

1 AN ACT concerning liquor.

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

4 Section 5. The Liquor Control Act of 1934 is amended by
5 changing Sections 1-3.33, 3-12, 5-1, and 5-3 and by adding
6 Section 1-3.38 as follows:

7 (235 ILCS 5/1-3.33)

8 Sec. 1-3.33. "Brew Pub" means a person who manufactures
9 beer only at a designated premises to make sales to importing
10 distributors, distributors, and to non-licensees for use and
11 consumption only, who stores beer at the designated premises,
12 and who is allowed to sell at retail from the licensed
13 premises, provided that a brew pub licensee shall not sell for
14 off-premises consumption more than 50,000 gallons per year. A
15 person who holds a brew pub license may simultaneously hold a
16 craft brewer license if he or she otherwise qualifies for the
17 craft brewer license and the craft brewer license is for a
18 location separate from the brew pub's licensed premises.

19 (Source: P.A. 90-432, eff. 1-1-98.)

20 (235 ILCS 5/1-3.38 new)

21 Sec. 1-3.38. "Craft brewer" means a licensed brewer or
22 licensed non-resident dealer who manufactures up to 465,000

1 gallons of beer per year and who may make sales and deliveries
2 to importing distributors and distributors and to retail
3 licensees in accordance with the conditions set forth in
4 paragraph (18) of subsection (a) of Section 3-12 of this Act.

5 (235 ILCS 5/3-12)

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

7 (a) The State commission shall have the following powers,
8 functions and duties:

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

1 revoke a licensee's license may be limited to the license
2 for the specific premises where the violation occurred.

3 In lieu of suspending or revoking a license, the
4 commission may impose a fine, upon the State commission's
5 determination and notice after hearing, that a licensee has
6 violated any provision of this Act or any rule or
7 regulation issued pursuant thereto and in effect for 30
8 days prior to such violation. The fine imposed under this
9 paragraph may not exceed \$500 for each violation. Each day
10 that the activity, which gave rise to the original fine,
11 continues is a separate violation. The maximum fine that
12 may be levied against any licensee, for the period of the
13 license, shall not exceed \$20,000. The maximum penalty that
14 may be imposed on a licensee for selling a bottle of
15 alcoholic liquor with a foreign object in it or serving
16 from a bottle of alcoholic liquor with a foreign object in
17 it shall be the destruction of that bottle of alcoholic
18 liquor for the first 10 bottles so sold or served from by
19 the licensee. For the eleventh bottle of alcoholic liquor
20 and for each third bottle thereafter sold or served from by
21 the licensee with a foreign object in it, the maximum
22 penalty that may be imposed on the licensee is the
23 destruction of the bottle of alcoholic liquor and a fine of
24 up to \$50.

25 (2) To adopt such rules and regulations consistent with
26 the provisions of this Act which shall be necessary to

1 carry on its functions and duties to the end that the
2 health, safety and welfare of the People of the State of
3 Illinois shall be protected and temperance in the
4 consumption of alcoholic liquors shall be fostered and
5 promoted and to distribute copies of such rules and
6 regulations to all licensees affected thereby.

7 (3) To call upon other administrative departments of
8 the State, county and municipal governments, county and
9 city police departments and upon prosecuting officers for
10 such information and assistance as it deems necessary in
11 the performance of its duties.

12 (4) To recommend to local commissioners rules and
13 regulations, not inconsistent with the law, for the
14 distribution and sale of alcoholic liquors throughout the
15 State.

16 (5) To inspect, or cause to be inspected, any premises
17 in this State where alcoholic liquors are manufactured,
18 distributed, warehoused, or sold.

19 (5.1) Upon receipt of a complaint or upon having
20 knowledge that any person is engaged in business as a
21 manufacturer, importing distributor, distributor, or
22 retailer without a license or valid license, to notify the
23 local liquor authority, file a complaint with the State's
24 Attorney's Office of the county where the incident
25 occurred, or initiate an investigation with the
26 appropriate law enforcement officials.

1 (5.2) To issue a cease and desist notice to persons
2 shipping alcoholic liquor into this State from a point
3 outside of this State if the shipment is in violation of
4 this Act.

5 (5.3) To receive complaints from licensees, local
6 officials, law enforcement agencies, organizations, and
7 persons stating that any licensee has been or is violating
8 any provision of this Act or the rules and regulations
9 issued pursuant to this Act. Such complaints shall be in
10 writing, signed and sworn to by the person making the
11 complaint, and shall state with specificity the facts in
12 relation to the alleged violation. If the Commission has
13 reasonable grounds to believe that the complaint
14 substantially alleges a violation of this Act or rules and
15 regulations adopted pursuant to this Act, it shall conduct
16 an investigation. If, after conducting an investigation,
17 the Commission is satisfied that the alleged violation did
18 occur, it shall proceed with disciplinary action against
19 the licensee as provided in this Act.

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

26 (7) The commission shall establish uniform systems of

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

24 (8) In the conduct of any hearing authorized to be held
25 by the commission, to appoint, at the commission's
26 discretion, hearing officers to conduct hearings involving

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

12 Any Circuit Court may by order duly entered, require
13 the attendance of witnesses and the production of relevant
14 books subpoenaed by the State commission and the court may
15 compel obedience to its order by proceedings for contempt.

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

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

1 other similar occurrence.

2 (11) To develop industry educational programs related
3 to responsible serving and selling, particularly in the
4 areas of overserving consumers and illegal underage
5 purchasing and consumption of alcoholic beverages.

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

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

17 (13) On or before January 15, 1994, the Commission
18 shall issue a written report to the Governor and General
19 Assembly that is to be based on a comprehensive study of
20 the impact on and implications for the State of Illinois of
21 Section 1926 of the Federal ADAMHA Reorganization Act of
22 1992 (Public Law 102-321). This study shall address the
23 extent to which Illinois currently complies with the
24 provisions of P.L. 102-321 and the rules promulgated
25 pursuant thereto.

26 As part of its report, the Commission shall provide the

1 following essential information:

2 (i) the number of retail distributors of tobacco
3 products, by type and geographic area, in the State;

4 (ii) the number of reported citations and
5 successful convictions, categorized by type and
6 location of retail distributor, for violation of the
7 Prevention of Tobacco Use by Minors and Sale and
8 Distribution of Tobacco Products Act and the Smokeless
9 Tobacco Limitation Act;

10 (iii) the extent and nature of organized
11 educational and governmental activities that are
12 intended to promote, encourage or otherwise secure
13 compliance with any Illinois laws that prohibit the
14 sale or distribution of tobacco products to minors; and

15 (iv) the level of access and availability of
16 tobacco products to individuals under the age of 18.

17 To obtain the data necessary to comply with the
18 provisions of P.L. 102-321 and the requirements of this
19 report, the Commission shall conduct random, unannounced
20 inspections of a geographically and scientifically
21 representative sample of the State's retail tobacco
22 distributors.

23 The Commission shall consult with the Department of
24 Public Health, the Department of Human Services, the
25 Illinois State Police and any other executive branch
26 agency, and private organizations that may have

1 information relevant to this report.

2 The Commission may contract with the Food and Drug
3 Administration of the U.S. Department of Health and Human
4 Services to conduct unannounced investigations of Illinois
5 tobacco vendors to determine compliance with federal laws
6 relating to the illegal sale of cigarettes and smokeless
7 tobacco products to persons under the age of 18.

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

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

19 (B) The amount of licensing fees received.

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

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

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

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

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

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

24 (17) (A) A person licensed to make wine under the laws
25 of another state who has a winery shipper's license under
26 this amendatory Act and annually produces less than 25,000

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

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

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

1 wine; and (4) will not annually sell more than 5,000
2 gallons of its wine to retail licensees.

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

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

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

25 (G) Nothing in this subsection (17) shall prohibit
26 a self-distribution exemption holder from entering

1 into or simultaneously having a distribution agreement
2 with a licensed Illinois distributor.

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

16 (18) (A) A craft brewer licensee, who must also be
17 either a licensed brewer or licensed non-resident dealer
18 and annually manufacture less than 465,000 gallons of beer,
19 may make application to the Commission for a
20 self-distribution exemption to allow the sale of not more
21 than 232,500 gallons of the exemption holder's beer to
22 retail licensees per year.

23 (B) In the application, which shall be sworn under
24 penalty of perjury, the craft brewer licensee shall
25 state (1) the date it was established; (2) its volume
26 of beer manufactured and sold for each year since its

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

8 (C) Any application submitted shall be posted on
9 the Commission's website at least 45 days prior to
10 action by the Commission. The Commission shall approve
11 the application for a self-distribution exemption if
12 the craft brewer licensee: (1) is in compliance with
13 the State, revenue, and alcoholic beverage laws; (2) is
14 not a member of any affiliated group that manufacturers
15 more than 465,000 gallons of beer per annum or produces
16 any other alcoholic beverages; (3) shall not annually
17 manufacture for sale more than 465,000 gallons of beer;
18 and (4) shall not annually sell more than 232,500
19 gallons of its beer to retail licensees.

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

1 misrepresentation in its application, violated a
2 revenue or alcoholic beverage law of Illinois,
3 exceeded the manufacture of 465,000 gallons of beer in
4 any calendar year or became part of an affiliated group
5 manufacturing more than 465,000 gallons of beer or any
6 other alcoholic beverage.

7 (E) The 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
12 or simultaneously having a distribution agreement with
13 a licensed Illinois importing distributor or a
14 distributor. If a self-distribution exemption holder
15 enters into a distribution agreement and has assigned
16 distribution rights to an importing distributor or
17 distributor, then the self-distribution exemption
18 holder's distribution rights in the assigned
19 territories shall cease in a reasonable time not to
20 exceed 60 days.

21 (G) It is the intent of this paragraph (18) to
22 promote and continue orderly markets. The General
23 Assembly finds that in order to preserve Illinois'
24 regulatory distribution system, it is necessary to
25 create an exception for smaller manufacturers in order
26 to afford and allow such smaller manufacturers of beer

1 access to the marketplace in order to develop a
2 customer base without impairing the integrity of the
3 3-tier system.

4 (b) On or before April 30, 1999, the Commission shall
5 present a written report to the Governor and the General
6 Assembly that shall be based on a study of the impact of this
7 amendatory Act of 1998 on the business of soliciting, selling,
8 and shipping alcoholic liquor from outside of this State
9 directly to residents of this State.

10 As part of its report, the Commission shall provide the
11 following information:

12 (i) the amount of State excise and sales tax revenues
13 generated as a result of this amendatory Act of 1998;

14 (ii) the amount of licensing fees received as a result
15 of this amendatory Act of 1998;

16 (iii) the number of reported violations, the number of
17 cease and desist notices issued by the Commission, the
18 number of notices of violations issued to the Department of
19 Revenue, and the number of notices and complaints of
20 violations to law enforcement officials.

21 (Source: P.A. 95-634, eff. 6-1-08; 96-179, eff. 8-10-09;
22 96-446, eff. 1-1-10; 96-1000, eff. 7-2-10.)

23 (235 ILCS 5/5-1) (from Ch. 43, par. 115)

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

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

7 (b) Distributor's license,

8 (c) Importing Distributor's license,

9 (d) Retailer's license,

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

11 (f) Railroad license,

12 (g) Boat license,

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

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

15 (j) Airplane license,

16 (k) Foreign importer's license,

17 (l) Broker's license,

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

19 (n) Brew Pub license,

20 (o) Auction liquor license,

21 (p) Caterer retailer license,

22 (q) Special use permit license,

23 (r) Winery shipper's license.

24 No person, firm, partnership, corporation, or other legal
25 business entity that is engaged in the manufacturing of wine
26 may concurrently obtain and hold a wine-maker's license and a

1 wine manufacturer's license.

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

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

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

14 Class 3. A Brewer may make sales and deliveries of beer to
15 importing distributors ~~and~~ distributors and may make sales as
16 authorized under subsection (e) of Section 6-4 of this Act, ~~and~~
17 ~~to non licensees, and to retailers provided the brewer obtains~~
18 ~~an importing distributor's license or distributor's license in~~
19 ~~accordance 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.

24 Class 5. A second class Wine manufacturer may make sales
25 and deliveries of more than 50,000 gallons of wine to
26 manufacturers, importing distributors and distributors and to

1 no other licensees.

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

13 Class 7. A second-class wine-maker's license shall allow
14 the manufacture of between 50,000 and 150,000 gallons of wine
15 per year, and the storage and sale of such wine to distributors
16 in this State and to persons without the State, as may be
17 permitted by law. A person who, prior to the effective date of
18 this amendatory Act of the 95th General Assembly, is a holder
19 of a second-class wine-maker's license and annually produces
20 more than 25,000 gallons of its own wine and who distributes
21 its wine to licensed retailers shall cease this practice on or
22 before July 1, 2008 in compliance with this amendatory Act of
23 the 95th General Assembly.

24 Class 8. A limited wine-manufacturer may make sales and
25 deliveries not to exceed 40,000 gallons of wine per year to
26 distributors, and to non-licensees in accordance with the

1 provisions of this Act.

2 Class 9. A craft distiller license shall allow the
3 manufacture of up to 5,000 gallons of spirits by distillation
4 per year and the storage of such spirits. If a craft distiller
5 licensee is not affiliated with any other manufacturer, then
6 the craft distiller licensee may sell such spirits to
7 distributors in this State and non-licensees to the extent
8 permitted by any exemption approved by the Commission pursuant
9 to Section 6-4 of this Act.

10 Any craft distiller licensed under this Act who on the
11 effective date of this amendatory Act of the 96th General
12 Assembly was licensed as a distiller and manufactured no more
13 spirits than permitted by this Section shall not be required to
14 pay the initial licensing fee.

15 Class 10. A craft brewer's license, which may only be
16 issued to a licensed brewer or licensed non-resident dealer,
17 shall allow the manufacture of up to 465,000 gallons of beer
18 per year. A craft brewer licensee may make sales and deliveries
19 to importing distributors and distributors and to retail
20 licensees in accordance with the conditions set forth in
21 paragraph (18) of subsection (a) of Section 3-12 of this Act.

22 (a-1) A manufacturer which is licensed in this State to
23 make sales or deliveries of alcoholic liquor and which enlists
24 agents, representatives, or individuals acting on its behalf
25 who contact licensed retailers on a regular and continual basis
26 in this State must register those agents, representatives, or

1 persons acting on its behalf with the State Commission.

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

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

21 (c) An importing distributor's license may be issued to and
22 held by those only who are duly licensed distributors, upon the
23 filing of an application by a duly licensed distributor, with
24 the Commission and the Commission shall, without the payment of
25 any fee, immediately issue such importing distributor's
26 license to the applicant, which shall allow the importation of

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

12 (d) A retailer's license shall allow the licensee to sell
13 and offer for sale at retail, only in the premises specified in
14 the license, alcoholic liquor for use or consumption, but not
15 for resale in any form. Nothing in this amendatory Act of the
16 95th General Assembly shall deny, limit, remove, or restrict
17 the ability of a holder of a retailer's license to transfer,
18 deliver, or ship alcoholic liquor to the purchaser for use or
19 consumption subject to any applicable local law or ordinance.
20 Any retail license issued to a manufacturer shall only permit
21 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 retailer,
26 (ii) an off premise sale retailer, or (iii) a combined on

1 premise consumption and off premise sale retailer.

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

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

1 number under Section 1g of the Retailers' Occupation Tax Act,
2 in which event the Commission shall set forth on the special
3 event retailer's license a statement to that effect; (ii)
4 submit with the application proof satisfactory to the State
5 Commission that the applicant will provide dram shop liability
6 insurance in the maximum limits; and (iii) show proof
7 satisfactory to the State Commission that the applicant has
8 obtained local authority approval.

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

1 permit the sale for resale of any alcoholic liquors to any
2 licensee within this State. A license shall be obtained for
3 each car in which such sales are made.

4 (g) A boat license shall allow the sale of alcoholic liquor
5 in individual drinks, on any passenger boat regularly operated
6 as a common carrier on navigable waters in this State or on any
7 riverboat operated under the Riverboat Gambling Act, which boat
8 or riverboat maintains a public dining room or restaurant
9 thereon.

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

- 20 Class 1, not to exceed 500 gallons
- 21 Class 2, not to exceed 1,000 gallons
- 22 Class 3, not to exceed 5,000 gallons
- 23 Class 4, not to exceed 10,000 gallons
- 24 Class 5, not to exceed 50,000 gallons

25 (i) A wine-maker's premises license shall allow a licensee
26 that concurrently holds a first-class wine-maker's license to

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

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

21 (k) A foreign importer's license shall permit such licensee
22 to purchase alcoholic liquor from Illinois licensed
23 non-resident dealers only, and to import alcoholic liquor other
24 than in bulk from any point outside the United States and to
25 sell such alcoholic liquor to Illinois licensed importing
26 distributors and to no one else in Illinois; provided that (i)

1 the foreign importer registers with the State Commission every
2 brand of alcoholic liquor that it proposes to sell to Illinois
3 licensees during the license period, (ii) the foreign importer
4 complies with all of the provisions of Section 6-9 of this Act
5 with respect to registration of such Illinois licensees as may
6 be granted the right to sell such brands at wholesale, and
7 (iii) the foreign importer complies with the provisions of
8 Sections 6-5 and 6-6 of this Act to the same extent that these
9 provisions apply to manufacturers.

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

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

25 The broker shall, upon the acceptance by a retailer of the
26 broker's solicitation of an order or offer to sell or supply or

1 deliver or have delivered alcoholic liquors, promptly forward
2 to the Illinois Liquor Control Commission a notification of
3 said transaction in such form as the Commission may by
4 regulations prescribe.

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

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

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

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

1 (m) A non-resident dealer's license shall permit such
2 licensee to ship into and warehouse alcoholic liquor into this
3 State from any point outside of this State, and to sell such
4 alcoholic liquor to Illinois licensed foreign importers and
5 importing distributors and to no one else in this State;
6 provided that (i) said non-resident dealer shall register with
7 the Illinois Liquor Control Commission each and every brand of
8 alcoholic liquor which it proposes to sell to Illinois
9 licensees during the license period, (ii) it shall comply with
10 all of the provisions of Section 6-9 hereof with respect to
11 registration of such Illinois licensees as may be granted the
12 right to sell such brands at wholesale, and (iii) the
13 non-resident dealer shall comply with the provisions of
14 Sections 6-5 and 6-6 of this Act to the same extent that these
15 provisions apply to manufacturers.

16 (n) A brew pub license shall allow the licensee (i) to
17 manufacture beer only on the premises specified in the license,
18 (ii) to make sales of the beer manufactured on the premises or,
19 with the approval of the Commission, beer manufactured on
20 another brew pub licensed premises that is substantially owned
21 and operated by the same licensee to importing distributors,
22 distributors, and to non-licensees for use and consumption,
23 (iii) to store the beer upon the premises, and (iv) to sell and
24 offer for sale at retail from the licensed premises, provided
25 that a brew pub licensee shall not sell for off-premises
26 consumption more than 50,000 gallons per year. A person who

1 holds a brew pub license may simultaneously hold a craft brewer
2 license if he or she otherwise qualifies for the craft brewer
3 license and the craft brewer license is for a location separate
4 from the brew pub's licensed premises. A brew pub license shall
5 permit a person who has received prior approval from the
6 Commission to annually transfer no more than a total of 50,000
7 gallons of beer manufactured on premises to all other licensed
8 brew pubs that are substantially owned and operated by the same
9 person.

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

15 (p) An auction liquor license shall allow the licensee to
16 sell and offer for sale at auction wine and spirits for use or
17 consumption, or for resale by an Illinois liquor licensee in
18 accordance with provisions of this Act. An auction liquor
19 license will be issued to a person and it will permit the
20 auction liquor licensee to hold the auction anywhere in the
21 State. An auction liquor license must be obtained for each
22 auction at least 14 days in advance of the auction date.

23 (q) A special use permit license shall allow an Illinois
24 licensed retailer to transfer a portion of its alcoholic liquor
25 inventory from its retail licensed premises to the premises
26 specified in the license hereby created, and to sell or offer

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

11 (r) A winery shipper's license shall allow a person with a
12 first-class or second-class wine manufacturer's license, a
13 first-class or second-class wine-maker's license, or a limited
14 wine manufacturer's license or who is licensed to make wine
15 under the laws of another state to ship wine made by that
16 licensee directly to a resident of this State who is 21 years
17 of age or older for that resident's personal use and not for
18 resale. Prior to receiving a winery shipper's license, an
19 applicant for the license must provide the Commission with a
20 true copy of its current license in any state in which it is
21 licensed as a manufacturer of wine. An applicant for a winery
22 shipper's license must also complete an application form that
23 provides any other information the Commission deems necessary.
24 The application form shall include an acknowledgement
25 consenting to the jurisdiction of the Commission, the Illinois
26 Department of Revenue, and the courts of this State concerning

1 the enforcement of this Act and any related laws, rules, and
2 regulations, including authorizing the Department of Revenue
3 and the Commission to conduct audits for the purpose of
4 ensuring compliance with this amendatory Act.

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

24 A winery shipper licensee must collect, maintain, and
25 submit to the Commission on a semi-annual basis the total
26 number of cases per resident of wine shipped to residents of

1 this State. A winery shipper licensed under this subsection (r)
2 must comply with the requirements of Section 6-29 of this
3 amendatory Act.

4 (Source: P.A. 95-331, eff. 8-21-07; 95-634, eff. 6-1-08;
5 95-769, eff. 7-29-08; 96-1367, eff. 7-28-10.)

6 (235 ILCS 5/5-3) (from Ch. 43, par. 118)

7 Sec. 5-3. License fees. Except as otherwise provided
8 herein, at the time application is made to the State Commission
9 for a license of any class, the applicant shall pay to the
10 State Commission the fee hereinafter provided for the kind of
11 license applied for.

12 The fee for licenses issued by the State Commission shall
13 be as follows:

14 For a manufacturer's license:

15	Class 1. Distiller	\$3,600
16	Class 2. Rectifier	3,600
17	Class 3. Brewer	900
18	Class 4. First-class Wine Manufacturer	600
19	Class 5. Second-class	
20	Wine Manufacturer	1,200
21	Class 6. First-class wine-maker	600
22	Class 7. Second-class wine-maker	1200
23	Class 8. Limited Wine Manufacturer	120
24	Class 9. Craft Distiller	1,800
25	<u>Class 10. Craft Brewer</u>	<u>25</u>

1	For a Brew Pub License	1,050
2	For a caterer retailer's license	200
3	For a foreign importer's license	25
4	For an importing distributor's license	25
5	For a distributor's license	270
6	For a non-resident dealer's license	
7	(500,000 gallons or over)	270
8	For a non-resident dealer's license	
9	(under 500,000 gallons)	90
10	For a wine-maker's premises license	100
11	For a winery shipper's license	
12	(under 250,000 gallons)	150
13	For a winery shipper's license	
14	(250,000 or over, but under 500,000 gallons)	500
15	For a winery shipper's license	
16	(500,000 gallons or over)	1,000
17	For a wine-maker's premises license,	
18	second location	350
19	For a wine-maker's premises license,	
20	third location	350
21	For a retailer's license	500
22	For a special event retailer's license,	
23	(not-for-profit)	25
24	For a special use permit license,	
25	one day only	50
26	2 days or more	100

1	For a railroad license	60
2	For a boat license	180
3	For an airplane license, times the	
4	licensee's maximum number of aircraft	
5	in flight, serving liquor over the	
6	State at any given time, which either	
7	originate, terminate, or make	
8	an intermediate stop in the State	60
9	For a non-beverage user's license:	
10	Class 1	24
11	Class 2	60
12	Class 3	120
13	Class 4	240
14	Class 5	600
15	For a broker's license	600
16	For an auction liquor license	50

17 Fees collected under this Section shall be paid into the
18 Dram Shop Fund. On and after July 1, 2003, of the funds
19 received for a retailer's license, in addition to the first
20 \$175, an additional \$75 shall be paid into the Dram Shop Fund,
21 and \$250 shall be paid into the General Revenue Fund. Beginning
22 June 30, 1990 and on June 30 of each subsequent year through
23 June 29, 2003, any balance over \$5,000,000 remaining in the
24 Dram Shop Fund shall be credited to State liquor licensees and
25 applied against their fees for State liquor licenses for the
26 following year. The amount credited to each licensee shall be a

1 proportion of the balance in the Dram Fund that is the same as
2 the proportion of the license fee paid by the licensee under
3 this Section for the period in which the balance was
4 accumulated to the aggregate fees paid by all licensees during
5 that period.

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

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

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

14 (c) Laboratories when their use is exclusively for the
15 purpose of scientific research.

16 (Source: P.A. 95-634, eff. 6-1-08; 96-1367, eff. 7-28-10.)

17 Section 99. Effective date. This Act takes effect upon
18 becoming law.