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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.

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) An applicant for a permit under subsection (b) must be a proprietor, as 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 (b) may not exceed twenty-four (24) permits at any time. If any of the permits issued under subsection (b) are revoked or not renewed, the commission may issue only enough new permits to bring the total number of permits to twenty-four (24) active permits, with not more than four (4) in each municipality listed in subsection (b)(1) through (b)(6).

(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 7.1-3-1-3.5~~ and 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 premises 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.

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

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

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

under this subsection.



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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.

If the commission does not issue the amount of three-way permits



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



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 (h) may not exceed the two (2) new three-way permits, as set forth in that subsection.

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

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

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

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

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

(j) Except as provided in section 16.3 of this chapter, the commission may issue to the city of Warsaw not more than three (3) new three-way permits under this subsection.

(k) The following apply to permits issued under subsection (j):

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

(A) downtown redevelopment district; or

(B) downtown economic revitalization area.

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



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

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

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

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

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

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

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

**(4) The town 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 the permit may not be transferred.

(7) The 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 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. [

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

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

(A) downtown redevelopment district; or

(B) downtown economic revitalization area.

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

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

(4) The city 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 the permit may not be transferred.

(7) The 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 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.

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

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

(A) downtown redevelopment district; or

(B) downtown economic revitalization area.

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

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

(4) The city 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 the permit may not be transferred.

(7) The 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 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.

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



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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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