



February 13, 2024

ENGROSSED SENATE BILL No. 20

DIGEST OF SB 20 (Updated February 13, 2024 10:59 am - DI 140)

Citations Affected: IC 7.1-3.

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.

Holdman, Zay, Randolph Lonnie M
(HOUSE SPONSOR — LEHMAN)

January 8, 2024, read first time and referred to Committee on Tax and Fiscal Policy.
January 16, 2024, reported favorably — Do Pass.
January 22, 2024, read second time, ordered engrossed. Engrossed.
January 23, 2024, read third time, passed. Yeas 48, nays 0.

HOUSE ACTION

February 6, 2024, read first time and referred to Committee on Public Policy.
February 13, 2024, reported — Do Pass.

ES 20—LS 6134/DI 87



February 13, 2024

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.

ENGROSSED 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;

ES 20—LS 6134/DI 87



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.



COMMITTEE REPORT

Madam President: The Senate Committee on Tax and Fiscal Policy, to which was referred Senate Bill No. 20, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill DO PASS.

(Reference is to SB 20 as introduced.)

HOLDMAN, Chairperson

Committee Vote: Yeas 10, Nays 0

COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Policy, to which was referred Senate Bill 20, 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 SB 20 as printed January 17, 2024.)

MANNING

Committee Vote: Yeas 12, Nays 0

