 23 (C) Not more than one (1) monthly drawing may be conducted
 24 each month.
 25 (D) Weekly drawings must be held on regular seven (7) day
 26 intervals posted in the information required by subdivision
 27 (10).
 28 (E) Monthly drawings must be held on regular monthly
 29 intervals posted in the information required by subdivision
 30 (10).
 31 A weekly or monthly drawing may be conducted on the same day
 32 that a daily drawing is conducted.
 33 (4) Except as otherwise provided in this section, a patron must be
 34 present to claim a prize awarded in a qualified drawing.
 35 (5) A retailer may profit from conducting a qualified drawing.
 36 (6) A retailer may not conduct a qualified drawing or any other
 37 event in which the winner of the prize is determined, in whole or
 38 in part, by a sporting event.
 39 (7) If no winning ticket is drawn in a qualified drawing, a retailer
 40 may:
 41 (A) carry the prize over to a later drawing in accordance with
 42 this section; or



- 1 (B) continue drawing tickets until a winner is drawn.
 2 (8) If a patron who purchased a winning ticket is not present to
 3 claim a prize at the time of the qualified drawing, a retailer shall
 4 hold the prize for the winning patron in accordance with the rules
 5 of the retailer.
 6 (9) In order to comply with subdivision (8), a retailer shall obtain
 7 the name, address, and telephone number of each patron who
 8 purchases a ticket for a qualified drawing.
 9 (10) A retailer must conspicuously display the following
 10 information concerning each qualified drawing conducted by the
 11 retailer:
 12 (A) The price of a ticket.
 13 (B) The time of the drawing.
 14 (C) The description and value of the prizes awarded in the
 15 drawing.
 16 (D) The manner in which a prize may be claimed.
 17 (E) The rules of the retailer concerning the following:
 18 (i) Qualified drawings in which no winning ticket is drawn.
 19 (ii) The period that the retailer will hold a prize for a
 20 winning patron who was not present to claim the prize at the
 21 time of the qualified drawing.
 22 (F) Whether:
 23 (i) the retailer will retain the profits realized from
 24 conducting the qualified drawing; or
 25 (ii) the amount wagered on the qualified drawing will be
 26 returned to the retailer's patrons in the form of prizes.
 27 (11) Notwithstanding any other provision of this chapter, a
 28 retailer must continue drawing tickets in a monthly drawing until
 29 the retailer draws a ticket purchased by a patron who is present to
 30 claim the prize.
 31 (12) The following rules apply only to a qualified drawing from
 32 which the retailer retains the profits:
 33 (A) Cash may not be awarded to the winner of the qualified
 34 drawing.
 35 (B) All prizes must be in the form of merchandise other than
 36 alcohol or tobacco.
 37 (C) The maximum amount of wagers that a retailer may accept
 38 in the course of conducting the qualified drawing is five
 39 hundred dollars (\$500).
 40 (d) When the winning patron is not present at the time of the
 41 qualified drawing to claim a prize, the retailer shall award the prize in
 42 the following manner:



- 1 (1) The retailer shall immediately notify the winning patron by
 2 telephone that the patron's name was drawn in a qualified drawing
 3 and that the patron has the time permitted by the rules of the
 4 retailer, which must be at least seventy-two (72) hours, to claim
 5 the prize.
- 6 (2) The winning patron must appear at the retailer's premises
 7 within the time permitted by the rules of the retailer to claim the
 8 prize in person.
- 9 (3) The retailer shall verify the identity of the winning patron and
 10 award the prize.
- 11 (e) This subsection applies when the rules of a retailer require the
 12 retailer to carry over a prize when no winning ticket is drawn and when
 13 a winning patron fails to claim a prize in the manner required by
 14 subsection (d). The retailer shall carry the prize over to a later qualified
 15 drawing as follows:
- 16 (1) An unclaimed prize from a daily drawing must be carried over
 17 to the next daily drawing.
- 18 (2) Subject to the prize limits set forth in subsection (c)(2), a
 19 retailer may carry over a prize under subdivision (1) not more
 20 than fourteen (14) times. On the fourteenth calendar day to which
 21 a prize has been carried over, the retailer must continue drawing
 22 tickets until the retailer draws a ticket purchased by a patron who
 23 is present to claim the prize.
- 24 (3) An unclaimed prize from a weekly drawing must be carried
 25 over to the next weekly drawing.
- 26 (4) Subject to the prize limits set forth in subsection (c)(2), a
 27 retailer may carry over a prize under subdivision (3) not more
 28 than one (1) time. On the day that the retailer conducts a weekly
 29 drawing for the carried over prize, the retailer must continue
 30 drawing tickets until the retailer draws a ticket purchased by a
 31 patron who is present to claim the prize.
- 32 (f) The following apply to a retailer that carries over a prize under
 33 subsection (e):
- 34 (1) A retailer may conduct the daily drawing regularly scheduled
 35 for a calendar day occurring during the time that the retailer holds
 36 a prize for a winning patron who was not present at the time of a
 37 qualified drawing.
- 38 (2) If an unclaimed prize from a daily drawing is carried over to
 39 a particular date, the retailer may not conduct the regular daily
 40 drawing that would otherwise be permitted under this section on
 41 that date.
- 42 (3) If an unclaimed prize from a weekly drawing is carried over



1 to a particular date, the retailer may not conduct the regular
 2 weekly drawing that would otherwise be permitted under this
 3 section on that date.

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

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

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

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

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

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

- 35 (1) Investigate an alleged violation of this article.
 36 (2) Enter the following premises for the performance of the
 37 commission's lawful duties:
 38 (A) A retailer's tavern.
 39 **(B) A jumbo boat.**
 40 ~~(B)~~ (C) A place in which type II gambling games are being
 41 purchased, sold, manufactured, printed, or stored.
 42 (3) Take necessary equipment from the premises referred to in



- 1 subdivision (2) for further investigation.
- 2 (4) Obtain full access to all financial records of the alleged
- 3 violator on request.
- 4 (5) If there is a reason to believe that a violation has occurred,
- 5 search and inspect the premises where the violation is alleged to
- 6 have occurred or is occurring. A search under this subdivision
- 7 may not be conducted unless a warrant has first been obtained by
- 8 the commission. A contract entered into by the commission may
- 9 not include a provision allowing for warrantless searches. A
- 10 warrant may be obtained in the county in which the search will be
- 11 conducted or in Marion County.
- 12 (6) Seize or take possession of:
- 13 (A) papers;
- 14 (B) records;
- 15 (C) tickets;
- 16 (D) currency; or
- 17 (E) other items;
- 18 related to an alleged violation.
- 19 SECTION 12. IC 7.1-1-3-19.6, AS ADDED BY P.L.285-2019,
- 20 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 21 UPON PASSAGE]: Sec. 19.6. The term "jumbo boat" means a ~~United~~
- 22 ~~States Coast Guard approved~~ vessel having a length of at least one
- 23 hundred thirty-five (135) feet and a width of at least thirty-five (35)
- 24 feet. The term does not include a riverboat (as defined in
- 25 IC 4-33-2-17).
- 26 SECTION 13. IC 7.1-3-6-14, AS AMENDED BY P.L.285-2019,
- 27 SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 28 UPON PASSAGE]: Sec. 14. (a) Except as provided in subsection (b),
- 29 the holder of a boat beer permit may purchase beer, possess it, and sell
- 30 it at retail for consumption only in the dining room of the boat
- 31 described in the application. The permit holder may sell beer only in
- 32 the course of a run and only one (1) hour before the boat embarks on
- 33 the run.
- 34 (b) This subsection applies only to the holder of a boat beer permit
- 35 who operates a jumbo boat. Subject to the approval of the local board
- 36 of each county where the jumbo boat docks, the holder of a boat beer
- 37 permit may purchase beer, possess it, ~~and~~ sell it at retail for
- 38 consumption ~~only~~ on the jumbo boat described in the application, **and**
- 39 **sell it for carryout.** The permit holder may sell beer during the time
- 40 periods specified under IC 7.1-3-1-14.
- 41 SECTION 14. **An emergency is declared for this act.**



COMMITTEE REPORT

Madam President: The Senate Committee on Public Policy, to which was referred Senate Bill No. 43, 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:

Replace the effective date in SECTION 1 with "[EFFECTIVE UPON PASSAGE]".

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 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 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).

SB 43—LS 6410/DI 107



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."

Page 1, after line 7, begin a new paragraph and insert:

"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.

SECTION 14. **An emergency is declared for this act.**"

Re-number all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 43 as introduced.)

ALTING, Chairperson

Committee Vote: Yeas 9, Nays 0.

