

AN ACT concerning liquor.

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

Section 5. The Liquor Control Act of 1934 is amended by changing Section 7-5 as follows:

(235 ILCS 5/7-5) (from Ch. 43, par. 149)

Sec. 7-5. The local liquor control commissioner may revoke or suspend any license issued by him if he determines that the licensee has violated any of the provisions of this Act or of any valid ordinance or resolution enacted by the particular city council, president, or board of trustees or county board (as the case may be) or any applicable rule or regulations established by the local liquor control commissioner or the State commission which is not inconsistent with law. Upon notification by the Illinois Department of Revenue, the State Commission, in accordance with Section 3-12, may refuse the issuance or renewal of a license, fine a licensee, or suspend or revoke any license issued by the State Commission if the licensee or license applicant has violated the provisions of Section 3 of the Retailers' Occupation Tax Act. In addition to the suspension, the local liquor control commissioner in any county or municipality may levy a fine on the licensee for such violations. The fine imposed shall not exceed \$1000 for a first

violation within a 12-month period, \$1,500 for a second violation within a 12-month period, and \$2,500 for a third or subsequent violation within a 12-month period. Each day on which a violation continues shall constitute a separate violation. Not more than \$15,000 in fines under this Section may be imposed against any licensee during the period of his license. Proceeds from such fines shall be paid into the general corporate fund of the county or municipal treasury, as the case may be.

However, no such license shall be so revoked or suspended and no licensee shall be fined except after a public hearing by the local liquor control commissioner with a 3 day written notice to the licensee affording the licensee an opportunity to appear and defend. All such hearings shall be open to the public and the local liquor control commissioner shall reduce all evidence to writing and shall maintain an official record of the proceedings. If the local liquor control commissioner has reason to believe that any continued operation of a particular licensed premises will immediately threaten the welfare of the community he may, upon the issuance of a written order stating the reason for such conclusion and without notice or hearing order the licensed premises closed for not more than 7 days, giving the licensee an opportunity to be heard during that period, except that if such licensee shall also be engaged in the conduct of another business or businesses on the licensed premises such order shall not be applicable to such

other business or businesses.

The local liquor control commissioner shall within 5 days after such hearing, if he determines after such hearing that the license should be revoked or suspended or that the licensee should be fined, state the reason or reasons for such determination in a written order, and either the amount of the fine, the period of suspension, or that the license has been revoked, and shall serve a copy of such order within the 5 days upon the licensee.

If the premises for which the license was issued are located outside of a city, village or incorporated town having a population of 500,000 or more inhabitants, the licensee after the receipt of such order of suspension or revocation shall have the privilege within a period of 20 days after the receipt of such order of suspension or revocation of appealing the order to the State commission for a decision sustaining, reversing or modifying the order of the local liquor control commissioner. If the State commission affirms the local commissioner's order to suspend or revoke the license at the first hearing, the appellant shall cease to engage in the business for which the license was issued, until the local commissioner's order is terminated by its own provisions or reversed upon rehearing or by the courts.

If the premises for which the license was issued are located within a city, village or incorporated town having a population of 500,000 or more inhabitants, the licensee shall

have the privilege, within a period of 20 days after the receipt of such order of fine, suspension or revocation, of appealing the order to the local license appeal commission and upon the filing of such an appeal by the licensee the license appeal commission shall determine the appeal upon certified record of proceedings of the local liquor commissioner in accordance with the provisions of Section 7-9. Within 30 days after such appeal was heard the license appeal commission shall render a decision sustaining or reversing the order of the local liquor control commissioner.

If the premises for which a license was issued are located within a city, village, or incorporated town having a population of 1,000,000 or more inhabitants and the local liquor control commissioner has evidence that the following criminal activity has occurred inside the licensed premises: the sale of or possession with intent to sell controlled substances or marijuana, the sale of or possession with intent to sell firearms, homicide, criminal sexual assault or criminal sexual abuse, aggravated assault or aggravated battery, then the local liquor control commissioner may, without notice or hearing, and upon the issuance of a written order stating that the continued operation of the licensed premises poses an immediate threat to the health, safety, or welfare of the community, order the licensed premises closed for a period of not more than 30 days, giving the licensee an opportunity to be heard during that period. Upon receipt of evidence of the

criminal activity by the local liquor control commissioner, the name of the licensee and the address of the licensed premises where the criminal activity is alleged to have occurred may be submitted by the local liquor control commissioner to the State Commission. If such information is received by the State Commission, then the State Commission must post that information in each of its offices in places available for public inspection not later than the day following the State Commission's receipt of the information. If the licensee is granted a continuance during the period of time the licensed premises is ordered to be closed, the licensed premises shall remain closed until a judgment is entered. Notwithstanding the foregoing, the licensed premises will be allowed to remain open if the criminal activity is timely reported by the licensee, or its agents, pursuant to local ordinance, and the criminal activity shall not be used as a basis for suspension under this Act. A distributor may, in coordination with the local liquor control commissioner and the local police department, remove any product from the licensed premises for which the distributor has not received full payment from the licensee at the time of the closure of the premises. The distributor shall provide the local liquor control commissioner with a document outlining the products for which full payment has not been received.

(Source: P.A. 95-331, eff. 8-21-07.)

Section 99. Effective date. This Act takes effect upon

Public Act 098-1054

HB1463 Enrolled

LRB098 07279 MGM 37342 b

becoming law.