

Rep. Lou Lang

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Filed: 5/22/2015

09900SB1516ham001

LRB099 07834 RPS 36011 a

1 AMENDMENT TO SENATE BILL 1516

2 AMENDMENT NO. \_\_\_\_. Amend Senate Bill 1516 by replacing

3 everything after the enacting clause with the following:

4 "Section 5. The Liquor Control Act of 1934 is amended by

5 changing Section 6-4 as follows:

6 (235 ILCS 5/6-4) (from Ch. 43, par. 121)

Sec. 6-4. (a) No person licensed by any licensing authority as a distiller, or a wine manufacturer, or any subsidiary or affiliate thereof, or any officer, associate, member, partner, representative, employee, agent or shareholder owning more than 5% of the outstanding shares of such person shall be issued an importing distributor's or distributor's license, nor shall any person licensed by any licensing authority as an importing distributor, distributor or retailer, or any subsidiary or affiliate thereof, or any officer or associate,

member, partner, representative, employee, agent

shareholder owning more than 5% of the outstanding shares of such person be issued a distiller's license or a wine manufacturer's license; and no person or persons licensed as a distiller by any licensing authority shall have any interest, directly or indirectly, with such distributor or importing distributor.

However, an importing distributor or distributor, which on January 1, 1985 is owned by a brewer, or any subsidiary or affiliate thereof or any officer, associate, member, partner, representative, employee, agent or shareholder owning more than 5% of the outstanding shares of the importing distributor or distributor referred to in this paragraph, may own or acquire an ownership interest of more than 5% of the outstanding shares of a wine manufacturer and be issued a wine manufacturer's license by any licensing authority.

- (b) The foregoing provisions shall not apply to any person licensed by any licensing authority as a distiller or wine manufacturer, or to any subsidiary or affiliate of any distiller or wine manufacturer who shall have been heretofore licensed by the State Commission as either an importing distributor or distributor during the annual licensing period expiring June 30, 1947, and shall actually have made sales regularly to retailers.
- (c) Provided, however, that in such instances where a distributor's or importing distributor's license has been issued to any distiller or wine manufacturer or to any

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subsidiary or affiliate of any distiller or wine manufacturer who has, during the licensing period ending June 30, 1947, sold or distributed as such licensed distributor or importing distributor alcoholic liquors and wines to retailers, such distiller or wine manufacturer or any subsidiary or affiliate distiller or wine manufacturer holding distributor's or importing distributor's license may continue to sell or distribute to retailers such alcoholic liquors and wines which are manufactured, distilled, processed or marketed by distillers and wine manufacturers whose products it sold or distributed to retailers during the whole or any part of its licensing periods; and such additional brands and additional products may be added to the line of such distributor or importing distributor, provided, that such brands and such products were not sold or distributed by any distributor or importing distributor licensed by the State Commission during the licensing period ending June 30, 1947, but can not sell or distribute to retailers any other alcoholic liquors or wines.

anywhere to have any stock ownership or interest in any distributor's or importing distributor's license wherein any other person has an interest therein who is not a distiller and does not own more than 5% of any stock in any distillery. Nothing herein contained shall apply to such distillers or their subsidiaries or affiliates, who had a distributor's or importing distributor's license during the licensing period

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ending June 30, 1947, which license was owned in whole by such distiller, or subsidiaries or affiliates of such distiller.

(e) Any person having been licensed as a manufacturer shall be permitted to receive one retailer's license for the premises in which he or she actually conducts such business, permitting only the retail sale of beer manufactured at such premises and only on such premises, but no such person shall be entitled to more than one retailer's license in any event, and, other than a manufacturer of beer as stated above, no manufacturer or distributor or importing distributor, excluding airplane licensees exercising powers provided in paragraph (i) of Section 5-1 of this Act, or any subsidiary or affiliate thereof, or any officer, associate, member, representative, employee or agent, or shareholder shall be issued a retailer's license, nor shall any person having a retailer's license, excluding airplane licensees exercising powers provided in paragraph (i) of Section 5-1 of this Act, or any subsidiary or affiliate thereof, or any officer, associate, member, partner, representative or agent, or shareholder be issued a manufacturer's license or importing distributor's license.

A person licensed as a craft distiller not affiliated with any other person manufacturing spirits may be authorized by the Commission to sell up to 2,500 gallons of spirits produced by the person to non-licensees for on or off-premises consumption for the premises in which he or she actually conducts business

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permitting only the retail sale of spirits manufactured at such premises. Such sales shall be limited to on-premises, in-person sales only, for lawful consumption on or off premises, and such authorization shall be considered a privilege granted by the craft distiller license. A craft distiller licensed for retail sale shall secure liquor liability insurance coverage in an amount at least equal to the maximum liability amounts set forth in subsection (a) of Section 6-21 of this Act.

- (f) (Blank). However, the foregoing prohibitions against any person licensed as a distiller or wine manufacturer being issued a retailer's license shall not apply:
  - (i) to any hotel, motel or restaurant whose principal business is not the sale of alcoholic liquors if said retailer's sales of any alcoholic liquors manufactured, sold, distributed or controlled, directly or indirectly, by any affiliate, subsidiary, officer, associate, member, partner, representative, employee, agent or shareholder owning more than 5% of the outstanding shares of such person does not exceed 10% of the total alcoholic liquor sales of said retail licensee; and
  - (ii) where the Commission determines, having considered the public welfare, the economic impact upon the State and the entirety of the facts and circumstances involved, that the purpose and intent of this Section would not be violated by granting an exemption.
  - (g) Notwithstanding any of the foregoing prohibitions, a

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1 limited wine manufacturer may sell at retail its 2 manufacturing site for on or off premises consumption and may sell to distributors. A limited wine manufacturer licensee 3 4 shall secure liquor liability insurance coverage in an amount 5 at least equal to the maximum liability amounts set forth in 6 subsection (a) of Section 6-21 of this Act.

(h) The changes made to this Section by this amendatory Act of the 99th General Assembly shall not diminish or impair the rights of any person, whether a distiller, wine manufacturer, agent, or affiliate thereof, who requested in writing and submitted documentation to the State Commission on or before February 18, 2015 to be approved for a retail license pursuant to what has heretofore been subsection (f); provided that, on or before that date, the State Commission considered the intent of that person to apply for the retail license under that subsection and, by recorded vote, the State Commission approved a resolution indicating that such a license application could be lawfully approved upon that person duly filing a formal application for a retail license and if that person, within 90 days of the State Commission appearance and recorded vote, first filed an application with the appropriate local commission, which application was subsequently approved by the appropriate local commission prior to consideration by the State Commission of that person's application for a retail license. It is further provided that the State Commission may approve the person's application for a retail license or

- renewals of such license if such person continues to diligently 1
- 2 adhere to all representations made in writing to the State
- 3 Commission on or before February 18, 2015, or thereafter, or in
- 4 the affidavit filed by that person with the State Commission to
- 5 support the issuance of a retail license and to abide by all
- 6 applicable laws and duly adopted rules.
- (Source: P.A. 96-1367, eff. 7-28-10; 97-606, eff. 8-26-11; 7
- 97-1166, eff. 3-1-13.) 8
- 9 Section 99. Effective date. This Act takes effect upon
- becoming law.". 10