



103RD GENERAL ASSEMBLY

State of Illinois

2023 and 2024

HB2399

Introduced 2/15/2023, by Rep. Daniel Didech

SYNOPSIS AS INTRODUCED:

5 ILCS 140/7.5
235 ILCS 5/1-3.45 new
235 ILCS 5/3-12
235 ILCS 5/5-1 from Ch. 43, par. 115
235 ILCS 5/5-8 new
235 ILCS 5/6-29 from Ch. 43, par. 144e
235 ILCS 5/7-3.5 new
235 ILCS 5/7-15 new

Amends the Liquor Control Act of 1934. Provides for the registration of third-party providers that ship wine to residents of this State on behalf of winery shippers. With regard to third-party providers, sets forth provisions concerning registration applications; recordkeeping; reporting; and suspending, revoking, or refusing to issue or renew a registration. Provides that a carrier may not deliver to a consumer a package known by the carrier to contain wine unless the consignor is a licensed winery shipper or registered third-party provider and the carrier has verified that license or registration for the current license period. Requires winery shippers, third-party providers, and carriers to file with the Illinois Liquor Control Commission a monthly report containing specified information concerning wine shipments. Provides that the State Commission may suspend, revoke, or refuse to issue or renew a license to manufacture, distribute, or sell alcoholic liquor issued by the State Commission if the State Commission finds, after notice and an opportunity for an evidentiary hearing, that the person holding the license has shipped alcoholic liquor into another state in violation of that state's law. Makes other changes. Amends the Freedom of Information Act to make a conforming change.

LRB103 28782 RPS 55167 b

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 Freedom of Information Act is amended by
5 changing Section 7.5 as follows:

6 (5 ILCS 140/7.5)

7 Sec. 7.5. Statutory exemptions. To the extent provided for
8 by the statutes referenced below, the following shall be
9 exempt from inspection and copying:

10 (a) All information determined to be confidential
11 under Section 4002 of the Technology Advancement and
12 Development Act.

13 (b) Library circulation and order records identifying
14 library users with specific materials under the Library
15 Records Confidentiality Act.

16 (c) Applications, related documents, and medical
17 records received by the Experimental Organ Transplantation
18 Procedures Board and any and all documents or other
19 records prepared by the Experimental Organ Transplantation
20 Procedures Board or its staff relating to applications it
21 has received.

22 (d) Information and records held by the Department of
23 Public Health and its authorized representatives relating

1 to known or suspected cases of sexually transmissible
2 disease or any information the disclosure of which is
3 restricted under the Illinois Sexually Transmissible
4 Disease Control Act.

5 (e) Information the disclosure of which is exempted
6 under Section 30 of the Radon Industry Licensing Act.

7 (f) Firm performance evaluations under Section 55 of
8 the Architectural, Engineering, and Land Surveying
9 Qualifications Based Selection Act.

10 (g) Information the disclosure of which is restricted
11 and exempted under Section 50 of the Illinois Prepaid
12 Tuition Act.

13 (h) Information the disclosure of which is exempted
14 under the State Officials and Employees Ethics Act, and
15 records of any lawfully created State or local inspector
16 general's office that would be exempt if created or
17 obtained by an Executive Inspector General's office under
18 that Act.

19 (i) Information contained in a local emergency energy
20 plan submitted to a municipality in accordance with a
21 local emergency energy plan ordinance that is adopted
22 under Section 11-21.5-5 of the Illinois Municipal Code.

23 (j) Information and data concerning the distribution
24 of surcharge moneys collected and remitted by carriers
25 under the Emergency Telephone System Act.

26 (k) Law enforcement officer identification information

1 or driver identification information compiled by a law
2 enforcement agency or the Department of Transportation
3 under Section 11-212 of the Illinois Vehicle Code.

4 (l) Records and information provided to a residential
5 health care facility resident sexual assault and death
6 review team or the Executive Council under the Abuse
7 Prevention Review Team Act.

8 (m) Information provided to the predatory lending
9 database created pursuant to Article 3 of the Residential
10 Real Property Disclosure Act, except to the extent
11 authorized under that Article.

12 (n) Defense budgets and petitions for certification of
13 compensation and expenses for court appointed trial
14 counsel as provided under Sections 10 and 15 of the
15 Capital Crimes Litigation Act. This subsection (n) shall
16 apply until the conclusion of the trial of the case, even
17 if the prosecution chooses not to pursue the death penalty
18 prior to trial or sentencing.

19 (o) Information that is prohibited from being
20 disclosed under Section 4 of the Illinois Health and
21 Hazardous Substances Registry Act.

22 (p) Security portions of system safety program plans,
23 investigation reports, surveys, schedules, lists, data, or
24 information compiled, collected, or prepared by or for the
25 Department of Transportation under Sections 2705-300 and
26 2705-616 of the Department of Transportation Law of the

1 Civil Administrative Code of Illinois, the Regional
2 Transportation Authority under Section 2.11 of the
3 Regional Transportation Authority Act, or the St. Clair
4 County Transit District under the Bi-State Transit Safety
5 Act.

6 (q) Information prohibited from being disclosed by the
7 Personnel Record Review Act.

8 (r) Information prohibited from being disclosed by the
9 Illinois School Student Records Act.

10 (s) Information the disclosure of which is restricted
11 under Section 5-108 of the Public Utilities Act.

12 (t) All identified or deidentified health information
13 in the form of health data or medical records contained
14 in, stored in, submitted to, transferred by, or released
15 from the Illinois Health Information Exchange, and
16 identified or deidentified health information in the form
17 of health data and medical records of the Illinois Health
18 Information Exchange in the possession of the Illinois
19 Health Information Exchange Office due to its
20 administration of the Illinois Health Information
21 Exchange. The terms "identified" and "deidentified" shall
22 be given the same meaning as in the Health Insurance
23 Portability and Accountability Act of 1996, Public Law
24 104-191, or any subsequent amendments thereto, and any
25 regulations promulgated thereunder.

26 (u) Records and information provided to an independent

1 team of experts under the Developmental Disability and
2 Mental Health Safety Act (also known as Brian's Law).

3 (v) Names and information of people who have applied
4 for or received Firearm Owner's Identification Cards under
5 the Firearm Owners Identification Card Act or applied for
6 or received a concealed carry license under the Firearm
7 Concealed Carry Act, unless otherwise authorized by the
8 Firearm Concealed Carry Act; and databases under the
9 Firearm Concealed Carry Act, records of the Concealed
10 Carry Licensing Review Board under the Firearm Concealed
11 Carry Act, and law enforcement agency objections under the
12 Firearm Concealed Carry Act.

13 (v-5) Records of the Firearm Owner's Identification
14 Card Review Board that are exempted from disclosure under
15 Section 10 of the Firearm Owners Identification Card Act.

16 (w) Personally identifiable information which is
17 exempted from disclosure under subsection (g) of Section
18 19.1 of the Toll Highway Act.

19 (x) Information which is exempted from disclosure
20 under Section 5-1014.3 of the Counties Code or Section
21 8-11-21 of the Illinois Municipal Code.

22 (y) Confidential information under the Adult
23 Protective Services Act and its predecessor enabling
24 statute, the Elder Abuse and Neglect Act, including
25 information about the identity and administrative finding
26 against any caregiver of a verified and substantiated

1 decision of abuse, neglect, or financial exploitation of
2 an eligible adult maintained in the Registry established
3 under Section 7.5 of the Adult Protective Services Act.

4 (z) Records and information provided to a fatality
5 review team or the Illinois Fatality Review Team Advisory
6 Council under Section 15 of the Adult Protective Services
7 Act.

8 (aa) Information which is exempted from disclosure
9 under Section 2.37 of the Wildlife Code.

10 (bb) Information which is or was prohibited from
11 disclosure by the Juvenile Court Act of 1987.

12 (cc) Recordings made under the Law Enforcement
13 Officer-Worn Body Camera Act, except to the extent
14 authorized under that Act.

15 (dd) Information that is prohibited from being
16 disclosed under Section 45 of the Condominium and Common
17 Interest Community Ombudsperson Act.

18 (ee) Information that is exempted from disclosure
19 under Section 30.1 of the Pharmacy Practice Act.

20 (ff) Information that is exempted from disclosure
21 under the Revised Uniform Unclaimed Property Act.

22 (gg) Information that is prohibited from being
23 disclosed under Section 7-603.5 of the Illinois Vehicle
24 Code.

25 (hh) Records that are exempt from disclosure under
26 Section 1A-16.7 of the Election Code.

1 (ii) Information which is exempted from disclosure
2 under Section 2505-800 of the Department of Revenue Law of
3 the Civil Administrative Code of Illinois.

4 (jj) Information and reports that are required to be
5 submitted to the Department of Labor by registering day
6 and temporary labor service agencies but are exempt from
7 disclosure under subsection (a-1) of Section 45 of the Day
8 and Temporary Labor Services Act.

9 (kk) Information prohibited from disclosure under the
10 Seizure and Forfeiture Reporting Act.

11 (ll) Information the disclosure of which is restricted
12 and exempted under Section 5-30.8 of the Illinois Public
13 Aid Code.

14 (mm) Records that are exempt from disclosure under
15 Section 4.2 of the Crime Victims Compensation Act.

16 (nn) Information that is exempt from disclosure under
17 Section 70 of the Higher Education Student Assistance Act.

18 (oo) Communications, notes, records, and reports
19 arising out of a peer support counseling session
20 prohibited from disclosure under the First Responders
21 Suicide Prevention Act.

22 (pp) Names and all identifying information relating to
23 an employee of an emergency services provider or law
24 enforcement agency under the First Responders Suicide
25 Prevention Act.

26 (qq) Information and records held by the Department of

1 Public Health and its authorized representatives collected
2 under the Reproductive Health Act.

3 (rr) Information that is exempt from disclosure under
4 the Cannabis Regulation and Tax Act.

5 (ss) Data reported by an employer to the Department of
6 Human Rights pursuant to Section 2-108 of the Illinois
7 Human Rights Act.

8 (tt) Recordings made under the Children's Advocacy
9 Center Act, except to the extent authorized under that
10 Act.

11 (uu) Information that is exempt from disclosure under
12 Section 50 of the Sexual Assault Evidence Submission Act.

13 (vv) Information that is exempt from disclosure under
14 subsections (f) and (j) of Section 5-36 of the Illinois
15 Public Aid Code.

16 (ww) Information that is exempt from disclosure under
17 Section 16.8 of the State Treasurer Act.

18 (xx) Information that is exempt from disclosure or
19 information that shall not be made public under the
20 Illinois Insurance Code.

21 (yy) Information prohibited from being disclosed under
22 the Illinois Educational Labor Relations Act.

23 (zz) Information prohibited from being disclosed under
24 the Illinois Public Labor Relations Act.

25 (aaa) Information prohibited from being disclosed
26 under Section 1-167 of the Illinois Pension Code.

1 (bbb) Information that is prohibited from disclosure
2 by the Illinois Police Training Act and the Illinois State
3 Police Act.

4 (ccc) Records exempt from disclosure under Section
5 2605-304 of the Illinois State Police Law of the Civil
6 Administrative Code of Illinois.

7 (ddd) Information prohibited from being disclosed
8 under Section 35 of the Address Confidentiality for
9 Victims of Domestic Violence, Sexual Assault, Human
10 Trafficking, or Stalking Act.

11 (eee) Information prohibited from being disclosed
12 under subsection (b) of Section 75 of the Domestic
13 Violence Fatality Review Act.

14 (fff) Images from cameras under the Expressway Camera
15 Act. This subsection (fff) is inoperative on and after
16 July 1, 2023.

17 (ggg) Information prohibited from disclosure under
18 paragraph (3) of subsection (a) of Section 14 of the Nurse
19 Agency Licensing Act.

20 (hhh) Information submitted to the Illinois Department
21 ~~of~~ State Police in an affidavit or application for an
22 assault weapon endorsement, assault weapon attachment
23 endorsement, .50 caliber rifle endorsement, or .50 caliber
24 cartridge endorsement under the Firearm Owners
25 Identification Card Act.

26 (iii) Information prohibited from being disclosed

1 under Section 6-28 of the Liquor Control Act of 1934.

2 (Source: P.A. 101-13, eff. 6-12-19; 101-27, eff. 6-25-19;
3 101-81, eff. 7-12-19; 101-221, eff. 1-1-20; 101-236, eff.
4 1-1-20; 101-375, eff. 8-16-19; 101-377, eff. 8-16-19; 101-452,
5 eff. 1-1-20; 101-466, eff. 1-1-20; 101-600, eff. 12-6-19;
6 101-620, eff. 12-20-19; 101-649, eff. 7-7-20; 101-652, eff.
7 1-1-22; 101-656, eff. 3-23-21; 102-36, eff. 6-25-21; 102-237,
8 eff. 1-1-22; 102-292, eff. 1-1-22; 102-520, eff. 8-20-21;
9 102-559, eff. 8-20-21; 102-813, eff. 5-13-22; 102-946, eff.
10 7-1-22; 102-1042, eff. 6-3-22; 102-1116, eff. 1-10-23; revised
11 2-13-23.)

12 Section 10. The Liquor Control Act of 1934 is amended by
13 changing Sections 3-12, 5-1, and 6-29 and by adding Sections
14 1-3.45, 5-8, 7-3.5, and 7-15 as follows:

15 (235 ILCS 5/1-3.45 new)

16 Sec. 1-3.45. Third-party provider. "Third-party provider"
17 means any entity that provides fulfillment house services,
18 including warehousing, packaging, distribution, order
19 processing, or shipment of wine, but not the sale of wine, on
20 behalf of a winery shipper.

21 (235 ILCS 5/3-12)

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

23 (a) The State Commission shall have the following powers,

1 functions, and duties:

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

26 In lieu of suspending or revoking a license or

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

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

13 The fine imposed under this paragraph may not exceed
14 \$500 for each violation. Each day that the activity, which
15 gave rise to the original fine, continues is a separate
16 violation. The maximum fine that may be levied against any
17 licensee or registrant, for the period of the license or
18 registration, shall not exceed \$20,000. The maximum
19 penalty that may be imposed on a licensee for selling a
20 bottle of alcoholic liquor with a foreign object in it or
21 serving from a bottle of alcoholic liquor with a foreign
22 object in it shall be the destruction of that bottle of
23 alcoholic liquor for the first 10 bottles so sold or
24 served from by the licensee. For the eleventh bottle of
25 alcoholic liquor and for each third bottle thereafter sold
26 or served from by the licensee with a foreign object in it,

1 the maximum penalty that may be imposed on the licensee is
2 the destruction of the bottle of alcoholic liquor and a
3 fine of up to \$50.

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

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

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

26 (4) To recommend to local commissioners rules and

1 regulations, not inconsistent with the law, for the
2 distribution and sale of alcoholic liquors throughout the
3 State.

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

12 (5.1) Upon receipt of a complaint or upon having
13 knowledge that any person is engaged in business as a
14 manufacturer, importing distributor, distributor, or
15 retailer without a license or valid license or as a
16 third-party provider without registering with the State
17 Commission, to conduct an investigation. If, after
18 conducting an investigation, the State Commission is
19 satisfied that the alleged conduct occurred or is
20 occurring, it may issue a cease and desist notice as
21 provided in this Act, impose civil penalties as provided
22 in this Act, notify the local liquor authority, or file a
23 complaint with the State's Attorney's Office of the county
24 where the incident occurred or the Attorney General.

25 (5.2) Upon receipt of a complaint or upon having
26 knowledge that any person is shipping alcoholic liquor

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

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

1 (5.4) To make arrests and issue notices of civil
2 violations where necessary for the enforcement of this
3 Act.

4 (5.5) To investigate any and all unlicensed or
5 unregistered activity.

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

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

22 (7) The State Commission shall establish uniform
23 systems of accounts to be kept by all retail licensees
24 having more than 4 employees, and for this purpose the
25 State Commission may classify all retail licensees having
26 more than 4 employees and establish a uniform system of

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

21 (8) In the conduct of any hearing authorized to be
22 held by the State Commission, to appoint, at the
23 commission's discretion, hearing officers to conduct
24 hearings involving complex issues or issues that will
25 require a protracted period of time to resolve, to
26 examine, or cause to be examined, under oath, any licensee

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

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

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

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

26 (11) To develop industry educational programs related

1 to responsible serving and selling, particularly in the
2 areas of overserving consumers and illegal underage
3 purchasing and consumption of alcoholic beverages.

4 (11.1) To license persons providing education and
5 training to alcohol beverage sellers and servers for
6 mandatory and non-mandatory training under the Beverage
7 Alcohol Sellers and Servers Education and Training
8 (BASSET) programs and to develop and administer a public
9 awareness program in Illinois to reduce or eliminate the
10 illegal purchase and consumption of alcoholic beverage
11 products by persons under the age of 21. Application for a
12 license shall be made on forms provided by the State
13 Commission.

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

16 (13) (Blank).

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

25 (A) The amount of State excise and sales tax
26 revenues generated.

1 (B) The amount of licensing fees received.

2 (C) The number of cases of wine shipped from
3 inside and outside of this State directly to residents
4 of this State.

5 (D) The number of alcohol compliance operations
6 conducted.

7 (E) The number of winery shipper's licenses
8 issued.

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

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

26 (16) The State Commission shall, in addition to

1 notifying any appropriate law enforcement agency, submit
2 notices of complaints or violations of Sections 6-29 and
3 6-29.1 by persons who do not hold a winery shipper's
4 license under this Act to the Illinois Attorney General
5 and to the U.S. Department of Treasury's Alcohol and
6 Tobacco Tax and Trade Bureau.

7 (17) (A) A person licensed to make wine under the laws
8 of another state who has a winery shipper's license under
9 this Act and annually produces less than 25,000 gallons of
10 wine or a person who has a first-class or second-class
11 wine manufacturer's license, a first-class or second-class
12 wine-maker's license, or a limited wine manufacturer's
13 license under this Act and annually produces less than
14 25,000 gallons of wine may make application to the
15 Commission for a self-distribution exemption to allow the
16 sale of not more than 5,000 gallons of the exemption
17 holder's wine to retail licensees per year and to sell
18 cider, mead, or both cider and mead to brewers, class 1
19 brewers, class 2 brewers, and class 3 brewers that,
20 pursuant to subsection (e) of Section 6-4 of this Act,
21 sell beer, cider, mead, or any combination thereof to
22 non-licensees at their breweries.

23 (B) In the application, which shall be sworn under
24 penalty of perjury, such person shall state (1) the date
25 it was established; (2) its volume of production and sales
26 for each year since its establishment; (3) its efforts to

1 establish distributor relationships; (4) that a
2 self-distribution exemption is necessary to facilitate the
3 marketing of its wine; and (5) that it will comply with the
4 liquor and revenue laws of the United States, this State,
5 and any other state where it is licensed.

6 (C) The State Commission shall approve the application
7 for a self-distribution exemption if such person: (1) is
8 in compliance with State revenue and liquor laws; (2) is
9 not a member of any affiliated group that produces
10 directly or indirectly more than 25,000 gallons of wine
11 per annum, 930,000 gallons of beer per annum, or 50,000
12 gallons of spirits per annum; (3) will not annually
13 produce for sale more than 25,000 gallons of wine, 930,000
14 gallons of beer, or 50,000 gallons of spirits; and (4)
15 will not annually sell more than 5,000 gallons of its wine
16 to retail licensees.

17 (D) A self-distribution exemption holder shall
18 annually certify to the State Commission its production of
19 wine in the previous 12 months and its anticipated
20 production and sales for the next 12 months. The State
21 Commission may fine, suspend, or revoke a
22 self-distribution exemption after a hearing if it finds
23 that the exemption holder has made a material
24 misrepresentation in its application, violated a revenue
25 or liquor law of Illinois, exceeded production of 25,000
26 gallons of wine, 930,000 gallons of beer, or 50,000

1 gallons of spirits in any calendar year, or become part of
2 an affiliated group producing more than 25,000 gallons of
3 wine, 930,000 gallons of beer, or 50,000 gallons of
4 spirits.

5 (E) Except in hearings for violations of this Act or
6 Public Act 95-634 or a bona fide investigation by duly
7 sworn law enforcement officials, the State Commission, or
8 its agents, the State Commission shall maintain the
9 production and sales information of a self-distribution
10 exemption holder as confidential and shall not release
11 such information to any person.

12 (F) The State Commission shall issue regulations
13 governing self-distribution exemptions consistent with
14 this Section and this Act.

15 (G) Nothing in this paragraph (17) shall prohibit a
16 self-distribution exemption holder from entering into or
17 simultaneously having a distribution agreement with a
18 licensed Illinois distributor.

19 (H) It is the intent of this paragraph (17) to promote
20 and continue orderly markets. The General Assembly finds
21 that, in order to preserve Illinois' regulatory
22 distribution system, it is necessary to create an
23 exception for smaller makers of wine as their wines are
24 frequently adjusted in varietals, mixes, vintages, and
25 taste to find and create market niches sometimes too small
26 for distributor or importing distributor business

1 strategies. Limited self-distribution rights will afford
2 and allow smaller makers of wine access to the marketplace
3 in order to develop a customer base without impairing the
4 integrity of the 3-tier system.

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

15 (B) In the application, which shall be sworn under
16 penalty of perjury, the class 1 brewer licensee shall
17 state (1) the date it was established; (2) its volume of
18 beer manufactured and sold for each year since its
19 establishment; (3) its efforts to establish distributor
20 relationships; (4) that a self-distribution exemption is
21 necessary to facilitate the marketing of its beer; and (5)
22 that it will comply with the alcoholic beverage and
23 revenue laws of the United States, this State, and any
24 other state where it is licensed.

25 (C) Any application submitted shall be posted on the
26 State Commission's website at least 45 days prior to

1 action by the State Commission. The State Commission shall
2 approve the application for a self-distribution exemption
3 if the class 1 brewer licensee: (1) is in compliance with
4 the State, revenue, and alcoholic beverage laws; (2) is
5 not a member of any affiliated group that manufactures,
6 directly or indirectly, more than 930,000 gallons of beer
7 per annum, 25,000 gallons of wine per annum, or 50,000
8 gallons of spirits per annum; (3) shall not annually
9 manufacture for sale more than 930,000 gallons of beer,
10 25,000 gallons of wine, or 50,000 gallons of spirits; (4)
11 shall not annually sell more than 232,500 gallons of its
12 beer to retail licensees and class 3 brewers and to
13 brewers, class 1 brewers, and class 2 brewers that,
14 pursuant to subsection (e) of Section 6-4 of this Act,
15 sell beer, cider, mead, or any combination thereof to
16 non-licensees at their breweries; and (5) has relinquished
17 any brew pub license held by the licensee, including any
18 ownership interest it held in the licensed brew pub.

19 (D) A self-distribution exemption holder shall
20 annually certify to the State Commission its manufacture
21 of beer during the previous 12 months and its anticipated
22 manufacture and sales of beer for the next 12 months. The
23 State Commission may fine, suspend, or revoke a
24 self-distribution exemption after a hearing if it finds
25 that the exemption holder has made a material
26 misrepresentation in its application, violated a revenue

1 or alcoholic beverage law of Illinois, exceeded the
2 manufacture of 930,000 gallons of beer, 25,000 gallons of
3 wine, or 50,000 gallons of spirits in any calendar year or
4 became part of an affiliated group manufacturing more than
5 930,000 gallons of beer, 25,000 gallons of wine, or 50,000
6 gallons of spirits.

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

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

20 (G) It is the intent of this paragraph (18) to promote
21 and continue orderly markets. The General Assembly finds
22 that in order to preserve Illinois' regulatory
23 distribution system, it is necessary to create an
24 exception for smaller manufacturers in order to afford and
25 allow such smaller manufacturers of beer access to the
26 marketplace in order to develop a customer base without

1 impairing the integrity of the 3-tier system.

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

8 (B) In the application, which shall be sworn under
9 penalty of perjury, the class 1 craft distiller licensee
10 or non-resident dealer shall state (1) the date it was
11 established; (2) its volume of spirits manufactured and
12 sold for each year since its establishment; (3) its
13 efforts to establish distributor relationships; (4) that a
14 self-distribution exemption is necessary to facilitate the
15 marketing of its spirits; and (5) that it will comply with
16 the alcoholic beverage and revenue laws of the United
17 States, this State, and any other state where it is
18 licensed.

19 (C) Any application submitted shall be posted on the
20 State Commission's website at least 45 days prior to
21 action by the State Commission. The State Commission shall
22 approve the application for a self-distribution exemption
23 if the applicant: (1) is in compliance with State revenue
24 and alcoholic beverage laws; (2) is not a member of any
25 affiliated group that produces more than 50,000 gallons of
26 spirits per annum, 930,000 gallons of beer per annum, or

1 25,000 gallons of wine per annum; (3) does not annually
2 manufacture for sale more than 50,000 gallons of spirits,
3 930,000 gallons of beer, or 25,000 gallons of wine; and
4 (4) does not annually sell more than 5,000 gallons of its
5 spirits to retail licensees.

6 (D) A self-distribution exemption holder shall
7 annually certify to the State Commission its manufacture
8 of spirits during the previous 12 months and its
9 anticipated manufacture and sales of spirits for the next
10 12 months. The State Commission may fine, suspend, or
11 revoke a self-distribution exemption after a hearing if it
12 finds that the exemption holder has made a material
13 misrepresentation in its application, violated a revenue
14 or alcoholic beverage law of Illinois, exceeded the
15 manufacture of 50,000 gallons of spirits, 930,000 gallons
16 of beer, or 25,000 gallons of wine in any calendar year, or
17 has become part of an affiliated group manufacturing more
18 than 50,000 gallons of spirits, 930,000 gallons of beer,
19 or 25,000 gallons of wine.

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

22 (F) Nothing in this paragraph (19) shall prohibit a
23 self-distribution exemption holder from entering into or
24 simultaneously having a distribution agreement with a
25 licensed Illinois importing distributor or a distributor.

26 (G) It is the intent of this paragraph (19) to promote

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

8 (20) (A) A class 3 brewer licensee who must manufacture
9 less than 465,000 gallons of beer in the aggregate and not
10 more than 155,000 gallons at any single brewery premises
11 may make application to the State Commission for a
12 self-distribution exemption to allow the sale of not more
13 than 6,200 gallons of beer from each in-state or
14 out-of-state class 3 brewery premises, which shall not
15 exceed 18,600 gallons annually in the aggregate, that is
16 manufactured at a wholly owned class 3 brewer's in-state
17 or out-of-state licensed premises to retail licensees and
18 class 3 brewers and to brewers, class 1 brewers, class 2
19 brewers that, pursuant to subsection (e) of Section 6-4,
20 sell beer, cider, or both beer and cider to non-licensees
21 at their licensed breweries.

22 (B) In the application, which shall be sworn under
23 penalty of perjury, the class 3 brewer licensee shall
24 state:

25 (1) the date it was established;

26 (2) its volume of beer manufactured and sold for

1 each year since its establishment;

2 (3) its efforts to establish distributor
3 relationships;

4 (4) that a self-distribution exemption is
5 necessary to facilitate the marketing of its beer; and

6 (5) that it will comply with the alcoholic
7 beverage and revenue laws of the United States, this
8 State, and any other state where it is licensed.

9 (C) Any application submitted shall be posted on the
10 State Commission's website at least 45 days before action
11 by the State Commission. The State Commission shall
12 approve the application for a self-distribution exemption
13 if the class 3 brewer licensee: (1) is in compliance with
14 the State, revenue, and alcoholic beverage laws; (2) is
15 not a member of any affiliated group that manufacturers,
16 directly or indirectly, more than 465,000 gallons of beer
17 per annum; (3) shall not annually manufacture for sale
18 more than 465,000 gallons of beer or more than 155,000
19 gallons at any single brewery premises; and (4) shall not
20 annually sell more than 6,200 gallons of beer from each
21 in-state or out-of-state class 3 brewery premises, and
22 shall not exceed 18,600 gallons annually in the aggregate,
23 to retail licensees and class 3 brewers and to brewers,
24 class 1 brewers, and class 2 brewers that, pursuant to
25 subsection (e) of Section 6-4 of this Act, sell beer,
26 cider, or both beer and cider to non-licensees at their

1 breweries.

2 (D) A self-distribution exemption holder shall
3 annually certify to the State Commission its manufacture
4 of beer during the previous 12 months and its anticipated
5 manufacture and sales of beer for the next 12 months. The
6 State 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 alcoholic beverage law of Illinois, exceeded the
11 manufacture of 465,000 gallons of beer in any calendar
12 year or became part of an affiliated group manufacturing
13 more than 465,000 gallons of beer, or exceeded the sale to
14 retail licensees, brewers, class 1 brewers, class 2
15 brewers, and class 3 brewers of 6,200 gallons per brewery
16 location or 18,600 gallons in the aggregate.

17 (E) The State Commission may adopt rules governing
18 self-distribution exemptions consistent with this Act.

19 (F) Nothing in this paragraph shall prohibit a
20 self-distribution exemption holder from entering into or
21 simultaneously having a distribution agreement with a
22 licensed Illinois importing distributor or a distributor.
23 If a self-distribution exemption holder enters into a
24 distribution agreement and has assigned distribution
25 rights to an importing distributor or distributor, then
26 the self-distribution exemption holder's distribution

1 rights in the assigned territories shall cease in a
2 reasonable time not to exceed 60 days.

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

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

17 As part of its report, the Commission shall provide the
18 following information:

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

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

23 (iii) the number of reported violations, the number of
24 cease and desist notices issued by the Commission, the
25 number of notices of violations issued to the Department
26 of Revenue, and the number of notices and complaints of

1 violations to law enforcement officials.

2 (Source: P.A. 101-37, eff. 7-3-19; 101-81, eff. 7-12-19;
3 101-482, eff. 8-23-19; 102-442, eff. 8-20-21; 102-558, eff.
4 8-20-21; 102-813, eff. 5-13-22.)

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

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

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

16 (b) Distributor's license,

17 (c) Importing Distributor's license,

18 (d) Retailer's license,

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

20 (f) Railroad license,

21 (g) Boat license,

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

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

24 (j) Airplane license,

25 (k) Foreign importer's license,

- 1 (l) Broker's license,
- 2 (m) Non-resident dealer's license,
- 3 (n) Brew Pub license,
- 4 (o) Auction liquor license,
- 5 (p) Caterer retailer license,
- 6 (q) Special use permit license,
- 7 (r) Winery shipper's license,
- 8 (s) Craft distiller tasting permit,
- 9 (t) Brewer warehouse permit,
- 10 (u) Distilling pub license,
- 11 (v) Craft distiller warehouse permit,
- 12 (w) Beer showcase permit.

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

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

21 Class 1. A Distiller may make sales and deliveries of
22 alcoholic liquor to distillers, rectifiers, importing
23 distributors, distributors and non-beverage users and to no
24 other licensees.

25 Class 2. A Rectifier, who is not a distiller, as defined
26 herein, may make sales and deliveries of alcoholic liquor to

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

3 Class 3. A Brewer may make sales and deliveries of beer to
4 importing distributors and distributors and may make sales as
5 authorized under subsection (e) of Section 6-4 of this Act,
6 including any alcoholic liquor that subsection (e) of Section
7 6-4 authorizes a brewer to sell in its original package only to
8 a non-licensee for pick-up by a non-licensee either within the
9 interior of the brewery premises or at outside of the brewery
10 premises at a curb-side or parking lot adjacent to the brewery
11 premises, subject to any local ordinance.

12 Class 4. A first class wine-manufacturer may make sales
13 and deliveries of up to 50,000 gallons of wine to
14 manufacturers, importing distributors and distributors, and to
15 no other licensees. If a first-class wine-manufacturer
16 manufactures beer, it shall also obtain and shall only be
17 eligible for, in addition to any current license, a class 1
18 brewer license, shall not manufacture more than 930,000
19 gallons of beer per year, and shall not be a member of or
20 affiliated with, directly or indirectly, a manufacturer that
21 produces more than 930,000 gallons of beer per year. If the
22 first-class wine-manufacturer manufactures spirits, it shall
23 also obtain and shall only be eligible for, in addition to any
24 current license, a class 1 craft distiller license, shall not
25 manufacture more than 50,000 gallons of spirits per year, and
26 shall not be a member of or affiliated with, directly or

1 indirectly, a manufacturer that produces more than 50,000
2 gallons of spirits per year. A first-class wine-manufacturer
3 shall be permitted to sell wine manufactured at the
4 first-class wine-manufacturer premises to non-licensees.

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

9 Class 6. A first-class wine-maker's license shall allow
10 the manufacture of up to 50,000 gallons of wine per year, and
11 the storage and sale of such wine to distributors in the State
12 and to persons without the State, as may be permitted by law. A
13 person who, prior to June 1, 2008 (the effective date of Public
14 Act 95-634), is a holder of a first-class wine-maker's license
15 and annually produces more than 25,000 gallons of its own wine
16 and who distributes its wine to licensed retailers shall cease
17 this practice on or before July 1, 2008 in compliance with
18 Public Act 95-634. If a first-class wine-maker manufactures
19 beer, it shall also obtain and shall only be eligible for, in
20 addition to any current license, a class 1 brewer license,
21 shall not manufacture more than 930,000 gallons of beer per
22 year, and shall not be a member of or affiliated with, directly
23 or indirectly, a manufacturer that produces more than 930,000
24 gallons of beer per year. If the first-class wine-maker
25 manufactures spirits, it shall also obtain and shall only be
26 eligible for, in addition to any current license, a class 1

1 craft distiller license, shall not manufacture more than
2 50,000 gallons of spirits per year, and shall not be a member
3 of or affiliated with, directly or indirectly, a manufacturer
4 that produces more than 50,000 gallons of spirits per year. A
5 first-class wine-maker holding a class 1 brewer license or a
6 class 1 craft distiller license shall not be eligible for a
7 wine-maker's premises license but shall be permitted to sell
8 wine manufactured at the first-class wine-maker premises to
9 non-licensees.

10 Class 7. A second-class wine-maker's license shall allow
11 the manufacture of up to 150,000 gallons of wine per year, and
12 the storage and sale of such wine to distributors in this State
13 and to persons without the State, as may be permitted by law. A
14 person who, prior to June 1, 2008 (the effective date of Public
15 Act 95-634), is a holder of a second-class wine-maker's
16 license and annually produces more than 25,000 gallons of its
17 own wine and who distributes its wine to licensed retailers
18 shall cease this practice on or before July 1, 2008 in
19 compliance with Public Act 95-634. If a second-class
20 wine-maker manufactures beer, it shall also obtain and shall
21 only be eligible for, in addition to any current license, a
22 class 2 brewer license, shall not manufacture more than
23 3,720,000 gallons of beer per year, and shall not be a member
24 of or affiliated with, directly or indirectly, a manufacturer
25 that produces more than 3,720,000 gallons of beer per year. If
26 a second-class wine-maker manufactures spirits, it shall also

1 obtain and shall only be eligible for, in addition to any
2 current license, a class 2 craft distiller license, shall not
3 manufacture more than 100,000 gallons of spirits per year, and
4 shall not be a member of or affiliated with, directly or
5 indirectly, a manufacturer that produces more than 100,000
6 gallons of spirits per year.

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

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

20 Class 10. A class 1 craft distiller license, which may
21 only be issued to a licensed craft distiller or licensed
22 non-resident dealer, shall allow the manufacture of up to
23 50,000 gallons of spirits per year provided that the class 1
24 craft distiller licensee does not manufacture more than a
25 combined 50,000 gallons of spirits per year and is not a member
26 of or affiliated with, directly or indirectly, a manufacturer

1 that produces more than 50,000 gallons of spirits per year. If
2 a class 1 craft distiller manufactures beer, it shall also
3 obtain and shall only be eligible for, in addition to any
4 current license, a class 1 brewer license, shall not
5 manufacture more than 930,000 gallons of beer per year, and
6 shall not be a member of or affiliated with, directly or
7 indirectly, a manufacturer that produces more than 930,000
8 gallons of beer per year. If a class 1 craft distiller
9 manufactures wine, it shall also obtain and shall only be
10 eligible for, in addition to any current license, a
11 first-class wine-manufacturer license or a first-class
12 wine-maker's license, shall not manufacture more than 50,000
13 gallons of wine per year, and shall not be a member of or
14 affiliated with, directly or indirectly, a manufacturer that
15 produces more than 50,000 gallons of wine per year. A class 1
16 craft distiller licensee may make sales and deliveries to
17 importing distributors and distributors and to retail
18 licensees in accordance with the conditions set forth in
19 paragraph (19) of subsection (a) of Section 3-12 of this Act.
20 However, the aggregate amount of spirits sold to non-licensees
21 and sold or delivered to retail licensees may not exceed 5,000
22 gallons per year.

23 A class 1 craft distiller licensee may sell up to 5,000
24 gallons of such spirits to non-licensees to the extent
25 permitted by any exemption approved by the State Commission
26 pursuant to Section 6-4 of this Act. A class 1 craft distiller

1 license holder may store such spirits at a non-contiguous
2 licensed location, but at no time shall a class 1 craft
3 distiller license holder directly or indirectly produce in the
4 aggregate more than 50,000 gallons of spirits per year.

5 A class 1 craft distiller licensee may hold more than one
6 class 1 craft distiller's license. However, a class 1 craft
7 distiller that holds more than one class 1 craft distiller
8 license shall not manufacture, in the aggregate, more than
9 50,000 gallons of spirits by distillation per year and shall
10 not sell, in the aggregate, more than 5,000 gallons of such
11 spirits to non-licensees in accordance with an exemption
12 approved by the State Commission pursuant to Section 6-4 of
13 this Act.

14 Class 11. A class 2 craft distiller license, which may
15 only be issued to a licensed craft distiller or licensed
16 non-resident dealer, shall allow the manufacture of up to
17 100,000 gallons of spirits per year provided that the class 2
18 craft distiller licensee does not manufacture more than a
19 combined 100,000 gallons of spirits per year and is not a
20 member of or affiliated with, directly or indirectly, a
21 manufacturer that produces more than 100,000 gallons of
22 spirits per year. If a class 2 craft distiller manufactures
23 beer, it shall also obtain and shall only be eligible for, in
24 addition to any current license, a class 2 brewer license,
25 shall not manufacture more than 3,720,000 gallons of beer per
26 year, and shall not be a member of or affiliated with, directly

1 or indirectly, a manufacturer that produces more than
2 3,720,000 gallons of beer per year. If a class 2 craft
3 distiller manufactures wine, it shall also obtain and shall
4 only be eligible for, in addition to any current license, a
5 second-class wine-maker's license, shall not manufacture more
6 than 150,000 gallons of wine per year, and shall not be a
7 member of or affiliated with, directly or indirectly, a
8 manufacturer that produces more than 150,000 gallons of wine
9 per year. A class 2 craft distiller licensee may make sales and
10 deliveries to importing distributors and distributors, but
11 shall not make sales or deliveries to any other licensee. If
12 the State Commission provides prior approval, a class 2 craft
13 distiller licensee may annually transfer up to 100,000 gallons
14 of spirits manufactured by that class 2 craft distiller
15 licensee to the premises of a licensed class 2 craft distiller
16 wholly owned and operated by the same licensee. A class 2 craft
17 distiller may transfer spirits to a distilling pub wholly
18 owned and operated by the class 2 craft distiller subject to
19 the following limitations and restrictions: (i) the transfer
20 shall not annually exceed more than 5,000 gallons; (ii) the
21 annual amount transferred shall reduce the distilling pub's
22 annual permitted production limit; (iii) all spirits
23 transferred shall be subject to Article VIII of this Act; (iv)
24 a written record shall be maintained by the distiller and
25 distilling pub specifying the amount, date of delivery, and
26 receipt of the product by the distilling pub; and (v) the

1 distilling pub shall be located no farther than 80 miles from
2 the class 2 craft distiller's licensed location.

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

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

16 Class 12. A class 1 brewer license, which may only be
17 issued to a licensed brewer or licensed non-resident dealer,
18 shall allow the manufacture of up to 930,000 gallons of beer
19 per year provided that the class 1 brewer licensee does not
20 manufacture more than a combined 930,000 gallons of beer per
21 year and is not a member of or affiliated with, directly or
22 indirectly, a manufacturer that produces more than 930,000
23 gallons of beer per year. If a class 1 brewer manufactures
24 spirits, it shall also obtain and shall only be eligible for,
25 in addition to any current license, a class 1 craft distiller
26 license, shall not manufacture more than 50,000 gallons of

1 spirits per year, and shall not be a member of or affiliated
2 with, directly or indirectly, a manufacturer that produces
3 more than 50,000 gallons of spirits per year. If a class 1
4 craft brewer manufactures wine, it shall also obtain and shall
5 only be eligible for, in addition to any current license, a
6 first-class wine-manufacturer license or a first-class
7 wine-maker's license, shall not manufacture more than 50,000
8 gallons of wine per year, and shall not be a member of or
9 affiliated with, directly or indirectly, a manufacturer that
10 produces more than 50,000 gallons of wine per year. A class 1
11 brewer licensee may make sales and deliveries to importing
12 distributors and distributors and to retail licensees in
13 accordance with the conditions set forth in paragraph (18) of
14 subsection (a) of Section 3-12 of this Act. If the State
15 Commission provides prior approval, a class 1 brewer may
16 annually transfer up to 930,000 gallons of beer manufactured
17 by that class 1 brewer to the premises of a licensed class 1
18 brewer wholly owned and operated by the same licensee.

19 Class 13. A class 2 brewer license, which may only be
20 issued to a licensed brewer or licensed non-resident dealer,
21 shall allow the manufacture of up to 3,720,000 gallons of beer
22 per year provided that the class 2 brewer licensee does not
23 manufacture more than a combined 3,720,000 gallons of beer per
24 year and is not a member of or affiliated with, directly or
25 indirectly, a manufacturer that produces more than 3,720,000
26 gallons of beer per year. If a class 2 brewer manufactures

1 spirits, it shall also obtain and shall only be eligible for,
2 in addition to any current license, a class 2 craft distiller
3 license, shall not manufacture more than 100,000 gallons of
4 spirits per year, and shall not be a member of or affiliated
5 with, directly or indirectly, a manufacturer that produces
6 more than 100,000 gallons of spirits per year. If a class 2
7 craft distiller manufactures wine, it shall also obtain and
8 shall only be eligible for, in addition to any current
9 license, a second-class wine-maker's license, shall not
10 manufacture more than 150,000 gallons of wine per year, and
11 shall not be a member of or affiliated with, directly or
12 indirectly, a manufacturer that produces more than 150,000
13 gallons of wine a year. A class 2 brewer licensee may make
14 sales and deliveries to importing distributors and
15 distributors, but shall not make sales or deliveries to any
16 other licensee. If the State Commission provides prior
17 approval, a class 2 brewer licensee may annually transfer up
18 to 3,720,000 gallons of beer manufactured by that class 2
19 brewer licensee to the premises of a licensed class 2 brewer
20 wholly owned and operated by the same licensee.

21 A class 2 brewer may transfer beer to a brew pub wholly
22 owned and operated by the class 2 brewer subject to the
23 following limitations and restrictions: (i) the transfer shall
24 not annually exceed more than 31,000 gallons; (ii) the annual
25 amount transferred shall reduce the brew pub's annual
26 permitted production limit; (iii) all beer transferred shall

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

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

13 Class 14. A class 3 brewer license, which may be issued to
14 a brewer or a non-resident dealer, shall allow the manufacture
15 of no more than 465,000 gallons of beer per year and no more
16 than 155,000 gallons at a single brewery premises, and shall
17 allow the sale of no more than 6,200 gallons of beer from each
18 in-state or out-of-state class 3 brewery premises, or 18,600
19 gallons in the aggregate, to retail licensees, class 1
20 brewers, class 2 brewers, and class 3 brewers as long as the
21 class 3 brewer licensee does not manufacture more than a
22 combined 465,000 gallons of beer per year and is not a member
23 of or affiliated with, directly or indirectly, a manufacturer
24 that produces more than 465,000 gallons of beer per year to
25 make sales to importing distributors, distributors, retail
26 licensees, brewers, class 1 brewers, class 2 brewers, and

1 class 3 brewers in accordance with the conditions set forth in
2 paragraph (20) of subsection (a) of Section 3-12. If the State
3 Commission provides prior approval, a class 3 brewer may
4 annually transfer up to 155,000 gallons of beer manufactured
5 by that class 3 brewer to the premises of a licensed class 3
6 brewer wholly owned and operated by the same licensee. A class
7 3 brewer shall manufacture beer at the brewer's class 3
8 designated licensed premises, and may sell beer as otherwise
9 provided in this Act.

10 (a-1) A manufacturer which is licensed in this State to
11 make sales or deliveries of alcoholic liquor to licensed
12 distributors or importing distributors and which enlists
13 agents, representatives, or individuals acting on its behalf
14 who contact licensed retailers on a regular and continual
15 basis in this State must register those agents,
16 representatives, or persons acting on its behalf with the
17 State Commission.

18 Registration of agents, representatives, or persons acting
19 on behalf of a manufacturer is fulfilled by submitting a form
20 to the Commission. The form shall be developed by the
21 Commission and shall include the name and address of the
22 applicant, the name and address of the manufacturer he or she
23 represents, the territory or areas assigned to sell to or
24 discuss pricing terms of alcoholic liquor, and any other
25 questions deemed appropriate and necessary. All statements in
26 the forms required to be made by law or by rule shall be deemed

1 material, and any person who knowingly misstates any material
2 fact under oath in an application is guilty of a Class B
3 misdemeanor. Fraud, misrepresentation, false statements,
4 misleading statements, evasions, or suppression of material
5 facts in the securing of a registration are grounds for
6 suspension or revocation of the registration. The State
7 Commission shall post a list of registered agents on the
8 Commission's website.

9 (b) A distributor's license shall allow (i) the wholesale
10 purchase and storage of alcoholic liquors and sale of
11 alcoholic liquors to licensees in this State and to persons
12 without the State, as may be permitted by law; (ii) the sale of
13 beer, cider, mead, or any combination thereof to brewers,
14 class 1 brewers, and class 2 brewers that, pursuant to
15 subsection (e) of Section 6-4 of this Act, sell beer, cider,
16 mead, or any combination thereof to non-licensees at their
17 breweries; (iii) the sale of vermouth to class 1 craft
18 distillers and class 2 craft distillers that, pursuant to
19 subsection (e) of Section 6-4 of this Act, sell spirits,
20 vermouth, or both spirits and vermouth to non-licensees at
21 their distilleries; or (iv) as otherwise provided in this Act.
22 No person licensed as a distributor shall be granted a
23 non-resident dealer's license.

24 (c) An importing distributor's license may be issued to
25 and held by those only who are duly licensed distributors,
26 upon the filing of an application by a duly licensed

1 distributor, with the Commission and the Commission shall,
2 without the payment of any fee, immediately issue such
3 importing distributor's license to the applicant, which shall
4 allow the importation of alcoholic liquor by the licensee into
5 this State from any point in the United States outside this
6 State, and the purchase of alcoholic liquor in barrels, casks
7 or other bulk containers and the bottling of such alcoholic
8 liquors before resale thereof, but all bottles or containers
9 so filled shall be sealed, labeled, stamped and otherwise made
10 to comply with all provisions, rules and regulations governing
11 manufacturers in the preparation and bottling of alcoholic
12 liquors. The importing distributor's license shall permit such
13 licensee to purchase alcoholic liquor from Illinois licensed
14 non-resident dealers and foreign importers only. No person
15 licensed as an importing distributor shall be granted a
16 non-resident dealer's license.

17 (d) A retailer's license shall allow the licensee to sell
18 and offer for sale at retail, only in the premises specified in
19 the license, alcoholic liquor for use or consumption, but not
20 for resale in any form. Except as provided in Section 6-16,
21 6-29, or 6-29.1, nothing in this Act shall deny, limit,
22 remove, or restrict the ability of a holder of a retailer's
23 license to transfer or ship alcoholic liquor to the purchaser
24 for use or consumption subject to any applicable local law or
25 ordinance. For the purposes of this Section, "shipping" means
26 the movement of alcoholic liquor from a licensed retailer to a

1 consumer via a common carrier. Except as provided in Section
2 6-16, 6-29, or 6-29.1, nothing in this Act shall deny, limit,
3 remove, or restrict the ability of a holder of a retailer's
4 license to deliver alcoholic liquor to the purchaser for use
5 or consumption. The delivery shall be made only within 12
6 hours from the time the alcoholic liquor leaves the licensed
7 premises of the retailer for delivery. For the purposes of
8 this Section, "delivery" means the movement of alcoholic
9 liquor purchased from a licensed retailer to a consumer
10 through the following methods:

11 (1) delivery within licensed retailer's parking lot,
12 including curbside, for pickup by the consumer;

13 (2) delivery by an owner, officer, director,
14 shareholder, or employee of the licensed retailer; or

15 (3) delivery by a third-party contractor, independent
16 contractor, or agent with whom the licensed retailer has
17 contracted to make deliveries of alcoholic liquors.

18 Under subsection (1), (2), or (3), delivery shall not
19 include the use of common carriers.

20 Any retail license issued to a manufacturer shall only
21 permit the manufacturer to sell beer at retail on the premises
22 actually occupied by the manufacturer. For the purpose of
23 further describing the type of business conducted at a retail
24 licensed premises, a retailer's licensee may be designated by
25 the State Commission as (i) an on premise consumption
26 retailer, (ii) an off premise sale retailer, or (iii) a

1 combined on premise consumption and off premise sale retailer.

2 Except for a municipality with a population of more than
3 1,000,000 inhabitants, a home rule unit may not regulate the
4 delivery of alcoholic liquor inconsistent with this
5 subsection. This paragraph is a limitation under subsection
6 (i) of Section 6 of Article VII of the Illinois Constitution on
7 the concurrent exercise by home rule units of powers and
8 functions exercised by the State.

9 Notwithstanding any other provision of this subsection
10 (d), a retail licensee may sell alcoholic liquors to a special
11 event retailer licensee for resale to the extent permitted
12 under subsection (e).

13 (e) A special event retailer's license (not-for-profit)
14 shall permit the licensee to purchase alcoholic liquors from
15 an Illinois licensed distributor (unless the licensee
16 purchases less than \$500 of alcoholic liquors for the special
17 event, in which case the licensee may purchase the alcoholic
18 liquors from a licensed retailer) and shall allow the licensee
19 to sell and offer for sale, at retail, alcoholic liquors for
20 use or consumption, but not for resale in any form and only at
21 the location and on the specific dates designated for the
22 special event in the license. An applicant for a special event
23 retailer license must (i) furnish with the application: (A) a
24 resale number issued under Section 2c of the Retailers'
25 Occupation Tax Act or evidence that the applicant is
26 registered under Section 2a of the Retailers' Occupation Tax

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

17 Nothing in this Act prohibits an Illinois licensed
18 distributor from offering credit or a refund for unused,
19 salable alcoholic liquors to a holder of a special event
20 retailer's license or the special event retailer's licensee
21 from accepting the credit or refund of alcoholic liquors at
22 the conclusion of the event specified in the license.

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

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

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

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

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

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

13 (i) A wine-maker's premises license shall allow a licensee
 14 that concurrently holds a first-class wine-maker's license to
 15 sell and offer for sale at retail in the premises specified in
 16 such license not more than 50,000 gallons of the first-class
 17 wine-maker's wine that is made at the first-class wine-maker's
 18 licensed premises per year for use or consumption, but not for
 19 resale in any form. A wine-maker's premises license shall
 20 allow a licensee who concurrently holds a second-class
 21 wine-maker's license to sell and offer for sale at retail in
 22 the premises specified in such license up to 100,000 gallons
 23 of the second-class wine-maker's wine that is made at the
 24 second-class wine-maker's licensed premises per year for use
 25 or consumption but not for resale in any form. A first-class
 26 wine-maker that concurrently holds a class 1 brewer license or

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

19 (j) An airplane license shall permit the licensee to
20 import alcoholic liquors into this State from any point in the
21 United States outside this State and to store such alcoholic
22 liquors in this State; to make wholesale purchases of
23 alcoholic liquors directly from manufacturers, foreign
24 importers, distributors and importing distributors from within
25 or outside this State; and to store such alcoholic liquors in
26 this State; provided that the above powers may be exercised

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

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

1 Sections 6-5 and 6-6 of this Act to the same extent that these
2 provisions apply to manufacturers.

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

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

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

24 (ii) A broker's license shall be required of a person
25 within this State, other than a retail licensee, who, for a fee
26 or commission, promotes, solicits, or accepts orders for

1 alcoholic liquor, for use or consumption and not for resale,
2 to be shipped from this State and delivered to residents
3 outside of this State by an express company, common carrier,
4 or contract carrier. This Section does not apply to any person
5 who promotes, solicits, or accepts orders for wine as
6 specifically authorized in Section 6-29 of this Act.

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

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

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

20 (m) A non-resident dealer's license shall permit such
21 licensee to ship into and warehouse alcoholic liquor into this
22 State from any point outside of this State, and to sell such
23 alcoholic liquor to Illinois licensed foreign importers and
24 importing distributors and to no one else in this State;
25 provided that (i) said non-resident dealer shall register with
26 the Illinois Liquor Control Commission each and every brand of

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

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

1 or importing distributor, (vi) with the prior approval of the
2 Commission, annually transfer no more than 155,000 gallons of
3 beer manufactured on the premises to a licensed brew pub
4 wholly owned and operated by the same licensee, and (vii)
5 notwithstanding item (i) of this subsection, brew pubs wholly
6 owned and operated by the same licensee may combine each
7 location's production limit of 155,000 gallons of beer per
8 year and allocate the aggregate total between the wholly
9 owned, operated, and licensed locations.

10 A brew pub licensee shall not under any circumstance sell
11 or offer for sale beer manufactured by the brew pub licensee to
12 retail licensees.

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

24 Notwithstanding any other provision of this Act, a
25 licensed brewer, class 2 brewer, or non-resident dealer who
26 before July 1, 2015 manufactured less than 3,720,000 gallons

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

11 A brew pub licensee may apply for a class 3 brewer license
12 and, upon ~~(i)~~ meeting all applicable qualifications of this
13 Act, and relinquishing all commonly owned brew pub or retail
14 licenses, shall be issued a class 3 brewer license. Nothing in
15 this Act shall prohibit the issuance of a class 3 brewer
16 license if the applicant:

17 (1) has a valid retail license on or before May 1,
18 2021;

19 (2) has an ownership interest in at least two brew
20 pubs licenses on or before May 1, 2021;

21 (3) the brew pub licensee applies for a class 3 brewer
22 license on or before October 1, 2022 and relinquishes all
23 commonly owned brew pub licenses; and

24 (4) relinquishes all commonly owned retail licenses on
25 or before December 31, 2022.

26 If a brew pub licensee is issued a class 3 brewer license,

1 the class 3 brewer license shall expire on the same date as the
2 existing brew pub license and the State Commission shall not
3 require a class 3 brewer licensee to obtain a brewer license,
4 or in the alternative to pay a fee for a brewer license, until
5 the date the brew pub license of the applicant would have
6 expired.

7 (o) A caterer retailer license shall allow the holder to
8 serve alcoholic liquors as an incidental part of a food
9 service that serves prepared meals which excludes the serving
10 of snacks as the primary meal, either on or off-site whether
11 licensed or unlicensed. A caterer retailer license shall allow
12 the holder, a distributor, or an importing distributor to
13 transfer any inventory to and from the holder's retail
14 premises and shall allow the holder to purchase alcoholic
15 liquor from a distributor or importing distributor to be
16 delivered directly to an off-site event.

17 Nothing in this Act prohibits a distributor or importing
18 distributor from offering credit or a refund for unused,
19 salable beer to a holder of a caterer retailer license or a
20 caterer retailer licensee from accepting a credit or refund
21 for unused, salable beer, in the event an act of God is the
22 sole reason an off-site event is cancelled and if: (i) the
23 holder of a caterer retailer license has not transferred
24 alcoholic liquor from its caterer retailer premises to an
25 off-site location; (ii) the distributor or importing
26 distributor offers the credit or refund for the unused,

1 salable beer that it delivered to the off-site premises and
2 not for any unused, salable beer that the distributor or
3 importing distributor delivered to the caterer retailer's
4 premises; and (iii) the unused, salable beer would likely
5 spoil if transferred to the caterer retailer's premises. A
6 caterer retailer license shall allow the holder to transfer
7 any inventory from any off-site location to its caterer
8 retailer premises at the conclusion of an off-site event or
9 engage a distributor or importing distributor to transfer any
10 inventory from any off-site location to its caterer retailer
11 premises at the conclusion of an off-site event, provided that
12 the distributor or importing distributor issues bona fide
13 charges to the caterer retailer licensee for fuel, labor, and
14 delivery and the distributor or importing distributor collects
15 payment from the caterer retailer licensee prior to the
16 distributor or importing distributor transferring inventory to
17 the caterer retailer premises.

18 For purposes of this subsection (o), an "act of God" means
19 an unforeseeable event, such as a rain or snow storm, hail, a
20 flood, or a similar event, that is the sole cause of the
21 cancellation of an off-site, outdoor event.

22 (p) An auction liquor license shall allow the licensee to
23 sell and offer for sale at auction wine and spirits for use or
24 consumption, or for resale by an Illinois liquor licensee in
25 accordance with provisions of this Act. An auction liquor
26 license will be issued to a person and it will permit the

1 auction liquor licensee to hold the auction anywhere in the
2 State. An auction liquor license must be obtained for each
3 auction at least 14 days in advance of the auction date.

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

21 A special use permit license shall allow the holder to
22 transfer any inventory from the holder's special use premises
23 to its retail premises at the conclusion of the special use
24 event or engage a distributor or importing distributor to
25 transfer any inventory from the holder's special use premises
26 to its retail premises at the conclusion of an off-site event,

1 provided that the distributor or importing distributor issues
2 bona fide charges to the special use permit licensee for fuel,
3 labor, and delivery and the distributor or importing
4 distributor collects payment from the retail licensee prior to
5 the distributor or importing distributor transferring
6 inventory to the retail premises.

7 Nothing in this Act prohibits a distributor or importing
8 distributor from offering credit or a refund for unused,
9 salable beer to a special use permit licensee or a special use
10 permit licensee from accepting a credit or refund for unused,
11 salable beer at the conclusion of the event specified in the
12 license if: (i) the holder of the special use permit license
13 has not transferred alcoholic liquor from its retail licensed
14 premises to the premises specified in the special use permit
15 license; (ii) the distributor or importing distributor offers
16 the credit or refund for the unused, salable beer that it
17 delivered to the premises specified in the special use permit
18 license and not for any unused, salable beer that the
19 distributor or importing distributor delivered to the
20 retailer's premises; and (iii) the unused, salable beer would
21 likely spoil if transferred to the retailer premises.

22 (r) A winery shipper's license shall allow a person with a
23 first-class or second-class wine manufacturer's license, a
24 first-class or second-class wine-maker's license, or a limited
25 wine manufacturer's license or who is licensed to make wine
26 under the laws of another state to ship wine made by that

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

1 disclosed by the winery shipper's licensee, and a copy of the
2 written appointment of the third-party ~~wine~~ provider, except
3 for a common carrier, to the wine manufacturer shall be filed
4 with the State Commission as a supplement to the winery
5 shipper's license application or any renewal thereof. The
6 winery shipper's license holder shall affirm under penalty of
7 perjury, as part of the winery shipper's license application
8 or renewal, that he or she only ships wine, either directly or
9 indirectly through a third-party provider registered under
10 Section 5-8, from the licensee's own production. A third-party
11 provider's shipment of wine on behalf of a winery shipper must
12 comply with Section 5-8.

13 Except for a common carrier, a third-party provider
14 shipping wine on behalf of a winery shipper's license holder
15 is the agent of the winery shipper's license holder and, as
16 such, a winery shipper's license holder is responsible for the
17 acts and omissions of the third-party provider acting on
18 behalf of the license holder. A winery shipper's use of the
19 services of a third-party provider does not relieve the winery
20 shipper of any obligation under this Act or any rule adopted
21 under this Act. A third-party provider, ~~except for a common~~
22 ~~carrier,~~ that engages in shipping wine into Illinois must
23 comply with Section 5-8 and ~~on behalf of a winery shipper's~~
24 ~~license holder shall~~ consent to the jurisdiction of the State
25 Commission and the State. ~~Any third-party, except for a common~~
26 ~~carrier, holding such an appointment shall, by February 1 of~~

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

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

9 ~~(2) the quantity of the products delivered; and~~

10 ~~(3) the date and address of the shipment.~~

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

1 ~~day's continuance thereof shall be a separate and distinct~~
2 ~~offense.~~

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

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

1 winery shipper's license shall be revoked in accordance with
2 the provisions of Article VII of this Act.

3 For tax purposes, a A winery shipper licensee must
4 collect, maintain, and submit to the State Commission on a
5 semi-annual basis the total number of cases per resident of
6 wine shipped to residents of this State. A winery shipper
7 licensed under this subsection (r) must comply with the
8 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,
11 and 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
19 an 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
4 that the applicant will provide dram shop liability insurance
5 to the 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 manufactured by
11 the holder of the permit at the premises specified on the
12 permit. If the holder of the permit is a class 2 brewer
13 licensee, the brewer warehouse permit shall allow the holder
14 to store or warehouse up to 3,720,000 gallons of
15 tax-determined beer manufactured by the holder of the permit
16 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
26 and 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
6 the license any form of alcoholic liquor purchased from a
7 licensed distributor or importing distributor, and (vi) with
8 the prior approval of the State Commission, annually transfer
9 no more than 5,000 gallons of spirits manufactured on the
10 premises to a licensed distilling pub wholly owned and
11 operated by the same 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
22 per year, including the spirits manufactured at the distilling
23 pub; and (iv) is not a member of or affiliated with, directly
24 or 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

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

8 (w) A beer showcase permit license shall allow an
9 Illinois-licensed distributor to transfer a portion of its
10 beer inventory from its licensed premises to the premises
11 specified in the beer showcase permit license, and, in the
12 case of a class 3 brewer, transfer only beer the class 3 brewer
13 manufactures from its licensed premises to the premises
14 specified in the beer showcase permit license; and to sell or
15 offer for sale at retail, only in the premises specified in the
16 beer showcase permit license, the transferred or delivered
17 beer for on or off premise consumption, but not for resale in
18 any form and to sell to non-licensees not more than 96 fluid
19 ounces of beer per person. A beer showcase permit license may
20 be granted for the following time periods: one day or less; or
21 2 or more days to a maximum of 15 days per location in any
22 12-month period. An applicant for a beer showcase permit
23 license must also submit with the application proof
24 satisfactory to the State Commission that the applicant will
25 provide dram shop liability insurance to the maximum limits
26 and have local authority approval. The State Commission shall

1 require the beer showcase applicant to comply with Section
2 6-27.1.

3 (Source: P.A. 101-16, eff. 6-14-19; 101-31, eff. 6-28-19;
4 101-81, eff. 7-12-19; 101-482, eff. 8-23-19; 101-517, eff.
5 8-23-19; 101-615, eff. 12-20-19; 101-668, eff. 1-1-22;
6 102-442, eff. 8-20-21; revised 2-28-22.)

7 (235 ILCS 5/5-8 new)

8 Sec. 5-8. Third-party provider registration.

9 (a) A third-party provider must register with the State
10 Commission before shipping wine into this State. Registration
11 as a third-party provider is valid for a 2-year period and may
12 be renewed. The application for registration as a third-party
13 provider must include:

14 (1) each address from which the third-party provider
15 will ship wine to a consumer;

16 (2) the name, business address, and license number of
17 each winery shipper, with the name stated as it appears on
18 the winery shipper license, on whose behalf the
19 third-party provider will ship wine to a consumer; and

20 (3) any other information the State Commission may
21 require.

22 (b) To register as a third-party provider, the third-party
23 provider must pay a \$50 fee and agree to:

24 (1) allow the State Commission to inspect and audit
25 its records under subsection (e);

1 (2) allow the State Commission to inspect a location
2 under Section 3-12;

3 (3) appoint and maintain an agent for service of
4 process under subsection (g); and

5 (4) submit to the jurisdiction of the State
6 Commission, the courts, and any other enforcement
7 authority of this State in a matter relating to
8 enforcement of a law of this State regulating shipment of
9 wine to a person in this State.

10 (c) A third-party provider may ship wine on behalf of a
11 winery shipper to a consumer only if:

12 (1) the third-party provider maintains a registration
13 under this Section that is not suspended, revoked, or
14 canceled;

15 (2) the wine was supplied to the third-party provider
16 by a licensed winery shipper;

17 (3) the package containing the wine clearly indicates:

18 (A) on the shipping label, the name and applicable
19 address of the third-party provider, as they appear in
20 the registration under this Section, as consignor, and
21 the name and address of the consumer, as intended
22 recipient;

23 (B) on the package or shipping label, the name and
24 winery shipper's license number of the licensed winery
25 shipper that supplied to the third-party provider the
26 wine contained in the package; and

1 (4) the shipment is otherwise authorized under this
2 Act.

3 (d) A registered third-party provider is subject to the
4 jurisdiction of the State Commission, the courts, and any
5 other enforcement authority of this State in a matter relating
6 to the enforcement of the laws of this State regulating
7 shipment of alcoholic liquor directly to a person in this
8 State.

9 (e) The State Commission may inspect and audit the records
10 of a registered third-party provider for compliance with the
11 laws of this State regulating shipment of wine directly to a
12 person in this State. A registered third-party provider shall
13 allow the State Commission to inspect and audit its records
14 and, at the State Commission's request in a record, provide
15 complete and accurate copies of its records to the State
16 Commission at a location specified by the State Commission,
17 not later than 15 days after the date of the request.

18 (f) The State Commission may inspect, during ordinary
19 hours of operation, a location where a registered third-party
20 provider conducts business to assess compliance with the laws
21 of this State regulating shipment of alcoholic liquor directly
22 to a person in this State.

23 (g) A registered third-party provider shall appoint and
24 continuously maintain with the State Commission an agent for
25 service of process. The agent may be located in this State or
26 another state. By appointing an agent under this subsection,

1 the registered third-party provider affirms that the agent
2 consents to accept service. Service of process on the agent
3 constitutes valid service of process on the registered
4 third-party provider in an action or proceeding arising out of
5 enforcement of law of this State regulating shipment of wine
6 directly to a person in this State. If a registered
7 third-party provider fails to maintain in the records of the
8 State Commission a current agent for service of process or if
9 the current agent cannot be served with reasonable diligence,
10 the State Commission is the agent for service of process.

11 (h) The State Commission may disclose a report, record,
12 order, or other information in its possession, for a
13 regulatory or enforcement purpose, to:

14 (1) a State agency or law enforcement agency;

15 (2) a local or state agency in another state with
16 regulatory authority over matters relating to alcoholic
17 liquor or taxation or a law enforcement agency of another
18 state; and

19 (3) a federal agency with regulatory authority
20 relating to alcoholic liquor or taxation or a federal law
21 enforcement agency.

22 (i) The State Commission may disclose to the public an
23 order resulting from a completed investigation.

24 (235 ILCS 5/6-29) (from Ch. 43, par. 144e)

25 Sec. 6-29. Winery shipper's license.

1 (a) The General Assembly declares that the following is
2 the intent of this Section:

3 (1) To authorize direct shipment of wine by an
4 out-of-state maker of wine on the same basis permitted an
5 in-state maker of wine pursuant to the authority of the
6 State under the provisions of Section 2 of the
7 Twenty-First Amendment to the United States Constitution
8 and in conformance with the United States Supreme Court
9 decision decided on May 16, 2005 in *Granholm v. Heald*.

10 (2) To reaffirm that the General Assembly's findings
11 and declarations that selling alcoholic liquor through
12 various direct marketing means such as catalogs,
13 newspapers, mailings, and the Internet directly to
14 consumers of this State poses a serious threat to the
15 State's efforts to further temperance and prevent youth
16 from accessing alcoholic liquor and the expansion of youth
17 access to additional types of alcoholic liquors.

18 (3) To maintain the State's broad powers granted by
19 Section 2 of the Twenty-First Amendment to the United
20 States Constitution to control the importation or sale of
21 alcoholic liquor and its right to structure its alcoholic
22 liquor distribution system.

23 (4) To ensure that the General Assembly, by
24 authorizing limited direct shipment of wine to meet the
25 directives of the United States Supreme Court, does not
26 intend to impair or modify the State's distribution of

1 wine through distributors or importing distributors, but
2 only to permit limited shipment of wine for personal use.

3 (5) To provide that, in the event that a court of
4 competent jurisdiction declares or finds that this
5 Section, which is enacted to conform Illinois law to the
6 United States Supreme Court decision, is invalid or
7 unconstitutional, the Illinois General Assembly at its
8 earliest general session shall conduct hearings and study
9 methods to conform to any directive or order of the court
10 consistent with the temperance and revenue collection
11 purposes of this Act.

12 (a-5) In this Section, "carrier" means a person or entity
13 that:

14 (1) holds himself, herself, or itself out to the
15 general public as engaged in the business of transporting
16 goods for a fee; and

17 (2) is engaged in the business of transporting and
18 delivering alcoholic beverages in this State directly to
19 consumers.

20 (b) Notwithstanding any other provision of law, a wine
21 shipper licensee may ship, for personal use and not for
22 resale, not more than 12 cases of wine per year to any resident
23 of this State who is 21 years of age or older.

24 (b-3) Notwithstanding any other provision of law, sale and
25 shipment by a winery shipper licensee pursuant to this Section
26 shall be deemed to constitute a sale in this State.

1 (b-5) The shipping container of any wine shipped under
2 this Section shall be clearly labeled with the following
3 words: "CONTAINS ALCOHOL. SIGNATURE OF A PERSON 21 YEARS OF
4 AGE OR OLDER REQUIRED FOR DELIVERY. PROOF OF AGE AND IDENTITY
5 MUST BE SHOWN BEFORE DELIVERY.". This warning must be
6 prominently displayed on the packaging. A licensee shall
7 require the transporter or common carrier that delivers the
8 wine to obtain the signature of a person 21 years of age or
9 older at the delivery address at the time of delivery. At the
10 expense of the licensee, the licensee shall receive a delivery
11 confirmation from the express company, common carrier, or
12 contract carrier indicating the location of the delivery, time
13 of delivery, and the name and signature of the individual 21
14 years of age or older who accepts delivery. The State
15 Commission shall design and create a label or approve a label
16 that must be affixed to the shipping container by the
17 licensee.

18 (b-10) A carrier may not deliver to a consumer a package
19 known by the carrier to contain wine unless:

20 (1) the consignor is a licensed winery shipper and the
21 carrier has verified its winery shipper license for the
22 current license period; or

23 (2) the consignor is a registered third-party provider
24 and the carrier has verified the registration.

25 A carrier that verifies that a winery shipper has a winery
26 shipper license for the current license period may consider

1 the license to be valid for the remainder of the license
2 period, unless the carrier receives notice from the State
3 Commission that the license has been suspended or revoked. A
4 carrier that verifies that a third-party provider is
5 registered may consider the registration to be valid unless
6 the carrier receives notice from the State Commission that the
7 registration has been suspended or revoked.

8 (b-15) A registered third-party provider shall file with
9 the State Commission a monthly report that includes:

10 (1) the name, business address, and registration
11 number of the third-party provider;

12 (2) the total number of gallons of wine shipped to
13 consumers by the third-party provider during the reporting
14 period; and

15 (3) for each shipment of wine to a consumer during the
16 reporting period:

17 (A) the name, business address, and license number
18 of the winery shipper on whose behalf the third-party
19 provider shipped the wine, with the name stated, if
20 possible, as it appears on the winery shipper license;

21 (B) the name and address of the consumer to whom
22 the wine was shipped;

23 (C) the address from which the third-party
24 provider originated the shipment, stated identically
25 as an address provided by the third-party provider
26 under paragraph (1) of subsection (a) of Section 5-8;

1 (D) the date the shipment was delivered;

2 (E) the type and quantity by volume of wine
3 shipped; and

4 (F) the name and business address of the carrier
5 that delivered the wine and the carrier's parcel
6 tracking number for the shipment.

7 If no business was transacted in this State during the
8 reporting period, a report under this subsection must include
9 the information under paragraph (1) and report that no
10 business was transacted in this State during the reporting
11 period.

12 Any books, records, supporting papers, and documents
13 containing information and data relating to a statement under
14 this subsection shall be kept and preserved for a period of 3
15 years, unless their destruction is authorized sooner in
16 writing by the Director of Revenue, and shall be open and
17 available to inspection by the Director of Revenue or the
18 State Commission or any duly authorized officer, agent, or
19 employee of the State Commission or the Department of Revenue,
20 at all times during business hours of the day. Any person who
21 violates any provision of this subsection or any rule of the
22 State Commission for the administration and enforcement of the
23 provisions of this subsection is guilty of a Class C
24 misdemeanor. In case of a continuing violation, each day's
25 continuance thereof shall be a separate and distinct offense.

26 (b-20) A licensed winery shipper shall file with the State

1 Commission a monthly report that includes:

2 (1) the name, business address, and license number of
3 the licensed winery shipper;

4 (2) the total gallons of each type of wine shipped to
5 consumers during the reporting period; and

6 (3) for each shipment of wine to a consumer during the
7 reporting period:

8 (A) the name and address of the consumer to whom
9 the wine was shipped;

10 (B) the date the shipment was delivered;

11 (C) the type and quantity by volume of wine
12 shipped;

13 (D) the purchase price of the wine shipped and the
14 amount and type of each tax charged in connection with
15 the wine;

16 (E) if the wine was shipped for the licensed
17 winery shipper by a third-party provider, the name,
18 business address, and registration number of the
19 third-party provider, with the name stated, if
20 possible, as it appears on the third-party provider's
21 registration; and

22 (F) if the wine was delivered by a carrier, the
23 name and business address of the carrier and the
24 carrier's parcel tracking number for the shipment.

25 If no business was transacted in this State during the
26 reporting period, a report under this subsection must include

1 the information under paragraph (1) and report that no
2 business was transacted in this State during the reporting
3 period.

4 (b-25) A carrier shall file with the State Commission a
5 monthly report that includes:

6 (1) the name and business address of the carrier;

7 (2) a list containing the name, business address, and
8 winery shipper license number or third-party provider
9 registration number of each licensed winery shipper and
10 registered third-party provider with which the carrier has
11 an agreement to ship wine, with the name stated, if
12 possible, as it appears on the winery shipper license or
13 third-party provider registration; and

14 (3) for each shipment known by the carrier to contain
15 wine that was delivered to a consumer during the reporting
16 period:

17 (A) the name and business address of the consignor
18 of the shipment;

19 (B) the name and address of the consumer;

20 (C) the date the shipment was delivered by the
21 carrier;

22 (D) the weight, in pounds, of the package; and

23 (E) the carrier's parcel tracking number for the
24 shipment.

25 If no business was transacted in this State during the
26 reporting period, a report under this subsection must include

1 the information under paragraph (1) and report that no
2 business was transacted in this State during the reporting
3 period.

4 (b-30) The State Commission shall prescribe the form and
5 deadline for filing a report under this Section. The State
6 Commission may require the report to be filed electronically.
7 The State Commission may require a person filing the report to
8 submit additional information, including business records, to
9 substantiate information in the report.

10 (b-35) Except as provided in subsection (b-40), a report
11 filed under this Section, and information obtained from the
12 report, is confidential, exempt from disclosure under the
13 Freedom of Information Act, and exempt from public inspection.

14 (b-40) The State Commission may disclose a report under
15 this Section or information from the report:

16 (1) as provided in subsections (f) and (g) of Section
17 5-28;

18 (2) if reasonably necessary to enforce or implement
19 this Act or other law of this State relating to the
20 shipment of alcoholic liquor directly to individuals in
21 this State; or

22 (3) as a compilation of aggregated data if personally
23 identifiable information is not disclosed.

24 (b-42) A carrier shipping wine into or within this State
25 shall appoint and continuously maintain with the State
26 Commission an agent for service of process. The agent may be

1 located in this State or another state. By appointing an agent
2 under this subsection, the carrier affirms that the agent
3 consents to accept service. Service of process on the agent
4 constitutes valid service of process on the carrier in an
5 action or proceeding arising out of enforcement of law of this
6 State regulating shipment of wine directly to a person in this
7 State. If a carrier fails to maintain in the records of the
8 State Commission a current agent for service of process or if
9 the current agent cannot be served with reasonable diligence,
10 the State Commission is the agent for service of process.

11 (b-45) If the State Commission has reason to believe that
12 alcoholic liquor has been shipped unlawfully into or within
13 this State, the State Commission may give notice to the
14 consignor requiring the consignor to show cause why shipments
15 by the consignor into or within this State should not be
16 prohibited. If the State Commission, after an opportunity for
17 an evidentiary hearing, determines that the consignor shipped
18 alcoholic liquor into or within this State unlawfully, the
19 State Commission may issue an administrative order prohibiting
20 additional shipments by the consignor of alcoholic liquor into
21 or within this State.

22 (b-50) The State Commission may give notice to a carrier
23 of the administrative order under subsection (b-45). Except as
24 provided in subsection (b-60), beginning 10 days after the
25 date of the notice, and until the carrier receives notice that
26 the administrative order is rescinded, the carrier may not

1 accept from the consignor identified in the notice, for
2 shipment into or within this State, a package known by the
3 carrier to contain wine.

4 (b-55) For good cause, the State Commission may rescind an
5 administrative order issued under subsection (b-45). On
6 rescinding the order, the State Commission shall give notice
7 of the rescission to each carrier that received notice under
8 subsection (b-50) of the order.

9 (b-60) The State Commission may not hold a hearing under
10 subsection (a) less than 30 days after the date of the notice
11 requiring the consignor to show cause unless:

12 (1) the consignor agrees to an earlier hearing date;

13 or

14 (2) the notice describes with particularity how the
15 consignor's alleged unlawful shipment poses a serious risk
16 to public health or safety.

17 (b-65) If the notice includes a description under
18 paragraph (2) of subsection (b-60) and the State Commission
19 issues an administrative order under subsection (a):

20 (1) the order must identify the risk; and

21 (2) the State Commission's notice under subsection
22 (b-45) to a carrier must require the carrier to implement
23 the order as soon as possible.

24 (b-70) An administrative order issued under subsection (a)
25 is subject to judicial review under the Administrative Review
26 Law.

1 (b-75) This amendatory Act of the 103rd General Assembly
2 modifies, limits, or supersedes the Electronic Signatures in
3 Global and National Commerce Act, 15 U.S.C. Section 7001 et
4 seq., as amended, but does not modify, limit, or supersede 15
5 U.S.C. Section 7001(c), or authorize electronic delivery of
6 any of the notices described in 15 U.S.C. Section 7003(b).

7 (c) No broker within this State shall solicit consumers to
8 engage in direct wine shipments under this Section.

9 (d) It is not the intent of this Section to impair the
10 distribution of wine through distributors or importing
11 distributors, but only to permit shipments of wine for
12 personal use.

13 (Source: P.A. 95-634, eff. 6-1-08.)

14 (235 ILCS 5/7-3.5 new)

15 Sec. 7-3.5. Suspension, revocation, or nonrenewal of
16 license for unlawful shipping into another state.

17 (a) The State Commission may suspend, revoke, or refuse to
18 issue or renew a license to manufacture, distribute, or sell
19 alcoholic liquor issued by the State Commission if the State
20 Commission finds, after notice and an opportunity for an
21 evidentiary hearing, that the person holding the license has
22 shipped alcoholic liquor into another state in violation of
23 that state's law.

24 (b) The State Commission may not suspend, revoke, or
25 refuse to issue or renew a license issued by the State

1 Commission under subsection (a) if the person holding the
2 license shows that:

3 (1) the violation of the other state's law is the
4 subject of an enforcement action in the other state that
5 is pending before an administrative body or trial or
6 appellate court in the other state;

7 (2) an enforcement action described in paragraph (1)
8 has concluded in the other state and resulted in a
9 determination that no violation of the other state's law
10 occurred; or

11 (3) the violation of the other state's law occurred
12 more than 2 years before the date of the notice under
13 subsection (a).

14 (235 ILCS 5/7-15 new)

15 Sec. 7-15. Third-party provider registrations.
16 Registrations as a third-party provider shall be governed
17 under this Article in the same manner as licenses.