



CONFERENCE COMMITTEE REPORT DIGEST FOR EHB 1052

Citations Affected: IC 4-31; IC 4-32.3-5-8; IC 4-33; IC 7.1-1-3; IC 7.1-2; IC 7.1-3; IC 7.1-5; IC 15-19-2-3; IC 35-45; IC 35-46-6-3; IC 35-47-2.5-4.

Synopsis: Various administrative law matters. Adds conditions for which the horse racing commission (HRC) may revoke or suspend a license or deny a license application. Adds a reference to wagering on horse racing in a provision prohibiting certain individuals from wagering at a licensed facility. Provides that appeals of certain decisions of the HRC may be appealed to the office of administrative law proceedings. Adds sports wagering certificate holders to the voluntary exclusion program. Defines and establishes civil penalties for conducting a "sweepstakes game". Allows the holder of a beer wholesaler's permit to possess, transport, sell, and deliver beer to a food manufacturer that is registered with the federal Food and Drug Administration for the purpose of adding or integrating the beer into a product or recipe. Provides that a wine retailer whose wine sales represent at least 60% of the annual gross income from the premises may allow customers to obtain sealed bottles of wine by self-service for consumption off the licensed premises. Allows the holder of a temporary wine permit to purchase, receive, and sell mixed beverages. Establishes requirements for the wholesale sale and distribution of tobacco products and electronic cigarettes. Adds additional information an applicant must provide to the alcohol and tobacco commission (commission) when applying for a tobacco sales certificate. Provides for the suspension of a certificate if the certificate holder's employees violate employee identification requirements three or more times in one year. Allows the commission to issue to the city of Gary not more than 10 new three-way permits. Allows the commission to issue: (1) a beer dealer's permit, wine dealer's permit, and liquor dealer's permit to a drug store operated in the city of Westfield; and (2) a beer dealer's permit and wine dealer's permit to a convenience store operated in the town of Sellersburg. Provides that certain requirements regarding the sale, rental, trade, or transfer of a handgun do not apply to an item defined as an antique firearm. **(This conference committee report: (1) removes provisions that conflict with ESB 185-2026; (2) resolves technical conflicts with ESB 89-2026 and SEA 23-2026; and (3) relocates the definition of "wholesale" to apply only to provisions concerning tobacco sales certificates.)**



Effective: Upon passage; July 1, 2026.



CONFERENCE COMMITTEE REPORT

MR. PRESIDENT:

Your Conference Committee appointed to confer with a like committee from the House upon Engrossed Senate Amendments to Engrossed House Bill No. 1052 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the House recede from its dissent from all Senate amendments and that the House now concur in all Senate amendments to the bill and that the bill be further amended as follows:

- 1 Delete everything after the enacting clause and insert the following:
- 2 SECTION 1. IC 4-31-2.1-5, AS ADDED BY P.L.105-2022,
- 3 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 4 JULY 1, 2026]: Sec. 5. "Breeder" means any of the following:
- 5 (1) The owner or lessee of a standardbred horse's dam at the time
- 6 of ~~registration with the commission.~~ **breeding.**
- 7 (2) The owner or lessee of a thoroughbred horse's dam at the time
- 8 of ~~registration with the commission.~~ **foaling for thoroughbreds.**
- 9 **The commission shall recognize the breeder of a horse as the**
- 10 **person designated as such on the Jockey Club Certificate of**
- 11 **Registration for the horse.**
- 12 (3) The owner or lessee of a quarter horse's dam at the time of **the**
- 13 **dam's** registration with the commission.
- 14 SECTION 2. IC 4-31-2.1-16.5 IS ADDED TO THE INDIANA
- 15 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
- 16 [EFFECTIVE JULY 1, 2026]: **Sec. 16.5. "Judge" means an**
- 17 **individual who:**
- 18 **(1) is licensed by the commission; and**
- 19 **(2) serves as a judge or steward at a licensed facility.**

1 SECTION 3. IC 4-31-3-11.5, AS AMENDED BY P.L.152-2025,
 2 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 3 JULY 1, 2026]: Sec. 11.5. The commission shall employ or contract for
 4 judges ~~and stewards~~ to attend each recognized meeting held under a
 5 permit issued under this article. A contracted judge ~~or steward~~ shall be
 6 considered an employee of the commission for the purpose of
 7 IC 4-6-2-1.5(a). The permit holder shall, in the manner prescribed by
 8 the rules of the commission, reimburse the commission for the salaries
 9 and other expenses of the judges ~~and stewards~~ who serve at the permit
 10 holder's racetrack.

11 SECTION 4. IC 4-31-6-6, AS AMENDED BY P.L.172-2011,
 12 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 13 JULY 1, 2026]: Sec. 6. (a) The commission may refuse or deny a
 14 license application, revoke or suspend a license, or otherwise penalize
 15 a licensee, if:

- 16 (1) the refusal, denial, revocation, suspension, or other penalty is
 17 in the public interest for the purpose of maintaining proper control
 18 over horse racing meetings or pari-mutuel wagering; and
- 19 (2) any of the conditions listed in subsection (b) apply to the
 20 applicant or licensee.

21 (b) The conditions referred to in subsection (a) are as follows:

- 22 (1) The applicant or licensee has been convicted of a felony or
 23 misdemeanor that could compromise the integrity of racing by the
 24 applicant's or licensee's participation in racing.
- 25 (2) The applicant or licensee has had a license of the legally
 26 constituted racing authority of a state, province, or country
 27 denied, suspended, or revoked for cause within the preceding five
 28 (5) years.
- 29 (3) The applicant or licensee is presently under suspension for
 30 cause of a license by the legally constituted racing authority of a
 31 state, province, or country.
- 32 (4) The applicant or licensee has violated or attempted to violate
 33 a provision of this article, a rule adopted by the commission, or a
 34 law or rule with respect to horse racing in a jurisdiction.
- 35 (5) The applicant or licensee has perpetrated or attempted to
 36 perpetrate a fraud or misrepresentation in connection with the
 37 racing or breeding of horses or pari-mutuel wagering.
- 38 (6) The applicant or licensee has demonstrated financial
 39 irresponsibility by accumulating unpaid obligations, defaulting on
 40 obligations, or issuing drafts or checks that are dishonored or not
 41 paid.
- 42 (7) The applicant or licensee has made a material
 43 misrepresentation in an application for a license.
- 44 (8) The applicant or licensee has been convicted of a crime
 45 involving bookmaking, touting, or similar pursuits or has
 46 consorted with a person convicted of such an offense.
- 47 (9) The applicant or licensee has abandoned, mistreated, abused,
 48 neglected, or engaged in an act of cruelty to a horse.
- 49 (10) The applicant or licensee has engaged in conduct that is
 50 against the best interest of horse racing **or compromises the**

- 1 **integrity of operations at a licensed facility.**
 2 (11) The applicant or licensee has failed to comply with a written
 3 order or ruling of the commission or judges pertaining to a racing
 4 matter.
 5 (12) The applicant or licensee has failed to answer correctly under
 6 oath, to the best of the applicant's or licensee's knowledge, all
 7 questions asked by the commission or its representatives
 8 pertaining to a racing matter.
 9 (13) The applicant or licensee has failed to return to a permit
 10 holder any purse money, trophies, or awards paid in error or
 11 ordered redistributed by the commission.
 12 (14) The applicant or licensee has had possession of an alcoholic
 13 beverage on a permit holder's premises, other than a beverage
 14 legally sold through the permit holder's concession operation.
 15 (15) The applicant or licensee has interfered with or obstructed a
 16 member of the commission, a commission employee, or a racing
 17 official while performing official duties.
 18 (16) The name of the applicant or licensee appears on the
 19 department of state revenue's most recent tax warrant list, and the
 20 person's tax warrant has not been satisfied.
 21 (17) The applicant or licensee has pending criminal charges.
 22 (18) The applicant or licensee has racing disciplinary charges
 23 pending in Indiana or another jurisdiction.
 24 (19) The applicant or licensee is unqualified to perform the duties
 25 required under this article or the rules of the commission.
 26 **(20) The applicant or licensee made a material**
 27 **misrepresentation when registering, nominating, entering, or**
 28 **racing a horse as an Indiana owned horse, Indiana sired**
 29 **horse, or Indiana bred horse.**
 30 SECTION 5. IC 4-31-7-9, AS AMENDED BY P.L.32-2019,
 31 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 32 JULY 1, 2026]: Sec. 9. ~~(a) After December 31, 2013, the following~~
 33 ~~individuals may not wager on horse racing at a licensed facility:~~
 34 ~~(1) A member of the commission.~~
 35 ~~(2) An employee of the commission.~~
 36 ~~(3) A racing official.~~
 37 ~~(4) The spouse of any individual listed in subdivisions (1) through~~
 38 ~~(3).~~
 39 ~~(b) (a) After December 31, 2017, The following individuals may not~~
 40 ~~wager on gambling games or horse racing at a facility licensed under~~
 41 ~~IC 4-35:~~
 42 (1) A member of the commission.
 43 (2) The following individuals employed by the commission:
 44 (A) The executive director.
 45 (B) The assistant executive director.
 46 (C) The director of security.
 47 (D) The general counsel.
 48 (E) The deputy general counsel.
 49 ~~(F) A steward.~~
 50 ~~(G) (F) A judge.~~

1 (3) The spouse of an individual described in subdivision (1) or
2 (2).

3 ~~(c)~~ **(b)** A person who knowingly or intentionally violates this section
4 commits a Class C infraction. However, the violation is a Class A
5 misdemeanor if the person has a prior unrelated adjudication or
6 conviction for a violation of this section within the previous five (5)
7 years.

8 SECTION 6. IC 4-31-8-4, AS AMENDED BY P.L.168-2019,
9 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
10 JULY 1, 2026]: Sec. 4. (a) A permit holder shall provide an alcohol
11 breath-testing device that is approved by the commission and operated
12 by a person certified to use such a device. **The necessary**
13 **qualifications for an individual administering a breath-testing**
14 **device and the policies and procedures of the breath-testing**
15 **program are subject to the approval of either the executive**
16 **director of the commission or the director of security of the**
17 **commission.** All drivers, jockeys, judges, starters, assistant starters,
18 and drivers of starting gates shall submit to a breath test at each racing
19 program in which they participate. In addition, the executive director
20 of the commission, a member of the commission, a commission
21 investigator, the ~~stewards~~, **judges**, or the track chief of security may
22 order a licensee to submit to a breath test at any time there is reason to
23 believe the licensee may have consumed sufficient alcohol to cause the
24 licensee to fail a breath test.

25 (b) A person whose breath test shows a reading of an alcohol
26 concentration equivalent (as defined in IC 9-13-2-2.4) to more than
27 five-hundredths (0.05) gram of alcohol per two hundred ten (210) liters
28 of the person's breath, is subject to the following sanctions:

29 (1) A driver or jockey may not be permitted to drive or ride and
30 shall be suspended under the rules of the commission.

31 (2) A judge, a starter, an assistant starter, or a driver of the
32 starting gate shall be relieved of all duties for that program, and
33 a report shall be made to the commission for appropriate action.

34 (3) Any other licensee shall be suspended, beginning that day,
35 under the rules of the commission.

36 (c) The ~~stewards and~~ judges may, on behalf of the commission,
37 impose the following sanctions against a licensee who refuses to
38 submit to a breath test:

39 (1) For the first refusal, a civil penalty of one hundred dollars
40 (\$100) and a seven (7) day suspension.

41 (2) For a second refusal, a civil penalty of two hundred fifty
42 dollars (\$250) and a thirty (30) day suspension.

43 (3) For any additional refusals to submit to a breath test, a civil
44 penalty of two hundred fifty dollars (\$250), a sixty (60) day
45 suspension, and referral of the case to the commission for any
46 further action that the commission considers necessary.

47 (d) A sanction under subsection (c) may be appealed to the
48 ~~commission.~~ **office of administrative law proceedings under**
49 **IC 4-15-10.5. IC 4-21.5 applies to an appeal under this section. The**
50 **commission has the burden of proving an alleged violation by a**

1 **preponderance of the evidence.** An appeal stays the sanction until
 2 further action by the commission. The appeal must be heard by the
 3 **commission office of administrative law proceedings** within thirty
 4 (30) days after the date of the appeal.

5 SECTION 7. IC 4-31-12-5, AS AMENDED BY P.L.168-2019,
 6 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 7 JULY 1, 2026]: Sec. 5. (a) The judges, ~~the stewards~~, a commission
 8 veterinarian, a member of the commission, or the executive director of
 9 the commission may order a test of a biological sample on a horse for
 10 the purpose of analysis.

11 (b) A biological sample shall be taken from the following horses
 12 after the running of each race:

13 (1) The horse that finishes first in each race.

14 (2) Any other horses designated by the judges, ~~the stewards~~, a
 15 commission veterinarian, a member of the commission, or the
 16 executive director of the commission. The judges and veterinarian
 17 shall designate for the taking of a biological sample a horse that
 18 races markedly contrary to form.

19 SECTION 8. IC 4-31-12-6, AS AMENDED BY P.L.111-2022,
 20 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 21 JULY 1, 2026]: Sec. 6. (a) The commission:

22 (1) shall ~~appoint, at its cost~~, **approve** a veterinarian to take or
 23 supervise the taking of biological samples under section 5 of this
 24 chapter;

25 (2) shall approve a laboratory for the analysis of a biological
 26 sample taken under section 5 of this chapter; and

27 (3) may require that a biological sample taken under section 5 of
 28 this chapter be analyzed.

29 (b) The cost of analyzing the biological samples shall be borne by
 30 the commission.

31 (c) The commission may appoint, at its cost, veterinarians or other
 32 persons to supervise all activities in the state testing barn area and to
 33 supervise the practice of veterinary medicine at all racetracks in
 34 Indiana.

35 (d) The commission shall employ or contract for ~~assistants~~
 36 **veterinarians, veterinarian technicians, and testing barn personnel**
 37 to aid in securing biological samples at each racetrack. These ~~assistants~~
 38 **veterinarians, veterinarian technicians, and testing barn personnel**
 39 shall have free access, under the supervision of the commission's
 40 veterinarian, to the state testing barn area. The permit holder shall, in
 41 the manner prescribed by the rules of the commission, reimburse the
 42 commission for the salaries and other expenses of the ~~assistants~~
 43 **veterinarians, veterinarian technicians, and testing barn personnel**
 44 who serve at the permit holder's racetrack **testing barn.**

45 SECTION 9. IC 4-31-12-7, AS AMENDED BY P.L.168-2019,
 46 SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 47 JULY 1, 2026]: Sec. 7. (a) A veterinarian appointed by the commission
 48 or employed by a permit holder may not, during the period of the
 49 veterinarian's employment, do the following with respect to a breed of
 50 horse registered with the commission for racing at the track of the

1 veterinarian's employment:

- 2 (1) Treat or issue prescriptions for a horse, except in case of
 3 emergency.
 4 (2) Perform an endoscopic examination on a horse the day the
 5 horse is scheduled to race.

6 A full and complete record of an emergency treatment or a prescription
 7 authorized by subdivision (1) shall be filed with the ~~stewards or~~ judges.

8 (b) Except as provided in subsection (c), an owner or trainer may
 9 not directly or indirectly employ or pay compensation to a veterinarian
 10 with respect to the care of a horse belonging to a breed of horse
 11 registered with the commission for racing at the track of the
 12 veterinarian's employment.

13 (c) An owner or trainer may pay a veterinarian employed by the
 14 commission or a permit holder for an endoscopic examination
 15 permitted under subsection (a).

16 SECTION 10. IC 4-31-12-15, AS AMENDED BY P.L.210-2013,
 17 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 18 JULY 1, 2026]: Sec. 15. (a) The commission may adopt rules under
 19 IC 4-22-2 to delegate to the ~~stewards and~~ judges of racing meetings the
 20 authority to conduct disciplinary hearings on behalf of the commission.
 21 The ~~stewards and~~ judges shall give at least twelve (12) hours notice of
 22 any such hearing. The ~~stewards and~~ judges, on behalf of the
 23 commission, may impose one (1) or more of the following sanctions
 24 against a licensee who violates sections 2 through 13 of this chapter:

- 25 (1) A civil penalty not to exceed five thousand dollars (\$5,000).
 26 (2) A temporary order or other immediate action in the nature of
 27 a summary suspension where a licensee's actions constitute an
 28 immediate danger to the public health, safety, or welfare.
 29 (3) Suspension of a license held by the licensee for up to one (1)
 30 year. The suspension of a license under this subdivision is:
 31 (A) valid even though the suspension extends beyond the
 32 period of the racing meeting for which the ~~stewards and~~ judges
 33 have been appointed; and
 34 (B) effective at all other racing meetings under the jurisdiction
 35 of the commission.
 36 (4) A rule that a person must stay off the premises of one (1) or
 37 more permit holders if necessary in the public interest to maintain
 38 proper control over recognized meetings.
 39 (5) Referral of the matter to the commission for its consideration.

40 However, at least two (2) of the ~~stewards or~~ judges must concur in a
 41 sanction.

42 (b) Unless a suspension of a license or the imposition of a civil
 43 penalty under this section is appealed by the person sanctioned not
 44 more than fifteen (15) days after being sanctioned, the suspension of a
 45 license or the imposition of a civil penalty under this section must
 46 occur within one hundred eighty (180) days of the date of the violation.

47 (c) A sanction under this section may be appealed to the
 48 commission. Judges ~~and stewards~~ imposing sanctions under this
 49 section must prove the person's violation by a preponderance of the
 50 evidence. The commission shall adopt rules establishing procedures for

1 appeals and stays of appeals. The commission shall conduct a hearing
2 on an appeal filed under this section as provided in IC 4-21.5.

3 SECTION 11. IC 4-31-13-1, AS AMENDED BY P.L.210-2013,
4 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
5 JULY 1, 2026]: Sec. 1. (a) The commission may issue orders under
6 IC 4-21.5 to:

7 (1) deny, suspend, diminish, or revoke permits and licenses as
8 authorized by this article; and

9 (2) impose civil penalties, in addition to any other penalty
10 imposed by the commission on a person who violates this article
11 or a rule or an order of the commission.

12 (b) The commission or the commission's designee, as determined
13 under the rules of the commission, on its own motion or in addition to
14 a penalty assessed by the ~~stewards and~~ judges, may issue orders under
15 IC 4-21.5 to rule a person off one (1) or more permit holders' premises,
16 if necessary in the public interest to maintain proper control over
17 recognized meetings.

18 (c) A civil penalty imposed against a licensee under subsection
19 (a)(2) may not exceed five thousand dollars (\$5,000). For purposes of
20 subsection (a)(2), each day during which a violation of this article or
21 a rule or an order of the commission continues to occur constitutes a
22 separate offense.

23 (d) Civil penalties imposed under this article shall be deposited in
24 the state general fund.

25 SECTION 12. IC 4-31-13-2, AS AMENDED BY P.L.152-2025,
26 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
27 JULY 1, 2026]: Sec. 2. (a) The commission may adopt rules under
28 IC 4-22-2 to delegate to the ~~stewards and~~ judges of racing meetings
29 under the jurisdiction of the commission the power to conduct
30 disciplinary hearings on behalf of the commission. The ~~stewards and~~
31 judges shall give at least twelve (12) hours notice of any such hearing.
32 The ~~stewards and~~ judges, on behalf of the commission, may impose one
33 (1) or more of the following sanctions against a licensee who violates
34 this article or the rules or orders of the commission:

35 (1) A civil penalty not to exceed five thousand dollars (\$5,000).

36 (2) A temporary order or other immediate action in the nature of
37 a summary suspension if a licensee's actions constitute an
38 immediate danger to the public health, safety, or welfare.

39 (3) Suspension of a license held by the licensee for not more than
40 three (3) years. The suspension of a license under this subdivision
41 is:

42 (A) valid even though the suspension extends beyond the
43 period of the racing meeting for which the ~~stewards and~~ judges
44 have been appointed; and

45 (B) effective at all other racing meetings under the jurisdiction
46 of the commission.

47 (4) A rule that a person must stay off the premises of one (1) or
48 more permit holders if necessary in the public interest to maintain
49 proper control over recognized meetings.

50 (5) Referral of the matter to the commission for its consideration.

1 However, at least two (2) of the ~~stewards or~~ judges at a racing meeting
2 must concur in a suspension or civil penalty.

3 (b) Unless a suspension of a license or the imposition of a civil
4 penalty under this section is appealed by the person sanctioned not
5 more than fifteen (15) days after being sanctioned, the suspension of a
6 license or the imposition of a civil penalty under this section must
7 occur within three hundred sixty-five (365) days after the date of the
8 violation.

9 (c) A suspension or civil penalty under this section may be appealed
10 to the ~~commission. Judges and stewards imposing sanctions under this~~
11 ~~section must prove the person's violation by a preponderance of the~~
12 ~~evidence. The commission shall adopt rules establishing procedures for~~
13 ~~appeals and stays of appeals. The commission shall conduct a hearing~~
14 ~~on an appeal filed under this section as provided in IC 4-21.5. office of~~
15 **administrative law proceedings under IC 4-15-10.5. IC 4-21.5**
16 **applies to an appeal under this section. The commission has the**
17 **burden of proving an alleged violation by a preponderance of the**
18 **evidence.**

19 SECTION 13. IC 4-32.3-5-8, AS ADDED BY P.L.58-2019,
20 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
21 JULY 1, 2026]: Sec. 8. (a) Except as provided in subsection (b) or (c),
22 an operator, a worker, or a volunteer ticket agent who is not a full-time
23 employee may ~~not~~ receive remuneration **of not more than fifty dollars**
24 **(\$50)** for:

- 25 (1) conducting; or
- 26 (2) assisting in conducting;

27 an allowable activity.

28 (b) **In addition to the remuneration permitted under subsection**
29 **(a)**, a qualified organization that conducts an allowable activity may:

- 30 (1) provide meals for the operators and workers during the
31 allowable event; and
- 32 (2) provide recognition dinners and social events for the operators
33 and workers;

34 if the value of the meals and social events does not constitute a
35 ~~significant inducement to participate~~ **an unreasonable expense** in the
36 conduct of the allowable activity.

37 (c) In the case of a qualified organization selling pull tabs,
38 punchboards, or tip boards under an annual activity license, any
39 employee of the qualified organization may:

- 40 (1) participate in the sale and redemption of pull tabs,
41 punchboards, or tip boards on the premises of the qualified
42 organization; and
- 43 (2) receive the remuneration ordinarily provided to the employee
44 in the course of the employee's employment.

45 SECTION 14. IC 4-33-4-3, AS AMENDED BY P.L.93-2024,
46 SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
47 JULY 1, 2026]: Sec. 3. (a) The commission shall do the following:

- 48 (1) Adopt rules that the commission determines necessary to
49 protect or enhance the following:

- 50 (A) The credibility and integrity of gambling operations

- 1 authorized by this article.
- 2 (B) The regulatory process provided in this article.
- 3 (2) Conduct all hearings concerning civil violations of this article.
- 4 (3) Provide for the establishment and collection of license fees
- 5 and taxes imposed under this article.
- 6 (4) Deposit the license fees and taxes in the state gaming fund
- 7 established by IC 4-33-13.
- 8 (5) Levy and collect penalties for noncriminal violations of this
- 9 article.
- 10 (6) Deposit the penalties in the state gaming fund established by
- 11 IC 4-33-13.
- 12 (7) Be present through the commission's gaming agents during the
- 13 time gambling operations are conducted on a riverboat to do the
- 14 following:
- 15 (A) Certify the revenue received by a riverboat.
- 16 (B) Receive complaints from the public.
- 17 (C) Conduct other investigations into the conduct of the
- 18 gambling games and the maintenance of the equipment that
- 19 the commission considers necessary and proper.
- 20 (8) Adopt rules to establish and implement a voluntary exclusion
- 21 program that meets the requirements of subsection (b).
- 22 (9) Establish the requirements for a power of attorney submitted
- 23 under IC 4-33-6-2(c), IC 4-33-6-22, IC 4-33-6.5-2(c), or
- 24 IC 4-33-6.5-16.
- 25 (b) Rules adopted under subsection (a)(8) must provide the
- 26 following:
- 27 (1) Except as provided by rule of the commission, a person who
- 28 participates in the voluntary exclusion program agrees to refrain
- 29 from entering a riverboat or other facility under the jurisdiction of
- 30 the commission **or from placing a wager with a certificate**
- 31 **holder licensed under IC 4-38.**
- 32 (2) That the name **and last four (4) digits of the Social Security**
- 33 **number** of a person participating in the program will be included
- 34 on a list of persons excluded from all facilities under the
- 35 jurisdiction of the commission.
- 36 (3) Except as provided by rule of the commission, a person who
- 37 participates in the voluntary exclusion program may not petition
- 38 the commission for readmittance to a facility under the
- 39 jurisdiction of the commission.
- 40 (4) That the list of patrons entering the voluntary exclusion
- 41 program and the personal information of the participants are
- 42 confidential and may only be disseminated by the commission to
- 43 the owner or operator of a facility under the jurisdiction of the
- 44 commission **and to a certificate holder licensed under IC 4-38**
- 45 for purposes of enforcement and to other entities, upon request by
- 46 the participant and agreement by the commission.
- 47 (5) That an owner of a facility under the jurisdiction of the
- 48 commission **and a certificate holder licensed under IC 4-38**
- 49 shall make all reasonable attempts as determined by the
- 50 commission to cease all direct marketing efforts to a person

1 participating in the program.

2 (6) That an owner of a facility under the jurisdiction of the
3 commission **and a certificate holder licensed under IC 4-38**
4 may not cash the check of a person participating in the program
5 or extend credit to the person in any manner. However, the
6 voluntary exclusion program does not preclude an owner **or a**
7 **certificate holder** from seeking the payment of a debt accrued by
8 a person before entering the program.

9 SECTION 15. IC 4-33-10-7 IS ADDED TO THE INDIANA CODE
10 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
11 1, 2026]: **Sec. 7. (a) As used in this section, "sweepstakes game"**
12 **means a game, contest, or promotion that:**

13 **(1) is available on the Internet;**

14 **(2) is accessible on a mobile phone, computer terminal, or**
15 **similar access device;**

16 **(3) utilizes a dual-currency or multi-currency system of**
17 **payment allowing a player to exchange currency for:**

18 **(A) a cash prize, a cash award, or cash equivalents; or**

19 **(B) a chance to win a cash prize, a cash award, or cash**
20 **equivalents; and**

21 **(4) simulates:**

22 **(A) lottery games; or**

23 **(B) casino-style gaming, including slot machines, video**
24 **poker, table games, bingo, or sports wagering.**

25 **However, the term does not include a game, contest, or promotion**
26 **offered by the state lottery commission or peer to peer skill-based**
27 **poker games.**

28 **(b) The commission may levy a civil penalty in the amount of**
29 **one hundred thousand dollars (\$100,000) against an operator or**
30 **individual who knowingly uses the Internet to conduct a**
31 **sweepstakes game:**

32 **(1) in Indiana; or**

33 **(2) in a transaction directly involving a person located in**
34 **Indiana.**

35 SECTION 16. IC 7.1-1-3-8.5 IS AMENDED TO READ AS
36 FOLLOWS [EFFECTIVE JULY 1, 2026]: **Sec. 8.5. "Certificate" means**
37 **a retail or wholesale tobacco sales certificate for purposes of**
38 **IC 7.1-3-18.5.**

39 SECTION 17. IC 7.1-1-3-27.5 IS ADDED TO THE INDIANA
40 CODE AS A NEW SECTION TO READ AS FOLLOWS
41 [EFFECTIVE JULY 1, 2026]: **Sec. 27.5. "Organized sporting**
42 **competition" means a sporting event sanctioned by a recognized**
43 **governing or regulatory body.**

44 SECTION 18. IC 7.1-1-3-45.7 IS ADDED TO THE INDIANA
45 CODE AS A NEW SECTION TO READ AS FOLLOWS
46 [EFFECTIVE JULY 1, 2026]: **Sec. 45.7. "Sports arena" means an**
47 **indoor or outdoor facility where the main purpose and function of**
48 **the facility is organized sporting competition. The term does not**
49 **include:**

50 **(1) a facility to which IC 7.1-3-1-25(a) applies;**

51 **(2) a tract that contains a premises described in**

1 **IC 7.1-3-1-14(d)(2); or**

2 **(3) a facility primarily used for professional competition.**

3 SECTION 19. IC 7.1-2-1-8 IS AMENDED TO READ AS
4 FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 8. ~~Bond and Oath of~~
5 ~~Office:~~ Each commissioner shall execute a ~~surety bond in the amount~~
6 ~~of ten thousand dollars (\$10,000); with surety approved by the~~
7 ~~governor; and an oath of office, both of which shall be filed in the~~
8 ~~office of the secretary of state.~~

9 SECTION 20. IC 7.1-2-1-9 IS REPEALED [EFFECTIVE JULY 1,
10 2026]. Sec. 9: ~~Surety Bonds:~~ The required surety bond executed and
11 ~~filed on behalf of a commissioner; an enforcement officer; or the~~
12 ~~prosecutor shall be made payable to the State of Indiana and~~
13 ~~conditioned upon the faithful discharge of the bonded party's respective~~
14 ~~duties.~~

15 SECTION 21. IC 7.1-2-2-3 IS AMENDED TO READ AS
16 FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 3. ~~Bond and Oath of~~
17 ~~Office:~~ The prosecutor shall execute a ~~surety bond in the amount of~~
18 ~~five thousand dollars (\$5,000); with surety approved by the governor;~~
19 ~~and an oath of office, both of which shall be filed in the office of the~~
20 ~~secretary of state.~~

21 SECTION 22. IC 7.1-2-2-10 IS AMENDED TO READ AS
22 FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 10. ~~Enforcement~~
23 ~~Officers: Bond and Oath of Office:~~ Each enforcement officer shall
24 execute a ~~surety bond in the amount of one thousand dollars (\$1,000);~~
25 ~~with surety approved by the commission; and an oath of office, both of~~
26 ~~which shall be filed with the executive secretary of the commission.~~

27 SECTION 23. IC 7.1-3-1.5-1, AS AMENDED BY P.L.163-2025,
28 SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
29 JULY 1, 2026]: Sec. 1. As used in this chapter, "alcohol server" means
30 the following:

31 (1) A person who works on the licensed premises of a retailer
32 permittee as:

33 (A) a manager;

34 (B) a bartender;

35 (C) a waiter or a waitress; or

36 (D) **except for a current or retired law enforcement officer**
37 **(as defined in IC 35-31.5-2-185) or a graduate of a reserve**
38 **officer program approved by the Indiana law enforcement**
39 **academy, a contractor or an employee responsible for**
40 **examining an individual's identification to determine the**
41 **individual's age, including controlling the entry of individuals**
42 **to a licensed premises at a time when entry into the licensed**
43 **premises is restricted to those individuals at least twenty-one**
44 **(21) years of age.**

45 (2) A person who works on the licensed premises of a dealer
46 permittee as a:

47 (A) manager; or

48 (B) sales clerk.

49 (3) A person who is the proprietor of or is employed by an art
50 instruction studio under IC 7.1-5-8-4.6 that serves wine brought

1 into the studio by patrons.

2 SECTION 24. IC 7.1-3-3-5, AS AMENDED BY P.L.163-2025,
3 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
4 UPON PASSAGE]: Sec. 5. (a) The holder of a beer wholesaler's permit
5 may purchase and import from the primary source of supply, possess,
6 and sell at wholesale, beer and flavored malt beverages manufactured
7 within or without this state.

8 (b) A beer wholesaler permittee may possess, transport, sell, and
9 deliver beer to:

10 (1) another beer wholesaler authorized by the brewer to sell the
11 brand purchased;

12 (2) an employee; ~~and~~

13 (3) a holder of a beer retailer's permit, beer dealer's permit,
14 temporary beer permit, dining car permit, boat permit, airplane
15 permit, or supplemental caterer's permit; **and**

16 **(4) a food manufacturer that is registered with the federal**
17 **Food and Drug Administration, for the purpose of adding or**
18 **integrating the beer into a product or recipe;**

19 located within this state. The sale, transportation, and delivery of beer
20 shall be made only from inventory that has been located on the
21 wholesaler's premises before the time of invoicing and delivery.

22 (c) The beer wholesaler's bona fide regular employees may purchase
23 beer from the wholesaler in:

24 (1) bottles, cans, or any other type of permissible containers in an
25 amount not to exceed forty-eight (48) pints; or

26 (2) one (1) keg;

27 at any one (1) time.

28 (d) The importation, transportation, possession, sale, and delivery
29 of beer shall be subject to the rules of the commission and subject to
30 the same restrictions provided in this title for a person holding a
31 brewer's permit.

32 (e) The holder of a beer wholesaler's permit may purchase, import,
33 possess, transport, sell, and deliver any commodity listed in
34 IC 7.1-3-10-5, unless prohibited by this title. However, a beer
35 wholesaler may deliver flavored malt beverages only to the holder of
36 one (1) of the following permits:

37 (1) A beer wholesaler or wine wholesaler permit, if the wholesaler
38 is authorized by the primary source of supply to sell the brand of
39 flavored malt beverage purchased.

40 (2) A wine retailer's permit, wine dealer's permit, temporary wine
41 permit, dining car wine permit, boat permit, airplane permit, or
42 supplemental caterer's permit.

43 (f) A beer wholesaler may:

44 (1) store beer for an out-of-state brewer described in IC 7.1-3-2-9
45 and deliver the stored beer to another beer wholesaler that the
46 out-of-state brewer authorizes to sell the beer;

47 (2) perform all necessary accounting and auditing functions
48 associated with the services described in subdivision (1); and

49 (3) receive a fee from an out-of-state brewer for the services
50 described in subdivisions (1) through (2).

1 (g) A beer wholesaler may sell, donate, transport, and deliver beer
2 to a qualified organization for:

- 3 (1) an allowable event under IC 7.1-3-6.1;
- 4 (2) a charity auction under IC 7.1-3-6.2; or
- 5 (3) an event under IC 7.1-3-6.3;

6 located within this state. The sale, donation to a qualified organization,
7 transportation, and delivery of beer shall be made only from inventory
8 that has been located on the wholesaler's premises before the time of
9 invoicing and delivery.

10 SECTION 25. IC 7.1-3-14-4, AS AMENDED BY SEA 23-2026,
11 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
12 JULY 1, 2026]: Sec. 4. (a) The holder of a wine retailer's permit is
13 entitled to purchase wine only from a permittee entitled to sell to the
14 wine retailer under this title. A wine retailer is entitled to possess wine
15 and sell wine at retail to a customer for consumption on the licensed
16 premises. A wine retailer is also entitled to sell wine to a customer and
17 deliver wine in permissible containers to the customer on the licensed
18 premises or to the customer's house. **Except as provided in section 8**
19 **of this chapter**, this delivery may only be performed by the permit
20 holder or an employee who holds an employee permit. The permit
21 holder shall maintain a written record of each delivery for at least one
22 (1) year that shows the customer's name, location of delivery, and
23 quantity sold. Subject to subsection (g), a wine retailer also may
24 prepare and package wine in qualified containers for sale and delivery
25 to a customer on the licensed premises for consumption off the licensed
26 premises.

27 (b) A wine retailer is not entitled to sell wine at wholesale. A wine
28 retailer is not entitled to sell and deliver wine on the street or at the
29 curb outside the licensed premises, nor is the wine retailer entitled to
30 sell wine at a place other than the licensed premises. However, a wine
31 retailer may offer food service (excluding alcoholic beverages) to a
32 patron who is outside the licensed premises by transacting business
33 through a window in the licensed premises.

34 (c) A wine retailer is entitled to sell and deliver wine for carry out,
35 or for at-home delivery. A wine retailer that delivers wine to a
36 customer's residence must require the customer to provide proof of age
37 in accordance with IC 7.1-5-10-23.

38 (d) Notwithstanding IC 7.1-1-3-20, the licensed premises of the
39 wine retailer may include the wine retailer parking lot or an area
40 adjacent to the wine retailer that may only be used for the purpose of
41 conveying alcoholic beverages and other nonalcoholic items to a
42 customer, and may not be used for point of sale purposes or any other
43 purpose. Any alcoholic beverages conveyed to the customer must
44 satisfy the following:

- 45 (1) Alcoholic beverages that are in the sealed original containers
46 must be placed in a bag that is stamped, printed, or labeled on the
47 outside: "CONTAINS ALCOHOLIC BEVERAGES".
- 48 (2) Alcoholic beverages that are prepared by the wine retailer
49 must be packaged by the wine retailer in qualified containers that
50 are:

- 1 (A) stamped, printed, or labeled on the outside: "CONTAINS
2 ALCOHOLIC BEVERAGES"; or
3 (B) placed in a bag stamped, printed, or labeled on the outside:
4 "CONTAINS ALCOHOLIC BEVERAGES".
5 (3) Placed by an employee of the permittee who is at least
6 twenty-one (21) years of age:
7 (A) in the trunk of the motor vehicle; or
8 (B) behind the last upright seat of the motor vehicle, if the
9 motor vehicle is not equipped with a trunk.

10 A retailer permittee may only convey a customer's order of alcoholic
11 beverages to the customer, if the customer has also purchased a meal
12 from the retailer permittee that is conveyed to the customer at the same
13 time as the alcoholic beverages.

14 (e) The employee of the permittee that conveys the alcoholic
15 beverages to the customer must require the customer to provide proof
16 of age in accordance with IC 7.1-5-10-23.

17 (f) The parking lot or area where the alcoholic beverages are
18 conveyed to the customer must be:

- 19 (1) well lit; and
20 (2) within clear view of the main entrance to the building of the
21 retailer premises.

22 (g) If a wine retailer prepares and packages wine:

- 23 (1) for sale and delivery to a customer on the licensed premises
24 for consumption off the licensed premises; and
25 (2) in a container that is not in a qualified container;

26 the commission may revoke the wine retailer's privilege under this
27 section of preparing and packaging wine for sale and delivery to a
28 customer in a qualified container.

29 (h) Upon proper notice to the commission under
30 IC 7.1-3-21-14.5(d)(1), a wine retailer may participate in an event
31 sponsored by a local board on the grounds of a county fair under
32 IC 7.1-3-21-14.5(b).

33 SECTION 26. IC 7.1-3-14-8 IS ADDED TO THE INDIANA CODE
34 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
35 1, 2026]: **Sec. 8. (a) A wine retailer may sell wine for consumption
36 off the licensed premises from a display in a room:**

- 37 **(1) where the bar is located or alcoholic beverages are stored,
38 prepared, or dispensed for consumption on the licensed
39 premises;**
40 **(2) that is not partitioned to create a section that is solely or
41 primarily for package sales of wine; and**
42 **(3) that does not have a separate cash register for package
43 sales.**

44 **(b) This subsection applies only to a wine retailer if the sale of
45 wine on the licensed premises is at least sixty percent (60%) of the
46 annual gross income of the premises. A wine retailer may allow a
47 customer to obtain by self-service sealed bottles of wine for
48 consumption off the licensed premises from a display under
49 subsection (a).**

50 SECTION 27. IC 7.1-3-16-9, AS AMENDED BY P.L.153-2015,
51 SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

1 UPON PASSAGE]: Sec. 9. The holder of a temporary wine permit
 2 shall be entitled to purchase and receive wine **or mixed beverages (as**
 3 **defined in IC 7.1-1-3-26.2)** on any day of the year, only from a lawful
 4 supplier under this title at his place of business. A lawful supplier may
 5 sell and deliver wine **or mixed beverages (as defined in**
 6 **IC 7.1-1-3-26.2)** to a temporary wine permit holder on any day of the
 7 year at his place of business. Except as provided in IC 7.1-3-6.1 and
 8 IC 7.1-3-6.2, the holder of a temporary wine permit shall be entitled to
 9 sell wine **or mixed beverages (as defined in IC 7.1-1-3-26.2)** only for
 10 consumption on the licensed premises, and shall be subject to the same
 11 restrictions as apply to the sale of beer by the holder of a temporary
 12 beer permit. Except as provided in IC 7.1-3-6.1 and IC 7.1-3-6.2, a
 13 temporary wine permittee shall not be entitled to sell at wholesale nor
 14 for carry-out from the licensed premises.

15 SECTION 28. IC 7.1-3-18.5-0.5 IS ADDED TO THE INDIANA
 16 CODE AS A NEW SECTION TO READ AS FOLLOWS
 17 [EFFECTIVE JULY 1, 2026]: **Sec. 0.5. For purposes of this chapter,**
 18 **"wholesale" means the business of selling, bartering, exchanging,**
 19 **or distributing tobacco products or electronic cigarettes to**
 20 **certificate holders in Indiana for the purpose of resale.**

21 SECTION 29. IC 7.1-3-18.5-2, AS AMENDED BY P.L.107-2024,
 22 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 23 JULY 1, 2026]: Sec. 2. (a) A person who desires a certificate must
 24 provide the following to the commission:

25 (1) The applicant's name and mailing address and the address of
 26 the premises for which the certificate is being issued.

27 (2) Except as provided in section 6(c) of this chapter, a fee of:

28 (A) two hundred dollars (\$200) **for a retail tobacco sales**
 29 **certificate; or**

30 (B) **one hundred dollars (\$100) for a wholesale tobacco**
 31 **sales certificate.**

32 (3) The name under which the applicant transacts or intends to
 33 transact business.

34 (4) The address of the applicant's principal place of business or
 35 headquarters, if any.

36 (5) The statement required under section 2.6 of this chapter.

37 (6) If the applicant is applying for a new certificate under section
 38 3.2 of this chapter, a copy of each of the following:

39 (A) If the new ownership of the business is a business entity,
 40 the articles of incorporation, articles of organization, or any
 41 other formation documents of the business entity.

42 (B) If the new ownership of the business is an individual,
 43 either:

44 (i) the sales or purchase agreement; or

45 (ii) an affidavit signed by the applicant concerning the sale
 46 or purchase, on a form prescribed by the commission, that
 47 includes the name and address of the seller and purchaser.

48 (C) The certificate held by the previous ownership of the
 49 business.

50 (7) **A photocopy of the owner's driver's license, identification**

1 **card issued under IC 9-24-16-1, a similar card issued under**
 2 **the laws of another state or the federal government, or**
 3 **another government issued document that bears the owner's**
 4 **photograph and birth date. If the applicant is a business with**
 5 **multiple owners, the applicant must designate at least one (1)**
 6 **managing owner for whom a photocopy of the managing**
 7 **owner's identification must be provided under this**
 8 **subdivision.**

9 (b) A separate certificate is required for each location where the
 10 tobacco products or electronic cigarettes are sold or distributed. ~~A retail~~
 11 **An establishment may not hold more than one (1) active tobacco sales**
 12 **certificate for a retail location at any time. Except when the real estate**
 13 **for a retail location is transferred to an independent third party,**
 14 **the commission shall not issue a certificate to a retail location**
 15 **where a tobacco sales certificate was revoked within one (1) year**
 16 **prior to the date of the application.**

17 (c) A certificate holder shall conspicuously display the holder's
 18 certificate on the holder's premises where the tobacco products or
 19 electronic cigarettes are sold or distributed.

20 (d) Any intentional misstatement or suppression of a material fact
 21 in an application filed under this section constitutes grounds for denial
 22 **or revocation** of the certificate.

23 (e) A certificate may be issued only to a person who meets the
 24 following requirements:

25 (1) If the person is an individual, the person must be at least
 26 twenty-one (21) years of age.

27 (2) The person must be authorized to do business in Indiana.

28 (3) The person has not had an interest in a certificate revoked by
 29 the commission for that business location within the preceding
 30 one (1) year.

31 (f) The fees collected under this section shall be deposited in the
 32 enforcement and administration fund under IC 7.1-4-10.

33 SECTION 30. IC 7.1-3-18.5-2.6, AS ADDED BY P.L.94-2008,
 34 SECTION 38, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 35 JULY 1, 2026]: Sec. 2.6. An application for a tobacco **sales** certificate
 36 must contain the express statement of the applicant that the applicant
 37 consents for the duration of the certificate term (if the commission
 38 issues the certificate to the applicant) to the entrance, inspection, and
 39 search by an enforcement officer, without a warrant or other process,
 40 of the applicant's ~~retail~~ premises to determine whether the applicant is
 41 complying with the provisions of this title. The consent required by this
 42 section is renewed and continued by the retention of a certificate or the
 43 certificate's use by the applicant or the applicant's agents.

44 SECTION 31. IC 7.1-3-18.5-3, AS AMENDED BY P.L.224-2005,
 45 SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 46 JULY 1, 2026]: Sec. 3. (a) A certificate issued by the commission
 47 under this chapter must contain the following information:

48 (1) The certificate number.

49 (2) The certificate holder's name.

50 (3) The permanent location of the business or vending machine
 51 for which the certificate is issued.

- 1 (4) The expiration date of the certificate.
- 2 (b) A **retail tobacco sales** certificate is:
- 3 (1) valid for three (3) years after the date of issuance, unless the
- 4 commission suspends the **retail tobacco sales** certificate; and
- 5 (2) nontransferable.
- 6 (c) A **wholesale tobacco sales** certificate:
- 7 (1) **is valid for one (1) year after the date of issuance, unless**
- 8 **the commission suspends the wholesale tobacco sales**
- 9 **certificate;**
- 10 (2) **is nontransferable; and**
- 11 (3) **may be issued:**
- 12 (A) **in conjunction with a tobacco sales certificate; or**
- 13 (B) **for the same location for which a tobacco sales**
- 14 **certificate has been issued;**
- 15 **if the operation of each certificate occurs separately within a**
- 16 **distinct area on the premises.**
- 17 SECTION 32. IC 7.1-3-18.5-9.2, AS ADDED BY P.L.107-2024,
- 18 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 19 JULY 1, 2026]: Sec. 9.2. (a) An employee of a certificate holder must
- 20 hold a valid:
- 21 (1) driver's license issued by the state of Indiana or another state;
- 22 or
- 23 (2) identification card issued by the state of Indiana, another state,
- 24 or the United States;
- 25 to sell tobacco products.
- 26 (b) An employee must have the employee's driver's license or
- 27 identification card or a copy of the employee's driver's license or
- 28 identification card:
- 29 (1) either:
- 30 (A) in the employee's possession; or
- 31 (B) on file with the employee's employer; and
- 32 (2) upon request, readily available to show to an excise officer or
- 33 law enforcement;
- 34 when selling tobacco products.
- 35 (c) If an employee holds a valid license or identification card as
- 36 described in subsection (a) but is unable to show the license,
- 37 identification card, or a copy to an excise officer under subsection (b)
- 38 because:
- 39 (1) the employee has left the license, identification card, or copy
- 40 in another location; or
- 41 (2) the license, identification card, or copy has otherwise been lost
- 42 or mislaid;
- 43 the employee may, within five (5) days of the employee's inability to
- 44 show the license, identification card, or copy to the excise officer,
- 45 produce to the excise officer or to the office of the commission
- 46 satisfactory evidence of a license or identification card issued to the
- 47 individual that was valid at the time the individual was unable to show
- 48 the license, identification card, or copy.
- 49 (d) If an employee who is unable to show a license, identification
- 50 card, or copy to an excise officer fails to produce satisfactory evidence
- 51 within five (5) days in the manner described in subsection (c), the

1 commission may impose a civil penalty on the certificate holder under
2 IC 7.1-3-23-3.

3 **(e) The commission shall take the following actions with respect
4 to a certificate holder's certificate if the certificate holder's
5 employees violate this section:**

6 **(1) For three (3) violations in a one (1) year period, suspend
7 the certificate for a period of five (5) days.**

8 **(2) For four (4) violations in a one (1) year period, suspend the
9 certificate for a period of an additional five (5) days.**

10 **(3) For five (5) violations in a one (1) year period, suspend the
11 certificate for a period of an additional five (5) days.**

12 **(4) For six (6) or more violations in a one (1) year period,
13 revoke the certificate.**

14 SECTION 33. IC 7.1-3-20-16.8, AS AMENDED BY SEA 89-2026,
15 SECTION 1, AND BY THE TECHNICAL CORRECTIONS BILL OF
16 THE 2026 GENERAL ASSEMBLY, IS AMENDED TO READ AS
17 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 16.8. (a) A permit
18 that is authorized by this section may be issued without regard to the
19 quota provisions of IC 7.1-3-22.

20 (b) Except as provided in section 16.3 of this chapter, the
21 commission may issue not more than four (4) new three-way permits
22 to sell alcoholic beverages for on-premises consumption to applicants
23 in each of the following municipalities:

24 (1) Whitestown.

25 (2) Lebanon.

26 (3) Zionsville.

27 (4) Westfield.

28 (5) Carmel.

29 (6) Fishers.

30 (7) Noblesville.

31 (c) The following apply to permits issued under subsection (b):

32 (1) An applicant for a permit under subsection (b) must be a
33 proprietor, as owner or lessee, or both, of a restaurant located
34 within an economic development area, an area needing
35 redevelopment, or a redevelopment district as established under
36 IC 36-7-14 in a municipality's:

37 (A) downtown redevelopment district; or

38 (B) downtown economic revitalization area.

39 (2) The cost of an initial permit is forty thousand dollars
40 (\$40,000).

41 (3) The total number of active permits issued under subsection (b)
42 may not exceed twenty-four (24) permits at any time. If any of the
43 permits issued under subsection (b) are revoked or not renewed,
44 the commission may issue only enough new permits to bring the
45 total number of permits to twenty-four (24) active permits, with
46 not more than four (4) in each municipality listed in subsection
47 (b)(1) through (b)(6).

48 (4) The municipality may adopt an ordinance under
49 IC 7.1-3-19-17 requiring a permit holder to enter into a formal
50 written commitment as a condition of eligibility for a permit. As
51 set forth in IC 7.1-3-19-17(b), a formal written commitment is

- 1 binding on the permit holder and on any lessee or proprietor of
 2 the permit premises.
- 3 (5) Notwithstanding IC 7.1-3-1.1, if business operations cease at
 4 the permit premises for more than six (6) months, the permit shall
 5 revert to the commission and the permit holder is not entitled to
 6 any refund or other compensation.
- 7 (6) Except as provided in subdivision (8), the ownership of a
 8 permit may not be transferred.
- 9 (7) A permit may not be transferred from the premises for which
 10 the permit was issued.
- 11 (8) If the area in which the permit premises is located is no longer
 12 designated an economic development area, an area needing
 13 redevelopment, or a redevelopment district, a permit issued under
 14 this section may be renewed, and the ownership of the permit may
 15 be transferred, but the permit may not be transferred from the
 16 permit premises.
- 17 (d) Except as provided in section 16.3 of this chapter, in addition to
 18 the permits issued to the town of Whitestown under subsection (c), the
 19 commission may issue to the town of Whitestown not more than:
 20 (1) three (3) new three-way permits; and
 21 (2) three (3) new two-way permits;
 22 under this subsection.
- 23 (e) The following apply to permits issued under subsection (d):
 24 (1) An applicant for a permit under subsection (d)(1) or (d)(2)
 25 must be a proprietor, an owner or lessee, or both, of a restaurant
 26 located within an economic development area, an area needing
 27 redevelopment, or a redevelopment district as established under
 28 IC 36-7-14 in a municipality's:
 29 (A) downtown redevelopment district; or
 30 (B) downtown economic revitalization area.
- 31 (2) The cost of an initial permit is forty thousand dollars
 32 (\$40,000).
- 33 (3) The total number of active permits issued under subsection (d)
 34 may not exceed the six (6) permits allocated by permit type, as set
 35 forth in that subsection.
- 36 (4) The municipality may adopt an ordinance under
 37 IC 7.1-3-19-17 requiring a permit holder to enter into a formal
 38 written commitment as a condition of eligibility for a permit. As
 39 set forth in IC 7.1-3-19-17(b), a formal written commitment is
 40 binding on the permit holder and on any lessee or proprietor of
 41 the permit premises.
- 42 (5) Notwithstanding IC 7.1-3-1.1, if business operations cease at
 43 the permit premises for more than six (6) months, the permit shall
 44 revert to the commission and the permit holder is not entitled to
 45 any refund or other compensation.
- 46 (6) Except as provided in subdivision (8), the ownership of a
 47 permit may not be transferred.
- 48 (7) A permit may not be transferred from the premises for which
 49 the permit was issued.
- 50 (8) If the area in which the permit issued to a premises under

- 1 subsection (d)(1) or (d)(2) is located is no longer designated an
 2 economic development area, an area needing redevelopment, or
 3 a redevelopment district, a permit issued under this section may
 4 be renewed, and the ownership of the permit may be transferred,
 5 but the permit may not be transferred from the permit premises.
- 6 (f) Except as provided in section 16.3 of this chapter, in addition to
 7 the permits issued to the city of Noblesville under subsection (c), the
 8 commission may issue to the city of Noblesville not more than ten (10)
 9 new three-way permits under this subsection. The new three-way
 10 permits may be issued as follows:
- 11 (1) Three (3) new three-way permits in 2024.
 - 12 (2) Three (3) new three-way permits in 2025.
 - 13 (3) Four (4) new three-way permits in 2026.
- 14 If the commission does not issue the amount of three-way permits
 15 allowed in subdivisions (1) through (3) in that year, any unissued
 16 permits will roll over and may be issued in a subsequent year.
- 17 (g) The following apply to permits issued under subsection (f):
- 18 (1) An applicant for a permit under subsection (f) must be a
 19 proprietor, an owner or lessee, or both, of a restaurant located
 20 within an economic development area, an area needing
 21 redevelopment, or a redevelopment district as established under
 22 IC 36-7-14 in a municipality's:
 - 23 (A) downtown redevelopment district; or
 - 24 (B) downtown economic revitalization area.
 - 25 (2) The cost of an initial permit is forty thousand dollars
 26 (\$40,000).
 - 27 (3) The total number of active permits issued under subsection (f)
 28 may not exceed the ten (10) new three-way permits, as set forth
 29 in that subsection.
 - 30 (4) The municipality may adopt an ordinance under
 31 IC 7.1-3-19-17 requiring a permit holder to enter into a formal
 32 written commitment as a condition of eligibility for a permit. As
 33 set forth in IC 7.1-3-19-17(b), a formal written commitment is
 34 binding on the permit holder and on any lessee or proprietor of
 35 the permit premises.
 - 36 (5) Notwithstanding IC 7.1-3-1.1, if business operations cease at
 37 the permit premises for more than six (6) months, the permit shall
 38 revert to the commission and the permit holder is not entitled to
 39 any refund or other compensation.
 - 40 (6) Except as provided in subdivision (8), the ownership of a
 41 permit may not be transferred.
 - 42 (7) A permit may not be transferred from the premises for which
 43 the permit was issued.
 - 44 (8) If the area in which the permit issued to a premises under
 45 subsection (f) is located is no longer designated an economic
 46 development area, an area needing redevelopment, or a
 47 redevelopment district, a permit issued under this section may be
 48 renewed, and the ownership of the permit may be transferred, but
 49 the permit may not be transferred from the permit premises.
- 50 (h) Except as provided in section 16.3 of this chapter, the

1 commission may issue to the city of Delphi not more than two (2) new
 2 three-way permits under this subsection. ~~(h)~~ The following apply to
 3 permits issued under **this** subsection: ~~(h)~~:

4 (1) An applicant for a permit ~~under subsection (h)~~ must be a
 5 proprietor, an owner or lessee, or both, of a restaurant located
 6 within an economic development area, an area needing
 7 redevelopment, or a redevelopment district as established under
 8 IC 36-7-14 in a municipality's:

9 (A) downtown redevelopment district; or

10 (B) downtown economic revitalization area.

11 (2) The cost of an initial permit is forty thousand dollars
 12 (\$40,000).

13 (3) The total number of active permits issued under **this**
 14 subsection ~~(h)~~ may not exceed the two (2) new three-way permits.
 15 ~~as set forth in that subsection.~~

16 (4) The municipality may adopt an ordinance under
 17 IC 7.1-3-19-17 requiring a permit holder to enter into a formal
 18 written commitment as a condition of eligibility for a permit. As
 19 set forth in IC 7.1-3-19-17(b), a formal written commitment is
 20 binding on the permit holder and on any lessee or proprietor of
 21 the permit premises.

22 (5) Notwithstanding IC 7.1-3-1.1, if business operations cease at
 23 the permit premises for more than six (6) months, the permit shall
 24 revert to the commission and the permit holder is not entitled to
 25 any refund or other compensation.

26 (6) Except as provided in subdivision (8), the ownership of a
 27 permit may not be transferred.

28 (7) A permit may not be transferred from the premises for which
 29 the permit was issued.

30 (8) If the area in which the permit issued to a premises under **this**
 31 subsection ~~(h)~~ is located is no longer designated an economic
 32 development area, an area needing redevelopment, or a
 33 redevelopment district, a permit issued under this section may be
 34 renewed, and the ownership of the permit may be transferred, but
 35 the permit may not be transferred from the permit premises.

36 ~~(j)~~ **(i)** Except as provided in section 16.3 of this chapter, the
 37 commission may issue to the city of Warsaw not more than three (3)
 38 new three-way permits under this subsection. ~~(k)~~ The following apply
 39 to permits issued under **this** subsection: ~~(j)~~:

40 (1) An applicant for a permit ~~under subsection (j)~~ must be a
 41 proprietor, an owner or lessee, or both, of a restaurant located
 42 within an economic development area, an area needing
 43 redevelopment, or a redevelopment district as established under
 44 IC 36-7-14 in a municipality's:

45 (A) downtown redevelopment district; or

46 (B) downtown economic revitalization area.

47 (2) The cost of an initial permit is forty thousand dollars
 48 (\$40,000).

49 (3) The total number of active permits issued under **this**
 50 subsection ~~(j)~~ may not exceed the three (3) new three-way

- 1 permits. ~~as set forth in that subsection.~~
- 2 (4) The municipality may adopt an ordinance under
- 3 IC 7.1-3-19-17 requiring a permit holder to enter into a formal
- 4 written commitment as a condition of eligibility for a permit. As
- 5 set forth in IC 7.1-3-19-17(b), a formal written commitment is
- 6 binding on the permit holder and on any lessee or proprietor of
- 7 the permit premises.
- 8 (5) Notwithstanding IC 7.1-3-1.1, if business operations cease at
- 9 the permit premises for more than six (6) months, the permit shall
- 10 revert to the commission and the permit holder is not entitled to
- 11 any refund or other compensation.
- 12 (6) Except as provided in subdivision (8), the ownership of a
- 13 permit may not be transferred.
- 14 (7) A permit may not be transferred from the premises for which
- 15 the permit was issued.
- 16 (8) If the area in which the permit issued to a premises under **this**
- 17 subsection ~~(f)~~ is located is no longer designated an economic
- 18 development area, an area needing redevelopment, or a
- 19 redevelopment district, a permit issued under this section may be
- 20 renewed, and the ownership of the permit may be transferred, but
- 21 the permit may not be transferred from the permit premises.
- 22 ~~(f)~~ **(j)** Except as provided in section 16.3 of this chapter, the
- 23 commission may issue to the town of Syracuse not more than one (1)
- 24 new three-way permit under this subsection. ~~(m)~~ The following apply
- 25 to a permit issued under **this** subsection: ~~(f)~~:
- 26 (1) An applicant for a permit ~~under subsection (f)~~ must be a
- 27 proprietor, an owner or lessee, or both, of a restaurant located
- 28 within an economic development area, an area needing
- 29 redevelopment, or a redevelopment district as established under
- 30 IC 36-7-14 in a municipality's:
- 31 (A) downtown redevelopment district; or
- 32 (B) downtown economic revitalization area.
- 33 (2) The cost of an initial permit is forty thousand dollars
- 34 (\$40,000).
- 35 (3) The total number of active permits issued under **this**
- 36 subsection ~~(f)~~ may not exceed the one (1) new three-way permit.
- 37 ~~as set forth in that subsection.~~
- 38 (4) The municipality may adopt an ordinance under
- 39 IC 7.1-3-19-17 requiring a permit holder to enter into a formal
- 40 written commitment as a condition of eligibility for a permit. As
- 41 set forth in IC 7.1-3-19-17(b), a formal written commitment is
- 42 binding on the permit holder and on any lessee or proprietor of
- 43 the permit premises.
- 44 (5) Notwithstanding IC 7.1-3-1.1, if business operations cease at
- 45 the permit premises for more than six (6) months, the permit shall
- 46 revert to the commission and the permit holder is not entitled to
- 47 any refund or other compensation.
- 48 (6) Except as provided in subdivision (8), the ownership of a
- 49 permit may not be transferred.
- 50 (7) A permit may not be transferred from the premises for which

- 1 the permit was issued.
- 2 (8) If the area in which the permit issued to a premises under **this**
- 3 subsection ~~(h)~~ is located is no longer designated an economic
- 4 development area, an area needing redevelopment, or a
- 5 redevelopment district, a permit issued under this section may be
- 6 renewed, and the ownership of the permit may be transferred, but
- 7 the permit may not be transferred from the permit premises.
- 8 **(k) Except as provided in section 16.3 of this chapter, the**
- 9 **commission may issue to the city of Gary not more than ten (10)**
- 10 **new three-way permits under this subsection. The following apply**
- 11 **to a permit issued under this subsection:**
- 12 **(1) An applicant for a permit must be a proprietor, an owner**
- 13 **or lessee, or both, of a restaurant located within an economic**
- 14 **development area, an area needing redevelopment, or a**
- 15 **redevelopment district as established under IC 36-7-14 in a**
- 16 **municipality's:**
- 17 **(A) downtown redevelopment district; or**
- 18 **(B) downtown economic revitalization area.**
- 19 **(2) The cost of an initial permit is forty thousand dollars**
- 20 **(\$40,000).**
- 21 **(3) The total number of active permits issued under this**
- 22 **subsection may not exceed the ten (10) new three-way**
- 23 **permits.**
- 24 **(4) The municipality may adopt an ordinance under**
- 25 **IC 7.1-3-19-17 requiring a permit holder to enter into a**
- 26 **formal written commitment as a condition of eligibility for a**
- 27 **permit. As set forth in IC 7.1-3-19-17(b), a formal written**
- 28 **commitment is binding on the permit holder and on any lessee**
- 29 **or proprietor of the permit premises.**
- 30 **(5) Notwithstanding IC 7.1-3-1.1, if business operations cease**
- 31 **at the permit premises for more than six (6) months, the**
- 32 **permit shall revert to the commission and the permit holder**
- 33 **is not entitled to any refund or other compensation.**
- 34 **(6) Except as provided in subdivision (8), the ownership of a**
- 35 **permit may not be transferred.**
- 36 **(7) A permit may not be transferred from the premises for**
- 37 **which the permit was issued.**
- 38 **(8) If the area in which the permit issued to a premises under**
- 39 **this subsection is located is no longer designated an economic**
- 40 **development area, an area needing redevelopment, or a**
- 41 **redevelopment district, a permit issued under this section may**
- 42 **be renewed, and the ownership of the permit may be**
- 43 **transferred, but the permit may not be transferred from the**
- 44 **permit premises.**
- 45 ~~(n)~~ **(l) Except as provided in section 16.3 of this chapter, the**
- 46 **commission may issue to the town of Schererville not more than three**
- 47 **(3) new three-way permits. The following applies to a permit issued**
- 48 **under this subsection:**
- 49 **(1) An applicant for a permit must be a proprietor, an owner or**
- 50 **lessee, or both, of a restaurant located within an economic**
- 51 **development area, an area needing redevelopment, or a**

1 redevelopment district as established under IC 36-7-14 in the
2 town's:

- 3 (A) downtown redevelopment district; or
4 (B) downtown economic revitalization area.
5 (2) The cost of an initial permit is forty thousand dollars
6 (\$40,000).
7 (3) The total number of active permits issued under this
8 subsection may not exceed the three (3) new three-way permits.
9 (4) The town may adopt an ordinance under IC 7.1-3-19-17
10 requiring a permit holder to enter into a formal written
11 commitment as a condition of eligibility for a permit. As set forth
12 in IC 7.1-3-19-17(b), a formal written commitment is binding on
13 the permit holder and on any lessee or proprietor of the permit
14 premises.
15 (5) Notwithstanding IC 7.1-3-1.1, if business operations cease at
16 the permit premises for more than six (6) months, the permit shall
17 revert to the commission and the permit holder is not entitled to
18 any refund or other compensation.
19 (6) Except as provided in subdivision (8), the ownership of the
20 permit may not be transferred.
21 (7) The permit may not be transferred from the premises for
22 which the permit was issued.
23 (8) If the area in which the permit issued to a premises is located
24 is no longer designated an economic development area, an area
25 needing redevelopment, or a redevelopment district, a permit
26 issued under this section may be renewed, and the ownership of
27 the permit may be transferred, but the permit may not be
28 transferred from the permit premises.

29 ~~(n)~~ **(m)** Except as provided in section 16.3 of this chapter, the
30 commission may issue to the city of Lafayette not more than three (3)
31 new three-way permits. The following apply to a permit issued under
32 this subsection:

- 33 (1) An applicant for a permit must be a proprietor, an owner or
34 lessee, or both, of a restaurant located within an economic
35 development area, an area needing redevelopment, or a
36 redevelopment district as established under IC 36-7-14 in the
37 city's:
38 (A) downtown redevelopment district; or
39 (B) downtown economic revitalization area.
40 (2) The cost of an initial permit is forty thousand dollars
41 (\$40,000).
42 (3) The total number of active permits issued under this
43 subsection may not exceed the three (3) new three-way permits.
44 (4) The city may adopt an ordinance under IC 7.1-3-19-17
45 requiring a permit holder to enter into a formal written
46 commitment as a condition of eligibility for a permit. As set forth
47 in IC 7.1-3-19-17(b), a formal written commitment is binding on
48 the permit holder and on any lessee or proprietor of the permit
49 premises.
50 (5) Notwithstanding IC 7.1-3-1.1, if business operations cease at

- 1 the permit premises for more than six (6) months, the permit shall
 2 revert to the commission and the permit holder is not entitled to
 3 any refund or other compensation.
- 4 (6) Except as provided in subdivision (8), the ownership of the
 5 permit may not be transferred.
- 6 (7) The permit may not be transferred from the premises for
 7 which the permit was issued.
- 8 (8) If the area in which the permit issued to a premises is located
 9 is no longer designated an economic development area, an area
 10 needing redevelopment, or a redevelopment district, a permit
 11 issued under this section may be renewed, and the ownership of
 12 the permit may be transferred, but the permit may not be
 13 transferred from the permit premises.
- 14 ~~(p)~~ (n) Except as provided in section 16.3 of this chapter, the
 15 commission may issue to the city of West Lafayette not more than two
 16 (2) new three-way permits. The following apply to a permit issued
 17 under this subsection:
- 18 (1) An applicant for a permit must be a proprietor, an owner or
 19 lessee, or both, of a restaurant located within an economic
 20 development area, an area needing redevelopment, or a
 21 redevelopment district as established under IC 36-7-14 in the
 22 city's:
- 23 (A) downtown redevelopment district; or
 24 (B) downtown economic revitalization area.
- 25 (2) The cost of an initial permit is forty thousand dollars
 26 (\$40,000).
- 27 (3) The total number of active permits issued under this
 28 subsection may not exceed the two (2) new three-way permits.
- 29 (4) The city may adopt an ordinance under IC 7.1-3-19-17
 30 requiring a permit holder to enter into a formal written
 31 commitment as a condition of eligibility for a permit. As set forth
 32 in IC 7.1-3-19-17(b), a formal written commitment is binding on
 33 the permit holder and on any lessee or proprietor of the permit
 34 premises.
- 35 (5) Notwithstanding IC 7.1-3-1.1, if business operations cease at
 36 the permit premises for more than six (6) months, the permit shall
 37 revert to the commission and the permit holder is not entitled to
 38 any refund or other compensation.
- 39 (6) Except as provided in subdivision (8), the ownership of the
 40 permit may not be transferred.
- 41 (7) The permit may not be transferred from the premises for
 42 which the permit was issued.
- 43 (8) If the area in which the permit issued to a premises is located
 44 is no longer designated an economic development area, an area
 45 needing redevelopment, or a redevelopment district, a permit
 46 issued under this section may be renewed, and the ownership of
 47 the permit may be transferred, but the permit may not be
 48 transferred from the permit premises.
- 49 ~~(q)~~ (o) Except as provided in section 16.3 of this chapter, the
 50 commission may issue a new three-way permit to an applicant who is

1 a proprietor, as owner or lessee, or both, of a restaurant located within
 2 a transit development district established under IC 36-7.5-4.5 and
 3 located in the city of Michigan City. The commission may issue not
 4 more than eight (8) new three-way permits under this subsection. The
 5 following apply to a permit issued under this subsection:

6 (1) The cost of an initial permit is forty thousand dollars
 7 (\$40,000).

8 (2) The total number of active permits issued under this
 9 subsection may not exceed the eight (8) new three-way permits.

10 (3) The municipality may adopt an ordinance under
 11 IC 7.1-3-19-17 requiring a permit holder to enter into a formal
 12 written commitment as a condition of eligibility for a permit. As
 13 set forth in IC 7.1-3-19-17(b), a formal written commitment is
 14 binding on the permit holder and on any lessee or proprietor of
 15 the permit premises.

16 (4) Notwithstanding IC 7.1-3-1.1, if business operations cease at
 17 the permit premises for more than six (6) months, the permit shall
 18 revert to the commission and the permit holder is not entitled to
 19 any refund or other compensation.

20 (5) Except as provided in subdivision (7), the ownership of the
 21 permit may not be transferred.

22 (6) The permit may not be transferred from the premises for
 23 which the permit was issued.

24 (7) If the area in which the permit issued to a premises is located
 25 is no longer designated as part of a transit development district
 26 established under IC 36-7.5-4.5, a permit issued under this section
 27 may be renewed, and the ownership of the permit may be
 28 transferred, but the permit may not be transferred from the permit
 29 premises.

30 (†) (p) Except as provided in section 16.3 of this chapter, the
 31 commission may issue to the city of Delphi not more than two (2) new
 32 three-way permits. The following apply to a permit issued under this
 33 subsection:

34 (1) An applicant for a permit must be a proprietor, an owner or
 35 lessee, or both, of a restaurant located within an economic
 36 development area, an area needing redevelopment, or a
 37 redevelopment district as established under IC 36-7-14 in the
 38 city's:

39 (A) downtown redevelopment district; or

40 (B) downtown economic revitalization area.

41 (2) The cost of an initial permit is forty thousand dollars
 42 (\$40,000).

43 (3) The total number of active permits issued under this
 44 subsection may not exceed the two (2) new three-way permits.

45 (4) The city may adopt an ordinance under IC 7.1-3-19-17
 46 requiring a permit holder to enter into a formal written
 47 commitment as a condition of eligibility for a permit. As set forth
 48 in IC 7.1-3-19-17(b), a formal written commitment is binding on
 49 the permit holder and on any lessee or proprietor of the permit
 50 premises.

- 1 (5) Notwithstanding IC 7.1-3-1.1, if business operations cease at
 2 the permit premises for more than six (6) months, the permit shall
 3 revert to the commission and the permit holder is not entitled to
 4 any refund or other compensation.
- 5 (6) Except as provided in subdivision (8), the ownership of the
 6 permit may not be transferred.
- 7 (7) The permit may not be transferred from the premises for
 8 which the permit was issued.
- 9 (8) If the area in which the permit issued to a premises is located
 10 is no longer designated an economic development area, an area
 11 needing redevelopment, or a redevelopment district, a permit
 12 issued under this section may be renewed, and the ownership of
 13 the permit may be transferred, but the permit may not be
 14 transferred from the permit premises.
- 15 ~~(s)~~ (q) Except as provided in section 16.3 of this chapter, the
 16 commission may issue to the city of Bloomington not more than two (2)
 17 new three-way permits. The following apply to a permit issued under
 18 this subsection:
- 19 (1) An applicant for a permit must be a proprietor, an owner or
 20 lessee, or both, of a restaurant located within an economic
 21 development area, an area needing redevelopment, or a
 22 redevelopment district as established under IC 36-7-14 in the
 23 city's:
- 24 (A) downtown redevelopment district; or
 25 (B) downtown economic revitalization area.
- 26 (2) The cost of an initial permit is forty thousand dollars
 27 (\$40,000).
- 28 (3) The total number of active permits issued under this
 29 subsection may not exceed the two (2) new three-way permits.
- 30 (4) The city may adopt an ordinance under IC 7.1-3-19-17
 31 requiring a permit holder to enter into a formal written
 32 commitment as a condition of eligibility for a permit. As set forth
 33 in IC 7.1-3-19-17(b), a formal written commitment is binding on
 34 the permit holder and on any lessee or proprietor of the permit
 35 premises.
- 36 (5) Notwithstanding IC 7.1-3-1.1, if business operations cease at
 37 the permit premises for more than six (6) months, the permit shall
 38 revert to the commission and the permit holder is not entitled to
 39 any refund or other compensation.
- 40 (6) Except as provided in subdivision (8), the ownership of the
 41 permit may not be transferred.
- 42 (7) The permit may not be transferred from the premises for
 43 which the permit was issued.
- 44 (8) If the area in which the permit issued to a premises is located
 45 is no longer designated an economic development area, an area
 46 needing redevelopment, or a redevelopment district, a permit
 47 issued under this section may be renewed, and the ownership of
 48 the permit may be transferred, but the permit may not be
 49 transferred from the permit premises.
- 50 SECTION 34. IC 7.1-3-22-4.7 IS ADDED TO THE INDIANA

1 CODE AS A NEW SECTION TO READ AS FOLLOWS
 2 [EFFECTIVE JULY 1, 2026]: **Sec. 4.7. (a) Notwithstanding section**
 3 **4(a) through 4(c) of this chapter, the commission may issue a beer**
 4 **dealer's permit, wine dealer's permit, and liquor dealer's permit to**
 5 **a drug store operated in the city of Westfield.**

6 (b) **Notwithstanding section 4(a) through 4(c) of this chapter, the**
 7 **commission may issue a beer dealer's permit and wine dealer's**
 8 **permit to a convenience store operated in the town of Sellersburg.**

9 (c) **The following apply to a permit issued under subsection (a)**
 10 **or (b):**

11 (1) **The combined initial permit cost is forty thousand dollars**
 12 **(\$40,000).**

13 (2) **A permit may not be transferred from the premises for**
 14 **which the permit was issued.**

15 (3) **The ownership of a permit may be transferred with**
 16 **approval from the commission.**

17 (4) **Each permit is subject to the requirements applicable to**
 18 **the permit type.**

19 SECTION 35. IC 7.1-5-6-3, AS AMENDED BY P.L.32-2019,
 20 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 21 JULY 1, 2026]: Sec. 3. (a) It is unlawful for a person to act as a clerk
 22 in a package liquor store, or as a bartender, waiter, waitress, **security,**
 23 **bouncer,** or manager for a retailer permittee unless that person has
 24 applied for and been issued the appropriate permit. This section does
 25 not apply to dining car or boat employees, to a person described in
 26 IC 7.1-3-1.7, or to a person described in IC 7.1-3-18-9(d). A person
 27 who knowingly or intentionally violates this subsection commits a
 28 Class C infraction. However, the violation is a Class B misdemeanor
 29 if the person has a prior unrelated adjudication or conviction for a
 30 violation of this section within the previous five (5) years.

31 (b) It is a defense to a charge under this section if, not later than
 32 thirty (30) days after being cited by the commission, the person who
 33 was cited produces evidence that the appropriate permit was issued by
 34 the commission on the date of the citation.

35 (c) It is a defense to a charge under this section for a new applicant
 36 for a permit if, not later than thirty (30) days after being cited by the
 37 commission, the new applicant who was cited produces a receipt for a
 38 cashier's check or money order showing that an application for the
 39 appropriate permit was applied for on the date of the citation.

40 SECTION 36. IC 7.1-5-7-11, AS AMENDED BY SEA 23-2026,
 41 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 42 JULY 1, 2026]: Sec. 11. (a) The provisions of sections 9 and 10 of this
 43 chapter shall not apply if the public place involved is one (1) of the
 44 following:

45 (1) Civic center.

46 (2) Convention center.

47 (3) Sports arena.

48 (4) Bowling center.

49 (5) Bona fide club.

50 (6) Drug store.

51 (7) Grocery store.

- 1 (8) Boat.
- 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 4-31-2.1-36).
- 9 (15) Catering hall under IC 7.1-3-20-24 that is not open to the
- 10 public.
- 11 (16) That part of a restaurant which is separate from a room in
- 12 which 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
- 18 of food and beverages as the principal purpose or function of the
- 19 person'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.
- 24 (23) A senior residence facility campus (as defined in
- 25 IC 7.1-3-1-29(c)) at which alcoholic beverages are given or
- 26 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 7.1-3-6.1
- 31 applies.
- 32 (26) The location of a charity auction to which IC 7.1-3-6.2
- 33 applies.
- 34 (27) A tour of a brewery as provided in IC 7.1-3-20-16.4, if the
- 35 minor is in the company of a parent, legal guardian or custodian,
- 36 or family member who is at least twenty-one (21) years of age.
- 37 (28) A farm winery and any additional locations of the farm
- 38 winery under IC 7.1-3-12, if the minor is in the company of a
- 39 parent, legal guardian or custodian, or family member who is at
- 40 least twenty-one (21) years of age and the minor is accompanied
- 41 by the adult in any area that the adult may be present whether or
- 42 not the area:
 - 43 (A) is separated in any manner from where the wine is
 - 44 manufactured, sold, or consumed within the farm winery
 - 45 premises; or
 - 46 (B) operates under a retailer's permit.
- 47 (29) An artisan distillery under IC 7.1-3-27, if:
 - 48 (A) the person who holds the artisan distiller's permit also
 - 49 holds a farm winery permit under IC 7.1-3-12, or
 - 50 IC 7.1-3-20-16.4(a) applies to the person; and

- 1 (B) the minor is in the company of a parent, legal guardian or
 2 custodian, or family member who is at least twenty-one (21)
 3 years of age.
- 4 (30) An art instruction studio under IC 7.1-5-8-4.6.
- 5 (31) The licensed premises of a food hall under IC 7.1-3-20-29
 6 and the food and beverage vending space of a food hall vendor
 7 permittee under IC 7.1-3-20-30. However, sections 9 and 10 of
 8 this chapter apply to a bar within the food and beverage vending
 9 space of a food hall vendor permittee under IC 7.1-3-20-30 that
 10 serves alcoholic beverages intended to be consumed while sitting
 11 or standing at the bar.
- 12 (32) A refreshment area designated under IC 7.1-3-31.
- 13 (33) A small brewery under IC 7.1-3-2-7(5) and a restaurant of
 14 which the small brewery permit holder is the proprietor as
 15 provided in IC 7.1-3-2-7(5)(B), if the minor is accompanied by a
 16 parent, legal guardian, custodian, or family member who is at
 17 least twenty-one (21) years of age. The minor may be in any area
 18 in which the accompanying adult may be present, whether or not
 19 the area:
- 20 (A) is separated in any manner from where the beer is
 21 manufactured, sold, or consumed within the small brewery
 22 premises; or
- 23 (B) operates under a retailer's permit as provided in
 24 IC 7.1-3-2-7(5)(C).
- 25 (34) The state fair under IC 7.1-3-21-14.
- 26 (35) A county fair issued a permit under IC 7.1-3-21-14.5.
- 27 **(36) A restaurant that satisfies the gross food sales**
 28 **requirement provided in IC 7.1-3-20-14.**
- 29 (b) For the purpose of this subsection, "food" means meals prepared
 30 on the licensed premises. It is lawful for a minor to be on licensed
 31 premises in a room, outdoor patio, or terrace in which is located a bar
 32 over which alcoholic beverages are sold or dispensed by the drink if all
 33 the following conditions are met:
- 34 (1) The minor is in the company of a parent, guardian, or family
 35 member who is at least twenty-one (21) years of age.
- 36 (2) The purpose for being on the licensed premises is the
 37 consumption of food and not the consumption of alcoholic
 38 beverages.
- 39 (3) The minor, accompanied by the parent, guardian, or family
 40 member who is at least twenty-one (21) years of age, must be
 41 seated at a table or booth in the bar area and shall not be seated at
 42 the bar over which alcoholic beverages are sold or dispensed by
 43 the drink.
- 44 SECTION 37. IC 7.1-5-8-1 IS AMENDED TO READ AS
 45 FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 1. It is a Class C
 46 misdemeanor for a person to recklessly hinder, obstruct, interfere with,
 47 or prevent the observance or enforcement of any of the following:
- 48 (1) A provision of this title.
- 49 (2) A rule or regulation of the commission adopted in the
 50 administration of this title.

(3) An order of the commission to suspend or revoke a permit or certificate issued under this title.

SECTION 38. IC 15-19-2-3, AS ADDED BY P.L.2-2008, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 3. The Indiana standardbred advisory board consists of seven (7) members selected as follows:

- (1) The chairman of the Indiana horse racing commission, or the chairman's designee, is an ex officio member.
- (2) Two (2) members who are ~~members of county fair boards~~ **racing participants**, appointed by the governor.
- (3) Four (4) members appointed by the governor who have in the past participated or shown an interest in the standardbred industry. This interest may, but does not necessarily have to be, evidenced by virtue of being an owner, driver, veterinarian, trainer, or breeder.

Not more than three (3) of the appointees under subdivisions (2) and (3) may be of the same political party as the chairman of the Indiana horse racing commission.

SECTION 39. IC 35-45-5-4.5, AS ADDED BY P.L.70-2005, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 4.5. (a) A prosecuting attorney may send written notice to an operator described in section 2(c) or 3(b) of this chapter. The notice must:

- (1) specify the illegal gambling activity;
- (2) state that the operator has not more than thirty (30) days after the date the notice is received to remove the illegal gambling activity; and
- (3) state that failure to remove the illegal gambling activity not more than thirty (30) days after receiving the notice may result in the filing of criminal charges against the operator.

~~A prosecuting attorney who sends a notice under this section shall forward a copy of the notice to the attorney general. The attorney general shall maintain a depository to collect, maintain, and retain each notice sent under this section.~~

- (b) The manner of service of a notice under subsection (a) must be:
 - (1) in compliance with Rule 4.1, 4.4, 4.6, or 4.7 of the Indiana Rules of Trial Procedure; or
 - (2) by publication in compliance with Rule 4.13 of the Indiana Rules of Trial Procedure if service cannot be made under subdivision (1) after a diligent search for the operator.

- (c) A notice served under subsection (a):
 - (1) is admissible in a criminal proceeding under this chapter; and
 - (2) constitutes prima facie evidence that the operator had knowledge that illegal gambling was occurring on the operator's Internet site.

(d) A person outside Indiana who transmits information on a computer network (as defined in IC 35-43-2-3) and who knows or should know that the information is broadcast in Indiana submits to the jurisdiction of Indiana courts for prosecution under this section.

SECTION 40. IC 35-45-6-1, AS AMENDED BY P.L.186-2025,

1 SECTION 240, IS AMENDED TO READ AS FOLLOWS
 2 [EFFECTIVE JULY 1, 2026]: Sec. 1. (a) The definitions in this section
 3 apply throughout this chapter.

4 (b) "Documentary material" means any document, drawing,
 5 photograph, recording, or other tangible item containing compiled data
 6 from which information can be either obtained or translated into a
 7 usable form.

8 (c) "Enterprise" means:

9 (1) a sole proprietorship, corporation, limited liability company,
 10 partnership, business trust, or governmental entity; or

11 (2) a union, an association, or a group, whether a legal entity or
 12 merely associated in fact.

13 (d) "Pattern of racketeering activity" means engaging in at least two
 14 (2) incidents of racketeering activity that have the same or similar
 15 intent, result, accomplice, victim, or method of commission, or that are
 16 otherwise interrelated by distinguishing characteristics that are not
 17 isolated incidents. However, the incidents are a pattern of racketeering
 18 activity only if at least one (1) of the incidents occurred after August
 19 31, 1980, and if the last of the incidents occurred within five (5) years
 20 after a prior incident of racketeering activity.

21 (e) "Racketeering activity" means to commit, to attempt to commit,
 22 to conspire to commit a violation of, or aiding and abetting in a
 23 violation of any of the following:

24 (1) A provision of IC 23-19, or of a rule or order issued under
 25 IC 23-19.

26 (2) A violation of IC 35-45-9.

27 (3) A violation of IC 35-47.

28 (4) A violation of IC 35-49-3.

29 (5) Murder (IC 35-42-1-1).

30 (6) Battery as a Class C felony before July 1, 2014, or a Level 5
 31 felony after June 30, 2014 (IC 35-42-2-1).

32 (7) Kidnapping (IC 35-42-3-2).

33 (8) Human and sexual trafficking crimes (IC 35-42-3.5).

34 (9) Child exploitation (IC 35-42-4-4).

35 (10) Robbery (IC 35-42-5-1).

36 (11) Carjacking (IC 35-42-5-2) (before its repeal).

37 (12) Arson (IC 35-43-1-1).

38 (13) Burglary (IC 35-43-2-1).

39 (14) Theft (IC 35-43-4-2).

40 (15) Receiving stolen property (IC 35-43-4-2) (before its
 41 amendment on July 1, 2018).

42 (16) Forgery (IC 35-43-5-2).

43 (17) An offense under IC 35-43-5.

44 (18) Bribery (IC 35-44.1-1-2).

45 (19) Official misconduct (IC 35-44.1-1-1).

46 (20) Conflict of interest (IC 35-44.1-1-4).

47 (21) Perjury (IC 35-44.1-2-1).

48 (22) Obstruction of justice (IC 35-44.1-2-2).

49 (23) Intimidation (IC 35-45-2-1).

50 (24) Promoting prostitution (IC 35-45-4-4).

- 1 (25) Professional gambling (IC 35-45-5-3).
 2 (26) Maintaining a professional gambling site (IC
 3 35-45-5-3.5(b)).
 4 (27) Promoting professional gambling (IC 35-45-5-4).
 5 (28) Dealing in or manufacturing cocaine or a narcotic drug (IC
 6 35-48-4-1).
 7 (29) Dealing in methamphetamine (IC 35-48-4-1.1).
 8 (30) Manufacturing methamphetamine (IC 35-48-4-1.2).
 9 (31) Dealing in a schedule I, II, or III controlled substance (IC
 10 35-48-4-2).
 11 (32) Dealing in a schedule IV controlled substance (IC
 12 35-48-4-3).
 13 (33) Dealing in a schedule V controlled substance (IC 35-48-4-4).
 14 (34) Dealing in marijuana, hash oil, hashish, or salvia (IC
 15 35-48-4-10).
 16 (35) Money laundering (IC 35-45-15-5).
 17 (36) A violation of IC 35-47.5-5.
 18 (37) A violation of any of the following:
 19 (A) IC 23-14-48-9.
 20 (B) IC 30-2-9-7(b).
 21 (C) IC 30-2-10-9(b).
 22 (D) IC 30-2-13-38(f).
 23 (38) Practice of law by a person who is not an attorney (IC
 24 33-43-2-1).
 25 (39) An offense listed in IC 35-48-4 involving the manufacture or
 26 sale of a synthetic drug (as defined in IC 35-31.5-2-321), a
 27 synthetic drug lookalike substance (as defined in
 28 IC 35-31.5-2-321.5 (before its repeal on July 1, 2019)) under
 29 IC 35-48-4-10.5 (before its repeal on July 1, 2019), a controlled
 30 substance analog (as defined in IC 35-48-1.1-8), or a substance
 31 represented to be a controlled substance (as described in
 32 IC 35-48-4-4.6).
 33 (40) Dealing in a controlled substance resulting in death (IC
 34 35-42-1-1.5).
 35 (41) Organized retail theft (IC 35-43-4-2.2).
 36 **(42) Sale of alcohol without a permit (IC 7.1-5-10-5).**
 37 SECTION 41. IC 35-46-6-3, AS AMENDED BY P.L.163-2025,
 38 SECTION 68, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 39 JULY 1, 2026]: Sec. 3. (a) A person who knowingly or intentionally
 40 uses or distributes nitrous oxide with intent to cause a condition of
 41 intoxication, euphoria, excitement, exhilaration, stupefaction, or
 42 dulling of the senses of another person, unless the nitrous oxide is to be
 43 used for medical purposes, commits a Class B misdemeanor. However,
 44 the offense is a Class A misdemeanor if the person has a prior
 45 unrelated conviction under this section.
 46 (b) Except as provided in subsection (c), a person who knowingly
 47 or intentionally sells, uses, or distributes flavored nitrous oxide
 48 commits a Class B misdemeanor. However, the offense is a Class A
 49 misdemeanor if the person has a prior unrelated conviction under this
 50 section.

1 (c) The prohibition on the sale, **use, or distribution** of flavored
2 nitrous oxide in subsection (b) does not apply to:

3 (1) a retail or wholesale restaurant supply company that sells or
4 distributes flavored nitrous oxide to a person for use in food and
5 beverage preparation or other culinary purposes; ~~or~~

6 (2) a person that uses flavored nitrous oxide in food and beverage
7 recipes or for other legitimate culinary purposes; **or**

8 **(3) a law enforcement agency that is disposing of flavored**
9 **nitrous oxide by donation to a nonprofit organization.**

10 SECTION 42. IC 35-47-2.5-4, AS AMENDED BY P.L.190-2006,
11 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
12 JULY 1, 2026]: Sec. 4. (a) **This section does not apply to an item**
13 **defined as an antique firearm pursuant to 18 U.S.C. 921(a)(16).**

14 **(b)** A dealer may not sell, rent, trade, or transfer from the dealer's
15 inventory a handgun to a person until the dealer has done all of the
16 following:

17 (1) Obtained from the prospective purchaser a completed and
18 signed Form 4473 as specified in section 3 of this chapter.

19 (2) Contacted NICS:

20 (A) by telephone; or

21 (B) electronically;

22 to request a background check on the prospective purchaser.

23 (3) Received authorization from NICS to transfer the handgun to
24 the prospective purchaser.

25 ~~(b)~~ **(c)** The dealer shall record the NICS transaction number on
26 Form 4473 and retain Form 4473 for auditing purposes.

27 SECTION 43. **An emergency is declared for this act.**

(Reference is to EHB 1052 as reprinted February 17, 2026.)

Conference Committee Report
on
Engrossed House Bill 1052

Signed by:

Representative Manning
Chairperson

Senator Alting

Representative Miller K

Senator Niezgodski

House Conferees

Senate Conferees