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## LRB9214032EGfgam01

AMENDMENT TO HOUSE BILL 5684 1 AMENDMENT NO. \_\_\_\_. Amend House Bill 5684 by replacing 2 3 everything after the enacting clause with the following: "Section 5. The Liquor Control Act of 1934 is amended by 4 5 changing Section 5-1 as follows: (235 ILCS 5/5-1) (from Ch. 43, par. 115) б Sec. 5-1. Licenses. Licenses issued by the Illinois 7 Liquor Control Commission shall be of the following classes: 8 9 (a) Manufacturer's license - Class 1. Distiller, Class Rectifier, Class 3. Brewer, Class 4. First Class Wine 10 2. Manufacturer, Class 5. Second Class Wine Manufacturer, 11 Class 6. First Class Winemaker, Class 7. Second Class 12 Winemaker, Class 8. Limited Wine Manufacturer, 13 14 (b) Distributor's license, 15 Importing Distributor's license, (C) Retailer's license, 16 (d) Special Event Retailer's license (not-for-profit), 17 (e) (f) Railroad license, 18 19 (g) Boat license, Non-Beverage User's license, 20 (h) 21 (i) Wine-maker's premises license, 22 (j) Airplane license,

1 (k) Foreign importer's license,

2 (1) Broker's license,

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

4 (n) Brew Pub license,

- 5 (o) Auction liquor license,
- 6 (p) Caterer retailer license,
- 7 (q) Special use permit license.

8 No person, firm, partnership, corporation, or other legal 9 business entity that is engaged in the manufacturing of wine 10 may concurrently obtain and hold a wine-maker's license and a 11 wine manufacturer's license.

12 (a) A manufacturer's license shall allow the 13 manufacture, importation in bulk, storage, distribution and 14 sale of alcoholic liquor to persons without the State, as may 15 be permitted by law and to licensees in this State as 16 follows:

17 Class 1. A Distiller may make sales and deliveries of 18 alcoholic liquor to distillers, rectifiers, importing 19 distributors, distributors and non-beverage users and to no 20 other licensees.

21 Class 2. A Rectifier, who is not a distiller, as defined 22 herein, may make sales and deliveries of alcoholic liquor to 23 rectifiers, importing distributors, distributors, retailers 24 and non-beverage users and to no other licensees.

25 Class 3. A Brewer may make sales and deliveries of beer 26 to importing distributors, distributors, and to 27 non-licensees, and to retailers provided the brewer obtains 28 an importing distributor's license or distributor's license 29 in accordance with the provisions of this Act.

30 Class 4. A first class wine-manufacturer may make sales 31 and deliveries <u>of</u> up to 50,000 gallons of wine to 32 manufacturers, importing distributors and distributors, and 33 to no other licensees.

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Class 5. A second class Wine manufacturer may make sales

1 and deliveries of more than 50,000 gallons of wine to 2 manufacturers, importing distributors and distributors and to 3 no other licensees.

4 Class 6. A first-class wine-maker's license shall allow 5 the manufacture of up to 50,000 gallons of wine per year, and the storage and sale of such wine to distributors in the 6 7 State and to persons without the State, as may be permitted 8 by law. A first-class wine-maker's license shall allow the 9 sale of no more than 5,000 gallons of the licensee's wine to The State Commission shall issue only one 10 retailers. 11 first-class wine-maker's license to any person, firm, partnership, corporation, or other legal business entity that 12 is engaged in the making of less than 50,000 gallons of wine 13 annually that applies for a first-class wine-maker's license. 14 15 No subsidiary or affiliate thereof, nor any officer, 16 associate, member, partner, representative, employee, agent, or shareholder may be issued an additional wine-maker's 17 license by the State Commission. 18

Class 7. A second-class wine-maker's license shall allow 19 the manufacture of between 50,000 and 100,000 gallons of wine 20 21 per year, and the storage and sale of such wine to 22 distributors in this State and to persons without the State, 23 as may be permitted by law. A second-class wine-maker's license shall allow the sale of no more than 10,000 gallons 24 25 of the licensee's wine directly to retailers. The State Commission shall issue only one second-class wine-maker's 26 27 license to any person, firm, partnership, corporation, or other legal business entity that is engaged in the making of 28 29 less than 100,000 gallons of wine annually that applies for a 30 second-class wine-maker's license. No subsidiary or affiliate thereof, or any officer, associate, member, 31 partner, representative, employee, agent, or shareholder may 32 be issued an additional wine-maker's license by the State 33 34 Commission.

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1 Class 8. A limited wine-manufacturer may make sales and 2 deliveries not to exceed 40,000 gallons of wine per year to 3 distributors, and to non-licensees in accordance with the 4 provisions of this Act.

5 (a-1) A manufacturer which is licensed in this State to 6 make sales or deliveries of alcoholic liquor and which 7 enlists agents, representatives, or individuals acting on its 8 behalf who contact licensed retailers on a regular and 9 continual basis in this State must register those agents, 10 representatives, or persons acting on its behalf with the 11 State Commission.

Registration of agents, representatives, or 12 persons acting on behalf of a manufacturer is fulfilled by submitting 13 a form to the Commission. The form shall be developed by the 14 Commission and shall include the name and address of the 15 16 applicant, the name and address of the manufacturer he or she represents, the territory or areas assigned to sell to or 17 18 discuss pricing terms of alcoholic liquor, and any other 19 questions deemed appropriate and necessary. All statements in the forms required to be made by law or by rule shall 20 be 21 deemed material, and any person who knowingly misstates any 22 material fact under oath in an application is guilty of a 23 В misdemeanor. Fraud, misrepresentation, Class false statements, misleading statements, evasions, or suppression 24 25 of material facts in the securing of a registration are grounds for suspension or revocation of the registration. 26

(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.

31 (c) An importing distributor's license may be issued to 32 and held by those only who are duly licensed distributors, 33 upon the filing of an application by a duly licensed 34 distributor, with the Commission and the Commission shall,

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1 without the payment of any fee, immediately issue such 2 importing distributor's license to the applicant, which shall allow the importation of alcoholic liquor by the licensee 3 4 into this State from any point in the United States outside 5 this State, and the purchase of alcoholic liquor in barrels, 6 casks or other bulk containers and the bottling of such alcoholic liquors before resale thereof, but all bottles or 7 8 containers so filled shall be sealed, labeled, stamped and 9 otherwise made to comply with all provisions, rules and regulations governing manufacturers in the preparation and 10 11 bottling of alcoholic liquors. The importing distributor's license shall permit such licensee to purchase alcoholic 12 liquor from Illinois licensed non-resident dealers 13 and foreign importers only. 14

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

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

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

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

34 Notwithstanding any other provision of this subsection

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

(e) A special event retailer's license (not-for-profit) 4 5 shall permit the licensee to purchase alcoholic liquors from б Illinois licensed distributor (unless the licensee an purchases less than \$500 of alcoholic liquors for the special 7 8 event, in which case the licensee may purchase the alcoholic 9 liquors from a licensed retailer) and shall allow the licensee to sell and offer for sale, at retail, alcoholic 10 11 liquors for use or consumption, but not for resale in any form and only at the location and on the specific dates 12 for the special event in the license. 13 designated An applicant for a special event retailer license must 14 (i) 15 furnish with the application: (A) a resale number issued 16 under Section 2c of the Retailers' Occupation Tax Act or evidence that the applicant is registered under Section 2a of 17 18 the Retailers' Occupation Tax Act, (B) a current, valid 19 exemption identification number issued under Section 1g of the Retailers' Occupation Tax Act, and a certification to the 20 21 Commission that the purchase of alcoholic liquors will be a 22 tax-exempt purchase, or (C) a statement that the applicant is 23 not registered under Section 2a of the Retailers' Occupation Tax Act, does not hold a resale number under Section 2c of 24 25 the Retailers' Occupation Tax Act, and does not hold an number under Section 1g of the Retailers' 26 exemption Occupation Tax Act, in which event the Commission shall set 27 forth on the special event retailer's license a statement to 28 proof 29 that effect; (ii) submit with the application 30 satisfactory to the State Commission that the applicant will provide dram shop liability insurance in the maximum limits; 31 32 and (iii) show proof satisfactory to the State Commission that the applicant has obtained local authority approval. 33 34 (f) A railroad license shall permit the licensee to

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1 import alcoholic liquors into this State from any point in 2 the United States outside this State and to store such alcoholic liquors in this State; to make wholesale purchases 3 4 of alcoholic liquors directly from manufacturers, foreign 5 importers, distributors and importing distributors from 6 within or outside this State; and to store such alcoholic 7 liquors in this State; provided that the above powers may be 8 exercised only in connection with the importation, purchase 9 storage of alcoholic liquors to be sold or dispensed on a or club, buffet, lounge or dining car operated on an electric, 10 11 gas or steam railway in this State; and provided further, that railroad licensees exercising the above powers shall be 12 subject to all provisions of Article VIII of this Act as 13 applied to importing distributors. A railroad license shall 14 also permit the licensee to sell or dispense alcoholic 15 16 liquors on any club, buffet, lounge or dining car operated on an electric, gas or steam railway regularly operated by a 17 18 common carrier in this State, but shall not permit the sale 19 for resale of any alcoholic liquors to any licensee within this State. A license shall be obtained for each car in 20 21 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, which boat maintains a public dining room or restaurant thereon.

A non-beverage user's license shall allow (h) 27 the licensee to purchase alcoholic liquor from a licensed 28 29 manufacturer or importing distributor, without the imposition 30 of any tax upon the business of such licensed manufacturer or importing distributor as to such alcoholic liquor to be used 31 32 by such licensee solely for the non-beverage purposes set forth in subsection (a) of Section 8-1 of this Act, and such 33 licenses shall be divided and classified and shall permit the 34

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Class 5, not to exceed ..... 50,000 gallons

8 (i) А wine-maker's premises license shall allow a 9 licensee that concurrently holds a first-class wine-maker's license to sell and offer for sale at retail in the premises 10 11 specified in such license not more than 50,000 gallons of the first-class wine-maker's wine that is made at the first-class 12 wine-maker's licensed premises per 13 year for use or consumption, but not for resale in any form. A wine-maker's 14 15 premises license shall allow a licensee who concurrently 16 holds a second-class wine-maker's license to sell and offer for sale at retail in the premises specified in such license 17 up to 100,000 gallons of the second-class wine-maker's wine 18 19 that is made at the second-class wine-maker's licensed premises per year for use or consumption but not for resale 20 21 in any form. Upon approval from the State Commission, a wine-maker's premises license shall allow the licensee to 22 23 sell and offer for sale at (i) the wine-maker's licensed premises and (ii) at up to 2 additional locations for use and 24 25 consumption and not for resale. Each location shall require additional licensing per location as specified in Section 5-3 26 of this Act. 27

An airplane license shall permit the licensee to 28 (j) import alcoholic liquors into this State from any point 29 in 30 the United States outside this State and to store such alcoholic liquors in this State; to make wholesale purchases 31 32 alcoholic liquors directly from manufacturers, foreign of importers, distributors and importing distributors 33 from 34 within or outside this State; and to store such alcoholic

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1 liquors in this State; provided that the above powers may be 2 exercised only in connection with the importation, purchase or storage of alcoholic liquors to be sold or dispensed on an 3 4 airplane; and provided further, that airplane licensees 5 exercising the above powers shall be subject to all б provisions of Article VIII of this Act as applied to 7 importing distributors. An airplane licensee shall also permit the sale or dispensing of alcoholic on 8 liquors anv 9 passenger airplane regularly operated by a common carrier in this State, but shall not permit the sale for resale of 10 any 11 alcoholic liquors to any licensee within this State. A single airplane license shall be required of an airline 12 company if liquor service is provided on board aircraft in 13 this State. The annual fee for such license shall be 14 as determined in Section 5-3. 15

16 (k) A foreign importer's license shall permit such licensee to purchase alcoholic liquor from Illinois licensed 17 18 non-resident dealers only, and to import alcoholic liquor 19 other than in bulk from any point outside the United States and to sell such alcoholic liquor to Illinois licensed 20 21 importing distributors and to no one else in Illinois; 22 provided that the foreign importer registers with the State 23 Commission every brand of alcoholic liquor that it proposes to sell to Illinois licensees during the license period and 24 25 provided further that the foreign importer complies with all of the provisions of Section 6-9 of this Act with respect to 26 registration of such Illinois licensees as may be granted the 27 right to sell such brands at wholesale. 28

(l) (i) A broker's license shall 29 be required of all 30 persons who solicit orders for, offer to sell or offer to supply alcoholic liquor to retailers in the State 31 of 32 Illinois, or who offer to retailers to ship or cause to be shipped or to make contact with distillers, rectifiers, 33 34 brewers or manufacturers or any other party within or without

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1 the State of Illinois in order that alcoholic liquors be 2 shipped to a distributor, importing distributor or foreign 3 importer, whether such solicitation or offer is consummated 4 within or without the State of Illinois.

5 No holder of a retailer's license issued by the Illinois 6 Liquor Control Commission shall purchase or receive any 7 alcoholic liquor, the order for which was solicited or 8 offered for sale to such retailer by a broker unless the 9 broker is the holder of a valid broker's license.

10 The broker shall, upon the acceptance by a retailer of 11 the broker's solicitation of an order or offer to sell or 12 supply or deliver or have delivered alcoholic liquors, 13 promptly forward to the Illinois Liquor Control Commission a 14 notification of said transaction in such form as the 15 Commission may by regulations prescribe.

16 (ii) A broker's license shall be required of a person within this State, other than a retail licensee, who, 17 for a fee or commission, promotes, solicits, or accepts orders for 18 19 alcoholic liquor, for use or consumption and not for resale, to be shipped from this State and delivered to residents 20 21 outside of this State by an express company, common carrier, 22 or contract carrier. This Section does not apply to any 23 person who promotes, solicits, or accepts orders for wine as specifically authorized in Section 6-29 of this Act. 24

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

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

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1 Any agent, representative, or person subject to 2 registration pursuant to subsection (a-1) of this Section 3 shall not be eligible to receive a broker's license.

4 A non-resident dealer's license shall permit such (m) 5 licensee to ship into and warehouse alcoholic liquor into this State from any point outside of this State, and to sell 6 7 such alcoholic liquor to Illinois licensed foreign importers and importing distributors and to no one else in this State; 8 9 provided that said non-resident dealer shall register with the Illinois Liquor Control Commission each and every brand 10 11 of alcoholic liquor which it proposes to sell to Illinois licensees during the license period; and further provided 12 that shall comply with all of the provisions of Section 13 it 6-9 hereof with respect to registration of such Illinois 14 15 licensees as may be granted the right to sell such brands at 16 wholesale.

(n) A brew pub license shall allow the licensee to 17 manufacture beer only on the premises specified in the 18 19 license, to make sales of the beer manufactured on the 20 premises to importing distributors, distributors, and to 21 non-licensees for use and consumption, to store the beer upon the premises, and to sell and offer for sale at retail from 22 23 the licensed premises, provided that a brew pub licensee shall not sell for off-premises consumption more than 50,000 24 25 gallons per year.

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

31 (p) An auction liquor license shall allow the licensee 32 to sell and offer for sale at auction wine and spirits for 33 use or consumption, or for resale by an Illinois liquor 34 licensee in accordance with provisions of this Act. An auction liquor license will be issued to a person and it will permit the auction liquor licensee to hold the auction anywhere in the State. An auction liquor license must be obtained for each auction at least 14 days in advance of the auction date.

6 (q) A special use permit license shall allow an Illinois 7 licensed retailer to transfer a portion of its alcoholic liquor inventory from its retail licensed premises to the 8 9 premises specified in the license hereby created, and to sell or offer for sale at retail, only in the premises specified 10 11 in the license hereby created, the transferred alcoholic liquor for use or consumption, but not for resale in any 12 A special use permit license may be granted for the 13 form. following time periods: one day or less; 2 or more days to a 14 maximum of 15 days per location in any 12 month period. An 15 16 applicant for the special use permit license must also submit with the application proof satisfactory to the 17 State 18 Commission that the applicant will provide dram shop 19 liability insurance to the maximum limits and have local authority approval. 20

21 (Source: P.A. 91-357, eff. 7-29-99; 92-105, eff. 1-1-02; 22 92-378, eff. 8-16-01; revised 10-10-01.)".