

# SB2551



## 101ST GENERAL ASSEMBLY

### State of Illinois

2019 and 2020

SB2551

Introduced 1/29/2020, by Sen. Jason A. Barickman

#### SYNOPSIS AS INTRODUCED:

235 ILCS 5/1-3.38

235 ILCS 5/1-3.42

235 ILCS 5/3-12

235 ILCS 5/5-1

235 ILCS 5/6-4

from Ch. 43, par. 115

from Ch. 43, par. 121

Amends the Liquor Control Act of 1934. Authorizes class 1 brewers and class 2 brewers to manufacture and sell mead. Makes conforming changes. Effective immediately.

LRB101 19109 RPS 68572 b

FISCAL NOTE ACT  
MAY APPLY

A BILL FOR

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 1-3.38, 1-3.42, 3-12, 5-1, and 6-4 as  
6 follows:

7 (235 ILCS 5/1-3.38)

8 Sec. 1-3.38. Class 1 brewer. "Class 1 brewer" means a  
9 person who is a holder of a brewer license or non-resident  
10 dealer license who manufactures up to 930,000 gallons of beer,  
11 mead, or both beer and mead per year and who may make sales and  
12 deliveries to importing distributors and distributors and to  
13 retail licensees in accordance with the conditions set forth in  
14 paragraph (18) of subsection (a) of Section 3-12 of this Act.

15 (Source: P.A. 98-401, eff. 8-16-13; 99-448, eff. 8-24-15.)

16 (235 ILCS 5/1-3.42)

17 Sec. 1-3.42. Class 2 brewer. "Class 2 brewer" means a  
18 person who is a holder of a brewer license or non-resident  
19 dealer license who manufactures up to 3,720,000 gallons of  
20 beer, mead, or both beer and mead per year for sale to a  
21 licensed importing distributor or distributor.

22 (Source: P.A. 99-448, eff. 8-24-15; 99-642, eff. 7-28-16.)

1 (235 ILCS 5/3-12)

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

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

5 (1) To receive applications and to issue licenses to  
6 manufacturers, foreign importers, importing distributors,  
7 distributors, non-resident dealers, on premise consumption  
8 retailers, off premise sale retailers, special event  
9 retailer licensees, special use permit licenses, auction  
10 liquor licenses, brew pubs, caterer retailers,  
11 non-beverage users, railroads, including owners and  
12 lessees of sleeping, dining and cafe cars, airplanes,  
13 boats, brokers, and wine maker's premises licensees in  
14 accordance with the provisions of this Act, and to suspend  
15 or revoke such licenses upon the State Commission's  
16 determination, upon notice after hearing, that a licensee  
17 has violated any provision of this Act or any rule or  
18 regulation issued pursuant thereto and in effect for 30  
19 days prior to such violation. Except in the case of an  
20 action taken pursuant to a violation of Section 6-3, 6-5,  
21 or 6-9, any action by the State Commission to suspend or  
22 revoke a licensee's license may be limited to the license  
23 for the specific premises where the violation occurred. An  
24 action for a violation of this Act shall be commenced by  
25 the State Commission within 2 years after the date the

1 State Commission becomes aware of the violation.

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

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

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

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

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

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

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

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

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

13           (5.1) Upon receipt of a complaint or upon having  
14 knowledge that any person is engaged in business as a  
15 manufacturer, importing distributor, distributor, or  
16 retailer without a license or valid license, to conduct an  
17 investigation. If, after conducting an investigation, the  
18 State Commission is satisfied that the alleged conduct  
19 occurred or is occurring, it may issue a cease and desist  
20 notice as provided in this Act, impose civil penalties as  
21 provided in this Act, notify the local liquor authority, or  
22 file a complaint with the State's Attorney's Office of the  
23 county where the incident occurred or the Attorney General.

24           (5.2) Upon receipt of a complaint or upon having  
25 knowledge that any person is shipping alcoholic liquor into  
26 this State from a point outside of this State if the

1 shipment is in violation of this Act, to conduct an  
2 investigation. If, after conducting an investigation, the  
3 State Commission is satisfied that the alleged conduct  
4 occurred or is occurring, it may issue a cease and desist  
5 notice as provided in this Act, impose civil penalties as  
6 provided in this Act, notify the foreign jurisdiction, or  
7 file a complaint with the State's Attorney's Office of the  
8 county where the incident occurred or the Attorney General.

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

24 (5.4) To make arrests and issue notices of civil  
25 violations where necessary for the enforcement of this Act.

26 (5.5) To investigate any and all unlicensed activity.

1           (5.6) To impose civil penalties or fines to any person  
2           who, without holding a valid license, engages in conduct  
3           that requires a license pursuant to this Act, in an amount  
4           not to exceed \$20,000 for each offense as determined by the  
5           State Commission. A civil penalty shall be assessed by the  
6           State Commission after a hearing is held in accordance with  
7           the provisions set forth in this Act regarding the  
8           provision of a hearing for the revocation or suspension of  
9           a license.

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

16          (7) The State Commission shall establish uniform  
17          systems of accounts to be kept by all retail licensees  
18          having more than 4 employees, and for this purpose the  
19          State Commission may classify all retail licensees having  
20          more than 4 employees and establish a uniform system of  
21          accounts for each class and prescribe the manner in which  
22          such accounts shall be kept. The State Commission may also  
23          prescribe the forms of accounts to be kept by all retail  
24          licensees having more than 4 employees, including,    but not  
25          limited to,    accounts of earnings and expenses and any  
26          distribution, payment, or other distribution of earnings



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

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

1 effective in any part of this State, and to adopt rules to  
2 implement its powers under this paragraph (8).

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

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

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

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

23 (11.1) To license persons providing education and  
24 training to alcohol beverage sellers and servers for  
25 mandatory and non-mandatory training under the Beverage  
26 Alcohol Sellers and Servers Education and Training

1 (BASSET) programs and to develop and administer a public  
2 awareness program in Illinois to reduce or eliminate the  
3 illegal purchase and consumption of alcoholic beverage  
4 products by persons under the age of 21. Application for a  
5 license shall be made on forms provided by the State  
6 Commission.

7 (12) To develop and maintain a repository of license  
8 and regulatory information.

9 (13) (Blank).

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

18 (A) The amount of State excise and sales tax  
19 revenues generated.

20 (B) The amount of licensing fees received.

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

24 (D) The number of alcohol compliance operations  
25 conducted.

26 (E) The number of winery shipper's licenses

1 issued.

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

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

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

25 (17) (A) A person licensed to make wine under the laws  
26 of another state who has a winery shipper's license under

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

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

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

1 licensees.

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

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

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

24 (G) Nothing in this paragraph (17) shall prohibit a  
25 self-distribution exemption holder from entering into or  
26 simultaneously having a distribution agreement with a

1 licensed Illinois distributor.

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

14 (18) (A) A class 1 brewer licensee, who must also be  
15 either a licensed brewer or licensed non-resident dealer  
16 and annually manufacture less than 930,000 gallons of beer,  
17 mead, or both beer and mead, may make application to the  
18 State Commission for a self-distribution exemption to  
19 allow the sale of not more than 232,500 gallons of the  
20 exemption holder's beer, mead, or both beer and mead per  
21 year to retail licensees and to brewers, class 1 brewers,  
22 and class 2 brewers that, pursuant to subsection (e) of  
23 Section 6-4 of this Act, sell beer, cider, mead, or any  
24 combination thereof ~~or both beer and cider~~ to non-licensees  
25 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 and  
3 mead 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 or mead;  
7 and (5) that it will comply with the alcoholic beverage and  
8 revenue laws of the United States, this State, and any  
9 other state 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, mead, or both beer and mead per  
18 annum or produces any other alcoholic beverages; (3) shall  
19 not annually manufacture for sale more than 930,000 gallons  
20 of beer, mead, or both beer and mead; (4) shall not  
21 annually sell more than 232,500 gallons of its beer, mead,  
22 or both beer and mead to retail licensees or to brewers,  
23 class 1 brewers, and class 2 brewers that, pursuant to  
24 subsection (e) of Section 6-4 of this Act, sell beer,  
25 cider, mead, or any combination thereof ~~or both beer and~~  
26 ~~cider~~ to non-licensees at their breweries; and (5) has



1           relinquished any brew pub license held by the licensee,  
2           including any ownership interest it held in the licensed  
3           brew pub.

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

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

21          (F) Nothing in this paragraph (18) shall prohibit a  
22          self-distribution exemption holder from entering into or  
23          simultaneously having a distribution agreement with a  
24          licensed Illinois importing distributor or a distributor.  
25          If a self-distribution exemption holder enters into a  
26          distribution agreement and has assigned distribution

1 rights to an importing distributor or distributor, then the  
2 self-distribution exemption holder's distribution rights  
3 in the assigned territories shall cease in a reasonable  
4 time not to exceed 60 days.

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

13 (19) (A) A class 1 craft distiller licensee or a  
14 non-resident dealer who manufactures less than 50,000  
15 gallons of distilled spirits per year may make application  
16 to the State Commission for a self-distribution exemption  
17 to allow the sale of not more than 5,000 gallons of the  
18 exemption holder's spirits to retail licensees per year.

19 (B) In the application, which shall be sworn under  
20 penalty of perjury, the class 1 craft distiller licensee or  
21 non-resident dealer shall state (1) the date it was  
22 established; (2) its volume of spirits manufactured and  
23 sold for each year since its establishment; (3) its efforts  
24 to establish distributor relationships; (4) that a  
25 self-distribution exemption is necessary to facilitate the  
26 marketing of its spirits; and (5) that it will comply with

1 the alcoholic beverage and revenue laws of the United  
2 States, this State, and any other state where it is  
3 licensed.

4 (C) Any application submitted shall be posted on the  
5 State Commission's website at least 45 days prior to action  
6 by the State Commission. The State Commission shall approve  
7 the application for a self-distribution exemption if the  
8 applicant: (1) is in compliance with State revenue and  
9 alcoholic beverage laws; (2) is not a member of any  
10 affiliated group that produces more than 50,000 gallons of  
11 spirits per annum or produces any other alcoholic liquor;  
12 (3) does not annually manufacture for sale more than 50,000  
13 gallons of spirits; and (4) does not annually sell more  
14 than 5,000 gallons of its spirits to retail licensees.

15 (D) A self-distribution exemption holder shall  
16 annually certify to the State Commission its manufacture of  
17 spirits during the previous 12 months and its anticipated  
18 manufacture and sales of spirits for the next 12 months.  
19 The State Commission may fine, suspend, or revoke a  
20 self-distribution exemption after a hearing if it finds  
21 that the exemption holder has made a material  
22 misrepresentation in its application, violated a revenue  
23 or alcoholic beverage law of Illinois, exceeded the  
24 manufacture of 50,000 gallons of spirits in any calendar  
25 year, or has become part of an affiliated group  
26 manufacturing more than 50,000 gallons of spirits or any

1 other alcoholic beverage.

2 (E) The State Commission shall adopt rules governing  
3 self-distribution exemptions consistent with this Act.

4 (F) Nothing in this paragraph (19) shall prohibit a  
5 self-distribution exemption holder from entering into or  
6 simultaneously having a distribution agreement with a  
7 licensed Illinois importing distributor or a distributor.

8 (G) It is the intent of this paragraph (19) to promote  
9 and continue orderly markets. The General Assembly finds  
10 that in order to preserve Illinois' regulatory  
11 distribution system, it is necessary to create an exception  
12 for smaller manufacturers in order to afford and allow such  
13 smaller manufacturers of spirits access to the marketplace  
14 in order to develop a customer base without impairing the  
15 integrity of the 3-tier system.

16 (b) On or before April 30, 1999, the Commission shall  
17 present a written report to the Governor and the General  
18 Assembly that shall be based on a study of the impact of Public  
19 Act 90-739 on the business of soliciting, selling, and shipping  
20 alcoholic liquor from outside of this State directly to  
21 residents of this State.

22 As part of its report, the Commission shall provide the  
23 following information:

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

26 (ii) the amount of licensing fees received as a result

1 of Public Act 90-739;

2 (iii) the number of reported violations, the number of  
3 cease and desist notices issued by the Commission, the  
4 number of notices of violations issued to the Department of  
5 Revenue, and the number of notices and complaints of  
6 violations to law enforcement officials.

7 (Source: P.A. 100-134, eff. 8-18-17; 100-201, eff. 8-18-17;  
8 100-816, eff. 8-13-18; 100-1012, eff. 8-21-18; 100-1050, eff.  
9 8-23-18; 101-37, eff. 7-3-19; 101-81, eff. 7-12-19; 101-482,  
10 eff. 8-23-19; revised 9-20-19.)

11 (235 ILCS 5/5-1) (from Ch. 43, par. 115)

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

14 (a) Manufacturer's license - Class 1. Distiller, Class 2.  
15 Rectifier, Class 3. Brewer, Class 4. First Class Wine  
16 Manufacturer, Class 5. Second Class Wine Manufacturer, Class 6.  
17 First Class Winemaker, Class 7. Second Class Winemaker, Class  
18 8. Limited Wine Manufacturer, Class 9. Craft Distiller, Class  
19 10. Class 1 Craft Distiller, Class 11. Class 2 Craft Distiller,  
20 Class 12. Class 1 Brewer, Class 13. Class 2 Brewer,

21 (b) Distributor's license,

22 (c) Importing Distributor's license,

23 (d) Retailer's license,

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

25 (f) Railroad license,

- 1 (g) Boat license,
- 2 (h) Non-Beverage User's license,
- 3 (i) Wine-maker's premises license,
- 4 (j) Airplane license,
- 5 (k) Foreign importer's license,
- 6 (l) Broker's license,
- 7 (m) Non-resident dealer's license,
- 8 (n) Brew Pub license,
- 9 (o) Auction liquor license,
- 10 (p) Caterer retailer license,
- 11 (q) Special use permit license,
- 12 (r) Winery shipper's license,
- 13 (s) Craft distiller tasting permit,
- 14 (t) Brewer warehouse permit,
- 15 (u) Distilling pub license,
- 16 (v) Craft distiller warehouse permit.

17 No person, firm, partnership, corporation, or other legal  
18 business entity that is engaged in the manufacturing of wine  
19 may concurrently obtain and hold a wine-maker's license and a  
20 wine manufacturer's license.

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

25 Class 1. A Distiller may make sales and deliveries of  
26 alcoholic liquor to distillers, rectifiers, importing

1 distributors, distributors and non-beverage users and to no  
2 other licensees.

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

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

10 Class 4. A first class wine-manufacturer may make sales and  
11 deliveries of up to 50,000 gallons of wine to manufacturers,  
12 importing distributors and distributors, and to no other  
13 licensees.

14 Class 5. A second class Wine manufacturer may make sales  
15 and deliveries of more than 50,000 gallons of wine to  
16 manufacturers, importing distributors and distributors and to  
17 no other licensees.

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

1 Public Act 95-634.

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

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

16 Class 9. A craft distiller license, which may only be held  
17 by a class 1 craft distiller licensee or class 2 craft  
18 distiller licensee but not held by both a class 1 craft  
19 distiller licensee and a class 2 craft distiller licensee,  
20 shall grant all rights conveyed by either: (i) a class 1 craft  
21 distiller license if the craft distiller holds a class 1 craft  
22 distiller license; or (ii) a class 2 craft distiller licensee  
23 if the craft distiller holds a class 2 craft distiller license.

24 Class 10. A class 1 craft distiller license, which may only  
25 be issued to a licensed craft distiller or licensed  
26 non-resident dealer, shall allow the manufacture of up to



1 50,000 gallons of spirits per year provided that the class 1  
2 craft distiller licensee does not manufacture more than a  
3 combined 50,000 gallons of spirits per year and is not a member  
4 of or affiliated with, directly or indirectly, a manufacturer  
5 that produces more than 50,000 gallons of spirits per year or  
6 any other alcoholic liquor. A class 1 craft distiller licensee  
7 may make sales and deliveries to importing distributors and  
8 distributors and to retail licensees in accordance with the  
9 conditions set forth in paragraph (19) of subsection (a) of  
10 Section 3-12 of this Act. However, the aggregate amount of  
11 spirits sold to non-licensees and sold or delivered to retail  
12 licensees may not exceed 5,000 gallons per year.

13 A class 1 craft distiller licensee may sell up to 5,000  
14 gallons of such spirits to non-licensees to the extent  
15 permitted by any exemption approved by the State Commission  
16 pursuant to Section 6-4 of this Act. A class 1 craft distiller  
17 license holder may store such spirits at a non-contiguous  
18 licensed location, but at no time shall a class 1 craft  
19 distiller license holder directly or indirectly produce in the  
20 aggregate more than 50,000 gallons of spirits per year.

21 A class 1 craft distiller licensee may hold more than one  
22 class 1 craft distiller's license. However, a class 1 craft  
23 distiller that holds more than one class 1 craft distiller  
24 license shall not manufacture, in the aggregate, more than  
25 50,000 gallons of spirits by distillation per year and shall  
26 not sell, in the aggregate, more than 5,000 gallons of such

1 spirits to non-licensees in accordance with an exemption  
2 approved by the State Commission pursuant to Section 6-4 of  
3 this Act.

4 Class 11. A class 2 craft distiller license, which may only  
5 be issued to a licensed craft distiller or licensed  
6 non-resident dealer, shall allow the manufacture of up to  
7 100,000 gallons of spirits per year provided that the class 2  
8 craft distiller licensee does not manufacture more than a  
9 combined 100,000 gallons of spirits per year and is not a  
10 member of or affiliated with, directly or indirectly, a  
11 manufacturer that produces more than 100,000 gallons of spirits  
12 per year or any other alcoholic liquor. A class 2 craft  
13 distiller licensee may make sales and deliveries to importing  
14 distributors and distributors, but shall not make sales or  
15 deliveries to any other licensee. If the State Commission  
16 provides prior approval, a class 2 craft distiller licensee may  
17 annually transfer up to 100,000 gallons of spirits manufactured  
18 by that class 2 craft distiller licensee to the premises of a  
19 licensed class 2 craft distiller wholly owned and operated by  
20 the same licensee. A class 2 craft distiller may transfer  
21 spirits to a distilling pub wholly owned and operated by the  
22 class 2 craft distiller subject to the following limitations  
23 and restrictions: (i) the transfer shall not annually exceed  
24 more than 5,000 gallons; (ii) the annual amount transferred  
25 shall reduce the distilling pub's annual permitted production  
26 limit; (iii) all spirits transferred shall be subject to

1 Article VIII of this Act; (iv) a written record shall be  
2 maintained by the distiller and distilling pub specifying the  
3 amount, date of delivery, and receipt of the product by the  
4 distilling pub; and (v) the distilling pub shall be located no  
5 farther than 80 miles from the class 2 craft distiller's  
6 licensed location.

7 A class 2 craft distiller shall, prior to transferring  
8 spirits to a distilling pub wholly owned by the class 2 craft  
9 distiller, furnish a written notice to the State Commission of  
10 intent to transfer spirits setting forth the name and address  
11 of the distilling pub and shall annually submit to the State  
12 Commission a verified report identifying the total gallons of  
13 spirits transferred to the distilling pub wholly owned by the  
14 class 2 craft distiller.

15 A class 2 craft distiller license holder may store such  
16 spirits at a non-contiguous licensed location, but at no time  
17 shall a class 2 craft distiller license holder directly or  
18 indirectly produce in the aggregate more than 100,000 gallons  
19 of spirits per year.

20 Class 12. A class 1 brewer license, which may only be  
21 issued to a licensed brewer or licensed non-resident dealer,  
22 shall allow the manufacture of up to 930,000 gallons of beer,  
23 mead, or both beer and mead per year provided that the class 1  
24 brewer licensee does not manufacture more than a combined  
25 930,000 gallons of beer or mead per year and is not a member of  
26 or affiliated with, directly or indirectly, a manufacturer that

1 produces more than 930,000 gallons of beer or mead per year or  
2 any other alcoholic liquor. A class 1 brewer licensee may make  
3 sales and deliveries to importing distributors and  
4 distributors and to retail licensees in accordance with the  
5 conditions set forth in paragraph (18) of subsection (a) of  
6 Section 3-12 of this Act. If the State Commission provides  
7 prior approval, a class 1 brewer may annually transfer up to  
8 930,000 gallons of beer, mead, or both beer and mead  
9 manufactured by that class 1 brewer to the premises of a  
10 licensed class 1 brewer wholly owned and operated by the same  
11 licensee.

12 Class 13. A class 2 brewer license, which may only be  
13 issued to a licensed brewer or licensed non-resident dealer,  
14 shall allow the manufacture of up to 3,720,000 gallons of beer, mead, or both beer and mead per year provided that the class 2  
15 brewer licensee does not manufacture more than a combined  
16 3,720,000 gallons of beer, mead, or both beer and mead per year  
17 and is not a member of or affiliated with, directly or  
18 indirectly, a manufacturer that produces more than 3,720,000  
19 gallons of beer, mead, or both beer and mead per year or any  
20 other alcoholic liquor. A class 2 brewer licensee may make  
21 sales and deliveries to importing distributors and  
22 distributors, but shall not make sales or deliveries to any  
23 other licensee. If the State Commission provides prior  
24 approval, a class 2 brewer licensee may annually transfer up to  
25 3,720,000 gallons of beer, mead, or both beer and mead  
26

1 manufactured by that class 2 brewer licensee to the premises of  
2 a licensed class 2 brewer wholly owned and operated by the same  
3 licensee.

4 A class 2 brewer may transfer beer, mead, or both beer and  
5 mead to a brew pub wholly owned and operated by the class 2  
6 brewer subject to the following limitations and restrictions:  
7 (i) the transfer shall not annually exceed more than 31,000  
8 gallons; (ii) the annual amount transferred shall reduce the  
9 brew pub's annual permitted production limit; (iii) all beer  
10 and mead transferred shall be subject to Article VIII of this  
11 Act; (iv) a written record shall be maintained by the brewer  
12 and brew pub specifying the amount, date of delivery, and  
13 receipt of the product by the brew pub; and (v) the brew pub  
14 shall be located no farther than 80 miles from the class 2  
15 brewer's licensed location.

16 A class 2 brewer shall, prior to transferring beer or mead  
17 to a brew pub wholly owned by the class 2 brewer, furnish a  
18 written notice to the State Commission of intent to transfer  
19 beer or mead setting forth the name and address of the brew pub  
20 and shall annually submit to the State Commission a verified  
21 report identifying the total gallons of beer and mead  
22 transferred to the brew pub wholly owned by the class 2 brewer.

23 (a-1) A manufacturer which is licensed in this State to  
24 make sales or deliveries of alcoholic liquor to licensed  
25 distributors or importing distributors and which enlists  
26 agents, representatives, or individuals acting on its behalf

1 who contact licensed retailers on a regular and continual basis  
2 in this State must register those agents, representatives, or  
3 persons acting on its behalf with the State Commission.

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

21 (b) A distributor's license shall allow (i) the wholesale  
22 purchase and storage of alcoholic liquors and sale of alcoholic  
23 liquors to licensees in this State and to persons without the  
24 State, as may be permitted by law; (ii) the sale of beer,  
25 cider, mead, or any combination thereof ~~or both beer and cider~~  
26 to brewers, class 1 brewers, and class 2 brewers that, pursuant

1 to subsection (e) of Section 6-4 of this Act, sell beer, cider,  
2 mead, or any combination thereof ~~or both beer and cider~~ to  
3 non-licensees at their breweries; and (iii) the sale of  
4 vermouth to class 1 craft distillers and class 2 craft  
5 distillers that, pursuant to subsection (e) of Section 6-4 of  
6 this Act, sell spirits, vermouth, or both spirits and vermouth  
7 to non-licensees at their distilleries. No person licensed as a  
8 distributor shall be granted a non-resident dealer's license.

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

1 license.

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

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

22 (e) A special event retailer's license (not-for-profit)  
23 shall permit the licensee to purchase alcoholic liquors from an  
24 Illinois licensed distributor (unless the licensee purchases  
25 less than \$500 of alcoholic liquors for the special event, in  
26 which case the licensee may purchase the alcoholic liquors from



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

25 Nothing in this Act prohibits an Illinois licensed  
26 distributor from offering credit or a refund for unused,

1 salable alcoholic liquors to a holder of a special event  
2 retailer's license or the special event retailer's licensee  
3 from accepting the credit or refund of alcoholic liquors at the  
4 conclusion of the event specified in the license.

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

26 (g) A boat license shall allow the sale of alcoholic liquor

1 in individual drinks, on any passenger boat regularly operated  
 2 as a common carrier on navigable waters in this State or on any  
 3 riverboat operated under the Illinois Gambling Act, which boat  
 4 or riverboat maintains a public dining room or restaurant  
 5 thereon.

6 (h) A non-beverage user's license shall allow the licensee  
 7 to purchase alcoholic liquor from a licensed manufacturer or  
 8 importing distributor, without the imposition of any tax upon  
 9 the business of such licensed manufacturer or importing  
 10 distributor as to such alcoholic liquor to be used by such  
 11 licensee solely for the non-beverage purposes set forth in  
 12 subsection (a) of Section 8-1 of this Act, and such licenses  
 13 shall be divided and classified and shall permit the purchase,  
 14 possession and use of limited and stated quantities of  
 15 alcoholic liquor as follows:

- 16 Class 1, not to exceed ..... 500 gallons
- 17 Class 2, not to exceed ..... 1,000 gallons
- 18 Class 3, not to exceed ..... 5,000 gallons
- 19 Class 4, not to exceed ..... 10,000 gallons
- 20 Class 5, not to exceed ..... 50,000 gallons

21 (i) A wine-maker's premises license shall allow a licensee  
 22 that concurrently holds a first-class wine-maker's license to  
 23 sell and offer for sale at retail in the premises specified in  
 24 such license not more than 50,000 gallons of the first-class  
 25 wine-maker's wine that is made at the first-class wine-maker's  
 26 licensed premises per year for use or consumption, but not for

1 resale in any form. A wine-maker's premises license shall allow  
2 a licensee who concurrently holds a second-class wine-maker's  
3 license to sell and offer for sale at retail in the premises  
4 specified in such license up to 100,000 gallons of the  
5 second-class wine-maker's wine that is made at the second-class  
6 wine-maker's licensed premises per year for use or consumption  
7 but not for resale in any form. A wine-maker's premises license  
8 shall allow a licensee that concurrently holds a first-class  
9 wine-maker's license or a second-class wine-maker's license to  
10 sell and offer for sale at retail at the premises specified in  
11 the wine-maker's premises license, for use or consumption but  
12 not for resale in any form, any beer, wine, and spirits  
13 purchased from a licensed distributor. Upon approval from the  
14 State Commission, a wine-maker's premises license shall allow  
15 the licensee to sell and offer for sale at (i) the wine-maker's  
16 licensed premises and (ii) at up to 2 additional locations for  
17 use and consumption and not for resale. Each location shall  
18 require additional licensing per location as specified in  
19 Section 5-3 of this Act. A wine-maker's premises licensee shall  
20 secure liquor liability insurance coverage in an amount at  
21 least equal to the maximum liability amounts set forth in  
22 subsection (a) of Section 6-21 of this Act.

23 (j) An airplane 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 an airplane; and provided further, that  
7 airplane licensees exercising the above powers shall be subject  
8 to all provisions of Article VIII of this Act as applied to  
9 importing distributors. An airplane licensee shall also permit  
10 the sale or dispensing of alcoholic liquors on any passenger  
11 airplane regularly operated by a common carrier in this State,  
12 but shall not permit the sale for resale of any alcoholic  
13 liquors to any licensee within this State. A single airplane  
14 license shall be required of an airline company if liquor  
15 service is provided on board aircraft in this State. The annual  
16 fee for such license shall be as determined in Section 5-3.

17 (k) A foreign importer's license shall permit such licensee  
18 to purchase alcoholic liquor from Illinois licensed  
19 non-resident dealers only, and to import alcoholic liquor other  
20 than in bulk from any point outside the United States and to  
21 sell such alcoholic liquor to Illinois licensed importing  
22 distributors and to no one else in Illinois; provided that (i)  
23 the foreign importer registers with the State Commission every  
24 brand of alcoholic liquor that it proposes to sell to Illinois  
25 licensees during the license period, (ii) the foreign importer  
26 complies with all of the provisions of Section 6-9 of this Act

1 with respect to registration of such Illinois licensees as may  
2 be granted the right to sell such brands at wholesale, and  
3 (iii) the foreign importer complies with the provisions of  
4 Sections 6-5 and 6-6 of this Act to the same extent that these  
5 provisions apply to manufacturers.

6 (1) (i) A broker's license shall be required of all persons  
7 who solicit orders for, offer to sell or offer to supply  
8 alcoholic liquor to retailers in the State of Illinois, or who  
9 offer to retailers to ship or cause to be shipped or to make  
10 contact with distillers, craft distillers, rectifiers, brewers  
11 or manufacturers or any other party within or without the State  
12 of Illinois in order that alcoholic liquors be shipped to a  
13 distributor, importing distributor or foreign importer,  
14 whether such solicitation or offer is consummated within or  
15 without the State of Illinois.

16 No holder of a retailer's license issued by the Illinois  
17 Liquor Control Commission shall purchase or receive any  
18 alcoholic liquor, the order for which was solicited or offered  
19 for sale to such retailer by a broker unless the broker is the  
20 holder of a valid broker's license.

21 The broker shall, upon the acceptance by a retailer of the  
22 broker's solicitation of an order or offer to sell or supply or  
23 deliver or have delivered alcoholic liquors, promptly forward  
24 to the Illinois Liquor Control Commission a notification of  
25 said transaction in such form as the Commission may by  
26 regulations prescribe.

1           (ii) A broker's license shall be required of a person  
2 within this State, other than a retail licensee, who, for a fee  
3 or commission, promotes, solicits, or accepts orders for  
4 alcoholic liquor, for use or consumption and not for resale, to  
5 be shipped from this State and delivered to residents outside  
6 of this State by an express company, common carrier, or  
7 contract carrier. This Section does not apply to any person who  
8 promotes, solicits, or accepts orders for wine as specifically  
9 authorized in Section 6-29 of this Act.

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

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

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

23           (m) A non-resident dealer's license shall permit such  
24 licensee to ship into and warehouse alcoholic liquor into this  
25 State from any point outside of this State, and to sell such  
26 alcoholic liquor to Illinois licensed foreign importers and

1 importing distributors and to no one else in this State;  
2 provided that (i) said non-resident dealer shall register with  
3 the Illinois Liquor Control Commission each and every brand of  
4 alcoholic liquor which it proposes to sell to Illinois  
5 licensees during the license period, (ii) it shall comply with  
6 all of the provisions of Section 6-9 hereof with respect to  
7 registration of such Illinois licensees as may be granted the  
8 right to sell such brands at wholesale by duly filing such  
9 registration statement, thereby authorizing the non-resident  
10 dealer to proceed to sell such brands at wholesale, and (iii)  
11 the non-resident dealer shall comply with the provisions of  
12 Sections 6-5 and 6-6 of this Act to the same extent that these  
13 provisions apply to manufacturers. No person licensed as a  
14 non-resident dealer shall be granted a distributor's or  
15 importing distributor's license.

16 (n) A brew pub license shall allow the licensee to only (i)  
17 manufacture up to 155,000 gallons of beer per year only on the  
18 premises specified in the license, (ii) make sales of the beer  
19 manufactured on the premises or, with the approval of the  
20 Commission, beer manufactured on another brew pub licensed  
21 premises that is wholly owned and operated by the same licensee  
22 to importing distributors, distributors, and to non-licensees  
23 for use and consumption, (iii) store the beer upon the  
24 premises, (iv) sell and offer for sale at retail from the  
25 licensed premises for off-premises consumption no more than  
26 155,000 gallons per year so long as such sales are only made



1 in-person, (v) sell and offer for sale at retail for use and  
2 consumption on the premises specified in the license any form  
3 of alcoholic liquor purchased from a licensed distributor or  
4 importing distributor, (vi) with the prior approval of the  
5 Commission, annually transfer no more than 155,000 gallons of  
6 beer manufactured on the premises to a licensed brew pub wholly  
7 owned and operated by the same licensee, and (vii)  
8 notwithstanding item (i) of this subsection, brew pubs wholly  
9 owned and operated by the same licensee may combine each  
10 location's production limit of 155,000 gallons of beer per year  
11 and allocate the aggregate total between the wholly owned,  
12 operated, and licensed locations.

13 A brew pub licensee shall not under any circumstance sell  
14 or offer for sale beer manufactured by the brew pub licensee to  
15 retail licensees.

16 A person who holds a class 2 brewer license may  
17 simultaneously hold a brew pub license if the class 2 brewer  
18 (i) does not, under any circumstance, sell or offer for sale  
19 beer manufactured by the class 2 brewer to retail licensees;  
20 (ii) does not hold more than 3 brew pub licenses in this State;  
21 (iii) does not manufacture more than a combined 3,720,000  
22 gallons of beer, mead, or both beer and mead per year,  
23 including the beer manufactured at the brew pub; and (iv) is  
24 not a member of or affiliated with, directly or indirectly, a  
25 manufacturer that produces more than 3,720,000 gallons of beer,  
26 mead, or both beer and mead per year or any other alcoholic

1 liquor.

2 Notwithstanding any other provision of this Act, a licensed  
3 brewer, class 2 brewer, or non-resident dealer who before July  
4 1, 2015 manufactured less than 3,720,000 gallons of beer per  
5 year and held a brew pub license on or before July 1, 2015 may  
6 (i) continue to qualify for and hold that brew pub license for  
7 the licensed premises and (ii) manufacture more than 3,720,000  
8 gallons of beer per year and continue to qualify for and hold  
9 that brew pub license if that brewer, class 2 brewer, or  
10 non-resident dealer does not simultaneously hold a class 1  
11 brewer license and is not a member of or affiliated with,  
12 directly or indirectly, a manufacturer that produces more than  
13 3,720,000 gallons of beer per year or that produces any other  
14 alcoholic liquor.

15 (o) A caterer retailer license shall allow the holder to  
16 serve alcoholic liquors as an incidental part of a food service  
17 that serves prepared meals which excludes the serving of snacks  
18 as the primary meal, either on or off-site whether licensed or  
19 unlicensed. A caterer retailer license shall allow the holder,  
20 a distributor, or an importing distributor to transfer any  
21 inventory to and from the holder's retail premises and shall  
22 allow the holder to purchase alcoholic liquor from a  
23 distributor or importing distributor to be delivered directly  
24 to an off-site event.

25 Nothing in this Act prohibits a distributor or importing  
26 distributor from offering credit or a refund for unused,

1 salable beer to a holder of a caterer retailer license or a  
2 caterer retailer licensee from accepting a credit or refund for  
3 unused, salable beer, in the event an act of God is the sole  
4 reason an off-site event is cancelled and if: (i) the holder of  
5 a caterer retailer license has not transferred alcoholic liquor  
6 from its caterer retailer premises to an off-site location;  
7 (ii) the distributor or importing distributor offers the credit  
8 or refund for the unused, salable beer that it delivered to the  
9 off-site premises and not for any unused, salable beer that the  
10 distributor or importing distributor delivered to the caterer  
11 retailer's premises; and (iii) the unused, salable beer would  
12 likely spoil if transferred to the caterer retailer's premises.  
13 A caterer retailer license shall allow the holder to transfer  
14 any inventory from any off-site location to its caterer  
15 retailer premises at the conclusion of an off-site event or  
16 engage a distributor or importing distributor to transfer any  
17 inventory from any off-site location to its caterer retailer  
18 premises at the conclusion of an off-site event, provided that  
19 the distributor or importing distributor issues bona fide  
20 charges to the caterer retailer licensee for fuel, labor, and  
21 delivery and the distributor or importing distributor collects  
22 payment from the caterer retailer licensee prior to the  
23 distributor or importing distributor transferring inventory to  
24 the caterer retailer premises.

25 For purposes of this subsection (o), an "act of God" means  
26 an unforeseeable event, such as a rain or snow storm, hail, a

1 flood, or a similar event, that is the sole cause of the  
2 cancellation of an off-site, outdoor event.

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

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

1 have local authority approval.

2 A special use permit license shall allow the holder to  
3 transfer any inventory from the holder's special use premises  
4 to its retail premises at the conclusion of the special use  
5 event or engage a distributor or importing distributor to  
6 transfer any inventory from the holder's special use premises  
7 to its retail premises at the conclusion of an off-site event,  
8 provided that the distributor or importing distributor issues  
9 bona fide charges to the special use permit licensee for fuel,  
10 labor, and delivery and the distributor or importing  
11 distributor collects payment from the retail licensee prior to  
12 the distributor or importing distributor transferring  
13 inventory to the retail premises.

14 Nothing in this Act prohibits a distributor or importing  
15 distributor from offering credit or a refund for unused,  
16 salable beer to a special use permit licensee or a special use  
17 permit licensee from accepting a credit or refund for unused,  
18 salable beer at the conclusion of the event specified in the  
19 license if: (i) the holder of the special use permit license  
20 has not transferred alcoholic liquor from its retail licensed  
21 premises to the premises specified in the special use permit  
22 license; (ii) the distributor or importing distributor offers  
23 the credit or refund for the unused, salable beer that it  
24 delivered to the premises specified in the special use permit  
25 license and not for any unused, salable beer that the  
26 distributor or importing distributor delivered to the

1 retailer's premises; and (iii) the unused, salable beer would  
2 likely spoil if transferred to the retailer premises.

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

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

18 Except for a common carrier, a third-party provider  
19 shipping wine on behalf of a winery shipper's license holder is  
20 the agent of the winery shipper's license holder and, as such,  
21 a winery shipper's license holder is responsible for the acts  
22 and omissions of the third-party provider acting on behalf of  
23 the license holder. A third-party provider, except for a common  
24 carrier, that engages in shipping wine into Illinois on behalf  
25 of a winery shipper's license holder shall consent to the  
26 jurisdiction of the State Commission and the State. Any

1 third-party, except for a common carrier, holding such an  
2 appointment shall, by February 1 of each calendar year and upon  
3 request by the State Commission or the Department of Revenue,  
4 file with the State Commission a statement detailing each  
5 shipment made to an Illinois resident. The statement shall  
6 include the name and address of the third-party provider filing  
7 the statement, the time period covered by the statement, and  
8 the following information:

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

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

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

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



1 provisions of this paragraph is guilty of a Class C  
2 misdemeanor. In case of a continuing violation, each day's  
3 continuance thereof shall be a separate and distinct offense.

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

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

1 winery shipper and shipped to persons in this State, the winery  
2 shipper's license shall be revoked in accordance with the  
3 provisions of Article VII of this Act.

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

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

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

18 (s) A craft distiller tasting permit license shall allow an  
19 Illinois licensed class 1 craft distiller or class 2 craft  
20 distiller to transfer a portion of its alcoholic liquor  
21 inventory from its class 1 craft distiller or class 2 craft  
22 distiller licensed premises to the premises specified in the  
23 license hereby created and to conduct a sampling, only in the  
24 premises specified in the license hereby created, of the  
25 transferred alcoholic liquor in accordance with subsection (c)  
26 of Section 6-31 of this Act. The transferred alcoholic liquor

1 may not be sold or resold in any form. An applicant for the  
2 craft distiller tasting permit license must also submit with  
3 the application proof satisfactory to the State Commission that  
4 the applicant will provide dram shop liability insurance to the  
5 maximum limits and have local authority approval.

6 (t) A brewer warehouse permit may be issued to the holder  
7 of a class 1 brewer license or a class 2 brewer license. If the  
8 holder of the permit is a class 1 brewer licensee, the brewer  
9 warehouse permit shall allow the holder to store or warehouse  
10 up to 930,000 gallons of tax-determined beer and mead  
11 manufactured by the holder of the permit at the premises  
12 specified on the permit. If the holder of the permit is a class  
13 2 brewer licensee, the brewer warehouse permit shall allow the  
14 holder to store or warehouse up to 3,720,000 gallons of  
15 tax-determined beer and mead manufactured by the holder of the  
16 permit at the premises specified on the permit. Sales to  
17 non-licensees are prohibited at the premises specified in the  
18 brewer warehouse permit.

19 (u) A distilling pub license shall allow the licensee to  
20 only (i) manufacture up to 5,000 gallons of spirits per year  
21 only on the premises specified in the license, (ii) make sales  
22 of the spirits manufactured on the premises or, with the  
23 approval of the State Commission, spirits manufactured on  
24 another distilling pub licensed premises that is wholly owned  
25 and operated by the same licensee to importing distributors and  
26 distributors and to non-licensees for use and consumption,

1 (iii) store the spirits upon the premises, (iv) sell and offer  
2 for sale at retail from the licensed premises for off-premises  
3 consumption no more than 5,000 gallons per year so long as such  
4 sales are only made in-person, (v) sell and offer for sale at  
5 retail for use and consumption on the premises specified in the  
6 license any form of alcoholic liquor purchased from a licensed  
7 distributor or importing distributor, and (vi) with the prior  
8 approval of the State Commission, annually transfer no more  
9 than 5,000 gallons of spirits manufactured on the premises to a  
10 licensed distilling pub wholly owned and operated by the same  
11 licensee.

12 A distilling pub licensee shall not under any circumstance  
13 sell or offer for sale spirits manufactured by the distilling  
14 pub licensee to retail licensees.

15 A person who holds a class 2 craft distiller license may  
16 simultaneously hold a distilling pub license if the class 2  
17 craft distiller (i) does not, under any circumstance, sell or  
18 offer for sale spirits manufactured by the class 2 craft  
19 distiller to retail licensees; (ii) does not hold more than 3  
20 distilling pub licenses in this State; (iii) does not  
21 manufacture more than a combined 100,000 gallons of spirits per  
22 year, including the spirits manufactured at the distilling pub;  
23 and (iv) is not a member of or affiliated with, directly or  
24 indirectly, a manufacturer that produces more than 100,000  
25 gallons of spirits per year or any other alcoholic liquor.

26 (v) A craft distiller warehouse permit may be issued to the

1 holder of a class 1 craft distiller or class 2 craft distiller  
2 license. The craft distiller warehouse permit shall allow the  
3 holder to store or warehouse up to 500,000 gallons of spirits  
4 manufactured by the holder of the permit at the premises  
5 specified on the permit. Sales to non-licensees are prohibited  
6 at the premises specified in the craft distiller warehouse  
7 permit.

8 (Source: P.A. 100-17, eff. 6-30-17; 100-201, eff. 8-18-17;  
9 100-816, eff. 8-13-18; 100-885, eff. 8-14-18; 100-1050, eff.  
10 8-23-18; 101-16, eff. 6-14-19; 101-31, eff. 6-28-19; 101-81,  
11 eff. 7-12-19; 101-482, eff. 8-23-19; 101-517, eff. 8-23-19;  
12 101-615, eff. 12-20-19.)

13 (235 ILCS 5/6-4) (from Ch. 43, par. 121)

14 Sec. 6-4. (a) No person licensed by any licensing authority  
15 as a distiller, or a wine manufacturer, or any subsidiary or  
16 affiliate thereof, or any officer, associate, member, partner,  
17 representative, employee, agent or shareholder owning more  
18 than 5% of the outstanding shares of such person shall be  
19 issued an importing distributor's or distributor's license,  
20 nor shall any person licensed by any licensing authority as an  
21 importing distributor, distributor or retailer, or any  
22 subsidiary or affiliate thereof, or any officer or associate,  
23 member, partner, representative, employee, agent or  
24 shareholder owning more than 5% of the outstanding shares of  
25 such person be issued a distiller's license, a craft

1 distiller's license, or a wine manufacturer's license; and no  
2 person or persons licensed as a distiller, craft distiller,  
3 class 1 craft distiller, or class 2 craft distiller by any  
4 licensing authority shall have any interest, directly or  
5 indirectly, with such distributor or importing distributor.

6 However, an importing distributor or distributor, which on  
7 January 1, 1985 is owned by a brewer, 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 the importing distributor  
11 or distributor referred to in this paragraph, may own or  
12 acquire an ownership interest of more than 5% of the  
13 outstanding shares of a wine manufacturer and be issued a wine  
14 manufacturer's license by any licensing authority.

15 (b) The foregoing provisions shall not apply to any person  
16 licensed by any licensing authority as a distiller or wine  
17 manufacturer, or to any subsidiary or affiliate of any  
18 distiller or wine manufacturer who shall have been heretofore  
19 licensed by the State Commission as either an importing  
20 distributor or distributor during the annual licensing period  
21 expiring June 30, 1947, and shall actually have made sales  
22 regularly to retailers.

23 (c) Provided, however, that in such instances where a  
24 distributor's or importing distributor's license has been  
25 issued to any distiller or wine manufacturer or to any  
26 subsidiary or affiliate of any distiller or wine manufacturer

1 who has, during the licensing period ending June 30, 1947, sold  
2 or distributed as such licensed distributor or importing  
3 distributor alcoholic liquors and wines to retailers, such  
4 distiller or wine manufacturer or any subsidiary or affiliate  
5 of any distiller or wine manufacturer holding such  
6 distributor's or importing distributor's license may continue  
7 to sell or distribute to retailers such alcoholic liquors and  
8 wines which are manufactured, distilled, processed or marketed  
9 by distillers and wine manufacturers whose products it sold or  
10 distributed to retailers during the whole or any part of its  
11 licensing periods; and such additional brands and additional  
12 products may be added to the line of such distributor or  
13 importing distributor, provided, that such brands and such  
14 products were not sold or distributed by any distributor or  
15 importing distributor licensed by the State Commission during  
16 the licensing period ending June 30, 1947, but can not sell or  
17 distribute to retailers any other alcoholic liquors or wines.

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

1 distiller, or subsidiaries or affiliates of such distiller.

2 (e) Any person licensed as a brewer, class 1 brewer, or  
3 class 2 brewer shall be permitted to sell on the licensed  
4 premises to non-licensees for on or off-premises consumption  
5 for the premises in which he or she actually conducts such  
6 business: (i) beer manufactured by the brewer, class 1 brewer,  
7 or class 2 brewer; (ii) beer manufactured by any other brewer,  
8 class 1 brewer, or class 2 brewer; ~~and~~ (iii) cider; and (iv)  
9 mead. Such sales shall be limited to on-premises, in-person  
10 sales only, for lawful consumption on or off premises. Such  
11 authorization shall be considered a privilege granted by the  
12 brewer license and, other than a manufacturer of beer as stated  
13 above, no manufacturer or distributor or importing  
14 distributor, excluding airplane licensees exercising powers  
15 provided in paragraph (i) of Section 5-1 of this Act, or any  
16 subsidiary or affiliate thereof, or any officer, associate,  
17 member, partner, representative, employee or agent, or  
18 shareholder shall be issued a retailer's license, nor shall any  
19 person having a retailer's license, excluding airplane  
20 licensees exercising powers provided in paragraph (i) of  
21 Section 5-1 of this Act, or any subsidiary or affiliate  
22 thereof, or any officer, associate, member, partner,  
23 representative or agent, or shareholder be issued a  
24 manufacturer's license or importing distributor's license.

25 A manufacturer of beer that imports or transfers beer into  
26 this State must comply with Sections 6-8 and 8-1 of this Act.



1           A person who holds a class 1 or class 2 brewer license and  
2 is authorized by this Section to sell beer or mead to  
3 non-licensees shall not sell beer or mead to non-licensees from  
4 more than 3 total brewer or commonly owned brew pub licensed  
5 locations in this State. The class 1 or class 2 brewer shall  
6 designate to the State Commission the brewer or brew pub  
7 locations from which it will sell beer or mead to  
8 non-licensees.

9           A person licensed as a class 1 craft distiller or a class 2  
10 craft distiller, including a person who holds more than one  
11 class 1 craft distiller or class 2 craft distiller license, not  
12 affiliated with any other person manufacturing spirits may be  
13 authorized by the State Commission to sell (1) up to 5,000  
14 gallons of spirits produced by the person to non-licensees for  
15 on or off-premises consumption for the premises in which he or  
16 she actually conducts business permitting only the retail sale  
17 of spirits manufactured at such premises and (2) vermouth  
18 purchased through a licensed distributor for on-premises  
19 consumption. Such sales shall be limited to on-premises,  
20 in-person sales only, for lawful consumption on or off  
21 premises, and such authorization shall be considered a  
22 privilege granted by the class 1 craft distiller or class 2  
23 craft distiller license. A class 1 craft distiller or class 2  
24 craft distiller licensed for retail sale shall secure liquor  
25 liability insurance coverage in an amount at least equal to the  
26 maximum liability amounts set forth in subsection (a) of

1 Section 6-21 of this Act.

2 A class 1 craft distiller or class 2 craft distiller  
3 license holder shall not deliver any alcoholic liquor to any  
4 non-licensee off the licensed premises. A class 1 craft  
5 distiller or class 2 craft distiller shall affirm in its annual  
6 license application that it does not produce more than 50,000  
7 or 100,000 gallons of distilled spirits annually, whichever is  
8 applicable, and that the craft distiller does not sell more  
9 than 5,000 gallons of spirits to non-licensees for on or  
10 off-premises consumption. In the application, which shall be  
11 sworn under penalty of perjury, the class 1 craft distiller or  
12 class 2 craft distiller shall state the volume of production  
13 and sales for each year since the class 1 craft distiller's or  
14 class 2 craft distiller's establishment.

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

23 (f) (Blank).

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

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

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

1 before February 18, 2015, or thereafter, or in the affidavit  
2 filed by that person with the State Commission to support the  
3 issuance of a retail license and to abide by all applicable  
4 laws and duly adopted rules.

5 (Source: P.A. 100-201, eff. 8-18-17; 100-816, eff. 8-13-18;  
6 100-885, eff. 8-14-18; 101-81, eff. 7-12-19; 101-482, eff.  
7 8-23-19; 101-615, eff. 12-20-19.)

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