



Sen. Bill Cunningham

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10200HB2620sam002

LRB102 11692 BMS 27358 a

1 AMENDMENT TO HOUSE BILL 2620

2 AMENDMENT NO. _____. Amend House Bill 2620, AS AMENDED,
3 by replacing everything after the enacting clause with the
4 following:

5 "Section 5. The Liquor Control Act of 1934 is amended by
6 changing Sections 1-3.03, 3-12, 5-1, 5-3, 6-4, 6-5, and 6-9.1
7 and by adding Sections 1-3.43, 1-3.44, 6-6.1, 6-9.5, 6-9.10,
8 6-9.15, 6-17.5, 6-37, 6-38 and 8-10.5 as follows:

9 (235 ILCS 5/1-3.03) (from Ch. 43, par. 95.03)

10 Sec. 1-3.03. "Wine" means any alcoholic beverage obtained
11 by the fermentation of the natural contents of fruits, ~~or~~
12 vegetables, or honey, containing sugar, including mead and
13 such beverages when fortified by the addition of alcohol or
14 spirits, as above defined.

15 (Source: P.A. 82-783.)

1 (235 ILCS 5/1-3.43 new)

2 Sec. 1-3.43. Beer showcase permit license. "Beer showcase
3 permit" means a license for use by a class 3 brewer, or
4 distributor to allow for the transfer of beer only from an
5 existing licensed premises of a class 3 brewer or distributor
6 to a designated site for a specific event.

7 (235 ILCS 5/1-3.44 new)

8 Sec. 1-3.44. Class 3 brewer. "Class 3 brewer" means a
9 holder of a brewer's license or a non-resident dealer's
10 license who manufactures no more than 155,000 gallons at any
11 single brewery premises and no more than 465,000 gallons of
12 beer per year in the aggregate, and to make sales to importing
13 distributors, distributors, and retail licensees in accordance
14 with the conditions set forth in paragraph (20) of subsection
15 (a) of Section 3-12.

16 (235 ILCS 5/3-12)

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

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

20 (1) To receive applications and to issue licenses to
21 manufacturers, foreign importers, importing distributors,
22 distributors, non-resident dealers, on premise consumption
23 retailers, off premise sale retailers, special event
24 retailer licensees, special use permit licenses, auction

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

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

24 For the purpose of this paragraph (1), when
25 determining multiple violations for the sale of alcohol to
26 a person under the age of 21, a second or subsequent

1 violation for the sale of alcohol to a person under the age
2 of 21 shall only be considered if it was committed within 5
3 years after the date when a prior violation for the sale of
4 alcohol to a person under the age of 21 was committed.

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

21 Any notice issued by the State Commission to a
22 licensee for a violation of this Act or any notice with
23 respect to settlement or offer in compromise shall include
24 the field report, photographs, and any other supporting
25 documentation necessary to reasonably inform the licensee
26 of the nature and extent of the violation or the conduct

1 alleged to have occurred. The failure to include such
2 required documentation shall result in the dismissal of
3 the action.

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

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

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

21 (5) To inspect, or cause to be inspected, any premises
22 in this State where alcoholic liquors are manufactured,
23 distributed, warehoused, or sold. Nothing in this Act
24 authorizes an agent of the State Commission to inspect
25 private areas within the premises without reasonable
26 suspicion or a warrant during an inspection. "Private

1 areas" include, but are not limited to, safes, personal
2 property, and closed desks.

3 (5.1) Upon receipt of a complaint or upon having
4 knowledge that any person is engaged in business as a
5 manufacturer, importing distributor, distributor, or
6 retailer without a license or valid license, to conduct an
7 investigation. If, after conducting an investigation, the
8 State Commission is satisfied that the alleged conduct
9 occurred or is occurring, it may issue a cease and desist
10 notice as provided in this Act, impose civil penalties as
11 provided in this Act, notify the local liquor authority,
12 or file a complaint with the State's Attorney's Office of
13 the county where the incident occurred or the Attorney
14 General.

15 (5.2) Upon receipt of a complaint or upon having
16 knowledge that any person is shipping alcoholic liquor
17 into this State from a point outside of this State if the
18 shipment is in violation of this Act, to conduct an
19 investigation. If, after conducting an investigation, the
20 State Commission is satisfied that the alleged conduct
21 occurred or is occurring, it may issue a cease and desist
22 notice as provided in this Act, impose civil penalties as
23 provided in this Act, notify the foreign jurisdiction, or
24 file a complaint with the State's Attorney's Office of the
25 county where the incident occurred or the Attorney
26 General.

1 (5.3) To receive complaints from licensees, local
2 officials, law enforcement agencies, organizations, and
3 persons stating that any licensee has been or is violating
4 any provision of this Act or the rules and regulations
5 issued pursuant to this Act. Such complaints shall be in
6 writing, signed and sworn to by the person making the
7 complaint, and shall state with specificity the facts in
8 relation to the alleged violation. If the State Commission
9 has reasonable grounds to believe that the complaint
10 substantially alleges a violation of this Act or rules and
11 regulations adopted pursuant to this Act, it shall conduct
12 an investigation. If, after conducting an investigation,
13 the State Commission is satisfied that the alleged
14 violation did occur, it shall proceed with disciplinary
15 action against the licensee as provided in this Act.

16 (5.4) To make arrests and issue notices of civil
17 violations where necessary for the enforcement of this
18 Act.

19 (5.5) To investigate any and all unlicensed activity.

20 (5.6) To impose civil penalties or fines to any person
21 who, without holding a valid license, engages in conduct
22 that requires a license pursuant to this Act, in an amount
23 not to exceed \$20,000 for each offense as determined by
24 the State Commission. A civil penalty shall be assessed by
25 the State Commission after a hearing is held in accordance
26 with the provisions set forth in this Act regarding the

1 provision of a hearing for the revocation or suspension of
2 a license.

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

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

1 shall be available at all reasonable times for inspection
2 by authorized representatives of the State Commission or
3 by any local liquor control commissioner or his or her
4 authorized representative. The commission~~r~~ may, from time
5 to time, alter, amend~~l~~ or repeal, in whole or in part, any
6 uniform system of accounts, or the form and manner of
7 keeping accounts.

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

23 Any circuit court may~~l~~ by order duly entered, require
24 the attendance of witnesses and the production of relevant
25 books subpoenaed by the State Commission and the court may
26 compel obedience to its order by proceedings for contempt.

1 (9) To investigate the administration of laws in
2 relation to alcoholic liquors in this and other states and
3 any foreign countries, and to recommend from time to time
4 to the Governor and through him or her to the legislature
5 of this State, such amendments to this Act, if any, as it
6 may think desirable and as will serve to further the
7 general broad purposes contained in Section 1-2 hereof.

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

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

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

1 (12) To develop and maintain a repository of license
2 and regulatory information.

3 (13) (Blank).

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

12 (A) The amount of State excise and sales tax
13 revenues generated.

14 (B) The amount of licensing fees received.

15 (C) The number of cases of wine shipped from
16 inside and outside of this State directly to residents
17 of this State.

18 (D) The number of alcohol compliance operations
19 conducted.

20 (E) The number of winery shipper's licenses
21 issued.

22 (F) The number of each of the following: reported
23 violations; cease and desist notices issued by the
24 Commission; notices of violations issued by the
25 Commission and to the Department of Revenue; and
26 notices and complaints of violations to law

1 enforcement officials, including, without limitation,
2 the Illinois Attorney General and the U.S. Department
3 of Treasury's Alcohol and Tobacco Tax and Trade
4 Bureau.

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

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

20 (17) (A) A person licensed to make wine under the laws
21 of another state who has a winery shipper's license under
22 this Act and annually produces less than 25,000 gallons of
23 wine or a person who has a first-class or second-class
24 wine manufacturer's license, a first-class or second-class
25 wine-maker's license, or a limited wine manufacturer's
26 license under this Act and annually produces less than

1 25,000 gallons of wine may make application to the
2 Commission for a self-distribution exemption to allow the
3 sale of not more than 5,000 gallons of the exemption
4 holder's wine to retail licensees per year and to sell
5 cider, mead, or both cider and mead to brewers, class 1
6 brewers, class 2 brewers, and class 3 brewers that,
7 pursuant to subsection (e) of Section 6-4 of this Act,
8 sell beer, cider, mead, or any combination thereof to
9 non-licensees at their breweries.

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

19 (C) The State Commission shall approve the application
20 for a self-distribution exemption if such person: (1) is
21 in compliance with State revenue and liquor laws; (2) is
22 not a member of any affiliated group that produces
23 directly or indirectly more than 25,000 gallons of wine
24 per annum, 930,000 gallons of beer per annum, or 50,000
25 gallons of spirits per annum ~~or produces any other~~
26 ~~alcoholic liquor~~; (3) will not annually produce for sale

1 more than 25,000 gallons of wine, 930,000 gallons of beer,
2 or 50,000 gallons of spirits; and (4) will not annually
3 sell more than 5,000 gallons of its wine to retail
4 licensees.

5 (D) A self-distribution exemption holder shall
6 annually certify to the State Commission its production of
7 wine in the previous 12 months and its anticipated
8 production and sales for the next 12 months. The State
9 Commission may fine, suspend, or revoke a
10 self-distribution exemption after a hearing if it finds
11 that the exemption holder has made a material
12 misrepresentation in its application, violated a revenue
13 or liquor law of Illinois, exceeded production of 25,000
14 gallons of wine, 930,000 gallons of beer, or 50,000
15 gallons of spirits in any calendar year, or become part of
16 an affiliated group producing more than 25,000 gallons of
17 wine, 930,000 gallons of beer, or 50,000 gallons of
18 spirits ~~or any other alcoholic liquor.~~

19 (E) Except in hearings for violations of this Act or
20 Public Act 95-634 or a bona fide investigation by duly
21 sworn law enforcement officials, the State Commission, or
22 its agents, the State Commission shall maintain the
23 production and sales information of a self-distribution
24 exemption holder as confidential and shall not release
25 such information to any person.

26 (F) The State Commission shall issue regulations

1 governing self-distribution exemptions consistent with
2 this Section and this Act.

3 (G) Nothing in this paragraph (17) shall prohibit a
4 self-distribution exemption holder from entering into or
5 simultaneously having a distribution agreement with a
6 licensed Illinois distributor.

7 (H) It is the intent of this paragraph (17) to promote
8 and continue orderly markets. The General Assembly finds
9 that, in order to preserve Illinois' regulatory
10 distribution system, it is necessary to create an
11 exception for smaller makers of wine as their wines are
12 frequently adjusted in varietals, mixes, vintages, and
13 taste to find and create market niches sometimes too small
14 for distributor or importing distributor business
15 strategies. Limited self-distribution rights will afford
16 and allow smaller makers of wine access to the marketplace
17 in order to develop a customer base without impairing the
18 integrity of the 3-tier system.

19 (18)(A) A class 1 brewer licensee, who must also be
20 either a licensed brewer or licensed non-resident dealer
21 and annually manufacture less than 930,000 gallons of
22 beer, may make application to the State Commission for a
23 self-distribution exemption to allow the sale of not more
24 than 232,500 gallons per year of the exemption holder's
25 beer ~~per year~~ to retail licensees and to brewers, class 1
26 brewers, and class 2 brewers that, pursuant to subsection

1 (e) of Section 6-4 of this Act, sell beer, cider, mead, or
2 any combination thereof ~~or both beer and cider~~ to
3 non-licensees at their breweries.

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

14 (C) Any application submitted shall be posted on the
15 State Commission's website at least 45 days prior to
16 action by the State Commission. The State Commission shall
17 approve the application for a self-distribution exemption
18 if the class 1 brewer licensee: (1) is in compliance with
19 the State, revenue, and alcoholic beverage laws; (2) is
20 not a member of any affiliated group that manufactures,
21 directly or indirectly, more than 930,000 gallons of beer
22 per annum, 25,000 gallons of wine per annum, or 50,000
23 gallons of spirits per annum ~~or produces any other~~
24 ~~alcoholic beverages;~~ (3) shall not annually manufacture
25 for sale more than 930,000 gallons of beer, 25,000 gallons
26 of wine, or 50,000 gallons of spirits; (4) shall not

1 annually sell more than 232,500 gallons of its beer to
2 retail licensees and class 3 brewers and ~~or~~ to brewers,
3 class 1 brewers, and class 2 brewers that, pursuant to
4 subsection (e) of Section 6-4 of this Act, sell beer,
5 cider, mead, or any combination thereof ~~or both beer and~~
6 ~~cider~~ to non-licensees at their breweries; and (5) has
7 relinquished any brew pub license held by the licensee,
8 including any ownership interest it held in the licensed
9 brew pub.

10 (D) A self-distribution exemption holder shall
11 annually certify to the State Commission its manufacture
12 of beer during the previous 12 months and its anticipated
13 manufacture and sales of beer for the next 12 months. The
14 State Commission may fine, suspend, or revoke a
15 self-distribution exemption after a hearing if it finds
16 that the exemption holder has made a material
17 misrepresentation in its application, violated a revenue
18 or alcoholic beverage law of Illinois, exceeded the
19 manufacture of 930,000 gallons of beer, 25,000 gallons of
20 wine, or 50,000 gallons of spirits in any calendar year or
21 became part of an affiliated group manufacturing more than
22 930,000 gallons of beer, 25,000 gallons of wine, or 50,000
23 gallons of spirits ~~or any other alcoholic beverage~~.

24 (E) The State Commission shall issue rules and
25 regulations governing self-distribution exemptions
26 consistent with this Act.

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

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

19 (19) (A) A class 1 craft distiller licensee or a
20 non-resident dealer who manufactures less than 50,000
21 gallons of distilled spirits per year may make application
22 to the State Commission for a self-distribution exemption
23 to allow the sale of not more than 5,000 gallons of the
24 exemption holder's spirits to retail licensees per year.

25 (B) In the application, which shall be sworn under
26 penalty of perjury, the class 1 craft distiller licensee

1 or non-resident dealer shall state (1) the date it was
2 established; (2) its volume of spirits manufactured and
3 sold for each year since its establishment; (3) its
4 efforts to establish distributor relationships; (4) that a
5 self-distribution exemption is necessary to facilitate the
6 marketing of its spirits; and (5) that it will comply with
7 the alcoholic beverage and revenue laws of the United
8 States, this State, and any other state where it is
9 licensed.

10 (C) Any application submitted shall be posted on the
11 State Commission's website at least 45 days prior to
12 action by the State Commission. The State Commission shall
13 approve the application for a self-distribution exemption
14 if the applicant: (1) is in compliance with State revenue
15 and alcoholic beverage laws; (2) is not a member of any
16 affiliated group that produces more than 50,000 gallons of
17 spirits per annum, 930,000 gallons of beer per annum, or
18 25,000 gallons of wine per annum ~~or produces any other~~
19 ~~alcoholic liquor~~; (3) does not annually manufacture for
20 sale more than 50,000 gallons of spirits, 930,000 gallons
21 of beer, or 25,000 gallons of wine; and (4) does not
22 annually sell more than 5,000 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
26 of spirits during the previous 12 months and its

1 anticipated manufacture and sales of spirits for the next
2 12 months. The State Commission may fine, suspend, or
3 revoke a self-distribution exemption after a hearing if it
4 finds 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 50,000 gallons of spirits, 930,000 gallons
8 of beer, or 25,000 gallons of wine in any calendar year, or
9 has become part of an affiliated group manufacturing more
10 than 50,000 gallons of spirits, 930,000 gallons of beer,
11 or 25,000 gallons of wine ~~or any other alcoholic beverage.~~

12 (E) The State Commission shall adopt rules governing
13 self-distribution exemptions 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
22 exception for smaller manufacturers in order to afford and
23 allow such smaller manufacturers of spirits access to the
24 marketplace in order to develop a customer base without
25 impairing the integrity of the 3-tier system.

26 (20) (A) A class 3 brewer licensee who must manufacture

1 less than 465,000 gallons of beer in the aggregate and not
2 more than 155,000 gallons at any single brewery premises
3 may make application to the State Commission for a
4 self-distribution exemption to allow the sale of not more
5 than 6,200 gallons of beer from each in-state or
6 out-of-state class 3 brewery premises, which shall not
7 exceed 18,600 gallons annually in the aggregate, that is
8 manufactured at a wholly owned class 3 brewer's in-state
9 or out-of-state licensed premises to retail licensees and
10 class 3 brewers and to brewers, class 1 brewers, class 2
11 brewers that, pursuant to subsection (e) of Section 6-4,
12 sell beer, cider, or both beer and cider to non-licensees
13 at their licensed breweries.

14 (B) In the application, which shall be sworn under
15 penalty of perjury, the class 3 brewer licensee shall
16 state:

17 (1) the date it was established;

18 (2) its volume of beer manufactured and sold for
19 each year since its establishment;

20 (3) its efforts to establish distributor
21 relationships;

22 (4) that a self-distribution exemption is
23 necessary to facilitate the marketing of its beer; and

24 (5) that it will comply with the alcoholic
25 beverage and revenue laws of the United States, this
26 State, and any other state where it is licensed.

1 (C) Any application submitted shall be posted on the
2 State Commission's website at least 45 days before action
3 by the State Commission. The State Commission shall
4 approve the application for a self-distribution exemption
5 if the class 3 brewer licensee: (1) is in compliance with
6 the State, revenue, and alcoholic beverage laws; (2) is
7 not a member of any affiliated group that manufacturers,
8 directly or indirectly, more than 465,000 gallons of beer
9 per annum, (3) shall not annually manufacture for sale
10 more than 465,000 gallons of beer or more than 155,000
11 gallons at any single brewery premises; and (4) shall not
12 annually sell more than 6,200 gallons of beer from each
13 in-state or out-of-state class 3 brewery premises, and
14 shall not exceed 18,600 gallons annually in the aggregate,
15 to retail licensees and class 3 brewers and to brewers,
16 class 1 brewers, and class 2 brewers that, pursuant to
17 subsection (e) of Section 6-4 of this Act, sell beer,
18 cider, or both beer and cider to non-licensees at their
19 breweries.

20 (D) A self-distribution exemption holder shall
21 annually certify to the State Commission its manufacture
22 of beer during the previous 12 months and its anticipated
23 manufacture and sales of beer for the next 12 months. The
24 State Commission may fine, suspend, or revoke a
25 self-distribution exemption after a hearing if it finds
26 that the exemption holder has made a material

1 misrepresentation in its application, violated a revenue
2 or alcoholic beverage law of Illinois, exceeded the
3 manufacture of 465,000 gallons of beer in any calendar
4 year or became part of an affiliated group manufacturing
5 more than 465,000 gallons of beer, or exceeded the sale to
6 retail licensees, brewers, class 1 brewers, class 2
7 brewers, and class 3 brewers of 6,200 gallons per brewery
8 location or 18,600 gallons in the aggregate.

9 (E) The State Commission may adopt rules governing
10 self-distribution exemptions consistent with this Act.

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

21 (G) It is the intent of this paragraph to promote and
22 continue orderly markets. The General Assembly finds that
23 in order to preserve Illinois' regulatory distribution
24 system, it is necessary to create an exception for smaller
25 manufacturers in order to afford and allow such smaller
26 manufacturers of beer access to the marketplace in order

1 to develop a customer base without impairing the integrity
2 of the 3-tier system.

3 (b) On or before April 30, 1999, the Commission shall
4 present a written report to the Governor and the General
5 Assembly that shall be based on a study of the impact of Public
6 Act 90-739 on the business of soliciting, selling, and
7 shipping alcoholic liquor from outside of this State directly
8 to residents of this State.

9 As part of its report, the Commission shall provide the
10 following information:

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

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

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

20 (Source: P.A. 100-134, eff. 8-18-17; 100-201, eff. 8-18-17;
21 100-816, eff. 8-13-18; 100-1012, eff. 8-21-18; 100-1050, eff.
22 8-23-18; 101-37, eff. 7-3-19; 101-81, eff. 7-12-19; 101-482,
23 eff. 8-23-19; revised 9-20-19.)

24 (235 ILCS 5/5-1) (from Ch. 43, par. 115)

25 (Text of Section before amendment by P.A. 101-668)

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

3 (a) Manufacturer's license - Class 1. Distiller, Class 2.
4 Rectifier, Class 3. Brewer, Class 4. First Class Wine
5 Manufacturer, Class 5. Second Class Wine Manufacturer, Class
6 6. First Class Winemaker, Class 7. Second Class Winemaker,
7 Class 8. Limited Wine Manufacturer, Class 9. Craft Distiller,
8 Class 10. Class 1 Craft Distiller, Class 11. Class 2 Craft
9 Distiller, Class 12. Class 1 Brewer, Class 13. Class 2 Brewer,
10 Class 14. Class 3 Brewer,

11 (b) Distributor's license,

12 (c) Importing Distributor's license,

13 (d) Retailer's license,

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

15 (f) Railroad license,

16 (g) Boat license,

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

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

19 (j) Airplane license,

20 (k) Foreign importer's license,

21 (l) Broker's license,

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

23 (n) Brew Pub license,

24 (o) Auction liquor license,

25 (p) Caterer retailer license,

26 (q) Special use permit license,

- 1 (r) Winery shipper's license,
2 (s) Craft distiller tasting permit,
3 (t) Brewer warehouse permit,
4 (u) Distilling pub license,
5 (v) Craft distiller warehouse permit,
6 (w) Beer showcase permit.

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

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

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

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

23 Class 3. A Brewer may make sales and deliveries of beer to
24 importing distributors and distributors and may make sales as
25 authorized under subsection (e) of Section 6-4 of this Act,
26 including any alcoholic liquor that subsection (e) of Section

1 6-4 authorizes a brewer to sell in its original package only to
2 a non-licensee for pick-up by a non-licensee either within the
3 interior of the brewery premises or at outside of the brewery
4 premises at a curb-side or parking lot adjacent to the brewery
5 premises, subject to any local ordinance.

6 Class 4. A first class wine-manufacturer may make sales
7 and deliveries of up to 50,000 gallons of wine to
8 manufacturers, importing distributors and distributors, and to
9 no other licensees. If a first-class wine-manufacturer
10 manufactures beer, it shall also obtain and shall only be
11 eligible for, in addition to any current license, a class 1
12 brewer license, shall not manufacture more than 930,000
13 gallons of beer per year, and shall not be a member of or
14 affiliated with, directly or indirectly, a manufacturer that
15 produces more than 930,000 gallons of beer per year. If the
16 first-class wine-manufacturer manufactures spirits, it shall
17 also obtain and shall only be eligible for, in addition to any
18 current license, a class 1 craft distiller license, shall not
19 manufacture more than 50,000 gallons of spirits per year, and
20 shall not be a member of or affiliated with, directly or
21 indirectly, a manufacturer that produces more than 50,000
22 gallons of spirits per year. A first-class wine-manufacturer
23 shall be permitted to sell wine manufactured at the
24 first-class wine-manufacturer premises to non-licensees.

25 Class 5. A second class Wine manufacturer may make sales
26 and deliveries of more than 50,000 gallons of wine to

1 manufacturers, importing distributors and distributors and to
2 no other licensees.

3 Class 6. A first-class wine-maker's license shall allow
4 the manufacture of up to 50,000 gallons of wine per year, and
5 the storage and sale of such wine to distributors in the State
6 and to persons without the State, as may be permitted by law. A
7 person who, prior to June 1, 2008 (the effective date of Public
8 Act 95-634), is a holder of a first-class wine-maker's license
9 and annually produces more than 25,000 gallons of its own wine
10 and who distributes its wine to licensed retailers shall cease
11 this practice on or before July 1, 2008 in compliance with
12 Public Act 95-634. If a first-class wine-maker manufactures
13 beer, it shall also obtain and shall only be eligible for, in
14 addition to any current license, a class 1 brewer license,
15 shall not manufacture more than 930,000 gallons of beer per
16 year, and shall not be a member of or affiliated with, directly
17 or indirectly, a manufacturer that produces more than 930,000
18 gallons of beer per year. If the first-class wine-maker
19 manufactures spirits, it shall also obtain and shall only be
20 eligible for, in addition to any current license, a class 1
21 craft distiller license, shall not manufacture more than
22 50,000 gallons of spirits per year, and shall not be a member
23 of or affiliated with, directly or indirectly, a manufacturer
24 that produces more than 50,000 gallons of spirits per year. A
25 first-class wine-maker holding a class 1 brewer license or a
26 class 1 craft distiller license shall not be eligible for a

1 wine-maker's premises license but shall be permitted to sell
2 wine manufactured at the first-class wine-maker premises to
3 non-licensees.

4 Class 7. A second-class wine-maker's license shall allow
5 the manufacture of up to ~~between 50,000 and~~ 150,000 gallons of
6 wine per year, and the storage and sale of such wine to
7 distributors in this State and to persons without the State,
8 as may be permitted by law. A person who, prior to June 1, 2008
9 (the effective date of Public Act 95-634), is a holder of a
10 second-class wine-maker's license and annually produces more
11 than 25,000 gallons of its own wine and who distributes its
12 wine to licensed retailers shall cease this practice on or
13 before July 1, 2008 in compliance with Public Act 95-634. If a
14 second-class wine-maker manufactures beer, it shall also
15 obtain and shall only be eligible for, in addition to any
16 current license, a class 2 brewer license, shall not
17 manufacture more than 3,720,000 gallons of beer per year, and
18 shall not be a member of or affiliated with, directly or
19 indirectly, a manufacturer that produces more than 3,720,000
20 gallons of beer per year. If a second-class wine-maker
21 manufactures spirits, it shall also obtain and shall only be
22 eligible for, in addition to any current license, a class 2
23 craft distiller license, shall not manufacture more than
24 100,000 gallons of spirits per year, and shall not be a member
25 of or affiliated with, directly or indirectly, a manufacturer
26 that produces more than 100,000 gallons of spirits per year.

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

5 Class 9. A craft distiller license, which may only be held
6 by a class 1 craft distiller licensee or class 2 craft
7 distiller licensee but not held by both a class 1 craft
8 distiller licensee and a class 2 craft distiller licensee,
9 shall grant all rights conveyed by either: (i) a class 1 craft
10 distiller license if the craft distiller holds a class 1 craft
11 distiller license; or (ii) a class 2 craft distiller licensee
12 if the craft distiller holds a class 2 craft distiller
13 license.

14 Class 10. A class 1 craft distiller license, which may
15 only be issued to a licensed craft distiller or licensed
16 non-resident dealer, shall allow the manufacture of up to
17 50,000 gallons of spirits per year provided that the class 1
18 craft distiller licensee does not manufacture more than a
19 combined 50,000 gallons of spirits per year and is not a member
20 of or affiliated with, directly or indirectly, a manufacturer
21 that produces more than 50,000 gallons of spirits per year ~~or~~
22 ~~any other alcoholic liquor.~~ If a class 1 craft distiller
23 manufactures beer, it shall also obtain and shall only be
24 eligible for, in addition to any current license, a class 1
25 brewer license, shall not manufacture more than 930,000
26 gallons of beer per year, and shall not be a member of or

1 affiliated with, directly or indirectly, a manufacturer that
2 produces more than 930,000 gallons of beer per year. If a class
3 1 craft distiller manufactures wine, it shall also obtain and
4 shall only be eligible for, in addition to any current
5 license, a first-class wine-manufacturer license or a
6 first-class wine-maker's license, shall not manufacture more
7 than 50,000 gallons of wine per year, and shall not be a member
8 of or affiliated with, directly or indirectly, a manufacturer
9 that produces more than 50,000 gallons of wine per year. A
10 class 1 craft distiller licensee may make sales and deliveries
11 to importing distributors and distributors and to retail
12 licensees in accordance with the conditions set forth in
13 paragraph (19) of subsection (a) of Section 3-12 of this Act.
14 However, the aggregate amount of spirits sold to non-licensees
15 and sold or delivered to retail licensees may not exceed 5,000
16 gallons per year.

17 A class 1 craft distiller licensee may sell up to 5,000
18 gallons of such spirits to non-licensees to the extent
19 permitted by any exemption approved by the State Commission
20 pursuant to Section 6-4 of this Act. A class 1 craft distiller
21 license holder may store such spirits at a non-contiguous
22 licensed location, but at no time shall a class 1 craft
23 distiller license holder directly or indirectly produce in the
24 aggregate more than 50,000 gallons of spirits per year.

25 A class 1 craft distiller licensee may hold more than one
26 class 1 craft distiller's license. However, a class 1 craft

1 distiller that holds more than one class 1 craft distiller
2 license shall not manufacture, in the aggregate, more than
3 50,000 gallons of spirits by distillation per year and shall
4 not sell, in the aggregate, more than 5,000 gallons of such
5 spirits to non-licensees in accordance with an exemption
6 approved by the State Commission pursuant to Section 6-4 of
7 this Act.

8 Class 11. A class 2 craft distiller license, which may
9 only be issued to a licensed craft distiller or licensed
10 non-resident dealer, shall allow the manufacture of up to
11 100,000 gallons of spirits per year provided that the class 2
12 craft distiller licensee does not manufacture more than a
13 combined 100,000 gallons of spirits per year and is not a
14 member of or affiliated with, directly or indirectly, a
15 manufacturer that produces more than 100,000 gallons of
16 spirits per year ~~or any other alcoholic liquor~~. If a class 2
17 craft distiller manufactures beer, it shall also obtain and
18 shall only be eligible for, in addition to any current
19 license, a class 2 brewer license, shall not manufacture more
20 than 3,720,000 gallons of beer per year, and shall not be a
21 member of or affiliated with, directly or indirectly, a
22 manufacturer that produces more than 3,720,000 gallons of beer
23 per year. If a class 2 craft distiller manufactures wine, it
24 shall also obtain and shall only be eligible for, in addition
25 to any current license, a second-class wine-maker's license,
26 shall not manufacture more than 150,000 gallons of wine per

1 year, and shall not be a member of or affiliated with, directly
2 or indirectly, a manufacturer that produces more than 150,000
3 gallons of wine per year. A class 2 craft distiller licensee
4 may make sales and deliveries to importing distributors and
5 distributors, but shall not make sales or deliveries to any
6 other licensee. If the State Commission provides prior
7 approval, a class 2 craft distiller licensee may annually
8 transfer up to 100,000 gallons of spirits manufactured by that
9 class 2 craft distiller licensee to the premises of a licensed
10 class 2 craft distiller wholly owned and operated by the same
11 licensee. A class 2 craft distiller may transfer spirits to a
12 distilling pub wholly owned and operated by the class 2 craft
13 distiller subject to the following limitations and
14 restrictions: (i) the transfer shall not annually exceed more
15 than 5,000 gallons; (ii) the annual amount transferred shall
16 reduce the distilling pub's annual permitted production limit;
17 (iii) all spirits transferred shall be subject to Article VIII
18 of this Act; (iv) a written record shall be maintained by the
19 distiller and distilling pub specifying the amount, date of
20 delivery, and receipt of the product by the distilling pub;
21 and (v) the distilling pub shall be located no farther than 80
22 miles from the class 2 craft distiller's licensed location.

23 A class 2 craft distiller shall, prior to transferring
24 spirits to a distilling pub wholly owned by the class 2 craft
25 distiller, furnish a written notice to the State Commission of
26 intent to transfer spirits setting forth the name and address

1 of the distilling pub and shall annually submit to the State
2 Commission a verified report identifying the total gallons of
3 spirits transferred to the distilling pub wholly owned by the
4 class 2 craft distiller.

5 A class 2 craft distiller license holder may store such
6 spirits at a non-contiguous licensed location, but at no time
7 shall a class 2 craft distiller license holder directly or
8 indirectly produce in the aggregate more than 100,000 gallons
9 of spirits per year.

10 Class 12. A class 1 brewer license, which may only be
11 issued to a licensed brewer or licensed non-resident dealer,
12 shall allow the manufacture of up to 930,000 gallons of beer
13 per year provided that the class 1 brewer licensee does not
14 manufacture more than a combined 930,000 gallons of beer per
15 year and is not a member of or affiliated with, directly or
16 indirectly, a manufacturer that produces more than 930,000
17 gallons of beer per year ~~or any other alcoholic liquor~~. If a
18 class 1 brewer manufactures spirits, it shall also obtain and
19 shall only be eligible for, in addition to any current
20 license, a class 1 craft distiller license, shall not
21 manufacture more than 50,000 gallons of spirits per year, and
22 shall not be a member of or affiliated with, directly or
23 indirectly, a manufacturer that produces more than 50,000
24 gallons of spirits per year. If a class 1 craft brewer
25 manufactures wine, it shall also obtain and shall only be
26 eligible for, in addition to any current license, a

1 first-class wine-manufacturer license or a first-class
2 wine-maker's license, shall not manufacture more than 50,000
3 gallons of wine per year, and shall not be a member of or
4 affiliated with, directly or indirectly, a manufacturer that
5 produces more than 50,000 gallons of wine per year. A class 1
6 brewer licensee may make sales and deliveries to importing
7 distributors and distributors and to retail licensees in
8 accordance with the conditions set forth in paragraph (18) of
9 subsection (a) of Section 3-12 of this Act. If the State
10 Commission provides prior approval, a class 1 brewer may
11 annually transfer up to 930,000 gallons of beer manufactured
12 by that class 1 brewer to the premises of a licensed class 1
13 brewer wholly owned and operated by the same licensee.

14 Class 13. A class 2 brewer license, which may only be
15 issued to a licensed brewer or licensed non-resident dealer,
16 shall allow the manufacture of up to 3,720,000 gallons of beer
17 per year provided that the class 2 brewer licensee does not
18 manufacture more than a combined 3,720,000 gallons of beer per
19 year and is not a member of or affiliated with, directly or
20 indirectly, a manufacturer that produces more than 3,720,000
21 gallons of beer per year ~~or any other alcoholic liquor.~~ If a
22 class 2 brewer manufactures spirits, it shall also obtain and
23 shall only be eligible for, in addition to any current
24 license, a class 2 craft distiller license, shall not
25 manufacture more than 100,000 gallons of spirits per year, and
26 shall not be a member of or affiliated with, directly or

1 indirectly, a manufacturer that produces more than 100,000
2 gallons of spirits per year. If a class 2 craft distiller
3 manufactures wine, it shall also obtain and shall only be
4 eligible for, in addition to any current license, a
5 second-class wine-maker's license, shall not manufacture more
6 than 150,000 gallons of wine per year, and shall not be a
7 member of or affiliated with, directly or indirectly, a
8 manufacturer that produces more than 150,000 gallons of wine a
9 year. A class 2 brewer licensee may make sales and deliveries
10 to importing distributors and distributors, but shall not make
11 sales or deliveries to any other licensee. If the State
12 Commission provides prior approval, a class 2 brewer licensee
13 may annually transfer up to 3,720,000 gallons of beer
14 manufactured by that class 2 brewer licensee to the premises
15 of a licensed class 2 brewer wholly owned and operated by the
16 same licensee.

17 A class 2 brewer may transfer beer to a brew pub wholly
18 owned and operated by the class 2 brewer subject to the
19 following limitations and restrictions: (i) the transfer shall
20 not annually exceed more than 31,000 gallons; (ii) the annual
21 amount transferred shall reduce the brew pub's annual
22 permitted production limit; (iii) all beer transferred shall
23 be subject to Article VIII of this Act; (iv) a written record
24 shall be maintained by the brewer and brew pub specifying the
25 amount, date of delivery, and receipt of the product by the
26 brew pub; and (v) the brew pub shall be located no farther than

1 80 miles from the class 2 brewer's licensed location.

2 A class 2 brewer shall, prior to transferring beer to a
3 brew pub wholly owned by the class 2 brewer, furnish a written
4 notice to the State Commission of intent to transfer beer
5 setting forth the name and address of the brew pub and shall
6 annually submit to the State Commission a verified report
7 identifying the total gallons of beer transferred to the brew
8 pub wholly owned by the class 2 brewer.

9 Class 14. A class 3 brewer license, which may be issued to
10 a brewer or a non-resident dealer, shall allow the manufacture
11 of no more than 465,000 gallons of beer per year and no more
12 than 155,000 gallons at a single brewery premises, and shall
13 allow the sale of no more than 6,200 gallons of beer from each
14 in-state or out-of-state class 3 brewery premises, or 18,600
15 gallons in the aggregate, to retail licensees, class 1
16 brewers, class 2 brewers, and class 3 brewers as long as the
17 class 3 brewer licensee does not manufacture more than a
18 combined 465,000 gallons of beer per year and is not a member
19 of or affiliated with, directly or indirectly, a manufacturer
20 that produces more than 465,000 gallons of beer per year to
21 make sales to importing distributors, distributors, retail
22 licensees, brewers, class 1 brewers, class 2 brewers, and
23 class 3 brewers in accordance with the conditions set forth in
24 paragraph (20) of subsection (a) of Section 3-12. If the State
25 Commission provides prior approval, a class 3 brewer may
26 annually transfer up to 155,000 gallons of beer manufactured

1 by that class 3 brewer to the premises of a licensed class 3
2 brewer wholly owned and operated by the same licensee. A class
3 3 brewer shall manufacture beer at the brewer's class 3
4 designated licensed premises, and may sell beer as otherwise
5 provided in this Act.

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

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

1 facts in the securing of a registration are grounds for
2 suspension or revocation of the registration. The State
3 Commission shall post a list of registered agents on the
4 Commission's website.

5 (b) A distributor's license shall allow (i) the wholesale
6 purchase and storage of alcoholic liquors and sale of
7 alcoholic liquors to licensees in this State and to persons
8 without the State, as may be permitted by law; (ii) the sale of
9 beer, cider, mead, or any combination thereof ~~or both beer and~~
10 ~~cider~~ to brewers, class 1 brewers, and class 2 brewers that,
11 pursuant to subsection (e) of Section 6-4 of this Act, sell
12 beer, cider, mead, or any combination thereof ~~or both beer and~~
13 ~~cider~~ to non-licensees at their breweries; ~~and~~ (iii) the sale
14 of vermouth to class 1 craft distillers and class 2 craft
15 distillers that, pursuant to subsection (e) of Section 6-4 of
16 this Act, sell spirits, vermouth, or both spirits and vermouth
17 to non-licensees at their distilleries; or (iv) as otherwise
18 provided in this Act. No person licensed as a distributor
19 shall be granted a non-resident dealer's license.

20 (c) An importing distributor's license may be issued to
21 and held by those only who are duly licensed distributors,
22 upon the filing of an application by a duly licensed
23 distributor, with the Commission and the Commission shall,
24 without the payment of any fee, immediately issue such
25 importing distributor's license to the applicant, which shall
26 allow the importation of alcoholic liquor by the licensee into

1 this State from any point in the United States outside this
2 State, and the purchase of alcoholic liquor in barrels, casks
3 or other bulk containers and the bottling of such alcoholic
4 liquors before resale thereof, but all bottles or containers
5 so filled shall be sealed, labeled, stamped and otherwise made
6 to comply with all provisions, rules and regulations governing
7 manufacturers in the preparation and bottling of alcoholic
8 liquors. The importing distributor's license shall permit such
9 licensee to purchase alcoholic liquor from Illinois licensed
10 non-resident dealers and foreign importers only. No person
11 licensed as an importing distributor shall be granted a
12 non-resident dealer's license.

13 (d) A retailer's license shall allow the licensee to sell
14 and offer for sale at retail, only in the premises specified in
15 the license, alcoholic liquor for use or consumption, but not
16 for resale in any form. Nothing in Public Act 95-634 shall
17 deny, limit, remove, or restrict the ability of a holder of a
18 retailer's license to transfer, deliver, or ship alcoholic
19 liquor to the purchaser for use or consumption subject to any
20 applicable local law or ordinance. Any retail license issued
21 to a manufacturer shall only permit the manufacturer to sell
22 beer at retail on the premises actually occupied by the
23 manufacturer. For the purpose of further describing the type
24 of business conducted at a retail licensed premises, a
25 retailer's licensee may be designated by the State Commission
26 as (i) an on premise consumption retailer, (ii) an off premise

1 sale retailer, or (iii) a combined on premise consumption and
2 off premise sale retailer.

3 Notwithstanding any other provision of this subsection
4 (d), a retail licensee may sell alcoholic liquors to a special
5 event retailer licensee for resale to the extent permitted
6 under subsection (e).

7 (e) A special event retailer's license (not-for-profit)
8 shall permit the licensee to purchase alcoholic liquors from
9 an Illinois licensed distributor (unless the licensee
10 purchases less than \$500 of alcoholic liquors for the special
11 event, in which case the licensee may purchase the alcoholic
12 liquors from a licensed retailer) and shall allow the licensee
13 to sell and offer for sale, at retail, alcoholic liquors for
14 use or consumption, but not for resale in any form and only at
15 the location and on the specific dates designated for the
16 special event in the license. An applicant for a special event
17 retailer license must (i) furnish with the application: (A) a
18 resale number issued under Section 2c of the Retailers'
19 Occupation Tax Act or evidence that the applicant is
20 registered under Section 2a of the Retailers' Occupation Tax
21 Act, (B) a current, valid exemption identification number
22 issued under Section 1g of the Retailers' Occupation Tax Act,
23 and a certification to the Commission that the purchase of
24 alcoholic liquors will be a tax-exempt purchase, or (C) a
25 statement that the applicant is not registered under Section
26 2a of the Retailers' Occupation Tax Act, does not hold a resale

1 number under Section 2c of the Retailers' Occupation Tax Act,
2 and does not hold an exemption number under Section 1g of the
3 Retailers' Occupation Tax Act, in which event the Commission
4 shall set forth on the special event retailer's license a
5 statement to that effect; (ii) submit with the application
6 proof satisfactory to the State Commission that the applicant
7 will provide dram shop liability insurance in the maximum
8 limits; and (iii) show proof satisfactory to the State
9 Commission that the applicant has obtained local authority
10 approval.

11 Nothing in this Act prohibits an Illinois licensed
12 distributor from offering credit or a refund for unused,
13 salable alcoholic liquors to a holder of a special event
14 retailer's license or the special event retailer's licensee
15 from accepting the credit or refund of alcoholic liquors at
16 the conclusion of the event specified in the license.

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

1 lounge or dining car operated on an electric, gas or steam
2 railway in this State; and provided further, that railroad
3 licensees exercising the above powers shall be subject to all
4 provisions of Article VIII of this Act as applied to importing
5 distributors. A railroad license shall also permit the
6 licensee to sell or dispense alcoholic liquors on any club,
7 buffet, lounge or dining car operated on an electric, gas or
8 steam railway regularly operated by a common carrier in this
9 State, but shall not permit the sale for resale of any
10 alcoholic liquors to any licensee within this State. A license
11 shall be obtained for each car in which such sales are made.

12 (g) A boat license shall allow the sale of alcoholic
13 liquor in individual drinks, on any passenger boat regularly
14 operated as a common carrier on navigable waters in this State
15 or on any riverboat operated under the Illinois Gambling Act,
16 which boat or riverboat maintains a public dining room or
17 restaurant thereon.

18 (h) A non-beverage user's license shall allow the licensee
19 to purchase alcoholic liquor from a licensed manufacturer or
20 importing distributor, without the imposition of any tax upon
21 the business of such licensed manufacturer or importing
22 distributor as to such alcoholic liquor to be used by such
23 licensee solely for the non-beverage purposes set forth in
24 subsection (a) of Section 8-1 of this Act, and such licenses
25 shall be divided and classified and shall permit the purchase,
26 possession and use of limited and stated quantities of

1 alcoholic liquor as follows:

- 2 Class 1, not to exceed 500 gallons
- 3 Class 2, not to exceed 1,000 gallons
- 4 Class 3, not to exceed 5,000 gallons
- 5 Class 4, not to exceed 10,000 gallons
- 6 Class 5, not to exceed 50,000 gallons

7 (i) A wine-maker's premises license shall allow a licensee
 8 that concurrently holds a first-class wine-maker's license to
 9 sell and offer for sale at retail in the premises specified in
 10 such license not more than 50,000 gallons of the first-class
 11 wine-maker's wine that is made at the first-class wine-maker's
 12 licensed premises per year for use or consumption, but not for
 13 resale in any form. A first-class wine-maker that concurrently
 14 holds a class 1 brewer license or a class 1 craft distiller
 15 license shall not be eligible to hold a wine-maker's premises
 16 license. A wine-maker's premises license shall allow a
 17 licensee who concurrently holds a second-class wine-maker's
 18 license to sell and offer for sale at retail in the premises
 19 specified in such license up to 100,000 gallons of the
 20 second-class wine-maker's wine that is made at the
 21 second-class wine-maker's licensed premises per year for use
 22 or consumption but not for resale in any form. A wine-maker's
 23 premises license shall allow a licensee that concurrently
 24 holds a first-class wine-maker's license or a second-class
 25 wine-maker's license to sell and offer for sale at retail at
 26 the premises specified in the wine-maker's premises license,

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

13 (j) An airplane license shall permit the licensee to
14 import alcoholic liquors into this State from any point in the
15 United States outside this State and to store such alcoholic
16 liquors in this State; to make wholesale purchases of
17 alcoholic liquors directly from manufacturers, foreign
18 importers, distributors and importing distributors from within
19 or outside this State; and to store such alcoholic liquors in
20 this State; provided that the above powers may be exercised
21 only in connection with the importation, purchase or storage
22 of alcoholic liquors to be sold or dispensed on an airplane;
23 and provided further, that airplane licensees exercising the
24 above powers shall be subject to all provisions of Article
25 VIII of this Act as applied to importing distributors. An
26 airplane licensee shall also permit the sale or dispensing of

1 alcoholic liquors on any passenger airplane regularly operated
2 by a common carrier in this State, but shall not permit the
3 sale for resale of any alcoholic liquors to any licensee
4 within this State. A single airplane license shall be required
5 of an airline company if liquor service is provided on board
6 aircraft in this State. The annual fee for such license shall
7 be as determined in Section 5-3.

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

23 (l) (i) A broker's license shall be required of all
24 persons who solicit orders for, offer to sell or offer to
25 supply alcoholic liquor to retailers in the State of Illinois,
26 or who offer to retailers to ship or cause to be shipped or to

1 make contact with distillers, craft distillers, rectifiers,
2 brewers or manufacturers or any other party within or without
3 the State of Illinois in order that alcoholic liquors be
4 shipped to a distributor, importing distributor or foreign
5 importer, whether such solicitation or offer is consummated
6 within or without the State of Illinois.

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

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

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

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

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

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

14 (m) A non-resident dealer's license shall permit such
15 licensee to ship into and warehouse alcoholic liquor into this
16 State from any point outside of this State, and to sell such
17 alcoholic liquor to Illinois licensed foreign importers and
18 importing distributors and to no one else in this State;
19 provided that (i) said non-resident dealer shall register with
20 the Illinois Liquor Control Commission each and every brand of
21 alcoholic liquor which it proposes to sell to Illinois
22 licensees during the license period, (ii) it shall comply with
23 all of the provisions of Section 6-9 hereof with respect to
24 registration of such Illinois licensees as may be granted the
25 right to sell such brands at wholesale by duly filing such
26 registration statement, thereby authorizing the non-resident

1 dealer to proceed to sell such brands at wholesale, and (iii)
2 the non-resident dealer shall comply with the provisions of
3 Sections 6-5 and 6-6 of this Act to the same extent that these
4 provisions apply to manufacturers. No person licensed as a
5 non-resident dealer shall be granted a distributor's or
6 importing distributor's license.

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

1 location's production limit of 155,000 gallons of beer per
2 year and allocate the aggregate total between the wholly
3 owned, operated, and licensed locations.

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

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

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

1 hold a class 1 brewer license and is not a member of or
2 affiliated with, directly or indirectly, a manufacturer that
3 produces more than 3,720,000 gallons of beer per year or that
4 produces any other alcoholic liquor.

5 A brew pub licensee may apply for a class 3 brewer license
6 and upon: (i) meeting all applicable qualifications of this
7 Act, and relinquishing all commonly owned brew pub or retail
8 licenses shall be issued a class 3 brewer license. Nothing in
9 this Act shall prohibit the issuance of a class 3 brewer
10 license if the applicant:

11 (1) has a valid retail license on or before May 1,
12 2021;

13 (2) has an ownership interest in at least two brew
14 pubs licenses on or before May 1, 2021;

15 (3) the brew pub licensee applies for a class 3 brewer
16 license on or before October 1, 2022 and relinquishes all
17 commonly owned brew pub licenses; and

18 (4) relinquishes all commonly owned retail licenses on
19 or before December 31, 2022.

20 If a brew pub licensee is issued a class 3 brewer license,
21 the class 3 brewer license shall expire on the same date as the
22 existing brew pub license and the State Commission shall not
23 require a class 3 brewer licensee to obtain a brewer license,
24 or in the alternative to pay a fee for a brewer license, until
25 the date the brew pub license of the applicant would have
26 expired.

1 (o) A caterer retailer license shall allow the holder to
2 serve alcoholic liquors as an incidental part of a food
3 service that serves prepared meals which excludes the serving
4 of snacks as the primary meal, either on or off-site whether
5 licensed or unlicensed. A caterer retailer license shall allow
6 the holder, a distributor, or an importing distributor to
7 transfer any inventory to and from the holder's retail
8 premises and shall allow the holder to purchase alcoholic
9 liquor from a distributor or importing distributor to be
10 delivered directly to an off-site event.

11 Nothing in this Act prohibits a distributor or importing
12 distributor from offering credit or a refund for unused,
13 salable beer to a holder of a caterer retailer license or a
14 caterer retailer licensee from accepting a credit or refund
15 for unused, salable beer, in the event an act of God is the
16 sole reason an off-site event is cancelled and if: (i) the
17 holder of a caterer retailer license has not transferred
18 alcoholic liquor from its caterer retailer premises to an
19 off-site location; (ii) the distributor or importing
20 distributor offers the credit or refund for the unused,
21 salable beer that it delivered to the off-site premises and
22 not for any unused, salable beer that the distributor or
23 importing distributor delivered to the caterer retailer's
24 premises; and (iii) the unused, salable beer would likely
25 spoil if transferred to the caterer retailer's premises. A
26 caterer retailer license shall allow the holder to transfer

1 any inventory from any off-site location to its caterer
2 retailer premises at the conclusion of an off-site event or
3 engage a distributor or importing distributor to transfer any
4 inventory from any off-site location to its caterer retailer
5 premises at the conclusion of an off-site event, provided that
6 the distributor or importing distributor issues bona fide
7 charges to the caterer retailer licensee for fuel, labor, and
8 delivery and the distributor or importing distributor collects
9 payment from the caterer retailer licensee prior to the
10 distributor or importing distributor transferring inventory to
11 the caterer retailer premises.

12 For purposes of this subsection (o), an "act of God" means
13 an unforeseeable event, such as a rain or snow storm, hail, a
14 flood, or a similar event, that is the sole cause of the
15 cancellation of an off-site, outdoor event.

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

24 (q) A special use permit license shall allow an Illinois
25 licensed retailer to transfer a portion of its alcoholic
26 liquor inventory from its retail licensed premises to the

1 premises specified in the license hereby created; to purchase
2 alcoholic liquor from a distributor or importing distributor
3 to be delivered directly to the location specified in the
4 license hereby created; and to sell or offer for sale at
5 retail, only in the premises specified in the license hereby
6 created, the transferred or delivered alcoholic liquor for use
7 or consumption, but not for resale in any form. A special use
8 permit license may be granted for the following time periods:
9 one day or less; 2 or more days to a maximum of 15 days per
10 location in any 12-month period. An applicant for the special
11 use permit license must also submit with the application proof
12 satisfactory to the State Commission that the applicant will
13 provide dram shop liability insurance to the maximum limits
14 and have local authority approval.

15 A special use permit license shall allow the holder to
16 transfer any inventory from the holder's special use premises
17 to its retail premises at the conclusion of the special use
18 event or engage a distributor or importing distributor to
19 transfer any inventory from the holder's special use premises
20 to its retail premises at the conclusion of an off-site event,
21 provided that the distributor or importing distributor issues
22 bona fide charges to the special use permit licensee for fuel,
23 labor, and delivery and the distributor or importing
24 distributor collects payment from the retail licensee prior to
25 the distributor or importing distributor transferring
26 inventory to the retail premises.

1 Nothing in this Act prohibits a distributor or importing
2 distributor from offering credit or a refund for unused,
3 salable beer to a special use permit licensee or a special use
4 permit licensee from accepting a credit or refund for unused,
5 salable beer at the conclusion of the event specified in the
6 license if: (i) the holder of the special use permit license
7 has not transferred alcoholic liquor from its retail licensed
8 premises to the premises specified in the special use permit
9 license; (ii) the distributor or importing distributor offers
10 the credit or refund for the unused, salable beer that it
11 delivered to the premises specified in the special use permit
12 license and not for any unused, salable beer that the
13 distributor or importing distributor delivered to the
14 retailer's premises; and (iii) the unused, salable beer would
15 likely spoil if transferred to the retailer premises.

16 (r) A winery shipper's license shall allow a person with a
17 first-class or second-class wine manufacturer's license, a
18 first-class or second-class wine-maker's license, or a limited
19 wine manufacturer's license or who is licensed to make wine
20 under the laws of another state to ship wine made by that
21 licensee directly to a resident of this State who is 21 years
22 of age or older for that resident's personal use and not for
23 resale. Prior to receiving a winery shipper's license, an
24 applicant for the license must provide the Commission with a
25 true copy of its current license in any state in which it is
26 licensed as a manufacturer of wine. An applicant for a winery

1 shipper's license must also complete an application form that
2 provides any other information the Commission deems necessary.
3 The application form shall include all addresses from which
4 the applicant for a winery shipper's license intends to ship
5 wine, including the name and address of any third party,
6 except for a common carrier, authorized to ship wine on behalf
7 of the manufacturer. The application form shall include an
8 acknowledgement consenting to the jurisdiction of the
9 Commission, the Illinois Department of Revenue, and the courts
10 of this State concerning the enforcement of this Act and any
11 related laws, rules, and regulations, including authorizing
12 the Department of Revenue and the Commission to conduct audits
13 for the purpose of ensuring compliance with Public Act 95-634,
14 and an acknowledgement that the wine manufacturer is in
15 compliance with Section 6-2 of this Act. Any third party,
16 except for a common carrier, authorized to ship wine on behalf
17 of a first-class or second-class wine manufacturer's licensee,
18 a first-class or second-class wine-maker's licensee, a limited
19 wine manufacturer's licensee, or a person who is licensed to
20 make wine under the laws of another state shall also be
21 disclosed by the winery shipper's licensee, and a copy of the
22 written appointment of the third-party wine provider, except
23 for a common carrier, to the wine manufacturer shall be filed
24 with the State Commission as a supplement to the winery
25 shipper's license application or any renewal thereof. The
26 winery shipper's license holder shall affirm under penalty of

1 perjury, as part of the winery shipper's license application
2 or renewal, that he or she only ships wine, either directly or
3 indirectly through a third-party provider, from the licensee's
4 own production.

5 Except for a common carrier, a third-party provider
6 shipping wine on behalf of a winery shipper's license holder
7 is the agent of the winery shipper's license holder and, as
8 such, a winery shipper's license holder is responsible for the
9 acts and omissions of the third-party provider acting on
10 behalf of the license holder. A third-party provider, except
11 for a common carrier, that engages in shipping wine into
12 Illinois on behalf of a winery shipper's license holder shall
13 consent to the jurisdiction of the State Commission and the
14 State. Any third-party, except for a common carrier, holding
15 such an appointment shall, by February 1 of each calendar year
16 and upon request by the State Commission or the Department of
17 Revenue, file with the State Commission a statement detailing
18 each shipment made to an Illinois resident. The statement
19 shall include the name and address of the third-party provider
20 filing the statement, the time period covered by the
21 statement, and the following information:

22 (1) the name, address, and license number of the
23 winery shipper on whose behalf the shipment was made;

24 (2) the quantity of the products delivered; and

25 (3) the date and address of the shipment.

26 If the Department of Revenue or the State Commission requests

1 a statement under this paragraph, the third-party provider
2 must provide that statement no later than 30 days after the
3 request is made. Any books, records, supporting papers, and
4 documents containing information and data relating to a
5 statement under this paragraph shall be kept and preserved for
6 a period of 3 years, unless their destruction sooner is
7 authorized, in writing, by the Director of Revenue, and shall
8 be open and available to inspection by the Director of Revenue
9 or the State Commission or any duly authorized officer, agent,
10 or employee of the State Commission or the Department of
11 Revenue, at all times during business hours of the day. Any
12 person who violates any provision of this paragraph or any
13 rule of the State Commission for the administration and
14 enforcement of the provisions of this paragraph is guilty of a
15 Class C misdemeanor. In case of a continuing violation, each
16 day's continuance thereof shall be a separate and distinct
17 offense.

18 The State Commission shall adopt rules as soon as
19 practicable to implement the requirements of Public Act 99-904
20 and shall adopt rules prohibiting any such third-party
21 appointment of a third-party provider, except for a common
22 carrier, that has been deemed by the State Commission to have
23 violated the provisions of this Act with regard to any winery
24 shipper licensee.

25 A winery shipper licensee must pay to the Department of
26 Revenue the State liquor gallonage tax under Section 8-1 for

1 all wine that is sold by the licensee and shipped to a person
2 in this State. For the purposes of Section 8-1, a winery
3 shipper licensee shall be taxed in the same manner as a
4 manufacturer of wine. A licensee who is not otherwise required
5 to register under the Retailers' Occupation Tax Act must
6 register under the Use Tax Act to collect and remit use tax to
7 the Department of Revenue for all gallons of wine that are sold
8 by the licensee and shipped to persons in this State. If a
9 licensee fails to remit the tax imposed under this Act in
10 accordance with the provisions of Article VIII of this Act,
11 the winery shipper's license shall be revoked in accordance
12 with the provisions of Article VII of this Act. If a licensee
13 fails to properly register and remit tax under the Use Tax Act
14 or the Retailers' Occupation Tax Act for all wine that is sold
15 by the winery shipper and shipped to persons in this State, the
16 winery shipper's license shall be revoked in accordance with
17 the provisions of Article VII of this Act.

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

24 Pursuant to paragraph (5.1) or (5.3) of subsection (a) of
25 Section 3-12, the State Commission may receive, respond to,
26 and investigate any complaint and impose any of the remedies

1 specified in paragraph (1) of subsection (a) of Section 3-12.

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

7 (s) A craft distiller tasting permit license shall allow
8 an Illinois licensed class 1 craft distiller or class 2 craft
9 distiller to transfer a portion of its alcoholic liquor
10 inventory from its class 1 craft distiller or class 2 craft
11 distiller licensed premises to the premises specified in the
12 license hereby created and to conduct a sampling, only in the
13 premises specified in the license hereby created, of the
14 transferred alcoholic liquor in accordance with subsection (c)
15 of Section 6-31 of this Act. The transferred alcoholic liquor
16 may not be sold or resold in any form. An applicant for the
17 craft distiller tasting permit license must also submit with
18 the application proof satisfactory to the State Commission
19 that the applicant will provide dram shop liability insurance
20 to the maximum limits and 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
3 to store or warehouse up to 3,720,000 gallons of
4 tax-determined beer manufactured by the holder of the permit
5 at the premises specified on the permit. Sales to
6 non-licensees are prohibited at the premises specified in the
7 brewer warehouse permit.

8 (u) A distilling pub license shall allow the licensee to
9 only (i) manufacture up to 5,000 gallons of spirits per year
10 only on the premises specified in the license, (ii) make sales
11 of the spirits manufactured on the premises or, with the
12 approval of the State Commission, spirits manufactured on
13 another distilling pub licensed premises that is wholly owned
14 and operated by the same licensee to importing distributors
15 and distributors and to non-licensees for use and consumption,
16 (iii) store the spirits upon the premises, (iv) sell and offer
17 for sale at retail from the licensed premises for off-premises
18 consumption no more than 5,000 gallons per year so long as such
19 sales are only made in-person, (v) sell and offer for sale at
20 retail for use and consumption on the premises specified in
21 the license any form of alcoholic liquor purchased from a
22 licensed distributor or importing distributor, and (vi) with
23 the prior approval of the State Commission, annually transfer
24 no more than 5,000 gallons of spirits manufactured on the
25 premises to a licensed distilling pub wholly owned and
26 operated by the same licensee.

1 A distilling pub licensee shall not under any circumstance
2 sell or offer for sale spirits manufactured by the distilling
3 pub licensee to retail licensees.

4 A person who holds a class 2 craft distiller license may
5 simultaneously hold a distilling pub license if the class 2
6 craft distiller (i) does not, under any circumstance, sell or
7 offer for sale spirits manufactured by the class 2 craft
8 distiller to retail licensees; (ii) does not hold more than 3
9 distilling pub licenses in this State; (iii) does not
10 manufacture more than a combined 100,000 gallons of spirits
11 per year, including the spirits manufactured at the distilling
12 pub; and (iv) is not a member of or affiliated with, directly
13 or indirectly, a manufacturer that produces more than 100,000
14 gallons of spirits per year or any other alcoholic liquor.

15 (v) A craft distiller warehouse permit may be issued to
16 the holder of a class 1 craft distiller or class 2 craft
17 distiller license. The craft distiller warehouse permit shall
18 allow the holder to store or warehouse up to 500,000 gallons of
19 spirits manufactured by the holder of the permit at the
20 premises specified on the permit. Sales to non-licensees are
21 prohibited at the premises specified in the craft distiller
22 warehouse permit.

23 (w) A beer showcase permit license shall allow an
24 Illinois-licensed distributor to transfer a portion of its
25 beer inventory from its licensed premises to the premises
26 specified in the beer showcase permit license, and, in the

1 case of a class 3 brewer, transfer only beer the class 3 brewer
2 manufactures from its licensed premises to the premises
3 specified in the beer showcase permit license; and to sell or
4 offer for sale at retail, only in the premises specified in the
5 beer showcase permit license, the transferred or delivered
6 beer for on or off premise consumption, but not for resale in
7 any form and to sell to non-licensees not more than 96 fluid
8 ounces of beer per person. A beer showcase permit license may
9 be granted for the following time periods: one day or less; or
10 2 or more days to a maximum of 15 days per location in any
11 12-month period. An applicant for a beer showcase permit
12 license must also submit with the application proof
13 satisfactory to the State Commission that the applicant will
14 provide dram shop liability insurance to the maximum limits
15 and have local authority approval. The State Commission shall
16 require the beer showcase applicant to comply with Section
17 6-27.1.

18 (Source: P.A. 100-17, eff. 6-30-17; 100-201, eff. 8-18-17;
19 100-816, eff. 8-13-18; 100-885, eff. 8-14-18; 100-1050, eff.
20 8-23-18; 101-16, eff. 6-14-19; 101-31, eff. 6-28-19; 101-81,
21 eff. 7-12-19; 101-482, eff. 8-23-19; 101-517, eff. 8-23-19;
22 101-615, eff. 12-20-19.)

23 (Text of Section after amendment by P.A. 101-668)

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

1 (a) Manufacturer's license - Class 1. Distiller, Class 2.
2 Rectifier, Class 3. Brewer, Class 4. First Class Wine
3 Manufacturer, Class 5. Second Class Wine Manufacturer, Class
4 6. First Class Winemaker, Class 7. Second Class Winemaker,
5 Class 8. Limited Wine Manufacturer, Class 9. Craft Distiller,
6 Class 10. Class 1 Craft Distiller, Class 11. Class 2 Craft
7 Distiller, Class 12. Class 1 Brewer, Class 13. Class 2 Brewer,
8 Class 14. Class 3 Brewer,

9 (b) Distributor's license,

10 (c) Importing Distributor's license,

11 (d) Retailer's license,

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

13 (f) Railroad license,

14 (g) Boat license,

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

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

17 (j) Airplane license,

18 (k) Foreign importer's license,

19 (l) Broker's license,

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

21 (n) Brew Pub license,

22 (o) Auction liquor license,

23 (p) Caterer retailer license,

24 (q) Special use permit license,

25 (r) Winery shipper's license,

26 (s) Craft distiller tasting permit,

- 1 (t) Brewer warehouse permit,
2 (u) Distilling pub license,
3 (v) Craft distiller warehouse permit,~~u~~
4 (w) Beer showcase permit.

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

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

13 Class 1. A Distiller may make sales and deliveries of
14 alcoholic liquor to distillers, rectifiers, importing
15 distributors, distributors and non-beverage users and to no
16 other licensees.

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

21 Class 3. A Brewer may make sales and deliveries of beer to
22 importing distributors and distributors and may make sales as
23 authorized under subsection (e) of Section 6-4 of this Act,
24 including any alcoholic liquor that subsection (e) of Section
25 6-4 authorizes a brewer to sell in its original package only to
26 a non-licensee for pick-up by a non-licensee either within the

1 interior of the brewery premises or at outside of the brewery
2 premises at a curb-side or parking lot adjacent to the brewery
3 premises, subject to any local ordinance.

4 Class 4. A first class wine-manufacturer may make sales
5 and deliveries of up to 50,000 gallons of wine to
6 manufacturers, importing distributors and distributors, and to
7 no other licensees. If a first-class wine-manufacturer
8 manufactures beer, it shall also obtain and shall only be
9 eligible for, in addition to any current license, a class 1
10 brewer license, shall not manufacture more than 930,000
11 gallons of beer per year, and shall not be a member of or
12 affiliated with, directly or indirectly, a manufacturer that
13 produces more than 930,000 gallons of beer per year. If the
14 first-class wine-manufacturer manufactures spirits, it shall
15 also obtain and shall only be eligible for, in addition to any
16 current license, a class 1 craft distiller license, shall not
17 manufacture more than 50,000 gallons of spirits per year, and
18 shall not be a member of or affiliated with, directly or
19 indirectly, a manufacturer that produces more than 50,000
20 gallons of spirits per year. A first-class wine-manufacturer
21 shall be permitted to sell wine manufactured at the
22 first-class wine-manufacturer premises to non-licensees.

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

1 Class 6. A first-class wine-maker's license shall allow
2 the manufacture of up to 50,000 gallons of wine per year, and
3 the storage and sale of such wine to distributors in the State
4 and to persons without the State, as may be permitted by law. A
5 person who, prior to June 1, 2008 (the effective date of Public
6 Act 95-634), is a holder of a first-class wine-maker's license
7 and annually produces more than 25,000 gallons of its own wine
8 and who distributes its wine to licensed retailers shall cease
9 this practice on or before July 1, 2008 in compliance with
10 Public Act 95-634. If a first-class wine-maker manufactures
11 beer, it shall also obtain and shall only be eligible for, in
12 addition to any current license, a class 1 brewer license,
13 shall not manufacture more than 930,000 gallons of beer per
14 year, and shall not be a member of or affiliated with, directly
15 or indirectly, a manufacturer that produces more than 930,000
16 gallons of beer per year. If the first-class wine-maker
17 manufactures spirits, it shall also obtain and shall only be
18 eligible for, in addition to any current license, a class 1
19 craft distiller license, shall not manufacture more than
20 50,000 gallons of spirits per year, and shall not be a member
21 of or affiliated with, directly or indirectly, a manufacturer
22 that produces more than 50,000 gallons of spirits per year. A
23 first-class wine-maker holding a class 1 brewer license or a
24 class 1 craft distiller license shall not be eligible for a
25 wine-maker's premises license but shall be permitted to sell
26 wine manufactured at the first-class wine-maker premises to

1 non-licensees.

2 Class 7. A second-class wine-maker's license shall allow
3 the manufacture of up to ~~between 50,000 and~~ 150,000 gallons of
4 wine per year, and the storage and sale of such wine to
5 distributors in this State and to persons without the State,
6 as may be permitted by law. A person who, prior to June 1, 2008
7 (the effective date of Public Act 95-634), is a holder of a
8 second-class wine-maker's license and annually produces more
9 than 25,000 gallons of its own wine and who distributes its
10 wine to licensed retailers shall cease this practice on or
11 before July 1, 2008 in compliance with Public Act 95-634. If a
12 second-class wine-maker manufactures beer, it shall also
13 obtain and shall only be eligible for, in addition to any
14 current license, a class 2 brewer license, shall not
15 manufacture more than 3,720,000 gallons of beer per year, and
16 shall not be a member of or affiliated with, directly or
17 indirectly, a manufacturer that produces more than 3,720,000
18 gallons of beer per year. If a second-class wine-maker
19 manufactures spirits, it shall also obtain and shall only be
20 eligible for, in addition to any current license, a class 2
21 craft distiller license, shall not manufacture more than
22 100,000 gallons of spirits per year, and shall not be a member
23 of or affiliated with, directly or indirectly, a manufacturer
24 that produces more than 100,000 gallons of spirits per year.

25 Class 8. A limited wine-manufacturer may make sales and
26 deliveries not to exceed 40,000 gallons of wine per year to

1 distributors, and to non-licensees in accordance with the
2 provisions of this Act.

3 Class 9. A craft distiller license, which may only be held
4 by a class 1 craft distiller licensee or class 2 craft
5 distiller licensee but not held by both a class 1 craft
6 distiller licensee and a class 2 craft distiller licensee,
7 shall grant all rights conveyed by either: (i) a class 1 craft
8 distiller license if the craft distiller holds a class 1 craft
9 distiller license; or (ii) a class 2 craft distiller licensee
10 if the craft distiller holds a class 2 craft distiller
11 license.

12 Class 10. A class 1 craft distiller license, which may
13 only be issued to a licensed craft distiller or licensed
14 non-resident dealer, shall allow the manufacture of up to
15 50,000 gallons of spirits per year provided that the class 1
16 craft distiller licensee does not manufacture more than a
17 combined 50,000 gallons of spirits per year and is not a member
18 of or affiliated with, directly or indirectly, a manufacturer
19 that produces more than 50,000 gallons of spirits per year ~~or~~
20 ~~any other alcoholic liquor.~~ If a class 1 craft distiller
21 manufactures beer, it shall also obtain and shall only be
22 eligible for, in addition to any current license, a class 1
23 brewer license, shall not manufacture more than 930,000
24 gallons of beer per year, and shall not be a member of or
25 affiliated with, directly or indirectly, a manufacturer that
26 produces more than 930,000 gallons of beer per year. If a class

1 1 craft distiller manufactures wine, it shall also obtain and
2 shall only be eligible for, in addition to any current
3 license, a first-class wine-manufacturer license or a
4 first-class wine-maker's license, shall not manufacture more
5 than 50,000 gallons of wine per year, and shall not be a member
6 of or affiliated with, directly or indirectly, a manufacturer
7 that produces more than 50,000 gallons of wine per year. A
8 class 1 craft distiller licensee may make sales and deliveries
9 to importing distributors and distributors and to retail
10 licensees in accordance with the conditions set forth in
11 paragraph (19) of subsection (a) of Section 3-12 of this Act.
12 However, the aggregate amount of spirits sold to non-licensees
13 and sold or delivered to retail licensees may not exceed 5,000
14 gallons per year.

15 A class 1 craft distiller licensee may sell up to 5,000
16 gallons of such spirits to non-licensees to the extent
17 permitted by any exemption approved by the State Commission
18 pursuant to Section 6-4 of this Act. A class 1 craft distiller
19 license holder may store such spirits at a non-contiguous
20 licensed location, but at no time shall a class 1 craft
21 distiller license holder directly or indirectly produce in the
22 aggregate more than 50,000 gallons of spirits per year.

23 A class 1 craft distiller licensee may hold more than one
24 class 1 craft distiller's license. However, a class 1 craft
25 distiller that holds more than one class 1 craft distiller
26 license shall not manufacture, in the aggregate, more than

1 50,000 gallons of spirits by distillation per year and shall
2 not sell, in the aggregate, more than 5,000 gallons of such
3 spirits to non-licensees in accordance with an exemption
4 approved by the State Commission pursuant to Section 6-4 of
5 this Act.

6 Class 11. A class 2 craft distiller license, which may
7 only be issued to a licensed craft distiller or licensed
8 non-resident dealer, shall allow the manufacture of up to
9 100,000 gallons of spirits per year provided that the class 2
10 craft distiller licensee does not manufacture more than a
11 combined 100,000 gallons of spirits per year and is not a
12 member of or affiliated with, directly or indirectly, a
13 manufacturer that produces more than 100,000 gallons of
14 spirits per year ~~or any other alcoholic liquor~~. If a class 2
15 craft distiller manufactures beer, it shall also obtain and
16 shall only be eligible for, in addition to any current
17 license, a class 2 brewer license, shall not manufacture more
18 than 3,720,000 gallons of beer per year, and shall not be a
19 member of or affiliated with, directly or indirectly, a
20 manufacturer that produces more than 3,720,000 gallons of beer
21 per year. If a class 2 craft distiller manufactures wine, it
22 shall also obtain and shall only be eligible for, in addition
23 to any current license, a second-class wine-maker's license,
24 shall not manufacture more than 150,000 gallons of wine per
25 year, and shall not be a member of or affiliated with, directly
26 or indirectly, a manufacturer that produces more than 150,000

1 gallons of wine per year. A class 2 craft distiller licensee
2 may make sales and deliveries to importing distributors and
3 distributors, but shall not make sales or deliveries to any
4 other licensee. If the State Commission provides prior
5 approval, a class 2 craft distiller licensee may annually
6 transfer up to 100,000 gallons of spirits manufactured by that
7 class 2 craft distiller licensee to the premises of a licensed
8 class 2 craft distiller wholly owned and operated by the same
9 licensee. A class 2 craft distiller may transfer spirits to a
10 distilling pub wholly owned and operated by the class 2 craft
11 distiller subject to the following limitations and
12 restrictions: (i) the transfer shall not annually exceed more
13 than 5,000 gallons; (ii) the annual amount transferred shall
14 reduce the distilling pub's annual permitted production limit;
15 (iii) all spirits transferred shall be subject to Article VIII
16 of this Act; (iv) a written record shall be maintained by the
17 distiller and distilling pub specifying the amount, date of
18 delivery, and receipt of the product by the distilling pub;
19 and (v) the distilling pub shall be located no farther than 80
20 miles from the class 2 craft distiller's licensed location.

21 A class 2 craft distiller shall, prior to transferring
22 spirits to a distilling pub wholly owned by the class 2 craft
23 distiller, furnish a written notice to the State Commission of
24 intent to transfer spirits setting forth the name and address
25 of the distilling pub and shall annually submit to the State
26 Commission a verified report identifying the total gallons of

1 spirits transferred to the distilling pub wholly owned by the
2 class 2 craft distiller.

3 A class 2 craft distiller license holder may store such
4 spirits at a non-contiguous licensed location, but at no time
5 shall a class 2 craft distiller license holder directly or
6 indirectly produce in the aggregate more than 100,000 gallons
7 of spirits per year.

8 Class 12. A class 1 brewer license, which may only be
9 issued to a licensed brewer or licensed non-resident dealer,
10 shall allow the manufacture of up to 930,000 gallons of beer
11 per year provided that the class 1 brewer licensee does not
12 manufacture more than a combined 930,000 gallons of beer per
13 year and is not a member of or affiliated with, directly or
14 indirectly, a manufacturer that produces more than 930,000
15 gallons of beer per year ~~or any other alcoholic liquor~~. If a
16 class 1 brewer manufactures spirits, it shall also obtain and
17 shall only be eligible for, in addition to any current
18 license, a class 1 craft distiller license, shall not
19 manufacture more than 50,000 gallons of spirits per year, and
20 shall not be a member of or affiliated with, directly or
21 indirectly, a manufacturer that produces more than 50,000
22 gallons of spirits per year. If a class 1 craft brewer
23 manufactures wine, it shall also obtain and shall only be
24 eligible for, in addition to any current license, a
25 first-class wine-manufacturer license or a first-class
26 wine-maker's license, shall not manufacture more than 50,000

1 gallons of wine per year, and shall not be a member of or
2 affiliated with, directly or indirectly, a manufacturer that
3 produces more than 50,000 gallons of wine per year. A class 1
4 brewer licensee may make sales and deliveries to importing
5 distributors and distributors and to retail licensees in
6 accordance with the conditions set forth in paragraph (18) of
7 subsection (a) of Section 3-12 of this Act. If the State
8 Commission provides prior approval, a class 1 brewer may
9 annually transfer up to 930,000 gallons of beer manufactured
10 by that class 1 brewer to the premises of a licensed class 1
11 brewer wholly owned and operated by the same licensee.

12 Class 13. A class 2 brewer license, which may only be
13 issued to a licensed brewer or licensed non-resident dealer,
14 shall allow the manufacture of up to 3,720,000 gallons of beer
15 per year provided that the class 2 brewer licensee does not
16 manufacture more than a combined 3,720,000 gallons of beer per
17 year and is not a member of or affiliated with, directly or
18 indirectly, a manufacturer that produces more than 3,720,000
19 gallons of beer per year ~~or any other alcoholic liquor.~~ If a
20 class 2 brewer manufactures spirits, it shall also obtain and
21 shall only be eligible for, in addition to any current
22 license, a class 2 craft distiller license, shall not
23 manufacture more than 100,000 gallons of spirits per year, and
24 shall not be a member of or affiliated with, directly or
25 indirectly, a manufacturer that produces more than 100,000
26 gallons of spirits per year. If a class 2 craft distiller

1 manufactures wine, it shall also obtain and shall only be
2 eligible for, in addition to any current license, a
3 second-class wine-maker's license, shall not manufacture more
4 than 150,000 gallons of wine per year, and shall not be a
5 member of or affiliated with, directly or indirectly, a
6 manufacturer that produces more than 150,000 gallons of wine a
7 year. A class 2 brewer licensee may make sales and deliveries
8 to importing distributors and distributors, but shall not make
9 sales or deliveries to any other licensee. If the State
10 Commission provides prior approval, a class 2 brewer licensee
11 may annually transfer up to 3,720,000 gallons of beer
12 manufactured by that class 2 brewer licensee to the premises
13 of a licensed class 2 brewer wholly owned and operated by the
14 same licensee.

15 A class 2 brewer may transfer beer to a brew pub wholly
16 owned and operated by the class 2 brewer subject to the
17 following limitations and restrictions: (i) the transfer shall
18 not annually exceed more than 31,000 gallons; (ii) the annual
19 amount transferred shall reduce the brew pub's annual
20 permitted production limit; (iii) all beer transferred shall
21 be subject to Article VIII of this Act; (iv) a written record
22 shall be maintained by the brewer and brew pub specifying the
23 amount, date of delivery, and receipt of the product by the
24 brew pub; and (v) the brew pub shall be located no farther than
25 80 miles from the class 2 brewer's licensed location.

26 A class 2 brewer shall, prior to transferring beer to a

1 brew pub wholly owned by the class 2 brewer, furnish a written
2 notice to the State Commission of intent to transfer beer
3 setting forth the name and address of the brew pub and shall
4 annually submit to the State Commission a verified report
5 identifying the total gallons of beer transferred to the brew
6 pub wholly owned by the class 2 brewer.

7 Class 14. A class 3 brewer license, which may be issued to
8 a brewer or a non-resident dealer, shall allow the manufacture
9 of no more than 465,000 gallons of beer per year and no more
10 than 155,000 gallons at a single brewery premises, and shall
11 allow the sale of no more than 6,200 gallons of beer from each
12 in-state or out-of-state class 3 brewery premises, or 18,600
13 gallons in the aggregate, to retail licensees, class 1
14 brewers, class 2 brewers, and class 3 brewers as long as the
15 class 3 brewer licensee does not manufacture more than a
16 combined 465,000 gallons of beer per year and is not a member
17 of or affiliated with, directly or indirectly, a manufacturer
18 that produces more than 465,000 gallons of beer per year to
19 make sales to importing distributors, distributors, retail
20 licensees, brewers, class 1 brewers, class 2 brewers, and
21 class 3 brewers in accordance with the conditions set forth in
22 paragraph (20) of subsection (a) of Section 3-12. If the State
23 Commission provides prior approval, a class 3 brewer may
24 annually transfer up to 155,000 gallons of beer manufactured
25 by that class 3 brewer to the premises of a licensed class 3
26 brewer wholly owned and operated by the same licensee. A class

1 3 brewer shall manufacture beer at the brewer's class 3
2 designated licensed premises, and may sell beer as otherwise
3 provided in this Act.

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

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

1 Commission shall post a list of registered agents on the
2 Commission's website.

3 (b) A distributor's license shall allow (i) the wholesale
4 purchase and storage of alcoholic liquors and sale of
5 alcoholic liquors to licensees in this State and to persons
6 without the State, as may be permitted by law; (ii) the sale of
7 beer, cider, mead, or any combination thereof ~~or both beer and~~
8 ~~cider~~ to brewers, class 1 brewers, and class 2 brewers that,
9 pursuant to subsection (e) of Section 6-4 of this Act, sell
10 beer, cider, mead, or any combination thereof ~~or both beer and~~
11 ~~cider~~ to non-licensees at their breweries; ~~and~~ (iii) the sale
12 of vermouth to class 1 craft distillers and class 2 craft
13 distillers that, pursuant to subsection (e) of Section 6-4 of
14 this Act, sell spirits, vermouth, or both spirits and vermouth
15 to non-licensees at their distilleries; or (iv) as otherwise
16 provided in this Act. No person licensed as a distributor
17 shall be granted a non-resident dealer's license.

18 (c) An importing distributor's license may be issued to
19 and held by those only who are duly licensed distributors,
20 upon the filing of an application by a duly licensed
21 distributor, with the Commission and the Commission shall,
22 without the payment of any fee, immediately issue such
23 importing distributor's license to the applicant, which shall
24 allow the importation of alcoholic liquor by the licensee into
25 this State from any point in the United States outside this
26 State, and the purchase of alcoholic liquor in barrels, casks

1 or other bulk containers and the bottling of such alcoholic
2 liquors before resale thereof, but all bottles or containers
3 so filled shall be sealed, labeled, stamped and otherwise made
4 to comply with all provisions, rules and regulations governing
5 manufacturers in the preparation and bottling of alcoholic
6 liquors. The importing distributor's license shall permit such
7 licensee to purchase alcoholic liquor from Illinois licensed
8 non-resident dealers and foreign importers only. No person
9 licensed as an importing distributor shall be granted a
10 non-resident dealer's license.

11 (d) A retailer's license shall allow the licensee to sell
12 and offer for sale at retail, only in the premises specified in
13 the license, alcoholic liquor for use or consumption, but not
14 for resale in any form. Except as provided in Section 6-16,
15 6-29, or 6-29.1, nothing in this Act shall deny, limit,
16 remove, or restrict the ability of a holder of a retailer's
17 license to transfer or ship alcoholic liquor to the purchaser
18 for use or consumption subject to any applicable local law or
19 ordinance. For the purposes of this Section, "shipping" means
20 the movement of alcoholic liquor from a licensed retailer to a
21 consumer via a common carrier. Except as provided in Section
22 6-16, 6-29, or 6-29.1, nothing in this Act shall deny, limit,
23 remove, or restrict the ability of a holder of a retailer's
24 license to deliver alcoholic liquor to the purchaser for use
25 or consumption. The delivery shall be made only within 12
26 hours from the time the alcoholic liquor leaves the licensed

1 premises of the retailer for delivery. For the purposes of
2 this Section, "delivery" means the movement of alcoholic
3 liquor purchased from a licensed retailer to a consumer
4 through the following methods:

5 (1) delivery within licensed retailer's parking lot,
6 including curbside, for pickup by the consumer;

7 (2) delivery by an owner, officer, director,
8 shareholder, or employee of the licensed retailer; or

9 (3) delivery by a third-party contractor, independent
10 contractor, or agent with whom the licensed retailer has
11 contracted to make deliveries of alcoholic liquors.

12 Under subsection (1), (2), or (3), delivery shall not
13 include the use of common carriers.

14 Any retail license issued to a manufacturer shall only
15 permit the manufacturer to sell beer at retail on the premises
16 actually occupied by the manufacturer. For the purpose of
17 further describing the type of business conducted at a retail
18 licensed premises, a retailer's licensee may be designated by
19 the State Commission as (i) an on premise consumption
20 retailer, (ii) an off premise sale retailer, or (iii) a
21 combined on premise consumption and off premise sale retailer.

22 Except for a municipality with a population of more than
23 1,000,000 inhabitants, a home rule unit may not regulate the
24 delivery of alcoholic liquor inconsistent with this
25 subsection. This paragraph is a limitation under subsection
26 (i) of Section 6 of Article VII of the Illinois Constitution on

1 the concurrent exercise by home rule units of powers and
2 functions exercised by the State.

3 Notwithstanding any other provision of this subsection
4 (d), a retail licensee may sell alcoholic liquors to a special
5 event retailer licensee for resale to the extent permitted
6 under subsection (e).

7 (e) A special event retailer's license (not-for-profit)
8 shall permit the licensee to purchase alcoholic liquors from
9 an Illinois licensed distributor (unless the licensee
10 purchases less than \$500 of alcoholic liquors for the special
11 event, in which case the licensee may purchase the alcoholic
12 liquors from a licensed retailer) and shall allow the licensee
13 to sell and offer for sale, at retail, alcoholic liquors for
14 use or consumption, but not for resale in any form and only at
15 the location and on the specific dates designated for the
16 special event in the license. An applicant for a special event
17 retailer license must (i) furnish with the application: (A) a
18 resale number issued under Section 2c of the Retailers'
19 Occupation Tax Act or evidence that the applicant is
20 registered under Section 2a of the Retailers' Occupation Tax
21 Act, (B) a current, valid exemption identification number
22 issued under Section 1g of the Retailers' Occupation Tax Act,
23 and a certification to the Commission that the purchase of
24 alcoholic liquors will be a tax-exempt purchase, or (C) a
25 statement that the applicant is not registered under Section
26 2a of the Retailers' Occupation Tax Act, does not hold a resale

1 number under Section 2c of the Retailers' Occupation Tax Act,
2 and does not hold an exemption number under Section 1g of the
3 Retailers' Occupation Tax Act, in which event the Commission
4 shall set forth on the special event retailer's license a
5 statement to that effect; (ii) submit with the application
6 proof satisfactory to the State Commission that the applicant
7 will provide dram shop liability insurance in the maximum
8 limits; and (iii) show proof satisfactory to the State
9 Commission that the applicant has obtained local authority
10 approval.

11 Nothing in this Act prohibits an Illinois licensed
12 distributor from offering credit or a refund for unused,
13 salable alcoholic liquors to a holder of a special event
14 retailer's license or the special event retailer's licensee
15 from accepting the credit or refund of alcoholic liquors at
16 the conclusion of the event specified in the license.

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

1 lounge or dining car operated on an electric, gas or steam
2 railway in this State; and provided further, that railroad
3 licensees exercising the above powers shall be subject to all
4 provisions of Article VIII of this Act as applied to importing
5 distributors. A railroad license shall also permit the
6 licensee to sell or dispense alcoholic liquors on any club,
7 buffet, lounge or dining car operated on an electric, gas or
8 steam railway regularly operated by a common carrier in this
9 State, but shall not permit the sale for resale of any
10 alcoholic liquors to any licensee within this State. A license
11 shall be obtained for each car in which such sales are made.

12 (g) A boat license shall allow the sale of alcoholic
13 liquor in individual drinks, on any passenger boat regularly
14 operated as a common carrier on navigable waters in this State
15 or on any riverboat operated under the Illinois Gambling Act,
16 which boat or riverboat maintains a public dining room or
17 restaurant thereon.

18 (h) A non-beverage user's license shall allow the licensee
19 to purchase alcoholic liquor from a licensed manufacturer or
20 importing distributor, without the imposition of any tax upon
21 the business of such licensed manufacturer or importing
22 distributor as to such alcoholic liquor to be used by such
23 licensee solely for the non-beverage purposes set forth in
24 subsection (a) of Section 8-1 of this Act, and such licenses
25 shall be divided and classified and shall permit the purchase,
26 possession and use of limited and stated quantities of

1 alcoholic liquor as follows:

- 2 Class 1, not to exceed 500 gallons
- 3 Class 2, not to exceed 1,000 gallons
- 4 Class 3, not to exceed 5,000 gallons
- 5 Class 4, not to exceed 10,000 gallons
- 6 Class 5, not to exceed 50,000 gallons

7 (i) A wine-maker's premises license shall allow a licensee
 8 that concurrently holds a first-class wine-maker's license to
 9 sell and offer for sale at retail in the premises specified in
 10 such license not more than 50,000 gallons of the first-class
 11 wine-maker's wine that is made at the first-class wine-maker's
 12 licensed premises per year for use or consumption, but not for
 13 resale in any form. A wine-maker's premises license shall
 14 allow a licensee who concurrently holds a second-class
 15 wine-maker's license to sell and offer for sale at retail in
 16 the premises specified in such license up to 100,000 gallons
 17 of the second-class wine-maker's wine that is made at the
 18 second-class wine-maker's licensed premises per year for use
 19 or consumption but not for resale in any form. A first-class
 20 wine-maker that concurrently holds a class 1 brewer license or
 21 a class 1 craft distiller license shall not be eligible to hold
 22 a wine-maker's premises license. A wine-maker's premises
 23 license shall allow a licensee that concurrently holds a
 24 first-class wine-maker's license or a second-class
 25 wine-maker's license to sell and offer for sale at retail at
 26 the premises specified in the wine-maker's premises license,

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

13 (j) An airplane license shall permit the licensee to
14 import alcoholic liquors into this State from any point in the
15 United States outside this State and to store such alcoholic
16 liquors in this State; to make wholesale purchases of
17 alcoholic liquors directly from manufacturers, foreign
18 importers, distributors and importing distributors from within
19 or outside this State; and to store such alcoholic liquors in
20 this State; provided that the above powers may be exercised
21 only in connection with the importation, purchase or storage
22 of alcoholic liquors to be sold or dispensed on an airplane;
23 and provided further, that airplane licensees exercising the
24 above powers shall be subject to all provisions of Article
25 VIII of this Act as applied to importing distributors. An
26 airplane licensee shall also permit the sale or dispensing of

1 alcoholic liquors on any passenger airplane regularly operated
2 by a common carrier in this State, but shall not permit the
3 sale for resale of any alcoholic liquors to any licensee
4 within this State. A single airplane license shall be required
5 of an airline company if liquor service is provided on board
6 aircraft in this State. The annual fee for such license shall
7 be as determined in Section 5-3.

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

23 (l) (i) A broker's license shall be required of all
24 persons who solicit orders for, offer to sell or offer to
25 supply alcoholic liquor to retailers in the State of Illinois,
26 or who offer to retailers to ship or cause to be shipped or to

1 make contact with distillers, craft distillers, rectifiers,
2 brewers or manufacturers or any other party within or without
3 the State of Illinois in order that alcoholic liquors be
4 shipped to a distributor, importing distributor or foreign
5 importer, whether such solicitation or offer is consummated
6 within or without the State of Illinois.

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

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

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

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

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

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

14 (m) A non-resident dealer's license shall permit such
15 licensee to ship into and warehouse alcoholic liquor into this
16 State from any point outside of this State, and to sell such
17 alcoholic liquor to Illinois licensed foreign importers and
18 importing distributors and to no one else in this State;
19 provided that (i) said non-resident dealer shall register with
20 the Illinois Liquor Control Commission each and every brand of
21 alcoholic liquor which it proposes to sell to Illinois
22 licensees during the license period, (ii) it shall comply with
23 all of the provisions of Section 6-9 hereof with respect to
24 registration of such Illinois licensees as may be granted the
25 right to sell such brands at wholesale by duly filing such
26 registration statement, thereby authorizing the non-resident

1 dealer to proceed to sell such brands at wholesale, and (iii)
2 the non-resident dealer shall comply with the provisions of
3 Sections 6-5 and 6-6 of this Act to the same extent that these
4 provisions apply to manufacturers. No person licensed as a
5 non-resident dealer shall be granted a distributor's or
6 importing distributor's license.

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

1 location's production limit of 155,000 gallons of beer per
2 year and allocate the aggregate total between the wholly
3 owned, operated, and licensed locations.

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

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

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

1 hold a class 1 brewer license and is not a member of or
2 affiliated with, directly or indirectly, a manufacturer that
3 produces more than 3,720,000 gallons of beer per year or that
4 produces any other alcoholic liquor.

5 A brew pub licensee may apply for a class 3 brewer license
6 and upon: (i) meeting all applicable qualifications of this
7 Act, and relinquishing all commonly owned brew pub or retail
8 licenses shall be issued a class 3 brewer license. Nothing in
9 this Act shall prohibit the issuance of a class 3 brewer
10 license if the applicant:

11 (1) has a valid retail license on or before May 1,
12 2021;

13 (2) has an ownership interest in at least two brew
14 pubs licenses on or before May 1, 2021;

15 (3) the brew pub licensee applies for a class 3 brewer
16 license on or before October 1, 2022 and relinquishes all
17 commonly owned brew pub licenses; and

18 (4) relinquishes all commonly owned retail licenses on
19 or before December 31, 2022.

20 If a brew pub licensee is issued a class 3 brewer license,
21 the class 3 brewer license shall expire on the same date as the
22 existing brew pub license and the State Commission shall not
23 require a class 3 brewer licensee to obtain a brewer license,
24 or in the alternative to pay a fee for a brewer license, until
25 the date the brew pub license of the applicant would have
26 expired.

1 (o) A caterer retailer license shall allow the holder to
2 serve alcoholic liquors as an incidental part of a food
3 service that serves prepared meals which excludes the serving
4 of snacks as the primary meal, either on or off-site whether
5 licensed or unlicensed. A caterer retailer license shall allow
6 the holder, a distributor, or an importing distributor to
7 transfer any inventory to and from the holder's retail
8 premises and shall allow the holder to purchase alcoholic
9 liquor from a distributor or importing distributor to be
10 delivered directly to an off-site event.

11 Nothing in this Act prohibits a distributor or importing
12 distributor from offering credit or a refund for unused,
13 salable beer to a holder of a caterer retailer license or a
14 caterer retailer licensee from accepting a credit or refund
15 for unused, salable beer, in the event an act of God is the
16 sole reason an off-site event is cancelled and if: (i) the
17 holder of a caterer retailer license has not transferred
18 alcoholic liquor from its caterer retailer premises to an
19 off-site location; (ii) the distributor or importing
20 distributor offers the credit or refund for the unused,
21 salable beer that it delivered to the off-site premises and
22 not for any unused, salable beer that the distributor or
23 importing distributor delivered to the caterer retailer's
24 premises; and (iii) the unused, salable beer would likely
25 spoil if transferred to the caterer retailer's premises. A
26 caterer retailer license shall allow the holder to transfer

1 any inventory from any off-site location to its caterer
2 retailer premises at the conclusion of an off-site event or
3 engage a distributor or importing distributor to transfer any
4 inventory from any off-site location to its caterer retailer
5 premises at the conclusion of an off-site event, provided that
6 the distributor or importing distributor issues bona fide
7 charges to the caterer retailer licensee for fuel, labor, and
8 delivery and the distributor or importing distributor collects
9 payment from the caterer retailer licensee prior to the
10 distributor or importing distributor transferring inventory to
11 the caterer retailer premises.

12 For purposes of this subsection (o), an "act of God" means
13 an unforeseeable event, such as a rain or snow storm, hail, a
14 flood, or a similar event, that is the sole cause of the
15 cancellation of an off-site, outdoor event.

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

24 (q) A special use permit license shall allow an Illinois
25 licensed retailer to transfer a portion of its alcoholic
26 liquor inventory from its retail licensed premises to the

1 premises specified in the license hereby created; to purchase
2 alcoholic liquor from a distributor or importing distributor
3 to be delivered directly to the location specified in the
4 license hereby created; and to sell or offer for sale at
5 retail, only in the premises specified in the license hereby
6 created, the transferred or delivered alcoholic liquor for use
7 or consumption, but not for resale in any form. A special use
8 permit license may be granted for the following time periods:
9 one day or less; 2 or more days to a maximum of 15 days per
10 location in any 12-month period. An applicant for the special
11 use permit license must also submit with the application proof
12 satisfactory to the State Commission that the applicant will
13 provide dram shop liability insurance to the maximum limits
14 and have local authority approval.

15 A special use permit license shall allow the holder to
16 transfer any inventory from the holder's special use premises
17 to its retail premises at the conclusion of the special use
18 event or engage a distributor or importing distributor to
19 transfer any inventory from the holder's special use premises
20 to its retail premises at the conclusion of an off-site event,
21 provided that the distributor or importing distributor issues
22 bona fide charges to the special use permit licensee for fuel,
23 labor, and delivery and the distributor or importing
24 distributor collects payment from the retail licensee prior to
25 the distributor or importing distributor transferring
26 inventory to the retail premises.

1 Nothing in this Act prohibits a distributor or importing
2 distributor from offering credit or a refund for unused,
3 salable beer to a special use permit licensee or a special use
4 permit licensee from accepting a credit or refund for unused,
5 salable beer at the conclusion of the event specified in the
6 license if: (i) the holder of the special use permit license
7 has not transferred alcoholic liquor from its retail licensed
8 premises to the premises specified in the special use permit
9 license; (ii) the distributor or importing distributor offers
10 the credit or refund for the unused, salable beer that it
11 delivered to the premises specified in the special use permit
12 license and not for any unused, salable beer that the
13 distributor or importing distributor delivered to the
14 retailer's premises; and (iii) the unused, salable beer would
15 likely spoil if transferred to the retailer premises.

16 (r) A winery shipper's license shall allow a person with a
17 first-class or second-class wine manufacturer's license, a
18 first-class or second-class wine-maker's license, or a limited
19 wine manufacturer's license or who is licensed to make wine
20 under the laws of another state to ship wine made by that
21 licensee directly to a resident of this State who is 21 years
22 of age or older for that resident's personal use and not for
23 resale. Prior to receiving a winery shipper's license, an
24 applicant for the license must provide the Commission with a
25 true copy of its current license in any state in which it is
26 licensed as a manufacturer of wine. An applicant for a winery

1 shipper's license must also complete an application form that
2 provides any other information the Commission deems necessary.
3 The application form shall include all addresses from which
4 the applicant for a winery shipper's license intends to ship
5 wine, including the name and address of any third party,
6 except for a common carrier, authorized to ship wine on behalf
7 of the manufacturer. The application form shall include an
8 acknowledgement consenting to the jurisdiction of the
9 Commission, the Illinois Department of Revenue, and the courts
10 of this State concerning the enforcement of this Act and any
11 related laws, rules, and regulations, including authorizing
12 the Department of Revenue and the Commission to conduct audits
13 for the purpose of ensuring compliance with Public Act 95-634,
14 and an acknowledgement that the wine manufacturer is in
15 compliance with Section 6-2 of this Act. Any third party,
16 except for a common carrier, authorized to ship wine on behalf
17 of a first-class or second-class wine manufacturer's licensee,
18 a first-class or second-class wine-maker's licensee, a limited
19 wine manufacturer's licensee, or a person who is licensed to
20 make wine under the laws of another state shall also be
21 disclosed by the winery shipper's licensee, and a copy of the
22 written appointment of the third-party wine provider, except
23 for a common carrier, to the wine manufacturer shall be filed
24 with the State Commission as a supplement to the winery
25 shipper's license application or any renewal thereof. The
26 winery shipper's license holder shall affirm under penalty of

1 perjury, as part of the winery shipper's license application
2 or renewal, that he or she only ships wine, either directly or
3 indirectly through a third-party provider, from the licensee's
4 own production.

5 Except for a common carrier, a third-party provider
6 shipping wine on behalf of a winery shipper's license holder
7 is the agent of the winery shipper's license holder and, as
8 such, a winery shipper's license holder is responsible for the
9 acts and omissions of the third-party provider acting on
10 behalf of the license holder. A third-party provider, except
11 for a common carrier, that engages in shipping wine into
12 Illinois on behalf of a winery shipper's license holder shall
13 consent to the jurisdiction of the State Commission and the
14 State. Any third-party, except for a common carrier, holding
15 such an appointment shall, by February 1 of each calendar year
16 and upon request by the State Commission or the Department of
17 Revenue, file with the State Commission a statement detailing
18 each shipment made to an Illinois resident. The statement
19 shall include the name and address of the third-party provider
20 filing the statement, the time period covered by the
21 statement, and the following information:

22 (1) the name, address, and license number of the
23 winery shipper on whose behalf the shipment was made;

24 (2) the quantity of the products delivered; and

25 (3) the date and address of the shipment.

26 If the Department of Revenue or the State Commission requests

1 a statement under this paragraph, the third-party provider
2 must provide that statement no later than 30 days after the
3 request is made. Any books, records, supporting papers, and
4 documents containing information and data relating to a
5 statement under this paragraph shall be kept and preserved for
6 a period of 3 years, unless their destruction sooner is
7 authorized, in writing, by the Director of Revenue, and shall
8 be open and available to inspection by the Director of Revenue
9 or the State Commission or any duly authorized officer, agent,
10 or employee of the State Commission or the Department of
11 Revenue, at all times during business hours of the day. Any
12 person who violates any provision of this paragraph or any
13 rule of the State Commission for the administration and
14 enforcement of the provisions of this paragraph is guilty of a
15 Class C misdemeanor. In case of a continuing violation, each
16 day's continuance thereof shall be a separate and distinct
17 offense.

18 The State Commission shall adopt rules as soon as
19 practicable to implement the requirements of Public Act 99-904
20 and shall adopt rules prohibiting any such third-party
21 appointment of a third-party provider, except for a common
22 carrier, that has been deemed by the State Commission to have
23 violated the provisions of this Act with regard to any winery
24 shipper licensee.

25 A winery shipper licensee must pay to the Department of
26 Revenue the State liquor gallonage tax under Section 8-1 for

1 all wine that is sold by the licensee and shipped to a person
2 in this State. For the purposes of Section 8-1, a winery
3 shipper licensee shall be taxed in the same manner as a
4 manufacturer of wine. A licensee who is not otherwise required
5 to register under the Retailers' Occupation Tax Act must
6 register under the Use Tax Act to collect and remit use tax to
7 the Department of Revenue for all gallons of wine that are sold
8 by the licensee and shipped to persons in this State. If a
9 licensee fails to remit the tax imposed under this Act in
10 accordance with the provisions of Article VIII of this Act,
11 the winery shipper's license shall be revoked in accordance
12 with the provisions of Article VII of this Act. If a licensee
13 fails to properly register and remit tax under the Use Tax Act
14 or the Retailers' Occupation Tax Act for all wine that is sold
15 by the winery shipper and shipped to persons in this State, the
16 winery shipper's license shall be revoked in accordance with
17 the provisions of Article VII of this Act.

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

24 Pursuant to paragraph (5.1) or (5.3) of subsection (a) of
25 Section 3-12, the State Commission may receive, respond to,
26 and investigate any complaint and impose any of the remedies

1 specified in paragraph (1) of subsection (a) of Section 3-12.

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

7 (s) A craft distiller tasting permit license shall allow
8 an Illinois licensed class 1 craft distiller or class 2 craft
9 distiller to transfer a portion of its alcoholic liquor
10 inventory from its class 1 craft distiller or class 2 craft
11 distiller licensed premises to the premises specified in the
12 license hereby created and to conduct a sampling, only in the
13 premises specified in the license hereby created, of the
14 transferred alcoholic liquor in accordance with subsection (c)
15 of Section 6-31 of this Act. The transferred alcoholic liquor
16 may not be sold or resold in any form. An applicant for the
17 craft distiller tasting permit license must also submit with
18 the application proof satisfactory to the State Commission
19 that the applicant will provide dram shop liability insurance
20 to the maximum limits and 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
3 to store or warehouse up to 3,720,000 gallons of
4 tax-determined beer manufactured by the holder of the permit
5 at the premises specified on the permit. Sales to
6 non-licensees are prohibited at the premises specified in the
7 brewer warehouse permit.

8 (u) A distilling pub license shall allow the licensee to
9 only (i) manufacture up to 5,000 gallons of spirits per year
10 only on the premises specified in the license, (ii) make sales
11 of the spirits manufactured on the premises or, with the
12 approval of the State Commission, spirits manufactured on
13 another distilling pub licensed premises that is wholly owned
14 and operated by the same licensee to importing distributors
15 and distributors and to non-licensees for use and consumption,
16 (iii) store the spirits upon the premises, (iv) sell and offer
17 for sale at retail from the licensed premises for off-premises
18 consumption no more than 5,000 gallons per year so long as such
19 sales are only made in-person, (v) sell and offer for sale at
20 retail for use and consumption on the premises specified in
21 the license any form of alcoholic liquor purchased from a
22 licensed distributor or importing distributor, and (vi) with
23 the prior approval of the State Commission, annually transfer
24 no more than 5,000 gallons of spirits manufactured on the
25 premises to a licensed distilling pub wholly owned and
26 operated by the same licensee.

1 A distilling pub licensee shall not under any circumstance
2 sell or offer for sale spirits manufactured by the distilling
3 pub licensee to retail licensees.

4 A person who holds a class 2 craft distiller license may
5 simultaneously hold a distilling pub license if the class 2
6 craft distiller (i) does not, under any circumstance, sell or
7 offer for sale spirits manufactured by the class 2 craft
8 distiller to retail licensees; (ii) does not hold more than 3
9 distilling pub licenses in this State; (iii) does not
10 manufacture more than a combined 100,000 gallons of spirits
11 per year, including the spirits manufactured at the distilling
12 pub; and (iv) is not a member of or affiliated with, directly
13 or indirectly, a manufacturer that produces more than 100,000
14 gallons of spirits per year or any other alcoholic liquor.

15 (v) A craft distiller warehouse permit may be issued to
16 the holder of a class 1 craft distiller or class 2 craft
17 distiller license. The craft distiller warehouse permit shall
18 allow the holder to store or warehouse up to 500,000 gallons of
19 spirits manufactured by the holder of the permit at the
20 premises specified on the permit. Sales to non-licensees are
21 prohibited at the premises specified in the craft distiller
22 warehouse permit.

23 (w) A beer showcase permit license shall allow an
24 Illinois-licensed distributor to transfer a portion of its
25 beer inventory from its licensed premises to the premises
26 specified in the beer showcase permit license, and, in the

1 case of a class 3 brewer, transfer only beer the class 3 brewer
2 manufactures from its licensed premises to the premises
3 specified in the beer showcase permit license; and to sell or
4 offer for sale at retail, only in the premises specified in the
5 beer showcase permit license, the transferred or delivered
6 beer for on or off premise consumption, but not for resale in
7 any form and to sell to non-licensees not more than 96 fluid
8 ounces of beer per person. A beer showcase permit license may
9 be granted for the following time periods: one day or less; or
10 2 or more days to a maximum of 15 days per location in any
11 12-month period. An applicant for a beer showcase permit
12 license must also submit with the application proof
13 satisfactory to the State Commission that the applicant will
14 provide dram shop liability insurance to the maximum limits
15 and have local authority approval. The State Commission shall
16 require the beer showcase applicant to comply with Section
17 6-27.1.

18 (Source: P.A. 100-17, eff. 6-30-17; 100-201, eff. 8-18-17;
19 100-816, eff. 8-13-18; 100-885, eff. 8-14-18; 100-1050, eff.
20 8-23-18; 101-16, eff. 6-14-19; 101-31, eff. 6-28-19; 101-81,
21 eff. 7-12-19; 101-482, eff. 8-23-19; 101-517, eff. 8-23-19;
22 101-615, eff. 12-20-19; 101-668, eff. 1-1-22.)

23 (235 ILCS 5/5-3) (from Ch. 43, par. 118)

24 Sec. 5-3. License fees. Except as otherwise provided
25 herein, at the time application is made to the State

1 Commission for a license of any class, the applicant shall pay
 2 to the State Commission the fee hereinafter provided for the
 3 kind of license applied for.

4 The fee for licenses issued by the State Commission shall
 5 be as follows:

Online	Initial
renewal	license
	or
	non-online
	renewal

11 For a manufacturer's license:

12	Class 1. Distiller	\$4,000	\$5,000
13	Class 2. Rectifier	4,000	5,000
14	Class 3. Brewer	1,200	1,500
15	Class 4. First-class Wine		
16	Manufacturer	<u>1,200</u> 750	<u>1,500</u> 900
17	Class 5. Second-class		
18	Wine Manufacturer.....	1,500	1,750
19	Class 6. First-class wine-maker....	<u>1,200</u> 750	<u>1,500</u> 900
20	Class 7. Second-class wine-maker ..	1,500	1,750
21	Class 8. Limited Wine		
22	Manufacturer	250	350
23	Class 9. Craft Distiller	\$2,000	\$2,500
24	Class 10. Class 1 Craft Distiller ..	50	75
25	Class 11. Class 2 Craft Distiller ..	75	100
26	Class 12. Class 1 Brewer	50	75

1	Class 13. Class 2 Brewer	75	100
2	<u>Class 14. Class 3 Brewer</u>	<u>25</u>	<u>50</u>
3	For a Brew Pub License	1,200	1,500
4	For a Distilling Pub License	1,200	1,500
5	For a caterer retailer's license ..	350	500
6	For a foreign importer's license ..	25	25
7	For an importing distributor's		
8	license.....	25	25
9	For a distributor's license		
10	(11,250,000 gallons		
11	or over)	1,450	2,200
12	For a distributor's license		
13	(over 4,500,000 gallons, but		
14	under 11,250,000 gallons)	950	1,450
15	For a distributor's license		
16	(4,500,000 gallons or under) ..	300	450
17	For a non-resident dealer's license		
18	(500,000 gallons or over)		
19	<u>or with self-distribution</u>		
20	<u>privileges</u>	1,200	1,500
21	For a non-resident dealer's license		
22	(under 500,000 gallons)	250	350
23	For a wine-maker's premises		
24	license.....	250	500
25	For a winery shipper's license		
26	(under 250,000 gallons)	200	350

1	For a winery shipper's license		
2	(250,000 or over, but		
3	under 500,000 gallons)	750	1,000
4	For a winery shipper's license		
5	(500,000 gallons or over)	1,200	1,500
6	For a wine-maker's premises		
7	license, second location	500	1,000
8	For a wine-maker's premises		
9	license, third location.....	500	1,000
10	For a retailer's license	600	750
11	For a special event retailer's		
12	license, (not-for-profit).....	25	25
13	<u>For a beer showcase permit license,</u>		
14	<u>one day only</u>	<u>100</u>	<u>150</u>
15	<u>2 days or more</u>	<u>150</u>	<u>250</u>
16	For a special use permit license,		
17	one day only	100	150
18	2 days or more	150	250
19	For a railroad license	100	150
20	For a boat license	500	1,000
21	For an airplane license, times the		
22	licensee's maximum number of		
23	aircraft in flight, serving		
24	liquor over the State at any		
25	given time, which either		
26	originate, terminate, or make		

1	an intermediate stop in		
2	the State.....	100	150
3	For a non-beverage user's license:		
4	Class 1.....	24	24
5	Class 2.....	60	60
6	Class 3.....	120	120
7	Class 4.....	240	240
8	Class 5.....	600	600
9	For a broker's license	750	1,000
10	For an auction liquor license	100	150
11	For a homebrewer special		
12	event permit	25	25
13	For a craft distiller		
14	tasting permit	25	25
15	For a BASSET trainer license	300	350
16	For a tasting representative		
17	license.....	200	300
18	For a brewer warehouse permit	25	25
19	For a craft distiller		
20	warehouse permit	25	25

21 Fees collected under this Section shall be paid into the
22 Dram Shop Fund. On and after July 1, 2003 and until June 30,
23 2016, of the funds received for a retailer's license, in
24 addition to the first \$175, an additional \$75 shall be paid
25 into the Dram Shop Fund, and \$250 shall be paid into the
26 General Revenue Fund. On and after June 30, 2016, one-half of

1 the funds received for a retailer's license shall be paid into
2 the Dram Shop Fund and one-half of the funds received for a
3 retailer's license shall be paid into the General Revenue
4 Fund. Beginning June 30, 1990 and on June 30 of each subsequent
5 year through June 29, 2003, any balance over \$5,000,000
6 remaining in the Dram Shop Fund shall be credited to State
7 liquor licensees and applied against their fees for State
8 liquor licenses for the following year. The amount credited to
9 each licensee shall be a proportion of the balance in the Dram
10 Fund that is the same as the proportion of the license fee paid
11 by the licensee under this Section for the period in which the
12 balance was accumulated to the aggregate fees paid by all
13 licensees during that period.

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

16 (a) Hospitals, sanitariums, or clinics when their use
17 of alcoholic liquor is exclusively medicinal, mechanical
18 or scientific.

19 (b) Universities, colleges of learning or schools when
20 their use of alcoholic liquor is exclusively medicinal,
21 mechanical or scientific.

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

24 (Source: P.A. 100-201, eff. 8-18-17; 100-816, eff. 8-13-18;
25 101-482, eff. 8-23-19; 101-615, eff. 12-20-19; revised
26 8-19-20.)

1 (235 ILCS 5/6-4) (from Ch. 43, par. 121)

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

20 However, an importing distributor or distributor, which on
21 January 1, 1985 is owned by a brewer, or any subsidiary or
22 affiliate thereof or any officer, associate, member, partner,
23 representative, employee, agent or shareholder owning more
24 than 5% of the outstanding shares of the importing distributor
25 or distributor referred to in this paragraph, may own or

1 acquire an ownership interest of more than 5% of the
2 outstanding shares of a wine manufacturer and be issued a wine
3 manufacturer's license by any licensing authority.

4 (b) The foregoing provisions shall not apply to any person
5 licensed by any licensing authority as a distiller or wine
6 manufacturer, or to any subsidiary or affiliate of any
7 distiller or wine manufacturer who shall have been heretofore
8 licensed by the State Commission as either an importing
9 distributor or distributor during the annual licensing period
10 expiring June 30, 1947, and shall actually have made sales
11 regularly to retailers.

12 (c) Provided, however, that in such instances where a
13 distributor's or importing distributor's license has been
14 issued to any distiller or wine manufacturer or to any
15 subsidiary or affiliate of any distiller or wine manufacturer
16 who has, during the licensing period ending June 30, 1947,
17 sold or distributed as such licensed distributor or importing
18 distributor alcoholic liquors and wines to retailers, such
19 distiller or wine manufacturer or any subsidiary or affiliate
20 of any distiller or wine manufacturer holding such
21 distributor's or importing distributor's license may continue
22 to sell or distribute to retailers such alcoholic liquors and
23 wines which are manufactured, distilled, processed or marketed
24 by distillers and wine manufacturers whose products it sold or
25 distributed to retailers during the whole or any part of its
26 licensing periods; and such additional brands and additional

1 products may be added to the line of such distributor or
2 importing distributor, provided, that such brands and such
3 products were not sold or distributed by any distributor or
4 importing distributor licensed by the State Commission during
5 the licensing period ending June 30, 1947, but can not sell or
6 distribute to retailers any other alcoholic liquors or wines.

7 (d) It shall be unlawful for any distiller licensed
8 anywhere to have any stock ownership or interest in any
9 distributor's or importing distributor's license wherein any
10 other person has an interest therein who is not a distiller and
11 does not own more than 5% of any stock in any distillery.
12 Nothing herein contained shall apply to such distillers or
13 their subsidiaries or affiliates, who had a distributor's or
14 importing distributor's license during the licensing period
15 ending June 30, 1947, which license was owned in whole by such
16 distiller, or subsidiaries or affiliates of such distiller.

17 (e) Any person licensed as a brewer, class 1 brewer, or
18 class 2 brewer shall be permitted to sell on the licensed
19 premises to non-licensees for on or off-premises consumption
20 for the premises in which he or she actually conducts such
21 business: (i) beer manufactured by the brewer, class 1 brewer,
22 ~~or~~ class 2 brewer, or class 3 brewer; (ii) beer manufactured by
23 any other brewer, class 1 brewer, ~~or~~ class 2 brewer, or class 3
24 brewer; and (iii) cider or mead. Any person licensed as a class
25 3 brewer shall be permitted to sell on the licensed premises to
26 non-licensees for on or off premises consumption for the

1 premises in which he or she actually conducts such business:
2 (i) beer manufactured by the class 3 brewer on the premises;
3 (ii) beer manufactured by any other brewer, class 1 brewer,
4 class 2 brewer, or class 3 brewer; and (iii) cider, wine, and
5 spirits. All products sold under this subsection that are not
6 manufactured on premises must be purchased through a licensed
7 distributor, importing distributor, or manufacturer with
8 self-distribution privileges. Such sales shall be limited to
9 on-premises, in-person sales only, for lawful consumption on
10 or off premises. Such authorization shall be considered a
11 privilege granted by the brewer license and, other than a
12 manufacturer of beer as stated above, no manufacturer or
13 distributor or importing distributor, excluding airplane
14 licensees exercising powers provided in paragraph (i) of
15 Section 5-1 of this Act, or any subsidiary or affiliate
16 thereof, or any officer, associate, member, partner,
17 representative, employee or agent, or shareholder shall be
18 issued a retailer's license, nor shall any person having a
19 retailer's license, excluding airplane licensees exercising
20 powers provided in paragraph (i) of Section 5-1 of this Act, or
21 any subsidiary or affiliate thereof, or any officer,
22 associate, member, partner, representative or agent, or
23 shareholder be issued a manufacturer's license or importing
24 distributor's license.

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

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

8 A person licensed as a class 1 craft distiller or a class 2
9 craft distiller, including a person who holds more than one
10 class 1 craft distiller or class 2 craft distiller license,
11 not affiliated with any other person manufacturing spirits may
12 be authorized by the State Commission to sell (1) up to 5,000
13 gallons of spirits produced by the person to non-licensees for
14 on or off-premises consumption for the premises in which he or
15 she actually conducts business permitting only the retail sale
16 of spirits manufactured at such premises and (2) vermouth
17 purchased through a licensed distributor for on-premises
18 consumption. Such sales shall be limited to on-premises,
19 in-person sales only, for lawful consumption on or off
20 premises, and such authorization shall be considered a
21 privilege granted by the class 1 craft distiller or class 2
22 craft distiller license. A class 1 craft distiller or class 2
23 craft distiller licensed for retail sale shall secure liquor
24 liability insurance coverage in an amount at least equal to
25 the maximum liability amounts set forth in subsection (a) of
26 Section 6-21 of this Act.

1 A class 1 craft distiller or class 2 craft distiller
2 license holder shall not deliver any alcoholic liquor to any
3 non-licensee off the licensed premises. A class 1 craft
4 distiller or class 2 craft distiller shall affirm in its
5 annual license application that it does not produce more than
6 50,000 or 100,000 gallons of distilled spirits annually,
7 whichever is applicable, and that the craft distiller does not
8 sell more than 5,000 gallons of spirits to non-licensees for
9 on or off-premises consumption. In the application, which
10 shall be sworn under penalty of perjury, the class 1 craft
11 distiller or class 2 craft distiller shall state the volume of
12 production and sales for each year since the class 1 craft
13 distiller's or class 2 craft distiller's establishment.

14 A person who holds a class 1 craft distiller or class 2
15 craft distiller license and is authorized by this Section to
16 sell spirits to non-licensees shall not sell spirits to
17 non-licensees from more than 3 total distillery or commonly
18 owned distilling pub licensed locations in this State. The
19 class 1 craft distiller or class 2 craft distiller shall
20 designate to the State Commission the distillery or distilling
21 pub locations from which it will sell spirits to
22 non-licensees.

23 (f) (Blank).

24 (g) Notwithstanding any of the foregoing prohibitions, a
25 limited wine manufacturer may sell at retail at its
26 manufacturing site for on or off premises consumption and may

1 sell to distributors. A limited wine manufacturer licensee
2 shall secure liquor liability insurance coverage in an amount
3 at least equal to the maximum liability amounts set forth in
4 subsection (a) of Section 6-21 of this Act.

5 (h) The changes made to this Section by Public Act 99-47
6 shall not diminish or impair the rights of any person, whether
7 a distiller, wine manufacturer, agent, or affiliate thereof,
8 who requested in writing and submitted documentation to the
9 State Commission on or before February 18, 2015 to be approved
10 for a retail license pursuant to what has heretofore been
11 subsection (f); provided that, on or before that date, the
12 State Commission considered the intent of that person to apply
13 for the retail license under that subsection and, by recorded
14 vote, the State Commission approved a resolution indicating
15 that such a license application could be lawfully approved
16 upon that person duly filing a formal application for a retail
17 license and if that person, within 90 days of the State
18 Commission appearance and recorded vote, first filed an
19 application with the appropriate local commission, which
20 application was subsequently approved by the appropriate local
21 commission prior to consideration by the State Commission of
22 that person's application for a retail license. It is further
23 provided that the State Commission may approve the person's
24 application for a retail license or renewals of such license
25 if such person continues to diligently adhere to all
26 representations made in writing to the State Commission on or

1 before February 18, 2015, or thereafter, or in the affidavit
2 filed by that person with the State Commission to support the
3 issuance of a retail license and to abide by all applicable
4 laws and duly adopted rules.

5 (i) Notwithstanding any other provision of this Act, the
6 common ownership of a brewery, winery, or a distillery shall
7 not authorize the grant of and aggregation of retail
8 privileges granted to any person or licensees in subsection
9 (e). Any person or licensee with common ownership in a
10 brewery, winery, or a distillery shall be limited to the
11 retail privileges granted to only one of the commonly owned
12 brewery, winery, or distillery. The State Commission is hereby
13 authorized to restrict the locations of any commonly owned
14 brewery, winery, or distillery to prevent the expansion of
15 retail privileges, including, without limitation, restricting
16 a commonly owned brewery, winery, or distillery from operating
17 in adjacent licensed premises or restricting self-distribution
18 privileges.

19 (Source: P.A. 100-201, eff. 8-18-17; 100-816, eff. 8-13-18;
20 100-885, eff. 8-14-18; 101-81, eff. 7-12-19; 101-482, eff.
21 8-23-19; 101-615, eff. 12-20-19.)

22 (235 ILCS 5/6-5) (from Ch. 43, par. 122)

23 Sec. 6-5. Except as otherwise provided in this Section, it
24 is unlawful for any person having a retailer's license or any
25 officer, associate, member, representative or agent of such

1 licensee to accept, receive or borrow money, or anything else
2 of value, or accept or receive credit (other than
3 merchandising credit in the ordinary course of business for a
4 period not to exceed 30 days) directly or indirectly from any
5 manufacturer, importing distributor or distributor of
6 alcoholic liquor, or from any person connected with or in any
7 way representing, or from any member of the family of, such
8 manufacturer, importing distributor, distributor or
9 wholesaler, or from any stockholders in any corporation
10 engaged in manufacturing, distributing or wholesaling of such
11 liquor, or from any officer, manager, agent or representative
12 of said manufacturer. Except as provided below, it is unlawful
13 for any manufacturer or distributor or importing distributor
14 to give or lend money or anything of value, or otherwise loan
15 or extend credit (except such merchandising credit) directly
16 or indirectly to any retail licensee or to the manager,
17 representative, agent, officer or director of such licensee. A
18 manufacturer, distributor or importing distributor may furnish
19 free advertising, posters, signs, brochures, hand-outs, or
20 other promotional devices or materials to any unit of
21 government owning or operating any auditorium, exhibition
22 hall, recreation facility or other similar facility holding a
23 retailer's license, provided that the primary purpose of such
24 promotional devices or materials is to promote public events
25 being held at such facility. A unit of government owning or
26 operating such a facility holding a retailer's license may

1 accept such promotional devices or materials designed
2 primarily to promote public events held at the facility. No
3 retail licensee delinquent beyond the 30 day period specified
4 in this Section shall solicit, accept or receive credit,
5 purchase or acquire alcoholic liquors, directly or indirectly
6 from any other licensee, and no manufacturer, distributor or
7 importing distributor shall knowingly grant or extend credit,
8 sell, furnish or supply alcoholic liquors to any such
9 delinquent retail licensee; provided that the purchase price
10 of all beer sold to a retail licensee shall be paid by the
11 retail licensee in cash on or before delivery of the beer, and
12 unless the purchase price payable by a retail licensee for
13 beer sold to him in returnable bottles shall expressly include
14 a charge for the bottles and cases, the retail licensee shall,
15 on or before delivery of such beer, pay the seller in cash a
16 deposit in an amount not less than the deposit required to be
17 paid by the distributor to the brewer; but where the brewer
18 sells direct to the retailer, the deposit shall be an amount no
19 less than that required by the brewer from his own
20 distributors; and provided further, that in no instance shall
21 this deposit be less than 50 cents for each case of beer in
22 pint or smaller bottles and 60 cents for each case of beer in
23 quart or half-gallon bottles; and provided further, that the
24 purchase price of all beer sold to an importing distributor or
25 distributor shall be paid by such importing distributor or
26 distributor in cash on or before the 15th day (Sundays and

1 holidays excepted) after delivery of such beer to such
2 purchaser; and unless the purchase price payable by such
3 importing distributor or distributor for beer sold in
4 returnable bottles and cases shall expressly include a charge
5 for the bottles and cases, such importing distributor or
6 distributor shall, on or before the 15th day (Sundays and
7 holidays excepted) after delivery of such beer to such
8 purchaser, pay the seller in cash a required amount as a
9 deposit to assure the return of such bottles and cases.
10 Nothing herein contained shall prohibit any licensee from
11 crediting or refunding to a purchaser the actual amount of
12 money paid for bottles, cases, kegs or barrels returned by the
13 purchaser to the seller or paid by the purchaser as a deposit
14 on bottles, cases, kegs or barrels, when such containers or
15 packages are returned to the seller. Nothing herein contained
16 shall prohibit any manufacturer, importing distributor or
17 distributor from extending usual and customary credit for
18 alcoholic liquor sold to customers or purchasers who live in
19 or maintain places of business outside of this State when such
20 alcoholic liquor is actually transported and delivered to such
21 points outside of this State.

22 A manufacturer, distributor, or importing distributor may
23 furnish free social media advertising to a retail licensee if
24 the social media advertisement does not contain the retail
25 price of any alcoholic liquor and the social media
26 advertisement complies with any applicable rules or

1 regulations issued by the Alcohol and Tobacco Tax and Trade
2 Bureau of the United States Department of the Treasury. A
3 manufacturer, distributor, or importing distributor may list
4 the names of one or more unaffiliated retailers in the
5 advertisement of alcoholic liquor through social media.
6 Nothing in this Section shall prohibit a retailer from
7 communicating with a manufacturer, distributor, or importing
8 distributor on social media or sharing media on the social
9 media of a manufacturer, distributor, or importing
10 distributor. A retailer may request free social media
11 advertising from a manufacturer, distributor, or importing
12 distributor. Nothing in this Section shall prohibit a
13 manufacturer, distributor, or importing distributor from
14 sharing, reposting, or otherwise forwarding a social media
15 post by a retail licensee, so long as the sharing, reposting,
16 or forwarding of the social media post does not contain the
17 retail price of any alcoholic liquor. No manufacturer,
18 distributor, or importing distributor shall pay or reimburse a
19 retailer, directly or indirectly, for any social media
20 advertising services, except as specifically permitted in this
21 Act. No retailer shall accept any payment or reimbursement,
22 directly or indirectly, for any social media advertising
23 services offered by a manufacturer, distributor, or importing
24 distributor, except as specifically permitted in this Act. For
25 the purposes of this Section, "social media" means a service,
26 platform, or site where users communicate with one another and

1 share media, such as pictures, videos, music, and blogs, with
2 other users free of charge.

3 No right of action shall exist for the collection of any
4 claim based upon credit extended to a distributor, importing
5 distributor or retail licensee contrary to the provisions of
6 this Section.

7 Every manufacturer, importing distributor and distributor
8 shall submit or cause to be submitted, to the State
9 Commission, in triplicate, not later than Thursday of each
10 calendar week, a verified written list of the names and
11 respective addresses of each retail licensee purchasing
12 spirits or wine from such manufacturer, importing distributor
13 or distributor who, on the first business day of that calendar
14 week, was delinquent beyond the above mentioned permissible
15 merchandising credit period of 30 days; or, if such is the
16 fact, a verified written statement that no retail licensee
17 purchasing spirits or wine was then delinquent beyond such
18 permissible merchandising credit period of 30 days.

19 Every manufacturer, importing distributor and distributor
20 shall submit or cause to be submitted, to the State
21 Commission, in triplicate, a verified written list of the
22 names and respective addresses of each previously reported
23 delinquent retail licensee who has cured such delinquency by
24 payment, which list shall be submitted not later than the
25 close of the second full business day following the day such
26 delinquency was so cured.

1 The written list of delinquent retail licensees shall be
2 developed, administered, and maintained only by the State
3 Commission. The State Commission shall notify each retail
4 licensee that it has been placed on the delinquency list.
5 Determinations of delinquency or nondelinquency shall be made
6 only by the State Commission.

7 Such written verified reports required to be submitted by
8 this Section shall be posted by the State Commission in each of
9 its offices in places available for public inspection not
10 later than the day following receipt thereof by the State
11 Commission. The reports so posted shall constitute notice to
12 every manufacturer, importing distributor and distributor of
13 the information contained therein. Actual notice to
14 manufacturers, importing distributors and distributors of the
15 information contained in any such posted reports, however
16 received, shall also constitute notice of such information.

17 The 30 day merchandising credit period allowed by this
18 Section shall commence with the day immediately following the
19 date of invoice and shall include all successive days
20 including Sundays and holidays to and including the 30th
21 successive day.

22 In addition to other methods allowed by law, payment by
23 check during the period for which merchandising credit may be
24 extended under the provisions of this Section shall be
25 considered payment. All checks received in payment for
26 alcoholic liquor shall be promptly deposited for collection. A

1 post dated check or a check dishonored on presentation for
2 payment shall not be deemed payment.

3 A retail licensee shall not be deemed to be delinquent in
4 payment for any alleged sale to him of alcoholic liquor when
5 there exists a bona fide dispute between such retailer and a
6 manufacturer, importing distributor or distributor with
7 respect to the amount of indebtedness existing because of such
8 alleged sale. A retail licensee shall not be deemed to be
9 delinquent under this provision and 11 Ill. Adm. Code 100.90
10 until 30 days after the date on which the region in which the
11 retail licensee is located enters Phase 4 of the Governor's
12 Restore Illinois Plan as issued on May 5, 2020.

13 A delinquent retail licensee who engages in the retail
14 liquor business at 2 or more locations shall be deemed to be
15 delinquent with respect to each such location.

16 The license of any person who violates any provision of
17 this Section shall be subject to suspension or revocation in
18 the manner provided by this Act.

19 If any part or provision of this Article or the
20 application thereof to any person or circumstances shall be
21 adjudged invalid by a court of competent jurisdiction, such
22 judgment shall be confined by its operation to the controversy
23 in which it was mentioned and shall not affect or invalidate
24 the remainder of this Article or the application thereof to
25 any other person or circumstance and to this and the
26 provisions of this Article are declared severable.

1 (Source: P.A. 101-631, eff. 6-2-20.)

2 (235 ILCS 5/6-6.1 new)

3 Sec. 6-6.1. Stocking, rotation, resetting, and pricing
4 services.

5 (a) In this Section:

6 "Reset" means the large-scale rearrangement of the
7 alcoholic liquor products at a retailer's premises.

8 "Rotation" means moving newer, fresher products from a
9 storage area to a point-of-sale area and the replenishing of
10 the point-of-sale area with fresh products.

11 "Stocking" means the placing of alcoholic liquors where
12 they are to be stored or where they are offered for sale.

13 (b) Manufacturers, distributors, or importing distributors
14 may stock at retail licensed establishments alcoholic liquors
15 they sell, provided that the alcoholic liquor products of
16 other manufacturers, distributors, or importing distributors
17 are not moved, altered, or disturbed. This stocking may be
18 done one time either during the normal course of, 24 hours
19 before, or within 24 hours after a regular sales call or one
20 time either during the normal course of, 24 hours before, or
21 within 24 hours after delivery to the retailer. The stocking
22 is considered service incidental to a sales call or delivery.

23 (c) Manufacturers, distributors, or importing distributors
24 may rotate their own alcoholic liquor products at a retailer's
25 premises one time either during the normal course of, 24 hours

1 before, or within 24 hours after a regular sales call or one
2 time either during the normal course of, 24 hours before, or
3 within 24 hours after delivery to the retailer. Rotation may
4 be performed at any location within a retailer's premises.

5 (d) Manufacturers, distributors, or importing distributors
6 may participate in or be present at merchandising resets
7 conducted at a retailer's premises no more than 4 times per
8 year. During resets, manufacturers, distributors, or importing
9 distributors may stock or restock entire sections of
10 point-of-sale locations at the retailer's premises. No reset
11 shall occur without at least 14 days' prior notice made by the
12 retailer to all manufacturers, distributors, or importing
13 distributors whose alcoholic liquor products are carried by
14 the retailer. Manufacturers, distributors, or importing
15 distributors may only move, alter, disturb, or displace their
16 alcoholic liquor products and the products of properly
17 notified, but nonattending, manufacturers, distributors, or
18 importing distributors.

19 (e) Manufacturers, distributors, or importing distributors
20 may provide to retailers recommended diagrams, shelf plans, or
21 shelf schematics that suggest beneficial display locations for
22 their alcoholic liquor products at the retailer's premises.
23 Manufacturers, distributors, or importing distributors may not
24 condition pricing discounts, credits, rebates, access to
25 brands, or the provision of any other item or activity
26 permissible under this Act upon a retailer's choice to

1 implement or not implement diagrams, shelf plans, or shelf
2 schematics.

3 (f) Manufacturers, distributors, or importing distributors
4 may not affix prices to products on behalf of retailers. This
5 prohibition includes the indirect affixing of prices to
6 product, including entering prices into a retailer's computer
7 system. This prohibition does not prohibit manufacturers,
8 distributors, or importing distributors, after stocking a
9 shelf, from affixing shelf tags that identify the product and
10 price of the alcoholic liquor; however, at no time may
11 manufacturers, distributors, or importing distributors
12 delegate or contract this service to a third party. Shelf tags
13 are considered point-of-sale advertising materials and are
14 subject to Section 6-6. If permitted stocking by
15 manufacturers, distributors, or importing distributors
16 involves movement and a change in the placement of its product
17 on the retailer's shelf, shelf tags may be moved to the new
18 position of the product.

19 (235 ILCS 5/6-9.1)

20 Sec. 6-9.1. Deliveries to retail establishments.

21 (a) A distributor of wine or spirits shall deliver to any
22 retailer within any geographic area in which that distributor
23 has been granted by a wholesaler the right to sell its
24 trademark, brand, or name at least once every 2 weeks if (i) in
25 the case of a retailer located in a county with a population of

1 at least 3,000,000 inhabitants or in a county adjacent to a
2 county with at least 3,000,000 inhabitants, the retailer
3 agrees to purchase at least \$200 of wine or spirits from the
4 distributor every 2 weeks; or (ii) in the case of a retailer
5 located in a county with a population of less than 3,000,000
6 that is not adjacent to a county with a population of at least
7 3,000,000 inhabitants, the retailer agrees to purchase at
8 least \$50 of wine or spirits from the distributor every 2
9 weeks.

10 (b) On January 1, 2002 and every 2 years thereafter, the
11 dollar amounts in items (i) and (ii) of subsection (a) shall be
12 increased or decreased by a percentage equal to the percentage
13 increase or decrease in the Consumer Price Index during the
14 previous 2 years according to the most recent available data.

15 (c) Any brewer or non-resident dealer which holds
16 self-distribution privileges pursuant to a class 1 brewer
17 license or a class 3 brewer license under this Act shall
18 deliver beer to any retailer in the brewer's wholly owned or
19 leased vehicles or through a freight forwarding service,
20 excluding common carriers such as Federal Express, United
21 Parcel Service, or similar common carriers, and shall provide
22 services to the retailer upon the request of the retailer if
23 such services are permitted under this Act and the rules of the
24 Commission.

25 (Source: P.A. 91-482, eff. 1-1-00.)

1 (235 ILCS 5/6-9.5 new)

2 Sec. 6-9.5. Definitions. As used in this Section through
3 Section 6-9.15:

4 "Common ownership" means any ownership interest of more
5 than 5% of the total ownership interest of 2 or more retail
6 licensees.

7 "Cooperative agent" means a person or persons with the
8 authority to contract for the purchase and delivery of wine
9 and spirits on behalf of a cooperative purchase group.

10 "Cooperative purchase group" means a group of 2 or more
11 individually owned or commonly owned retail licensees who join
12 together to enter into a cooperative purchase agreement.

13 "Cooperative purchasing agreement" means an agreement
14 entered into between 2 or more individually owned, commonly
15 owned, or not commonly owned retail licensees for the purpose
16 of purchasing wine or spirits, excluding any product fermented
17 with malt or any substitute for malt, from a distributor or
18 importing distributor.

19 "Quantity discounting" means a sales program between a
20 wine or spirits distributor or importing distributor and a
21 retail licensee, retail licensees, or a cooperative purchase
22 group in which the primary purpose of the program is to
23 increase product sales to retail licensees and is not a
24 subterfuge to provide prohibited things of value as
25 inducements to retail licensees or to the members of a
26 cooperative purchasing group. "Quantity discounting" includes

1 circumstances in which a wine or spirits distributor or
2 importing distributor offers a retail licensee, retail
3 licensees, or a cooperative purchase group a discount based
4 upon an agreement by which the retail licensee, retail
5 licensees, or a cooperative purchase group may purchase a
6 predetermined number of products in return for receiving a
7 discount on the goods purchased that may be applied either as a
8 price reduction at the time of sale or as a rebate or credit
9 following the sale.

10 (235 ILCS 5/6-9.10 new)

11 Sec. 6-9.10. Cooperative purchasing agreements.

12 (a) A cooperative purchasing agreement shall only be valid
13 if the following conditions are met:

14 (1) the agreement is in writing and signed by all
15 parties to the agreement;

16 (2) the agreement contains the complete license
17 information for all parties to the agreement, including
18 State and local license numbers and expiration dates as
19 well as the date on which the retail member joined the
20 cooperative purchase group;

21 (3) a retail licensee that is a party to the agreement
22 must not be a party to any other related cooperative
23 purchasing agreement;

24 (4) the agreement identifies and designates the name
25 and address of the agent or agents with the authority to

1 contract for the purchase and delivery of wine or spirits
2 on behalf of the cooperative purchase group;

3 (5) a copy of the executed agreement, including any
4 amendments, deletions, or additions, is kept on the
5 premises of each party to the agreement for a period of 3
6 years;

7 (6) a copy of the executed agreement, including any
8 amendments, deletions, or additions, is delivered to the
9 relevant licensee with distribution privileges and to the
10 State Commission before making any purchases under the
11 agreement; any amendments, deletions, or additions must be
12 submitted to the State Commission within 7 business days
13 after the amendment, deletion, or addition is executed;
14 and

15 (7) the agreement must designate whether the
16 cooperative purchasing group is comprised of retail
17 licenses engaged in the sale of wine or spirits on or off
18 the premises.

19 (b) A retail licensee may, pursuant to a cooperative
20 purchasing agreement, make purchases as a member of a
21 cooperative purchase group or independently of any such group.
22 Nothing in this Section or any other Section of this Act shall
23 be construed to prohibit commonly or not commonly owned retail
24 licensees from making purchases separate and apart from any
25 membership in a cooperative purchase group.

26 (c) A retailer may only be a member of one cooperative

1 purchase group at a time. A retail licensee may change to a
2 different cooperative purchase group no more than twice in a
3 12-month period. However, if an existing cooperative purchase
4 group member purchases a retail location from a member of
5 another cooperative purchase group, the new owner of the
6 retail location may move the membership of the retail licensee
7 to a different cooperative purchasing group.

8 (d) When a retail licensee joins an existing cooperative
9 purchasing group, the new member must be a member for a period
10 of 7 days before being able to participate in any quantity
11 discount programs.

12 (e) Cooperative purchasing group members must be either
13 all on-premises retail licensees or all off-premises retail
14 licensees.

15 (f) Any individual retail licensee that is a member of a
16 cooperative purchase group that fails to comply with the terms
17 and conditions of this Section may be deemed to be in violation
18 of Section 6-5. Any distributor or importing distributor that
19 fails to comply with this Section may be deemed to be in
20 violation of Section 6-5.

21 (g) The State Commission shall keep a list of the members
22 of each cooperative purchase group and shall make that list
23 available on its website.

24 (h) A retail licensee that is a member of a cooperative
25 purchase group shall not have an ownership interest, directly
26 or indirectly, in any entity licensed by this Act other than a

1 retailer.

2 (i) It is unlawful for a distributor or importing
3 distributor to furnish, give, or lend money or anything of
4 value to a cooperative agent.

5 (j) It is the duty of each retail licensee of the
6 cooperative purchase group to make books and records available
7 upon reasonable notice for the purpose of investigation and
8 control by the State Commission or any local liquor control
9 commission having jurisdiction over the retail licensee of the
10 cooperative purchase group.

11 (k) A cooperative agent shall not have an ownership
12 interest, directly or indirectly, in an entity licensed under
13 any other license category under this Act.

14 (l) A retailer, manufacturer, importing distributor,
15 distributor, or cooperative agent shall remain in compliance
16 with federal law pursuant to the prohibitions and exceptions
17 provided in 27 CFR Part 6 and any promulgated rules thereof. A
18 cooperative agent that is compliant with Sections 6-5 and 6-6
19 shall not receive cash or anything of value from both the
20 retail licensee and an importing distributor or distributor,
21 non-resident dealer or manufacturers as part of a cooperative
22 purchasing group agreement.

23 (235 ILCS 5/6-9.15 new)

24 Sec. 6-9.15. Quantity discounting terms for wine or
25 spirits cooperative purchase agreements.

1 (a) All wine or spirits quantity discount programs offered
2 to consumption off the premises retailers must be offered to
3 all consumption off the premises cooperative groups and
4 cooperative agents; and all quantity discount programs offered
5 to consumption on the premises retailers shall be offered to
6 all consumption on the premises cooperative groups and
7 cooperative agents. Quantity discount programs shall:

8 (1) be open and available for acceptance for 7
9 business days;

10 (2) be designed and implemented to produce product
11 volume growth with retail licensees;

12 (3) be based on the volume of product purchased;
13 however, discounts may include price reductions, cash, and
14 credits and no-charge wine or spirits products may be
15 given instead of a discount;

16 (4) be documented on related sales invoices or credit
17 memoranda;

18 (5) not require a retail licensee to take and dispose
19 of any quota of wine or spirits; however, bona fide
20 quantity discounts shall not be deemed to be quota sales;
21 and

22 (6) not require a retail licensee to purchase one
23 product in order to purchase another; this includes
24 combination sales if one or more products may be purchased
25 only in combination with other products and not
26 individually.

1 (b) A distributor or importing distributor that makes
2 quantity discount sales to participating members of a
3 cooperative purchase group shall issue customary invoices to
4 each participating retail licensee itemizing the wine or
5 spirit sold and delivered as part of a quantity discount
6 program to each participating retail licensee.

7 (c) If a distributor or importing distributor offers a
8 quantity discount for wine or spirits, excluding any product
9 fermented with malt or any substitute for malt, cooperative
10 purchase groups shall purchase a minimum of 250 cases in each
11 quantity discount program. Each individual participating
12 member of a cooperative purchase group purchasing product
13 through a quantity discount program may be required to
14 purchase the following minimum amounts:

15 (1) 2% of cases of any quantity discount program of
16 500 or fewer cases.

17 (2) 1.5% of cases of any quantity discount program of
18 at least 501 and not more than 2,000 cases.

19 (3) 1% of cases of any quantity discount program of
20 2,001 or more cases.

21 (d) The cooperative agent shall place each cooperative
22 purchase order under the name of the cooperative purchase
23 group and shall identify each participating retail member
24 involved with the purchase, the quantity of product purchase,
25 the price attributable to each retailer member's purchase and
26 a requested delivery date. A retail licensee may make

1 purchases through a cooperative purchasing group or
2 independently of such group. Nothing in this Section shall be
3 construed to prohibit retail licensees from making purchases
4 separate and apart from any cooperative purchasing group.

5 (e) Each distributor or importing distributor shall
6 separately invoice each participating cooperative purchase
7 group member for the purchase made on behalf of such
8 participating member.

9 (f) A cooperative purchasing group shall maintain the
10 records of each cooperative purchase order placed for 90 days.

11 The records shall include:

12 (1) the date the cooperative purchasing group order
13 was placed and the date of any amendments to the order;

14 (2) the distributor or importing distributor with
15 which the cooperative purchasing group placed the order;

16 (3) the names and license numbers of each cooperative
17 purchasing group member participating in the order;

18 (4) the price discounts and net price of all wine or
19 spirits ordered by each cooperative purchase group member;
20 and

21 (5) the requested delivery date for the order.

22 (g) A cooperative purchase group is subject to the books
23 and records requirements of Section 6-10 and subsection (e) of
24 11 Ill. Admin. Code 100.130.

25 (h) A cooperative purchasing group shall retain a surety
26 bond at all times for no less than \$250,000. If a cooperative

1 purchasing group member is delinquent in payment pursuant to
2 Section 6-5, the surety shall immediately pay the importing
3 distributor or distributor the delinquent amount. The surety
4 bond required by this Section may be acquired from a company,
5 agent, or broker of the cooperative purchase group's choice.
6 If the surety bond does not cure the indebtedness, the 30-day
7 merchandising credit requirements of Section 6-5 shall apply
8 jointly to each cooperative purchasing group until the
9 indebtedness is cured. The cooperative purchasing group is
10 responsible for all costs and fees related to the surety bond.

11 (i) Any licensee that fails to comply with the terms and
12 conditions of this Section may be deemed to be in violation of
13 this Act.

14 (j) Nothing in this Section shall apply to quantity
15 discount programs offered for any product fermented with malt
16 or any substitute for malt. Nothing in the Section shall be
17 construed to prohibit, limit, or interfere with quantity
18 discount programs offered for any product fermented with malt
19 or any substitute for malt.

20 (235 ILCS 5/6-17.5 new)

21 Sec. 6-17.5. Purchase of wine or spirits by a retail
22 licensee from another retail licensee.

23 (a) No retail licensee may purchase wine or spirits from,
24 or possess wine or spirits purchased from, any person other
25 than a distributor or importing distributor; however, a retail

1 licensee that purchases wine or spirits from a licensed
2 Illinois retailer shall only receive a warning for the first 2
3 violations of this Section within a 12-month period. If a
4 retail licensee violates this Section a third time within the
5 same 12-month period of the preceding 2 warnings, then the
6 retailer licensee may be subject to the penalties under
7 Section 10-1.

8 (b) A retailer that is delinquent in payment pursuant to
9 Section 6-5 shall be prohibited from purchasing wine or
10 spirits from another retailer pursuant to this Section until
11 the indebtedness is cured.

12 (235 ILCS 5/6-37 new)

13 Sec. 6-37. Transfer of wine or spirits by a retail
14 licensee with multiple licenses.

15 (a) No original package of wine or spirits may be
16 transferred from one retail licensee to any other retail
17 licensee without prior permission from the State Commission;
18 however if the same retailer owns more than one licensed
19 retail location, an off-premise retailer may transfer up to 3%
20 of its average monthly purchases by volume and an on-premise
21 retailer may transfer up to 5% of its average monthly
22 purchases by volume of original package of wine or spirits
23 from one or more of such retailer's licensed locations to
24 another of that retailer's licensed locations each month
25 without prior permission from the State Commission, subject to

1 the following conditions:

2 (1) notice is provided to the distributor responsible
3 for the geographic area of the brand, size, and quantity
4 of the wine or spirits to be transferred within the
5 geographic area; and

6 (2) the transfer is made by common carrier, a licensed
7 distributor's or importing distributor's vehicle, or a
8 vehicle owned and operated by the licensee.

9 (b) All transfers must be properly documented on a form
10 provided by the State Commission that includes the following
11 information:

12 (1) the license number of the retail licensee's
13 location from which the transfer is to be made and the
14 license number of the retail licensee's location to which
15 the transfer is to be made;

16 (2) the brand, size, and quantity of the wine or
17 spirits to be transferred; and

18 (3) the date the transfer is made.

19 (c) A retail licensee location that transfers or receives
20 an original package of wine or spirits as authorized by this
21 Section shall not be deemed to be engaged in business as a
22 wholesaler or distributor based upon the transfer authorized
23 by this Section.

24 (d) A transfer authorized by this Section shall not be
25 deemed a sale.

26 (e) A retailer that is delinquent in payment pursuant to

1 Section 6-5 shall be prohibited from transferring wine or
2 spirits to a commonly owned retailer pursuant to this Section
3 until the indebtedness is cured.

4 (f) As used in this Section:

5 "Average monthly purchases" is calculated using a 12-month
6 rolling average of the total volume purchased over the 12 most
7 recent months previous to the month in which the transfer is
8 made and dividing that total by 12.

9 "Month" means a calendar month.

10 (235 ILCS 5/6-38 new)

11 Sec. 6-38. One-time inventory transfer of wine or spirits
12 by a retail licensee with multiple licenses.

13 (a) No original package of wine or spirits may be
14 transferred from one retail licensee to any other retail
15 licensee without permission from the State Commission pursuant
16 to 11 Ill. Admin. Code 100.250; however, if the same retailer
17 owns more than one licensed retail location, the retailer may
18 transfer inventory of original packages of wine or spirits
19 from one or more of such retailer's licensed locations to
20 another of that retailer's licensed locations without prior
21 permission from the State Commission, under the following
22 circumstances:

23 (1) acts of god (such as, but not limited to,
24 pandemics, fires, explosions, tornadoes, earthquakes,
25 drought, and floods);

1 (2) federal, State, or local law or ordinance change;

2 (3) bankruptcy;

3 (4) permanent or temporary closure of one or more of
4 the retail licensee's locations;

5 (5) the retail licensee obtains an additional liquor
6 license for a new location;

7 (6) a retail licensee purchases another retail
8 licensee's location;

9 (7) a new licensee opens a business at the same
10 location where the prior licensee conducted business, when
11 the new licensee takes possession of the inventory of the
12 immediately prior license; or

13 (8) other unforeseeable circumstances beyond the
14 control of the licensee, such as circumstances:

15 (A) the licensee cannot reasonably take
16 precautions to prevent; and

17 (B) in which the only reasonable method of
18 disposing of the alcoholic liquor products would be a
19 transfer to another licensee or location.

20 (b) The transfer shall be made by:

21 (1) common carrier;

22 (2) a licensed distributor's or importing
23 distributor's vehicle; or

24 (3) a vehicle owned and operated by the licensee.

25 (c) All transfers must be properly documented on a form
26 provided by the State Commission that includes the following

1 information:

2 (1) the license number of the retail licensee's
3 location from which the transfer is to be made and the
4 license number of the retail licensee's location to which
5 the transfer is to be made;

6 (2) the brand, size, and quantity of the wine or
7 spirits to be transferred; and

8 (3) the date the transfer is made.

9 (d) A retail licensee location that transfers or receives
10 an original package of wine or spirits as authorized by this
11 Section shall not be deemed to be engaged in business as a
12 wholesaler or distributor based upon the transfer authorized
13 by this Section.

14 (e) A transfer authorized by this Section shall not be
15 deemed a sale.

16 (235 ILCS 5/8-10.5 new)

17 Sec. 8-10.5. Beer production quantity reporting.

18 (a) As used in this Section:

19 "Directly" means that a licensed distributor was not used
20 in the transaction.

21 "Final packaging container" means the last vessel in which
22 beer is held before (i) consumption by an individual on the
23 brewer's licensed premises; (ii) being placed in a keg,
24 bottle, or can for consumption by an individual; or (iii)
25 being removed for additional fermentation and aging in a cask

1 or barrel.

2 (b) A brewer who is a class 1 brewer, class 2 brewer, class
3 3 brewer, or brew pub licensee shall accurately measure the
4 quantity of beer transferred into its final packaging
5 container to determine the brewer's tax liability by
6 converting beer production into the amount of beer sold and to
7 ensure compliance with any production or self-distribution
8 quantity limitations under this Act applicable to the class 1
9 brewer, class 2 brewer, class 3 brewer, or brew pub. The
10 measurement shall comply with 27 CFR 25.41 and 27 CFR 25.42.
11 Any brewer subject to this Section shall file, on the same date
12 as the brewer files similar reports with the U.S. Department
13 of the Treasury's Tobacco and Alcohol Tax and Trade Bureau,
14 with the Department and State Commission a report of their use
15 of water along with their "Brewer's Report of Operations"
16 filed with the U.S. Department of Treasury's Alcohol and
17 Tobacco Tax and Trade Bureau and shall maintain and produce
18 for examination and inspection by the Department and the State
19 Commission utility bills for water for 3 years along with
20 their "Brewer's Report of Operations" filed with the U.S.
21 Department of Treasury's Alcohol and Tobacco Tax and Trade
22 Bureau. The Department, in cooperation with the State
23 Commission, may audit on an annual basis the amount a class 1
24 brewer, class 2 brewer, class 3 brewer, or brew pub licensee
25 produces to determine compliance with this Act.

26 (c) A brewer's failure to comply with this Section shall

1 result in the State Commission issuing a fine or suspending or
2 revoking the brewer's license.

3 Section 95. No acceleration or delay. Where this Act makes
4 changes in a statute that is represented in this Act by text
5 that is not yet or no longer in effect (for example, a Section
6 represented by multiple versions), the use of that text does
7 not accelerate or delay the taking effect of (i) the changes
8 made by this Act or (ii) provisions derived from any other
9 Public Act.

10 Section 99. Effective date. This Act takes effect upon
11 becoming law.".