94TH GENERAL ASSEMBLY

State of Illinois

2005 and 2006

HB4444

Introduced 01/09/06, by Rep. Daniel J. Burke

SYNOPSIS AS INTRODUCED:

235 ILCS 5/5-1	from Ch. 43, par. 115
235 ILCS 5/5-3	from Ch. 43, par. 118
235 ILCS 5/6-29	from Ch. 43, par. 144e
235 ILCS 5/6-29.1	

Amends the Liquor Control Act of 1934. Permits first-class wine-maker licensees to manufacture up to 100,000 (now, 50,000) gallons of wine per year and second-class wine-maker licensees to manufacture between 100,000 and 200,000 (now, 50,000 and 100,000) gallons of wine per year. Permits first-class wine-maker licensees to sell 25,000 (now, 5,000) gallons of the licensee's wine to retailers and second-class wine-maker licensees to sell 50,000 (now, 10,000) gallons of the licensee's wine to retailers. Removes provisions prohibiting (i) the issuance of more than one wine-maker's license to any person, firm, partnership, corporation, or other legal business entity and (ii) a subsidiary or affiliate, officer, associate, member, partner, representative, employee, agent, or shareholder of a first or second-class wine-maker licensee from being issued a wine-maker's license. Permits a special event retailer licensee to purchase up to \$2,000 (now, \$500) of alcoholic liquors from a licensed retailer. Permits a wine-maker's premises licensee that concurrently holds a first-class wine-maker's license to sell at retail on the licensed premises not more than 100,000 (now, 50,000) gallons of wine and a licensee holding a second-class wine-maker's license to sell at retail on the licensed premises not more than 200,000 (now, 100,000) gallons of wine. Permits a wine-maker's premises licensee to sell and offer for sale at up to 10 (now, 2) additional locations for use and consumption and not for resale. Creates an out-of-state shipper's license. Provides that an out-of-state shipper licensee may ship wine sold or manufactured by the licensee directly to a resident of Illinois who is 21 years of age or older for that resident's personal use and not for resale. Requires certain information to be collected and maintained and made available to the Illinois Liquor Control Commission by out-of-state shipper licensees. Provides an annual fee for the license. Provides that a first-class wine-maker licensee, second-class wine-maker licensee, or out-of-state shipper licensee (now, an adult resident or holder of an alcoholic beverage license in a state which affords Illinois licensees or adult residents an equal reciprocal shipping privilege) may ship up to 3 cases of wine per month (now, 2 cases per year) to residents of Illinois. Provides that delivery of a shipment by an out-of-state shipper licensee is deemed to constitute a sale in this State. Requires licensees to require transporters or common carriers who deliver the wine to obtain the signature of a person 21 years of age or older at the delivery address at the time of delivery. Permits wine-makers licensed in other states that ship or transport wine from a point outside of this State to a retailer in this State to ship or transport wine in the amount permitted for a wine-maker licensed in this State. Makes other changes. Effective immediately.

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FISCAL NOTE ACT MAY APPLY

A BILL FOR

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AN ACT concerning liquor.

2 Be it enacted by the People of the State of Illinois, 3 represented in the General Assembly:

4 Section 5. The Liquor Control Act of 1934 is amended by 5 changing Sections 5-1, 5-3, 6-29, and 6-29.1 as follows:

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

Sec. 5-1. Licenses issued by the Illinois Liquor Control
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 (1) Broker's license,
- 25 (m) Non-resident dealer's license,
- 26 (n) Brew Pub license,
- 27 (o) Auction liquor license,
- 28 (p) Caterer retailer license,
- 29 (q) Special use permit license₁.
- 30 (r) Out-of-state shipper's license.

31 No person, firm, partnership, corporation, or other legal 32 business entity that is engaged in the manufacturing of wine - 2 - LRB094 17358 LJB 52653 b

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

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

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

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

15 Class 3. A Brewer may make sales and deliveries of beer to 16 importing distributors, distributors, and to non-licensees, 17 and to retailers provided the brewer obtains an importing 18 distributor's license or distributor's license in accordance 19 with the provisions of this Act.

20 Class 4. A first class wine-manufacturer may make sales and 21 deliveries of up to 50,000 gallons of wine to manufacturers, 22 importing distributors and distributors, and to no other 23 licensees.

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

Class 6. A first-class wine-maker's license shall allow the 28 manufacture of up to 100,000 50,000 gallons of wine per year, 29 30 and the storage and sale of such wine to distributors in the 31 State and to persons without the State, as may be permitted by 32 law. A first-class wine-maker's license shall allow the sale of no more than 25,000 5,000 gallons of the licensee's wine to 33 retailers. A first-class wine-maker's license shall allow the 34 35 direct shipment of the licensee's wine to an adult resident of this State in accordance with the provisions of Section 6-29 of 36

this Act. The State Commission shall issue only one first-class 1 wine-maker's license to any person, firm, partnership, 2 3 corporation, or other legal business entity that is engaged in the making of less than 50,000 gallons of wine annually that 4 5 applies for a first class wine maker's license. No subsidiary 6 thereof, nor any officer, associate, affiliate 7 partner, representative, employee, agent, or shareholder be issued an additional wine maker's license by the State 8 9 Commission.

Class 7. A second-class wine-maker's license shall allow 10 the manufacture of between 100,000 50,000 and 200,000 100,000 11 12 gallons of wine per year, and the storage and sale of such wine to distributors in this State and to persons without the State, 13 as may be permitted by law. A second-class wine-maker's license 14 shall allow the sale of no more than 50,000 = 10,000 gallons of 15 16 the licensee's wine directly to retailers. <u>A second-class</u> wine-maker's license shall allow the direct shipment of the 17 licensee's wine to an adult resident of this State in 18 accordance with the provisions of Section 6-29 of this Act. The 19 -issue only one 20 Commission shall -second-class State wine-maker's license to any person, firm, partnership, 21 corporation, or other legal business entity that is engaged in 22 23 the making of less than 100,000 gallons of wine annually that applies for a second-class wine-maker's license. No subsidiary 24 or affiliate thereof, or any officer, associate, member, 25 26 partner, representative, employee, agent, or shareholder mav 27 be issued an additional wine maker's license by the State 28 Commission.

29 Class 8. A limited wine-manufacturer may make sales and 30 deliveries not to exceed 40,000 gallons of wine per year to 31 distributors, and to non-licensees in accordance with the 32 provisions of this Act.

33 (a-1) A manufacturer which is licensed in this State to 34 make sales or deliveries of alcoholic liquor and which enlists 35 agents, representatives, or individuals acting on its behalf 36 who contact licensed retailers on a regular and continual basis – 4 – LRB094 17358 LJB 52653 b

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in this State must register those agents, representatives, or
 persons acting on its behalf with the State Commission.

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

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

22 (c) An importing distributor's license may be issued to and 23 held by those only who are duly licensed distributors, upon the filing of an application by a duly licensed distributor, with 24 the Commission and the Commission shall, without the payment of 25 26 immediately issue such importing distributor's any fee, 27 license to the applicant, which shall allow the importation of 28 alcoholic liquor by the licensee into this State from any point 29 in the United States outside this State, and the purchase of 30 alcoholic liquor in barrels, casks or other bulk containers and the bottling of such alcoholic liquors before resale thereof, 31 32 but all bottles or containers so filled shall be sealed, labeled, stamped and otherwise made to comply with all 33 provisions, rules and regulations governing manufacturers in 34 35 the preparation and bottling of alcoholic liquors. The importing distributor's license shall permit such licensee to 36

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purchase alcoholic liquor from Illinois licensed non-resident
 dealers and foreign importers only.

(d) A retailer's license shall allow the licensee to sell 3 4 and offer for sale at retail, only in the premises specified in 5 the license, alcoholic liquor for use or consumption, but not 6 for resale in any form: Provided that any retail license issued to a manufacturer shall only permit the manufacturer to sell 7 beer at retail on the premises actually occupied by the 8 9 manufacturer. For the purpose of further describing the type of 10 business conducted at a retail licensed premises, a retailer's 11 licensee may be designated by the State Commission as (i) an on 12 premise consumption retailer, (ii) an off premise sale 13 retailer, or (iii) a combined on premise consumption and off premise sale retailer. 14

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

19 (e) A special event retailer's license (not-for-profit) 20 shall permit the licensee to purchase alcoholic liquors from an Illinois licensed distributor (unless the licensee purchases 21 less than \$2,000 \$500 of alcoholic liquors for the special 22 23 event, in which case the licensee may purchase the alcoholic liquors from a licensed retailer) and shall allow the licensee 24 to sell and offer for sale, at retail, alcoholic liquors for 25 26 use or consumption, but not for resale in any form and only at 27 the location and on the specific dates designated for the 28 special event in the license. An applicant for a special event 29 retailer license must (i) furnish with the application: (A) a 30 resale number issued under Section 2c of the Retailers' 31 Occupation Tax Act or evidence that the applicant is registered 32 under Section 2a of the Retailers' Occupation Tax Act, (B) a current, valid exemption identification number issued under 33 Section 1g of the Retailers' Occupation Tax Act, and a 34 35 certification to the Commission that the purchase of alcoholic liquors will be a tax-exempt purchase, or (C) a statement that 36

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1 the applicant is not registered under Section 2a of the 2 Retailers' Occupation Tax Act, does not hold a resale number 3 under Section 2c of the Retailers' Occupation Tax Act, and does 4 not hold an exemption number under Section 1g of the Retailers' 5 Occupation Tax Act, in which event the Commission shall set forth on the special event retailer's license a statement to 6 7 effect; (ii) that submit with the application proof 8 satisfactory to the State Commission that the applicant will 9 provide dram shop liability insurance in the maximum limits; 10 and (iii) show proof satisfactory to the State Commission that 11 the applicant has obtained local authority approval.

12 (f) A railroad license shall permit the licensee to import 13 alcoholic liquors into this State from any point in the United States outside this State and to store such alcoholic liquors 14 15 in this State; to make wholesale purchases of alcoholic liquors 16 directly from manufacturers, foreign importers, distributors 17 and importing distributors from within or outside this State; and to store such alcoholic liquors in this State; provided 18 19 that the above powers may be exercised only in connection with 20 the importation, purchase or storage of alcoholic liquors to be sold or dispensed on a club, buffet, lounge or dining car 21 22 operated on an electric, gas or steam railway in this State; 23 and provided further, that railroad licensees exercising the 24 above powers shall be subject to all provisions of Article VIII 25 of this Act as applied to importing distributors. A railroad 26 license shall also permit the licensee to sell or dispense 27 alcoholic liquors on any club, buffet, lounge or dining car 28 operated on an electric, gas or steam railway regularly 29 operated by a common carrier in this State, but shall not 30 permit the sale for resale of any alcoholic liquors to any licensee within this State. A license shall be obtained for 31 32 each car in which such sales are made.

(g) A boat license shall allow the sale of alcoholic liquor in individual drinks, on any passenger boat regularly operated as a common carrier on navigable waters in this State or on any riverboat operated under the Riverboat Gambling Act, which boat

1 or riverboat maintains a public dining room or restaurant 2 thereon.

3 (h) A non-beverage user's license shall allow the licensee 4 to purchase alcoholic liquor from a licensed manufacturer or 5 importing distributor, without the imposition of any tax upon the business of such licensed manufacturer or importing 6 distributor as to such alcoholic liquor to be used by such 7 8 licensee solely for the non-beverage purposes set forth in 9 subsection (a) of Section 8-1 of this Act, and such licenses shall be divided and classified and shall permit the purchase, 10 11 possession and use of limited and stated quantities of 12 alcoholic liquor as follows:

13Class 1, not to exceed500 gallons14Class 2, not to exceed1,000 gallons15Class 3, not to exceed5,000 gallons16Class 4, not to exceed10,000 gallons17Class 5, not to exceed50,000 gallons

(i) A wine-maker's premises license shall allow a licensee 18 19 that concurrently holds a first-class wine-maker's license to 20 sell and offer for sale at retail in the premises specified in such license not more than 100,000 50,000 gallons of the 21 first-class wine-maker's wine that is made at the first-class 22 23 wine-maker's licensed premises per year for use or consumption, but not for resale in any form. A wine-maker's premises license 24 25 shall allow a licensee who concurrently holds a second-class 26 wine-maker's license to sell and offer for sale at retail in 27 the premises specified in such license up to 200,000 100,000 28 gallons of the second-class wine-maker's wine that is made at the second-class wine-maker's licensed premises per year for 29 30 use or consumption but not for resale in any form. A 31 wine-maker's premises license shall allow a licensee that 32 concurrently holds a first-class wine-maker's license or a second-class wine-maker's license to sell and offer for sale at 33 34 retail at the premises specified in the wine-maker's premises 35 license, for use or consumption but not for resale in any form, any beer, wine, and spirits purchased from a 36 licensed

distributor. Upon approval from the State Commission, a wine-maker's premises license shall allow the licensee to sell and offer for sale at (i) the wine-maker's licensed premises and (ii) at up to <u>10</u> 2 additional locations for use and consumption and not for resale. Each location shall require additional licensing per location as specified in Section 5-3 of this Act.

8 (j) An airplane license shall permit the licensee to import 9 alcoholic liquors into this State from any point in the United 10 States outside this State and to store such alcoholic liquors 11 in this State; to make wholesale purchases of alcoholic liquors 12 directly from manufacturers, foreign importers, distributors 13 and importing distributors from within or outside this State; and to store such alcoholic liquors in this State; provided 14 15 that the above powers may be exercised only in connection with 16 the importation, purchase or storage of alcoholic liquors to be 17 sold or dispensed on an airplane; and provided further, that airplane licensees exercising the above powers shall be subject 18 19 to all provisions of Article VIII of this Act as applied to 20 importing distributors. An airplane licensee shall also permit the sale or dispensing of alcoholic liquors on any passenger 21 airplane regularly operated by a common carrier in this State, 22 23 but shall not permit the sale for resale of any alcoholic liquors to any licensee within this State. A single airplane 24 25 license shall be required of an airline company if liquor 26 service is provided on board aircraft in this State. The annual 27 fee for such license shall be as determined in Section 5-3.

28 (k) A foreign importer's license shall permit such licensee liquor from Illinois 29 to purchase alcoholic licensed 30 non-resident dealers only, and to import alcoholic liquor other 31 than in bulk from any point outside the United States and to 32 sell such alcoholic liquor to Illinois licensed importing distributors and to no one else in Illinois; provided that the 33 foreign importer registers with the State Commission every 34 35 brand of alcoholic liquor that it proposes to sell to Illinois licensees during the license period and provided further that 36

the foreign importer complies with all of the provisions of Section 6-9 of this Act with respect to registration of such Illinois licensees as may be granted the right to sell such brands at wholesale.

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

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

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

(ii) A broker's license shall be required of a person 26 27 within this State, other than a retail licensee, who, for a fee 28 or commission, promotes, solicits, or accepts orders for alcoholic liquor, for use or consumption and not for resale, to 29 30 be shipped from this State and delivered to residents outside 31 of this State by an express company, common carrier, or 32 contract carrier. This Section does not apply to any person who promotes, solicits, or accepts orders for wine as specifically 33 authorized in Section 6-29 of this Act. 34

35 A broker's license under this subsection (1) shall not 36 entitle the holder to buy or sell any alcoholic liquors for his - 10 - LRB094 17358 LJB 52653 b

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1 own account or to take or deliver title to such alcoholic 2 liquors.

3 This subsection (1) shall not apply to distributors, 4 employees of distributors, or employees of a manufacturer who 5 has registered the trademark, brand or name of the alcoholic 6 liquor pursuant to Section 6-9 of this Act, and who regularly 7 sells such alcoholic liquor in the State of Illinois only to 8 its registrants thereunder.

9 Any agent, representative, or person subject to 10 registration pursuant to subsection (a-1) of this Section shall 11 not be eligible to receive a broker's license.

12 (m) A non-resident dealer's license shall permit such 13 licensee to ship into and warehouse alcoholic liquor into this State from any point outside of this State, and to sell such 14 15 alcoholic liquor to Illinois licensed foreign importers and 16 importing distributors and to no one else in this State; 17 provided that said non-resident dealer shall register with the Illinois Liquor Control Commission each and every brand of 18 19 alcoholic liquor which it proposes to sell to Illinois 20 licensees during the license period; and further provided that it shall comply with all of the provisions of Section 6-9 21 22 hereof with respect to registration of such Illinois licensees 23 as may be granted the right to sell such brands at wholesale.

24 (n) A brew pub license shall allow the licensee to 25 manufacture beer only on the premises specified in the license, 26 to make sales of the beer manufactured on the premises to 27 importing distributors, distributors, and to non-licensees for 28 use and consumption, to store the beer upon the premises, and 29 to sell and offer for sale at retail from the licensed 30 premises, provided that a brew pub licensee shall not sell for off-premises consumption more than 50,000 gallons per year. 31

32 (o) A caterer retailer license shall allow the holder to 33 serve alcoholic liquors as an incidental part of a food service 34 that serves prepared meals which excludes the serving of snacks 35 as the primary meal, either on or off-site whether licensed or 36 unlicensed.

1 (p) An auction liquor license shall allow the licensee to 2 sell and offer for sale at auction wine and spirits for use or consumption, or for resale by an Illinois liquor licensee in 3 4 accordance with provisions of this Act. An auction liquor 5 license will be issued to a person and it will permit the auction liquor licensee to hold the auction anywhere in the 6 State. An auction liquor license must be obtained for each 7 auction at least 14 days in advance of the auction date. 8

(q) A special use permit license shall allow an Illinois 9 licensed retailer to transfer a portion of its alcoholic liquor 10 11 inventory from its retail licensed premises to the premises 12 specified in the license hereby created, and to sell or offer 13 for sale at retail, only in the premises specified in the license hereby created, the transferred alcoholic liquor for 14 15 use or consumption, but not for resale in any form. A special 16 use permit license may be granted for the following time 17 periods: one day or less; 2 or more days to a maximum of 15 days per location in any 12 month period. An applicant for the 18 19 use permit license must also submit with special the application proof satisfactory to the State Commission that the 20 applicant will provide dram shop liability insurance to the 21 22 maximum limits and have local authority approval.

23 (r) An out-of-state shipper's license shall allow a person licensed to sell at retail or manufacture wine under the laws 24 of another state to ship wine sold or manufactured by that 25 licensee directly to a resident of this State who is 21 years 26 27 of age or older for that resident's personal use and not for resale. Prior to receiving an out-of-state shipper's license, 28 an applicant for the license must provide the State Commission 29 30 with a true copy of its current license in any state in which 31 it is licensed as a retailer or manufacturer of wine.

An out-of-state shipper licensee must collect and maintain and make available to the State Commission upon request the following information:

35 <u>(1) the name and date of birth of each Illinois</u>
36 <u>purchaser;</u>

1	(2) the full mailing address of each Illinois	
2	purchaser, including zip code;	
3	(3) the name, total quantity, and total price of wine	
4	purchased;	
5	(4) the date of purchase;	
6	(5) the name and address of the transporter or common	
7	carrier delivering the wine;	
8	(6) the signature of the person filing the report; and	
9	(7) any other information required by the State	
10	Commission.	
11	An out-of-state shipper licensed under this subsection (r)	
12	shall comply with the requirements of Section 6-29 of this Act.	
13	(Source: P.A. 92-105, eff. 1-1-02; 92-378, eff. 8-16-01;	
14	92-651, eff. 7-11-02; 92-672, eff. 7-16-02; 93-923, eff.	
15	8-12-04; 93-1057, eff. 12-2-04; revised 12-6-04.)	
16	(235 ILCS 5/5-3) (from Ch. 43, par. 118)	
17	Sec. 5-3. License fees. Except as otherwise provided	
18	herein, at the time application is made to the State Commission	
19	for a license of any class, the applicant shall pay to the	
20	State Commission the fee hereinafter provided for the kind of	
21	license applied for.	
22	The fee for licenses issued by the State Commission shall	
23	be as follows:	
24	For a manufacturer's license:	
25	Class 1. Distiller \$3,600	
26	Class 2. Rectifier 3,600	
27	Class 3. Brewer 900	
28	Class 4. First-class Wine Manufacturer 600	
29	Class 5. Second-class	
30	Wine Manufacturer 1,200	
31	Class 6. First-class wine-maker 600	
32	Class 7. Second-class wine-maker 1200	
33	Class 8. Limited Wine Manufacturer 120	
34	For a Brew Pub License 1,050	
35	For a caterer retailer's license 200	

1	For a foreign importer's license	25
2	For an importing distributor's license	25
3	For a distributor's license	270
4	For a non-resident dealer's license	
5	(500,000 gallons or over)	270
6	For a non-resident dealer's license	
7	(under 500,000 gallons)	90
8	For a wine-maker's premises license	100
9	For a wine-maker's premises license,	
10	second location	350
11	For a wine-maker's premises license,	
12	third location	350
13	For a retailer's license	500
14	For a special event retailer's license,	
15	(not-for-profit)	25
16	For a special use permit license,	
17	one day only	50
18	2 days or more	100
19	For a railroad license	60
20	For a boat license	180
21	For an airplane license, times the	
22	licensee's maximum number of aircraft	
23	in flight, serving liquor over the	
24	State at any given time, which either	
25	originate, terminate, or make	
26	an intermediate stop in the State	60
27	For a non-beverage user's license:	
28	Class 1	24
29	Class 2	60
30	Class 3	120
31	Class 4	240
32	Class 5	600
33	For a broker's license	600
34	For an auction liquor license	50
35	For an out-of-state shipper's license	<u>100</u>
36	Fees collected under this Section shall be paid i	nto the

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Dram Shop Fund. On and after July 1, 2003, of the funds 1 2 received for a retailer's license, in addition to the first \$175, an additional \$75 shall be paid into the Dram Shop Fund, 3 and \$250 shall be paid into the General Revenue Fund. Beginning 4 5 June 30, 1990 and on June 30 of each subsequent year through 6 June 29, 2003, any balance over \$5,000,000 remaining in the Dram Shop Fund shall be credited to State liquor licensees and 7 applied against their fees for State liquor licenses for the 8 following year. The amount credited to each licensee shall be a 9 10 proportion of the balance in the Dram Fund that is the same as 11 the proportion of the license fee paid by the licensee under 12 this Section for the period in which the balance was accumulated to the aggregate fees paid by all licensees during 13 that period. 14

No fee shall be paid for licenses issued by the State Commission to the following non-beverage users:

(a) Hospitals, sanitariums, or clinics when their use
of alcoholic liquor is exclusively medicinal, mechanical
or scientific.

(b) Universities, colleges of learning or schools when
their use of alcoholic liquor is exclusively medicinal,
mechanical or scientific.

(c) Laboratories when their use is exclusively for thepurpose of scientific research.

25 (Source: P.A. 92-378, eff. 8-16-01; 93-22, eff. 6-20-03.)

26

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

27 Sec. 6-29. <u>Consumer</u> Interstate reciprocal wine shipments.

28 Notwithstanding any other provision of law, (a) а first-class wine-maker licensee, second-class wine-maker 29 30 licensee, or out-of-state shipper licensee an adult resident or holder of an alcoholic beverage license in a state which 31 affords Illinois licensees or adult residents an equal 32 reciprocal shipping privilege may ship, for personal use and 33 not for resale, not more than $\frac{3}{2}$ cases of wine (each case 34 35 containing not more than 9 liters) per month year to any adult

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resident of this State. Delivery of a shipment <u>by an</u>
 <u>out-of-state shipper licensee</u> pursuant to this Section shall
 not be deemed to constitute a sale in this State.

(b) The shipping container of any wine shipped sent into or 4 5 out of this State under this Section shall be clearly labeled with the words "CONTAINS ALCOHOL. SIGNATURE OF A PERSON 21 6 YEARS OF AGE OR OLDER REQUIRED FOR DELIVERY." to indicate that 7 the package cannot be delivered to a person under the age of 21 8 9 years. A licensee shall require the transporter or common carrier who delivers the wine to obtain the signature of a 10 11 person 21 years of age or older at the delivery address at the 12 time of delivery.

13 (c) No broker within this State shall solicit consumers to 14 engage in interstate reciprocal wine shipments under this 15 Section. No shipper located outside this State may advertise 16 such interstate reciprocal wine shipments in this State.

17 (d) It is not the intent of this Section to impair the 18 distribution of wine through distributors or importing 19 distributors, but only to permit shipments of wine for personal 20 use.

21 (Source: P.A. 86-1483.)

22 (235 ILCS 5/6-29.1)

23 Sec. 6-29.1. Direct shipments of alcoholic liquor. Pursuant to the Twenty-First Amendment of the United States 24 25 Constitution allowing states to regulate the distribution and 26 sale of alcoholic liquor and pursuant to the federal 27 Webb-Kenyon Act declaring that alcoholic liquor shipped in 28 interstate commerce must comply with state laws, the General 29 Assembly hereby finds and declares that selling alcoholic 30 liquor from a point outside this State through various direct 31 marketing means, such as catalogs, newspapers, mailers, and the Internet, directly to residents of this State poses a serious 32 threat to the State's efforts to prevent youths from accessing 33 alcoholic liquor; to State revenue collections; and to the 34 35 economy of this State.

1 Any person manufacturing, distributing, or selling 2 alcoholic liquor who knowingly ships or transports or causes the shipping or transportation of any alcoholic liquor from a 3 point outside this State to a person in this State who does not 4 5 hold a <u>retailer's</u>, manufacturer's, distributor's, importing 6 distributor's, or non-resident dealer's license issued by the Liquor Control Commission, other than a shipment of sacramental 7 8 wine to a bona fide religious organization, a shipment 9 authorized by Section 6-29, or any other shipment authorized by this Act, is in violation of this Act. A wine-maker licensed in 10 11 another state that ships or transports wine from a point 12 outside of this State to a retailer in this State shall ship or 13 transport wine only in the amount permitted for a wine-maker licensed in this State under Section 5-1 of this Act. 14

15 The Commission, upon determining, after investigation, 16 that a person has violated this Section, shall give notice to 17 the person by certified mail to cease and desist all shipments 18 of alcoholic liquor into this State and to withdraw from this 19 State within 5 working days after receipt of the notice all 20 shipments of alcoholic liquor then in transit.

21 Whenever the Commission has reason to believe that a person 22 has failed to comply with the Commission notice under this 23 Section, it shall notify the Department of Revenue and file a 24 complaint with the State's Attorney of the county where the 25 alcoholic liquor was delivered or with appropriate law 26 enforcement officials.

Failure to comply with the notice issued by the Commission under this Section constitutes a business offense for which the person shall be fined not more than \$1,000 for a first offense, not more than \$5,000 for a second offense, and not more than \$10,000 for a third or subsequent offense. Each shipment of alcoholic liquor delivered in violation of the cease and desist notice shall constitute a separate offense.

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

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Section 99. Effective date. This Act takes effect upon

1 becoming law.