

1 AN ACT concerning liquor.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Liquor Control Act of 1934 is amended by
5 changing Sections 4-2 and 6-2 as follows:

6 (235 ILCS 5/4-2) (from Ch. 43, par. 111)

7 Sec. 4-2. The mayor or president of the board of trustees
8 of each city, village or incorporated town or his or her
9 designee, and the president or chairman of the county board or
10 his or her designee, shall be the local liquor control
11 commissioner for their respective cities, villages,
12 incorporated towns and counties, and shall be charged with the
13 administration in their respective jurisdictions of the
14 appropriate provisions of this Act and of such ordinances and
15 resolutions relating to alcoholic liquor as may be enacted; but
16 the authority of the president or chairman of the county board
17 or his or her designee shall extend only to that area in any
18 county which lies outside the corporate limits of the cities,
19 villages and incorporated towns therein and those areas which
20 are owned by the county and are within the corporate limits of
21 the cities, villages and incorporated towns with a population
22 of less than 1,000,000, however, such county shall comply with
23 the operating rules of the municipal ordinances affected when

1 issuing their own licenses.

2 However, such mayor, president of the board of trustees or
3 president or chairman of the county board or his or her
4 designee may appoint a person or persons to assist him in the
5 exercise of the powers and the performance of the duties herein
6 provided for such local liquor control commissioner.

7 Notwithstanding any other provision of this Section to the
8 contrary, the mayor of a city with a population of 50,000 or
9 less or the president of a village with a population of 50,000
10 or less that has an interest in the manufacture, sale, or
11 distribution of alcoholic liquor must direct the council or
12 board over which he or she presides to appoint, by majority
13 vote, a person other than him or her to serve as the local
14 liquor control commissioner. The appointment must be made
15 within 30 days from the day on which the mayor or president
16 takes office, and the mayor or president cannot make
17 nominations or serve any other role in the appointment. To
18 prevent any conflict of interest, the mayor or president with
19 the interest in the manufacture, sale, or distribution of
20 alcoholic liquor shall not participate in any meetings,
21 hearings, or decisions on matters impacting the manufacture,
22 sale, or distribution of alcoholic liquor. Further, the
23 appointee (i) shall be an attorney with an active license to
24 practice law in the State of Illinois, (ii) shall not legally
25 represent liquor license applicants or holders before the
26 jurisdiction over which he or she presides as local liquor

1 control commissioner or before an adjacent jurisdiction, (iii)
2 shall not have an interest in the manufacture, sale, or
3 distribution of alcoholic liquor, and (iv) shall not be
4 appointed to a term to exceed the term of the mayor, president,
5 or members of the council or board.

6 (Source: P.A. 94-747, eff. 5-8-06.)

7 (235 ILCS 5/6-2) (from Ch. 43, par. 120)

8 Sec. 6-2. Issuance of licenses to certain persons
9 prohibited.

10 (a) Except as otherwise provided in subsection (b) of this
11 Section and in paragraph (1) of subsection (a) of Section 3-12,
12 no license of any kind issued by the State Commission or any
13 local commission shall be issued to:

14 (1) A person who is not a resident of any city, village
15 or county in which the premises covered by the license are
16 located; except in case of railroad or boat licenses.

17 (2) A person who is not of good character and
18 reputation in the community in which he resides.

19 (3) A person who is not a citizen of the United States.

20 (4) A person who has been convicted of a felony under
21 any Federal or State law, unless the Commission determines
22 that such person has been sufficiently rehabilitated to
23 warrant the public trust after considering matters set
24 forth in such person's application and the Commission's
25 investigation. The burden of proof of sufficient

1 rehabilitation shall be on the applicant.

2 (5) A person who has been convicted of keeping a place
3 of prostitution or keeping a place of juvenile
4 prostitution, promoting prostitution that involves keeping
5 a place of prostitution, or promoting juvenile
6 prostitution that involves keeping a place of juvenile
7 prostitution.

8 (6) A person who has been convicted of pandering or
9 other crime or misdemeanor opposed to decency and morality.

10 (7) A person whose license issued under this Act has
11 been revoked for cause.

12 (8) A person who at the time of application for renewal
13 of any license issued hereunder would not be eligible for
14 such license upon a first application.

15 (9) A copartnership, if any general partnership
16 thereof, or any limited partnership thereof, owning more
17 than 5% of the aggregate limited partner interest in such
18 copartnership would not be eligible to receive a license
19 hereunder for any reason other than residence within the
20 political subdivision, unless residency is required by
21 local ordinance.

22 (10) A corporation or limited liability company, if any
23 member, officer, manager or director thereof, or any
24 stockholder or stockholders owning in the aggregate more
25 than 5% of the stock of such corporation, would not be
26 eligible to receive a license hereunder for any reason

1 other than citizenship and residence within the political
2 subdivision.

3 (10a) A corporation or limited liability company
4 unless it is incorporated or organized in Illinois, or
5 unless it is a foreign corporation or foreign limited
6 liability company which is qualified under the Business
7 Corporation Act of 1983 or the Limited Liability Company
8 Act to transact business in Illinois. The Commission shall
9 permit and accept from an applicant for a license under
10 this Act proof prepared from the Secretary of State's
11 website that the corporation or limited liability company
12 is in good standing and is qualified under the Business
13 Corporation Act of 1983 or the Limited Liability Company
14 Act to transact business in Illinois.

15 (11) A person whose place of business is conducted by a
16 manager or agent unless the manager or agent possesses the
17 same qualifications required by the licensee.

18 (12) A person who has been convicted of a violation of
19 any Federal or State law concerning the manufacture,
20 possession or sale of alcoholic liquor, subsequent to the
21 passage of this Act or has forfeited his bond to appear in
22 court to answer charges for any such violation.

23 (13) A person who does not beneficially own the
24 premises for which a license is sought, or does not have a
25 lease thereon for the full period for which the license is
26 to be issued.

1 (14) Any law enforcing public official, including
2 members of local liquor control commissions, any mayor,
3 alderman, or member of the city council or commission, any
4 president of the village board of trustees, any member of a
5 village board of trustees, or any president or member of a
6 county board; and no such official shall have a direct
7 interest in the manufacture, sale, or distribution of
8 alcoholic liquor, except that a license may be granted to
9 such official in relation to premises that are not located
10 within the territory subject to the jurisdiction of that
11 official if the issuance of such license is approved by the
12 State Liquor Control Commission and except that a license
13 may be granted, in a city or village with a population of
14 50,000 or less, to any alderman, member of a city council,
15 or member of a village board of trustees in relation to
16 premises that are located within the territory subject to
17 the jurisdiction of that official if (i) the sale of
18 alcoholic liquor pursuant to the license is incidental to
19 the selling of food, (ii) the issuance of the license is
20 approved by the State Commission, (iii) the issuance of the
21 license is in accordance with all applicable local
22 ordinances in effect where the premises are located, and
23 (iv) the official granted a license does not vote on
24 alcoholic liquor issues pending before the board or council
25 to which the license holder is elected. Notwithstanding any
26 provision of this paragraph (14) to the contrary, an

1 alderman or member of a city council or commission, a
2 member of a village board of trustees other than the
3 president of the village board of trustees, or a member of
4 a county board other than the president of a county board
5 may have a direct interest in the manufacture, sale, or
6 distribution of alcoholic liquor as long as he or she is
7 not a law enforcing public official, a mayor, a village
8 board president, or president of a county board. To prevent
9 any conflict of interest, the elected official with the
10 direct interest in the manufacture, sale, or distribution
11 of alcoholic liquor shall not ~~cannot~~ participate in any
12 meetings, hearings, or decisions on matters impacting the
13 manufacture, sale, or distribution of alcoholic liquor.
14 Furthermore, the mayor of a city with a population of
15 50,000 or less or the president of a village with a
16 population of 50,000 or less may have an interest in the
17 manufacture, sale, or distribution of alcoholic liquor as
18 long as the council or board over which he or she presides
19 has made a local liquor control commissioner appointment
20 that complies with the requirements of Section 4-2 of this
21 Act.

22 (15) A person who is not a beneficial owner of the
23 business to be operated by the licensee.

24 (16) A person who has been convicted of a gambling
25 offense as proscribed by any of subsections (a) (3) through
26 (a) (11) of Section 28-1 of, or as proscribed by Section

1 28-1.1 or 28-3 of, the Criminal Code of 1961, or as
2 proscribed by a statute replaced by any of the aforesaid
3 statutory provisions.

4 (17) A person or entity to whom a federal wagering
5 stamp has been issued by the federal government, unless the
6 person or entity is eligible to be issued a license under
7 the Raffles Act or the Illinois Pull Tabs and Jar Games
8 Act.

9 (18) A person who intends to sell alcoholic liquors for
10 use or consumption on his or her licensed retail premises
11 who does not have liquor liability insurance coverage for
12 that premises in an amount that is at least equal to the
13 maximum liability amounts set out in subsection (a) of
14 Section 6-21.

15 (b) A criminal conviction of a corporation is not grounds
16 for the denial, suspension, or revocation of a license applied
17 for or held by the corporation if the criminal conviction was
18 not the result of a violation of any federal or State law
19 concerning the manufacture, possession or sale of alcoholic
20 liquor, the offense that led to the conviction did not result
21 in any financial gain to the corporation and the corporation
22 has terminated its relationship with each director, officer,
23 employee, or controlling shareholder whose actions directly
24 contributed to the conviction of the corporation. The
25 Commission shall determine if all provisions of this subsection
26 (b) have been met before any action on the corporation's

1 license is initiated.

2 (Source: P.A. 95-331, eff. 8-21-07; 96-1551, eff. 7-1-11.)

3 Section 99. Effective date. This Act takes effect upon
4 becoming law.