



Sen. Heather A. Steans

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1 AMENDMENT TO SENATE BILL 665

2 AMENDMENT NO. _____. Amend Senate Bill 665 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Liquor Control Act of 1934 is amended by
5 changing Section 5-1 as follows:

6 (235 ILCS 5/5-1) (from Ch. 43, par. 115)

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

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

14 (b) Distributor's license,

15 (c) Importing Distributor's license,

16 (d) Retailer's license,

- 1 (e) Special Event Retailer's license (not-for-profit),
- 2 (f) Railroad license,
- 3 (g) Boat license,
- 4 (h) Non-Beverage User's license,
- 5 (i) Wine-maker's premises license,
- 6 (j) Airplane license,
- 7 (k) Foreign importer's license,
- 8 (l) Broker's license,
- 9 (m) Non-resident dealer's license,
- 10 (n) Brew Pub license,
- 11 (o) Auction liquor license,
- 12 (p) Caterer retailer license,
- 13 (q) Special use permit license,
- 14 (r) Winery shipper's license.

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

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

23 Class 1. A Distiller may make sales and deliveries of
24 alcoholic liquor to distillers, rectifiers, importing
25 distributors, distributors and non-beverage users and to no
26 other licensees.

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

5 Class 3. A Brewer may make sales and deliveries of beer to
6 importing distributors, distributors, and to non-licensees,
7 and to retailers provided the brewer obtains an importing
8 distributor's license or distributor's license in accordance
9 with the provisions of this Act.

10 Class 4. A first class wine-manufacturer may make sales and
11 deliveries of up to 50,000 gallons of wine to manufacturers,
12 importing distributors and distributors, and to no other
13 licensees.

14 Class 5. A second class Wine manufacturer may make sales
15 and deliveries of more than 50,000 gallons of wine to
16 manufacturers, importing distributors and distributors and to
17 no other licensees.

18 Class 6. A first-class wine-maker's license shall allow the
19 manufacture of up to 50,000 gallons of wine per year, and the
20 storage and sale of such wine to distributors in the State and
21 to persons without the State, as may be permitted by law. A
22 person who, prior to the effective date of this amendatory Act
23 of the 95th General Assembly, is a holder of a first-class
24 wine-maker's license and annually produces more than 25,000
25 gallons of its own wine and who distributes its wine to
26 licensed retailers shall cease this practice on or before July

1 1, 2008 in compliance with this amendatory Act of the 95th
2 General Assembly.

3 Class 7. A second-class wine-maker's license shall allow
4 the manufacture of between 50,000 and 150,000 gallons of wine
5 per year, and the storage and sale of such wine to distributors
6 in this State and to persons without the State, as may be
7 permitted by law. A person who, prior to the effective date of
8 this amendatory Act of the 95th General Assembly, is a holder
9 of a second-class wine-maker's license and annually produces
10 more than 25,000 gallons of its own wine and who distributes
11 its wine to licensed retailers shall cease this practice on or
12 before July 1, 2008 in compliance with this amendatory Act of
13 the 95th General Assembly.

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

18 Class 9. A craft distiller license shall allow the
19 manufacture of up to 20,000 ~~5,000~~ gallons of spirits by
20 distillation per year and the storage of such spirits. If a
21 craft distiller licensee is not affiliated with any other
22 manufacturer, then the craft distiller licensee may sell such
23 spirits to distributors in this State and non-licensees to the
24 extent permitted by any exemption approved by the Commission
25 pursuant to Section 6-4 of this Act.

26 Any craft distiller licensed under this Act who on the

1 effective date of this amendatory Act of the 96th General
2 Assembly was licensed as a distiller and manufactured no more
3 spirits than permitted by this Section shall not be required to
4 pay the initial licensing fee.

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

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

26 (b) A distributor's license shall allow the wholesale

1 purchase and storage of alcoholic liquors and sale of alcoholic
2 liquors to licensees in this State and to persons without the
3 State, as may be permitted by law.

4 (c) An importing distributor's license may be issued to and
5 held by those only who are duly licensed distributors, upon the
6 filing of an application by a duly licensed distributor, with
7 the Commission and the Commission shall, without the payment of
8 any fee, immediately issue such importing distributor's
9 license to the applicant, which shall allow the importation of
10 alcoholic liquor by the licensee into this State from any point
11 in the United States outside this State, and the purchase of
12 alcoholic liquor in barrels, casks or other bulk containers and
13 the bottling of such alcoholic liquors before resale thereof,
14 but all bottles or containers so filled shall be sealed,
15 labeled, stamped and otherwise made to comply with all
16 provisions, rules and regulations governing manufacturers in
17 the preparation and bottling of alcoholic liquors. The
18 importing distributor's license shall permit such licensee to
19 purchase alcoholic liquor from Illinois licensed non-resident
20 dealers and foreign importers only.

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

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

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

15 (e) A special event retailer's license (not-for-profit)
16 shall permit the licensee to purchase alcoholic liquors from an
17 Illinois licensed distributor (unless the licensee purchases
18 less than \$500 of alcoholic liquors for the special event, in
19 which case the licensee may purchase the alcoholic liquors from
20 a licensed retailer) and shall allow the licensee to sell and
21 offer for sale, at retail, alcoholic liquors for use or
22 consumption, but not for resale in any form and only at the
23 location and on the specific dates designated for the special
24 event in the license. An applicant for a special event retailer
25 license must (i) furnish with the application: (A) a resale
26 number issued under Section 2c of the Retailers' Occupation Tax

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

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

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

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

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

1 possession and use of limited and stated quantities of
2 alcoholic liquor as follows:

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

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

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

10 (j) An airplane license shall permit the licensee to import
11 alcoholic liquors into this State from any point in the United
12 States outside this State and to store such alcoholic liquors
13 in this State; to make wholesale purchases of alcoholic liquors
14 directly from manufacturers, foreign importers, distributors
15 and importing distributors from within or outside this State;
16 and to store such alcoholic liquors in this State; provided
17 that the above powers may be exercised only in connection with
18 the importation, purchase or storage of alcoholic liquors to be
19 sold or dispensed on an airplane; and provided further, that
20 airplane licensees exercising the above powers shall be subject
21 to all provisions of Article VIII of this Act as applied to
22 importing distributors. An airplane licensee shall also permit
23 the sale or dispensing of alcoholic liquors on any passenger
24 airplane regularly operated by a common carrier in this State,
25 but shall not permit the sale for resale of any alcoholic
26 liquors to any licensee within this State. A single airplane

1 license shall be required of an airline company if liquor
2 service is provided on board aircraft in this State. The annual
3 fee for such license shall be as determined in Section 5-3.

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

19 (l) (i) A broker's license shall be required of all persons
20 who solicit orders for, offer to sell or offer to supply
21 alcoholic liquor to retailers in the State of Illinois, or who
22 offer to retailers to ship or cause to be shipped or to make
23 contact with distillers, rectifiers, brewers or manufacturers
24 or any other party within or without the State of Illinois in
25 order that alcoholic liquors be shipped to a distributor,
26 importing distributor or foreign importer, whether such

1 solicitation or offer is consummated within or without the
2 State of Illinois.

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

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

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

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

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

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

10 (m) A non-resident dealer's license shall permit such
11 licensee to ship into and warehouse alcoholic liquor into this
12 State from any point outside of this State, and to sell such
13 alcoholic liquor to Illinois licensed foreign importers and
14 importing distributors and to no one else in this State;
15 provided that (i) said non-resident dealer shall register with
16 the Illinois Liquor Control Commission each and every brand of
17 alcoholic liquor which it proposes to sell to Illinois
18 licensees during the license period, (ii) it shall comply with
19 all of the provisions of Section 6-9 hereof with respect to
20 registration of such Illinois licensees as may be granted the
21 right to sell such brands at wholesale, and (iii) the
22 non-resident dealer shall comply with the provisions of
23 Sections 6-5 and 6-6 of this Act to the same extent that these
24 provisions apply to manufacturers.

25 (n) A brew pub license shall allow the licensee to
26 manufacture beer only on the premises specified in the license,

1 to make sales of the beer manufactured on the premises to
2 importing distributors, distributors, and to non-licensees for
3 use and consumption, to store the beer upon the premises, and
4 to sell and offer for sale at retail from the licensed
5 premises, provided that a brew pub licensee shall not sell for
6 off-premises consumption more than 50,000 gallons per year.

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

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

20 (q) A special use permit license shall allow an Illinois
21 licensed retailer to transfer a portion of its alcoholic liquor
22 inventory from its retail licensed premises to the premises
23 specified in the license hereby created, and to sell or offer
24 for sale at retail, only in the premises specified in the
25 license hereby created, the transferred alcoholic liquor for
26 use or consumption, but not for resale in any form. A special

1 use permit license may be granted for the following time
2 periods: one day or less; 2 or more days to a maximum of 15 days
3 per location in any 12 month period. An applicant for the
4 special use permit license must also submit with the
5 application proof satisfactory to the State Commission that the
6 applicant will provide dram shop liability insurance to the
7 maximum limits and have local authority approval.

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

1 ensuring compliance with this amendatory Act.

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

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

1 (Source: P.A. 95-331, eff. 8-21-07; 95-634, eff. 6-1-08;
2 95-769, eff. 7-29-08; 96-1367, eff. 7-28-10.)

3 Section 99. Effective date. This Act takes effect upon
4 becoming law.".