

HOUSE BILL No. 1419

DIGEST OF INTRODUCED BILL

Citations Affected: IC 7.1-3-20-16.

Synopsis: Historic district restaurant permits. Increases, within a certain historic district, the number of alcoholic beverage restaurant permits from 10 to 15, and changes certain other requirements.

Effective: July 1, 2023.

Soliday

January 17, 2023, read first time and referred to Committee on Public Policy.



First Regular Session of the 123rd General Assembly (2023)

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 2022 Regular Session of the General Assembly.

HOUSE BILL No. 1419

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.104-2022,
2 SECTION 57, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2023]: 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 funded in part with
 18 state and city money. The ownership of a permit issued under this
 19 subsection and the location for which the permit was issued may not be
 20 transferred. The legislative body of the municipality in which the
 21 municipal riverfront development project is located shall recommend
 22 to the commission sites that are eligible to be permit premises. The
 23 commission shall consider, but is not required to follow, the municipal
 24 legislative body's recommendation in issuing a permit under this
 25 subsection. A permit holder and any lessee or proprietor of the permit
 26 premises are subject to the formal written commitment required under
 27 IC 7.1-3-19-17. Notwithstanding IC 7.1-3-1-3.5 and IC 7.1-3-1.1, if
 28 business operations cease at the permit premises for more than six (6)
 29 months, the permit shall revert to the commission. The permit holder
 30 is not entitled to any refund or other compensation.

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

36 (1) a building that:

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

39 (B) was built before 1900; or

40 (2) a complex of buildings that:

41 (A) is part of an economic development area established under
 42 IC 36-7-14; and



1 (B) includes, as part of the renovation project, the use and
 2 repurposing of two (2) or more buildings and structures that
 3 are:

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

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

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

- 13 (1) A town having a population of more than twenty-three
 14 thousand (23,000) and less than twenty-three thousand nine
 15 hundred (23,900) located in a county having a population of more
 16 than four hundred thousand (400,000) and less than seven
 17 hundred thousand (700,000).
 18 (2) A city that has an indoor theater as described in section 26 of
 19 this chapter.

20 (g) Except as provided in section 16.3 of this chapter, the
 21 commission may issue not more than ~~ten (10)~~ **fifteen (15)** new
 22 three-way, two-way, or one-way permits to sell alcoholic beverages for
 23 on-premises consumption to applicants, each of whom must be the
 24 proprietor, as owner or lessee, or both, of a restaurant located within a
 25 district, or not more than ~~seven hundred (700)~~ **one thousand five**
 26 **hundred (1,500)** feet from a district, that meets the following
 27 requirements:

- 28 (1) The district has been listed in the National Register of Historic
 29 Places maintained under the National Historic Preservation Act
 30 of 1966, as amended.
 31 (2) A county courthouse is located within the district.
 32 (3) A historic opera house listed on the National Register of
 33 Historic Places is located within the district.
 34 (4) A historic jail and sheriff's house listed on the National
 35 Register of Historic Places is located within the district.

36 The legislative body of the municipality in which the district is located
 37 shall recommend to the commission sites that are eligible to be permit
 38 premises. The commission shall consider, but is not required to follow,
 39 the municipal legislative body's recommendation in issuing a permit
 40 under this subsection. An applicant is not eligible for a permit if, less
 41 than two (2) years before the date of the application, the applicant sold
 42 a retailer's permit that was subject to IC 7.1-3-22 and that was for



1 premises located within the district described in this section or within
 2 ~~seven hundred (700)~~ **one thousand five hundred (1,500)** feet of the
 3 district. The ownership of a permit issued under this subsection and the
 4 location for which the permit was issued shall not be transferred. A
 5 permit holder and any lessee or proprietor of the permit premises is
 6 subject to the formal written commitment required under
 7 IC 7.1-3-19-17. Notwithstanding IC 7.1-3-1-3.5 and IC 7.1-3-1.1, if
 8 business operations cease at the permit premises for more than six (6)
 9 months, the permit shall revert to the commission. The permit holder
 10 is not entitled to any refund or other compensation. The total number
 11 of active permits issued under this subsection may not exceed ~~ten (10)~~
 12 **fifteen (15)** at any time. The cost of an initial permit issued under this
 13 subsection is ~~six thousand dollars (\$6,000)~~ **twenty-five thousand**
 14 **dollars (\$25,000)**.

15 (h) Except as provided in section 16.3 of this chapter, the
 16 commission may issue a three-way permit for the sale of alcoholic
 17 beverages for on-premises consumption to an applicant who will locate
 18 as the proprietor, as owner or lessee, or both, of a restaurant within an
 19 economic development area under IC 36-7-14 in:

- 20 (1) a town having a population of more than twenty thousand
 21 (20,000); or
 22 (2) a city having a population of more than forty-nine thousand
 23 four hundred (49,400) and less than fifty thousand (50,000);

24 located in a county having a population of more than one hundred
 25 twenty thousand (120,000) and less than one hundred thirty thousand
 26 (130,000). The commission may issue not more than five (5) licenses
 27 under this section to premises within a municipality described in
 28 subdivision (1) and not more than five (5) licenses to premises within
 29 a municipality described in subdivision (2). The commission shall
 30 conduct an auction of the permits under IC 7.1-3-22-9, except that the
 31 auction may be conducted at any time as determined by the
 32 commission. Notwithstanding any other law, the minimum bid for an
 33 initial license under this subsection is thirty-five thousand dollars
 34 (\$35,000), and the renewal fee for a license under this subsection is one
 35 thousand three hundred fifty dollars (\$1,350). Before the district
 36 expires, a permit issued under this subsection may not be transferred.
 37 After the district expires, a permit issued under this subsection may be
 38 renewed, and the ownership of the permit may be transferred, but the
 39 permit may not be transferred from the permit premises.

40 (i) After June 30, 2006, and except as provided in section 16.3 of
 41 this chapter, the commission may issue not more than five (5) new
 42 three-way, two-way, or one-way permits to sell alcoholic beverages for



1 on-premises consumption to applicants, each of whom must be the
2 proprietor, as owner or lessee, or both, of a restaurant located within a
3 district, or not more than five hundred (500) feet from a district, that
4 meets all of the following requirements:

5 (1) The district is within an economic development area, an area
6 needing redevelopment, or a redevelopment district as established
7 under IC 36-7-14.

8 (2) A unit of the National Park Service is partially located within
9 the district.

10 (3) An international deep water seaport is located within the
11 district.

12 An applicant is not eligible for a permit under this subsection if, less
13 than two (2) years before the date of the application, the applicant sold
14 a retailers' permit that was subject to IC 7.1-3-22 and that was for
15 premises located within the district described in this subsection or
16 within five hundred (500) feet of the district. A permit issued under this
17 subsection may not be transferred. If the commission issues five (5)
18 new permits under this subsection, and a permit issued under this
19 subsection is later revoked or is not renewed, the commission may
20 issue another new permit, as long as the total number of active permits
21 issued under this subsection does not exceed five (5) at any time. The
22 commission shall conduct an auction of the permits under
23 IC 7.1-3-22-9, except that the auction may be conducted at any time as
24 determined by the commission.

25 (j) Subject to section 16.2 of this chapter and except as provided in
26 section 16.3 of this chapter, the commission may issue not more than
27 six (6) new three-way, two-way, or one-way permits to sell alcoholic
28 beverages for on-premises consumption only to an applicant who is the
29 proprietor, as owner or lessee, or both, of a restaurant on land within a
30 municipal lakefront development project. A permit issued under this
31 subsection may not be transferred. If the commission issues six (6) new
32 permits under this subsection, and a permit issued under this subsection
33 is later revoked or is not renewed, the commission may issue another
34 new permit, as long as the total number of active permits issued under
35 this subsection does not exceed six (6) at any time. The commission
36 shall conduct an auction of the permits under IC 7.1-3-22-9, except that
37 the auction may be conducted at any time as determined by the
38 commission. Notwithstanding any other law, the minimum bid for an
39 initial permit under this subsection is ten thousand dollars (\$10,000).

40 (k) Except as provided in section 16.3 of this chapter, the
41 commission may issue not more than nine (9) new three-way permits
42 to sell alcoholic beverages for on-premises consumption to applicants,



1 each of whom must be a proprietor, as owner or lessee, or both, of a
2 restaurant located:

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

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

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

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

