

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 4-2 and 6-2 as follows:

6 (235 ILCS 5/4-2) (from Ch. 43, par. 111)

7 Sec. 4-2. The mayor or president of the board of trustees
8 of each city, village or incorporated town or his or her
9 designee, and the president or chairman of the county board or
10 his or her designee, shall be the local liquor control
11 commissioner for their respective cities, villages,
12 incorporated towns and counties, and shall be charged with the
13 administration in their respective jurisdictions of the
14 appropriate provisions of this Act and of such ordinances and
15 resolutions relating to alcoholic liquor as may be enacted as
16 long as that official or his or her designee does not have a
17 direct interest in the manufacture, sale, or distribution of
18 alcoholic liquor; but the authority of the president or
19 chairman of the county board or his or her designee shall
20 extend only to that area in any county which lies outside the
21 corporate limits of the cities, villages and incorporated towns
22 therein and those areas which are owned by the county and are
23 within the corporate limits of the cities, villages and

1 incorporated towns with a population of less than 1,000,000,
2 however, such county shall comply with the operating rules of
3 the municipal ordinances affected when issuing their own
4 licenses. If that official has a direct interest in the
5 manufacture, sale, or distribution of alcoholic liquor, the
6 council or board over which he or she presides must appoint, by
7 majority vote of those elected or appointed, a liquor control
8 commissioner other than that official, and that official shall
9 not nominate or serve any other role in such appointment.

10 However, such mayor, president of the board of trustees or
11 president or chairman of the county board or his or her
12 designee may appoint a person or persons to assist him in the
13 exercise of the powers and the performance of the duties herein
14 provided for such local liquor control commissioner.

15 (Source: P.A. 94-747, eff. 5-8-06.)

16 (235 ILCS 5/6-2) (from Ch. 43, par. 120)

17 Sec. 6-2. Issuance of licenses to certain persons
18 prohibited.

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

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

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

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

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

11 (5) A person who has been convicted of keeping a place
12 of prostitution or keeping a place of juvenile
13 prostitution, promoting prostitution that involves keeping
14 a place of prostitution, or promoting juvenile
15 prostitution that involves keeping a place of juvenile
16 prostitution.

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

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

21 (8) A person who at the time of application for renewal
22 of any license issued hereunder would not be eligible for
23 such license upon a first application.

24 (9) A copartnership, if any general partnership
25 thereof, or any limited partnership thereof, owning more
26 than 5% of the aggregate limited partner interest in such

1 copartnership would not be eligible to receive a license
2 hereunder for any reason other than residence within the
3 political subdivision, unless residency is required by
4 local ordinance.

5 (10) A corporation or limited liability company, if any
6 member, officer, manager or director thereof, or any
7 stockholder or stockholders owning in the aggregate more
8 than 5% of the stock of such corporation, would not be
9 eligible to receive a license hereunder for any reason
10 other than citizenship and residence within the political
11 subdivision.

12 (10a) A corporation or limited liability company
13 unless it is incorporated or organized in Illinois, or
14 unless it is a foreign corporation or foreign limited
15 liability company which is qualified under the Business
16 Corporation Act of 1983 or the Limited Liability Company
17 Act to transact business in Illinois. The Commission shall
18 permit and accept from an applicant for a license under
19 this Act proof prepared from the Secretary of State's
20 website that the corporation or limited liability company
21 is in good standing and is qualified under the Business
22 Corporation Act of 1983 or the Limited Liability Company
23 Act to transact business in Illinois.

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

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

6 (13) A person who does not beneficially own the
7 premises for which a license is sought, or does not have a
8 lease thereon for the full period for which the license is
9 to be issued.

10 (14) Any law enforcing public official, including
11 members of local liquor control commissions, any mayor,
12 alderman, or member of the city council or commission, any
13 president of the village board of trustees, any member of a
14 village board of trustees, or any president or member of a
15 county board; and no such official shall have a direct
16 interest in the manufacture, sale, or distribution of
17 alcoholic liquor, except that a license may be granted to
18 such official in relation to premises that are not located
19 within the territory subject to the jurisdiction of that
20 official if the issuance of such license is approved by the
21 State Liquor Control Commission and except that a license
22 may be granted, in a city or village with a population of
23 50,000 or less, to any mayor, alderman, member of a city
24 council, or president or member of a village board of
25 trustees in relation to premises that are located within
26 the territory subject to the jurisdiction of that official

1 if (i) the sale of alcoholic liquor pursuant to the license
2 is incidental to the selling of food, (ii) the issuance of
3 the license is approved by the State Commission, (iii) the
4 issuance of the license is in accordance with all
5 applicable local ordinances in effect where the premises
6 are located, and (iv) the official granted a license does
7 not vote on alcoholic liquor issues pending before the
8 board or council to which the license holder is elected or
9 appointed. Notwithstanding any provision of this paragraph
10 (14) to the contrary, (i) an alderman or member of a city
11 council or commission, a member of a village board of
12 trustees other than the president of the village board of
13 trustees, or a member of a county board other than the
14 president of a county board may have a direct interest in
15 the manufacture, sale, or distribution of alcoholic liquor
16 as long as he or she is not a law enforcing public
17 official, a mayor, a village board president, or president
18 of a county board and, furthermore, (ii) the mayor of a
19 city, president of a village board of trustees, or chairman
20 or president of a county board may have a direct interest
21 in the manufacture, sale, or distribution of alcoholic
22 liquor as long as the council or board has appointed a
23 liquor control commissioner pursuant to Section 4-2 of this
24 Act. To prevent any conflict of interest, the elected
25 official with the direct interest in the manufacture, sale,
26 or distribution of alcoholic liquor cannot participate in

1 any meetings, hearings, or decisions on matters impacting
2 the manufacture, sale, or distribution of alcoholic
3 liquor.

4 (15) A person who is not a beneficial owner of the
5 business to be operated by the licensee.

6 (16) A person who has been convicted of a gambling
7 offense as proscribed by any of subsections (a) (3) through
8 (a) (11) of Section 28-1 of, or as proscribed by Section
9 28-1.1 or 28-3 of, the Criminal Code of 1961, or as
10 proscribed by a statute replaced by any of the aforesaid
11 statutory provisions.

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

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

23 (b) A criminal conviction of a corporation is not grounds
24 for the denial, suspension, or revocation of a license applied
25 for or held by the corporation if the criminal conviction was
26 not the result of a violation of any federal or State law

1 concerning the manufacture, possession or sale of alcoholic
2 liquor, the offense that led to the conviction did not result
3 in any financial gain to the corporation and the corporation
4 has terminated its relationship with each director, officer,
5 employee, or controlling shareholder whose actions directly
6 contributed to the conviction of the corporation. The
7 Commission shall determine if all provisions of this subsection
8 (b) have been met before any action on the corporation's
9 license is initiated.

10 (Source: P.A. 95-331, eff. 8-21-07; 96-1551, eff. 7-1-11.)