

HOUSE BILL No. 1236

DIGEST OF INTRODUCED BILL

Citations Affected: IC 7.1-3-20-16.

Synopsis: Alcoholic beverage permits. Allows the alcohol and tobacco commission to issue two new three-way permits to sell alcoholic beverages for on-premise consumption to applicants that are proprietors of restaurants in a district that: (1) is located in a town having a population of more than 7,000 but less than 8,000; and (2) is located within the boundaries of a historic district. Establishes restrictions concerning an auctioning of the permits.

Effective: July 1, 2011.

Dodge, Friend

January 12, 2011, read first time and referred to Committee on Public Policy.

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First Regular Session 117th General Assembly (2011)

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 2010 Regular Session of the General Assembly.

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HOUSE BILL No. 1236



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, AS AMENDED BY P.L.10-2010,
2 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2011]: Sec. 16. (a) A permit that is authorized by this section
4 may be issued without regard to the quota provisions of IC 7.1-3-22.

5 (b) The commission may issue a three-way permit to sell alcoholic
6 beverages for on-premises consumption only to an applicant who is the
7 proprietor, as owner or lessee, or both, of a restaurant facility in the
8 passenger terminal complex of a publicly owned airport. A permit
9 issued under this subsection shall not be transferred to a location off
10 the airport premises.

11 (c) The commission may issue a three-way, two-way, or one-way
12 permit to sell alcoholic beverages for on-premises consumption only to
13 an applicant who is the proprietor, as owner or lessee, or both, of a
14 restaurant within a redevelopment project consisting of a building or
15 group of buildings that:

- 16 (1) was formerly used as part of a union railway station;
- 17 (2) has been listed in or is within a district that has been listed in



1 the federal National Register of Historic Places maintained
2 pursuant to the National Historic Preservation Act of 1966, as
3 amended; and

4 (3) has been redeveloped or renovated, with the redevelopment or
5 renovation being funded in part with grants from the federal,
6 state, or local government.

7 A permit issued under this subsection shall not be transferred to a
8 location outside of the redevelopment project.

9 (d) The commission may issue a three-way, two-way, or one-way
10 permit to sell alcoholic beverages for on-premises consumption only to
11 an applicant who is the proprietor, as owner or lessee, or both, of a
12 restaurant:

- 13 (1) on land; or
- 14 (2) in a historic river vessel;

15 within a municipal riverfront development project funded in part with
16 state and city money. A permit issued under this subsection may not be
17 transferred.

18 (e) The commission may issue a three-way, two-way, or one-way
19 permit to sell alcoholic beverages for on-premises consumption only to
20 an applicant who is the proprietor, as owner or lessee, or both, of a
21 restaurant within a renovation project consisting of a building that:

- 22 (1) was formerly used as part of a passenger and freight railway
23 station; and
- 24 (2) was built before 1900.

25 The permit authorized by this subsection may be issued without regard
26 to the proximity provisions of IC 7.1-3-21-11.

27 (f) The commission may issue a three-way permit for the sale of
28 alcoholic beverages for on-premises consumption at a cultural center
29 for the visual and performing arts to a town that:

- 30 (1) is located in a county having a population of more than four
31 hundred thousand (400,000) but less than seven hundred thousand
32 (700,000); and
- 33 (2) has a population of more than twenty thousand (20,000) but
34 less than twenty-three thousand (23,000).

35 (g) After June 30, 2005, the commission may issue not more than
36 ten (10) new three-way, two-way, or one-way permits to sell alcoholic
37 beverages for on-premises consumption to applicants, each of whom
38 must be the proprietor, as owner or lessee, or both, of a restaurant
39 located within a district, or not more than five hundred (500) feet from
40 a district, that meets the following requirements:

- 41 (1) The district has been listed in the National Register of Historic
42 Places maintained under the National Historic Preservation Act

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1 of 1966, as amended.

2 (2) A county courthouse is located within the district.

3 (3) A historic opera house listed on the National Register of

4 Historic Places is located within the district.

5 (4) A historic jail and sheriff's house listed on the National

6 Register of Historic Places is located within the district.

7 The legislative body of the municipality in which the district is located

8 shall recommend to the commission sites that are eligible to be permit

9 premises. The commission shall consider, but is not required to follow,

10 the municipal legislative body's recommendation in issuing a permit

11 under this subsection. An applicant is not eligible for a permit if, less

12 than two (2) years before the date of the application, the applicant sold

13 a retailer's permit that was subject to IC 7.1-3-22 and that was for

14 premises located within the district described in this section or within

15 five hundred (500) feet of the district. A permit issued under this

16 subsection shall not be transferred. The cost of an initial permit issued

17 under this subsection is six thousand dollars (\$6,000).

18 (h) The commission may issue a three-way permit for the sale of

19 alcoholic beverages for on-premises consumption to an applicant who

20 will locate as the proprietor, as owner or lessee, or both, of a restaurant

21 within an economic development area under IC 36-7-14 in:

22 (1) a town with a population of more than twenty thousand

23 (20,000); or

24 (2) a city with a population of more than twenty-seven thousand

25 (27,000) but less than twenty-seven thousand four hundred

26 (27,400);

27 located in a county having a population of more than ninety thousand

28 (90,000) but less than one hundred thousand (100,000). The

29 commission may issue not more than five (5) licenses under this

30 section to premises within a municipality described in subdivision (1)

31 and not more than five (5) licenses to premises within a municipality

32 described in subdivision (2). The commission shall conduct an auction

33 of the permits under IC 7.1-3-22-9, except that the auction may be

34 conducted at any time as determined by the commission.

35 Notwithstanding any other law, the minimum bid for an initial license

36 under this subsection is thirty-five thousand dollars (\$35,000), and the

37 renewal fee for a license under this subsection is one thousand three

38 hundred fifty dollars (\$1,350). Before the district expires, a permit

39 issued under this subsection may not be transferred. After the district

40 expires, a permit issued under this subsection may be renewed, and the

41 ownership of the permit may be transferred, but the permit may not be

42 transferred from the permit premises.

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1 (i) After June 30, 2006, the commission may issue not more than
 2 five (5) new three-way, two-way, or one-way permits to sell alcoholic
 3 beverages for on-premises consumption to applicants, each of whom
 4 must be the proprietor, as owner or lessee, or both, of a restaurant
 5 located within a district, or not more than five hundred (500) feet from
 6 a district, that meets all of the following requirements:

7 (1) The district is within an economic development area, an area
 8 needing redevelopment, or a redevelopment district as established
 9 under IC 36-7-14.

10 (2) A unit of the National Park Service is partially located within
 11 the district.

12 (3) An international deep water seaport is located within the
 13 district.

14 An applicant is not eligible for a permit under this subsection if, less
 15 than two (2) years before the date of the application, the applicant sold
 16 a retailers' permit that was subject to IC 7.1-3-22 and that was for
 17 premises located within the district described in this subsection or
 18 within five hundred (500) feet of the district. A permit issued under this
 19 subsection may not be transferred. If the commission issues five (5)
 20 new permits under this subsection, and a permit issued under this
 21 subsection is later revoked or is not renewed, the commission may
 22 issue another new permit, as long as the total number of active permits
 23 issued under this subsection does not exceed five (5) at any time. The
 24 commission shall conduct an auction of the permits under
 25 IC 7.1-3-22-9, except that the auction may be conducted at any time as
 26 determined by the commission.

27 **(j) After June 30, 2011, the commission may issue not more than**
 28 **two (2) new three-way permits to sell alcoholic beverages for**
 29 **on-premises consumption to applicants, each of whom must be the**
 30 **proprietor, as owner or lessee, or both, of a restaurant located**
 31 **within a district that meets the following requirements:**

32 **(1) The district is located in a town having a population of**
 33 **more than seven thousand (7,000) but less than eight thousand**
 34 **(8,000).**

35 **(2) The district is located within the boundaries of a historic**
 36 **district that is established by ordinance under IC 36-7-11-7.**

37 **An applicant is not eligible for a permit under this subsection if,**
 38 **less than two (2) years before the date of the application, the**
 39 **applicant sold a retailers' permit that was subject to IC 7.1-3-22**
 40 **and that was for premises located within the district described in**
 41 **this subsection. A permit issued under this subsection may not be**
 42 **transferred. If the commission issues two (2) new permits under**

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1 **this subsection and a permit issued under this subsection is later**
2 **revoked or is not renewed, the commission may issue another new**
3 **permit, as long as the total number of active permits issued under**
4 **this subsection does not exceed two (2) at any time. The**
5 **commission shall conduct an auction of the permits under**
6 **IC 7.1-3-22-9, except that the auction may be conducted at any**
7 **time as determined by the commission.**

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