

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS  
FISCAL IMPACT STATEMENT**

**LS 6389**  
**BILL NUMBER: HB 1052**

**NOTE PREPARED:** Feb 17, 2026  
**BILL AMENDED:** Feb 16, 2026

**SUBJECT:** Various Administrative Law Matters.

**FIRST AUTHOR:** Rep. Manning  
**FIRST SPONSOR:** Sen. Altling

**BILL STATUS:** As Passed Senate

**FUNDS AFFECTED:**  **GENERAL**  
 **DEDICATED**  
 **FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** The bill does the following:

*Horse Racing Commission:* It adds conditions for which the Horse Racing Commission (HRC) may revoke or suspend a license or deny a license application. It adds a reference to wagering on horse racing in a provision prohibiting certain individuals from wagering at a licensed facility. It provides that appeals of certain decisions of the HRC may be appealed to the office of administrative law proceedings.

*Voluntary Exclusion Program:* It adds sports wagering certificate holders to the voluntary exclusion program.

*Sweepstakes Game:* It defines and establishes civil penalties for conducting a "sweepstakes game".

*Alcoholic Beverage Permit:* It 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. It 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. It allows the holder of a temporary wine permit to purchase, receive, and sell mixed beverages. It allows the Alcohol and Tobacco 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.

*Tobacco Sales Certificate:* It establishes requirements for the wholesale sale and distribution of tobacco products and electronic cigarettes. It adds additional information an applicant must provide to the Alcohol and Tobacco Commission when applying for a tobacco sales certificate. It provides for the suspension of a certificate if the certificate holder's employees violate employee identification requirements three or more times in one year.

*Antique Firearm:* It 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.

**Effective Date:** Upon passage; July 1, 2026.

**Explanation of State Expenditures:** *Alcohol and Tobacco Commission (ATC):* The bill would increase workload and expenditures to issue wholesale tobacco certificates, issue alcohol permits, and administer and enforce the bill's provisions. Any workload and expenditure increases would be offset from the new wholesale tobacco certificate fee and alcoholic beverage permit fees.

*Antique Firearm:* This bill brings state law into conformity with federal law and will neither increase nor decrease law enforcement expenditures by the state or local units.

*Attorney General:* The provision in the bill removing the requirement that prosecuting attorneys forward a copy of an illegal gambling notice to the Attorney General will not have any fiscal impact.

**Explanation of State Revenues:** *Indiana Horse Racing Commission (HRC):* The administrative changes in the bill related to licensing and appeals could impact license fee and fine revenue. Any potential impact is estimated to be minimal.

*Indiana Gaming Commission (IGC):* The provision adding sports wagering certificate holders to the voluntary exclusion program will not have any state fiscal impact. The provision in the bill allowing the IGC to impose \$100,000 in civil penalty related to conducting sweepstakes games could result in fine revenues deposited in the state General Fund.

*Wholesale Tobacco Sales Certificates:* The bill would increase revenue to the Enforcement and Administration Fund by an estimated \$40,900 starting in FY 2027. A wholesale tobacco sales certificate fee is \$100 and valid for one year. Currently, the Department of State Revenue licenses cigarette and other tobacco products distributors. As of January 2026, there were 93 cigarette distributors and 316 other tobacco products distributors, for a total of 409 distributors.

*Alcohol Permits:* The bill adds up to 30 three-way permits for various cities and towns [10 for Gary, 3 for Schererville, 3 for Lafayette, 2 for West Lafayette, 8 for Michigan City, 2 for Delphi, and 2 for Bloomington]. It also adds a beer, wine, and liquor dealer permit for a drug store in Westfield; and a beer and wine dealer permit for a convenience store in Sellersburg. If all the permits are issued, the total initial fee revenue would be \$1.28 M. The revenue would be distributed as follows:

- \$473,600 to the General Fund,
- \$422,400 to the cities and towns, and
- \$384,000 to the Enforcement and Administration Fund.

The initial fee for the retailer and combined dealer permits is \$40,000. The annual permit fee for three-way permits is \$1,000 and for a beer and wine permit is \$750. Revenue is distributed to the General Fund (37%); the city or town in which the licensed premises are located (33%); and the Enforcement and Administration Fund (30%).

*Charity Gaming Worker:* The bill would allow a charity gaming event operator or worker who is not a full-time employee to receive up to \$50 in remuneration for conducting or working at a charity gaming event. This change would not affect the basis for computing charity gaming license fees or the charity gaming excise tax. (Current statute prohibits a charity gaming event operator, worker, or volunteer ticket agent from receiving remuneration for conducting or working at the charity gaming event if he or she is not a full-time employee of the qualified organization conducting the charity gaming event.)

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:** *Alcohol Permits:* The cities and towns in which the ATC issues new permits would receive 33% of the permit fee revenue. [See *Explanation of State Revenues.*]

**State Agencies Affected:** Indiana Horse Racing Commission; Indiana Gaming Commission; Alcohol and Tobacco Commission; Attorney General.

**Local Agencies Affected:** Trial courts, local law enforcement agencies.

**Information Sources:** Legislative Services Agency. *Indiana Handbook of Taxes, Revenues, and Appropriations*, FY 2025.

<https://www.in.gov/dor/i-am-a/business-corp/cigarette-and-tobacco-product-distributors/>.

**Fiscal Analyst:** Randhir Jha, 317-232-9556; Nate Bodnar, 317-234-9476