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## SENATE BILL No. 89

Proposed Changes to introduced printing by AM008903

### DIGEST OF PROPOSED AMENDMENT

Three-way permits. Provides that the alcohol and tobacco commission may issue not more than: (1) three new three-way permits to the city of Lafayette; (2) two new three-way permits to the city of West Lafayette; and (3) eight new three-way permits to restaurants located within a transit development district. Makes the bill effective upon passage.

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A BILL FOR AN ACT to amend the Indiana Code concerning alcohol and tobacco.

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

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

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

- 11 (1) Whitestown.
- 12 (2) Lebanon.
- 13 (3) Zionsville.
- 14 (4) Westfield.
- 15 (5) Carmel.
- 16 (6) Fishers.
- 17 (7) Noblesville.

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

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

6 (A) downtown redevelopment district; or  
7 (B) downtown economic revitalization area

10 (3) The total number of active permits issued under subsection  
11 (b) may not exceed twenty-four (24) permits at any time. If any  
12 of the permits issued under subsection (b) are revoked or not  
13 renewed, the commission may issue only enough new permits to  
14 bring the total number of permits to twenty-four (24) active  
15 permits, with not more than four (4) in each municipality listed  
16 in subsection (b)(1) through (b)(6).

23 (5) Notwithstanding IC 7.1-3-1-3.5 and IC 7.1-3-1.1, if business  
24 operations cease at the permit premises for more than six (6)  
25 months, the permit shall revert to the commission and the permit  
26 holder is not entitled to any refund or other compensation.

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

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

37 (d) Except as provided in section 16.3 of this chapter, in addition  
38 to the permits issued to the town of Whitestown under subsection (c),  
39 the commission may issue to the town of Whitestown not more than:

40 (1) three (3) new three-way permits; and  
41 (2) three (3) new two-way permits;  
42 under this subsection.

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

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

(A) downtown redevelopment district; or

(B) downtown economic revitalization area.

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

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

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

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

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

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

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

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

(1) Three (3) new three-way permits in 2024.

(2) Three (3) new three-way permits in 2025.

(3) Four (4) new three-way permits in 2026.

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1 allowed in subdivisions (1) through (3) in that year, any unissued  
 2 permits will roll over and may be issued in a subsequent year.

3 (g) The following apply to permits issued under subsection (f):

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

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

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

13 (3) The total number of active permits issued under subsection  
 14 (f) may not exceed the ten (10) new three-way permits, as set  
 15 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 (f) is located is no longer designated an economic  
 32 development area, an area needing redevelopment, or a  
 33 redevelopment district, a permit issued under this section may be  
 34 renewed, and the ownership of the permit may be transferred,  
 35 but the permit may not be transferred from the permit premises.

36 (h) Except as provided in section 16.3 of this chapter, the  
 37 commission may issue to the city of Delphi not more than two (2) new  
 38 three-way permits under this subsection.

39 (i) The following apply to permits issued under subsection (h):

40 (1) An applicant for a permit under subsection (h) must be a  
 41 proprietor, an owner or lessee, or both, of a restaurant located  
 42 within an economic development area, an area needing



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



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

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

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

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

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

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

(l) Except as provided in section 16.3 of this chapter, the commission may issue to the town of Syracuse not more than one (1) new three-way permit under this subsection.

(m) The following apply to a permit issued under subsection (l):

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

(A) downtown redevelopment district; or

(B) downtown economic revitalization area.

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

(3) The total number of active permits issued under subsection (l) may not exceed the one (1) new three-way permit, as set forth in that subsection.

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

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1 set forth in IC 7.1-3-19-17(b), a formal written commitment is  
 2 binding on the permit holder and on any lessee or proprietor of  
 3 the permit premises.

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

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

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

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

18 **(n) Except as provided in section 16.3 of this chapter, the**  
 19 **commission may issue to the town of Schererville not more than**  
 20 **three (3) new three-way permits. The following applies to a permit**  
 21 **issued under this subsection:**

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

27 **(A) downtown redevelopment district; or**  
 28 **(B) downtown economic revitalization area.**

29 **(2) The cost of an initial permit is forty thousand dollars**  
 30 **(\$40,000).**

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

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

40 **(5) Notwithstanding IC 7.1-3-1.1, if business operations cease**  
 41 **at the permit premises for more than six (6) months, the**  
 42 **permit shall revert to the commission and the permit holder**



1 is not entitled to any refund or other compensation.

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

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

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

12 **(o) Except as provided in section 16.3 of this chapter, the**  
13 **commission may issue to the city of Lafayette not more than three**  
14 **(3) new three-way permits. The following apply to a permit issued**  
15 **under this subsection:**

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

21 **(A) downtown redevelopment district; or**  
22 **(B) downtown economic revitalization area.**

23 **(2) The cost of an initial permit is forty thousand dollars**  
24 **(\$40,000).**

25 **(3) The total number of active permits issued under this**  
26 **subsection may not exceed the three (3) new three-way**  
27 **permits.**

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

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

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

40 **(7) The permit may not be transferred from the premises for**  
41 **which the permit was issued.**

42 **(8) If the area in which the permit issued to a premises is**



1           located is no longer designated an economic development  
 2           area, an area needing redevelopment, or a redevelopment  
 3           district, a permit issued under this section may be renewed,  
 4           and the ownership of the permit may be transferred, but the  
 5           permit may not be transferred from the permit premises.

6           (p) Except as provided in section 16.3 of this chapter, the  
 7           commission may issue to the city of West Lafayette not more than  
 8           two (2) new three-way permits. The following apply to a permit  
 9           issued under this subsection:

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

15           (A) downtown redevelopment district; or

16           (B) downtown economic revitalization area.

17           (2) The cost of an initial permit is forty thousand dollars  
 18           (\$40,000).

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

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

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

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

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

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

42           (q) Except as provided in section 16.3 of this chapter, the



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

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

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

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

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

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

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

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

32      SECTION 2. An emergency is declared for this act.

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