

# SENATE BILL No. 20

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 7.1-3-20.

**Synopsis:** Municipal riverfront development district permits. Specifies that the alcohol and tobacco commission may issue restaurant permits for a municipal riverfront development district established by a town.

**Effective:** July 1, 2024.

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January 8, 2024, read first time and referred to Committee on Tax and Fiscal Policy.

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Second Regular Session of the 123rd General Assembly (2024)

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 2023 Regular Session of the General Assembly.

# SENATE BILL No. 20

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.220-2023,  
2 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3 JULY 1, 2024]: 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 sections 16.3 and 16.4 of this chapter, the  
12 commission may issue a three-way, two-way, or one-way permit to sell  
13 alcoholic beverages for on-premises consumption only to an applicant  
14 who is the proprietor, as owner or lessee, or both, of a restaurant within  
15 a redevelopment project consisting of a building or group of buildings  
16 that:

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



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

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

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

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

15 (1) on land; or

16 (2) in a historic river vessel;

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

32 (e) Except as provided in sections 16.3 and 16.4 of this chapter, the  
 33 commission may issue a three-way, two-way, or one-way permit to sell  
 34 alcoholic beverages for on-premises consumption only to an applicant  
 35 who is the proprietor, as owner or lessee, or both, of a restaurant within  
 36 a renovation project consisting of:

37 (1) a building that:

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

40 (B) was built before 1900; or

41 (2) a complex of buildings that:

42 (A) is part of an economic development area established under



1 IC 36-7-14; and  
2 (B) includes, as part of the renovation project, the use and  
3 repurposing of two (2) or more buildings and structures that  
4 are:

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

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

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

- 14 (1) A town having a population of more than twenty-three  
15 thousand (23,000) and less than twenty-three thousand nine  
16 hundred (23,900) located in a county having a population of more  
17 than four hundred thousand (400,000) and less than seven  
18 hundred thousand (700,000).
- 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 fifteen (15) new three-way,  
23 two-way, or one-way permits to sell alcoholic beverages for  
24 on-premises consumption to applicants, each of whom must be the  
25 proprietor, as owner or lessee, or both, of a restaurant located within a  
26 district, or not more than one thousand five hundred (1,500) feet from  
27 a district, that meets the 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 one thousand five hundred (1,500) feet of the district. The ownership  
3 of a permit issued under this subsection and the location for which the  
4 permit was issued shall not be transferred. A permit holder and any  
5 lessee or proprietor of the permit premises is subject to the formal  
6 written 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 fifteen (15) at any time. The cost of an  
12 initial permit issued under this subsection is twenty-five thousand  
13 dollars (\$25,000).

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 having a population of more than twenty thousand  
20 (20,000); or

21 (2) a city having a population of more than forty-nine thousand  
22 four hundred (49,400) and less than fifty thousand (50,000);

23 located in a county having a population of more than one hundred  
24 twenty thousand (120,000) and less than one hundred thirty thousand  
25 (130,000). 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. A permit issued under this  
30 subsection may not be transferred. If the commission issues six (6) new  
31 permits under this subsection, and a permit issued under this subsection  
32 is later revoked or is not renewed, the commission may issue another  
33 new permit, as long as the total number of active permits issued under  
34 this subsection does not exceed six (6) at any time. The commission  
35 shall conduct an auction of the permits under IC 7.1-3-22-9, except that  
36 the auction may be conducted at any time as determined by the  
37 commission. Notwithstanding any other law, the minimum bid for an  
38 initial permit under this subsection is ten thousand dollars (\$10,000).

39 (k) Except as provided in section 16.3 of this chapter, the  
40 commission may issue not more than nine (9) new three-way permits  
41 to sell alcoholic beverages for on-premises consumption to applicants,  
42 each of whom must be a proprietor, as owner or lessee, or both, of a



1 restaurant located:

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

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

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

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

35 (m) Except as provided in section 16.3 of this chapter, the  
36 commission may issue not more than three (3) new three-way permits  
37 to sell alcoholic beverages for on-premises consumption in the city of  
38 Auburn. The ownership of a permit issued under this subsection and  
39 the location for which the permit was issued shall not be transferred. If  
40 the commission issues three (3) new permits under this subsection, and  
41 a permit issued under this subsection is later revoked or is not renewed,  
42 the commission may issue another new permit, as long as the total



1 number of active permits issued under this subsection does not exceed  
2 three (3) at any time. A permit holder and any lessee or proprietor of  
3 the permit premises are subject to the formal written commitment  
4 required under IC 7.1-3-19-17. Notwithstanding IC 7.1-3-1.1, if  
5 business operations cease at the permit premises for more than six (6)  
6 months, the permit shall revert to the commission. The permit holder  
7 is not entitled to any refund or other compensation.

8 (n) Except as provided in section 16.3 of this chapter, the  
9 commission may issue not more than three (3) new three-way permits  
10 to sell alcoholic beverages for on-premises consumption in the city of  
11 Kendallville. The ownership of a permit issued under this subsection  
12 and the location for which the permit was issued shall not be  
13 transferred. If the commission issues three (3) new permits under this  
14 subsection, and a permit issued under this subsection is later revoked  
15 or is not renewed, the commission may issue another new permit, as  
16 long as the total number of active permits issued under this subsection  
17 does not exceed three (3) at any time. A permit holder and any lessee  
18 or proprietor of the permit premises are subject to the formal written  
19 commitment required under IC 7.1-3-19-17. Notwithstanding  
20 IC 7.1-3-1.1, if business operations cease at the permit premises for  
21 more than six (6) months, the permit shall revert to the commission.  
22 The permit holder is not entitled to any refund or other compensation.

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

38 (p) Except as provided in section 16.3 of this chapter, the  
39 commission may issue not more than one (1) new three-way permit to  
40 sell alcoholic beverages for on-premises consumption in the town of  
41 Winona Lake. The ownership of a permit issued under this subsection  
42 and the location for which the permit was issued shall not be





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

11 (q) Except as provided in section 16.3 of this chapter, the  
 12 commission may issue not more than one (1) new three-way permit to  
 13 sell alcoholic beverages for on-premises consumption in the town of  
 14 Syracuse. The ownership of a permit issued under this subsection and  
 15 the location for which the permit was issued shall not be transferred. If  
 16 the commission issues one (1) new permit under this subsection, and  
 17 a permit issued under this subsection is later revoked or is not renewed,  
 18 the commission may issue another new permit, as long as the total  
 19 number of active permits issued under this subsection does not exceed  
 20 one (1) at any time. A permit holder and any lessee or proprietor of the  
 21 permit premises are subject to the formal written commitment required  
 22 under IC 7.1-3-19-17. Notwithstanding IC 7.1-3-1.1, if business  
 23 operations cease at the permit premises for more than six (6) months,  
 24 the permit shall revert to the commission. The permit holder is not  
 25 entitled to any refund or other compensation.

26 SECTION 2. IC 7.1-3-20-16.1, AS AMENDED BY P.L.150-2021,  
 27 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 28 JULY 1, 2024]: Sec. 16.1. (a) This section applies to a municipal  
 29 riverfront development project **established by a city or town that is**  
 30 authorized under section 16(d) of this chapter.

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

- 34 (1) The project boundaries:
- 35 (A) must border on at least one (1) side of a river; or
  - 36 (B) must border a lake that is:
    - 37 (i) at least seven hundred and fifty (750) acres; and
    - 38 (ii) completely within the boundaries of a municipality.
- 39 (2) The proposed permit premises may not be located more than:
- 40 (A) one thousand five hundred (1,500) feet; or
  - 41 (B) three (3) **city municipal** blocks;
  - 42 from the river or the lake, whichever is greater. However, if the



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

7 (3) 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 (4) The project must be funded in part with state and ~~city money~~.  
 16 **municipal funds.**

17 (5) The boundaries of the municipal riverfront development  
 18 project must be designated by ordinance or resolution by the  
 19 legislative body (~~as defined in IC 36-1-2-9(3) or IC 36-1-2-9(4)~~)  
 20 **(as defined in IC 36-1-2-9)** of the city **or town** in which the  
 21 project is located.

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

25 (1) A detailed map showing:

26 (A) definite boundaries of the entire municipal riverfront  
 27 development project; and

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

29 (2) A copy of the local ordinance or resolution of the ~~local~~  
 30 **governing city or town legislative** body authorizing the  
 31 municipal riverfront development project.

32 (3) Detailed information concerning the expenditures of state and  
 33 ~~city~~ **municipal** funds on the municipal riverfront development  
 34 project.

35 (d) Notwithstanding subsection (b), the commission may issue a  
 36 permit for premises, the location of which does not meet the criteria of  
 37 subsection (b)(2), if all the following requirements are met:

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

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

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

42 (B) six (6) **municipal** blocks;



1 from the river or the lake, whichever is greater. However, if the  
2 area adjacent to the river or the lake is incapable of being  
3 developed because the area is in a floodplain, or for any other  
4 reason that prevents the area from being developed, the distances  
5 described in clauses (A) and (B) are measured from the **city**  
6 **municipal** blocks located nearest to the river or the lake that are  
7 capable of being developed.  
8 (3) The permit applicant satisfies the criteria established by the  
9 commission by rule adopted under IC 4-22-2. The criteria  
10 established by the commission may require that the proposed  
11 premises be located in an area or district set forth in subsection  
12 (b)(3).  
13 (4) The permit premises may not be located less than two hundred  
14 (200) feet from facilities owned by a state educational institution.  
15 (e) A permit may not be issued if the proposed permit premises is  
16 the location of an existing three-way permit subject to IC 7.1-3-22-3.

