



Sen. Don Harmon

**Filed: 4/4/2014**

09800SB0726sam001

LRB098 04931 RPS 58273 a

1 AMENDMENT TO SENATE BILL 726

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 726 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 Sections 2-1, 6-5, and 6-6 as follows:

6 (235 ILCS 5/2-1) (from Ch. 43, par. 96)

7 Sec. 2-1. No person shall manufacture, bottle, blend, sell,  
8 barter, transport, transfer into this State from a point  
9 outside this State, deliver, furnish or possess any alcoholic  
10 liquor for beverage purposes, unless such person has been  
11 issued a license by the Commission or except as permitted by  
12 Section 6-29 of this Act or except as otherwise specifically  
13 provided in this Act; provided, however, nothing herein  
14 contained shall prevent the possession and transportation of  
15 alcoholic liquor by the possessor for the personal use of the  
16 possessor, his family and guests, nor prevent the making of

1 wine, cider or other alcoholic liquor by a person from fruits,  
2 vegetables or grains, or the products thereof, by simple  
3 fermentation and without distillation, if it is made solely for  
4 the use of the maker, his family and his guests; and provided  
5 further that nothing herein contained shall prevent any duly  
6 licensed practicing physician or dentist from possessing or  
7 using alcoholic liquor in the strict practice of his  
8 profession, or any hospital or other institution caring for  
9 sick and diseased persons, from possessing and using alcoholic  
10 liquor for the treatment of bona fide patients of such hospital  
11 or other institution; and provided further that any drug store  
12 employing a licensed pharmacist may possess and use alcoholic  
13 liquors in the concoction of prescriptions of duly licensed  
14 physicians; and provided further, that the possession and  
15 dispensation of wine by an authorized representative of any  
16 church for the purpose of conducting any bona fide rite or  
17 religious ceremony conducted by such church shall not be  
18 prohibited by this Act.

19 The provisions of this Act shall not apply to any liquid or  
20 solid containing one-half of one per cent, or less, of alcohol  
21 by volume.

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

23 (235 ILCS 5/6-5) (from Ch. 43, par. 122)

24 Sec. 6-5. Except as otherwise provided in this Section, it  
25 is unlawful for any person having a retailer's license or any

1 officer, associate, member, representative or agent of such  
2 licensee to accept, receive or borrow money, or anything else  
3 of value, or accept or receive credit (other than merchandising  
4 credit in the ordinary course of business for a period not to  
5 exceed 30 days) directly or indirectly from any manufacturer,  
6 importing distributor or distributor of alcoholic liquor, or  
7 from any person connected with or in any way representing, or  
8 from any member of the family of, such manufacturer, importing  
9 distributor, distributor or wholesaler, or from any  
10 stockholders in any corporation engaged in manufacturing,  
11 distributing or wholesaling of such liquor, or from any  
12 officer, manager, agent or representative of said  
13 manufacturer. Except as provided below, it is unlawful for any  
14 manufacturer or distributor or importing distributor to give or  
15 lend money or anything of value, or otherwise loan or extend  
16 credit (except such merchandising credit) directly or  
17 indirectly to any retail licensee or to the manager,  
18 representative, agent, officer or director of such licensee. A  
19 manufacturer, distributor or importing distributor may furnish  
20 free advertising, posters, signs, brochures, hand-outs, or  
21 other promotional devices or materials to any unit of  
22 government owning or operating any auditorium, exhibition  
23 hall, recreation facility or other similar facility holding a  
24 retailer's license, provided that the primary purpose of such  
25 promotional devices or materials is to promote public events  
26 being held at such facility. A unit of government owning or

1 operating such a facility holding a retailer's license may  
2 accept such promotional devices or materials designed  
3 primarily to promote public events held at the facility. No  
4 retail licensee delinquent beyond the 30 day period specified  
5 in this Section shall solicit, accept or receive credit,  
6 purchase or acquire alcoholic liquors, directly or indirectly  
7 from any other licensee, and no manufacturer, distributor or  
8 importing distributor shall knowingly grant or extend credit,  
9 sell, furnish or supply alcoholic liquors to any such  
10 delinquent retail licensee; provided that the purchase price of  
11 all beer sold to a retail licensee shall be paid by the retail  
12 licensee in cash on or before delivery of the beer, and unless  
13 the purchase price payable by a retail licensee for beer sold  
14 to him in returnable bottles shall expressly include a charge  
15 for the bottles and cases, the retail licensee shall, on or  
16 before delivery of such beer, pay the seller in cash a deposit  
17 in an amount not less than the deposit required to be paid by  
18 the distributor to the brewer; but where the brewer sells  
19 direct to the retailer, the deposit shall be an amount no less  
20 than that required by the brewer from his own distributors; and  
21 provided further, that in no instance shall this deposit be  
22 less than 50 cents for each case of beer in pint or smaller  
23 bottles and 60 cents for each case of beer in quart or  
24 half-gallon bottles; and provided further, that the purchase  
25 price of all beer sold to an importing distributor or  
26 distributor shall be paid by such importing distributor or

1 distributor in cash on or before the 15th day (Sundays and  
2 holidays excepted) after delivery of such beer to such  
3 purchaser; and unless the purchase price payable by such  
4 importing distributor or distributor for beer sold in  
5 returnable bottles and cases shall expressly include a charge  
6 for the bottles and cases, such importing distributor or  
7 distributor shall, on or before the 15th day (Sundays and  
8 holidays excepted) after delivery of such beer to such  
9 purchaser, pay the seller in cash a required amount as a  
10 deposit to assure the return of such bottles and cases. Nothing  
11 herein contained shall prohibit any licensee from crediting or  
12 refunding to a purchaser the actual amount of money paid for  
13 bottles, cases, kegs or barrels returned by the purchaser to  
14 the seller or paid by the purchaser as a deposit on bottles,  
15 cases, kegs or barrels, when such containers or packages are  
16 returned to the seller. Nothing herein contained shall prohibit  
17 any manufacturer, importing distributor or distributor from  
18 extending usual and customary credit for alcoholic liquor sold  
19 to customers or purchasers who live in or maintain places of  
20 business outside of this State when such alcoholic liquor is  
21 actually transported and delivered to such points outside of  
22 this State.

23 No right of action shall exist for the collection of any  
24 claim based upon credit extended to a distributor, importing  
25 distributor or retail licensee contrary to the provisions of  
26 this Section.

1           Every manufacturer, importing distributor and distributor  
2 shall submit or cause to be submitted, to the State Commission,  
3 in triplicate, not later than Thursday of each calendar week, a  
4 verified written list of the names and respective addresses of  
5 each retail licensee purchasing spirits or wine from such  
6 manufacturer, importing distributor or distributor who, on the  
7 first business day of that calendar week, was delinquent beyond  
8 the above mentioned permissible merchandising credit period of  
9 30 days; or, if such is the fact, a verified written statement  
10 that no retail licensee purchasing spirits or wine was then  
11 delinquent beyond such permissible merchandising credit period  
12 of 30 days.

13           Every manufacturer, importing distributor and distributor  
14 shall submit or cause to be submitted, to the State Commission,  
15 in triplicate, a verified written list of the names and  
16 respective addresses of each previously reported delinquent  
17 retail licensee who has cured such delinquency by payment,  
18 which list shall be submitted not later than the close of the  
19 second full business day following the day such delinquency was  
20 so cured.

21           Such written verified reports required to be submitted by  
22 this Section shall be posted by the State Commission in each of  
23 its offices in places available for public inspection not later  
24 than the day following receipt thereof by the Commission. The  
25 reports so posted shall constitute notice to every  
26 manufacturer, importing distributor and distributor of the

1 information contained therein. Actual notice to manufacturers,  
2 importing distributors and distributors of the information  
3 contained in any such posted reports, however received, shall  
4 also constitute notice of such information.

5 The 30 day merchandising credit period allowed by this  
6 Section shall commence with the day immediately following the  
7 date of invoice and shall include all successive days including  
8 Sundays and holidays to and including the 30th successive day.

9 In addition to other methods allowed by law, payment by  
10 check during the period for which merchandising credit may be  
11 extended under the provisions of this Section shall be  
12 considered payment. All checks received in payment for  
13 alcoholic liquor shall be promptly deposited for collection. A  
14 post dated check or a check dishonored on presentation for  
15 payment shall not be deemed payment.

16 A retail licensee shall not be deemed to be delinquent in  
17 payment for any alleged sale to him of alcoholic liquor when  
18 there exists a bona fide dispute between such retailer and a  
19 manufacturer, importing distributor or distributor with  
20 respect to the amount of indebtedness existing because of such  
21 alleged sale.

22 A delinquent retail licensee who engages in the retail  
23 liquor business at 2 or more locations shall be deemed to be  
24 delinquent with respect to each such location.

25 The license of any person who violates any provision of  
26 this Section shall be subject to suspension or revocation in

1 the manner provided by this Act.

2 If any part or provision of this Article or the application  
3 thereof to any person or circumstances shall be adjudged  
4 invalid by a court of competent jurisdiction, such judgment  
5 shall be confined by its operation to the controversy in which  
6 it was mentioned and shall not affect or invalidate the  
7 remainder of this Article or the application thereof to any  
8 other person or circumstance and to this and the provisions of  
9 this Article are declared severable.

10 Nothing in this Section prohibits a manufacturer,  
11 distributor, or importing distributor from furnishing  
12 advertising signs, promotional materials, equipment, or  
13 fixtures to a retail licensee or a retail licensee from  
14 receiving those advertising signs, promotional materials,  
15 equipment, or fixtures, provided that (i) the sole use and  
16 purpose of the advertising signs, promotional materials,  
17 equipment, or fixtures is limited to the sale or consumption of  
18 beverage products containing one-half of one percent, or less,  
19 of alcohol by volume and those beverage products are not  
20 marketed for adult consumption as an alternative to alcoholic  
21 beverages and (ii) the advertising signs, promotional  
22 materials, equipment, or fixtures include the brand name of the  
23 beverage product containing one-half of one percent, or less,  
24 of alcohol by volume. A retail licensee is prohibited from  
25 using those advertising signs, promotional materials,  
26 equipment, or fixtures for the purpose of displaying or



1 promoting the sale or consumption of alcoholic beverages. A  
2 manufacturer, distributor, or importing distributor shall not  
3 be liable for a retail licensee's violation of the provisions  
4 of this paragraph.

5 (Source: P.A. 83-762.)

6 (235 ILCS 5/6-6) (from Ch. 43, par. 123)

7 Sec. 6-6. Except as otherwise provided in this Act no  
8 manufacturer or distributor or importing distributor shall,  
9 directly~~r~~ or indirectly, sell, supply, furnish, give or pay  
10 for, or loan or lease, any furnishing, fixture or equipment on  
11 the premises of a place of business of another licensee  
12 authorized under this Act to sell alcoholic liquor at retail,  
13 either for consumption on or off the premises, nor shall he or  
14 she~~u~~ directly or indirectly, pay for any such license, or  
15 advance, furnish, lend or give money for payment of such  
16 license, or purchase or become the owner of any note, mortgage,  
17 or other evidence of indebtedness of such licensee or any form  
18 of security therefor, nor shall such manufacturer, or  
19 distributor, or importing distributor, directly or indirectly,  
20 be interested in the ownership, conduct or operation of the  
21 business of any licensee authorized to sell alcoholic liquor at  
22 retail, nor shall any manufacturer, or distributor, or  
23 importing distributor be interested directly or indirectly or  
24 as owner or part owner of said premises or as lessee or lessor  
25 thereof, in any premises upon which alcoholic liquor is sold at

1 retail.

2 No manufacturer or distributor or importing distributor  
3 shall, directly or indirectly or through a subsidiary or  
4 affiliate, or by any officer, director or firm of such  
5 manufacturer, distributor or importing distributor, furnish,  
6 give, lend or rent, install, repair or maintain, to or for any  
7 retail licensee in this State, any signs or inside advertising  
8 materials except as provided in this Section and Section 6-5.  
9 With respect to retail licensees, other than any government  
10 owned or operated auditorium, exhibition hall, recreation  
11 facility or other similar facility holding a retailer's license  
12 as described in Section 6-5, a manufacturer, distributor, or  
13 importing distributor may furnish, give, lend or rent and  
14 erect, install, repair and maintain to or for any retail  
15 licensee, for use at any one time in or about or in connection  
16 with a retail establishment on which the products of the  
17 manufacturer, distributor or importing distributor are sold,  
18 the following signs and inside advertising materials as  
19 authorized in subparts (i), (ii), (iii), and (iv):

20 (i) Permanent outside signs shall be limited to one  
21 outside sign, per brand, in place and in use at any one  
22 time, costing not more than \$893, exclusive of erection,  
23 installation, repair and maintenance costs, and permit  
24 fees and shall bear only the manufacturer's name, brand  
25 name, trade name, slogans, markings, trademark, or other  
26 symbols commonly associated with and generally used in

1 identifying the product including, but not limited to,  
2 "cold beer", "on tap", "carry out", and "packaged liquor".

3 (ii) Temporary outside signs shall be limited to one  
4 temporary outside sign per brand. Examples of temporary  
5 outside signs are banners, flags, pennants, streamers, and  
6 other items of a temporary and non-permanent nature. Each  
7 temporary outside sign must include the manufacturer's  
8 name, brand name, trade name, slogans, markings,  
9 trademark, or other symbol commonly associated with and  
10 generally used in identifying the product. Temporary  
11 outside signs may also include, for example, the product,  
12 price, packaging, date or dates of a promotion and an  
13 announcement of a retail licensee's specific sponsored  
14 event, if the temporary outside sign is intended to promote  
15 a product, and provided that the announcement of the retail  
16 licensee's event and the product promotion are held  
17 simultaneously. However, temporary outside signs may not  
18 include names, slogans, markings, or logos that relate to  
19 the retailer. Nothing in this subpart (ii) shall prohibit a  
20 distributor or importing distributor from bearing the cost  
21 of creating or printing a temporary outside sign for the  
22 retail licensee's specific sponsored event or from bearing  
23 the cost of creating or printing a temporary sign for a  
24 retail licensee containing, for example, community  
25 goodwill expressions, regional sporting event  
26 announcements, or seasonal messages, provided that the

1 primary purpose of the temporary outside sign is to  
2 highlight, promote, or advertise the product. In addition,  
3 temporary outside signs provided by the manufacturer to the  
4 distributor or importing distributor may also include, for  
5 example, subject to the limitations of this Section,  
6 preprinted community goodwill expressions, sporting event  
7 announcements, seasonal messages, and manufacturer  
8 promotional announcements. However, a distributor or  
9 importing distributor shall not bear the cost of such  
10 manufacturer preprinted signs.

11 (iii) Permanent inside signs, whether visible from the  
12 outside or the inside of the premises, include, but are not  
13 limited to: alcohol lists and menus that may include names,  
14 slogans, markings, or logos that relate to the retailer;  
15 neons; illuminated signs; clocks; table lamps; mirrors;  
16 tap handles; decalcomanias; window painting; and window  
17 trim. All permanent inside signs in place and in use at any  
18 one time shall cost in the aggregate not more than \$2000  
19 per manufacturer. A permanent inside sign must include the  
20 manufacturer's name, brand name, trade name, slogans,  
21 markings, trademark, or other symbol commonly associated  
22 with and generally used in identifying the product.  
23 However, permanent inside signs may not include names,  
24 slogans, markings, or logos that relate to the retailer.  
25 For the purpose of this subpart (iii), all permanent inside  
26 signs may be displayed in an adjacent courtyard or patio

1 commonly referred to as a "beer garden" that is a part of  
2 the retailer's licensed premises.

3 (iv) Temporary inside signs shall include, but are not  
4 limited to, lighted chalk boards, acrylic table tent  
5 beverage or hors d'oeuvre list holders, banners, flags,  
6 pennants, streamers, and inside advertising materials such  
7 as posters, placards, bowling sheets, table tents, inserts  
8 for acrylic table tent beverage or hors d'oeuvre list  
9 holders, sports schedules, or similar printed or  
10 illustrated materials; however, such items, for example,  
11 as coasters, trays, napkins, glassware and cups shall not  
12 be deemed to be inside signs or advertising materials and  
13 may only be sold to retailers. All temporary inside signs  
14 and inside advertising materials in place and in use at any  
15 one time shall cost in the aggregate not more than \$325 per  
16 manufacturer. Nothing in this subpart (iv) prohibits a  
17 distributor or importing distributor from paying the cost  
18 of printing or creating any temporary inside banner or  
19 inserts for acrylic table tent beverage or hors d'oeuvre  
20 list holders for a retail licensee, provided that the  
21 primary purpose for the banner or insert is to highlight,  
22 promote, or advertise the product. For the purpose of this  
23 subpart (iv), all temporary inside signs and inside  
24 advertising materials may be displayed in an adjacent  
25 courtyard or patio commonly referred to as a "beer garden"  
26 that is a part of the retailer's licensed premises.

1           A "cost adjustment factor" shall be used to periodically  
2 update the dollar limitations prescribed in subparts (i),  
3 (iii), and (iv). The Commission shall establish the adjusted  
4 dollar limitation on an annual basis beginning in January,  
5 1997. The term "cost adjustment factor" means a percentage  
6 equal to the change in the Bureau of Labor Statistics Consumer  
7 Price Index or 5%, whichever is greater. The restrictions  
8 contained in this Section 6-6 do not apply to signs, or  
9 promotional or advertising materials furnished by  
10 manufacturers, distributors or importing distributors to a  
11 government owned or operated facility holding a retailer's  
12 license as described in Section 6-5.

13           No distributor or importing distributor shall directly or  
14 indirectly or through a subsidiary or affiliate, or by any  
15 officer, director or firm of such manufacturer, distributor or  
16 importing distributor, furnish, give, lend or rent, install,  
17 repair or maintain, to or for any retail licensee in this  
18 State, any signs or inside advertising materials described in  
19 subparts (i), (ii), (iii), or (iv) of this Section except as  
20 the agent for or on behalf of a manufacturer, provided that the  
21 total cost of any signs and inside advertising materials  
22 including but not limited to labor, erection, installation and  
23 permit fees shall be paid by the manufacturer whose product or  
24 products said signs and inside advertising materials advertise  
25 and except as follows:

26           A distributor or importing distributor may purchase from or

1 enter into a written agreement with a manufacturer or a  
2 manufacturer's designated supplier and such manufacturer or  
3 the manufacturer's designated supplier may sell or enter into  
4 an agreement to sell to a distributor or importing distributor  
5 permitted signs and advertising materials described in  
6 subparts (ii), (iii), or (iv) of this Section for the purpose  
7 of furnishing, giving, lending, renting, installing,  
8 repairing, or maintaining such signs or advertising materials  
9 to or for any retail licensee in this State. Any purchase by a  
10 distributor or importing distributor from a manufacturer or a  
11 manufacturer's designated supplier shall be voluntary and the  
12 manufacturer may not require the distributor or the importing  
13 distributor to purchase signs or advertising materials from the  
14 manufacturer or the manufacturer's designated supplier.

15 A distributor or importing distributor shall be deemed the  
16 owner of such signs or advertising materials purchased from a  
17 manufacturer or a manufacturer's designated supplier.

18 The provisions of Public Act 90-373 concerning signs or  
19 advertising materials delivered by a manufacturer to a  
20 distributor or importing distributor shall apply only to signs  
21 or advertising materials delivered on or after August 14, 1997.

22 No person engaged in the business of manufacturing,  
23 importing or distributing alcoholic liquors shall, directly or  
24 indirectly, pay for, or advance, furnish, or lend money for the  
25 payment of any license for another. Any licensee who shall  
26 permit or assent, or be a party in any way to any violation or

1 infringement of the provisions of this Section shall be deemed  
2 guilty of a violation of this Act, and any money loaned  
3 contrary to a provision of this Act shall not be recovered  
4 back, or any note, mortgage or other evidence of indebtedness,  
5 or security, or any lease or contract obtained or made contrary  
6 to this Act shall be unenforceable and void.

7 This Section shall not apply to airplane licensees  
8 exercising powers provided in paragraph (i) of Section 5-1 of  
9 this Act.

10 Nothing in this Section prohibits a manufacturer,  
11 distributor, or importing distributor from furnishing  
12 advertising signs, promotional materials, equipment, or  
13 fixtures to a retail licensee or a retail licensee from  
14 receiving those advertising signs, promotional materials,  
15 equipment, or fixtures, provided that (i) the sole use and  
16 purpose of the advertising signs, promotional materials,  
17 equipment, or fixtures is limited to the sale or consumption of  
18 beverage products containing one-half of one percent, or less,  
19 of alcohol by volume and those beverage products are not  
20 marketed for adult consumption as an alternative to alcoholic  
21 beverages and (ii) the advertising signs, promotional  
22 materials, equipment, or fixtures include the brand name of the  
23 beverage product containing one-half of one percent, or less,  
24 of alcohol by volume. A retail licensee is prohibited from  
25 using those advertising signs, promotional materials,  
26 equipment, or fixtures for the purpose of displaying or



1 promoting the sale or consumption of alcoholic beverages. A  
2 manufacturer, distributor, or importing distributor shall not  
3 be liable for a retail licensee's violation of the provisions  
4 of this paragraph.

5 (Source: P.A. 89-238, eff. 8-4-95; 89-529, eff. 7-19-96;  
6 90-373, eff. 8-14-97; 90-432, eff. 1-1-98; 90-655, eff.  
7 7-30-98; revised 9-24-13.)".