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HOUSE BILL No. 1052

Proposed Changes to January 30, 2026 printing by AM105222

DIGEST OF PROPOSED AMENDMENT

THC. Removes the provisions from the bill concerning the distribution and sale of products and substances containing tetrahydrocannabinol ("THC").

A BILL FOR AN ACT to amend the Indiana Code concerning state offices and administration.

Be it enacted by the General Assembly of the State of Indiana:

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

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individual who:

(1) is licensed by the commission; and

(2) serves as a judge or steward at a licensed facility.

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

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

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

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

- (1) The applicant or licensee has been convicted of a felony or misdemeanor that could compromise the integrity of racing by the applicant's or licensee's participation in racing.
- (2) The applicant or licensee has had a license of the legally constituted racing authority of a state, province, or country denied, suspended, or revoked for cause within the preceding five (5) years.
- (3) The applicant or licensee is presently under suspension for cause of a license by the legally constituted racing authority of a state, province, or country.
- (4) The applicant or licensee has violated or attempted to violate a provision of this article, a rule adopted by the commission, or a law or rule with respect to horse racing in a jurisdiction.
- (5) The applicant or licensee has perpetrated or attempted to perpetrate a fraud or misrepresentation in connection with the racing or breeding of horses or pari-mutuel wagering.
- (6) The applicant or licensee has demonstrated financial irresponsibility by accumulating unpaid obligations, defaulting

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on obligations, or issuing drafts or checks that are dishonored or not paid.

(7) The applicant or licensee has made a material misrepresentation in an application for a license.

(8) The applicant or licensee has been convicted of a crime involving bookmaking, touting, or similar pursuits or has consorted with a person convicted of such an offense.

(9) The applicant or licensee has abandoned, mistreated, abused, neglected, or engaged in an act of cruelty to a horse.

(10) The applicant or licensee has engaged in conduct that is against the best interest of horse racing **or compromises the integrity of operations at a licensed facility.**

(11) The applicant or licensee has failed to comply with a written order or ruling of the commission or judges pertaining to a racing matter.

(12) The applicant or licensee has failed to answer correctly under oath, to the best of the applicant's or licensee's knowledge, all questions asked by the commission or its representatives pertaining to a racing matter.

(13) The applicant or licensee has failed to return to a permit holder any purse money, trophies, or awards paid in error or ordered redistributed by the commission.

(14) The applicant or licensee has had possession of an alcoholic beverage on a permit holder's premises, other than a beverage legally sold through the permit holder's concession operation.

(15) The applicant or licensee has interfered with or obstructed a member of the commission, a commission employee, or a racing official while performing official duties.

(16) The name of the applicant or licensee appears on the department of state revenue's most recent tax warrant list, and the person's tax warrant has not been satisfied.

(17) The applicant or licensee has pending criminal charges.

(18) The applicant or licensee has racing disciplinary charges pending in Indiana or another jurisdiction.

(19) The applicant or licensee is unqualified to perform the duties required under this article or the rules of the commission.

(20) The applicant or licensee made a material misrepresentation when registering, nominating, entering, or racing a horse as an Indiana owned horse, Indiana sired horse, or Indiana bred horse.

SECTION 5. IC 4-31-7-9, AS AMENDED BY P.L.32-2019, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

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JULY 1, 2026]: Sec. 9. (a) ~~After December 31, 2013, the following individuals may not wager on horse racing at a licensed facility:~~

(1) ~~A member of the commission.~~

(2) ~~An employee of the commission.~~

(3) ~~A racing official.~~

(4) ~~The spouse of any individual listed in subdivisions (1) through (3).~~

(b) (a) ~~After December 31, 2017,~~ The following individuals may not wager on gambling games **or horse racing** at a facility licensed under IC 4-35:

(1) A member of the commission.

(2) The following individuals employed by the commission:

(A) The executive director.

(B) The assistant executive director.

(C) The director of security.

(D) The general counsel.

(E) The deputy general counsel.

(F) ~~A steward.~~

(G) (F) A judge.

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

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

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

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1 licensee to fail a breath test.

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

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

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

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

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

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

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

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

24 (d) A sanction under subsection (c) may be appealed to the
25 ~~commission.~~ **office of administrative law proceedings under**
26 **IC 4-15-10.5. IC 4-21.5 applies to an appeal under this section. The**
27 **commission has the burden of proving an alleged violation by a**
28 **preponderance of the evidence.** An appeal stays the sanction until
29 further action by the commission. The appeal must be heard by the
30 ~~commission~~ **office of administrative law proceedings** within thirty
31 (30) days after the date of the appeal.

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

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

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

41 (2) Any other horses designated by the judges, ~~the stewards~~, a
42 commission veterinarian, a member of the commission, or the

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executive director of the commission. The judges and veterinarian shall designate for the taking of a biological sample a horse that races markedly contrary to form.

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

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

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

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

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

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

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

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

(1) Treat or issue prescriptions for a horse, except in case of emergency.

(2) Perform an endoscopic examination on a horse the day the horse is scheduled to race.

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

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

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

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

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

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

(3) Suspension of a license held by the licensee for up to one (1) year. The suspension of a license under this subdivision is:

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

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

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

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

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

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

(c) A sanction under this section may be appealed to the commission. Judges ~~and stewards~~ imposing sanctions under this section must prove the person's violation by a preponderance of the

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evidence. The commission shall adopt rules establishing procedures for appeals and stays of appeals. The commission shall conduct a hearing on an appeal filed under this section as provided in IC 4-21.5.

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

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

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

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

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

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

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

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

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

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

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

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

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

(5) Referral of the matter to the commission for its consideration. However, at least two (2) of the ~~stewards or~~ judges at a racing meeting must concur in a suspension or civil penalty.

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

(c) A suspension or civil penalty under this section may be appealed to the ~~commission. Judges and stewards imposing sanctions under this section must prove the person's violation by a preponderance of the evidence. The commission shall adopt rules establishing procedures for appeals and stays of appeals. The commission shall conduct a hearing on an appeal filed under this section as provided in IC 4-21-5.~~ **office of administrative law proceedings under IC 4-15-10.5. IC 4-21.5 applies to an appeal under this section. The commission has the burden of proving an alleged violation by a preponderance of the evidence.**

SECTION 13. IC 4-33-4-3, AS AMENDED BY P.L.93-2024, SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 3. (a) The commission shall do the following:

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

(A) The credibility and integrity of gambling operations authorized by this article.

(B) The regulatory process provided in this article.

(2) Conduct all hearings concerning civil violations of this article.

(3) Provide for the establishment and collection of license fees and taxes imposed under this article.

(4) Deposit the license fees and taxes in the state gaming fund established by IC 4-33-13.

(5) Levy and collect penalties for noncriminal violations of this

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article.

(6) Deposit the penalties in the state gaming fund established by IC 4-33-13.

(7) Be present through the commission's gaming agents during the time gambling operations are conducted on a riverboat to do the following:

(A) Certify the revenue received by a riverboat.

(B) Receive complaints from the public.

(C) Conduct other investigations into the conduct of the gambling games and the maintenance of the equipment that the commission considers necessary and proper.

(8) Adopt rules to establish and implement a voluntary exclusion program that meets the requirements of subsection (b).

(9) Establish the requirements for a power of attorney submitted under IC 4-33-6-2(c), IC 4-33-6-22, IC 4-33-6.5-2(c), or IC 4-33-6.5-16.

(b) Rules adopted under subsection (a)(8) must provide the following:

(1) Except as provided by rule of the commission, a person who participates in the voluntary exclusion program agrees to refrain from entering a riverboat or other facility under the jurisdiction of the commission **or from placing a wager with a certificate holder licensed under IC 4-38.**

(2) That the name **and last four (4) digits of the Social Security number** of a person participating in the program will be included on a list of persons excluded from all facilities under the jurisdiction of the commission.

(3) Except as provided by rule of the commission, a person who participates in the voluntary exclusion program may not petition the commission for readmittance to a facility under the jurisdiction of the commission.

(4) That the list of patrons entering the voluntary exclusion program and the personal information of the participants are confidential and may only be disseminated by the commission to the owner or operator of a facility under the jurisdiction of the commission **and to a certificate holder licensed under IC 4-38** for purposes of enforcement and to other entities, upon request by the participant and agreement by the commission.

(5) That an owner of a facility under the jurisdiction of the commission **and a certificate holder licensed under IC 4-38** shall make all reasonable attempts as determined by the commission to cease all direct marketing efforts to a person

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participating in the program.

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

SECTION 14. IC 4-33-10-7 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: **Sec. 7. (a) As used in this section, "sweepstakes game" means a game, contest, or promotion that:**

- (1) is available on the Internet;**
- (2) is accessible on a mobile phone, computer terminal, or similar access device;**
- (3) utilizes a dual-currency or multi-currency system of payment allowing a player to exchange currency for:**
 - (A) a cash prize, a cash award, or cash equivalents; or**
 - (B) a chance to win a cash prize, a cash award, or cash equivalents; and**
- (4) simulates:**
 - (A) lottery games; or**
 - (B) casino-style gaming, including slot machines, video poker, table games, bingo, or sports wagering.**

However, the term does not include a game, contest, or promotion offered by the state lottery commission.

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

- (1) in Indiana; or**
- (2) in a transaction directly involving a person located in Indiana.**

SECTION 15. IC 7.1-1-3-8.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: **Sec. 8.5. "Certificate" means a retail or wholesale tobacco sales certificate for purposes of IC 7.1-3-18.5.**

SECTION 16. IC 7.1-1-3-27.5 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: **Sec. 27.5. "Organized sporting competition" means a sporting event sanctioned by a recognized governing or regulatory body.**

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SECTION 17. IC 7.1-1-3-45.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: **Sec. 45.7. "Sports arena" means an indoor or outdoor facility where the main purpose and function of the facility is organized sporting competition. The term does not include:**

- (1) a facility to which IC 7.1-3-1-25(a) applies;
- (2) a tract that contains a premises described in IC 7.1-3-1-14(d)(2); or
- (3) a facility primarily used for professional competition.

~~SECTION 18. IC 7.1-1-3-46.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 46.5. "THC" means tetrahydrocannabinol, including hemp derived cannabinoid products, synthetic equivalents of the substances contained in the plant or in the resinous extractives of Cannabis, and synthetic substances, derivatives, and their isomers with a similar chemical structure and pharmacological activity.~~

> SECTION 1<9>[8]. IC 7.1-1-3-48.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: **Sec. 48.7. "Wholesale" means the business of selling, bartering, exchanging, or distributing tobacco products or electronic cigarettes to certificate holders in Indiana for the purpose of resale.**

SECTION <20>[19]. IC 7.1-2-1-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: **Sec. 8. Bond and Oath of Office.** Each commissioner shall execute a surety bond in the amount of ten thousand dollars (\$10,000); with surety approved by the governor; and an oath of office, both of which shall be filed in the office of the secretary of state.

SECTION 2<1>[0]. IC 7.1-2-1-9 IS REPEALED [EFFECTIVE JULY 1, 2026]. **Sec. 9: Surety Bonds.** The required surety bond executed and filed on behalf of a commissioner; an enforcement officer; or the prosecutor shall be made payable to the State of Indiana and conditioned upon the faithful discharge of the bonded party's respective duties.

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

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

7 SECTION 2 ~~↔~~ [3]. IC 7.1-3-1-18, AS AMENDED BY
 8 P.L.1-2025, SECTION 111, IS AMENDED TO READ AS FOLLOWS
 9 [EFFECTIVE JULY 1, 2026]: Sec. 18. (a) ~~Except as provided in~~
 10 ~~subsections (d) and (e),~~ If publication of notice of application for a
 11 permit is required under this title, the publication shall be made in one
 12 (1) newspaper of general circulation published in the county where the
 13 permit is to be in effect. **electronically on the commission's website.**

14 (b) ~~Publication required under subsection (a) may be made in any~~
 15 ~~newspaper of general circulation published one (1) or more times each~~
 16 ~~week:~~

17 (c) The rates which shall be paid for the advertising of a notice
 18 required under this title shall be those required to be paid in case of
 19 other notices published for or on behalf of the state:

20 (d) The commission may publish notice of application for a
 21 three-way permit for a restaurant described in IC 7.1-3-20-12(4) by
 22 posting the notice on the commission's website:

23 (e) If:

24 (1) the commission is unable to procure advertising of a notice
 25 as required under subsection (a) at the rates set forth in IC 5-3-1;

26 or

27 (2) the newspaper published in the county as described in
 28 subsection (a) refuses to publish the notice;

29 the commission may, instead of publication in a newspaper as required
 30 under subsection (a), require the designated member of the local board
 31 of the county to post printed notices in three (3) prominent locations in
 32 the county:

33 SECTION 2 ~~↔~~ [4]. IC 7.1-3-1.5-1, AS AMENDED BY
 34 P.L.163-2025, SECTION 11, IS AMENDED TO READ AS
 35 FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 1. As used in this
 36 chapter, "alcohol server" means the following:

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

39 (A) a manager;

40 (B) a bartender;

41 (C) a waiter or a waitress; or

42 (D) **except for a current or retired law enforcement**

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

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

(A) manager; or

(B) sales clerk.

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

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

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

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

(2) an employee; ~~and~~

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

(4) 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;

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

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

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

(2) one (1) keg;

at any one (1) time.

(d) The importation, transportation, possession, sale, and delivery

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of beer shall be subject to the rules of the commission and subject to the same restrictions provided in this title for a person holding a brewer's permit.

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

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

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

(f) A beer wholesaler may:

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

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

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

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

(1) an allowable event under IC 7.1-3-6.1;

(2) a charity auction under IC 7.1-3-6.2; or

(3) an event under IC 7.1-3-6.3;

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

SECTION 2 ~~2~~ [\[6\]](#). IC 7.1-3-14-4, AS AMENDED BY P.L.167-2024, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 4. (a) The holder of a wine retailer's permit is entitled to purchase wine only from a permittee entitled to sell to the wine retailer under this title. A wine retailer is entitled to possess wine and sell wine at retail to a customer for consumption on the licensed premises. A wine retailer is also entitled to sell wine to a customer and deliver wine in permissible containers to the customer on the licensed premises or to the customer's house. **Except as provided in section 8 of this chapter**, this delivery may only be performed by

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the permit holder or an employee who holds an employee permit. The permit holder shall maintain a written record of each delivery for at least one (1) year that shows the customer's name, location of delivery, and quantity sold. Subject to subsection (g), a wine retailer also may prepare and package wine in qualified containers for sale and delivery to a customer on the licensed premises for consumption off the licensed premises.

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

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

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

(1) Alcoholic beverages that are in the sealed original containers must be placed in a bag that is stamped, printed, or labeled on the outside: "CONTAINS ALCOHOLIC BEVERAGES".

(2) Alcoholic beverages that are prepared by the wine retailer must be packaged by the wine retailer in qualified containers that are:

(A) stamped, printed, or labeled on the outside: "CONTAINS ALCOHOLIC BEVERAGES"; or

(B) placed in a bag stamped, printed, or labeled on the outside: "CONTAINS ALCOHOLIC BEVERAGES".

(3) Placed by an employee of the permittee who is at least twenty-one (21) years of age:

(A) in the trunk of the motor vehicle; or

(B) behind the last upright seat of the motor vehicle, if the motor vehicle is not equipped with a trunk.

A retailer permittee may only convey a customer's order of alcoholic beverages to the customer, if the customer has also purchased a meal

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from the retailer permittee that is conveyed to the customer at the same time as the alcoholic beverages.

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

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

(1) well lit; and

(2) within clear view of the main entrance to the building of the retailer premises.

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

(1) for sale and delivery to a customer on the licensed premises for consumption off the licensed premises; and

(2) in a container that is not in a qualified container;

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

SECTION 2 ~~<8>~~ [7]. IC 7.1-3-14-8 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: **Sec. 8. (a) A wine retailer may sell wine for consumption off the licensed premises from a display in a room:**

(1) where the bar is located or alcoholic beverages are stored, prepared, or dispensed for consumption on the licensed premises;

(2) that is not partitioned to create a section that is solely or primarily for package sales of wine; and

(3) that does not have a separate cash register for package sales.

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

SECTION 2 ~~<9>~~ [8]. IC 7.1-3-16-9, AS AMENDED BY P.L.153-2015, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 9. The holder of a temporary wine permit shall be entitled to purchase and receive wine or mixed beverages (as defined in IC 7.1-1-3-26.2) on any day of the year, only from a lawful supplier under this title at his place of business. A lawful supplier may sell and deliver wine or mixed**

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1 **beverages (as defined in IC 7.1-1-3-26.2)** to a temporary wine permit
 2 holder on any day of the year at his place of business. Except as
 3 provided in IC 7.1-3-6.1 and IC 7.1-3-6.2, the holder of a temporary
 4 wine permit shall be entitled to sell wine **or mixed beverages (as**
 5 **defined in IC 7.1-1-3-26.2)** only for consumption on the licensed
 6 premises, and shall be subject to the same restrictions as apply to the
 7 sale of beer by the holder of a temporary beer permit. Except as
 8 provided in IC 7.1-3-6.1 and IC 7.1-3-6.2, a temporary wine permittee
 9 shall not be entitled to sell at wholesale nor for carry-out from the
 10 licensed premises.

11 SECTION ~~30~~[29]. IC 7.1-3-18.5-1, AS AMENDED BY
 12 P.L.32-2019, SECTION 11, IS AMENDED TO READ AS FOLLOWS
 13 [EFFECTIVE JULY 1, 2026]: Sec. 1. (a) A person may not sell or
 14 otherwise distribute in exchange for consideration a tobacco product or
 15 electronic cigarette at retail **or wholesale** without a valid tobacco sales
 16 certificate issued by the commission.

17 (b) A certificate may be issued only to a person who owns or
 18 operates at least one (1) of the following:

19 (1) A premises consisting of a permanent building or structure,
 20 **that does not contain sleeping or living quarters**, where the
 21 tobacco product or electronic cigarette is sold or distributed.

22 (2) A premises upon which a cigarette vending machine is
 23 located.

24 SECTION 3~~4~~[0]. IC 7.1-3-18.5-1.5 IS ADDED TO THE
 25 INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS
 26 [EFFECTIVE JULY 1, 2026]: Sec. 1.5. (a) **A person may not sell**
 27 **tobacco products or electronic cigarettes at wholesale or**
 28 **participate in the wholesale distribution of tobacco products or**
 29 **electronic cigarettes without a valid wholesale tobacco sales**
 30 **certificate issued by the commission.**

31 (b) **The commission may only issue a wholesale tobacco sales**
 32 **certificate to a person who owns or operates at a premises**
 33 **consisting of a permanent building or structure that is used for the**
 34 **wholesale distribution of tobacco products or electronic cigarettes.**

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

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

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

42 (A) two hundred dollars (\$200) **for a retail tobacco sales**

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certificate; or

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

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

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

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

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

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

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

(i) the sales or purchase agreement; or

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

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

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

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

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

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

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

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

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

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

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

SECTION 3 ~~↔~~ [2]. IC 7.1-3-18.5-2.4, AS ADDED BY P.L.107-2024, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 2.4. (a) Subject to available resources, the commission shall not issue a tobacco sales certificate except as otherwise authorized in this title and subject to the other restrictions contained in this title, to the following persons:

(1) A person who does not have lawful status (as defined in IC 9-13-2-92.3).

(2) A person who has been convicted within five (5) years before the date of application of:

(A) a federal crime having a sentence of at least one (1) year;

(B) a Level 1, Level 2, Level 3, Level 4, or Level 5 felony; or

(C) a crime in a state other than Indiana having a penalty equal to the penalty for an Indiana Level 1, Level 2, Level 3, Level 4, or Level 5 felony.

However, this subdivision does not apply to a conviction that has been expunged under IC 35-38-9.

(3) A person who does not meet at least one (1) of the following descriptions:

(A) The person owns the premises to which the certificate will be applicable.

(B) The person has a valid lease on the premises:

(i) at the time of the application for a certificate; and

(ii) for the duration of the period in which the person sells or distributes in the manner described in section 1 of this chapter.

(C) The person has a franchise agreement with a franchisor:

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- 1 (i) that owns the premises to which the certificate will
 2 be applicable; or
 3 (ii) that has a bona fide lease on the premises for the
 4 full period for which the certificate is to be issued.
- 5 (4) A person whose place of business is conducted by a manager
 6 or agent, unless the manager or agent possesses the same
 7 qualifications required for the issuance of a tobacco sales
 8 certificate to the person.
- 9 (5) A minor.
- 10 (6) A person non compos mentis.
- 11 (7) A person who has held a permit or certificate under this title
 12 and who has had that permit or certificate revoked **or**
 13 **suspended** within one (1) year prior to the date of application
 14 for a tobacco sales certificate.
- 15 (8) A person who has made an application for a permit or
 16 certificate of any type under this title which has been denied less
 17 than one (1) year prior to the person's application for a tobacco
 18 sales certificate unless the first application was denied by reason
 19 of a procedural or technical defect.
- 20 (b) Subsection (a)(5) does not prevent a minor from being a
 21 stockholder in a corporation.
- 22 SECTION 3 ~~3~~ **[3]**. IC 7.1-3-18.5-2.6, AS ADDED BY
 23 P.L.94-2008, SECTION 38, IS AMENDED TO READ AS FOLLOWS
 24 [EFFECTIVE JULY 1, 2026]: Sec. 2.6. An application for a tobacco
 25 **sales** certificate must contain the express statement of the applicant that
 26 the applicant consents for the duration of the certificate term (if the
 27 commission issues the certificate to the applicant) to the entrance,
 28 inspection, and search by an enforcement officer, without a warrant or
 29 other process, of the applicant's ~~retail~~ premises to determine whether
 30 the applicant is complying with the provisions of this title. The consent
 31 required by this section is renewed and continued by the retention of a
 32 certificate or the certificate's use by the applicant or the applicant's
 33 agents.
- 34 SECTION 3 ~~5~~ **[4]**. IC 7.1-3-18.5-3, AS AMENDED BY
 35 P.L.224-2005, SECTION 11, IS AMENDED TO READ AS
 36 FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 3. (a) A certificate
 37 issued by the commission under this chapter must contain the following
 38 information:
- 39 (1) The certificate number.
- 40 (2) The certificate holder's name.
- 41 (3) The permanent location of the business or vending machine
 42 for which the certificate is issued.

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- 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**
- 16 **a distinct area on the premises.**
- 17 SECTION 3 ~~6~~ 5. IC 7.1-3-18.5-5.1 IS ADDED TO THE
- 18 INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS
- 19 [EFFECTIVE JULY 1, 2026]: **Sec. 5.1. If a retail location's retail**
- 20 **tobacco sales certificate is suspended or revoked, the commission**
- 21 **shall not renew or grant a new retail tobacco sales certificate for**
- 22 **the retail location until the retail location's application has been**
- 23 **investigated and recommended for approval by the local board.**
- 24 SECTION 3 ~~6~~ 6. IC 7.1-3-18.5-9.2, AS ADDED BY
- 25 P.L.107-2024, SECTION 4, IS AMENDED TO READ AS FOLLOWS
- 26 [EFFECTIVE JULY 1, 2026]: Sec. 9.2. (a) An employee of a certificate
- 27 holder must hold a valid:
- 28 (1) driver's license issued by the state of Indiana or another state;
- 29 or
- 30 (2) identification card issued by the state of Indiana, another
- 31 state, or the United States;
- 32 to sell tobacco products.
- 33 (b) An employee must have the employee's driver's license or
- 34 identification card or a copy of the employee's driver's license or
- 35 identification card:
- 36 (1) either:
- 37 (A) in the employee's possession; or
- 38 (B) on file with the employee's employer; and
- 39 (2) upon request, readily available to show to an excise officer
- 40 or law enforcement;
- 41 when selling tobacco products.
- 42 (c) If an employee holds a valid license or identification card as

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described in subsection (a) but is unable to show the license, identification card, or a copy to an excise officer under subsection (b) because:

- (1) the employee has left the license, identification card, or copy in another location; or
- (2) the license, identification card, or copy has otherwise been lost or mislaid;

the employee may, within five (5) days of the employee's inability to show the license, identification card, or copy to the excise officer, produce to the excise officer or to the office of the commission satisfactory evidence of a license or identification card issued to the individual that was valid at the time the individual was unable to show the license, identification card, or copy.

(d) If an employee who is unable to show a license, identification card, or copy to an excise officer fails to produce satisfactory evidence within five (5) days in the manner described in subsection (c), the commission may impose a civil penalty on the certificate holder under IC 7.1-3-23-3.

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

- (1) For three (3) violations in a one (1) year period, suspend the certificate for a period of five (5) days.**
- (2) For four (4) violations in a one (1) year period, suspend the certificate for a period of an additional five (5) days.**
- (3) For five (5) violations in a one (1) year period, suspend the certificate for a period of an additional five (5) days.**
- (4) For six (6) or more violations in a one (1) year period, revoke the certificate.**

SECTION 3 ~~8~~ 7. IC 7.1-3-20-16.8, AS AMENDED BY THE TECHNICAL CORRECTIONS BILL OF THE 2026 GENERAL ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 16.8. (a) A permit that is authorized by this section may be issued without regard to the quota provisions of IC 7.1-3-22.

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

- (1) Whitestown.
- (2) Lebanon.
- (3) Zionsville.

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- 1 (4) Westfield.
- 2 (5) Carmel.
- 3 (6) Fishers.
- 4 (7) Noblesville.
- 5 (c) The following apply to permits issued under subsection (b):
- 6 (1) An applicant for a permit under subsection (b) must be a
- 7 proprietor, as owner or lessee, or both, of a restaurant located
- 8 within an economic development area, an area needing
- 9 redevelopment, or a redevelopment district as established under
- 10 IC 36-7-14 in a municipality's:
- 11 (A) downtown redevelopment district; or
- 12 (B) downtown economic revitalization area.
- 13 (2) The cost of an initial permit is forty thousand dollars
- 14 (\$40,000).
- 15 (3) The total number of active permits issued under subsection
- 16 (b) may not exceed twenty-four (24) permits at any time. If any
- 17 of the permits issued under subsection (b) are revoked or not
- 18 renewed, the commission may issue only enough new permits to
- 19 bring the total number of permits to twenty-four (24) active
- 20 permits, with not more than four (4) in each municipality listed
- 21 in subsection (b)(1) through (b)(6).
- 22 (4) The municipality may adopt an ordinance under
- 23 IC 7.1-3-19-17 requiring a permit holder to enter into a formal
- 24 written commitment as a condition of eligibility for a permit. As
- 25 set forth in IC 7.1-3-19-17(b), a formal written commitment is
- 26 binding on the permit holder and on any lessee or proprietor of
- 27 the permit premises.
- 28 (5) Notwithstanding ~~IC 7.1-3-1-3.5~~ and IC 7.1-3-1.1, if business
- 29 operations cease at the permit premises for more than six (6)
- 30 months, the permit shall revert to the commission and the permit
- 31 holder is not entitled to any refund or other compensation.
- 32 (6) Except as provided in subdivision (8), the ownership of a
- 33 permit may not be transferred.
- 34 (7) A permit may not be transferred from the premises for which
- 35 the permit was issued.
- 36 (8) If the area in which the permit premises is located is no
- 37 longer designated an economic development area, an area
- 38 needing redevelopment, or a redevelopment district, a permit
- 39 issued under this section may be renewed, and the ownership of
- 40 the permit may be transferred, but the permit may not be
- 41 transferred from the permit premises.
- 42 (d) Except as provided in section 16.3 of this chapter, in addition

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to the permits issued to the town of Whitestown under subsection (c),
the commission may issue to the town of Whitestown not more than:

- (1) three (3) new three-way permits; and
- (2) three (3) new two-way permits;

under this subsection.

(e) The following apply to permits issued under subsection (d):

(1) An applicant for a permit under subsection (d)(1) or (d)(2) must be a proprietor, an owner or lessee, or both, of a restaurant located within an economic development area, an area needing redevelopment, or a redevelopment district as established under IC 36-7-14 in a municipality's:

- (A) downtown redevelopment district; or
- (B) downtown economic revitalization area.

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

(3) The total number of active permits issued under subsection (d) may not exceed the six (6) permits allocated by permit type, as set forth in that subsection.

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

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

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

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

(8) If the area in which the permit issued to a premises under subsection (d)(1) or (d)(2) is located is no longer designated an economic development area, an area needing redevelopment, or a redevelopment district, a permit issued under this section may be renewed, and the ownership of the permit may be transferred, but the permit may not be transferred from the permit premises.

(f) Except as provided in section 16.3 of this chapter, in addition to the permits issued to the city of Noblesville under subsection (c), the commission may issue to the city of Noblesville not more than ten (10) new three-way permits under this subsection. The new three-way

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

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three-way permits under this subsection. ~~(j)~~ The following apply to permits issued under **this** subsection: ~~(h)~~:

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

(A) downtown redevelopment district; or

(B) downtown economic revitalization area.

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

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

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

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

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

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

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

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

(1) An applicant for a permit ~~under subsection (j)~~ must be a proprietor, an owner or lessee, or both, of a restaurant located within an economic development area, an area needing redevelopment, or a redevelopment district as established under



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IC 36-7-14 in a municipality's:

(A) downtown redevelopment district; or

(B) downtown economic revitalization area.

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

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

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

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

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

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

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

(j) Except as provided in section 16.3 of this chapter, the commission may issue to the town of Syracuse not more than one (1) new three-way permit under this subsection. ~~(m)~~ The following apply to a permit issued under **this** subsection: ~~(j)~~:

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

(A) downtown redevelopment district; or

(B) downtown economic revitalization area.

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

(3) The total number of active permits issued under **this**

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subsection (4) may not exceed the one (1) new three-way permit. [as set forth in that subsection.]

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

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

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

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

(8) If the area in which the permit issued to a premises under this subsection (4) is located is no longer designated an economic development area, an area needing redevelopment, or a redevelopment district, a permit issued under this section may be renewed, and the ownership of the permit may be transferred, but the permit may not be transferred from the permit premises.

(k) Except as provided in section 16.3 of this chapter, the commission may issue to the city of Gary not more than ten (10) new three-way permits under this subsection. The following apply to a permit issued under this subsection:

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

(A) downtown redevelopment district; or

(B) downtown economic revitalization area.

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

(3) The total number of active permits issued under this subsection may not exceed the ten (10) new three-way permits.

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

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commitment is binding on the permit holder and on any lessee or proprietor of the permit premises.

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

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

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

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

SECTION ~~3-9~~ [8]. IC 7.1-3-22-4.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 4.7. (a) Notwithstanding section 4(a) through 4(c) of this chapter, the commission may issue a beer dealer's permit, wine dealer's permit, and liquor dealer's permit to a drug store operated in the city of Westfield.

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

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

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

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

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

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

SECTION ~~40~~ [39]. IC 7.1-5-6-3, AS AMENDED BY P.L.32-2019, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 3. (a) It is unlawful for a person to act as a clerk in a package liquor store, or as a bartender, waiter, waitress, **security**, **bouncer**, or manager for a retailer permittee unless that person has applied for and been issued the appropriate permit. This

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section does not apply to dining car or boat employees, to a person described in IC 7.1-3-1.7, or to a person described in IC 7.1-3-18-9(d). A person who knowingly or intentionally violates this subsection commits a Class C infraction. However, the violation is a Class B misdemeanor if the person has a prior unrelated adjudication or conviction for a violation of this section within the previous five (5) years.

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

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

~~SECTION 41. IC 7.1-5-7-8.1 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 8.1. (a) It is a Class B misdemeanor for a person to recklessly, knowingly, or intentionally:~~

~~— (1) sell, in person or online;~~

~~— (2) barter;~~

~~— (3) exchange;~~

~~— (4) provide; or~~

~~— (5) furnish;~~

~~a product or substance containing THC to a minor:~~

~~— (b) However, the offense described in subsection (a) is:~~

~~— (1) a Class A misdemeanor if the person has a prior unrelated conviction under this section; and~~

~~— (2) a Level 6 felony if the consumption, ingestion, or use of the THC is the proximate cause of the serious bodily injury or death of any person:~~

~~— (c) A website owned, managed, or operated by a person who distributes or sells THC directly to consumers must, before completing a purchase, verify the age of an individual purchasing THC by:~~

~~— (1) using a reliable online age verification service; or~~

~~— (2) obtaining and examining a copy of a government issued identification.~~

> SECTION 4<=>[0]. IC 7.1-5-7-11, AS AMENDED BY P.L.163-2025, SECTION 47, IS AMENDED TO READ AS

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FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 11. (a) The provisions of sections 9 and 10 of this chapter shall not apply if the public place involved is one (1) of the following:

- (1) Civic center.
- (2) Convention center.
- (3) Sports arena.
- (4) Bowling center.
- (5) Bona fide club.
- (6) Drug store.
- (7) Grocery store.
- (8) Boat.
- (9) Dining car.
- (10) Pullman car.
- (11) Club car.
- (12) Passenger airplane.
- (13) Horse racetrack facility holding a recognized meeting permit under IC 4-31-5.
- (14) Satellite facility (as defined in IC 4-31-2.1-36).
- (15) Catering hall under IC 7.1-3-20-24 that is not open to the public.
- (16) That part of a restaurant which is separate from a room in which is located a bar over which alcoholic beverages are sold or dispensed by the drink.
- (17) Entertainment complex.
- (18) Indoor golf facility.
- (19) A recreational facility such as a golf course, bowling center, or similar facility that has the recreational activity and not the sale of food and beverages as the principal purpose or function of the person's business.
- (20) A licensed premises owned or operated by a postsecondary educational institution described in IC 21-17-6-1.
- (21) An automobile racetrack.
- (22) An indoor theater under IC 7.1-3-20-26.
- (23) A senior residence facility campus (as defined in IC 7.1-3-1-29(c)) at which alcoholic beverages are given or furnished as provided under IC 7.1-3-1-29.
- (24) A hotel other than a part of a hotel that is a room in a restaurant in which a bar is located over which alcoholic beverages are sold or dispensed by the drink.
- (25) The location of an allowable event to which IC 7.1-3-6.1 applies.
- (26) The location of a charity auction to which IC 7.1-3-6.2

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applies.

(27) A tour of a brewery as provided in IC 7.1-3-20-16.4, if the minor is in the company of a parent, legal guardian or custodian, or family member who is at least twenty-one (21) years of age.

(28) A farm winery and any additional locations of the farm winery under IC 7.1-3-12, if the minor is in the company of a parent, legal guardian or custodian, or family member who is at least twenty-one (21) years of age and the minor is accompanied by the adult in any area that the adult may be present whether or not the area:

(A) is separated in any manner from where the wine is manufactured, sold, or consumed within the farm winery premises; or

(B) operates under a retailer's permit.

(29) An artisan distillery under IC 7.1-3-27, if:

(A) the person who holds the artisan distiller's permit also holds a farm winery permit under IC 7.1-3-12, or IC 7.1-3-20-16.4(a) applies to the person; and

(B) the minor is in the company of a parent, legal guardian or custodian, or family member who is at least twenty-one (21) years of age.

(30) An art instruction studio under IC 7.1-5-8-4.6.

(31) The licensed premises of a food hall under IC 7.1-3-20-29 and the food and beverage vending space of a food hall vendor permittee under IC 7.1-3-20-30. However, sections 9 and 10 of this chapter apply to a bar within the food and beverage vending space of a food hall vendor permittee under IC 7.1-3-20-30 that serves alcoholic beverages intended to be consumed while sitting or standing at the bar.

(32) A refreshment area designated under IC 7.1-3-31.

(33) A small brewery under IC 7.1-3-2-7(5) and a restaurant of which the small brewery permit holder is the proprietor as provided in IC 7.1-3-2-7(5)(B), if the minor is accompanied by a parent, legal guardian, custodian, or family member who is at least twenty-one (21) years of age. The minor may be in any area in which the accompanying adult may be present, whether or not the area:

(A) is separated in any manner from where the beer is manufactured, sold, or consumed within the small brewery premises; or

(B) operates under a retailer's permit as provided in IC 7.1-3-2-7(5)(C).

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(34) A restaurant that satisfies the gross food sales requirement provided in IC 7.1-3-20-14.

(b) For the purpose of this subsection, "food" means meals prepared on the licensed premises. It is lawful for a minor to be on licensed premises in a room, outdoor patio, or terrace in which is located a bar over which alcoholic beverages are sold or dispensed by the drink if all the following conditions are met:

(1) The minor is in the company of a parent, guardian, or family member who is at least twenty-one (21) years of age.

(2) The purpose for being on the licensed premises is the consumption of food and not the consumption of alcoholic beverages.

(3) The minor, accompanied by the parent, guardian, or family member who is at least twenty-one (21) years of age, must be seated at a table or booth in the bar area and shall not be seated at the bar over which alcoholic beverages are sold or dispensed by the drink.

~~← SECTION 43. IC 7.1-5-7-17, AS ADDED BY P.L.94-2008, SECTION 53, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 17. (a) Notwithstanding any other law, an enforcement officer vested with full police powers and duties may engage a person who is:~~

~~—— (1) at least eighteen (18) years of age; and~~

~~—— (2) less than twenty-one (21) years of age;~~

~~to receive or purchase alcoholic beverages or THC as part of an enforcement action under this article.~~

~~—— (b) The initial or contemporaneous receipt or purchase of an alcoholic beverage or THC under this section by a person described in subsection (a) must:~~

~~—— (1) occur under the direction of an enforcement officer vested with full police powers and duties; and~~

~~—— (2) be a part of the enforcement action.~~

> SECTION 4~~<4>~~^[1]. IC 7.1-5-8-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 1. It is a Class C misdemeanor for a person to recklessly hinder, obstruct, interfere with, or prevent the observance or enforcement of any of the following:

(1) A provision of this title.

(2) A rule or regulation of the commission adopted in the administration of this title.

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

SECTION 4~~<5>~~^[2]. IC 15-19-2-3, AS ADDED BY P.L.2-2008,

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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 4-~~6~~^[3]. IC 35-45-6-1, AS AMENDED BY P.L.186-2025, SECTION 240, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 1. (a) The definitions in this section apply throughout this chapter.

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

(c) "Enterprise" means:

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

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

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

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

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

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

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- 1 (3) A violation of IC 35-47.
- 2 (4) A violation of IC 35-49-3.
- 3 (5) Murder (IC 35-42-1-1).
- 4 (6) Battery as a Class C felony before July 1, 2014, or a Level 5
- 5 felony after June 30, 2014 (IC 35-42-2-1).
- 6 (7) Kidnapping (IC 35-42-3-2).
- 7 (8) Human and sexual trafficking crimes (IC 35-42-3.5).
- 8 (9) Child exploitation (IC 35-42-4-4).
- 9 (10) Robbery (IC 35-42-5-1).
- 10 (11) Carjacking (IC 35-42-5-2) (before its repeal).
- 11 (12) Arson (IC 35-43-1-1).
- 12 (13) Burglary (IC 35-43-2-1).
- 13 (14) Theft (IC 35-43-4-2).
- 14 (15) Receiving stolen property (IC 35-43-4-2) (before its
- 15 amendment on July 1, 2018).
- 16 (16) Forgery (IC 35-43-5-2).
- 17 (17) An offense under IC 35-43-5.
- 18 (18) Bribery (IC 35-44.1-1-2).
- 19 (19) Official misconduct (IC 35-44.1-1-1).
- 20 (20) Conflict of interest (IC 35-44.1-1-4).
- 21 (21) Perjury (IC 35-44.1-2-1).
- 22 (22) Obstruction of justice (IC 35-44.1-2-2).
- 23 (23) Intimidation (IC 35-45-2-1).
- 24 (24) Promoting prostitution (IC 35-45-4-4).
- 25 (25) Professional gambling (IC 35-45-5-3).
- 26 (26) Maintaining a professional gambling site
- 27 (IC 35-45-5-3.5(b)).
- 28 (27) Promoting professional gambling (IC 35-45-5-4).
- 29 (28) Dealing in or manufacturing cocaine or a narcotic drug
- 30 (IC 35-48-4-1).
- 31 (29) Dealing in methamphetamine (IC 35-48-4-1.1).
- 32 (30) Manufacturing methamphetamine (IC 35-48-4-1.2).
- 33 (31) Dealing in a schedule I, II, or III controlled substance
- 34 (IC 35-48-4-2).
- 35 (32) Dealing in a schedule IV controlled substance
- 36 (IC 35-48-4-3).
- 37 (33) Dealing in a schedule V controlled substance
- 38 (IC 35-48-4-4).
- 39 (34) Dealing in marijuana, hash oil, hashish, or salvia
- 40 (IC 35-48-4-10).
- 41 (35) Money laundering (IC 35-45-15-5).
- 42 (36) A violation of IC 35-47.5-5.

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(37) A violation of any of the following:

(A) IC 23-14-48-9.

(B) IC 30-2-9-7(b).

(C) IC 30-2-10-9(b).

(D) IC 30-2-13-38(f).

(38) Practice of law by a person who is not an attorney (IC 33-43-2-1).

(39) An offense listed in IC 35-48-4 involving the manufacture or sale of a synthetic drug (as defined in IC 35-31.5-2-321), a synthetic drug lookalike substance (as defined in IC 35-31.5-2-321.5 (before its repeal on July 1, 2019)) under IC 35-48-4-10.5 (before its repeal on July 1, 2019), a controlled substance analog (as defined in IC 35-48-1.1-8), or a substance represented to be a controlled substance (as described in IC 35-48-4-4.6).

(40) Dealing in a controlled substance resulting in death (IC 35-42-1-1.5).

(41) Organized retail theft (IC 35-43-4-2.2).

(42) Sale of alcohol without a permit (IC 7.1-5-10-5).

SECTION 4 ~~4~~ [4]. IC 35-46-6-3, AS AMENDED BY P.L.163-2025, SECTION 68, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 3. (a) A person who knowingly or intentionally uses or distributes nitrous oxide with intent to cause a condition of intoxication, euphoria, excitement, exhilaration, stupefaction, or dulling of the senses of another person, unless the nitrous oxide is to be used for medical purposes, commits a Class B misdemeanor. However, the offense is a Class A misdemeanor if the person has a prior unrelated conviction under this section.

(b) Except as provided in subsection (c), a person who knowingly or intentionally sells, uses, or distributes flavored nitrous oxide commits a Class B misdemeanor. However, the offense is a Class A misdemeanor if the person has a prior unrelated conviction under this section.

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

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

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

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

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1 SECTION 4~~<8>~~[5]. IC 35-47-2.5-4, AS AMENDED BY
 2 P.L.190-2006, SECTION 8, IS AMENDED TO READ AS FOLLOWS
 3 [EFFECTIVE JULY 1, 2026]: Sec. 4. (a) **This section does not apply**
 4 **to an item defined as an antique firearm pursuant to 18 U.S.C.**
 5 **921(a)(16).**

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

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

11 (2) Contacted NICS:

12 (A) by telephone; or

13 (B) electronically;

14 to request a background check on the prospective purchaser.

15 (3) Received authorization from NICS to transfer the handgun to
 16 the prospective purchaser.

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

19 ~~<-- SECTION 49. IC 35-52-7-40.1 IS ADDED TO THE INDIANA~~
 20 ~~CODE AS A NEW SECTION TO READ AS FOLLOWS~~
 21 ~~[EFFECTIVE JULY 1, 2026]: Sec. 40.1. IC 7.1-5-7-8.1 defines a~~
 22 ~~crime concerning THC.~~

23 > SECTION ~~<50>~~[46]. An emergency is declared for this act.

HB 1052—LS 6389/DI 137



DOCUMENT HAS NOT BEEN CHECKED FOR ACCURACY

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