
HOUSE BILL No. 1052

AM105227 has been incorporated into January 30, 2026 printing.

Synopsis: Various administrative law matters.

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Reprinted
January 30, 2026

Second Regular Session of the 124th General Assembly (2026)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2025 Regular Session of the General Assembly.

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HOUSE BILL No. 1052

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**
16 **individual who:**
17 (1) **is licensed by the commission; and**

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

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

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

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

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

23 (1) The applicant or licensee has been convicted of a felony or
24 misdemeanor that could compromise the integrity of racing by
25 the applicant's or licensee's participation in racing.

26 (2) The applicant or licensee has had a license of the legally
27 constituted racing authority of a state, province, or country
28 denied, suspended, or revoked for cause within the preceding
29 five (5) years.

30 (3) The applicant or licensee is presently under suspension for
31 cause of a license by the legally constituted racing authority of
32 a state, province, or country.

33 (4) The applicant or licensee has violated or attempted to violate
34 a provision of this article, a rule adopted by the commission, or
35 a law or rule with respect to horse racing in a jurisdiction.

36 (5) The applicant or licensee has perpetrated or attempted to
37 perpetrate a fraud or misrepresentation in connection with the
38 racing or breeding of horses or pari-mutuel wagering.

39 (6) The applicant or licensee has demonstrated financial
40 irresponsibility by accumulating unpaid obligations, defaulting
41 on obligations, or issuing drafts or checks that are dishonored or
42 not paid.

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- 1 (7) The applicant or licensee has made a material
- 2 misrepresentation in an application for a license.
- 3 (8) The applicant or licensee has been convicted of a crime
- 4 involving bookmaking, touting, or similar pursuits or has
- 5 consorted with a person convicted of such an offense.
- 6 (9) The applicant or licensee has abandoned, mistreated, abused,
- 7 neglected, or engaged in an act of cruelty to a horse.
- 8 (10) The applicant or licensee has engaged in conduct that is
- 9 against the best interest of horse racing **or compromises the**
- 10 **integrity of operations at a licensed facility.**
- 11 (11) The applicant or licensee has failed to comply with a written
- 12 order or ruling of the commission or judges pertaining to a
- 13 racing matter.
- 14 (12) The applicant or licensee has failed to answer correctly
- 15 under oath, to the best of the applicant's or licensee's knowledge,
- 16 all questions asked by the commission or its representatives
- 17 pertaining to a racing matter.
- 18 (13) The applicant or licensee has failed to return to a permit
- 19 holder any purse money, trophies, or awards paid in error or
- 20 ordered redistributed by the commission.
- 21 (14) The applicant or licensee has had possession of an alcoholic
- 22 beverage on a permit holder's premises, other than a beverage
- 23 legally sold through the permit holder's concession operation.
- 24 (15) The applicant or licensee has interfered with or obstructed
- 25 a member of the commission, a commission employee, or a
- 26 racing official while performing official duties.
- 27 (16) The name of the applicant or licensee appears on the
- 28 department of state revenue's most recent tax warrant list, and
- 29 the person's tax warrant has not been satisfied.
- 30 (17) The applicant or licensee has pending criminal charges.
- 31 (18) The applicant or licensee has racing disciplinary charges
- 32 pending in Indiana or another jurisdiction.
- 33 (19) The applicant or licensee is unqualified to perform the
- 34 duties required under this article or the rules of the commission.
- 35 **(20) The applicant or licensee made a material**
- 36 **misrepresentation when registering, nominating, entering, or**
- 37 **racing a horse as an Indiana owned horse, Indiana sired**
- 38 **horse, or Indiana bred horse.**
- 39 SECTION 5. IC 4-31-7-9, AS AMENDED BY P.L.32-2019,
- 40 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 41 JULY 1, 2026]: Sec. 9. (a) ~~After December 31, 2013, the following~~
- 42 ~~individuals may not wager on horse racing at a licensed facility:~~

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- 1 (1) A member of the commission.
 2 (2) An employee of the commission.
 3 (3) A racing official.
 4 (4) The spouse of any individual listed in subdivisions (1)
 5 through (3).

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

- 9 (1) A member of the commission.
 10 (2) The following individuals employed by the commission:
 11 (A) The executive director.
 12 (B) The assistant executive director.
 13 (C) The director of security.
 14 (D) The general counsel.
 15 (E) The deputy general counsel.
 16 (F) A steward.
 17 (G) (F) A judge.
 18 (3) The spouse of an individual described in subdivision (1) or
 19 (2).

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

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

42 (b) A person whose breath test shows a reading of an alcohol

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1 concentration equivalent (as defined in IC 9-13-2-2.4) to more than
 2 five-hundredths (0.05) gram of alcohol per two hundred ten (210) liters
 3 of the person's breath, is subject to the following sanctions:

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

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

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

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

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

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

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

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

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

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

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

39 (2) Any other horses designated by the judges, ~~the stewards~~, a
 40 commission veterinarian, a member of the commission, or the
 41 executive director of the commission. The judges and
 42 veterinarian shall designate for the taking of a biological sample

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- 1 a horse that races markedly contrary to form.
- 2 SECTION 8. IC 4-31-12-6, AS AMENDED BY P.L.111-2022,
3 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
4 JULY 1, 2026]: Sec. 6. (a) The commission:
- 5 (1) shall ~~appoint, at its cost,~~ **approve** a veterinarian to take or
6 supervise the taking of biological samples under section 5 of this
7 chapter;
- 8 (2) shall approve a laboratory for the analysis of a biological
9 sample taken under section 5 of this chapter; and
- 10 (3) may require that a biological sample taken under section 5 of
11 this chapter be analyzed.
- 12 (b) The cost of analyzing the biological samples shall be borne by
13 the commission.
- 14 (c) The commission may appoint, at its cost, veterinarians or other
15 persons to supervise all activities in the state testing barn area and to
16 supervise the practice of veterinary medicine at all racetracks in
17 Indiana.
- 18 (d) The commission shall employ or contract for ~~assistants~~
19 **veterinarians, veterinarian technicians, and testing barn personnel**
20 to aid in securing biological samples at each racetrack. These ~~assistants~~
21 **veterinarians, veterinarian technicians, and testing barn personnel**
22 shall have free access, under the supervision of the commission's
23 veterinarian, to the state testing barn area. The permit holder shall, in
24 the manner prescribed by the rules of the commission, reimburse the
25 commission for the salaries and other expenses of the ~~assistants~~
26 **veterinarians, veterinarian technicians, and testing barn personnel**
27 who serve at the permit holder's racetrack **testing barn**.
- 28 SECTION 9. IC 4-31-12-7, AS AMENDED BY P.L.168-2019,
29 SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
30 JULY 1, 2026]: Sec. 7. (a) A veterinarian appointed by the commission
31 or employed by a permit holder may not, during the period of the
32 veterinarian's employment, do the following with respect to a breed of
33 horse registered with the commission for racing at the track of the
34 veterinarian's employment:
- 35 (1) Treat or issue prescriptions for a horse, except in case of
36 emergency.
- 37 (2) Perform an endoscopic examination on a horse the day the
38 horse is scheduled to race.
- 39 A full and complete record of an emergency treatment or a prescription
40 authorized by subdivision (1) shall be filed with the ~~stewards or judges~~.
- 41 (b) Except as provided in subsection (c), an owner or trainer may
42 not directly or indirectly employ or pay compensation to a veterinarian

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1 with respect to the care of a horse belonging to a breed of horse
 2 registered with the commission for racing at the track of the
 3 veterinarian's employment.

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

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

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

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

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

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

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

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

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

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

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

38 (c) A sanction under this section may be appealed to the
 39 commission. Judges ~~and stewards~~ imposing sanctions under this
 40 section must prove the person's violation by a preponderance of the
 41 evidence. The commission shall adopt rules establishing procedures for
 42 appeals and stays of appeals. The commission shall conduct a hearing

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1 on an appeal filed under this section as provided in IC 4-21.5.
2 SECTION 11. IC 4-31-13-1, AS AMENDED BY P.L.210-2013,
3 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
4 JULY 1, 2026]: Sec. 1. (a) The commission may issue orders under
5 IC 4-21.5 to:

- 6 (1) deny, suspend, diminish, or revoke permits and licenses as
7 authorized by this article; and
- 8 (2) impose civil penalties, in addition to any other penalty
9 imposed by the commission on a person who violates this article
10 or a rule or an order of the commission.

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

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

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

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

- 34 (1) A civil penalty not to exceed five thousand dollars (\$5,000).
- 35 (2) A temporary order or other immediate action in the nature of
36 a summary suspension if a licensee's actions constitute an
37 immediate danger to the public health, safety, or welfare.
- 38 (3) Suspension of a license held by the licensee for not more
39 than three (3) years. The suspension of a license under this
40 subdivision is:
 - 41 (A) valid even though the suspension extends beyond the
42 period of the racing meeting for which the ~~stewards and~~

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1 judges have been appointed; and
 2 (B) effective at all other racing meetings under the
 3 jurisdiction of the commission.
 4 (4) A rule that a person must stay off the premises of one (1) or
 5 more permit holders if necessary in the public interest to
 6 maintain proper control over recognized meetings.
 7 (5) Referral of the matter to the commission for its consideration.
 8 However, at least two (2) of the ~~stewards or~~ judges at a racing meeting
 9 must concur in a suspension or civil penalty.
 10 (b) Unless a suspension of a license or the imposition of a civil
 11 penalty under this section is appealed by the person sanctioned not
 12 more than fifteen (15) days after being sanctioned, the suspension of a
 13 license or the imposition of a civil penalty under this section must
 14 occur within three hundred sixty-five (365) days after the date of the
 15 violation.
 16 (c) A suspension or civil penalty under this section may be
 17 appealed to the ~~commission. Judges and stewards imposing sanctions~~
 18 ~~under this section must prove the person's violation by a preponderance~~
 19 ~~of the evidence. The commission shall adopt rules establishing~~
 20 ~~procedures for appeals and stays of appeals. The commission shall~~
 21 ~~conduct a hearing on an appeal filed under this section as provided in~~
 22 ~~IC 4-21.5. office of administrative law proceedings under~~
 23 **IC 4-15-10.5. IC 4-21.5 applies to an appeal under this section. The**
 24 **commission has the burden of proving an alleged violation by a**
 25 **preponderance of the evidence.**
 26 SECTION 13. IC 4-32.3-5-2, AS ADDED BY P.L.58-2019,
 27 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 28 JULY 1, 2026]: Sec. 2. (a) **This section does not apply to an**
 29 **agreement with a licensed manufacturer or distributor under**
 30 **section 16.7(h) of this chapter.**
 31 (b) A qualified organization may not contract or otherwise enter
 32 into an agreement with an individual, a corporation, a partnership, a
 33 limited liability company, or other association to conduct an allowable
 34 activity for the benefit of the organization. A qualified organization
 35 shall use only operators and workers meeting the requirements of this
 36 chapter to manage and conduct an allowable activity.
 37 SECTION 14. IC 4-32.3-5-16.7, AS ADDED BY P.L.74-2025,
 38 SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 39 JULY 1, 2026]: Sec. 16.7. (a) Except as provided in subsection (b), the
 40 following organizations that are qualified organizations may have
 41 electronic pull tab devices:
 42 (1) A bona fide fraternal organization.

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- 1 (2) A bona fide veterans organization.
- 2 (b) An organization described in subsection (a) may operate
- 3 electronic pull tab devices if the organization:
- 4 (1) is recognized as a veteran's organization or a fraternal
- 5 organization under IC 4-32.3-2-31;
- 6 (2) has been continuously operating in Indiana for a minimum of
- 7 five (5) years prior to the application for an electronic pull tab
- 8 endorsement; and
- 9 (3) holds or obtains a valid charitable gaming license under
- 10 IC 4-32.3-4.
- 11 (c) An organization described in subsection (a) may only operate
- 12 electronic pull tab devices at a single, fixed location that is:
- 13 (1) the organization's:
- 14 (A) primary meeting facility;
- 15 (B) primary lodge hall; or
- 16 (C) headquarters as identified in the organization's:
- 17 (i) articles of incorporation or bylaws; and
- 18 (ii) application to the commission for use of electronic
- 19 pulltabs; and
- 20 (2) owned, leased, or controlled solely by the organization.
- 21 (d) The number of electronic pull tab devices permitted at any
- 22 facility or location may not exceed the following:
- 23 (1) In the case of a facility or location with an occupancy limit of
- 24 not more than ninety-nine (99) individuals, not more than three
- 25 (3) electronic pull tab devices.
- 26 (2) In the case of a facility or location with an occupancy limit of
- 27 at least one hundred (100) individuals, but not more than two
- 28 hundred fifty (250) individuals, not more than five (5) electronic
- 29 pull tab devices.
- 30 (3) In the case of a facility or location with an occupancy limit of
- 31 more than two hundred fifty (250) individuals, not more than
- 32 seven (7) electronic pull tab devices.
- 33 (e) An electronic pull tab device that is a:
- 34 (1) tablet must conspicuously state on the exterior of the device
- 35 or case containing the device: "If you or someone you know has
- 36 a gambling problem and wants help, call 1-800-9-WITH-IT."; or
- 37 (2) cabinet-style or scaled down tabletop version of a cabinet
- 38 style device must conspicuously state on the front exterior of the
- 39 device: "If you or someone you know has a gambling problem
- 40 and wants help, call 1-800-9-WITH-IT.".
- 41 (f) An organization operating electronic pull tabs under this
- 42 section may not:

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- 1 (1) enter into a partnership, a joint venture, or an agreement with
- 2 another entity to conduct electronic pull tab gaming outside of
- 3 the single, fixed location as set forth in subsection (c); and
- 4 (2) establish additional locations for the operation of electronic
- 5 pull tabs, either directly or indirectly, including:
- 6 (A) establishing a secondary facility for gaming;
- 7 (B) partnering with another organization or entity to expand
- 8 gaming operations beyond the allowed number of devices
- 9 set forth in subsection (d); and
- 10 (C) leasing, licensing, or subleasing gaming rights to a third
- 11 party.

12 (g) An organization operating electronic pull tabs under this
 13 section must also conduct paper pull tab games.

14 **(h) An organization operating electronic pull tab devices under**
 15 **this section may enter into an agreement with the licensed**
 16 **manufacturer or licensed distributor that provided the electronic**
 17 **pull tab system to the organization to provide, install, maintain,**
 18 **and service all components key to the function and operation of the**
 19 **electronic pull tab system. An agreement under this subsection**
 20 **may, if approved by the commission, include the provision of cash**
 21 **management services and operational cash required to facilitate**
 22 **the electronic pull tab transactions. If an agreement under this**
 23 **subsection includes the provision of cash management services or**
 24 **operational cash, the commission may require the qualified**
 25 **organization, licensed manufacturer, or licensed distributor to**
 26 **submit any records maintained concerning the provision of cash**
 27 **management services or operational cash for an independent audit**
 28 **by a certified public accountant selected by the commission, the**
 29 **cost of which must be paid by the qualified organization, licensed**
 30 **manufacturer, or licensed distributor.**

31 ~~(h)~~ (i) If an organization violates this section, the gaming
 32 commission may:

- 33 (1) suspend or revoke the organization's charity gaming license;
- 34 and
- 35 (2) order that all gaming revenue earned as a result of a violation
- 36 of this section shall be paid to the commission as a fine.

37 SECTION 15. IC 4-32.3-8-1, AS AMENDED BY P.L.74-2025,
 38 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 39 JULY 1, 2026]: Sec. 1. (a) The commission may suspend or revoke the
 40 license of or levy a civil penalty against a qualified organization, a
 41 manufacturer, a distributor, or an individual under this article for any
 42 of the following:

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- 1 (1) Violation of:
- 2 (A) a provision of this article, IC 35-45-5-3, IC 35-45-5-3.5,
- 3 IC 35-45-5-4, or a rule of the commission; or
- 4 (B) any other local ordinance, state or federal statute, or
- 5 administrative rule or regulation that would cause the
- 6 commission to determine that the person is not of good
- 7 moral character or reputation.
- 8 (2) Failure to accurately account for a licensed supply.
- 9 (3) Failure to accurately account for sales proceeds from an
- 10 event or activity licensed or permitted under this article.
- 11 (4) Commission of a fraud, deceit, or misrepresentation.
- 12 (5) Conduct prejudicial to public confidence in the commission.
- 13 (6) Failure to ensure the integrity of charitable gaming in
- 14 Indiana.
- 15 (7) Sale or lease of an electronic pull tab device or electronic
- 16 pull tab system that has not been approved by the commission
- 17 for use under this article.
- 18 **(8) Failure to accurately account for the provision of cash**
- 19 **management services and operational cash under an**
- 20 **agreement approved by the commission under**
- 21 **IC 4-32.3-5-16.7(h).**
- 22 (b) If a violation is of a continuing nature, the commission may
- 23 impose a civil penalty upon a licensee or an individual for each day the
- 24 violation continues.
- 25 (c) For purposes of subsection (a), a finding that a person has
- 26 violated IC 35-45-5-3, IC 35-45-5-3.5, or IC 35-45-5-4 must be
- 27 supported by a preponderance of the evidence.
- 28 SECTION 15. IC 4-33-4-3, AS AMENDED BY P.L.93-2024,
- 29 SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 30 JULY 1, 2026]: Sec. 3. (a) The commission shall do the following:
- 31 (1) Adopt rules that the commission determines necessary to
- 32 protect or enhance the following:
- 33 (A) The credibility and integrity of gambling operations
- 34 authorized by this article.
- 35 (B) The regulatory process provided in this article.
- 36 (2) Conduct all hearings concerning civil violations of this
- 37 article.
- 38 (3) Provide for the establishment and collection of license fees
- 39 and taxes imposed under this article.
- 40 (4) Deposit the license fees and taxes in the state gaming fund
- 41 established by IC 4-33-13.
- 42 (5) Levy and collect penalties for noncriminal violations of this

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

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

9 SECTION 16. IC 4-33-10-7 IS ADDED TO THE INDIANA
 10 CODE AS A NEW SECTION TO READ AS FOLLOWS
 11 [EFFECTIVE JULY 1, 2026]: **Sec. 7. (a) As used in this section,**
 12 **"sweepstakes game" means a game, contest, or promotion that:**

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

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

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

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

34 SECTION 17. IC 7.1-1-3-8.5 IS AMENDED TO READ AS
 35 FOLLOWS [EFFECTIVE JULY 1, 2026]: **Sec. 8.5. "Certificate" means**
 36 **a retail or wholesale tobacco sales certificate for purposes of**
 37 **IC 7.1-3-18.5.**

38 SECTION 18. IC 7.1-1-3-27.5 IS ADDED TO THE INDIANA
 39 CODE AS A NEW SECTION TO READ AS FOLLOWS
 40 [EFFECTIVE JULY 1, 2026]: **Sec. 27.5. "Organized sporting**
 41 **competition" means a sporting event sanctioned by a recognized**
 42 **governing or regulatory body.**

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1 SECTION 19. IC 7.1-1-3-45.7 IS ADDED TO THE INDIANA
 2 CODE AS A NEW SECTION TO READ AS FOLLOWS
 3 [EFFECTIVE JULY 1, 2026]: **Sec. 45.7. "Sports arena" means an**
 4 **indoor or outdoor facility where the main purpose and function of**
 5 **the facility is organized sporting competition. The term does not**
 6 **include:**

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

11 SECTION 20. IC 7.1-1-3-46.5 IS ADDED TO THE INDIANA
 12 CODE AS A NEW SECTION TO READ AS FOLLOWS
 13 [EFFECTIVE JULY 1, 2026]: **Sec. 46.5. "THC" means**
 14 **tetrahydrocannabinol, including hemp derived cannabinoid**
 15 **products, synthetic equivalents of the substances contained in the**
 16 **plant or in the resinous extractives of Cannabis, and synthetic**
 17 **substances, derivates, and their isomers with a similar chemical**
 18 **structure and pharmacological activity.**

19 SECTION 21. IC 7.1-1-3-48.7 IS ADDED TO THE INDIANA
 20 CODE AS A NEW SECTION TO READ AS FOLLOWS
 21 [EFFECTIVE JULY 1, 2026]: **Sec. 48.7. "Wholesale" means the**
 22 **business of selling, bartering, exchanging, or distributing tobacco**
 23 **products or electronic cigarettes to certificate holders in Indiana**
 24 **for the purpose of resale.**

25 SECTION 22. IC 7.1-2-1-8 IS AMENDED TO READ AS
 26 FOLLOWS [EFFECTIVE JULY 1, 2026]: **Sec. 8. Bond and Oath of**
 27 **Office:** Each commissioner shall execute a surety bond in the amount
 28 of ten thousand dollars (\$10,000), with surety approved by the
 29 governor, and an oath of office, both of which shall be filed in the
 30 office of the secretary of state.

31 SECTION 23. IC 7.1-2-1-9 IS REPEALED [EFFECTIVE JULY
 32 1, 2026]. **Sec. 9: Surety Bonds:** The required surety bond executed and
 33 filed on behalf of a commissioner, an enforcement officer, or the
 34 prosecutor shall be made payable to the State of Indiana and
 35 conditioned upon the faithful discharge of the bonded party's respective
 36 duties.

37 SECTION 24. IC 7.1-2-2-3 IS AMENDED TO READ AS
 38 FOLLOWS [EFFECTIVE JULY 1, 2026]: **Sec. 3. Bond and Oath of**
 39 **Office:** The prosecutor shall execute a surety bond in the amount of
 40 five thousand dollars (\$5,000), with surety approved by the governor,
 41 and an oath of office, both of which shall be filed in the office of the
 42 secretary of state.

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1 SECTION 25. 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 26. IC 7.1-3-1-18, AS AMENDED BY P.L.1-2025,
8 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 27. IC 7.1-3-1.5-1, AS AMENDED BY P.L.163-2025,
34 SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
35 JULY 1, 2026]: Sec. 1. As used in this chapter, "alcohol server" means
36 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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1 **officer (as defined in IC 35-31.5-2-185) or a graduate of**
2 **a reserve officer program approved by the Indiana law**
3 **enforcement academy, a contractor or an employee**
4 responsible for examining an individual's identification to
5 determine the individual's age, including controlling the
6 entry of individuals to a licensed premises **at a time when**
7 **entry into the licensed premises is** restricted to those
8 individuals at least twenty-one (21) years of age.

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

- 11 (A) manager; or
- 12 (B) sales clerk.

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

16 SECTION 28. IC 7.1-3-3-5, AS AMENDED BY P.L.163-2025,
17 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
18 UPON PASSAGE]: Sec. 5. (a) The holder of a beer wholesaler's permit
19 may purchase and import from the primary source of supply, possess,
20 and sell at wholesale, beer and flavored malt beverages manufactured
21 within or without this state.

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

- 24 (1) another beer wholesaler authorized by the brewer to sell the
25 brand purchased;
- 26 (2) an employee; **and**
- 27 (3) a holder of a beer retailer's permit, beer dealer's permit,
28 temporary beer permit, dining car permit, boat permit, airplane
29 permit, or supplemental caterer's permit; **and**
- 30 **(4) a food manufacturer that is registered with the federal**
31 **Food and Drug Administration, for the purpose of adding or**
32 **integrating the beer into a product or recipe;**

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

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

- 38 (1) bottles, cans, or any other type of permissible containers in
39 an amount not to exceed forty-eight (48) pints; or
- 40 (2) one (1) keg;
- 41 at any one (1) time.

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

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

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

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

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

15 (f) A beer wholesaler may:

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

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

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

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

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

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

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

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

33 SECTION 29. IC 7.1-3-14-4, AS AMENDED BY P.L.167-2024,
34 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
35 JULY 1, 2026]: Sec. 4. (a) The holder of a wine retailer's permit is
36 entitled to purchase wine only from a permittee entitled to sell to the
37 wine retailer under this title. A wine retailer is entitled to possess wine
38 and sell wine at retail to a customer for consumption on the licensed
39 premises. A wine retailer is also entitled to sell wine to a customer and
40 deliver wine in permissible containers to the customer on the licensed
41 premises or to the customer's house. **Except as provided in section 8**
42 **of this chapter**, this delivery may only be performed by the permit

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

8 (1) well lit; and

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

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

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

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

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

18 SECTION 30. IC 7.1-3-14-8 IS ADDED TO THE INDIANA
19 CODE AS A NEW SECTION TO READ AS FOLLOWS
20 [EFFECTIVE JULY 1, 2026]: **Sec. 8. (a) A wine retailer may sell
21 wine for consumption off the licensed premises from a display in a
22 room:**

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

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

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

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

36 SECTION 31. IC 7.1-3-16-9, AS AMENDED BY P.L.153-2015,
37 SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
38 UPON PASSAGE]: **Sec. 9. The holder of a temporary wine permit
39 shall be entitled to purchase and receive wine or mixed beverages (as
40 defined in IC 7.1-1-3-26.2) on any day of the year, only from a lawful
41 supplier under this title at his place of business. A lawful supplier may
42 sell and deliver wine or mixed beverages (as defined in**

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

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

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

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

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

23 SECTION 33. IC 7.1-3-18.5-1.5 IS ADDED TO THE INDIANA
 24 CODE AS A NEW SECTION TO READ AS FOLLOWS
 25 [EFFECTIVE JULY 1, 2026]: **Sec. 1.5. (a) A person may not sell**
 26 **tobacco products or electronic cigarettes at wholesale or**
 27 **participate in the wholesale distribution of tobacco products or**
 28 **electronic cigarettes without a valid wholesale tobacco sales**
 29 **certificate issued by the commission.**

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

34 SECTION 34. IC 7.1-3-18.5-2, AS AMENDED BY P.L.107-2024,
 35 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 36 JULY 1, 2026]: Sec. 2. (a) A person who desires a certificate must
 37 provide the following to the commission:

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

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

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



- 1 **(B) one hundred dollars (\$100) for a wholesale tobacco**
- 2 **sales certificate.**
- 3 (3) The name under which the applicant transacts or intends to
- 4 transact business.
- 5 (4) The address of the applicant's principal place of business or
- 6 headquarters, if any.
- 7 (5) The statement required under section 2.6 of this chapter.
- 8 (6) If the applicant is applying for a new certificate under section
- 9 3.2 of this chapter, a copy of each of the following:
- 10 (A) If the new ownership of the business is a business
- 11 entity, the articles of incorporation, articles of organization,
- 12 or any other formation documents of the business entity.
- 13 (B) If the new ownership of the business is an individual,
- 14 either:
- 15 (i) the sales or purchase agreement; or
- 16 (ii) an affidavit signed by the applicant concerning the
- 17 sale or purchase, on a form prescribed by the
- 18 commission, that includes the name and address of the
- 19 seller and purchaser.
- 20 (C) The certificate held by the previous ownership of the
- 21 business.
- 22 **(7) A photocopy of the owner's driver's license, identification**
- 23 **card issued under IC 9-24-16-1, a similar card issued under**
- 24 **the laws of another state or the federal government, or**
- 25 **another government issued document that bears the owner's**
- 26 **photograph and birth date. If the applicant is a business with**
- 27 **multiple owners, the applicant must designate at least one (1)**
- 28 **managing owner for whom a photocopy of the managing**
- 29 **owner's identification must be provided under this**
- 30 **subdivision.**
- 31 (b) A separate certificate is required for each location where the
- 32 tobacco products or electronic cigarettes are sold or distributed. ~~A retail~~
- 33 **An establishment may not hold more than one (1) active tobacco sales**
- 34 **certificate for a retail location at any time. Except when the real estate**
- 35 **for a retail location is transferred to an independent third party,**
- 36 **the commission shall not issue a certificate to a retail location**
- 37 **where a tobacco sales certificate was revoked within one (1) year**
- 38 **prior to the date of the application.**
- 39 (c) A certificate holder shall conspicuously display the holder's
- 40 certificate on the holder's premises where the tobacco products or
- 41 electronic cigarettes are sold or distributed.
- 42 (d) Any intentional misstatement or suppression of a material fact

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1 in an application filed under this section constitutes grounds for denial
2 **or revocation** of the certificate.

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

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

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

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

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

13 SECTION 35. IC 7.1-3-18.5-2.4, AS ADDED BY P.L.107-2024,
14 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
15 JULY 1, 2026]: Sec. 2.4. (a) Subject to available resources, the
16 commission shall not issue a tobacco sales certificate except as
17 otherwise authorized in this title and subject to the other restrictions
18 contained in this title, to the following persons:

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

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

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

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

27 (C) a crime in a state other than Indiana having a penalty
28 equal to the penalty for an Indiana Level 1, Level 2, Level
29 3, Level 4, or Level 5 felony.

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

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

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

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

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

38 (ii) for the duration of the period in which the person
39 sells or distributes in the manner described in section
40 1 of this chapter.

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

42 (i) that owns the premises to which the certificate will

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

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

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1 (1) the employee has left the license, identification card, or copy
 2 in another location; or
 3 (2) the license, identification card, or copy has otherwise been
 4 lost or mislaid;
 5 the employee may, within five (5) days of the employee's inability to
 6 show the license, identification card, or copy to the excise officer,
 7 produce to the excise officer or to the office of the commission
 8 satisfactory evidence of a license or identification card issued to the
 9 individual that was valid at the time the individual was unable to show
 10 the license, identification card, or copy.

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

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

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

27 SECTION 40. IC 7.1-3-20-16.8, AS AMENDED BY THE
 28 TECHNICAL CORRECTIONS BILL OF THE 2026 GENERAL
 29 ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 30 JULY 1, 2026]: Sec. 16.8. (a) A permit that is authorized by this
 31 section may be issued without regard to the quota provisions of
 32 IC 7.1-3-22.

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

- 37 (1) Whitestown.
- 38 (2) Lebanon.
- 39 (3) Zionsville.
- 40 (4) Westfield.
- 41 (5) Carmel.
- 42 (6) Fishers.

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

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

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

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1 proprietor, an owner or lessee, or both, of a restaurant located
2 within an economic development area, an area needing
3 redevelopment, or a redevelopment district as established under
4 IC 36-7-14 in a municipality's:

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

7 (2) The cost of an initial permit is forty thousand dollars
8 (\$40,000).

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

29 **(A) downtown redevelopment district; or**

30 **(B) downtown economic revitalization area.**

31 **(2) The cost of an initial permit is forty thousand dollars**
 32 **(\$40,000).**

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

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

42 **(5) Notwithstanding IC 7.1-3-1.1, if business operations cease**

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- 1 at the permit premises for more than six (6) months, the
- 2 permit shall revert to the commission and the permit holder
- 3 is not entitled to any refund or other compensation.
- 4 (6) Except as provided in subdivision (8), the ownership of a
- 5 permit may not be transferred.
- 6 (7) A permit may not be transferred from the premises for
- 7 which the permit was issued.
- 8 (8) If the area in which the permit issued to a premises under
- 9 this subsection is located is no longer designated an economic
- 10 development area, an area needing redevelopment, or a
- 11 redevelopment district, a permit issued under this section
- 12 may be renewed, and the ownership of the permit may be
- 13 transferred, but the permit may not be transferred from the
- 14 permit premises.

15 SECTION 41. IC 7.1-3-22-4.7 IS ADDED TO THE INDIANA
 16 CODE AS A NEW SECTION TO READ AS FOLLOWS
 17 [EFFECTIVE JULY 1, 2026]: Sec. 4.7. (a) Notwithstanding section
 18 4(a) through 4(c) of this chapter, the commission may issue a beer
 19 dealer's permit, wine dealer's permit, and liquor dealer's permit to
 20 a drug store operated in the city of Westfield.

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

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

- 26 (1) The combined initial permit cost is forty thousand dollars
- 27 (\$40,000).
- 28 (2) A permit may not be transferred from the premises for
- 29 which the permit was issued.
- 30 (3) The ownership of a permit may be transferred with
- 31 approval from the commission.
- 32 (4) Each permit is subject to the requirements applicable to
- 33 the permit type.

34 SECTION 42. IC 7.1-5-6-3, AS AMENDED BY P.L.32-2019,
 35 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 36 JULY 1, 2026]: Sec. 3. (a) It is unlawful for a person to act as a clerk
 37 in a package liquor store, or as a bartender, waiter, waitress, **security,**
 38 **bouncer,** or manager for a retailer permittee unless that person has
 39 applied for and been issued the appropriate permit. This section does
 40 not apply to dining car or boat employees, to a person described in
 41 IC 7.1-3-1.7, or to a person described in IC 7.1-3-18-9(d). A person
 42 who knowingly or intentionally violates this subsection commits a

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1 Class C infraction. However, the violation is a Class B misdemeanor
 2 if the person has a prior unrelated adjudication or conviction for a
 3 violation of this section within the previous five (5) years.

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

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

13 SECTION 43. IC 7.1-5-7-8.1 IS ADDED TO THE INDIANA
 14 CODE AS A NEW SECTION TO READ AS FOLLOWS
 15 [EFFECTIVE JULY 1, 2026]: **Sec. 8.1. (a) It is a Class B**
 16 **misdemeanor for a person to recklessly, knowingly, or**
 17 **intentionally:**

- 18 (1) sell, in person or online;
 19 (2) barter;
 20 (3) exchange;
 21 (4) provide; or
 22 (5) furnish;

23 **a product or substance containing THC to a minor.**

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

- 25 (1) a Class A misdemeanor if the person has a prior
 26 unrelated conviction under this section; and
 27 (2) a Level 6 felony if the consumption, ingestion, or use of
 28 the THC is the proximate cause of the serious bodily injury
 29 or death of any person.

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

- 34 (1) using a reliable online age verification service; or
 35 (2) obtaining and examining a copy of a government issued
 36 identification.

37 SECTION 44. IC 7.1-5-7-11, AS AMENDED BY P.L.163-2025,
 38 SECTION 47, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 39 JULY 1, 2026]: Sec. 11. (a) The provisions of sections 9 and 10 of this
 40 chapter shall not apply if the public place involved is one (1) of the
 41 following:

- 42 (1) Civic center.

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- 1 (2) Convention center.
 2 (3) Sports arena.
 3 (4) Bowling center.
 4 (5) Bona fide club.
 5 (6) Drug store.
 6 (7) Grocery store.
 7 (8) Boat.
 8 (9) Dining car.
 9 (10) Pullman car.
 10 (11) Club car.
 11 (12) Passenger airplane.
 12 (13) Horse racetrack facility holding a recognized meeting
 13 permit under IC 4-31-5.
 14 (14) Satellite facility (as defined in IC 4-31-2.1-36).
 15 (15) Catering hall under IC 7.1-3-20-24 that is not open to the
 16 public.
 17 (16) That part of a restaurant which is separate from a room in
 18 which is located a bar over which alcoholic beverages are sold
 19 or dispensed by the drink.
 20 (17) Entertainment complex.
 21 (18) Indoor golf facility.
 22 (19) A recreational facility such as a golf course, bowling center,
 23 or similar facility that has the recreational activity and not the
 24 sale of food and beverages as the principal purpose or function
 25 of the person's business.
 26 (20) A licensed premises owned or operated by a postsecondary
 27 educational institution described in IC 21-17-6-1.
 28 (21) An automobile racetrack.
 29 (22) An indoor theater under IC 7.1-3-20-26.
 30 (23) A senior residence facility campus (as defined in
 31 IC 7.1-3-1-29(c)) at which alcoholic beverages are given or
 32 furnished as provided under IC 7.1-3-1-29.
 33 (24) A hotel other than a part of a hotel that is a room in a
 34 restaurant in which a bar is located over which alcoholic
 35 beverages are sold or dispensed by the drink.
 36 (25) The location of an allowable event to which IC 7.1-3-6.1
 37 applies.
 38 (26) The location of a charity auction to which IC 7.1-3-6.2
 39 applies.
 40 (27) A tour of a brewery as provided in IC 7.1-3-20-16.4, if the
 41 minor is in the company of a parent, legal guardian or custodian,
 42 or family member who is at least twenty-one (21) years of age.

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- 1 (28) A farm winery and any additional locations of the farm
 2 winery under IC 7.1-3-12, if the minor is in the company of a
 3 parent, legal guardian or custodian, or family member who is at
 4 least twenty-one (21) years of age and the minor is accompanied
 5 by the adult in any area that the adult may be present whether or
 6 not the area:
 7 (A) is separated in any manner from where the wine is
 8 manufactured, sold, or consumed within the farm winery
 9 premises; or
 10 (B) operates under a retailer's permit.
 11 (29) An artisan distillery under IC 7.1-3-27, if:
 12 (A) the person who holds the artisan distiller's permit also
 13 holds a farm winery permit under IC 7.1-3-12, or
 14 IC 7.1-3-20-16.4(a) applies to the person; and
 15 (B) the minor is in the company of a parent, legal guardian
 16 or custodian, or family member who is at least twenty-one
 17 (21) years of age.
 18 (30) An art instruction studio under IC 7.1-5-8-4.6.
 19 (31) The licensed premises of a food hall under IC 7.1-3-20-29
 20 and the food and beverage vending space of a food hall vendor
 21 permittee under IC 7.1-3-20-30. However, sections 9 and 10 of
 22 this chapter apply to a bar within the food and beverage vending
 23 space of a food hall vendor permittee under IC 7.1-3-20-30 that
 24 serves alcoholic beverages intended to be consumed while sitting
 25 or standing at the bar.
 26 (32) A refreshment area designated under IC 7.1-3-31.
 27 (33) A small brewery under IC 7.1-3-2-7(5) and a restaurant of
 28 which the small brewery permit holder is the proprietor as
 29 provided in IC 7.1-3-2-7(5)(B), if the minor is accompanied by
 30 a parent, legal guardian, custodian, or family member who is at
 31 least twenty-one (21) years of age. The minor may be in any area
 32 in which the accompanying adult may be present, whether or not
 33 the area:
 34 (A) is separated in any manner from where the beer is
 35 manufactured, sold, or consumed within the small brewery
 36 premises; or
 37 (B) operates under a retailer's permit as provided in
 38 IC 7.1-3-2-7(5)(C).
 39 **(34) A restaurant that satisfies the gross food sales**
 40 **requirement provided in IC 7.1-3-20-14.**
 41 (b) For the purpose of this subsection, "food" means meals
 42 prepared on the licensed premises. It is lawful for a minor to be on

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1 licensed premises in a room, outdoor patio, or terrace in which is
 2 located a bar over which alcoholic beverages are sold or dispensed by
 3 the drink if all the following conditions are met:

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

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

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

14 SECTION 45. IC 7.1-5-7-17, AS ADDED BY P.L.94-2008,
 15 SECTION 53, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 16 JULY 1, 2026]: Sec. 17. (a) Notwithstanding any other law, an
 17 enforcement officer vested with full police powers and duties may
 18 engage a person who is:

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

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

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

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

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

28 (2) be a part of the enforcement action.

29 SECTION 46. IC 7.1-5-8-1 IS AMENDED TO READ AS
 30 FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 1. It is a Class C
 31 misdemeanor for a person to recklessly hinder, obstruct, interfere with,
 32 or prevent the observance or enforcement of any of the following:

33 (1) A provision of this title.

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

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

38 SECTION 47. IC 15-19-2-3, AS ADDED BY P.L.2-2008,
 39 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 40 JULY 1, 2026]: Sec. 3. The Indiana standardbred advisory board
 41 consists of seven (7) members selected as follows:

42 (1) The chairman of the Indiana horse racing commission, or the

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1 chairman's designee, is an ex officio member.
 2 (2) Two (2) members who are ~~members of county fair boards~~
 3 **racing participants**, appointed by the governor.
 4 (3) Four (4) members appointed by the governor who have in the
 5 past participated or shown an interest in the standardbred
 6 industry. This interest may, but does not necessarily have to be,
 7 evidenced by virtue of being an owner, driver, veterinarian,
 8 trainer, or breeder.
 9 Not more than three (3) of the appointees under subdivisions (2) and
 10 (3) may be of the same political party as the chairman of the Indiana
 11 horse racing commission.
 12 SECTION 48. IC 35-45-6-1, AS AMENDED BY P.L.186-2025,
 13 SECTION 240, IS AMENDED TO READ AS FOLLOWS
 14 [EFFECTIVE JULY 1, 2026]: Sec. 1. (a) The definitions in this section
 15 apply throughout this chapter.
 16 (b) "Documentary material" means any document, drawing,
 17 photograph, recording, or other tangible item containing compiled data
 18 from which information can be either obtained or translated into a
 19 usable form.
 20 (c) "Enterprise" means:
 21 (1) a sole proprietorship, corporation, limited liability company,
 22 partnership, business trust, or governmental entity; or
 23 (2) a union, an association, or a group, whether a legal entity or
 24 merely associated in fact.
 25 (d) "Pattern of racketeering activity" means engaging in at least
 26 two (2) incidents of racketeering activity that have the same or similar
 27 intent, result, accomplice, victim, or method of commission, or that are
 28 otherwise interrelated by distinguishing characteristics that are not
 29 isolated incidents. However, the incidents are a pattern of racketeering
 30 activity only if at least one (1) of the incidents occurred after August
 31 31, 1980, and if the last of the incidents occurred within five (5) years
 32 after a prior incident of racketeering activity.
 33 (e) "Racketeering activity" means to commit, to attempt to commit,
 34 to conspire to commit a violation of, or aiding and abetting in a
 35 violation of any of the following:
 36 (1) A provision of IC 23-19, or of a rule or order issued under
 37 IC 23-19.
 38 (2) A violation of IC 35-45-9.
 39 (3) A violation of IC 35-47.
 40 (4) A violation of IC 35-49-3.
 41 (5) Murder (IC 35-42-1-1).
 42 (6) Battery as a Class C felony before July 1, 2014, or a Level 5

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

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- 1 (D) IC 30-2-13-38(f).
- 2 (38) Practice of law by a person who is not an attorney
- 3 (IC 33-43-2-1).
- 4 (39) An offense listed in IC 35-48-4 involving the manufacture
- 5 or sale of a synthetic drug (as defined in IC 35-31.5-2-321), a
- 6 synthetic drug lookalike substance (as defined in
- 7 IC 35-31.5-2-321.5 (before its repeal on July 1, 2019)) under
- 8 IC 35-48-4-10.5 (before its repeal on July 1, 2019), a controlled
- 9 substance analog (as defined in IC 35-48-1.1-8), or a substance
- 10 represented to be a controlled substance (as described in
- 11 IC 35-48-4-4.6).
- 12 (40) Dealing in a controlled substance resulting in death
- 13 (IC 35-42-1-1.5).
- 14 (41) Organized retail theft (IC 35-43-4-2.2).

15 **(42) Sale of alcohol without a permit (IC 7.1-5-10-5).**
 16 SECTION 49. IC 35-46-6-3, AS AMENDED BY P.L.163-2025,
 17 SECTION 68, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 18 JULY 1, 2026]: Sec. 3. (a) A person who knowingly or intentionally
 19 uses or distributes nitrous oxide with intent to cause a condition of
 20 intoxication, euphoria, excitement, exhilaration, stupefaction, or
 21 dulling of the senses of another person, unless the nitrous oxide is to be
 22 used for medical purposes, commits a Class B misdemeanor. However,
 23 the offense is a Class A misdemeanor if the person has a prior
 24 unrelated conviction under this section.

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

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

- 32 (1) a retail or wholesale restaurant supply company that sells or
- 33 distributes flavored nitrous oxide to a person for use in food and
- 34 beverage preparation or other culinary purposes; ~~or~~
- 35 (2) a person that uses flavored nitrous oxide in food and
- 36 beverage recipes or for other legitimate culinary purposes; ~~or~~
- 37 **(3) a law enforcement agency that is disposing of flavored**
- 38 **nitrous oxide by donation to a nonprofit organization.**

39 SECTION 50. IC 35-47-2.5-4, AS AMENDED BY P.L.190-2006,
 40 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 41 JULY 1, 2026]: Sec. 4. (a) **This section does not apply to an item**
 42 **defined as an antique firearm pursuant to 18 U.S.C. 921(a)(16).**

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- 1 **(b)** A dealer may not sell, rent, trade, or transfer from the dealer's
- 2 inventory a handgun to a person until the dealer has done all of the
- 3 following:
- 4 (1) Obtained from the prospective purchaser a completed and
- 5 signed Form 4473 as specified in section 3 of this chapter.
- 6 (2) Contacted NICS:
- 7 (A) by telephone; or
- 8 (B) electronically;
- 9 to request a background check on the prospective purchaser.
- 10 (3) Received authorization from NICS to transfer the handgun to
- 11 the prospective purchaser.
- 12 ~~(b)~~ **(c)** The dealer shall record the NICS transaction number on
- 13 Form 4473 and retain Form 4473 for auditing purposes.
- 14 SECTION 51. IC 35-52-7-40.1 IS ADDED TO THE INDIANA
- 15 CODE AS A NEW SECTION TO READ AS FOLLOWS
- 16 [EFFECTIVE JULY 1, 2026]: **Sec. 40.1. IC 7.1-5-7-8.1 defines a**
- 17 **crime concerning THC.**
- 18 SECTION 52. **An emergency is declared for this act.**

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