

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 3-12, 5-1, and 6-4 as follows:

6 (235 ILCS 5/3-12)

7 Sec. 3-12. Powers and duties of State Commission.

8 (a) The State commission shall have the following powers,
9 functions, and duties:

10 (1) To receive applications and to issue licenses to
11 manufacturers, foreign importers, importing distributors,
12 distributors, non-resident dealers, on premise consumption
13 retailers, off premise sale retailers, special event
14 retailer licensees, special use permit licenses, auction
15 liquor licenses, brew pubs, caterer retailers,
16 non-beverage users, railroads, including owners and
17 lessees of sleeping, dining and cafe cars, airplanes,
18 boats, brokers, and wine maker's premises licensees in
19 accordance with the provisions of this Act, and to suspend
20 or revoke such licenses upon the State commission's
21 determination, upon notice after hearing, that a licensee
22 has violated any provision of this Act or any rule or
23 regulation issued pursuant thereto and in effect for 30

1 days prior to such violation. Except in the case of an
2 action taken pursuant to a violation of Section 6-3, 6-5,
3 or 6-9, any action by the State Commission to suspend or
4 revoke a licensee's license may be limited to the license
5 for the specific premises where the violation occurred. An
6 action for a violation of this Act shall be commenced by
7 the State Commission within 2 years after the date the
8 State Commission becomes aware of the violation.

9 In lieu of suspending or revoking a license, the
10 commission may impose a fine, upon the State commission's
11 determination and notice after hearing, that a licensee has
12 violated any provision of this Act or any rule or
13 regulation issued pursuant thereto and in effect for 30
14 days prior to such violation.

15 For the purpose of this paragraph (1), when determining
16 multiple violations for the sale of alcohol to a person
17 under the age of 21, a second or subsequent violation for
18 the sale of alcohol to a person under the age of 21 shall
19 only be considered if it was committed within 5 years after
20 the date when a prior violation for the sale of alcohol to
21 a person under the age of 21 was committed.

22 The fine imposed under this paragraph may not exceed
23 \$500 for each violation. Each day that the activity, which
24 gave rise to the original fine, continues is a separate
25 violation. The maximum fine that may be levied against any
26 licensee, for the period of the license, shall not exceed

1 \$20,000. The maximum penalty that may be imposed on a
2 licensee for selling a bottle of alcoholic liquor with a
3 foreign object in it or serving from a bottle of alcoholic
4 liquor with a foreign object in it shall be the destruction
5 of that bottle of alcoholic liquor for the first 10 bottles
6 so sold or served from by the licensee. For the eleventh
7 bottle of alcoholic liquor and for each third bottle
8 thereafter sold or served from by the licensee with a
9 foreign object in it, the maximum penalty that may be
10 imposed on the licensee is the destruction of the bottle of
11 alcoholic liquor and a fine of up to \$50.

12 Any notice issued by the State Commission to a licensee
13 for a violation of this Act or any notice with respect to
14 settlement or offer in compromise shall include the field
15 report, photographs, and any other supporting
16 documentation necessary to reasonably inform the licensee
17 of the nature and extent of the violation or the conduct
18 alleged to have occurred.

19 (2) To adopt such rules and regulations consistent with
20 the provisions of this Act which shall be necessary to
21 carry on its functions and duties to the end that the
22 health, safety and welfare of the People of the State of
23 Illinois shall be protected and temperance in the
24 consumption of alcoholic liquors shall be fostered and
25 promoted and to distribute copies of such rules and
26 regulations to all licensees affected thereby.

1 (3) To call upon other administrative departments of
2 the State, county and municipal governments, county and
3 city police departments and upon prosecuting officers for
4 such information and assistance as it deems necessary in
5 the performance of its duties.

6 (4) To recommend to local commissioners rules and
7 regulations, not inconsistent with the law, for the
8 distribution and sale of alcoholic liquors throughout the
9 State.

10 (5) To inspect, or cause to be inspected, any premises
11 in this State where alcoholic liquors are manufactured,
12 distributed, warehoused, or sold. Nothing in this Act
13 authorizes an agent of the Commission to inspect private
14 areas within the premises without reasonable suspicion or a
15 warrant during an inspection. "Private areas" include, but
16 are not limited to, safes, personal property, and closed
17 desks.

18 (5.1) Upon receipt of a complaint or upon having
19 knowledge that any person is engaged in business as a
20 manufacturer, importing distributor, distributor, or
21 retailer without a license or valid license, to notify the
22 local liquor authority, file a complaint with the State's
23 Attorney's Office of the county where the incident
24 occurred, or initiate an investigation with the
25 appropriate law enforcement officials.

26 (5.2) To issue a cease and desist notice to persons

1 shipping alcoholic liquor into this State from a point
2 outside of this State if the shipment is in violation of
3 this Act.

4 (5.3) To receive complaints from licensees, local
5 officials, law enforcement agencies, organizations, and
6 persons stating that any licensee has been or is violating
7 any provision of this Act or the rules and regulations
8 issued pursuant to this Act. Such complaints shall be in
9 writing, signed and sworn to by the person making the
10 complaint, and shall state with specificity the facts in
11 relation to the alleged violation. If the Commission has
12 reasonable grounds to believe that the complaint
13 substantially alleges a violation of this Act or rules and
14 regulations adopted pursuant to this Act, it shall conduct
15 an investigation. If, after conducting an investigation,
16 the Commission is satisfied that the alleged violation did
17 occur, it shall proceed with disciplinary action against
18 the licensee as provided in this Act.

19 (6) To hear and determine appeals from orders of a
20 local commission in accordance with the provisions of this
21 Act, as hereinafter set forth. Hearings under this
22 subsection shall be held in Springfield or Chicago, at
23 whichever location is the more convenient for the majority
24 of persons who are parties to the hearing.

25 (7) The commission shall establish uniform systems of
26 accounts to be kept by all retail licensees having more

1 than 4 employees, and for this purpose the commission may
2 classify all retail licensees having more than 4 employees
3 and establish a uniform system of accounts for each class
4 and prescribe the manner in which such accounts shall be
5 kept. The commission may also prescribe the forms of
6 accounts to be kept by all retail licensees having more
7 than 4 employees, including but not limited to accounts of
8 earnings and expenses and any distribution, payment, or
9 other distribution of earnings or assets, and any other
10 forms, records and memoranda which in the judgment of the
11 commission may be necessary or appropriate to carry out any
12 of the provisions of this Act, including but not limited to
13 such forms, records and memoranda as will readily and
14 accurately disclose at all times the beneficial ownership
15 of such retail licensed business. The accounts, forms,
16 records and memoranda shall be available at all reasonable
17 times for inspection by authorized representatives of the
18 State commission or by any local liquor control
19 commissioner or his or her authorized representative. The
20 commission, may, from time to time, alter, amend or repeal,
21 in whole or in part, any uniform system of accounts, or the
22 form and manner of keeping accounts.

23 (8) In the conduct of any hearing authorized to be held
24 by the commission, to appoint, at the commission's
25 discretion, hearing officers to conduct hearings involving
26 complex issues or issues that will require a protracted

1 period of time to resolve, to examine, or cause to be
2 examined, under oath, any licensee, and to examine or cause
3 to be examined the books and records of such licensee; to
4 hear testimony and take proof material for its information
5 in the discharge of its duties hereunder; to administer or
6 cause to be administered oaths; for any such purpose to
7 issue subpoena or subpoenas to require the attendance of
8 witnesses and the production of books, which shall be
9 effective in any part of this State, and to adopt rules to
10 implement its powers under this paragraph (8).

11 Any Circuit Court may by order duly entered, require
12 the attendance of witnesses and the production of relevant
13 books subpoenaed by the State commission and the court may
14 compel obedience to its order by proceedings for contempt.

15 (9) To investigate the administration of laws in
16 relation to alcoholic liquors in this and other states and
17 any foreign countries, and to recommend from time to time
18 to the Governor and through him or her to the legislature
19 of this State, such amendments to this Act, if any, as it
20 may think desirable and as will serve to further the
21 general broad purposes contained in Section 1-2 hereof.

22 (10) To adopt such rules and regulations consistent
23 with the provisions of this Act which shall be necessary
24 for the control, sale or disposition of alcoholic liquor
25 damaged as a result of an accident, wreck, flood, fire or
26 other similar occurrence.

1 (11) To develop industry educational programs related
2 to responsible serving and selling, particularly in the
3 areas of overserving consumers and illegal underage
4 purchasing and consumption of alcoholic beverages.

5 (11.1) To license persons providing education and
6 training to alcohol beverage sellers and servers for
7 mandatory and non-mandatory training under the Beverage
8 Alcohol Sellers and Servers Education and Training
9 (BASSET) programs and to develop and administer a public
10 awareness program in Illinois to reduce or eliminate the
11 illegal purchase and consumption of alcoholic beverage
12 products by persons under the age of 21. Application for a
13 license shall be made on forms provided by the State
14 Commission.

15 (12) To develop and maintain a repository of license
16 and regulatory information.

17 (13) On or before January 15, 1994, the Commission
18 shall issue a written report to the Governor and General
19 Assembly that is to be based on a comprehensive study of
20 the impact on and implications for the State of Illinois of
21 Section 1926 of the federal ADAMHA Reorganization Act of
22 1992 (Public Law 102-321). This study shall address the
23 extent to which Illinois currently complies with the
24 provisions of P.L. 102-321 and the rules promulgated
25 pursuant thereto.

26 As part of its report, the Commission shall provide the

1 following essential information:

2 (i) the number of retail distributors of tobacco
3 products, by type and geographic area, in the State;

4 (ii) the number of reported citations and
5 successful convictions, categorized by type and
6 location of retail distributor, for violation of the
7 Prevention of Tobacco Use by Minors and Sale and
8 Distribution of Tobacco Products Act and the Smokeless
9 Tobacco Limitation Act;

10 (iii) the extent and nature of organized
11 educational and governmental activities that are
12 intended to promote, encourage or otherwise secure
13 compliance with any Illinois laws that prohibit the
14 sale or distribution of tobacco products to minors; and

15 (iv) the level of access and availability of
16 tobacco products to individuals under the age of 18.

17 To obtain the data necessary to comply with the
18 provisions of P.L. 102-321 and the requirements of this
19 report, the Commission shall conduct random, unannounced
20 inspections of a geographically and scientifically
21 representative sample of the State's retail tobacco
22 distributors.

23 The Commission shall consult with the Department of
24 Public Health, the Department of Human Services, the
25 Illinois State Police and any other executive branch
26 agency, and private organizations that may have

1 information relevant to this report.

2 The Commission may contract with the Food and Drug
3 Administration of the U.S. Department of Health and Human
4 Services to conduct unannounced investigations of Illinois
5 tobacco vendors to determine compliance with federal laws
6 relating to the illegal sale of cigarettes and smokeless
7 tobacco products to persons under the age of 18.

8 (14) On or before April 30, 2008 and every 2 years
9 thereafter, the Commission shall present a written report
10 to the Governor and the General Assembly that shall be
11 based on a study of the impact of Public Act 95-634 on the
12 business of soliciting, selling, and shipping wine from
13 inside and outside of this State directly to residents of
14 this State. As part of its report, the Commission shall
15 provide all of the following information:

16 (A) The amount of State excise and sales tax
17 revenues generated.

18 (B) The amount of licensing fees received.

19 (C) The number of cases of wine shipped from inside
20 and outside of this State directly to residents of this
21 State.

22 (D) The number of alcohol compliance operations
23 conducted.

24 (E) The number of winery shipper's licenses
25 issued.

26 (F) The number of each of the following: reported

1 violations; cease and desist notices issued by the
2 Commission; notices of violations issued by the
3 Commission and to the Department of Revenue; and
4 notices and complaints of violations to law
5 enforcement officials, including, without limitation,
6 the Illinois Attorney General and the U.S. Department
7 of Treasury's Alcohol and Tobacco Tax and Trade Bureau.

8 (15) As a means to reduce the underage consumption of
9 alcoholic liquors, the Commission shall conduct alcohol
10 compliance operations to investigate whether businesses
11 that are soliciting, selling, and shipping wine from inside
12 or outside of this State directly to residents of this
13 State are licensed by this State or are selling or
14 attempting to sell wine to persons under 21 years of age in
15 violation of this Act.

16 (16) The Commission shall, in addition to notifying any
17 appropriate law enforcement agency, submit notices of
18 complaints or violations of Sections 6-29 and 6-29.1 by
19 persons who do not hold a winery shipper's license under
20 this Act to the Illinois Attorney General and to the U.S.
21 Department of Treasury's Alcohol and Tobacco Tax and Trade
22 Bureau.

23 (17) (A) A person licensed to make wine under the laws
24 of another state who has a winery shipper's license under
25 this Act and annually produces less than 25,000 gallons of
26 wine or a person who has a first-class or second-class wine

1 manufacturer's license, a first-class or second-class
2 wine-maker's license, or a limited wine manufacturer's
3 license under this Act and annually produces less than
4 25,000 gallons of wine may make application to the
5 Commission for a self-distribution exemption to allow the
6 sale of not more than 5,000 gallons of the exemption
7 holder's wine to retail licensees per year.

8 (B) In the application, which shall be sworn under
9 penalty of perjury, such person shall state (1) the date it
10 was established; (2) its volume of production and sales for
11 each year since its establishment; (3) its efforts to
12 establish distributor relationships; (4) that a
13 self-distribution exemption is necessary to facilitate the
14 marketing of its wine; and (5) that it will comply with the
15 liquor and revenue laws of the United States, this State,
16 and any other state where it is licensed.

17 (C) The Commission shall approve the application for a
18 self-distribution exemption if such person: (1) is in
19 compliance with State revenue and liquor laws; (2) is not a
20 member of any affiliated group that produces more than
21 25,000 gallons of wine per annum or produces any other
22 alcoholic liquor; (3) will not annually produce for sale
23 more than 25,000 gallons of wine; and (4) will not annually
24 sell more than 5,000 gallons of its wine to retail
25 licensees.

26 (D) A self-distribution exemption holder shall

1 annually certify to the Commission its production of wine
2 in the previous 12 months and its anticipated production
3 and sales for the next 12 months. The Commission may fine,
4 suspend, or revoke a self-distribution exemption after a
5 hearing if it finds that the exemption holder has made a
6 material misrepresentation in its application, violated a
7 revenue or liquor law of Illinois, exceeded production of
8 25,000 gallons of wine in any calendar year, or become part
9 of an affiliated group producing more than 25,000 gallons
10 of wine or any other alcoholic liquor.

11 (E) Except in hearings for violations of this Act or
12 Public Act 95-634 or a bona fide investigation by duly
13 sworn law enforcement officials, the Commission, or its
14 agents, the Commission shall maintain the production and
15 sales information of a self-distribution exemption holder
16 as confidential and shall not release such information to
17 any person.

18 (F) The Commission shall issue regulations governing
19 self-distribution exemptions consistent with this Section
20 and this Act.

21 (G) Nothing in this subsection (17) shall prohibit a
22 self-distribution exemption holder from entering into or
23 simultaneously having a distribution agreement with a
24 licensed Illinois distributor.

25 (H) It is the intent of this subsection (17) to promote
26 and continue orderly markets. The General Assembly finds

1 that in order to preserve Illinois' regulatory
2 distribution system it is necessary to create an exception
3 for smaller makers of wine as their wines are frequently
4 adjusted in varietals, mixes, vintages, and taste to find
5 and create market niches sometimes too small for
6 distributor or importing distributor business strategies.
7 Limited self-distribution rights will afford and allow
8 smaller makers of wine access to the marketplace in order
9 to develop a customer base without impairing the integrity
10 of the 3-tier system.

11 (18) (A) A class 1 brewer licensee, who must also be
12 either a licensed brewer or licensed non-resident dealer
13 and annually manufacture less than 930,000 gallons of beer,
14 may make application to the State Commission for a
15 self-distribution exemption to allow the sale of not more
16 than 232,500 gallons of the exemption holder's beer per
17 year to retail licensees and to brewers, class 1 brewers,
18 and class 2 brewers that, pursuant to subsection (e) of
19 Section 6-4 of this Act, sell beer, cider, or both beer and
20 cider to non-licensees at their breweries per year.

21 (B) In the application, which shall be sworn under
22 penalty of perjury, the class 1 brewer licensee shall state
23 (1) the date it was established; (2) its volume of beer
24 manufactured and sold for each year since its
25 establishment; (3) its efforts to establish distributor
26 relationships; (4) that a self-distribution exemption is

1 necessary to facilitate the marketing of its beer; and (5)
2 that it will comply with the alcoholic beverage and revenue
3 laws of the United States, this State, and any other state
4 where it is licensed.

5 (C) Any application submitted shall be posted on the
6 State Commission's website at least 45 days prior to action
7 by the State Commission. The State Commission shall approve
8 the application for a self-distribution exemption if the
9 class 1 brewer licensee: (1) is in compliance with the
10 State, revenue, and alcoholic beverage laws; (2) is not a
11 member of any affiliated group that manufactures more than
12 930,000 gallons of beer per annum or produces any other
13 alcoholic beverages; (3) shall not annually manufacture
14 for sale more than 930,000 gallons of beer; (4) shall not
15 annually sell more than 232,500 gallons of its beer to
16 retail licensees or to brewers, class 1 brewers, and class
17 2 brewers that, pursuant to subsection (e) of Section 6-4
18 of this Act, sell beer, cider, or both beer and cider to
19 non-licensees at their breweries; and (5) has relinquished
20 any brew pub license held by the licensee, including any
21 ownership interest it held in the licensed brew pub.

22 (D) A self-distribution exemption holder shall
23 annually certify to the State Commission its manufacture of
24 beer during the previous 12 months and its anticipated
25 manufacture and sales of beer for the next 12 months. The
26 State Commission may fine, suspend, or revoke a

1 self-distribution exemption after a hearing if it finds
2 that the exemption holder has made a material
3 misrepresentation in its application, violated a revenue
4 or alcoholic beverage law of Illinois, exceeded the
5 manufacture of 930,000 gallons of beer in any calendar year
6 or became part of an affiliated group manufacturing more
7 than 930,000 gallons of beer or any other alcoholic
8 beverage.

9 (E) The State Commission shall issue rules and
10 regulations governing self-distribution exemptions
11 consistent with this Act.

12 (F) Nothing in this paragraph (18) shall prohibit a
13 self-distribution exemption holder from entering into or
14 simultaneously having a distribution agreement with a
15 licensed Illinois importing distributor or a distributor.
16 If a self-distribution exemption holder enters into a
17 distribution agreement and has assigned distribution
18 rights to an importing distributor or distributor, then the
19 self-distribution exemption holder's distribution rights
20 in the assigned territories shall cease in a reasonable
21 time not to exceed 60 days.

22 (G) It is the intent of this paragraph (18) to promote
23 and continue orderly markets. The General Assembly finds
24 that in order to preserve Illinois' regulatory
25 distribution system, it is necessary to create an exception
26 for smaller manufacturers in order to afford and allow such

1 smaller manufacturers of beer access to the marketplace in
2 order to develop a customer base without impairing the
3 integrity of the 3-tier system.

4 (b) On or before April 30, 1999, the Commission shall
5 present a written report to the Governor and the General
6 Assembly that shall be based on a study of the impact of Public
7 Act 90-739 on the business of soliciting, selling, and shipping
8 alcoholic liquor from outside of this State directly to
9 residents of this State.

10 As part of its report, the Commission shall provide the
11 following information:

12 (i) the amount of State excise and sales tax revenues
13 generated as a result of Public Act 90-739;

14 (ii) the amount of licensing fees received as a result
15 of Public Act 90-739;

16 (iii) the number of reported violations, the number of
17 cease and desist notices issued by the Commission, the
18 number of notices of violations issued to the Department of
19 Revenue, and the number of notices and complaints of
20 violations to law enforcement officials.

21 (Source: P.A. 99-78, eff. 7-20-15; 99-448, eff. 8-24-15;
22 100-134, eff. 8-18-17; 100-201, eff. 8-18-17.)

23 (235 ILCS 5/5-1) (from Ch. 43, par. 115)

24 Sec. 5-1. Licenses issued by the Illinois Liquor Control
25 Commission shall be of the following classes:

1 (a) Manufacturer's license - Class 1. Distiller, Class 2.
2 Rectifier, Class 3. Brewer, Class 4. First Class Wine
3 Manufacturer, Class 5. Second Class Wine Manufacturer, Class 6.
4 First Class Winemaker, Class 7. Second Class Winemaker, Class
5 8. Limited Wine Manufacturer, Class 9. Craft Distiller, Class
6 10. Class 1 Brewer, Class 11. Class 2 Brewer,

7 (b) Distributor's license,

8 (c) Importing Distributor's license,

9 (d) Retailer's license,

10 (e) Special Event Retailer's license (not-for-profit),

11 (f) Railroad license,

12 (g) Boat license,

13 (h) Non-Beverage User's license,

14 (i) Wine-maker's premises license,

15 (j) Airplane license,

16 (k) Foreign importer's license,

17 (l) Broker's license,

18 (m) Non-resident dealer's license,

19 (n) Brew Pub license,

20 (o) Auction liquor license,

21 (p) Caterer retailer license,

22 (q) Special use permit license,

23 (r) Winery shipper's license,

24 (s) Craft distiller tasting permit.

25 No person, firm, partnership, corporation, or other legal
26 business entity that is engaged in the manufacturing of wine

1 may concurrently obtain and hold a wine-maker's license and a
2 wine manufacturer's license.

3 (a) A manufacturer's license shall allow the manufacture,
4 importation in bulk, storage, distribution and sale of
5 alcoholic liquor to persons without the State, as may be
6 permitted by law and to licensees in this State as follows:

7 Class 1. A Distiller may make sales and deliveries of
8 alcoholic liquor to distillers, rectifiers, importing
9 distributors, distributors and non-beverage users and to no
10 other licensees.

11 Class 2. A Rectifier, who is not a distiller, as defined
12 herein, may make sales and deliveries of alcoholic liquor to
13 rectifiers, importing distributors, distributors, retailers
14 and non-beverage users and to no other licensees.

15 Class 3. A Brewer may make sales and deliveries of beer to
16 importing distributors and distributors and may make sales as
17 authorized under subsection (e) of Section 6-4 of this Act.

18 Class 4. A first class wine-manufacturer may make sales and
19 deliveries of up to 50,000 gallons of wine to manufacturers,
20 importing distributors and distributors, and to no other
21 licensees.

22 Class 5. A second class Wine manufacturer may make sales
23 and deliveries of more than 50,000 gallons of wine to
24 manufacturers, importing distributors and distributors and to
25 no other licensees.

26 Class 6. A first-class wine-maker's license shall allow the

1 manufacture of up to 50,000 gallons of wine per year, and the
2 storage and sale of such wine to distributors in the State and
3 to persons without the State, as may be permitted by law. A
4 person who, prior to June 1, 2008 (the effective date of Public
5 Act 95-634), is a holder of a first-class wine-maker's license
6 and annually produces more than 25,000 gallons of its own wine
7 and who distributes its wine to licensed retailers shall cease
8 this practice on or before July 1, 2008 in compliance with
9 Public Act 95-634.

10 Class 7. A second-class wine-maker's license shall allow
11 the manufacture of between 50,000 and 150,000 gallons of wine
12 per year, and the storage and sale of such wine to distributors
13 in this State and to persons without the State, as may be
14 permitted by law. A person who, prior to June 1, 2008 (the
15 effective date of Public Act 95-634), is a holder of a
16 second-class wine-maker's license and annually produces more
17 than 25,000 gallons of its own wine and who distributes its
18 wine to licensed retailers shall cease this practice on or
19 before July 1, 2008 in compliance with Public Act 95-634.

20 Class 8. A limited wine-manufacturer may make sales and
21 deliveries not to exceed 40,000 gallons of wine per year to
22 distributors, and to non-licensees in accordance with the
23 provisions of this Act.

24 Class 9. A craft distiller license shall allow the
25 manufacture of up to 100,000 gallons of spirits by distillation
26 per year and the storage of such spirits. If a craft distiller

1 licensee, including a craft distiller licensee who holds more
2 than one craft distiller license, is not affiliated with any
3 other manufacturer of spirits, then the craft distiller
4 licensee may sell such spirits to distributors in this State
5 and up to 2,500 gallons of such spirits to non-licensees to the
6 extent permitted by any exemption approved by the Commission
7 pursuant to Section 6-4 of this Act. A craft distiller license
8 holder may store such spirits at a non-contiguous licensed
9 location, but at no time shall a craft distiller license holder
10 directly or indirectly produce in the aggregate more than
11 100,000 gallons of spirits per year.

12 A craft distiller licensee may hold more than one craft
13 distiller's license. However, a craft distiller that holds more
14 than one craft distiller license shall not manufacture, in the
15 aggregate, more than 100,000 gallons of spirits by distillation
16 per year and shall not sell, in the aggregate, more than 2,500
17 gallons of such spirits to non-licensees in accordance with an
18 exemption approved by the State Commission pursuant to Section
19 6-4 of this Act.

20 Any craft distiller licensed under this Act who on July 28,
21 2010 (the effective date of Public Act 96-1367) was licensed as
22 a distiller and manufactured no more spirits than permitted by
23 this Section shall not be required to pay the initial licensing
24 fee.

25 Class 10. A class 1 brewer license, which may only be
26 issued to a licensed brewer or licensed non-resident dealer,

1 shall allow the manufacture of up to 930,000 gallons of beer
2 per year provided that the class 1 brewer licensee does not
3 manufacture more than a combined 930,000 gallons of beer per
4 year and is not a member of or affiliated with, directly or
5 indirectly, a manufacturer that produces more than 930,000
6 gallons of beer per year or any other alcoholic liquor. A class
7 1 brewer licensee may make sales and deliveries to importing
8 distributors and distributors and to retail licensees in
9 accordance with the conditions set forth in paragraph (18) of
10 subsection (a) of Section 3-12 of this Act.

11 Class 11. A class 2 brewer license, which may only be
12 issued to a licensed brewer or licensed non-resident dealer,
13 shall allow the manufacture of up to 3,720,000 gallons of beer
14 per year provided that the class 2 brewer licensee does not
15 manufacture more than a combined 3,720,000 gallons of beer per
16 year and is not a member of or affiliated with, directly or
17 indirectly, a manufacturer that produces more than 3,720,000
18 gallons of beer per year or any other alcoholic liquor. A class
19 2 brewer licensee may make sales and deliveries to importing
20 distributors and distributors, but shall not make sales or
21 deliveries to any other licensee. If the State Commission
22 provides prior approval, a class 2 brewer licensee may annually
23 transfer up to 3,720,000 gallons of beer manufactured by that
24 class 2 brewer licensee to the premises of a licensed class 2
25 brewer wholly owned and operated by the same licensee.

26 (a-1) A manufacturer which is licensed in this State to

1 make sales or deliveries of alcoholic liquor to licensed
2 distributors or importing distributors and which enlists
3 agents, representatives, or individuals acting on its behalf
4 who contact licensed retailers on a regular and continual basis
5 in this State must register those agents, representatives, or
6 persons acting on its behalf with the State Commission.

7 Registration of agents, representatives, or persons acting
8 on behalf of a manufacturer is fulfilled by submitting a form
9 to the Commission. The form shall be developed by the
10 Commission and shall include the name and address of the
11 applicant, the name and address of the manufacturer he or she
12 represents, the territory or areas assigned to sell to or
13 discuss pricing terms of alcoholic liquor, and any other
14 questions deemed appropriate and necessary. All statements in
15 the forms required to be made by law or by rule shall be deemed
16 material, and any person who knowingly misstates any material
17 fact under oath in an application is guilty of a Class B
18 misdemeanor. Fraud, misrepresentation, false statements,
19 misleading statements, evasions, or suppression of material
20 facts in the securing of a registration are grounds for
21 suspension or revocation of the registration. The State
22 Commission shall post a list of registered agents on the
23 Commission's website.

24 (b) A distributor's license shall allow the wholesale
25 purchase and storage of alcoholic liquors and sale of alcoholic
26 liquors to licensees in this State and to persons without the

1 State, as may be permitted by law, and the sale of beer, cider,
2 or both beer and cider to brewers, class 1 brewers, and class 2
3 brewers that, pursuant to subsection (e) of Section 6-4 of this
4 Act, sell beer, cider, or both beer and cider to non-licensees
5 at their breweries. No person licensed as a distributor shall
6 be granted a non-resident dealer's license.

7 (c) An importing distributor's license may be issued to and
8 held by those only who are duly licensed distributors, upon the
9 filing of an application by a duly licensed distributor, with
10 the Commission and the Commission shall, without the payment of
11 any fee, immediately issue such importing distributor's
12 license to the applicant, which shall allow the importation of
13 alcoholic liquor by the licensee into this State from any point
14 in the United States outside this State, and the purchase of
15 alcoholic liquor in barrels, casks or other bulk containers and
16 the bottling of such alcoholic liquors before resale thereof,
17 but all bottles or containers so filled shall be sealed,
18 labeled, stamped and otherwise made to comply with all
19 provisions, rules and regulations governing manufacturers in
20 the preparation and bottling of alcoholic liquors. The
21 importing distributor's license shall permit such licensee to
22 purchase alcoholic liquor from Illinois licensed non-resident
23 dealers and foreign importers only. No person licensed as an
24 importing distributor shall be granted a non-resident dealer's
25 license.

26 (d) A retailer's license shall allow the licensee to sell

1 and offer for sale at retail, only in the premises specified in
2 the license, alcoholic liquor for use or consumption, but not
3 for resale in any form. Nothing in Public Act 95-634 shall
4 deny, limit, remove, or restrict the ability of a holder of a
5 retailer's license to transfer, deliver, or ship alcoholic
6 liquor to the purchaser for use or consumption subject to any
7 applicable local law or ordinance. Any retail license issued to
8 a manufacturer shall only permit the manufacturer to sell beer
9 at retail on the premises actually occupied by the
10 manufacturer. For the purpose of further describing the type of
11 business conducted at a retail licensed premises, a retailer's
12 licensee may be designated by the State Commission as (i) an on
13 premise consumption retailer, (ii) an off premise sale
14 retailer, or (iii) a combined on premise consumption and off
15 premise sale retailer.

16 Notwithstanding any other provision of this subsection
17 (d), a retail licensee may sell alcoholic liquors to a special
18 event retailer licensee for resale to the extent permitted
19 under subsection (e).

20 (e) A special event retailer's license (not-for-profit)
21 shall permit the licensee to purchase alcoholic liquors from an
22 Illinois licensed distributor (unless the licensee purchases
23 less than \$500 of alcoholic liquors for the special event, in
24 which case the licensee may purchase the alcoholic liquors from
25 a licensed retailer) and shall allow the licensee to sell and
26 offer for sale, at retail, alcoholic liquors for use or

1 consumption, but not for resale in any form and only at the
2 location and on the specific dates designated for the special
3 event in the license. An applicant for a special event retailer
4 license must (i) furnish with the application: (A) a resale
5 number issued under Section 2c of the Retailers' Occupation Tax
6 Act or evidence that the applicant is registered under Section
7 2a of the Retailers' Occupation Tax Act, (B) a current, valid
8 exemption identification number issued under Section 1g of the
9 Retailers' Occupation Tax Act, and a certification to the
10 Commission that the purchase of alcoholic liquors will be a
11 tax-exempt purchase, or (C) a statement that the applicant is
12 not registered under Section 2a of the Retailers' Occupation
13 Tax Act, does not hold a resale number under Section 2c of the
14 Retailers' Occupation Tax Act, and does not hold an exemption
15 number under Section 1g of the Retailers' Occupation Tax Act,
16 in which event the Commission shall set forth on the special
17 event retailer's license a statement to that effect; (ii)
18 submit with the application proof satisfactory to the State
19 Commission that the applicant will provide dram shop liability
20 insurance in the maximum limits; and (iii) show proof
21 satisfactory to the State Commission that the applicant has
22 obtained local authority approval.

23 (f) A railroad license shall permit the licensee to import
24 alcoholic liquors into this State from any point in the United
25 States outside this State and to store such alcoholic liquors
26 in this State; to make wholesale purchases of alcoholic liquors

1 directly from manufacturers, foreign importers, distributors
2 and importing distributors from within or outside this State;
3 and to store such alcoholic liquors in this State; provided
4 that the above powers may be exercised only in connection with
5 the importation, purchase or storage of alcoholic liquors to be
6 sold or dispensed on a club, buffet, lounge or dining car
7 operated on an electric, gas or steam railway in this State;
8 and provided further, that railroad licensees exercising the
9 above powers shall be subject to all provisions of Article VIII
10 of this Act as applied to importing distributors. A railroad
11 license shall also permit the licensee to sell or dispense
12 alcoholic liquors on any club, buffet, lounge or dining car
13 operated on an electric, gas or steam railway regularly
14 operated by a common carrier in this State, but shall not
15 permit the sale for resale of any alcoholic liquors to any
16 licensee within this State. A license shall be obtained for
17 each car in which such sales are made.

18 (g) A boat license shall allow the sale of alcoholic liquor
19 in individual drinks, on any passenger boat regularly operated
20 as a common carrier on navigable waters in this State or on any
21 riverboat operated under the Riverboat Gambling Act, which boat
22 or riverboat maintains a public dining room or restaurant
23 thereon.

24 (h) A non-beverage user's license shall allow the licensee
25 to purchase alcoholic liquor from a licensed manufacturer or
26 importing distributor, without the imposition of any tax upon

1 the business of such licensed manufacturer or importing
 2 distributor as to such alcoholic liquor to be used by such
 3 licensee solely for the non-beverage purposes set forth in
 4 subsection (a) of Section 8-1 of this Act, and such licenses
 5 shall be divided and classified and shall permit the purchase,
 6 possession and use of limited and stated quantities of
 7 alcoholic liquor as follows:

- 8 Class 1, not to exceed 500 gallons
- 9 Class 2, not to exceed 1,000 gallons
- 10 Class 3, not to exceed 5,000 gallons
- 11 Class 4, not to exceed 10,000 gallons
- 12 Class 5, not to exceed 50,000 gallons

13 (i) A wine-maker's premises license shall allow a licensee
 14 that concurrently holds a first-class wine-maker's license to
 15 sell and offer for sale at retail in the premises specified in
 16 such license not more than 50,000 gallons of the first-class
 17 wine-maker's wine that is made at the first-class wine-maker's
 18 licensed premises per year for use or consumption, but not for
 19 resale in any form. A wine-maker's premises license shall allow
 20 a licensee who concurrently holds a second-class wine-maker's
 21 license to sell and offer for sale at retail in the premises
 22 specified in such license up to 100,000 gallons of the
 23 second-class wine-maker's wine that is made at the second-class
 24 wine-maker's licensed premises per year for use or consumption
 25 but not for resale in any form. A wine-maker's premises license
 26 shall allow a licensee that concurrently holds a first-class

1 wine-maker's license or a second-class wine-maker's license to
2 sell and offer for sale at retail at the premises specified in
3 the wine-maker's premises license, for use or consumption but
4 not for resale in any form, any beer, wine, and spirits
5 purchased from a licensed distributor. Upon approval from the
6 State Commission, a wine-maker's premises license shall allow
7 the licensee to sell and offer for sale at (i) the wine-maker's
8 licensed premises and (ii) at up to 2 additional locations for
9 use and consumption and not for resale. Each location shall
10 require additional licensing per location as specified in
11 Section 5-3 of this Act. A wine-maker's premises licensee shall
12 secure liquor liability insurance coverage in an amount at
13 least equal to the maximum liability amounts set forth in
14 subsection (a) of Section 6-21 of this Act.

15 (j) An airplane license shall permit the licensee to import
16 alcoholic liquors into this State from any point in the United
17 States outside this State and to store such alcoholic liquors
18 in this State; to make wholesale purchases of alcoholic liquors
19 directly from manufacturers, foreign importers, distributors
20 and importing distributors from within or outside this State;
21 and to store such alcoholic liquors in this State; provided
22 that the above powers may be exercised only in connection with
23 the importation, purchase or storage of alcoholic liquors to be
24 sold or dispensed on an airplane; and provided further, that
25 airplane licensees exercising the above powers shall be subject
26 to all provisions of Article VIII of this Act as applied to

1 importing distributors. An airplane licensee shall also permit
2 the sale or dispensing of alcoholic liquors on any passenger
3 airplane regularly operated by a common carrier in this State,
4 but shall not permit the sale for resale of any alcoholic
5 liquors to any licensee within this State. A single airplane
6 license shall be required of an airline company if liquor
7 service is provided on board aircraft in this State. The annual
8 fee for such license shall be as determined in Section 5-3.

9 (k) A foreign importer's license shall permit such licensee
10 to purchase alcoholic liquor from Illinois licensed
11 non-resident dealers only, and to import alcoholic liquor other
12 than in bulk from any point outside the United States and to
13 sell such alcoholic liquor to Illinois licensed importing
14 distributors and to no one else in Illinois; provided that (i)
15 the foreign importer registers with the State Commission every
16 brand of alcoholic liquor that it proposes to sell to Illinois
17 licensees during the license period, (ii) the foreign importer
18 complies with all of the provisions of Section 6-9 of this Act
19 with respect to registration of such Illinois licensees as may
20 be granted the right to sell such brands at wholesale, and
21 (iii) the foreign importer complies with the provisions of
22 Sections 6-5 and 6-6 of this Act to the same extent that these
23 provisions apply to manufacturers.

24 (l) (i) A broker's license shall be required of all persons
25 who solicit orders for, offer to sell or offer to supply
26 alcoholic liquor to retailers in the State of Illinois, or who

1 offer to retailers to ship or cause to be shipped or to make
2 contact with distillers, rectifiers, brewers or manufacturers
3 or any other party within or without the State of Illinois in
4 order that alcoholic liquors be shipped to a distributor,
5 importing distributor or foreign importer, whether such
6 solicitation or offer is consummated within or without the
7 State of Illinois.

8 No holder of a retailer's license issued by the Illinois
9 Liquor Control Commission shall purchase or receive any
10 alcoholic liquor, the order for which was solicited or offered
11 for sale to such retailer by a broker unless the broker is the
12 holder of a valid broker's license.

13 The broker shall, upon the acceptance by a retailer of the
14 broker's solicitation of an order or offer to sell or supply or
15 deliver or have delivered alcoholic liquors, promptly forward
16 to the Illinois Liquor Control Commission a notification of
17 said transaction in such form as the Commission may by
18 regulations prescribe.

19 (ii) A broker's license shall be required of a person
20 within this State, other than a retail licensee, who, for a fee
21 or commission, promotes, solicits, or accepts orders for
22 alcoholic liquor, for use or consumption and not for resale, to
23 be shipped from this State and delivered to residents outside
24 of this State by an express company, common carrier, or
25 contract carrier. This Section does not apply to any person who
26 promotes, solicits, or accepts orders for wine as specifically

1 authorized in Section 6-29 of this Act.

2 A broker's license under this subsection (1) shall not
3 entitle the holder to buy or sell any alcoholic liquors for his
4 own account or to take or deliver title to such alcoholic
5 liquors.

6 This subsection (1) shall not apply to distributors,
7 employees of distributors, or employees of a manufacturer who
8 has registered the trademark, brand or name of the alcoholic
9 liquor pursuant to Section 6-9 of this Act, and who regularly
10 sells such alcoholic liquor in the State of Illinois only to
11 its registrants thereunder.

12 Any agent, representative, or person subject to
13 registration pursuant to subsection (a-1) of this Section shall
14 not be eligible to receive a broker's license.

15 (m) A non-resident dealer's license shall permit such
16 licensee to ship into and warehouse alcoholic liquor into this
17 State from any point outside of this State, and to sell such
18 alcoholic liquor to Illinois licensed foreign importers and
19 importing distributors and to no one else in this State;
20 provided that (i) said non-resident dealer shall register with
21 the Illinois Liquor Control Commission each and every brand of
22 alcoholic liquor which it proposes to sell to Illinois
23 licensees during the license period, (ii) it shall comply with
24 all of the provisions of Section 6-9 hereof with respect to
25 registration of such Illinois licensees as may be granted the
26 right to sell such brands at wholesale, and (iii) the

1 non-resident dealer shall comply with the provisions of
2 Sections 6-5 and 6-6 of this Act to the same extent that these
3 provisions apply to manufacturers. No person licensed as a
4 non-resident dealer shall be granted a distributor's or
5 importing distributor's license.

6 (n) A brew pub license shall allow the licensee to only (i)
7 manufacture up to 155,000 gallons of beer per year only on the
8 premises specified in the license, (ii) make sales of the beer
9 manufactured on the premises or, with the approval of the
10 Commission, beer manufactured on another brew pub licensed
11 premises that is wholly owned and operated by the same licensee
12 to importing distributors, distributors, and to non-licensees
13 for use and consumption, (iii) store the beer upon the
14 premises, (iv) sell and offer for sale at retail from the
15 licensed premises for off-premises consumption no more than
16 155,000 gallons per year so long as such sales are only made
17 in-person, (v) sell and offer for sale at retail for use and
18 consumption on the premises specified in the license any form
19 of alcoholic liquor purchased from a licensed distributor or
20 importing distributor, and (vi) with the prior approval of the
21 Commission, annually transfer no more than 155,000 gallons of
22 beer manufactured on the premises to a licensed brew pub wholly
23 owned and operated by the same licensee.

24 A brew pub licensee shall not under any circumstance sell
25 or offer for sale beer manufactured by the brew pub licensee to
26 retail licensees.

1 A person who holds a class 2 brewer license may
2 simultaneously hold a brew pub license if the class 2 brewer
3 (i) does not, under any circumstance, sell or offer for sale
4 beer manufactured by the class 2 brewer to retail licensees;
5 (ii) does not hold more than 3 brew pub licenses in this State;
6 (iii) does not manufacture more than a combined 3,720,000
7 gallons of beer per year, including the beer manufactured at
8 the brew pub; and (iv) is not a member of or affiliated with,
9 directly or indirectly, a manufacturer that produces more than
10 3,720,000 gallons of beer per year or any other alcoholic
11 liquor.

12 Notwithstanding any other provision of this Act, a licensed
13 brewer, class 2 brewer, or non-resident dealer who before July
14 1, 2015 manufactured less than 3,720,000 gallons of beer per
15 year and held a brew pub license on or before July 1, 2015 may
16 (i) continue to qualify for and hold that brew pub license for
17 the licensed premises and (ii) manufacture more than 3,720,000
18 gallons of beer per year and continue to qualify for and hold
19 that brew pub license if that brewer, class 2 brewer, or
20 non-resident dealer does not simultaneously hold a class 1
21 brewer license and is not a member of or affiliated with,
22 directly or indirectly, a manufacturer that produces more than
23 3,720,000 gallons of beer per year or that produces any other
24 alcoholic liquor.

25 (o) A caterer retailer license shall allow the holder to
26 serve alcoholic liquors as an incidental part of a food service

1 that serves prepared meals which excludes the serving of snacks
2 as the primary meal, either on or off-site whether licensed or
3 unlicensed.

4 (p) An auction liquor license shall allow the licensee to
5 sell and offer for sale at auction wine and spirits for use or
6 consumption, or for resale by an Illinois liquor licensee in
7 accordance with provisions of this Act. An auction liquor
8 license will be issued to a person and it will permit the
9 auction liquor licensee to hold the auction anywhere in the
10 State. An auction liquor license must be obtained for each
11 auction at least 14 days in advance of the auction date.

12 (q) A special use permit license shall allow an Illinois
13 licensed retailer to transfer a portion of its alcoholic liquor
14 inventory from its retail licensed premises to the premises
15 specified in the license hereby created, and to sell or offer
16 for sale at retail, only in the premises specified in the
17 license hereby created, the transferred alcoholic liquor for
18 use or consumption, but not for resale in any form. A special
19 use permit license may be granted for the following time
20 periods: one day or less; 2 or more days to a maximum of 15 days
21 per location in any 12-month period. An applicant for the
22 special use permit license must also submit with the
23 application proof satisfactory to the State Commission that the
24 applicant will provide dram shop liability insurance to the
25 maximum limits and have local authority approval.

26 (r) A winery shipper's license shall allow a person with a

1 first-class or second-class wine manufacturer's license, a
2 first-class or second-class wine-maker's license, or a limited
3 wine manufacturer's license or who is licensed to make wine
4 under the laws of another state to ship wine made by that
5 licensee directly to a resident of this State who is 21 years
6 of age or older for that resident's personal use and not for
7 resale. Prior to receiving a winery shipper's license, an
8 applicant for the license must provide the Commission with a
9 true copy of its current license in any state in which it is
10 licensed as a manufacturer of wine. An applicant for a winery
11 shipper's license must also complete an application form that
12 provides any other information the Commission deems necessary.
13 The application form shall include all addresses from which the
14 applicant for a winery shipper's license intends to ship wine,
15 including the name and address of any third party, except for a
16 common carrier, authorized to ship wine on behalf of the
17 manufacturer. The application form shall include an
18 acknowledgement consenting to the jurisdiction of the
19 Commission, the Illinois Department of Revenue, and the courts
20 of this State concerning the enforcement of this Act and any
21 related laws, rules, and regulations, including authorizing
22 the Department of Revenue and the Commission to conduct audits
23 for the purpose of ensuring compliance with Public Act 95-634,
24 and an acknowledgement that the wine manufacturer is in
25 compliance with Section 6-2 of this Act. Any third party,
26 except for a common carrier, authorized to ship wine on behalf

1 of a first-class or second-class wine manufacturer's licensee,
2 a first-class or second-class wine-maker's licensee, a limited
3 wine manufacturer's licensee, or a person who is licensed to
4 make wine under the laws of another state shall also be
5 disclosed by the winery shipper's licensee, and a copy of the
6 written appointment of the third-party wine provider, except
7 for a common carrier, to the wine manufacturer shall be filed
8 with the State Commission as a supplement to the winery
9 shipper's license application or any renewal thereof. The
10 winery shipper's license holder shall affirm under penalty of
11 perjury, as part of the winery shipper's license application or
12 renewal, that he or she only ships wine, either directly or
13 indirectly through a third-party provider, from the licensee's
14 own production.

15 Except for a common carrier, a third-party provider
16 shipping wine on behalf of a winery shipper's license holder is
17 the agent of the winery shipper's license holder and, as such,
18 a winery shipper's license holder is responsible for the acts
19 and omissions of the third-party provider acting on behalf of
20 the license holder. A third-party provider, except for a common
21 carrier, that engages in shipping wine into Illinois on behalf
22 of a winery shipper's license holder shall consent to the
23 jurisdiction of the State Commission and the State. Any
24 third-party, except for a common carrier, holding such an
25 appointment shall, by February 1 of each calendar year and upon
26 request by the State Commission or the Department of Revenue,

1 file with the State Commission a statement detailing each
2 shipment made to an Illinois resident. The statement shall
3 include the name and address of the third-party provider filing
4 the statement, the time period covered by the statement, and
5 the following information:

6 (1) the name, address, and license number of the winery
7 shipper on whose behalf the shipment was made;

8 (2) the quantity of the products delivered; and

9 (3) the date and address of the shipment.

10 If the Department of Revenue or the State Commission requests a
11 statement under this paragraph, the third-party provider must
12 provide that statement no later than 30 days after the request
13 is made. Any books, records, supporting papers, and documents
14 containing information and data relating to a statement under
15 this paragraph shall be kept and preserved for a period of 3
16 years, unless their destruction sooner is authorized, in
17 writing, by the Director of Revenue, and shall be open and
18 available to inspection by the Director of Revenue or the State
19 Commission or any duly authorized officer, agent, or employee
20 of the State Commission or the Department of Revenue, at all
21 times during business hours of the day. Any person who violates
22 any provision of this paragraph or any rule of the State
23 Commission for the administration and enforcement of the
24 provisions of this paragraph is guilty of a Class C
25 misdemeanor. In case of a continuing violation, each day's
26 continuance thereof shall be a separate and distinct offense.

1 The State Commission shall adopt rules as soon as
2 practicable to implement the requirements of Public Act 99-904
3 and shall adopt rules prohibiting any such third-party
4 appointment of a third-party provider, except for a common
5 carrier, that has been deemed by the State Commission to have
6 violated the provisions of this Act with regard to any winery
7 shipper licensee.

8 A winery shipper licensee must pay to the Department of
9 Revenue the State liquor gallonage tax under Section 8-1 for
10 all wine that is sold by the licensee and shipped to a person
11 in this State. For the purposes of Section 8-1, a winery
12 shipper licensee shall be taxed in the same manner as a
13 manufacturer of wine. A licensee who is not otherwise required
14 to register under the Retailers' Occupation Tax Act must
15 register under the Use Tax Act to collect and remit use tax to
16 the Department of Revenue for all gallons of wine that are sold
17 by the licensee and shipped to persons in this State. If a
18 licensee fails to remit the tax imposed under this Act in
19 accordance with the provisions of Article VIII of this Act, the
20 winery shipper's license shall be revoked in accordance with
21 the provisions of Article VII of this Act. If a licensee fails
22 to properly register and remit tax under the Use Tax Act or the
23 Retailers' Occupation Tax Act for all wine that is sold by the
24 winery shipper and shipped to persons in this State, the winery
25 shipper's license shall be revoked in accordance with the
26 provisions of Article VII of this Act.

1 A winery shipper licensee must collect, maintain, and
2 submit to the Commission on a semi-annual basis the total
3 number of cases per resident of wine shipped to residents of
4 this State. A winery shipper licensed under this subsection (r)
5 must comply with the requirements of Section 6-29 of this Act.

6 Pursuant to paragraph (5.1) or (5.3) of subsection (a) of
7 Section 3-12, the State Commission may receive, respond to, and
8 investigate any complaint and impose any of the remedies
9 specified in paragraph (1) of subsection (a) of Section 3-12.

10 As used in this subsection, "third-party provider" means
11 any entity that provides fulfillment house services, including
12 warehousing, packaging, distribution, order processing, or
13 shipment of wine, but not the sale of wine, on behalf of a
14 licensed winery shipper.

15 (s) A craft distiller tasting permit license shall allow an
16 Illinois licensed craft distiller to transfer a portion of its
17 alcoholic liquor inventory from its craft distiller licensed
18 premises to the premises specified in the license hereby
19 created and to conduct a sampling, only in the premises
20 specified in the license hereby created, of the transferred
21 alcoholic liquor in accordance with subsection (c) of Section
22 6-31 of this Act. The transferred alcoholic liquor may not be
23 sold or resold in any form. An applicant for the craft
24 distiller tasting permit license must also submit with the
25 application proof satisfactory to the State Commission that the
26 applicant will provide dram shop liability insurance to the

1 maximum limits and have local authority approval.

2 (Source: P.A. 99-448, eff. 8-24-15; 99-642, eff. 7-28-16;
3 99-800, eff. 8-12-16; 99-902, eff. 8-26-16; 99-904, eff.
4 1-1-17; 100-17, eff. 6-30-17; 100-201, eff. 8-18-17.)

5 (235 ILCS 5/6-4) (from Ch. 43, par. 121)

6 Sec. 6-4. (a) No person licensed by any licensing authority
7 as a distiller, or a wine manufacturer, or any subsidiary or
8 affiliate thereof, or any officer, associate, member, partner,
9 representative, employee, agent or shareholder owning more
10 than 5% of the outstanding shares of such person shall be
11 issued an importing distributor's or distributor's license,
12 nor shall any person licensed by any licensing authority as an
13 importing distributor, distributor or retailer, or any
14 subsidiary or affiliate thereof, or any officer or associate,
15 member, partner, representative, employee, agent or
16 shareholder owning more than 5% of the outstanding shares of
17 such person be issued a distiller's license, a craft
18 distiller's license, or a wine manufacturer's license; and no
19 person or persons licensed as a distiller or craft distiller by
20 any licensing authority shall have any interest, directly or
21 indirectly, with such distributor or importing distributor.

22 However, an importing distributor or distributor, which on
23 January 1, 1985 is owned by a brewer, or any subsidiary or
24 affiliate thereof or any officer, associate, member, partner,
25 representative, employee, agent or shareholder owning more

1 than 5% of the outstanding shares of the importing distributor
2 or distributor referred to in this paragraph, may own or
3 acquire an ownership interest of more than 5% of the
4 outstanding shares of a wine manufacturer and be issued a wine
5 manufacturer's license by any licensing authority.

6 (b) The foregoing provisions shall not apply to any person
7 licensed by any licensing authority as a distiller or wine
8 manufacturer, or to any subsidiary or affiliate of any
9 distiller or wine manufacturer who shall have been heretofore
10 licensed by the State Commission as either an importing
11 distributor or distributor during the annual licensing period
12 expiring June 30, 1947, and shall actually have made sales
13 regularly to retailers.

14 (c) Provided, however, that in such instances where a
15 distributor's or importing distributor's license has been
16 issued to any distiller or wine manufacturer or to any
17 subsidiary or affiliate of any distiller or wine manufacturer
18 who has, during the licensing period ending June 30, 1947, sold
19 or distributed as such licensed distributor or importing
20 distributor alcoholic liquors and wines to retailers, such
21 distiller or wine manufacturer or any subsidiary or affiliate
22 of any distiller or wine manufacturer holding such
23 distributor's or importing distributor's license may continue
24 to sell or distribute to retailers such alcoholic liquors and
25 wines which are manufactured, distilled, processed or marketed
26 by distillers and wine manufacturers whose products it sold or

1 distributed to retailers during the whole or any part of its
2 licensing periods; and such additional brands and additional
3 products may be added to the line of such distributor or
4 importing distributor, provided, that such brands and such
5 products were not sold or distributed by any distributor or
6 importing distributor licensed by the State Commission during
7 the licensing period ending June 30, 1947, but can not sell or
8 distribute to retailers any other alcoholic liquors or wines.

9 (d) It shall be unlawful for any distiller licensed
10 anywhere to have any stock ownership or interest in any
11 distributor's or importing distributor's license wherein any
12 other person has an interest therein who is not a distiller and
13 does not own more than 5% of any stock in any distillery.
14 Nothing herein contained shall apply to such distillers or
15 their subsidiaries or affiliates, who had a distributor's or
16 importing distributor's license during the licensing period
17 ending June 30, 1947, which license was owned in whole by such
18 distiller, or subsidiaries or affiliates of such distiller.

19 (e) Any person licensed as a brewer, class 1 brewer, or
20 class 2 brewer shall be permitted to sell on the licensed
21 premises to non-licensees for on or off-premises consumption
22 for the premises in which he or she actually conducts such
23 business: (i) beer manufactured by the brewer, class 1 brewer,
24 or class 2 brewer; (ii) beer manufactured by any other brewer,
25 class 1 brewer, or class 2 brewer; and (iii) cider. Such sales
26 shall be limited to on-premises, in-person sales only, for

1 lawful consumption on or off premises. Such authorization shall
2 be considered a privilege granted by the brewer license and,
3 other than a manufacturer of beer as stated above, no
4 manufacturer or distributor or importing distributor,
5 excluding airplane licensees exercising powers provided in
6 paragraph (i) of Section 5-1 of this Act, or any subsidiary or
7 affiliate thereof, or any officer, associate, member, partner,
8 representative, employee or agent, or shareholder shall be
9 issued a retailer's license, nor shall any person having a
10 retailer's license, excluding airplane licensees exercising
11 powers provided in paragraph (i) of Section 5-1 of this Act, or
12 any subsidiary or affiliate thereof, or any officer, associate,
13 member, partner, representative or agent, or shareholder be
14 issued a manufacturer's license or importing distributor's
15 license.

16 A person who holds a class 1 or class 2 brewer license and
17 is authorized by this Section to sell beer to non-licensees
18 shall not sell beer to non-licensees from more than 3 total
19 brewer or commonly owned brew pub licensed locations in this
20 State. The class 1 or class 2 brewer shall designate to the
21 State Commission the brewer or brew pub locations from which it
22 will sell beer to non-licensees.

23 A person licensed as a craft distiller, including a person
24 who holds more than one craft distiller license, not affiliated
25 with any other person manufacturing spirits may be authorized
26 by the Commission to sell up to 2,500 gallons of spirits

1 produced by the person to non-licensees for on or off-premises
2 consumption for the premises in which he or she actually
3 conducts business permitting only the retail sale of spirits
4 manufactured at such premises. Such sales shall be limited to
5 on-premises, in-person sales only, for lawful consumption on or
6 off premises, and such authorization shall be considered a
7 privilege granted by the craft distiller license. A craft
8 distiller licensed for retail sale shall secure liquor
9 liability insurance coverage in an amount at least equal to the
10 maximum liability amounts set forth in subsection (a) of
11 Section 6-21 of this Act.

12 A craft distiller license holder shall not deliver any
13 alcoholic liquor to any non-licensee off the licensed premises.
14 A craft distiller shall affirm in its annual craft distiller's
15 license application that it does not produce more than 100,000
16 gallons of distilled spirits annually and that the craft
17 distiller does not sell more than 2,500 gallons of spirits to
18 non-licensees for on or off-premises consumption. In the
19 application, which shall be sworn under penalty of perjury, the
20 craft distiller shall state the volume of production and sales
21 for each year since the craft distiller's establishment.

22 (f) (Blank).

23 (g) Notwithstanding any of the foregoing prohibitions, a
24 limited wine manufacturer may sell at retail at its
25 manufacturing site for on or off premises consumption and may
26 sell to distributors. A limited wine manufacturer licensee

1 shall secure liquor liability insurance coverage in an amount
2 at least equal to the maximum liability amounts set forth in
3 subsection (a) of Section 6-21 of this Act.

4 (h) The changes made to this Section by Public Act 99-47
5 shall not diminish or impair the rights of any person, whether
6 a distiller, wine manufacturer, agent, or affiliate thereof,
7 who requested in writing and submitted documentation to the
8 State Commission on or before February 18, 2015 to be approved
9 for a retail license pursuant to what has heretofore been
10 subsection (f); provided that, on or before that date, the
11 State Commission considered the intent of that person to apply
12 for the retail license under that subsection and, by recorded
13 vote, the State Commission approved a resolution indicating
14 that such a license application could be lawfully approved upon
15 that person duly filing a formal application for a retail
16 license and if that person, within 90 days of the State
17 Commission appearance and recorded vote, first filed an
18 application with the appropriate local commission, which
19 application was subsequently approved by the appropriate local
20 commission prior to consideration by the State Commission of
21 that person's application for a retail license. It is further
22 provided that the State Commission may approve the person's
23 application for a retail license or renewals of such license if
24 such person continues to diligently adhere to all
25 representations made in writing to the State Commission on or
26 before February 18, 2015, or thereafter, or in the affidavit

1 filed by that person with the State Commission to support the
2 issuance of a retail license and to abide by all applicable
3 laws and duly adopted rules.

4 (Source: P.A. 99-47, eff. 7-15-15; 99-448, eff. 8-24-15;
5 99-642, eff. 7-28-16; 99-902, eff. 8-26-16; 100-201, eff.
6 8-18-17.)

7 Section 99. Effective date. This Act takes effect upon
8 becoming law.