



Adopted in House Comm. on Mar 04, 2004

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LRB093 19025 LRD 47753 a

1 AMENDMENT TO HOUSE BILL 4782

2 AMENDMENT NO. _____. Amend House Bill 4782 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Liquor Control Act of 1934 is amended by
5 changing Section 5-1 as follows:

6 (235 ILCS 5/5-1) (from Ch. 43, par. 115)

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

- 9 (a) Manufacturer's license - Class 1. Distiller, Class 2.
10 Rectifier, Class 3. Brewer, Class 4. First Class Wine
11 Manufacturer, Class 5. Second Class Wine Manufacturer, Class 6.
12 First Class Winemaker, Class 7. Second Class Winemaker, Class
13 8. Limited Wine Manufacturer,
14 (b) Distributor's license,
15 (c) Importing Distributor's license,
16 (d) Retailer's license,
17 (e) Special Event Retailer's license (not-for-profit),
18 (f) Railroad license,
19 (g) Boat license,
20 (h) Non-Beverage User's license,
21 (i) Wine-maker's premises license,
22 (j) Airplane license,
23 (k) Foreign importer's license,
24 (l) Broker's license,

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

2 (n) Brew Pub license,

3 (o) Auction liquor license,

4 (p) Caterer retailer license,

5 (q) Special use permit license.

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

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

14 Class 1. A Distiller may make sales and deliveries of
15 alcoholic liquor to distillers, rectifiers, importing
16 distributors, distributors and non-beverage users and to no
17 other licensees.

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

22 Class 3. A Brewer may make sales and deliveries of beer to
23 importing distributors, distributors, and to non-licensees,
24 and to retailers provided the brewer obtains an importing
25 distributor's license or distributor's license in accordance
26 with the provisions of this Act.

27 Class 4. A first class wine-manufacturer may make sales and
28 deliveries of up to 50,000 gallons of wine to manufacturers,
29 importing distributors and distributors, and to no other
30 licensees.

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

1 Class 6. A first-class wine-maker's license shall allow the
2 manufacture of up to 50,000 gallons of wine per year, and the
3 storage and sale of such wine to distributors in the State and
4 to persons without the State, as may be permitted by law. A
5 first-class wine-maker's license shall allow the sale of no
6 more than 5,000 gallons of the licensee's wine to retailers.
7 The State Commission shall issue only one first-class
8 wine-maker's license to any person, firm, partnership,
9 corporation, or other legal business entity that is engaged in
10 the making of less than 50,000 gallons of wine annually that
11 applies for a first-class wine-maker's license. No subsidiary
12 or affiliate thereof, nor any officer, associate, member,
13 partner, representative, employee, agent, or shareholder may
14 be issued an additional wine-maker's license by the State
15 Commission.

16 Class 7. A second-class wine-maker's license shall allow
17 the manufacture of between 50,000 and 100,000 gallons of wine
18 per year, and the storage and sale of such wine to distributors
19 in this State and to persons without the State, as may be
20 permitted by law. A second-class wine-maker's license shall
21 allow the sale of no more than 10,000 gallons of the licensee's
22 wine directly to retailers. The State Commission shall issue
23 only one second-class wine-maker's license to any person, firm,
24 partnership, corporation, or other legal business entity that
25 is engaged in the making of less than 100,000 gallons of wine
26 annually that applies for a second-class wine-maker's license.
27 No subsidiary or affiliate thereof, or any officer, associate,
28 member, partner, representative, employee, agent, or
29 shareholder may be issued an additional wine-maker's license by
30 the State Commission.

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

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

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

22 (b) A distributor's license shall allow the wholesale
23 purchase and storage of alcoholic liquors and sale of alcoholic
24 liquors to licensees in this State and to persons without the
25 State, as may be permitted by law.

26 (c) An importing distributor's license may be issued to and
27 held by those only who are duly licensed distributors, upon the
28 filing of an application by a duly licensed distributor, with
29 the Commission and the Commission shall, without the payment of
30 any fee, immediately issue such importing distributor's
31 license to the applicant, which shall allow the importation of
32 alcoholic liquor by the licensee into this State from any point
33 in the United States outside this State, and the purchase of
34 alcoholic liquor in barrels, casks or other bulk containers and

1 the bottling of such alcoholic liquors before resale thereof,
2 but all bottles or containers so filled shall be sealed,
3 labeled, stamped and otherwise made to comply with all
4 provisions, rules and regulations governing manufacturers in
5 the preparation and bottling of alcoholic liquors. The
6 importing distributor's license shall permit such licensee to
7 purchase alcoholic liquor from Illinois licensed non-resident
8 dealers and foreign importers only.

9 (d) A retailer's license shall allow the licensee to sell
10 and offer for sale at retail, only in the premises specified in
11 such license, alcoholic liquor for use or consumption, but not
12 for resale in any form: Provided that any retail license issued
13 to a manufacturer shall only permit such manufacturer to sell
14 beer at retail on the premises actually occupied by such
15 manufacturer.

16 After January 1, 1995 there shall be 2 classes of licenses
17 issued under a retailers license.

18 (1) A "retailers on premise consumption license" shall
19 allow the licensee to sell and offer for sale at retail,
20 only on the premises specified in the license, alcoholic
21 liquor for use or consumption on the premises or on and off
22 the premises, but not for resale in any form.

23 (2) An "off premise sale license" shall allow the
24 licensee to sell, or offer for sale at retail, alcoholic
25 liquor intended only for off premise consumption and not
26 for resale in any form.

27 Notwithstanding any other provision of this subsection
28 (d), a retail licensee may sell alcoholic liquors to a special
29 event retailer licensee for resale to the extent permitted
30 under subsection (e).

31 (e) A special event retailer's license (not-for-profit)
32 shall permit the licensee to purchase alcoholic liquors from an
33 Illinois licensed distributor (unless the licensee purchases
34 less than \$500 of alcoholic liquors for the special event, in

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

26 (f) A railroad license shall permit the licensee to import
27 alcoholic liquors into this State from any point in the United
28 States outside this State and to store such alcoholic liquors
29 in this State; to make wholesale purchases of alcoholic liquors
30 directly from manufacturers, foreign importers, distributors
31 and importing distributors from within or outside this State;
32 and to store such alcoholic liquors in this State; provided
33 that the above powers may be exercised only in connection with
34 the importation, purchase or storage of alcoholic liquors to be

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

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

19 (h) A non-beverage user's license shall allow the licensee
 20 to purchase alcoholic liquor from a licensed manufacturer or
 21 importing distributor, without the imposition of any tax upon
 22 the business of such licensed manufacturer or importing
 23 distributor as to such alcoholic liquor to be used by such
 24 licensee solely for the non-beverage purposes set forth in
 25 subsection (a) of Section 8-1 of this Act, and such licenses
 26 shall be divided and classified and shall permit the purchase,
 27 possession and use of limited and stated quantities of
 28 alcoholic liquor as follows:

- 29 Class 1, not to exceed 500 gallons
- 30 Class 2, not to exceed 1,000 gallons
- 31 Class 3, not to exceed 5,000 gallons
- 32 Class 4, not to exceed 10,000 gallons
- 33 Class 5, not to exceed 50,000 gallons

34 (i) A wine-maker's premises license shall allow a licensee

1 that concurrently holds a first-class wine-maker's license to
2 sell and offer for sale at retail in the premises specified in
3 such license not more than 50,000 gallons of the first-class
4 wine-maker's wine that is made at the first-class wine-maker's
5 licensed premises per year for use or consumption, but not for
6 resale in any form. A wine-maker's premises license shall allow
7 a licensee who concurrently holds a second-class wine-maker's
8 license to sell and offer for sale at retail in the premises
9 specified in such license up to 100,000 gallons of the
10 second-class wine-maker's wine that is made at the second-class
11 wine-maker's licensed premises per year for use or consumption
12 but not for resale in any form. A wine-maker's premises license
13 shall allow a licensee that concurrently holds a first-class
14 wine-maker's license or a second-class wine-maker's license to
15 sell and offer for sale at retail at the premises specified in
16 the wine-maker's premises license, for use or consumption but
17 not for resale in any form, any beer, wine, and spirits
18 purchased from a licensed distributor. Upon approval from the
19 State Commission, a wine-maker's premises license shall allow
20 the licensee to sell and offer for sale at (i) the wine-maker's
21 licensed premises and (ii) at up to 2 additional locations for
22 use and consumption and not for resale. Each location shall
23 require additional licensing per location as specified in
24 Section 5-3 of this Act.

25 (j) An airplane license shall permit the licensee to import
26 alcoholic liquors into this State from any point in the United
27 States outside this State and to store such alcoholic liquors
28 in this State; to make wholesale purchases of alcoholic liquors
29 directly from manufacturers, foreign importers, distributors
30 and importing distributors from within or outside this State;
31 and to store such alcoholic liquors in this State; provided
32 that the above powers may be exercised only in connection with
33 the importation, purchase or storage of alcoholic liquors to be
34 sold or dispensed on an airplane; and provided further, that

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

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

24 (l) (i) A broker's license shall be required of all persons
25 who solicit orders for, offer to sell or offer to supply
26 alcoholic liquor to retailers in the State of Illinois, or who
27 offer to retailers to ship or cause to be shipped or to make
28 contact with distillers, rectifiers, brewers or manufacturers
29 or any other party within or without the State of Illinois in
30 order that alcoholic liquors be shipped to a distributor,
31 importing distributor or foreign importer, whether such
32 solicitation or offer is consummated within or without the
33 State of Illinois.

34 No holder of a retailer's license issued by the Illinois

1 Liquor Control Commission shall purchase or receive any
2 alcoholic liquor, the order for which was solicited or offered
3 for sale to such retailer by a broker unless the broker is the
4 holder of a valid broker's license.

5 The broker shall, upon the acceptance by a retailer of the
6 broker's solicitation of an order or offer to sell or supply or
7 deliver or have delivered alcoholic liquors, promptly forward
8 to the Illinois Liquor Control Commission a notification of
9 said transaction in such form as the Commission may by
10 regulations prescribe.

11 (ii) A broker's license shall be required of a person
12 within this State, other than a retail licensee, who, for a fee
13 or commission, promotes, solicits, or accepts orders for
14 alcoholic liquor, for use or consumption and not for resale, to
15 be shipped from this State and delivered to residents outside
16 of this State by an express company, common carrier, or
17 contract carrier. This Section does not apply to any person who
18 promotes, solicits, or accepts orders for wine as specifically
19 authorized in Section 6-29 of this Act.

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

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

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

33 (m) A non-resident dealer's license shall permit such
34 licensee to ship into and warehouse alcoholic liquor into this

1 State from any point outside of this State, and to sell such
2 alcoholic liquor to Illinois licensed foreign importers and
3 importing distributors and to no one else in this State;
4 provided that said non-resident dealer shall register with the
5 Illinois Liquor Control Commission each and every brand of
6 alcoholic liquor which it proposes to sell to Illinois
7 licensees during the license period; and further provided that
8 it shall comply with all of the provisions of Section 6-9
9 hereof with respect to registration of such Illinois licensees
10 as may be granted the right to sell such brands at wholesale.

11 (n) A brew pub license shall allow the licensee to
12 manufacture beer only on the premises specified in the license,
13 to make sales of the beer manufactured on the premises to
14 importing distributors, distributors, and to non-licensees for
15 use and consumption, to store the beer upon the premises, and
16 to sell and offer for sale at retail from the licensed
17 premises, provided that a brew pub licensee shall not sell for
18 off-premises consumption more than 50,000 gallons per year.

19 (o) A caterer retailer license shall allow the holder to
20 serve alcoholic liquors as an incidental part of a food service
21 that serves prepared meals which excludes the serving of snacks
22 as the primary meal, either on or off-site whether licensed or
23 unlicensed.

24 (p) An auction liquor license shall allow the licensee to
25 sell and offer for sale at auction wine and spirits for use or
26 consumption, or for resale by an Illinois liquor licensee in
27 accordance with provisions of this Act. An auction liquor
28 license will be issued to a person and it will permit the
29 auction liquor licensee to hold the auction anywhere in the
30 State. An auction liquor license must be obtained for each
31 auction at least 14 days in advance of the auction date.

32 (q) A special use permit license shall allow an Illinois
33 licensed retailer to transfer a portion of its alcoholic liquor
34 inventory from its retail licensed premises to the premises

1 specified in the license hereby created, and to sell or offer
2 for sale at retail, only in the premises specified in the
3 license hereby created, the transferred alcoholic liquor for
4 use or consumption, but not for resale in any form. A special
5 use permit license may be granted for the following time
6 periods: one day or less; 2 or more days to a maximum of 15 days
7 per location in any 12 month period. An applicant for the
8 special use permit license must also submit with the
9 application proof satisfactory to the State Commission that the
10 applicant will provide dram shop liability insurance to the
11 maximum limits and have local authority approval.

12 (Source: P.A. 91-357, eff. 7-29-99; 92-105, eff. 1-1-02;
13 92-378, eff. 8-16-01; 92-651, eff. 7-11-02; 92-672, eff.
14 7-16-02.)".