



Sen. Iris Y. Martinez

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1 AMENDMENT TO SENATE BILL 1672

2 AMENDMENT NO. _____. Amend Senate Bill 1672 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 3-12, 5-1, 5-3, 6-4, and 6-31 as follows:

6 (235 ILCS 5/3-12)

7 Sec. 3-12. Powers and duties of State Commission.

8 (a) The State Commission shall have the following powers,
9 functions, and duties:

10 (1) To receive applications and to issue licenses to
11 manufacturers, foreign importers, importing distributors,
12 distributors, non-resident dealers, on premise consumption
13 retailers, off premise sale retailers, special event
14 retailer licensees, special use permit licenses, auction
15 liquor licenses, brew pubs, caterer retailers,
16 non-beverage users, railroads, including owners and

1 lessees of sleeping, dining and cafe cars, airplanes,
2 boats, brokers, and wine maker's premises licensees in
3 accordance with the provisions of this Act, and to suspend
4 or revoke such licenses upon the State Commission's
5 determination, upon notice after hearing, that a licensee
6 has violated any provision of this Act or any rule or
7 regulation issued pursuant thereto and in effect for 30
8 days prior to such violation. Except in the case of an
9 action taken pursuant to a violation of Section 6-3, 6-5,
10 or 6-9, any action by the State Commission to suspend or
11 revoke a licensee's license may be limited to the license
12 for the specific premises where the violation occurred. An
13 action for a violation of this Act shall be commenced by
14 the State Commission within 2 years after the date the
15 State Commission becomes aware of the violation.

16 In lieu of suspending or revoking a license, the
17 commission may impose a fine, upon the State Commission's
18 determination and notice after hearing, that a licensee has
19 violated any provision of this Act or any rule or
20 regulation issued pursuant thereto and in effect for 30
21 days prior to such violation.

22 For the purpose of this paragraph (1), when determining
23 multiple violations for the sale of alcohol to a person
24 under the age of 21, a second or subsequent violation for
25 the sale of alcohol to a person under the age of 21 shall
26 only be considered if it was committed within 5 years after

1 the date when a prior violation for the sale of alcohol to
2 a person under the age of 21 was committed.

3 The fine imposed under this paragraph may not exceed
4 \$500 for each violation. Each day that the activity, which
5 gave rise to the original fine, continues is a separate
6 violation. The maximum fine that may be levied against any
7 licensee, for the period of the license, shall not exceed
8 \$20,000. The maximum penalty that may be imposed on a
9 licensee for selling a bottle of alcoholic liquor with a
10 foreign object in it or serving from a bottle of alcoholic
11 liquor with a foreign object in it shall be the destruction
12 of that bottle of alcoholic liquor for the first 10 bottles
13 so sold or served from by the licensee. For the eleventh
14 bottle of alcoholic liquor and for each third bottle
15 thereafter sold or served from by the licensee with a
16 foreign object in it, the maximum penalty that may be
17 imposed on the licensee is the destruction of the bottle of
18 alcoholic liquor and a fine of up to \$50.

19 Any notice issued by the State Commission to a licensee
20 for a violation of this Act or any notice with respect to
21 settlement or offer in compromise shall include the field
22 report, photographs, and any other supporting
23 documentation necessary to reasonably inform the licensee
24 of the nature and extent of the violation or the conduct
25 alleged to have occurred. The failure to include such
26 required documentation shall result in the dismissal of the

1 action.

2 (2) To adopt such rules and regulations consistent with
3 the provisions of this Act which shall be necessary to
4 carry on its functions and duties to the end that the
5 health, safety and welfare of the People of the State of
6 Illinois shall be protected and temperance in the
7 consumption of alcoholic liquors shall be fostered and
8 promoted and to distribute copies of such rules and
9 regulations to all licensees affected thereby.

10 (3) To call upon other administrative departments of
11 the State, county and municipal governments, county and
12 city police departments and upon prosecuting officers for
13 such information and assistance as it deems necessary in
14 the performance of its duties.

15 (4) To recommend to local commissioners rules and
16 regulations, not inconsistent with the law, for the
17 distribution and sale of alcoholic liquors throughout the
18 State.

19 (5) To inspect, or cause to be inspected, any premises
20 in this State where alcoholic liquors are manufactured,
21 distributed, warehoused, or sold. Nothing in this Act
22 authorizes an agent of the Commission to inspect private
23 areas within the premises without reasonable suspicion or a
24 warrant during an inspection. "Private areas" include, but
25 are not limited to, safes, personal property, and closed
26 desks.

1 (5.1) Upon receipt of a complaint or upon having
2 knowledge that any person is engaged in business as a
3 manufacturer, importing distributor, distributor, or
4 retailer without a license or valid license, to notify the
5 local liquor authority, file a complaint with the State's
6 Attorney's Office of the county where the incident
7 occurred, or initiate an investigation with the
8 appropriate law enforcement officials.

9 (5.2) To issue a cease and desist notice to persons
10 shipping alcoholic liquor into this State from a point
11 outside of this State if the shipment is in violation of
12 this Act.

13 (5.3) To receive complaints from licensees, local
14 officials, law enforcement agencies, organizations, and
15 persons stating that any licensee has been or is violating
16 any provision of this Act or the rules and regulations
17 issued pursuant to this Act. Such complaints shall be in
18 writing, signed and sworn to by the person making the
19 complaint, and shall state with specificity the facts in
20 relation to the alleged violation. If the Commission has
21 reasonable grounds to believe that the complaint
22 substantially alleges a violation of this Act or rules and
23 regulations adopted pursuant to this Act, it shall conduct
24 an investigation. If, after conducting an investigation,
25 the Commission is satisfied that the alleged violation did
26 occur, it shall proceed with disciplinary action against

1 the licensee as provided in this Act.

2 (6) To hear and determine appeals from orders of a
3 local commission in accordance with the provisions of this
4 Act, as hereinafter set forth. Hearings under this
5 subsection shall be held in Springfield or Chicago, at
6 whichever location is the more convenient for the majority
7 of persons who are parties to the hearing.

8 (7) The commission shall establish uniform systems of
9 accounts to be kept by all retail licensees having more
10 than 4 employees, and for this purpose the commission may
11 classify all retail licensees having more than 4 employees
12 and establish a uniform system of accounts for each class
13 and prescribe the manner in which such accounts shall be
14 kept. The commission may also prescribe the forms of
15 accounts to be kept by all retail licensees having more
16 than 4 employees, including but not limited to accounts of
17 earnings and expenses and any distribution, payment, or
18 other distribution of earnings or assets, and any other
19 forms, records and memoranda which in the judgment of the
20 commission may be necessary or appropriate to carry out any
21 of the provisions of this Act, including but not limited to
22 such forms, records and memoranda as will readily and
23 accurately disclose at all times the beneficial ownership
24 of such retail licensed business. The accounts, forms,
25 records and memoranda shall be available at all reasonable
26 times for inspection by authorized representatives of the

1 State Commission or by any local liquor control
2 commissioner or his or her authorized representative. The
3 commission, may, from time to time, alter, amend or repeal,
4 in whole or in part, any uniform system of accounts, or the
5 form and manner of keeping accounts.

6 (8) In the conduct of any hearing authorized to be held
7 by the commission, to appoint, at the commission's
8 discretion, hearing officers to conduct hearings involving
9 complex issues or issues that will require a protracted
10 period of time to resolve, to examine, or cause to be
11 examined, under oath, any licensee, and to examine or cause
12 to be examined the books and records of such licensee; to
13 hear testimony and take proof material for its information
14 in the discharge of its duties hereunder; to administer or
15 cause to be administered oaths; for any such purpose to
16 issue subpoena or subpoenas to require the attendance of
17 witnesses and the production of books, which shall be
18 effective in any part of this State, and to adopt rules to
19 implement its powers under this paragraph (8).

20 Any circuit court may by order duly entered, require
21 the attendance of witnesses and the production of relevant
22 books subpoenaed by the State Commission and the court may
23 compel obedience to its order by proceedings for contempt.

24 (9) To investigate the administration of laws in
25 relation to alcoholic liquors in this and other states and
26 any foreign countries, and to recommend from time to time

1 to the Governor and through him or her to the legislature
2 of this State, such amendments to this Act, if any, as it
3 may think desirable and as will serve to further the
4 general broad purposes contained in Section 1-2 hereof.

5 (10) To adopt such rules and regulations consistent
6 with the provisions of this Act which shall be necessary
7 for the control, sale or disposition of alcoholic liquor
8 damaged as a result of an accident, wreck, flood, fire or
9 other similar occurrence.

10 (11) To develop industry educational programs related
11 to responsible serving and selling, particularly in the
12 areas of overserving consumers and illegal underage
13 purchasing and consumption of alcoholic beverages.

14 (11.1) To license persons providing education and
15 training to alcohol beverage sellers and servers for
16 mandatory and non-mandatory training under the Beverage
17 Alcohol Sellers and Servers Education and Training
18 (BASSET) programs and to develop and administer a public
19 awareness program in Illinois to reduce or eliminate the
20 illegal purchase and consumption of alcoholic beverage
21 products by persons under the age of 21. Application for a
22 license shall be made on forms provided by the State
23 Commission.

24 (12) To develop and maintain a repository of license
25 and regulatory information.

26 (13) (Blank).

1 (14) On or before April 30, 2008 and every 2 years
2 thereafter, the Commission shall present a written report
3 to the Governor and the General Assembly that shall be
4 based on a study of the impact of Public Act 95-634 on the
5 business of soliciting, selling, and shipping wine from
6 inside and outside of this State directly to residents of
7 this State. As part of its report, the Commission shall
8 provide all of the following information:

9 (A) The amount of State excise and sales tax
10 revenues generated.

11 (B) The amount of licensing fees received.

12 (C) The number of cases of wine shipped from inside
13 and outside of this State directly to residents of this
14 State.

15 (D) The number of alcohol compliance operations
16 conducted.

17 (E) The number of winery shipper's licenses
18 issued.

19 (F) The number of each of the following: reported
20 violations; cease and desist notices issued by the
21 Commission; notices of violations issued by the
22 Commission and to the Department of Revenue; and
23 notices and complaints of violations to law
24 enforcement officials, including, without limitation,
25 the Illinois Attorney General and the U.S. Department
26 of Treasury's Alcohol and Tobacco Tax and Trade Bureau.

1 (15) As a means to reduce the underage consumption of
2 alcoholic liquors, the Commission shall conduct alcohol
3 compliance operations to investigate whether businesses
4 that are soliciting, selling, and shipping wine from inside
5 or outside of this State directly to residents of this
6 State are licensed by this State or are selling or
7 attempting to sell wine to persons under 21 years of age in
8 violation of this Act.

9 (16) The Commission shall, in addition to notifying any
10 appropriate law enforcement agency, submit notices of
11 complaints or violations of Sections 6-29 and 6-29.1 by
12 persons who do not hold a winery shipper's license under
13 this Act to the Illinois Attorney General and to the U.S.
14 Department of Treasury's Alcohol and Tobacco Tax and Trade
15 Bureau.

16 (17) (A) A person licensed to make wine under the laws
17 of another state who has a winery shipper's license under
18 this Act and annually produces less than 25,000 gallons of
19 wine or a person who has a first-class or second-class wine
20 manufacturer's license, a first-class or second-class
21 wine-maker's license, or a limited wine manufacturer's
22 license under this Act and annually produces less than
23 25,000 gallons of wine may make application to the
24 Commission for a self-distribution exemption to allow the
25 sale of not more than 5,000 gallons of the exemption
26 holder's wine to retail licensees per year.

1 (B) In the application, which shall be sworn under
2 penalty of perjury, such person shall state (1) the date it
3 was established; (2) its volume of production and sales for
4 each year since its establishment; (3) its efforts to
5 establish distributor relationships; (4) that a
6 self-distribution exemption is necessary to facilitate the
7 marketing of its wine; and (5) that it will comply with the
8 liquor and revenue laws of the United States, this State,
9 and any other state where it is licensed.

10 (C) The Commission shall approve the application for a
11 self-distribution exemption if such person: (1) is in
12 compliance with State revenue and liquor laws; (2) is not a
13 member of any affiliated group that produces more than
14 25,000 gallons of wine per annum or produces any other
15 alcoholic liquor; (3) will not annually produce for sale
16 more than 25,000 gallons of wine; and (4) will not annually
17 sell more than 5,000 gallons of its wine to retail
18 licensees.

19 (D) A self-distribution exemption holder shall
20 annually certify to the Commission its production of wine
21 in the previous 12 months and its anticipated production
22 and sales for the next 12 months. The Commission may fine,
23 suspend, or revoke a self-distribution exemption after a
24 hearing if it finds that the exemption holder has made a
25 material misrepresentation in its application, violated a
26 revenue or liquor law of Illinois, exceeded production of

1 25,000 gallons of wine in any calendar year, or become part
2 of an affiliated group producing more than 25,000 gallons
3 of wine or any other alcoholic liquor.

4 (E) Except in hearings for violations of this Act or
5 Public Act 95-634 or a bona fide investigation by duly
6 sworn law enforcement officials, the Commission, or its
7 agents, the Commission shall maintain the production and
8 sales information of a self-distribution exemption holder
9 as confidential and shall not release such information to
10 any person.

11 (F) The Commission shall issue regulations governing
12 self-distribution exemptions consistent with this Section
13 and this Act.

14 (G) Nothing in this paragraph ~~subsection~~ (17) shall
15 prohibit a self-distribution exemption holder from
16 entering into or simultaneously having a distribution
17 agreement with a licensed Illinois distributor.

18 (H) It is the intent of this paragraph ~~subsection~~ (17)
19 to promote and continue orderly markets. The General
20 Assembly finds that in order to preserve Illinois'
21 regulatory distribution system it is necessary to create an
22 exception for smaller makers of wine as their wines are
23 frequently adjusted in varietals, mixes, vintages, and
24 taste to find and create market niches sometimes too small
25 for distributor or importing distributor business
26 strategies. Limited self-distribution rights will afford

1 and allow smaller makers of wine access to the marketplace
2 in order to develop a customer base without impairing the
3 integrity of the 3-tier system.

4 (18) (A) A class 1 brewer licensee, who must also be
5 either a licensed brewer or licensed non-resident dealer
6 and annually manufacture less than 930,000 gallons of beer,
7 may make application to the State Commission for a
8 self-distribution exemption to allow the sale of not more
9 than 232,500 gallons of the exemption holder's beer per
10 year to retail licensees and to brewers, class 1 brewers,
11 and class 2 brewers that, pursuant to subsection (e) of
12 Section 6-4 of this Act, sell beer, cider, or both beer and
13 cider to non-licensees at their breweries.

14 (B) In the application, which shall be sworn under
15 penalty of perjury, the class 1 brewer licensee shall state
16 (1) the date it was established; (2) its volume of beer
17 manufactured and sold for each year since its
18 establishment; (3) its efforts to establish distributor
19 relationships; (4) that a self-distribution exemption is
20 necessary to facilitate the marketing of its beer; and (5)
21 that it will comply with the alcoholic beverage and revenue
22 laws of the United States, this State, and any other state
23 where it is licensed.

24 (C) Any application submitted shall be posted on the
25 State Commission's website at least 45 days prior to action
26 by the State Commission. The State Commission shall approve

1 the application for a self-distribution exemption if the
2 class 1 brewer licensee: (1) is in compliance with the
3 State, revenue, and alcoholic beverage laws; (2) is not a
4 member of any affiliated group that manufactures more than
5 930,000 gallons of beer per annum or produces any other
6 alcoholic beverages; (3) shall not annually manufacture
7 for sale more than 930,000 gallons of beer; (4) shall not
8 annually sell more than 232,500 gallons of its beer to
9 retail licensees or to brewers, class 1 brewers, and class
10 2 brewers that, pursuant to subsection (e) of Section 6-4
11 of this Act, sell beer, cider, or both beer and cider to
12 non-licensees at their breweries; and (5) has relinquished
13 any brew pub license held by the licensee, including any
14 ownership interest it held in the licensed brew pub.

15 (D) A self-distribution exemption holder shall
16 annually certify to the State Commission its manufacture of
17 beer during the previous 12 months and its anticipated
18 manufacture and sales of beer for the next 12 months. The
19 State Commission may fine, suspend, or revoke a
20 self-distribution exemption after a hearing if it finds
21 that the exemption holder has made a material
22 misrepresentation in its application, violated a revenue
23 or alcoholic beverage law of Illinois, exceeded the
24 manufacture of 930,000 gallons of beer in any calendar year
25 or became part of an affiliated group manufacturing more
26 than 930,000 gallons of beer or any other alcoholic

1 beverage.

2 (E) The State Commission shall issue rules and
3 regulations governing self-distribution exemptions
4 consistent with this Act.

5 (F) Nothing in this paragraph (18) shall prohibit a
6 self-distribution exemption holder from entering into or
7 simultaneously having a distribution agreement with a
8 licensed Illinois importing distributor or a distributor.
9 If a self-distribution exemption holder enters into a
10 distribution agreement and has assigned distribution
11 rights to an importing distributor or distributor, then the
12 self-distribution exemption holder's distribution rights
13 in the assigned territories shall cease in a reasonable
14 time not to exceed 60 days.

15 (G) It is the intent of this paragraph (18) to promote
16 and continue orderly markets. The General Assembly finds
17 that in order to preserve Illinois' regulatory
18 distribution system, it is necessary to create an exception
19 for smaller manufacturers in order to afford and allow such
20 smaller manufacturers of beer access to the marketplace in
21 order to develop a customer base without impairing the
22 integrity of the 3-tier system.

23 (19) (A) A craft distiller licensee may make
24 application to the State Commission for a
25 self-distribution exemption to allow the sale of not more
26 than 2,500 gallons of the exemption holder's spirits to

1 retail licensees per year.

2 (B) In the application, which shall be sworn under
3 penalty of perjury, the craft distiller licensee shall
4 state (1) the date it was established; (2) its volume of
5 spirits manufactured and sold for each year since its
6 establishment; (3) its efforts to establish distributor
7 relationships; (4) that a self-distribution exemption is
8 necessary to facilitate the marketing of its spirits; and
9 (5) that it will comply with the alcoholic beverage and
10 revenue laws of the United States, this State, and any
11 other state where it is licensed.

12 (C) Any application submitted shall be posted on the
13 State Commission's website at least 45 days prior to action
14 by the State Commission. The State Commission shall approve
15 the application for a self-distribution exemption if the
16 craft distiller licensee: (1) is in compliance with State,
17 revenue, and alcoholic beverage laws; (2) is not a member
18 of any affiliated group that produces more than 100,000
19 gallons of spirits per annum or produces any other
20 alcoholic liquor; (3) shall not annually manufacture for
21 sale more than 100,000 gallons of spirits; and (4) shall
22 not annually sell more than 2,500 gallons of its spirits to
23 retail licensees.

24 (D) A self-distribution exemption holder shall
25 annually certify to the State Commission its manufacture of
26 spirits during the previous 12 months and its anticipated

1 manufacture and sales of spirits for the next 12 months.
2 The State Commission may fine, suspend, or revoke a
3 self-distribution exemption after a hearing if it finds
4 that the exemption holder has made a material
5 misrepresentation in its application, violated a revenue
6 or alcoholic beverage law of Illinois, exceeded the
7 manufacture of 100,000 gallons of spirits in any calendar
8 year or became part of an affiliated group manufacturing
9 more than 100,000 gallons of spirits or any other alcoholic
10 beverage.

11 (E) The State Commission shall issue rules and
12 regulations governing self-distribution exemptions
13 consistent with this Act.

14 (F) Nothing in this paragraph (19) shall prohibit a
15 self-distribution exemption holder from entering into or
16 simultaneously having a distribution agreement with a
17 licensed Illinois importing distributor or a distributor.

18 (G) It is the intent of this paragraph (19) to promote
19 and continue orderly markets. The General Assembly finds
20 that in order to preserve Illinois' regulatory
21 distribution system, it is necessary to create an exception
22 for smaller manufacturers in order to afford and allow such
23 smaller manufacturers of spirits access to the marketplace
24 in order to develop a customer base without impairing the
25 integrity of the 3-tier system.

26 (b) On or before April 30, 1999, the Commission shall

1 present a written report to the Governor and the General
2 Assembly that shall be based on a study of the impact of Public
3 Act 90-739 on the business of soliciting, selling, and shipping
4 alcoholic liquor from outside of this State directly to
5 residents of this State.

6 As part of its report, the Commission shall provide the
7 following information:

8 (i) the amount of State excise and sales tax revenues
9 generated as a result of Public Act 90-739;

10 (ii) the amount of licensing fees received as a result
11 of Public Act 90-739;

12 (iii) the number of reported violations, the number of
13 cease and desist notices issued by the Commission, the
14 number of notices of violations issued to the Department of
15 Revenue, and the number of notices and complaints of
16 violations to law enforcement officials.

17 (Source: P.A. 99-78, eff. 7-20-15; 99-448, eff. 8-24-15;
18 100-134, eff. 8-18-17; 100-201, eff. 8-18-17; 100-816, eff.
19 8-13-18; 100-1012, eff. 8-21-18; 100-1050, eff. 8-23-18;
20 revised 10-24-18.)

21 (235 ILCS 5/5-1) (from Ch. 43, par. 115)

22 Sec. 5-1. Licenses issued by the Illinois Liquor Control
23 Commission shall be of the following classes:

24 (a) Manufacturer's license - Class 1. Distiller, Class 2.
25 Rectifier, Class 3. Brewer, Class 4. First Class Wine

1 Manufacturer, Class 5. Second Class Wine Manufacturer, Class 6.
2 First Class Winemaker, Class 7. Second Class Winemaker, Class
3 8. Limited Wine Manufacturer, Class 9. Craft Distiller, Class
4 10. Class 1 Brewer, Class 11. Class 2 Brewer,

5 (b) Distributor's license,

6 (c) Importing Distributor's license,

7 (d) Retailer's license,

8 (e) Special Event Retailer's license (not-for-profit),

9 (f) Railroad license,

10 (g) Boat license,

11 (h) Non-Beverage User's license,

12 (i) Wine-maker's premises license,

13 (j) Airplane license,

14 (k) Foreign importer's license,

15 (l) Broker's license,

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

17 (n) Brew Pub license,

18 (o) Auction liquor license,

19 (p) Caterer retailer license,

20 (q) Special use permit license,

21 (r) Winery shipper's license,

22 (s) Craft distiller premises ~~tasting~~ permit,

23 (t) Brewer warehouse permit, ~~u~~

24 (u) Craft distiller warehouse permit.

25 No person, firm, partnership, corporation, or other legal
26 business entity that is engaged in the manufacturing of wine

1 may concurrently obtain and hold a wine-maker's license and a
2 wine manufacturer's license.

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

7 Class 1. A Distiller may make sales and deliveries of
8 alcoholic liquor to distillers, rectifiers, importing
9 distributors, distributors and non-beverage users and to no
10 other licensees.

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

15 Class 3. A Brewer may make sales and deliveries of beer to
16 importing distributors and distributors and may make sales as
17 authorized under subsection (e) of Section 6-4 of this Act.

18 Class 4. A first class wine-manufacturer may make sales and
19 deliveries of up to 50,000 gallons of wine to manufacturers,
20 importing distributors and distributors, and to no other
21 licensees.

22 Class 5. A second class Wine manufacturer may make sales
23 and deliveries of more than 50,000 gallons of wine to
24 manufacturers, importing distributors and distributors and to
25 no other licensees.

26 Class 6. A first-class wine-maker's license shall allow the

1 manufacture of up to 50,000 gallons of wine per year, and the
2 storage and sale of such wine to distributors in the State and
3 to persons without the State, as may be permitted by law. A
4 person who, prior to June 1, 2008 (the effective date of Public
5 Act 95-634), is a holder of a first-class wine-maker's license
6 and annually produces more than 25,000 gallons of its own wine
7 and who distributes its wine to licensed retailers shall cease
8 this practice on or before July 1, 2008 in compliance with
9 Public Act 95-634.

10 Class 7. A second-class wine-maker's license shall allow
11 the manufacture of between 50,000 and 150,000 gallons of wine
12 per year, and the storage and sale of such wine to distributors
13 in this State and to persons without the State, as may be
14 permitted by law. A person who, prior to June 1, 2008 (the
15 effective date of Public Act 95-634), is a holder of a
16 second-class wine-maker's license and annually produces more
17 than 25,000 gallons of its own wine and who distributes its
18 wine to licensed retailers shall cease this practice on or
19 before July 1, 2008 in compliance with Public Act 95-634.

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

24 Class 9. A craft distiller license shall allow the
25 manufacture of up to 100,000 gallons of spirits by distillation
26 per year and the storage of such spirits. If a craft distiller

1 licensee, including a craft distiller licensee who holds more
2 than one craft distiller license, is not affiliated with any
3 other manufacturer of spirits, then the craft distiller
4 licensee may sell such spirits to distributors in this State
5 and up to 10,000 ~~2,500~~ gallons of such spirits to non-licensees
6 to the extent permitted by any exemption approved by the
7 Commission pursuant to Section 6-4 of this Act. A craft
8 distiller license holder may store such spirits at a
9 non-contiguous licensed location, but at no time shall a craft
10 distiller license holder directly or indirectly produce in the
11 aggregate more than 100,000 gallons of spirits per year.

12 A craft distiller licensee may hold more than one craft
13 distiller's license. However, a craft distiller that holds more
14 than one craft distiller license shall not manufacture, in the
15 aggregate, more than 100,000 gallons of spirits by distillation
16 per year and shall not sell, in the aggregate, more than 10,000
17 ~~2,500~~ gallons of such spirits to non-licensees in accordance
18 with an exemption approved by the State Commission pursuant to
19 Section 6-4 of this Act.

20 Any craft distiller licensed under this Act who on July 28,
21 2010 (the effective date of Public Act 96-1367) was licensed as
22 a distiller and manufactured no more spirits than permitted by
23 this Section shall not be required to pay the initial licensing
24 fee.

25 Class 10. A class 1 brewer license, which may only be
26 issued to a licensed brewer or licensed non-resident dealer,

1 shall allow the manufacture of up to 930,000 gallons of beer
2 per year provided that the class 1 brewer licensee does not
3 manufacture more than a combined 930,000 gallons of beer per
4 year and is not a member of or affiliated with, directly or
5 indirectly, a manufacturer that produces more than 930,000
6 gallons of beer per year or any other alcoholic liquor. A class
7 1 brewer licensee may make sales and deliveries to importing
8 distributors and distributors and to retail licensees in
9 accordance with the conditions set forth in paragraph (18) of
10 subsection (a) of Section 3-12 of this Act. If the State
11 Commission provides prior approval, a class 1 brewer may
12 annually transfer up to 930,000 gallons of beer manufactured by
13 that class 1 brewer to the premises of a licensed class 1
14 brewer wholly owned and operated by the same licensee.

15 Class 11. A class 2 brewer license, which may only be
16 issued to a licensed brewer or licensed non-resident dealer,
17 shall allow the manufacture of up to 3,720,000 gallons of beer
18 per year provided that the class 2 brewer licensee does not
19 manufacture more than a combined 3,720,000 gallons of beer per
20 year and is not a member of or affiliated with, directly or
21 indirectly, a manufacturer that produces more than 3,720,000
22 gallons of beer per year or any other alcoholic liquor. A class
23 2 brewer licensee may make sales and deliveries to importing
24 distributors and distributors, but shall not make sales or
25 deliveries to any other licensee. If the State Commission
26 provides prior approval, a class 2 brewer licensee may annually

1 transfer up to 3,720,000 gallons of beer manufactured by that
2 class 2 brewer licensee to the premises of a licensed class 2
3 brewer wholly owned and operated by the same licensee.

4 A class 2 brewer may transfer beer to a brew pub wholly
5 owned and operated by the class 2 brewer subject to the
6 following limitations and restrictions: (i) the transfer shall
7 not annually exceed more than 31,000 gallons; (ii) the annual
8 amount transferred shall reduce the brew pub's annual permitted
9 production limit; (iii) all beer transferred shall be subject
10 to Article VIII of this Act; (iv) a written record shall be
11 maintained by the brewer and brew pub specifying the amount,
12 date of delivery, and receipt of the product by the brew pub;
13 and (v) the brew pub shall be located no farther than 80 miles
14 from the class 2 brewer's licensed location.

15 A class 2 brewer shall, prior to transferring beer to a
16 brew pub wholly owned by the class 2 brewer, furnish a written
17 notice to the State Commission of intent to transfer beer
18 setting forth the name and address of the brew pub and shall
19 annually submit to the State Commission a verified report
20 identifying the total gallons of beer transferred to the brew
21 pub wholly owned by the class 2 brewer.

22 (a-1) A manufacturer which is licensed in this State to
23 make sales or deliveries of alcoholic liquor to licensed
24 distributors or importing distributors and which enlists
25 agents, representatives, or individuals acting on its behalf
26 who contact licensed retailers on a regular and continual basis

1 in this State must register those agents, representatives, or
2 persons acting on its behalf with the State Commission.

3 Registration of agents, representatives, or persons acting
4 on behalf of a manufacturer is fulfilled by submitting a form
5 to the Commission. The form shall be developed by the
6 Commission and shall include the name and address of the
7 applicant, the name and address of the manufacturer he or she
8 represents, the territory or areas assigned to sell to or
9 discuss pricing terms of alcoholic liquor, and any other
10 questions deemed appropriate and necessary. All statements in
11 the forms required to be made by law or by rule shall be deemed
12 material, and any person who knowingly misstates any material
13 fact under oath in an application is guilty of a Class B
14 misdemeanor. Fraud, misrepresentation, false statements,
15 misleading statements, evasions, or suppression of material
16 facts in the securing of a registration are grounds for
17 suspension or revocation of the registration. The State
18 Commission shall post a list of registered agents on the
19 Commission's website.

20 (b) A distributor's license shall allow the wholesale
21 purchase and storage of alcoholic liquors and sale of alcoholic
22 liquors to licensees in this State and to persons without the
23 State, as may be permitted by law, and the sale of beer, cider,
24 or both beer and cider to brewers, class 1 brewers, and class 2
25 brewers that, pursuant to subsection (e) of Section 6-4 of this
26 Act, sell beer, cider, or both beer and cider to non-licensees

1 at their breweries. No person licensed as a distributor shall
2 be granted a non-resident dealer's license.

3 (c) An importing distributor's license may be issued to and
4 held by those only who are duly licensed distributors, upon the
5 filing of an application by a duly licensed distributor, with
6 the Commission and the Commission shall, without the payment of
7 any fee, immediately issue such importing distributor's
8 license to the applicant, which shall allow the importation of
9 alcoholic liquor by the licensee into this State from any point
10 in the United States outside this State, and the purchase of
11 alcoholic liquor in barrels, casks or other bulk containers and
12 the bottling of such alcoholic liquors before resale thereof,
13 but all bottles or containers so filled shall be sealed,
14 labeled, stamped and otherwise made to comply with all
15 provisions, rules and regulations governing manufacturers in
16 the preparation and bottling of alcoholic liquors. The
17 importing distributor's license shall permit such licensee to
18 purchase alcoholic liquor from Illinois licensed non-resident
19 dealers and foreign importers only. No person licensed as an
20 importing distributor shall be granted a non-resident dealer's
21 license.

22 (d) A retailer's license shall allow the licensee to sell
23 and offer for sale at retail, only in the premises specified in
24 the license, alcoholic liquor for use or consumption, but not
25 for resale in any form. Nothing in Public Act 95-634 shall
26 deny, limit, remove, or restrict the ability of a holder of a

1 retailer's license to transfer, deliver, or ship alcoholic
2 liquor to the purchaser for use or consumption subject to any
3 applicable local law or ordinance. Any retail license issued to
4 a manufacturer shall only permit the manufacturer to sell beer
5 at retail on the premises actually occupied by the
6 manufacturer. For the purpose of further describing the type of
7 business conducted at a retail licensed premises, a retailer's
8 licensee may be designated by the State Commission as (i) an on
9 premise consumption retailer, (ii) an off premise sale
10 retailer, or (iii) a combined on premise consumption and off
11 premise sale retailer.

12 Notwithstanding any other provision of this subsection
13 (d), a retail licensee may sell alcoholic liquors to a special
14 event retailer licensee for resale to the extent permitted
15 under subsection (e).

16 (e) A special event retailer's license (not-for-profit)
17 shall permit the licensee to purchase alcoholic liquors from an
18 Illinois licensed distributor (unless the licensee purchases
19 less than \$500 of alcoholic liquors for the special event, in
20 which case the licensee may purchase the alcoholic liquors from
21 a licensed retailer) and shall allow the licensee to sell and
22 offer for sale, at retail, alcoholic liquors for use or
23 consumption, but not for resale in any form and only at the
24 location and on the specific dates designated for the special
25 event in the license. An applicant for a special event retailer
26 license must (i) furnish with the application: (A) a resale

1 number issued under Section 2c of the Retailers' Occupation Tax
2 Act or evidence that the applicant is registered under Section
3 2a of the Retailers' Occupation Tax Act, (B) a current, valid
4 exemption identification number issued under Section 1g of the
5 Retailers' Occupation Tax Act, and a certification to the
6 Commission that the purchase of alcoholic liquors will be a
7 tax-exempt purchase, or (C) a statement that the applicant is
8 not registered under Section 2a of the Retailers' Occupation
9 Tax Act, does not hold a resale number under Section 2c of the
10 Retailers' Occupation Tax Act, and does not hold an exemption
11 number under Section 1g of the Retailers' Occupation Tax Act,
12 in which event the Commission shall set forth on the special
13 event retailer's license a statement to that effect; (ii)
14 submit with the application proof satisfactory to the State
15 Commission that the applicant will provide dram shop liability
16 insurance in the maximum limits; and (iii) show proof
17 satisfactory to the State Commission that the applicant has
18 obtained local authority approval.

19 Nothing in this Act prohibits an Illinois licensed
20 distributor from offering credit or a refund for unused,
21 salable alcoholic liquors to a holder of a special event
22 retailer's license or ~~from~~ the special event retailer's
23 licensee from accepting the credit or refund of alcoholic
24 liquors at the conclusion of the event specified in the
25 license.

26 (f) A railroad license shall permit the licensee to import

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

21 (g) A boat license shall allow the sale of alcoholic liquor
22 in individual drinks, on any passenger boat regularly operated
23 as a common carrier on navigable waters in this State or on any
24 riverboat operated under the Riverboat Gambling Act, which boat
25 or riverboat maintains a public dining room or restaurant
26 thereon.

1 (h) A non-beverage user's license shall allow the licensee
 2 to purchase alcoholic liquor from a licensed manufacturer or
 3 importing distributor, without the imposition of any tax upon
 4 the business of such licensed manufacturer or importing
 5 distributor as to such alcoholic liquor to be used by such
 6 licensee solely for the non-beverage purposes set forth in
 7 subsection (a) of Section 8-1 of this Act, and such licenses
 8 shall be divided and classified and shall permit the purchase,
 9 possession and use of limited and stated quantities of
 10 alcoholic liquor as follows:

- 11 Class 1, not to exceed 500 gallons
- 12 Class 2, not to exceed 1,000 gallons
- 13 Class 3, not to exceed 5,000 gallons
- 14 Class 4, not to exceed 10,000 gallons
- 15 Class 5, not to exceed 50,000 gallons

16 (i) A wine-maker's premises license shall allow a licensee
 17 that concurrently holds a first-class wine-maker's license to
 18 sell and offer for sale at retail in the premises specified in
 19 such license not more than 50,000 gallons of the first-class
 20 wine-maker's wine that is made at the first-class wine-maker's
 21 licensed premises per year for use or consumption, but not for
 22 resale in any form. A wine-maker's premises license shall allow
 23 a licensee who concurrently holds a second-class wine-maker's
 24 license to sell and offer for sale at retail in the premises
 25 specified in such license up to 100,000 gallons of the
 26 second-class wine-maker's wine that is made at the second-class

1 wine-maker's licensed premises per year for use or consumption
2 but not for resale in any form. A wine-maker's premises license
3 shall allow a licensee that concurrently holds a first-class
4 wine-maker's license or a second-class wine-maker's license to
5 sell and offer for sale at retail at the premises specified in
6 the wine-maker's premises license, for use or consumption but
7 not for resale in any form, any beer, wine, and spirits
8 purchased from a licensed distributor. Upon approval from the
9 State Commission, a wine-maker's premises license shall allow
10 the licensee to sell and offer for sale at (i) the wine-maker's
11 licensed premises and (ii) at up to 2 additional locations for
12 use and consumption and not for resale. Each location shall
13 require additional licensing per location as specified in
14 Section 5-3 of this Act. A wine-maker's premises licensee shall
15 secure liquor liability insurance coverage in an amount at
16 least equal to the maximum liability amounts set forth in
17 subsection (a) of Section 6-21 of this Act.

18 (j) An airplane license shall permit the licensee to import
19 alcoholic liquors into this State from any point in the United
20 States outside this State and to store such alcoholic liquors
21 in this State; to make wholesale purchases of alcoholic liquors
22 directly from manufacturers, foreign importers, distributors
23 and importing distributors from within or outside this State;
24 and to store such alcoholic liquors in this State; provided
25 that the above powers may be exercised only in connection with
26 the importation, purchase or storage of alcoholic liquors to be

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

12 (k) A foreign importer's license shall permit such licensee
13 to purchase alcoholic liquor from Illinois licensed
14 non-resident dealers only, and to import alcoholic liquor other
15 than in bulk from any point outside the United States and to
16 sell such alcoholic liquor to Illinois licensed importing
17 distributors and to no one else in Illinois; provided that (i)
18 the foreign importer registers with the State Commission every
19 brand of alcoholic liquor that it proposes to sell to Illinois
20 licensees during the license period, (ii) the foreign importer
21 complies with all of the provisions of Section 6-9 of this Act
22 with respect to registration of such Illinois licensees as may
23 be granted the right to sell such brands at wholesale, and
24 (iii) the foreign importer complies with the provisions of
25 Sections 6-5 and 6-6 of this Act to the same extent that these
26 provisions apply to manufacturers.

1 (1) (i) A broker's license shall be required of all persons
2 who solicit orders for, offer to sell or offer to supply
3 alcoholic liquor to retailers in the State of Illinois, or who
4 offer to retailers to ship or cause to be shipped or to make
5 contact with distillers, rectifiers, brewers or manufacturers
6 or any other party within or without the State of Illinois in
7 order that alcoholic liquors be shipped to a distributor,
8 importing distributor or foreign importer, whether such
9 solicitation or offer is consummated within or without the
10 State of Illinois.

11 No holder of a retailer's license issued by the Illinois
12 Liquor Control Commission shall purchase or receive any
13 alcoholic liquor, the order for which was solicited or offered
14 for sale to such retailer by a broker unless the broker is the
15 holder of a valid broker's license.

16 The broker shall, upon the acceptance by a retailer of the
17 broker's solicitation of an order or offer to sell or supply or
18 deliver or have delivered alcoholic liquors, promptly forward
19 to the Illinois Liquor Control Commission a notification of
20 said transaction in such form as the Commission may by
21 regulations prescribe.

22 (ii) A broker's license shall be required of a person
23 within this State, other than a retail licensee, who, for a fee
24 or commission, promotes, solicits, or accepts orders for
25 alcoholic liquor, for use or consumption and not for resale, to
26 be shipped from this State and delivered to residents outside

1 of this State by an express company, common carrier, or
2 contract carrier. This Section does not apply to any person who
3 promotes, solicits, or accepts orders for wine as specifically
4 authorized in Section 6-29 of this Act.

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

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

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

18 (m) A non-resident dealer's license shall permit such
19 licensee to ship into and warehouse alcoholic liquor into this
20 State from any point outside of this State, and to sell such
21 alcoholic liquor to Illinois licensed foreign importers and
22 importing distributors and to no one else in this State;
23 provided that (i) said non-resident dealer shall register with
24 the Illinois Liquor Control Commission each and every brand of
25 alcoholic liquor which it proposes to sell to Illinois
26 licensees during the license period, (ii) it shall comply with

1 all of the provisions of Section 6-9 hereof with respect to
2 registration of such Illinois licensees as may be granted the
3 right to sell such brands at wholesale by duly filing such
4 registration statement, thereby authorizing the non-resident
5 dealer to proceed to sell such brands at wholesale, and (iii)
6 the non-resident dealer shall comply with the provisions of
7 Sections 6-5 and 6-6 of this Act to the same extent that these
8 provisions apply to manufacturers. No person licensed as a
9 non-resident dealer shall be granted a distributor's or
10 importing distributor's license.

11 (n) A brew pub license shall allow the licensee to only (i)
12 manufacture up to 155,000 gallons of beer per year only on the
13 premises specified in the license, (ii) make sales of the beer
14 manufactured on the premises or, with the approval of the
15 Commission, beer manufactured on another brew pub licensed
16 premises that is wholly owned and operated by the same licensee
17 to importing distributors, distributors, and to non-licensees
18 for use and consumption, (iii) store the beer upon the
19 premises, (iv) sell and offer for sale at retail from the
20 licensed premises for off-premises consumption no more than
21 155,000 gallons per year so long as such sales are only made
22 in-person, (v) sell and offer for sale at retail for use and
23 consumption on the premises specified in the license any form
24 of alcoholic liquor purchased from a licensed distributor or
25 importing distributor, and (vi) with the prior approval of the
26 Commission, annually transfer no more than 155,000 gallons of

1 beer manufactured on the premises to a licensed brew pub wholly
2 owned and operated by the same licensee.

3 A brew pub licensee shall not under any circumstance sell
4 or offer for sale beer manufactured by the brew pub licensee to
5 retail licensees.

6 A person who holds a class 2 brewer license may
7 simultaneously hold a brew pub license if the class 2 brewer
8 (i) does not, under any circumstance, sell or offer for sale
9 beer manufactured by the class 2 brewer to retail licensees;
10 (ii) does not hold more than 3 brew pub licenses in this State;
11 (iii) does not manufacture more than a combined 3,720,000
12 gallons of beer per year, including the beer manufactured at
13 the brew pub; and (iv) is not a member of or affiliated with,
14 directly or indirectly, a manufacturer that produces more than
15 3,720,000 gallons of beer per year or any other alcoholic
16 liquor.

17 Notwithstanding any other provision of this Act, a licensed
18 brewer, class 2 brewer, or non-resident dealer who before July
19 1, 2015 manufactured less than 3,720,000 gallons of beer per
20 year and held a brew pub license on or before July 1, 2015 may
21 (i) continue to qualify for and hold that brew pub license for
22 the licensed premises and (ii) manufacture more than 3,720,000
23 gallons of beer per year and continue to qualify for and hold
24 that brew pub license if that brewer, class 2 brewer, or
25 non-resident dealer does not simultaneously hold a class 1
26 brewer license and is not a member of or affiliated with,

1 directly or indirectly, a manufacturer that produces more than
2 3,720,000 gallons of beer per year or that produces any other
3 alcoholic liquor.

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

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

17 (q) A special use permit license shall allow an Illinois
18 licensed retailer to transfer a portion of its alcoholic liquor
19 inventory from its retail licensed premises to the premises
20 specified in the license hereby created, and to sell or offer
21 for sale at retail, only in the premises specified in the
22 license hereby created, the transferred alcoholic liquor for
23 use or consumption, but not for resale in any form. A special
24 use permit license may be granted for the following time
25 periods: one day or less; 2 or more days to a maximum of 15 days
26 per location in any 12-month period. An applicant for the

1 special use permit license must also submit with the
2 application proof satisfactory to the State Commission that the
3 applicant will provide dram shop liability insurance to the
4 maximum limits and have local authority approval.

5 (r) A winery shipper's license shall allow a person with a
6 first-class or second-class wine manufacturer's license, a
7 first-class or second-class wine-maker's license, or a limited
8 wine manufacturer's license or who is licensed to make wine
9 under the laws of another state to ship wine made by that
10 licensee directly to a resident of this State who is 21 years
11 of age or older for that resident's personal use and not for
12 resale. Prior to receiving a winery shipper's license, an
13 applicant for the license must provide the Commission with a
14 true copy of its current license in any state in which it is
15 licensed as a manufacturer of wine. An applicant for a winery
16 shipper's license must also complete an application form that
17 provides any other information the Commission deems necessary.
18 The application form shall include all addresses from which the
19 applicant for a winery shipper's license intends to ship wine,
20 including the name and address of any third party, except for a
21 common carrier, authorized to ship wine on behalf of the
22 manufacturer. The application form shall include an
23 acknowledgement consenting to the jurisdiction of the
24 Commission, the Illinois Department of Revenue, and the courts
25 of this State concerning the enforcement of this Act and any
26 related laws, rules, and regulations, including authorizing

1 the Department of Revenue and the Commission to conduct audits
2 for the purpose of ensuring compliance with Public Act 95-634,
3 and an acknowledgement that the wine manufacturer is in
4 compliance with Section 6-2 of this Act. Any third party,
5 except for a common carrier, authorized to ship wine on behalf
6 of a first-class or second-class wine manufacturer's licensee,
7 a first-class or second-class wine-maker's licensee, a limited
8 wine manufacturer's licensee, or a person who is licensed to
9 make wine under the laws of another state shall also be
10 disclosed by the winery shipper's licensee, and a copy of the
11 written appointment of the third-party wine provider, except
12 for a common carrier, to the wine manufacturer shall be filed
13 with the State Commission as a supplement to the winery
14 shipper's license application or any renewal thereof. The
15 winery shipper's license holder shall affirm under penalty of
16 perjury, as part of the winery shipper's license application or
17 renewal, that he or she only ships wine, either directly or
18 indirectly through a third-party provider, from the licensee's
19 own production.

20 Except for a common carrier, a third-party provider
21 shipping wine on behalf of a winery shipper's license holder is
22 the agent of the winery shipper's license holder and, as such,
23 a winery shipper's license holder is responsible for the acts
24 and omissions of the third-party provider acting on behalf of
25 the license holder. A third-party provider, except for a common
26 carrier, that engages in shipping wine into Illinois on behalf

1 of a winery shipper's license holder shall consent to the
2 jurisdiction of the State Commission and the State. Any
3 third-party, except for a common carrier, holding such an
4 appointment shall, by February 1 of each calendar year and upon
5 request by the State Commission or the Department of Revenue,
6 file with the State Commission a statement detailing each
7 shipment made to an Illinois resident. The statement shall
8 include the name and address of the third-party provider filing
9 the statement, the time period covered by the statement, and
10 the following information:

- 11 (1) the name, address, and license number of the winery
12 shipper on whose behalf the shipment was made;
- 13 (2) the quantity of the products delivered; and
- 14 (3) the date and address of the shipment.

15 If the Department of Revenue or the State Commission requests a
16 statement under this paragraph, the third-party provider must
17 provide that statement no later than 30 days after the request
18 is made. Any books, records, supporting papers, and documents
19 containing information and data relating to a statement under
20 this paragraph shall be kept and preserved for a period of 3
21 years, unless their destruction sooner is authorized, in
22 writing, by the Director of Revenue, and shall be open and
23 available to inspection by the Director of Revenue or the State
24 Commission or any duly authorized officer, agent, or employee
25 of the State Commission or the Department of Revenue, at all
26 times during business hours of the day. Any person who violates

1 any provision of this paragraph or any rule of the State
2 Commission for the administration and enforcement of the
3 provisions of this paragraph is guilty of a Class C
4 misdemeanor. In case of a continuing violation, each day's
5 continuance thereof shall be a separate and distinct offense.

6 The State Commission shall adopt rules as soon as
7 practicable to implement the requirements of Public Act 99-904
8 and shall adopt rules prohibiting any such third-party
9 appointment of a third-party provider, except for a common
10 carrier, that has been deemed by the State Commission to have
11 violated the provisions of this Act with regard to any winery
12 shipper licensee.

13 A winery shipper licensee must pay to the Department of
14 Revenue the State liquor gallonage tax under Section 8-1 for
15 all wine that is sold by the licensee and shipped to a person
16 in this State. For the purposes of Section 8-1, a winery
17 shipper licensee shall be taxed in the same manner as a
18 manufacturer of wine. A licensee who is not otherwise required
19 to register under the Retailers' Occupation Tax Act must
20 register under the Use Tax Act to collect and remit use tax to
21 the Department of Revenue for all gallons of wine that are sold
22 by the licensee and shipped to persons in this State. If a
23 licensee fails to remit the tax imposed under this Act in
24 accordance with the provisions of Article VIII of this Act, the
25 winery shipper's license shall be revoked in accordance with
26 the provisions of Article VII of this Act. If a licensee fails

1 to properly register and remit tax under the Use Tax Act or the
2 Retailers' Occupation Tax Act for all wine that is sold by the
3 winery shipper and shipped to persons in this State, the winery
4 shipper's license shall be revoked in accordance with the
5 provisions of Article VII of this Act.

6 A winery shipper licensee must collect, maintain, and
7 submit to the Commission on a semi-annual basis the total
8 number of cases per resident of wine shipped to residents of
9 this State. A winery shipper licensed under this subsection (r)
10 must comply with the requirements of Section 6-29 of this Act.

11 Pursuant to paragraph (5.1) or (5.3) of subsection (a) of
12 Section 3-12, the State Commission may receive, respond to, and
13 investigate any complaint and impose any of the remedies
14 specified in paragraph (1) of subsection (a) of Section 3-12.

15 As used in this subsection, "third-party provider" means
16 any entity that provides fulfillment house services, including
17 warehousing, packaging, distribution, order processing, or
18 shipment of wine, but not the sale of wine, on behalf of a
19 licensed winery shipper.

20 (s) A craft distiller premises ~~tasting~~ permit license shall
21 allow an Illinois licensed craft distiller (i) to transfer a
22 portion of its alcoholic liquor inventory from its craft
23 distiller licensed premises to the premises specified in the
24 license hereby created, (ii) to sell and offer for sale at
25 retail, but not for resale in any form, up to 10,000 gallons of
26 the transferred alcoholic liquor to the extent permitted by any

1 exemption approved by the State Commission pursuant to Section
2 6-4, and (iii) to sell and offer for sale at retail for use and
3 consumption on the premises specified in the license any form
4 of alcoholic liquor purchased from a licensed distributor or
5 importing distributor. Upon approval from the State
6 Commission, a craft distiller premises permit license shall
7 allow the licensee to sell and offer for sale at (i) the craft
8 distiller's licensed premises and (ii) at up to 2 additional
9 locations for use and consumption on the premises and not for
10 resale and to conduct a sampling, only in the premises
11 specified in the license hereby created, of the transferred
12 alcoholic liquor in accordance with subsection (c) of Section
13 6-31 of this Act. Each location shall require additional
14 licensing per location as specified in Section 5-3 of this Act.
15 ~~The transferred alcoholic liquor may not be sold or resold in~~
16 ~~any form.~~ An applicant for the craft distiller premises ~~tasting~~
17 permit license must also submit with the application proof
18 satisfactory to the State Commission that the applicant will
19 provide dram shop liability insurance to the maximum limits and
20 have local authority approval.

21 (t) A brewer warehouse permit may be issued to the holder
22 of a class 1 brewer license or a class 2 brewer license. If the
23 holder of the permit is a class 1 brewer licensee, the brewer
24 warehouse permit shall allow the holder to store or warehouse
25 up to 930,000 gallons of tax-determined beer manufactured by
26 the holder of the permit at the premises specified on the

1 permit. If the holder of the permit is a class 2 brewer
2 licensee, the brewer warehouse permit shall allow the holder to
3 store or warehouse up to 3,720,000 gallons of tax-determined
4 beer manufactured by the holder of the permit at the premises
5 specified on the permit. Sales to non-licensees are prohibited
6 at the premises specified in the brewer warehouse permit.

7 (u) A craft distiller warehouse permit may be issued to the
8 holder of a craft distiller tasting premises license. The craft
9 distiller warehouse permit shall allow the holder to store or
10 warehouse up to 500,000 gallons of spirits manufactured by the
11 holder of the permit at the premises specified on the permit.
12 Sales to non-licensees are prohibited at the premises specified
13 in the brewer warehouse permit.

14 (Source: P.A. 99-448, eff. 8-24-15; 99-642, eff. 7-28-16;
15 99-800, eff. 8-12-16; 99-902, eff. 8-26-16; 99-904, eff.
16 1-1-17; 100-17, eff. 6-30-17; 100-201, eff. 8-18-17; 100-816,
17 eff. 8-13-18; 100-885, eff. 8-14-18; 100-1050, eff. 8-23-18;
18 revised 10-2-18.)

19 (235 ILCS 5/5-3) (from Ch. 43, par. 118)

20 Sec. 5-3. License fees. Except as otherwise provided
21 herein, at the time application is made to the State Commission
22 for a license of any class, the applicant shall pay to the
23 State Commission the fee hereinafter provided for the kind of
24 license applied for.

25 The fee for licenses issued by the State Commission shall

1 be as follows:

2		Online	Initial
3		renewal	license
4			or
5			non-online
6			renewal

7 For a manufacturer's license:

8	Class 1. Distiller	\$4,000	\$5,000
9	Class 2. Rectifier	4,000	5,000
10	Class 3. Brewer	1,200	1,500
11	Class 4. First-class Wine		
12	Manufacturer	750	900
13	Class 5. Second-class		
14	Wine Manufacturer.....	1,500	1,750
15	Class 6. First-class wine-maker	750	900
16	Class 7. Second-class wine-maker ..	1,500	1,750
17	Class 8. Limited Wine		
18	Manufacturer	250	350
19	Class 9. Craft Distiller	2,000	2,500
20	Class 10. Class 1 Brewer	50	75
21	Class 11. Class 2 Brewer	75	100
22	For a Brew Pub License	1,200	1,500
23	For a caterer retailer's license ..	350	500
24	For a foreign importer's license ..	25	25
25	For an importing distributor's		
26	license.....	25	25

1	For a distributor's license		
2	(11,250,000 gallons		
3	or over)	1,450	2,200
4	For a distributor's license		
5	(over 4,500,000 gallons, but		
6	under 11,250,000 gallons)	950	1,450
7	For a distributor's license		
8	(4,500,000 gallons or under) ..	300	450
9	For a non-resident dealer's license		
10	(500,000 gallons or over)	1,200	1,500
11	For a non-resident dealer's license		
12	(under 500,000 gallons)	250	350
13	For a wine-maker's premises		
14	license.....	250	500
15	For a winery shipper's license		
16	(under 250,000 gallons)	200	350
17	For a winery shipper's license		
18	(250,000 or over, but		
19	under 500,000 gallons)	750	1,000
20	For a winery shipper's license		
21	(500,000 gallons or over)	1,200	1,500
22	For a wine-maker's premises license,		
23	second location.....	500	1,000
24	For a wine-maker's premises license,		
25	third location	500	1,000
26	For a retailer's license	600	750

1	For a special event retailer's		
2	license, (not-for-profit).....	25	25
3	For a special use permit license,		
4	one day only	100	150
5	2 days or more	150	250
6	For a railroad license	100	150
7	For a boat license	500	1,000
8	For an airplane license, times the		
9	licensee's maximum number of		
10	aircraft in flight, serving		
11	liquor over the State at any		
12	given time, which either		
13	originate, terminate, or make		
14	an intermediate stop in		
15	the State.....	100	150
16	For a non-beverage user's license:		
17	Class 1	24	24
18	Class 2	60	60
19	Class 3	120	120
20	Class 4	240	240
21	Class 5	600	600
22	For a broker's license	750	1,000
23	For an auction liquor license	100	150
24	For a homebrewer special		
25	event permit	25	25
26	For a craft distiller		

1	<u>premises tasting permit</u>	25	25
2	<u>For a craft distiller</u>		
3	<u>distiller premises permit,</u>		
4	<u>second location</u>	<u>500</u>	<u>1,000</u>
5	<u>For a craft distiller</u>		
6	<u>distiller premises permit,</u>		
7	<u>third location</u>	<u>500</u>	<u>1,000</u>
8	For a BASSET trainer license	300	350
9	For a tasting representative		
10	license	200	300
11	For a brewer warehouse permit	25	25
12	<u>For a craft distiller</u>		
13	<u>warehouse permit</u>	<u>25</u>	<u>25</u>

14 Fees collected under this Section shall be paid into the
 15 Dram Shop Fund. On and after July 1, 2003 and until June 30,
 16 2016, of the funds received for a retailer's license, in
 17 addition to the first \$175, an additional \$75 shall be paid
 18 into the Dram Shop Fund, and \$250 shall be paid into the
 19 General Revenue Fund. On and after June 30, 2016, one-half of
 20 the funds received for a retailer's license shall be paid into
 21 the Dram Shop Fund and one-half of the funds received for a
 22 retailer's license shall be paid into the General Revenue Fund.
 23 Beginning June 30, 1990 and on June 30 of each subsequent year
 24 through June 29, 2003, any balance over \$5,000,000 remaining in
 25 the Dram Shop Fund shall be credited to State liquor licensees
 26 and applied against their fees for State liquor licenses for

1 the following year. The amount credited to each licensee shall
2 be a proportion of the balance in the Dram Fund that is the
3 same as the proportion of the license fee paid by the licensee
4 under this Section for the period in which the balance was
5 accumulated to the aggregate fees paid by all licensees during
6 that period.

7 No fee shall be paid for licenses issued by the State
8 Commission to the following non-beverage users:

9 (a) Hospitals, sanitariums, or clinics when their use
10 of alcoholic liquor is exclusively medicinal, mechanical
11 or scientific.

12 (b) Universities, colleges of learning or schools when
13 their use of alcoholic liquor is exclusively medicinal,
14 mechanical or scientific.

15 (c) Laboratories when their use is exclusively for the
16 purpose of scientific research.

17 (Source: P.A. 99-448, eff. 8-24-15; 99-902, eff. 8-26-16;
18 99-904, eff. 8-26-16; 100-201, eff. 8-18-17; 100-816, eff.
19 8-13-18.)

20 (235 ILCS 5/6-4) (from Ch. 43, par. 121)

21 Sec. 6-4. (a) No person licensed by any licensing authority
22 as a distiller, or a wine manufacturer, or any subsidiary or
23 affiliate thereof, or any officer, associate, member, partner,
24 representative, employee, agent or shareholder owning more
25 than 5% of the outstanding shares of such person shall be

1 issued an importing distributor's or distributor's license,
2 nor shall any person licensed by any licensing authority as an
3 importing distributor, distributor or retailer, or any
4 subsidiary or affiliate thereof, or any officer or associate,
5 member, partner, representative, employee, agent or
6 shareholder owning more than 5% of the outstanding shares of
7 such person be issued a distiller's license, a craft
8 distiller's license, or a wine manufacturer's license; and no
9 person or persons licensed as a distiller or craft distiller by
10 any licensing authority shall have any interest, directly or
11 indirectly, with such distributor or importing distributor.

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

21 (b) The foregoing provisions shall not apply to any person
22 licensed by any licensing authority as a distiller or wine
23 manufacturer, or to any subsidiary or affiliate of any
24 distiller or wine manufacturer who shall have been heretofore
25 licensed by the State Commission as either an importing
26 distributor or distributor during the annual licensing period

1 expiring June 30, 1947, and shall actually have made sales
2 regularly to retailers.

3 (c) Provided, however, that in such instances where a
4 distributor's or importing distributor's license has been
5 issued to any distiller or wine manufacturer or to any
6 subsidiary or affiliate of any distiller or wine manufacturer
7 who has, during the licensing period ending June 30, 1947, sold
8 or distributed as such licensed distributor or importing
9 distributor alcoholic liquors and wines to retailers, such
10 distiller or wine manufacturer or any subsidiary or affiliate
11 of any distiller or wine manufacturer holding such
12 distributor's or importing distributor's license may continue
13 to sell or distribute to retailers such alcoholic liquors and
14 wines which are manufactured, distilled, processed or marketed
15 by distillers and wine manufacturers whose products it sold or
16 distributed to retailers during the whole or any part of its
17 licensing periods; and such additional brands and additional
18 products may be added to the line of such distributor or
19 importing distributor, provided, that such brands and such
20 products were not sold or distributed by any distributor or
21 importing distributor licensed by the State Commission during
22 the licensing period ending June 30, 1947, but can not sell or
23 distribute to retailers any other alcoholic liquors or wines.

24 (d) It shall be unlawful for any distiller licensed
25 anywhere to have any stock ownership or interest in any
26 distributor's or importing distributor's license wherein any

1 other person has an interest therein who is not a distiller and
2 does not own more than 5% of any stock in any distillery.
3 Nothing herein contained shall apply to such distillers or
4 their subsidiaries or affiliates, who had a distributor's or
5 importing distributor's license during the licensing period
6 ending June 30, 1947, which license was owned in whole by such
7 distiller, or subsidiaries or affiliates of such distiller.

8 (e) Any person licensed as a brewer, class 1 brewer, or
9 class 2 brewer shall be permitted to sell on the licensed
10 premises to non-licensees for on or off-premises consumption
11 for the premises in which he or she actually conducts such
12 business: (i) beer manufactured by the brewer, class 1 brewer,
13 or class 2 brewer; (ii) beer manufactured by any other brewer,
14 class 1 brewer, or class 2 brewer; and (iii) cider. Such sales
15 shall be limited to on-premises, in-person sales only, for
16 lawful consumption on or off premises. Such authorization shall
17 be considered a privilege granted by the brewer license and,
18 other than a manufacturer of beer as stated above, no
19 manufacturer or distributor or importing distributor,
20 excluding airplane licensees exercising powers provided in
21 paragraph (i) of Section 5-1 of this Act, or any subsidiary or
22 affiliate thereof, or any officer, associate, member, partner,
23 representative, employee or agent, or shareholder shall be
24 issued a retailer's license, nor shall any person having a
25 retailer's license, excluding airplane licensees exercising
26 powers provided in paragraph (i) of Section 5-1 of this Act, or

1 any subsidiary or affiliate thereof, or any officer, associate,
2 member, partner, representative or agent, or shareholder be
3 issued a manufacturer's license or importing distributor's
4 license.

5 A manufacturer of beer that imports or transfers beer into
6 this State must comply with Sections 6-8 and 8-1 of this Act.

7 A person who holds a class 1 or class 2 brewer license and
8 is authorized by this Section to sell beer to non-licensees
9 shall not sell beer to non-licensees from more than 3 total
10 brewer or commonly owned brew pub licensed locations in this
11 State. The class 1 or class 2 brewer shall designate to the
12 State Commission the brewer or brew pub locations from which it
13 will sell beer to non-licensees.

14 A person licensed as a craft distiller, including a person
15 who holds more than one craft distiller license, not affiliated
16 with any other person manufacturing spirits may be authorized
17 by the Commission to sell up to 10,000 ~~2,500~~ gallons of spirits
18 produced by the person to non-licensees for on or off-premises
19 consumption for the premises in which he or she actually
20 conducts business permitting only the retail sale of spirits
21 manufactured at such premises. Such sales shall be limited to
22 on-premises, in-person sales only, for lawful consumption on or
23 off premises, and such authorization shall be considered a
24 privilege granted by the craft distiller license. A craft
25 distiller licensed for retail sale shall secure liquor
26 liability insurance coverage in an amount at least equal to the

1 maximum liability amounts set forth in subsection (a) of
2 Section 6-21 of this Act.

3 A craft distiller license holder shall not deliver any
4 alcoholic liquor to any non-licensee off the licensed premises.
5 A craft distiller shall affirm in its annual craft distiller's
6 license application that it does not produce more than 100,000
7 gallons of distilled spirits annually and that the craft
8 distiller does not sell more than 10,000 ~~2,500~~ gallons of
9 spirits to non-licensees for on or off-premises consumption. In
10 the application, which shall be sworn under penalty of perjury,
11 the craft distiller shall state the volume of production and
12 sales for each year since the craft distiller's establishment.

13 (f) (Blank).

14 (g) Notwithstanding any of the foregoing prohibitions, a
15 limited wine manufacturer may sell at retail at its
16 manufacturing site for on or off premises consumption and may
17 sell to distributors. A limited wine manufacturer licensee
18 shall secure liquor liability insurance coverage in an amount
19 at least equal to the maximum liability amounts set forth in
20 subsection (a) of Section 6-21 of this Act.

21 (h) The changes made to this Section by Public Act 99-47
22 shall not diminish or impair the rights of any person, whether
23 a distiller, wine manufacturer, agent, or affiliate thereof,
24 who requested in writing and submitted documentation to the
25 State Commission on or before February 18, 2015 to be approved
26 for a retail license pursuant to what has heretofore been

1 subsection (f); provided that, on or before that date, the
2 State Commission considered the intent of that person to apply
3 for the retail license under that subsection and, by recorded
4 vote, the State Commission approved a resolution indicating
5 that such a license application could be lawfully approved upon
6 that person duly filing a formal application for a retail
7 license and if that person, within 90 days of the State
8 Commission appearance and recorded vote, first filed an
9 application with the appropriate local commission, which
10 application was subsequently approved by the appropriate local
11 commission prior to consideration by the State Commission of
12 that person's application for a retail license. It is further
13 provided that the State Commission may approve the person's
14 application for a retail license or renewals of such license if
15 such person continues to diligently adhere to all
16 representations made in writing to the State Commission on or
17 before February 18, 2015, or thereafter, or in the affidavit
18 filed by that person with the State Commission to support the
19 issuance of a retail license and to abide by all applicable
20 laws and duly adopted rules.

21 (Source: P.A. 99-47, eff. 7-15-15; 99-448, eff. 8-24-15;
22 99-642, eff. 7-28-16; 99-902, eff. 8-26-16; 100-201, eff.
23 8-18-17; 100-816, eff. 8-13-18; 100-885, eff. 8-14-18; revised
24 10-24-18.)

1 Sec. 6-31. Product sampling.

2 (a) Retailer, distributor, importing distributor,
3 manufacturer and nonresident dealer licensees may conduct
4 product sampling for consumption at a licensed retail location.
5 Up to 3 samples, consisting of no more than (i) 1/4 ounce of
6 distilled spirits, (ii) one ounce of wine, or (iii) 2 ounces of
7 beer may be served to a consumer in one day.

8 (b) Notwithstanding the provisions of subsection (a), an
9 on-premises retail licensee may offer for sale and serve more
10 than one drink per person for sampling purposes. In any event,
11 all provisions of Section 6-28 shall apply to an on-premises
12 retail licensee that conducts product sampling.

13 (c) (Blank). ~~A craft distiller tasting permit licensee may~~
14 ~~conduct product sampling of distilled spirits for consumption~~
15 ~~at the location specified in the craft distiller tasting permit~~
16 ~~license. Up to 3 samples, consisting of no more than 1/4 ounce~~
17 ~~of distilled spirits, may be served to a consumer in one day.~~

18 (Source: P.A. 99-46, eff. 7-15-15; 99-902, eff. 8-26-16.)".