



Rep. Michael J. Zalewski

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LRB101 10564 HLH 58479 a

1 AMENDMENT TO HOUSE BILL 3625

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 3625 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. The Liquor Control Act of 1934 is amended by  
5 changing Sections 3-4, 3-12, 10-1, and 10-7.1 as follows:

6 (235 ILCS 5/3-4) (from Ch. 43, par. 100)

7 Sec. 3-4. Authority to conduct investigations. The  
8 commission shall obtain, pursuant to the provisions of the  
9 "Personnel Code" enacted by the 69th General Assembly, such  
10 inspectors, clerks and other employees as may be necessary to  
11 carry out the provisions of this Act, or to perform the duties  
12 and exercise the powers conferred by law upon the commission.

13 The Commission shall have the power to appoint  
14 investigators to conduct investigations, searches, seizures,  
15 arrests, and other duties required to enforce the provisions of  
16 this Act, on behalf of the Commission, and to ensure the

1 health, safety, and welfare of the People of the State of  
2 Illinois. The Commission's investigators are peace officers  
3 and have all the powers possessed by police officers in cities  
4 and by sheriffs. Commission investigators may exercise these  
5 powers throughout the State whenever enforcing the provisions  
6 of this Chapter, subject to the regulations and orders of the  
7 Commission. No Commission investigator may have peace officer  
8 status or may exercise police powers unless: (1) he or she  
9 successfully completes the basic police training course  
10 mandated and approved by the Illinois Law Enforcement Training  
11 Standards Board; or (2) the Illinois Law Enforcement Training  
12 Standards Board waives the training requirement by reason of  
13 the investigator's prior law enforcement experience, training,  
14 or both.

15 The Executive Director must authorize to each investigator  
16 of the Commission and to any other employee of the Department  
17 exercising the powers of a peace officer a distinct badge that,  
18 on its face: (1) clearly states that the badge is authorized by  
19 the Commission; and (2) contains a unique identifying number.  
20 No other badge shall be authorized by the Commission. Nothing  
21 in this Section prohibits the Executive Director from issuing  
22 shields or other distinctive identification to employees  
23 performing security or regulatory duties who are not peace  
24 officers if the Executive Director determines that a shield or  
25 distinctive identification is needed by the employee to carry  
26 out his or her responsibilities.

1 (Source: P.A. 82-783.)

2 (235 ILCS 5/3-12)

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

4 (a) The State Commission shall have the following powers,  
5 functions, and duties:

6 (1) To receive applications and to issue licenses to  
7 manufacturers, foreign importers, importing distributors,  
8 distributors, non-resident dealers, on premise consumption  
9 retailers, off premise sale retailers, special event  
10 retailer licensees, special use permit licenses, auction  
11 liquor licenses, brew pubs, caterer retailers,  
12 non-beverage users, railroads, including owners and  
13 lessees of sleeping, dining and cafe cars, airplanes,  
14 boats, brokers, and wine maker's premises licensees in  
15 accordance with the provisions of this Act, and to suspend  
16 or revoke such licenses upon the State Commission's  
17 determination, upon notice after hearing, that a licensee  
18 has violated any provision of this Act or any rule or  
19 regulation issued pursuant thereto and in effect for 30  
20 days prior to such violation. Except in the case of an  
21 action taken pursuant to a violation of Section 6-3, 6-5,  
22 or 6-9, any action by the State Commission to suspend or  
23 revoke a licensee's license may be limited to the license  
24 for the specific premises where the violation occurred. An  
25 action for a violation of this Act shall be commenced by

1 the State Commission within 2 years after the date the  
2 State Commission becomes aware of the violation.

3 In lieu of suspending or revoking a license, the  
4 commission may impose a fine, upon the State Commission's  
5 determination and notice after hearing, that a licensee has  
6 violated any provision of this Act or any rule or  
7 regulation issued pursuant thereto and in effect for 30  
8 days prior to such violation.

9 For the purpose of this paragraph (1), when determining  
10 multiple violations for the sale of alcohol to a person  
11 under the age of 21, a second or subsequent violation for  
12 the sale of alcohol to a person under the age of 21 shall  
13 only be considered if it was committed within 5 years after  
14 the date when a prior violation for the sale of alcohol to  
15 a person under the age of 21 was committed.

16 The fine imposed under this paragraph may not exceed  
17 \$500 for each violation. Each day that the activity, which  
18 gave rise to the original fine, continues is a separate  
19 violation. The maximum fine that may be levied against any  
20 licensee, for the period of the license, shall not exceed  
21 \$20,000. The maximum penalty that may be imposed on a  
22 licensee for selling a bottle of alcoholic liquor with a  
23 foreign object in it or serving from a bottle of alcoholic  
24 liquor with a foreign object in it shall be the destruction  
25 of that bottle of alcoholic liquor for the first 10 bottles  
26 so sold or served from by the licensee. For the eleventh

1 bottle of alcoholic liquor and for each third bottle  
2 thereafter sold or served from by the licensee with a  
3 foreign object in it, the maximum penalty that may be  
4 imposed on the licensee is the destruction of the bottle of  
5 alcoholic liquor and a fine of up to \$50.

6 Any notice issued by the State Commission to a licensee  
7 for a violation of this Act or any notice with respect to  
8 settlement or offer in compromise shall include the field  
9 report, photographs, and any other supporting  
10 documentation necessary to reasonably inform the licensee  
11 of the nature and extent of the violation or the conduct  
12 alleged to have occurred. The failure to include such  
13 required documentation shall result in the dismissal of the  
14 action.

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

23 (3) To call upon other administrative departments of  
24 the State, county and municipal governments, county and  
25 city police departments and upon prosecuting officers for  
26 such information and assistance as it deems necessary in

1 the performance of its duties.

2 (4) To recommend to local commissioners rules and  
3 regulations, not inconsistent with the law, for the  
4 distribution and sale of alcoholic liquors throughout the  
5 State.

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

14 (5.1) Upon receipt of a complaint or upon having  
15 knowledge that any person is engaged in business as a  
16 manufacturer, importing distributor, distributor, or  
17 retailer without a license or valid license, to conduct an  
18 investigation. If, after conducting an investigation, the  
19 Commission is satisfied that the alleged conduct occurred  
20 or is occurring, it may issue a cease and desist notice as  
21 provided in this Act, impose civil penalties as provided in  
22 this Act, to notify the local liquor authority, or file a  
23 complaint with the State's Attorney's Office of the county  
24 where the incident occurred or the Attorney General,~~or~~  
25 ~~initiate an investigation with the appropriate law~~  
26 ~~enforcement officials.~~

1           (5.2) Upon receipt of a complaint or upon having  
2 knowledge that any person is ~~To issue a cease and desist~~  
3 ~~notice to persons~~ shipping alcoholic liquor into this State  
4 from a point outside of this State if the shipment is in  
5 violation of this Act to conduct an investigation. If,  
6 after conducting an investigation, the Commission is  
7 satisfied that the alleged conduct occurred or is  
8 occurring, it may issue a cease and desist notice as  
9 provided in this Act, impose civil penalties as provided in  
10 this Act, notify the local liquor authority, or file a  
11 complaint with the State's Attorney's Office of the county  
12 where the incident occurred or the Attorney General.

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

1 the licensee as provided in this Act.

2 (5.4) To make arrests and issue notices of civil  
3 violations where necessary for the enforcement of this  
4 Chapter.

5 (5.5) To investigate any and all unlicensed activity.

6 (5.6) To impose civil penalties or fines to any person  
7 who, without holding a valid license, engages in conduct  
8 which requires a license pursuant to this Act, in an amount  
9 not to exceed \$20,000 for each offense as determined by the  
10 Commission. A civil penalty shall be assessed by the  
11 Commission after a hearing is held in accordance with the  
12 provisions set forth in this Act regarding the provision of  
13 a hearing for the revocation or suspension of a license.

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

20 (7) The commission shall establish uniform systems of  
21 accounts to be kept by all retail licensees having more  
22 than 4 employees, and for this purpose the commission may  
23 classify all retail licensees having more than 4 employees  
24 and establish a uniform system of accounts for each class  
25 and prescribe the manner in which such accounts shall be  
26 kept. The commission may also prescribe the forms of



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

18 (8) In the conduct of any hearing authorized to be held  
19 by the commission, to appoint, at the commission's  
20 discretion, hearing officers to conduct hearings involving  
21 complex issues or issues that will require a protracted  
22 period of time to resolve, to examine, or cause to be  
23 examined, under oath, any licensee, and to examine or cause  
24 to be examined the books and records of such licensee; to  
25 hear testimony and take proof material for its information  
26 in the discharge of its duties hereunder; to administer or

1 cause to be administered oaths; for any such purpose to  
2 issue subpoena or subpoenas to require the attendance of  
3 witnesses and the production of books, which shall be  
4 effective in any part of this State, and to adopt rules to  
5 implement its powers under this paragraph (8).

6 Any circuit court may by order duly entered, require  
7 the attendance of witnesses and the production of relevant  
8 books subpoenaed by the State Commission and the court may  
9 compel obedience to its order by proceedings for contempt.

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

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

22 (11) To develop industry educational programs related  
23 to responsible serving and selling, particularly in the  
24 areas of overserving consumers and illegal underage  
25 purchasing and consumption of alcoholic beverages.

26 (11.1) To license persons providing education and

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

10 (12) To develop and maintain a repository of license  
11 and regulatory information.

12 (13) (Blank).

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

21 (A) The amount of State excise and sales tax  
22 revenues generated.

23 (B) The amount of licensing fees received.

24 (C) The number of cases of wine shipped from inside  
25 and outside of this State directly to residents of this  
26 State.

1           (D) The number of alcohol compliance operations  
2           conducted.

3           (E) The number of winery shipper's licenses  
4           issued.

5           (F) The number of each of the following: reported  
6           violations; cease and desist notices issued by the  
7           Commission; notices of violations issued by the  
8           Commission and to the Department of Revenue; and  
9           notices and complaints of violations to law  
10          enforcement officials, including, without limitation,  
11          the Illinois Attorney General and the U.S. Department  
12          of Treasury's Alcohol and Tobacco Tax and Trade Bureau.

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

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

1 Bureau.

2 (17) (A) A person licensed to make wine under the laws  
3 of another state who has a winery shipper's license under  
4 this Act and annually produces less than 25,000 gallons of  
5 wine or a person who has a first-class or second-class wine  
6 manufacturer's license, a first-class or second-class  
7 wine-maker's license, or a limited wine manufacturer's  
8 license under this Act and annually produces less than  
9 25,000 gallons of wine may make application to the  
10 Commission for a self-distribution exemption to allow the  
11 sale of not more than 5,000 gallons of the exemption  
12 holder's wine to retail licensees per year.

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

22 (C) The Commission shall approve the application for a  
23 self-distribution exemption if such person: (1) is in  
24 compliance with State revenue and liquor laws; (2) is not a  
25 member of any affiliated group that produces more than  
26 25,000 gallons of wine per annum or produces any other

1 alcoholic liquor; (3) will not annually produce for sale  
2 more than 25,000 gallons of wine; and (4) will not annually  
3 sell more than 5,000 gallons of its wine to retail  
4 licensees.

5 (D) A self-distribution exemption holder shall  
6 annually certify to the Commission its production of wine  
7 in the previous 12 months and its anticipated production  
8 and sales for the next 12 months. The Commission may fine,  
9 suspend, or revoke a self-distribution exemption after a  
10 hearing if it finds that the exemption holder has made a  
11 material misrepresentation in its application, violated a  
12 revenue or liquor law of Illinois, exceeded production of  
13 25,000 gallons of wine in any calendar year, or become part  
14 of an affiliated group producing more than 25,000 gallons  
15 of wine or any other alcoholic liquor.

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

23 (F) The Commission shall issue regulations governing  
24 self-distribution exemptions consistent with this Section  
25 and this Act.

26 (G) Nothing in this paragraph ~~subsection~~ (17) shall

1 prohibit a self-distribution exemption holder from  
2 entering into or simultaneously having a distribution  
3 agreement with a licensed Illinois distributor.

4 (H) It is the intent of this paragraph ~~subsection~~ (17)  
5 to promote and continue orderly markets. The General  
6 Assembly finds that in order to preserve Illinois'  
7 regulatory distribution system it is necessary to create an  
8 exception for smaller makers of wine as their wines are  
9 frequently adjusted in varietals, mixes, vintages, and  
10 taste to find and create market niches sometimes too small  
11 for distributor or importing distributor business  
12 strategies. Limited self-distribution rights will afford  
13 and allow smaller makers of wine access to the marketplace  
14 in order to develop a customer base without impairing the  
15 integrity of the 3-tier system.

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

26 (B) In the application, which shall be sworn under

1 penalty of perjury, the class 1 brewer licensee shall state  
2 (1) the date it was established; (2) its volume of beer  
3 manufactured and sold for each year since its  
4 establishment; (3) its efforts to establish distributor  
5 relationships; (4) that a self-distribution exemption is  
6 necessary to facilitate the marketing of its beer; and (5)  
7 that it will comply with the alcoholic beverage and revenue  
8 laws of the United States, this State, and any other state  
9 where it is licensed.

10 (C) Any application submitted shall be posted on the  
11 State Commission's website at least 45 days prior to action  
12 by the State Commission. The State Commission shall approve  
13 the application for a self-distribution exemption if the  
14 class 1 brewer licensee: (1) is in compliance with the  
15 State, revenue, and alcoholic beverage laws; (2) is not a  
16 member of any affiliated group that manufactures more than  
17 930,000 gallons of beer per annum or produces any other  
18 alcoholic beverages; (3) shall not annually manufacture  
19 for sale more than 930,000 gallons of beer; (4) shall not  
20 annually sell more than 232,500 gallons of its beer to  
21 retail licensees or to brewers, class 1 brewers, and class  
22 2 brewers that, pursuant to subsection (e) of Section 6-4  
23 of this Act, sell beer, cider, or both beer and cider to  
24 non-licensees at their breweries; and (5) has relinquished  
25 any brew pub license held by the licensee, including any  
26 ownership interest it held in the licensed brew pub.



1           (D) A self-distribution exemption holder shall  
2           annually certify to the State Commission its manufacture of  
3           beer during the previous 12 months and its anticipated  
4           manufacture and sales of beer for the next 12 months. The  
5           State Commission may fine, suspend, or revoke a  
6           self-distribution exemption after a hearing if it finds  
7           that the exemption holder has made a material  
8           misrepresentation in its application, violated a revenue  
9           or alcoholic beverage law of Illinois, exceeded the  
10          manufacture of 930,000 gallons of beer in any calendar year  
11          or became part of an affiliated group manufacturing more  
12          than 930,000 gallons of beer or any other alcoholic  
13          beverage.

14          (E) The State Commission shall issue rules and  
15          regulations governing self-distribution exemptions  
16          consistent with this Act.

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

1 (G) It is the intent of this paragraph (18) to promote  
2 and continue orderly markets. The General Assembly finds  
3 that in order to preserve Illinois' regulatory  
4 distribution system, it is necessary to create an exception  
5 for smaller manufacturers in order to afford and allow such  
6 smaller manufacturers of beer access to the marketplace in  
7 order to develop a customer base without impairing the  
8 integrity of the 3-tier system.

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

15 As part of its report, the Commission shall provide the  
16 following information:

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

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

21 (iii) the number of reported violations, the number of  
22 cease and desist notices issued by the Commission, the  
23 number of notices of violations issued to the Department of  
24 Revenue, and the number of notices and complaints of  
25 violations to law enforcement officials.

26 (Source: P.A. 99-78, eff. 7-20-15; 99-448, eff. 8-24-15;

1 100-134, eff. 8-18-17; 100-201, eff. 8-18-17; 100-816, eff.  
2 8-13-18; 100-1012, eff. 8-21-18; 100-1050, eff. 8-23-18;  
3 revised 10-24-18.)

4 (235 ILCS 5/10-1) (from Ch. 43, par. 183)

5 Sec. 10-1. Violations; penalties. Whereas a substantial  
6 threat to the sound and careful control, regulation, and  
7 taxation of the manufacture, sale, and distribution of  
8 alcoholic liquors exists by virtue of individuals who  
9 manufacture, import, distribute, or sell alcoholic liquors  
10 within the State without having first obtained a valid license  
11 to do so, and whereas such threat is especially serious along  
12 the borders of this State, and whereas such threat requires  
13 immediate correction by this Act, by active investigation and  
14 prosecution by the Commission, law enforcement officials, and  
15 prosecutors, and by prompt and strict enforcement through the  
16 courts of this State to punish violators and to deter such  
17 conduct in the future:

18 (a) Any person who manufactures, imports for distribution  
19 or use, transports from outside this State into this State, or  
20 distributes or sells 108 liters (28.53 gallons) or more of  
21 wine, 45 liters (11.88 gallons) or more of distilled spirits,  
22 or 118 liters (31.17 gallons) or more of beer at any place  
23 within the State without having first obtained a valid license  
24 to do so under the provisions of this Act shall be guilty of a  
25 Class 4 felony for each offense. However, any person who was

1 duly licensed under this Act and whose license expired within  
2 30 days prior to a violation shall be guilty of a business  
3 offense and fined not more than \$1,000 for the first such  
4 offense and shall be guilty of a Class 4 felony for each  
5 subsequent offense.

6 Any person who manufactures, imports for distribution,  
7 transports from outside this State into this State for sale or  
8 resale in this State, or distributes or sells less than 108  
9 liters (28.53 gallons) of wine, less than 45 liters (11.88  
10 gallons) of distilled spirits, or less than 118 liters (31.17  
11 gallons) of beer at any place within the State without having  
12 first obtained a valid license to do so under the provisions of  
13 this Act shall be guilty of a business offense and fined not  
14 more than \$1,000 for the first such offense and shall be guilty  
15 of a Class 4 felony for each subsequent offense. This  
16 subsection does not apply to a motor carrier or freight  
17 forwarder, as defined in Section 13102 of Title 49 of the  
18 United States Code, an air carrier, as defined in Section 40102  
19 of Title 49 of the United States Code, or a rail carrier, as  
20 defined in Section 10102 of Title 49 of the United States Code.

21 Any person who: (1) both has been issued an initial cease  
22 and desist notice from the State Commission; and (2) for  
23 compensation, does any of the following: (i) ships alcoholic  
24 liquor into this State without a license authorized by Section  
25 5-1 issued by the State Commission or in violation of that  
26 license; or (ii) manufactures, imports for distribution,

1 transports from outside this State into this State for sale or  
2 resale in this State, or distributes or sells alcoholic liquors  
3 at any place without having first obtained a valid license to  
4 do so is guilty of a Class 4 felony for each offense.

5 (b) (1) Any retailer, caterer retailer, brew pub, special  
6 event retailer, special use permit holder, homebrewer special  
7 event permit holder, or craft distiller tasting permit holder  
8 who knowingly causes alcoholic liquors to be imported directly  
9 into the State of Illinois from outside of the State for the  
10 purpose of furnishing, giving, or selling to another, except  
11 when having received the product from a duly licensed  
12 distributor or importing distributor, licensed in this State,  
13 ~~who knowingly causes to furnish, give, sell, or otherwise being~~  
14 ~~within the State, any alcoholic liquor destined to be used,~~  
15 ~~distributed, consumed or sold in another state, unless such~~  
16 ~~alcoholic liquor was received in this State by a duly licensed~~  
17 ~~distributor, or importing distributors shall have his license~~  
18 ~~suspended for 7 days for the first offense and for the second~~  
19 ~~offense,~~ shall have his license revoked by the Commission.

20 (2) In the event the Commission receives a certified copy  
21 of a final order from a foreign jurisdiction that an Illinois  
22 retail licensee has been found to have violated that foreign  
23 jurisdiction's laws, rules, or regulations concerning the  
24 importation of alcoholic liquor into that foreign  
25 jurisdiction, the violation may be grounds for the Commission  
26 to revoke, suspend, or refuse to issue or renew a license, to

1 impose a fine, or to take any additional action provided by  
2 this Act with respect to the Illinois retail license or  
3 licensee. Any such action on the part of the Commission shall  
4 be in accordance with this Act and implementing rules.

5 For the purposes of paragraph (2): (i) "foreign  
6 jurisdiction" means a state, territory, or possession of the  
7 United States, the District of Columbia, or the Commonwealth of  
8 Puerto Rico, and (ii) "final order" means an order or judgment  
9 of a court or administrative body that determines the rights of  
10 the parties respecting the subject matter of the proceeding,  
11 that remains in full force and effect, and from which no appeal  
12 can be taken.

13 (c) Any person who shall make any false statement or  
14 otherwise violates any of the provisions of this Act in  
15 obtaining any license hereunder, or who having obtained a  
16 license hereunder shall violate any of the provisions of this  
17 Act with respect to the manufacture, possession, distribution  
18 or sale of alcoholic liquor, or with respect to the maintenance  
19 of the licensed premises, or shall violate any other provision  
20 of this Act, shall for a first offense be guilty of a petty  
21 offense and fined not more than \$500, and for a second or  
22 subsequent offense shall be guilty of a Class B misdemeanor.

23 (c-5) Any owner of an establishment that serves alcohol on  
24 its premises, if more than 50% of the establishment's gross  
25 receipts within the prior 3 months is from the sale of alcohol,  
26 who knowingly fails to prohibit concealed firearms on its

1 premises or who knowingly makes a false statement or record to  
2 avoid the prohibition of concealed firearms on its premises  
3 under the Firearm Concealed Carry Act shall be guilty of a  
4 business offense with a fine up to \$5,000.

5 (d) Each day any person engages in business as a  
6 manufacturer, foreign importer, importing distributor,  
7 distributor or retailer in violation of the provisions of this  
8 Act shall constitute a separate offense.

9 (e) Any person, under the age of 21 years who, for the  
10 purpose of buying, accepting or receiving alcoholic liquor from  
11 a licensee, represents that he is 21 years of age or over shall  
12 be guilty of a Class A misdemeanor.

13 (f) In addition to the penalties herein provided, any  
14 person licensed as a wine-maker in either class who  
15 manufactures more wine than authorized by his license shall be  
16 guilty of a business offense and shall be fined \$1 for each  
17 gallon so manufactured.

18 (g) A person shall be exempt from prosecution for a  
19 violation of this Act if he is a peace officer in the  
20 enforcement of the criminal laws and such activity is approved  
21 in writing by one of the following:

22 (1) In all counties, the respective State's Attorney;

23 (2) The Director of State Police under Section 2605-10,  
24 2605-15, 2605-75, 2605-100, 2605-105, 2605-110, 2605-115,  
25 2605-120, 2605-130, 2605-140, 2605-190, 2605-200,  
26 2605-205, 2605-210, 2605-215, 2605-250, 2605-275,

1 2605-300, 2605-305, 2605-315, 2605-325, 2605-335,  
2 2605-340, 2605-350, 2605-355, 2605-360, 2605-365,  
3 2605-375, 2605-390, 2605-400, 2605-405, 2605-420,  
4 2605-430, 2605-435, 2605-500, 2605-525, or 2605-550 of the  
5 Department of State Police Law (20 ILCS 2605/2605-10,  
6 2605/2605-15, 2605/2605-75, 2605/2605-100, 2605/2605-105,  
7 2605/2605-110, 2605/2605-115, 2605/2605-120,  
8 2605/2605-130, 2605/2605-140, 2605/2605-190,  
9 2605/2605-200, 2605/2605-205, 2605/2605-210,  
10 2605/2605-215, 2605/2605-250, 2605/2605-275,  
11 2605/2605-300, 2605/2605-305, 2605/2605-315,  
12 2605/2605-325, 2605/2605-335, 2605/2605-340,  
13 2605/2605-350, 2605/2605-355, 2605/2605-360,  
14 2605/2605-365, 2605/2605-375, 2605/2605-390,  
15 2605/2605-400, 2605/2605-405, 2605/2605-420,  
16 2605/2605-430, 2605/2605-435, 2605/2605-500,  
17 2605/2605-525, or 2605/2605-550); or

18 (3) In cities over 1,000,000, the Superintendent of  
19 Police.

20 (Source: P.A. 98-63, eff. 7-9-13; 99-904, eff. 1-1-17.)

21 (235 ILCS 5/10-7.1) (from Ch. 43, par. 189.1)

22 Sec. 10-7.1. The Commission, upon receipt of a complaint or  
23 upon having knowledge that any person is engaged in the  
24 business as a manufacturer, importing distributor,  
25 distributor, or retailer without a license or valid license,



1 shall conduct an investigation. If, after conducting an  
2 investigation, the Commission is satisfied that the alleged  
3 conduct occurred or is occurring, it may issue a cease and  
4 desist notice as provided in this Act, issue civil penalties as  
5 provided in this Act, notify the Department of Revenue and the  
6 local liquor authority, and file a complaint with the State's  
7 Attorney's Office of the County where the incident occurred or  
8 with the Attorney General ~~initiate an investigation with the~~  
9 ~~appropriate law enforcement officials.~~

10 (Source: P.A. 90-739, eff. 8-13-98.)".