



## 93RD GENERAL ASSEMBLY

### State of Illinois

### 2003 and 2004

Introduced 02/04/04, by Steve Davis

#### SYNOPSIS AS INTRODUCED:

235 ILCS 5/6-2

from Ch. 43, par. 120

Amends the Liquor Control Act of 1934. Provides that an alderman or member of a city council or commission, a member of a village board of trustees, other than the president, or a member of a county board, other than the president, may have a direct interest in a manufacturer or distributor of alcoholic liquor if he or she (i) is not a law enforcing public official and (ii) does not participate in any meeting, hearing, or decision on matters in which he or she has a direct interest. Effective immediately.

LRB093 19021 LRD 44756 b

1 AN ACT in relation to alcoholic liquor.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

4 Section 5. The Liquor Control Act of 1934 is amended by  
5 changing Section 6-2 as follows:

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

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

9 (a) Except as otherwise provided in subsection (b), no  
10 license of any kind issued by the State Commission or any local  
11 commission shall be issued to:

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

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

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

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

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

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

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30 been revoked for cause.

31 (8) A person who at the time of application for renewal  
32 of any license issued hereunder would not be eligible for

1 such license upon a first application.

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

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

15 (10a) A corporation unless it is incorporated in  
16 Illinois, or unless it is a foreign corporation which is  
17 qualified under the Business Corporation Act of 1983 to  
18 transact business in Illinois.

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

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

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

31 (14) Any law enforcing public official, including  
32 members of local liquor control commissions, any mayor,  
33 alderman, or member of the city council or commission, any  
34 president of the village board of trustees, any member of a  
35 village board of trustees, or any president or member of a  
36 county board; and no such official shall have a direct

1 ~~interest be interested directly~~ in the retail manufacture,  
2 ~~sale, or distribution~~ of alcoholic liquor, except that a  
3 license may be granted to such official in relation to  
4 premises that are not located within the territory subject  
5 to the jurisdiction of that official if the issuance of  
6 such license is approved by the State Liquor Control  
7 Commission and except that a license may be granted, in a  
8 city or village with a population of 50,000 or less, to any  
9 alderman, member of a city council, or member of a village  
10 board of trustees in relation to premises that are located  
11 within the territory subject to the jurisdiction of that  
12 official if (i) the sale of alcoholic liquor pursuant to  
13 the license is incidental to the selling of food, (ii) the  
14 issuance of the license is approved by the State  
15 Commission, (iii) the issuance of the license is in  
16 accordance with all applicable local ordinances in effect  
17 where the premises are located, and (iv) the official  
18 granted a license does not vote on alcoholic liquor issues  
19 pending before the board or council to which the license  
20 holder is elected. Notwithstanding any provision of this  
21 paragraph (14) to the contrary, an alderman or member of a  
22 city council or commission, a member of a village board of  
23 trustees, other than the president of the village board of  
24 trustees, or a member of a county board, other than the  
25 president of a county board, may have a direct interest in  
26 the manufacture or distribution of alcoholic liquor,  
27 provided (1) that he or she is not a law enforcing public  
28 official or a mayor and (2) that the alderman, city council  
29 or commission member, village board of trustees member, or  
30 county board member does not participate in any meeting,  
31 hearing, or decision on matters in which he or she has a  
32 direct interest.

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

35 (16) A person who has been convicted of a gambling  
36 offense as proscribed by any of subsections (a) (3) through

1 (a) (11) of Section 28-1 of, or as proscribed by Section  
2 28-1.1 or 28-3 of, the Criminal Code of 1961, or as  
3 proscribed by a statute replaced by any of the aforesaid  
4 statutory provisions.

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

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

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

29 (Source: P.A. 92-378, eff. 8-16-01; 93-266, eff. 1-1-04.)

30 Section 99. Effective date. This Act takes effect upon  
31 becoming law.