

January 29, 2021

SENATE BILL No. 238

DIGEST OF SB 238 (Updated January 27, 2021 5:27 pm - DI 143)

Citations Affected: IC 7.1-1; IC 7.1-3; IC 7.1-5.

Synopsis: Designated outdoor refreshment areas. Modifies the term "entertainment complex." Allows a county or municipality to designate an area of the county or municipality as an outdoor refreshment area (refreshment area) with the approval of the alcohol and tobacco commission (commission). Provides that if a refreshment area is approved, the commission designates retailer permittees (designated permittees) located within the refreshment area. Allows a consumer to exit a designated permittee's premises with one open container of an alcoholic beverage at a time to consume within the refreshment area. Limits the volume of an open container (based upon the type of alcoholic beverage) that a designated permittee may sell or furnish to a consumer for a refreshment area. Requires a consumer to wear a wristband in order to exit a licensed premises into a refreshment area with an open container. Allows a minor to be present in a refreshment area. Allows a municipality to adopt an ordinance at any time to dissolve a refreshment area. Makes the following acts a Class C infraction: (1) A person who exits a designated permittee's premises with an open container of an alcoholic beverage without wearing a wristband identification. (2) A designated permittee who allows a person with an open container of an alcoholic beverage to exit the premises without wearing a wristband identification. (3) A designated permittee who sells or furnishes a person with: (A) an open container of an alcoholic beverage that exceeds the container volume limitations; or (B) two or more open containers of alcoholic beverages at a time. (4) A person who consumes an open container of an alcoholic beverage purchased from a designated permittee outside the refreshment area. (5) A person who brings an alcoholic beverage into a refreshment area that was not purchased from a designated permittee.

Effective: July 1, 2021.

Brown L, Zay

January 7, 2021, read first time and referred to Committee on Public Policy. January 28, 2021, amended, reported favorably — Do Pass.



January 29, 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. 238

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 2	SECTION 1. IC 7.1-1-3-16.5, AS AMENDED BY P.L.285-2019, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3	JULY 1, 2021]: Sec. 16.5. The term "entertainment complex" means a
4	premises that complies with one (1) or more of the following
5	requirements:
6	(1) The premises:
7	(A) is a site for the performance of musical, theatrical, or other
8	entertainment; and
9	(B) includes an area where at least eight six hundred (800)
10	(600) individuals may be seated at one (1) time in permanent
11	seating.
12	(2) The premises:
13	(A) is located entirely within a one (1) mile radius of the
14	center of a consolidated city;
15	(B) is used by a nonprofit organization primarily for the
16	professional performance of musical or theatrical
17	entertainment; and



1 (C) has audience seating in one (1) or more performance 2 spaces for at least two hundred (200) individuals. 3 SECTION 2. IC 7.1-3-21-11, AS AMENDED BY P.L.285-2019, 4 SECTION 42, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE 5 JULY 1, 2021]: Sec. 11. (a) As used in this section, "wall" means a 6 wall of a building. The term does not include a boundary wall. 7 (b) Except as provided in subsections (c), (g), and (h), the 8 commission may not issue a permit for a premises if a wall of the 9 premises is situated within two hundred (200) feet from a wall of a 10 school or church, if no permit has been issued for the premises under the provisions of Acts 1933, Chapter 80. 11 12 (c) This section does not apply to the premises of a: (1) grocery store, drug store, restaurant, hotel, catering hall, 13 14 designated outdoor refreshment area, or location for which the 15 use of a supplemental catering permit has been approved if: 16 (A) a wall of the premises is situated within two hundred (200) 17 feet from a wall of a church or school; 18 (B) the commission receives a written statement from the 19 authorized representative of the church or school stating 20 expressly that the church or school does not object to the 21 issuance of the permit for the premises; and 22 (C) the commission determines that the church or school does 23 not object to the issuance of the permit for the premises; or 24 (2) church or school that applies for a temporary beer or wine 25 permit. 26 (d) The commission shall base its determination under subsection 27 (c)(1)(C) solely on the written statement of the authorized 28 representative of the church or school. 29 (e) If the commission does not receive the written statement of the 30 authorized representative of the church or school, the premises of the 31 grocery store, drug store, restaurant, hotel, catering hall, designated 32 outdoor refreshment area, or location for which the use of a 33 supplemental catering permit has been approved may not obtain the 34 waiver allowed under this section. 35 (f) If the commission determines that the church or school does not 36 object, this section and IC 7.1-3-21-10 do not apply to the permit 37 premises of the grocery store, drug store, restaurant, hotel, or catering 38 hall, designated outdoor refreshment area, on a subsequent renewal 39 or transfer of ownership. 40 (g) If the commission: 41 (1) receives a written statement from the authorized 42

representative of a church or school as described in subsection

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1 (c)(1)(B); and 2 (2) determines the church or school does not object as described 3 in subsection (c)(1)(C); 4 the commission may not consider subsequent objections from the 5 church or school to the issuance of the same permit type at the same 6 premises location. 7 (h) The commission may issue a permit for a premises if the wall of 8 the premises and the wall of a church are separated by at least 9 eighty-five (85) feet, including a two (2) lane road of at least thirty (30) 10 feet in width. 11 SECTION 3. IC 7.1-3-30 IS ADDED TO THE INDIANA CODE 12 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: 13 14 **Chapter 30. Designated Outdoor Refreshment Areas** 15 Sec. 1. As used in this chapter, "designated permittee" means a 16 retailer permittee that: 17 (1) has licensed premises within a refreshment area; and 18 (2) is designated by the commission under section 6 of this 19 chapter. 20 Sec. 2. As used in this chapter, "municipality" means a city or 21 a town. 22 Sec. 3. As used in this chapter, "refreshment area" means an 23 outdoor area that is designated a refreshment area by a unit as 24 provided in this chapter. 25 Sec. 4. As used in this chapter, "unit" means a county, city, or 26 town. 27 Sec. 5. If a unit designates a refreshment area under this 28 chapter, a consumer may: 29 (1) exit the licensed premises of a designated permittee with 30 not more than one (1) open container of an alcoholic beverage 31 at a time; and 32 (2) consume the alcoholic beverage within the refreshment 33 area. 34 Sec. 6. This section applies only to a municipality. A 35 municipality may designate a refreshment area subject to the 36 following: 37 (1) A refreshment area must be entirely located within the 38 corporate boundaries of the municipality. 39 (2) A refreshment area must include at least two (2) licensed 40 premises that are designated permittees. 41 (3) The following limitations: (A) A municipality that has a population of more than fifty 42



1	thousand (50,000) may create not more than four (4)
2	outdoor refreshment areas. Each refreshment area may
3	not exceed three hundred twenty (320) contiguous acres.
4	(B) A municipality that has a population of more than
5	thirty-five thousand (35,000) but not more than fifty
6	thousand (50,000) may create not more than two (2)
7	outdoor refreshment areas. Each refreshment area may
8	not exceed three hundred twenty (320) contiguous acres.
9	(C) A municipality that has a population of not more than
10	thirty-five thousand (35,000) may create one (1) outdoor
11	refreshment area that is not more than one hundred fifty
12	(150) contiguous acres.
13	(4) A refreshment area is subject to IC 7.1-3-21-11.
14	Sec. 7. This section applies only to a county. A county may
15	create a refreshment area subject to the following:
16	(1) A refreshment area must be entirely located within the
17	unincorporated area of the county.
18	(2) A refreshment area must include at least two (2) licensed
19	premises that are designated permittees.
20	(3) A county may designate not more than four (4) outdoor
21	refreshment areas. Each refreshment area may not exceed
22	three hundred twenty (320) contiguous acres.
23	(4) A refreshment area is subject to IC 7.1-3-21-11.
24	Sec. 8. (a) The legislative body of a unit that wants to designate
25	a refreshment area must adopt an ordinance that includes at least
26	the following:
27	(1) A map of the refreshment area in sufficient detail to
28	identify the area's boundaries.
29	(2) The boundaries of the refreshment area, by street
30	addresses.
31	(3) The licensed premises located within the refreshment area.
32	(4) A statement that the refreshment area is consistent with
33	the unit's zoning ordinance.
34	(5) The number, spacing, and type of signage designating the
35	refreshment area.
36	(6) The hours of operation for the refreshment area, which
37	may not violate IC 7.1-3-1-14.
38	(b) The ordinance of the unit may include any other provisions
39	regarding the operation of the district, including:
40	(1) requiring designated permittees to use only nonbreakable
41	plastic bottles or plastic or paper cups for alcoholic beverages
42	consumed in the refreshment area;



(2) requiring bottles or cups to be affixed with a logo that identifies the container for use only in the refreshment area;
(3) providing wristband identifications to designated permittees;

(4) a public safety plan for the area; or

(5) a sanitation plan for the area.

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7 Sec. 9. (a) The unit shall submit the adopted ordinance to the 8 commission with an application for approval of a refreshment 9 area. The commission shall review the ordinance for compliance 10 with this chapter. If approved, the commission shall issue a 11 refreshment area designation to each retailer permittee located 12 within the refreshment area. The commission may approve a 13 refreshment area and issue refreshment area designations to 14 retailer permittees without publication of notice or investigation 15 before a local board. The commission may not charge a fee for 16 designating a retailer permittee.

(b) A designated permittee shall comply with the applicable
public health and safety requirements established by ordinance for
the refreshment area.

Sec. 10. An organizer of an event or festival within the refreshment area that holds a temporary beer or wine permit for an event may apply to the commission for a temporary refreshment area designation for the event.

Sec. 11. A unit's legislative body may adopt an ordinance dissolving the refreshment area at any time. The unit's legislative body shall notify the chairman of the commission that a refreshment area is dissolved. Upon receipt of the notice, the commission shall revoke all refreshment area designations issued within the dissolved refreshment area.

30Sec. 12. A designated permittee within the refreshment area31may allow a customer to exit the designated permittee's licensed32premises with not more than one (1) open container of an alcoholic33beverage at a time. The open container may not exceed the34following:

(1) An open container of beer or flavored malt beverage may not exceed sixteen (16) fluid ounces.

37 (2) An open container of wine, including cider or hard seltzer,
38 may not exceed twelve (12) fluid ounces.

39 (3) An open container of a mixed drink containing at least one

40 (1) liquor and at least one (1) nonalcoholic mixer other than
41 water or ice may not exceed ten (10) fluid ounces.

42 (4) An open container of only liquor, liquor and water, or



1	liquor and ice may not exceed two (2) ounces.
2	Sec. 13. (a) A person may consume an alcoholic beverage
3	purchased from the designated permittee anywhere within the
4	outdoor refreshment area boundaries.
5	(b) A person may not enter any licensed premises with an
6	alcoholic beverage as provided in IC 7.1-5-8-5.
7	Sec. 14. (a) A person may not:
8	(1) exit a designated permittee's premises; or
9	(2) enter the refreshment area;
10	with an open container of an alcoholic beverage, unless the person
11	is wearing a nontransferable wristband identification imprinted
12	with the name or logo of the refreshment area.
13	(b) A designated permittee may not allow a consumer to exit the
14	permittee's premises with an open container of an alcoholic
15	beverage for consumption in the refreshment area, unless the
16	consumer is wearing a nontransferable wristband identification
17	imprinted with the name or logo of the refreshment area.
18	Sec. 15. A person may not consume an alcoholic beverage within
19	the refreshment area that was purchased outside of the
20	refreshment area.
21	Sec. 16. If a designated permittee in the refreshment area
22	includes outdoor dining:
23	(1) the designated permittee may serve alcoholic beverages in
24	open containers during the hours of operation and in the
25	areas authorized by the retailer permit;
26	(2) glass containers may be allowed in the outdoor dining
27	areas but may not be removed from those areas; and
28	(3) no fencing or other enclosure of the outdoor dining area is
29	required other than the fencing or enclosure required for the
30	retailer permit.
31	SECTION 4. IC 7.1-5-7-11, AS AMENDED BY P.L.285-2019,
32	SECTION 59, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
33	JULY 1, 2021]: Sec. 11. (a) The provisions of sections 9 and 10 of this
34	chapter shall not apply if the public place involved is one (1) of the
35	following:
36	(1) Civic center.
37	(2) Convention center.
38	(3) Sports arena.
39	(4) Bowling center.
40	(5) Bona fide club.
41	(6) Drug store.
42	(7) Grocery store.

42 (7) Grocery store.



- 2 (9) Dining car.
- 3 (10) Pullman car.
- 4 (11) Club car.
- 5 (12) Passenger airplane.
- 6 (13) Horse racetrack facility holding a recognized meeting permit
- 7 under IC 4-31-5.
- 8 (14) Satellite facility (as defined in IC 4-31-2-20.5).
- 9 (15) Catering hall under IC 7.1-3-20-24 that is not open to the 10 public.
- (16) That part of a restaurant which is separate from a room inwhich is located a bar over which alcoholic beverages are sold or
- 13 dispensed by the drink.
- 14 (17) Entertainment complex.
- 15 (18) Indoor golf facility.
- 16 (19) A recreational facility such as a golf course, bowling center,
- 17 or similar facility that has the recreational activity and not the sale
- of food and beverages as the principal purpose or function of theperson's business.
- 20 (20) A licensed premises owned or operated by a postsecondary
 21 educational institution described in IC 21-17-6-1.
- 22 (21) An automobile racetrack.
- 23 (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.

- 27 (24) A hotel other than a part of a hotel that is a room in a
 28 restaurant in which a bar is located over which alcoholic
 29 beverages are sold or dispensed by the drink.
- 30 (25) The location of an allowable event to which IC 7.1-3-6.131 applies.
- 32 (26) The location of a charity auction to which IC 7.1-3-6.233 applies.
- 34 (27) A farm winery and any additional locations of the farm
 35 winery under IC 7.1-3-12, if the minor is in the company of a
 36 parent, legal guardian or custodian, or family member who is at
 37 least twenty-one (21) years of age and the minor is accompanied
 38 by the adult in any area that the adult may be present whether or
 39 not the area:
- 40 (A) is separated in any manner from where the wine is
 41 manufactured, sold, or consumed within the farm winery
 42 premises; or



^{1 (8)} Boat.

1	(B) operates under a retailer's permit.
2	(28) An artisan distillery under IC 7.1-3-27, if:
3	(A) the person who holds the artisan distiller's permit also
4	holds a farm winery permit under IC 7.1-3-12; and
5	(B) the minor is in the company of a parent, legal guardian or
6	custodian, or family member who is at least twenty-one (21)
7	years of age.
8	(29) An art instruction studio under IC 7.1-5-8-4.6.
9	(30) The licensed premises of a food hall under IC 7.1-3-20-29
10	and the food and beverage vending space of a food hall vendor
11	permittee under IC 7.1-3-20-30. However, sections 9 and 10 of
12	this chapter apply to a bar within the food and beverage vending
13	space of a food hall vendor permittee under IC 7.1-3-20-30 that
14	serves alcoholic beverages intended to be consumed while sitting
15	or standing at the bar.
16	(31) A designated outdoor refreshment area under
17	IC 7.1-3-30.
18	(b) For the purpose of this subsection, "food" means meals prepared
19	on the licensed premises. It is lawful for a minor to be on licensed
20	premises in a room in which is located a bar over which alcoholic
21	beverages are sold or dispensed by the drink if all the following
22	conditions are met:
23	(1) The minor is eighteen (18) years of age or older.
24	(2) The minor is in the company of a parent, guardian, or family
25	member who is twenty-one (21) years of age or older.
26	(3) The purpose for being on the licensed premises is the
27	consumption of food and not the consumption of alcoholic
28	beverages.
29	SECTION 5. IC 7.1-5-8-12 IS ADDED TO THE INDIANA CODE
30	AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
31	1, 2021]: Sec. 12. (a) As used in this section "designated permittee"
32	has the meaning set forth in IC 7.1-3-30-1.
33	(b) A designated permittee who allows a person who is not
34	wearing a wristband as required under IC 7.1-3-30-11 to exit the
35	licensed premises of the designated permittee with an open
36	container of an alcoholic beverage purchased on the premises
37	commits a Class C infraction.
38	SECTION 6. IC 7.1-5-8-13 IS ADDED TO THE INDIANA CODE
39	AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
40	1, 2021]: Sec. 13. (a) As used in this section "designated permittee"
4 0 41	has the meaning set forth in IC 7.1-3-30-1.
42	(b) A person who exits the premises of a designated permittee
74	(b) A person who exits the premises of a designated permittee

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1 with an open container of an alcoholic beverage purchased on the 2 premises without wearing a wristband as required under 3 IC 7.1-3-30-11 commits a Class C infraction. 4 SECTION 7. IC 7.1-5-8-14 IS ADDED TO THE INDIANA CODE 5 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 6 1, 2021]: Sec. 14. (a) As used in this section "designated permittee" 7 has the meaning set forth in IC 7.1-3-30-1. 8 (b) A person who possesses or consumes an alcoholic beverage 9 purchased from a designated permittee outside the boundaries of 10 an outdoor refreshment area designated under IC 7.1-3-30 11 commits a Class C infraction. 12 SECTION 8. IC 7.1-5-8-15 IS ADDED TO THE INDIANA CODE 13 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 14 1, 2021]: Sec. 15. (a) As used in this section "designated permittee" 15 has the meaning set forth in IC 7.1-3-30-1. 16 (b) A person who brings an alcoholic beverage into an outdoor 17 refreshment area designated under IC 7.1-3-30 that was not 18 purchased from a designated permittee commits a Class C 19 infraction. 20 SECTION 9. IC 7.1-5-8-16 IS ADDED TO THE INDIANA CODE 21 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 22 1, 2021]: Sec. 16. (a) As used in this section "designated permittee" has the meaning set forth in IC 7.1-3-30-1. 23 24 (b) A designated permittee who sells, furnishes, or gives a 25 person for consumption in a refreshment area designated under 26 IC 7.1-3-30: 27 (1) an open container of an alcoholic beverage that exceeds 28 the container limitations in IC 7.1-3-30-9; or 29 (2) two (2) or more open containers of alcoholic beverages at 30 a time; 31 commits a Class C infraction.



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COMMITTEE REPORT

Madam President: The Senate Committee on Public Policy, to which was referred Senate Bill No. 238, 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 7.1-1-3-16.5, AS AMENDED BY P.L.285-2019, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 16.5. The term "entertainment complex" means a premises that complies with one (1) or more of the following requirements:

(1) The premises:

(A) is a site for the performance of musical, theatrical, or other entertainment; and

(B) includes an area where at least eight six hundred (800) (600) individuals may be seated at one (1) time in permanent seating.

(2) The premises:

(A) is located entirely within a one (1) mile radius of the center of a consolidated city;

(B) is used by a nonprofit organization primarily for the professional performance of musical or theatrical entertainment; and

(C) has audience seating in one (1) or more performance spaces for at least two hundred (200) individuals.".

Page 3, delete lines 1 through 29, begin a new paragraph and insert: "Sec. 2. As used in this chapter, "municipality" means a city or a town.

Sec. 3. As used in this chapter, "refreshment area" means an outdoor area that is designated a refreshment area by a unit as provided in this chapter.

Sec. 4. As used in this chapter, "unit" means a county, city, or town.

Sec. 5. If a unit designates a refreshment area under this chapter, a consumer may:

(1) exit the licensed premises of a designated permittee with not more than one (1) open container of an alcoholic beverage at a time; and

(2) consume the alcoholic beverage within the refreshment area.

Sec. 6. This section applies only to a municipality. A



municipality may designate a refreshment area subject to the following:

(1) A refreshment area must be entirely located within the corporate boundaries of the municipality.

(2) A refreshment area must include at least two (2) licensed premises that are designated permittees.

(3) The following limitations:

(A) A municipality that has a population of more than fifty thousand (50,000) may create not more than four (4) outdoor refreshment areas. Each refreshment area may not exceed three hundred twenty (320) contiguous acres. (B) A municipality that has a population of more than thirty-five thousand (35,000) but not more than fifty thousand (50,000) may create not more than two (2) outdoor refreshment areas. Each refreshment area may not exceed three hundred twenty (320) contiguous acres. (C) A municipality that has a population of not more than thirty-five thousand (35,000) may create one (1) outdoor refreshment area that is not more than one hundred fifty (150) contiguous acres.

(4) A refreshment area is subject to IC 7.1-3-21-11.

Sec. 7. This section applies only to a county. A county may create a refreshment area subject to the following:

(1) A refreshment area must be entirely located within the unincorporated area of the county.

(2) A refreshment area must include at least two (2) licensed premises that are designated permittees.

(3) A county may designate not more than four (4) outdoor refreshment areas. Each refreshment area may not exceed three hundred twenty (320) contiguous acres.

(4) A refreshment area is subject to IC 7.1-3-21-11.".

Page 3, line 30, delete "Sec. 5." and insert "Sec. 8.".

Page 3, line 30, delete "municipality" and insert "unit".

Page 3, line 39, delete "municipality's" and insert "unit's".

Page 4, line 2, delete "municipality" and insert "unit".

Page 4, line 13, delete "Sec. 6." and insert "Sec. 9.".

Page 4, line 13, delete "municipality" and insert "unit".

Page 4, line 26, delete "Sec. 7." and insert "Sec. 10.".

Page 4, line 30, delete "Sec. 8." and insert "Sec. 11.".

Page 4, line 30, delete "municipal" and insert "unit's".

Page 4, line 31, delete "municipal" and insert "unit's".

Page 4, line 36, delete "Sec. 9." and insert "Sec. 12.".



Page 5, line 8, delete "Sec. 10." and insert "Sec. 13.".
Page 5, line 13, delete "Sec. 11." and insert "Sec. 14.".
Page 5, line 24, delete "Sec. 12." and insert "Sec. 15.".
Page 5, line 27, delete "Sec. 13." and insert "Sec. 16.".
Page 8, line 1, delete "misdemeanor." and insert "infraction.".
Page 8, line 9, delete "misdemeanor." and insert "infraction.".
Page 8, line 17, delete "misdemeanor." and insert "infraction.".
Page 8, line 25, delete "misdemeanor." and insert "infraction.".
Page 8, line 37, delete "misdemeanor." and insert "infraction.".
Page 8, line 37, delete "misdemeanor." and insert "infraction.".
Page 8, line 37, delete "misdemeanor." and insert "infraction.".
Page 8, line 37, delete "misdemeanor." and insert "infraction.".

and when so amended that said bill do pass.

(Reference is to SB 238 as introduced.)

ALTING, Chairperson

Committee Vote: Yeas 10, Nays 0.

