



**94TH GENERAL ASSEMBLY**  
**State of Illinois**  
**2005 and 2006**  
**HB1285**

Introduced 2/9/2005, by Rep. Daniel J. Burke

**SYNOPSIS AS INTRODUCED:**

235 ILCS 5/6-2

from Ch. 43, par. 120

Amends the Liquor Control Act of 1934. Allows an elected official to have a direct interest in the manufacture, sale, or distribution of alcoholic liquor if he or she is not a law enforcing public official, a mayor, a village board president, or president of a county board. Prohibits an elected official with a direct interest from participating in any matter affecting the manufacture, sale, or distribution of alcoholic liquor.

LRB094 09029 LJB 39250 b

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 Section 6-2 as follows:

6 (235 ILCS 5/6-2) (from Ch. 43, par. 120)

7 Sec. 6-2. Issuance of licenses to certain persons  
8 prohibited.

9 (a) Except as otherwise provided in subsection (b) of this  
10 Section and in paragraph (1) of subsection (a) of Section 3-12,  
11 no license of any kind issued by the State Commission or any  
12 local commission shall be issued to:

13 (1) A person who is not a resident of any city, village  
14 or county in which the premises covered by the license are  
15 located; except in case of railroad or boat licenses.

16 (2) A person who is not of good character and  
17 reputation in the community in which he resides.

18 (3) A person who is not a citizen of the United States.

19 (4) A person who has been convicted of a felony under  
20 any Federal or State law, unless the Commission determines  
21 that such person has been sufficiently rehabilitated to  
22 warrant the public trust after considering matters set  
23 forth in such person's application and the Commission's  
24 investigation. The burden of proof of sufficient  
25 rehabilitation shall be on the applicant.

26 (5) A person who has been convicted of being the keeper  
27 or is keeping a house of ill fame.

28 (6) A person who has been convicted of pandering or  
29 other crime or misdemeanor opposed to decency and morality.

30 (7) A person whose license issued under this Act has  
31 been revoked for cause.

32 (8) A person who at the time of application for renewal

1 of any license issued hereunder would not be eligible for  
2 such license upon a first application.

3 (9) A copartnership, if any general partnership  
4 thereof, or any limited partnership thereof, owning more  
5 than 5% of the aggregate limited partner interest in such  
6 copartnership would not be eligible to receive a license  
7 hereunder for any reason other than residence within the  
8 political subdivision, unless residency is required by  
9 local ordinance.

10 (10) A corporation, if any officer, manager or director  
11 thereof, or any stockholder or stockholders owning in the  
12 aggregate more than 5% of the stock of such corporation,  
13 would not be eligible to receive a license hereunder for  
14 any reason other than citizenship and residence within the  
15 political subdivision.

16 (10a) A corporation unless it is incorporated in  
17 Illinois, or unless it is a foreign corporation which is  
18 qualified under the Business Corporation Act of 1983 to  
19 transact business in Illinois.

20 (11) A person whose place of business is conducted by a  
21 manager or agent unless the manager or agent possesses the  
22 same qualifications required by the licensee.

23 (12) A person who has been convicted of a violation of  
24 any Federal or State law concerning the manufacture,  
25 possession or sale of alcoholic liquor, subsequent to the  
26 passage of this Act or has forfeited his bond to appear in  
27 court to answer charges for any such violation.

28 (13) A person who does not beneficially own the  
29 premises for which a license is sought, or does not have a  
30 lease thereon for the full period for which the license is  
31 to be issued.

32 (14) Any law enforcing public official, including  
33 members of local liquor control commissions, any mayor,  
34 alderman, or member of the city council or commission, any  
35 president of the village board of trustees, any member of a  
36 village board of trustees, or any president or member of a

1 county board; and no such official shall have a direct  
2 interest ~~be interested directly~~ in the manufacture, sale,  
3 or distribution of alcoholic liquor, except that a license  
4 may be granted to such official in relation to premises  
5 that are not located within the territory subject to the  
6 jurisdiction of that official if the issuance of such  
7 license is approved by the State Liquor Control Commission  
8 and except that a license may be granted, in a city or  
9 village with a population of 50,000 or less, to any  
10 alderman, member of a city council, or member of a village  
11 board of trustees in relation to premises that are located  
12 within the territory subject to the jurisdiction of that  
13 official if (i) the sale of alcoholic liquor pursuant to  
14 the license is incidental to the selling of food, (ii) the  
15 issuance of the license is approved by the State  
16 Commission, (iii) the issuance of the license is in  
17 accordance with all applicable local ordinances in effect  
18 where the premises are located, and (iv) the official  
19 granted a license does not vote on alcoholic liquor issues  
20 pending before the board or council to which the license  
21 holder is elected. Notwithstanding any provision of this  
22 paragraph (14) to the contrary, an alderman or member of a  
23 city council or commission, a member of a village board of  
24 trustees other than the president of the village board of  
25 trustees, or a member of a county board other than the  
26 president of a county board may have a direct interest in  
27 the manufacture, sale, or distribution of alcoholic liquor  
28 as long as he or she is not a law enforcing public  
29 official, a mayor, a village board president, or president  
30 of a county board. To prevent any conflict of interest, the  
31 elected official with the direct interest in the  
32 manufacture, sale, or distribution of alcoholic liquor  
33 cannot participate in any meetings, hearings, or decisions  
34 on matters impacting the manufacture, sale, or  
35 distribution of alcoholic liquor.

36 (15) A person who is not a beneficial owner of the

1 business to be operated by the licensee.

2 (16) A person who has been convicted of a gambling  
3 offense as proscribed by any of subsections (a) (3) through  
4 (a) (11) of Section 28-1 of, or as proscribed by Section  
5 28-1.1 or 28-3 of, the Criminal Code of 1961, or as  
6 proscribed by a statute replaced by any of the aforesaid  
7 statutory provisions.

8 (17) A person or entity to whom a federal wagering  
9 stamp has been issued by the federal government, unless the  
10 person or entity is eligible to be issued a license under  
11 the Raffles Act or the Illinois Pull Tabs and Jar Games  
12 Act.

13 (18) A person who intends to sell alcoholic liquors for  
14 use or consumption on his or her licensed retail premises  
15 who does not have liquor liability insurance coverage for  
16 that premises in an amount that is at least equal to the  
17 maximum liability amounts set out in subsection (a) of  
18 Section 6-21.

19 (b) A criminal conviction of a corporation is not grounds  
20 for the denial, suspension, or revocation of a license applied  
21 for or held by the corporation if the criminal conviction was  
22 not the result of a violation of any federal or State law  
23 concerning the manufacture, possession or sale of alcoholic  
24 liquor, the offense that led to the conviction did not result  
25 in any financial gain to the corporation and the corporation  
26 has terminated its relationship with each director, officer,  
27 employee, or controlling shareholder whose actions directly  
28 contributed to the conviction of the corporation. The  
29 Commission shall determine if all provisions of this subsection  
30 (b) have been met before any action on the corporation's  
31 license is initiated.

32 (Source: P.A. 92-378, eff. 8-16-01; 93-266, eff. 1-1-04;  
33 93-1057, eff. 12-2-04.)