



## 100TH GENERAL ASSEMBLY

### State of Illinois

2017 and 2018

HB3853

by Rep. Michael J. Zalewski

#### SYNOPSIS AS INTRODUCED:

235 ILCS 5/5-1 from Ch. 43, par. 115  
235 ILCS 5/10-1 from Ch. 43, par. 183

Amends the Liquor Control Act of 1934. Defines "third-party provider". Establishes additional reporting requirements for third-party providers. Provides that a violation of certain reporting requirements is a Class C misdemeanor. Requires employees of a third-party provider to post with the State Commission a bond payable to the State in the penalty of \$1,000 upon the condition that the person will not unlawfully transport or deliver alcoholic liquor within or into this State. Requires a bill of lading or other memorandum of shipment signed by the winery shipper's licensee to contain, among other information, a description of the wine being transported, the name and address of the consignor and consignee, and the route to be traveled by the vehicle transporting the wine. Requires the route to be the most direct route. Requires payment for any wine shipped by a third-party provider to be received no later than at the time of delivery, and, as a condition of delivery, a third-party provider must obtain the signature of a person 21 years of age or more. In each shipment of wine, requires the third-party provider to include written information concerning fetal alcohol syndrome. Provides that certain restrictions on the manufacture, importation for distribution, transportation from outside the State into the State, and distribution or sale of alcoholic liquor without a license under the Act do not apply to a third-party provider. Makes other changes. Effective immediately.

LRB100 08301 RPS 18403 b

CORRECTIONAL  
BUDGET AND  
IMPACT NOTE ACT  
MAY APPLY

FISCAL NOTE ACT  
MAY APPLY

1 AN ACT concerning liquor.

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

4 Section 5. The Liquor Control Act of 1934 is amended by  
5 changing Sections 5-1 and 10-1 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, Class  
14 10. Class 1 Brewer, Class 11. Class 2 Brewer,

15 (b) Distributor's license,

16 (c) Importing Distributor's license,

17 (d) Retailer's license,

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

19 (f) Railroad license,

20 (g) Boat license,

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

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

23 (j) Airplane license,

- 1 (k) Foreign importer's license,
- 2 (l) Broker's license,
- 3 (m) Non-resident dealer's license,
- 4 (n) Brew Pub license,
- 5 (o) Auction liquor license,
- 6 (p) Caterer retailer license,
- 7 (q) Special use permit license,
- 8 (r) Winery shipper's license,
- 9 (s) Craft distiller tasting permit.

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

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

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

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

26 Class 3. A Brewer may make sales and deliveries of beer to

1 importing distributors and distributors and may make sales as  
2 authorized under subsection (e) of Section 6-4 of this Act.

3 Class 4. A first class wine-manufacturer may make sales and  
4 deliveries of up to 50,000 gallons of wine to manufacturers,  
5 importing distributors and distributors, and to no other  
6 licensees.

7 Class 5. A second class Wine manufacturer may make sales  
8 and deliveries of more than 50,000 gallons of wine to  
9 manufacturers, importing distributors and distributors and to  
10 no other licensees.

11 Class 6. A first-class wine-maker's license shall allow the  
12 manufacture of up to 50,000 gallons of wine per year, and the  
13 storage and sale of such wine to distributors in the State and  
14 to persons without the State, as may be permitted by law. A  
15 person who, prior to June 1, 2008 (the effective date of Public  
16 Act 95-634), is a holder of a first-class wine-maker's license  
17 and annually produces more than 25,000 gallons of its own wine  
18 and who distributes its wine to licensed retailers shall cease  
19 this practice on or before July 1, 2008 in compliance with  
20 Public Act 95-634.

21 Class 7. A second-class wine-maker's license shall allow  
22 the manufacture of between 50,000 and 150,000 gallons of wine  
23 per year, and the storage and sale of such wine to distributors  
24 in this State and to persons without the State, as may be  
25 permitted by law. A person who, prior to June 1, 2008 (the  
26 effective date of Public Act 95-634), is a holder of a

1 second-class wine-maker's license and annually produces more  
2 than 25,000 gallons of its own wine and who distributes its  
3 wine to licensed retailers shall cease this practice on or  
4 before July 1, 2008 in compliance with Public Act 95-634.

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

9 Class 9. A craft distiller license shall allow the  
10 manufacture of up to 100,000 ~~March 1, 2013 (Public Act 97-1166)~~  
11 gallons of spirits by distillation per year and the storage of  
12 such spirits. If a craft distiller licensee, including a craft  
13 distiller licensee who holds more than one craft distiller  
14 license, is not affiliated with any other manufacturer of  
15 spirits, then the craft distiller licensee may sell such  
16 spirits to distributors in this State and up to 2,500 gallons  
17 of such spirits to non-licensees to the extent permitted by any  
18 exemption approved by the Commission pursuant to Section 6-4 of  
19 this Act. A craft distiller license holder may store such  
20 spirits at a non-contiguous licensed location, but at no time  
21 shall a craft distiller license holder directly or indirectly  
22 produce in the aggregate more than 100,000 gallons of spirits  
23 per year.

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

1 aggregate, more than 100,000 gallons of spirits by distillation  
2 per year and shall not sell, in the aggregate, more than 2,500  
3 gallons of such spirits to non-licensees in accordance with an  
4 exemption approved by the State Commission pursuant to Section  
5 6-4 of this Act.

6 Any craft distiller licensed under this Act who on July 28,  
7 2010 (the effective date of Public Act 96-1367) was licensed as  
8 a distiller and manufactured no more spirits than permitted by  
9 this Section shall not be required to pay the initial licensing  
10 fee.

11 Class 10. A class 1 brewer license, which may only be  
12 issued to a licensed brewer or licensed non-resident dealer,  
13 shall allow the manufacture of up to 930,000 gallons of beer  
14 per year provided that the class 1 brewer licensee does not  
15 manufacture more than a combined 930,000 gallons of beer per  
16 year and is not a member of or affiliated with, directly or  
17 indirectly, a manufacturer that produces more than 930,000  
18 gallons of beer per year or any other alcoholic liquor. A class  
19 1 brewer licensee may make sales and deliveries to importing  
20 distributors and distributors and to retail licensees in  
21 accordance with the conditions set forth in paragraph (18) of  
22 subsection (a) of Section 3-12 of this Act.

23 Class 11. A class 2 brewer license, which may only be  
24 issued to a licensed brewer or licensed non-resident dealer,  
25 shall allow the manufacture of up to 3,720,000 gallons of beer  
26 per year provided that the class 2 brewer licensee does not

1 manufacture more than a combined 3,720,000 gallons of beer per  
2 year and is not a member of or affiliated with, directly or  
3 indirectly, a manufacturer that produces more than 3,720,000  
4 gallons of beer per year or any other alcoholic liquor. A class  
5 2 brewer licensee may make sales and deliveries to importing  
6 distributors and distributors, but shall not make sales or  
7 deliveries to any other licensee. If the State Commission  
8 provides prior approval, a class 2 brewer licensee may annually  
9 transfer up to 3,720,000 gallons of beer manufactured by that  
10 class 2 brewer licensee to the premises of a licensed class 2  
11 brewer wholly owned and operated by the same licensee.

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

19 Registration of agents, representatives, or persons acting  
20 on behalf of a manufacturer is fulfilled by submitting a form  
21 to the Commission. The form shall be developed by the  
22 Commission and shall include the name and address of the  
23 applicant, the name and address of the manufacturer he or she  
24 represents, the territory or areas assigned to sell to or  
25 discuss pricing terms of alcoholic liquor, and any other  
26 questions deemed appropriate and necessary. All statements in

1 the forms required to be made by law or by rule shall be deemed  
2 material, and any person who knowingly misstates any material  
3 fact under oath in an application is guilty of a Class B  
4 misdemeanor. Fraud, misrepresentation, false statements,  
5 misleading statements, evasions, or suppression of material  
6 facts in the securing of a registration are grounds for  
7 suspension or revocation of the registration. The State  
8 Commission shall post a list of registered agents on the  
9 Commission's website.

10 (b) A distributor's license shall allow the wholesale  
11 purchase and storage of alcoholic liquors and sale of alcoholic  
12 liquors to licensees in this State and to persons without the  
13 State, as may be permitted by law. No person licensed as a  
14 distributor shall be granted a non-resident dealer's license.

15 (c) An importing distributor's license may be issued to and  
16 held by those only who are duly licensed distributors, upon the  
17 filing of an application by a duly licensed distributor, with  
18 the Commission and the Commission shall, without the payment of  
19 any fee, immediately issue such importing distributor's  
20 license to the applicant, which shall allow the importation of  
21 alcoholic liquor by the licensee into this State from any point  
22 in the United States outside this State, and the purchase of  
23 alcoholic liquor in barrels, casks or other bulk containers and  
24 the bottling of such alcoholic liquors before resale thereof,  
25 but all bottles or containers so filled shall be sealed,  
26 labeled, stamped and otherwise made to comply with all



1 provisions, rules and regulations governing manufacturers in  
2 the preparation and bottling of alcoholic liquors. The  
3 importing distributor's license shall permit such licensee to  
4 purchase alcoholic liquor from Illinois licensed non-resident  
5 dealers and foreign importers only. No person licensed as an  
6 importing distributor shall be granted a non-resident dealer's  
7 license.

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

24 Notwithstanding any other provision of this subsection  
25 (d), a retail licensee may sell alcoholic liquors to a special  
26 event retailer licensee for resale to the extent permitted

1 under subsection (e).

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

1 Commission that the applicant will provide dram shop liability  
2 insurance in the maximum limits; and (iii) show proof  
3 satisfactory to the State Commission that the applicant has  
4 obtained local authority approval.

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

26 (g) A boat license shall allow the sale of alcoholic liquor

1 in individual drinks, on any passenger boat regularly operated  
 2 as a common carrier on navigable waters in this State or on any  
 3 riverboat operated under the Riverboat Gambling Act, which boat  
 4 or riverboat maintains a public dining room or restaurant  
 5 thereon.

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

- 16 Class 1, not to exceed ..... 500 gallons
- 17 Class 2, not to exceed ..... 1,000 gallons
- 18 Class 3, not to exceed ..... 5,000 gallons
- 19 Class 4, not to exceed ..... 10,000 gallons
- 20 Class 5, not to exceed ..... 50,000 gallons

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

1 resale in any form. A wine-maker's premises license shall allow  
2 a licensee who concurrently holds a second-class wine-maker's  
3 license to sell and offer for sale at retail in the premises  
4 specified in such license up to 100,000 gallons of the  
5 second-class wine-maker's wine that is made at the second-class  
6 wine-maker's licensed premises per year for use or consumption  
7 but not for resale in any form. A wine-maker's premises license  
8 shall allow a licensee that concurrently holds a first-class  
9 wine-maker's license or a second-class wine-maker's license to  
10 sell and offer for sale at retail at the premises specified in  
11 the wine-maker's premises license, for use or consumption but  
12 not for resale in any form, any beer, wine, and spirits  
13 purchased from a licensed distributor. Upon approval from the  
14 State Commission, a wine-maker's premises license shall allow  
15 the licensee to sell and offer for sale at (i) the wine-maker's  
16 licensed premises and (ii) at up to 2 additional locations for  
17 use and consumption and not for resale. Each location shall  
18 require additional licensing per location as specified in  
19 Section 5-3 of this Act. A wine-maker's premises licensee shall  
20 secure liquor liability insurance coverage in an amount at  
21 least equal to the maximum liability amounts set forth in  
22 subsection (a) of Section 6-21 of this Act.

23 (j) An airplane license shall permit the licensee to import  
24 alcoholic liquors into this State from any point in the United  
25 States outside this State and to store such alcoholic liquors  
26 in this State; to make wholesale purchases of alcoholic liquors

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

17 (k) A foreign importer's license shall permit such licensee  
18 to purchase alcoholic liquor from Illinois licensed  
19 non-resident dealers only, and to import alcoholic liquor other  
20 than in bulk from any point outside the United States and to  
21 sell such alcoholic liquor to Illinois licensed importing  
22 distributors and to no one else in Illinois; provided that (i)  
23 the foreign importer registers with the State Commission every  
24 brand of alcoholic liquor that it proposes to sell to Illinois  
25 licensees during the license period, (ii) the foreign importer  
26 complies with all of the provisions of Section 6-9 of this Act

1 with respect to registration of such Illinois licensees as may  
2 be granted the right to sell such brands at wholesale, and  
3 (iii) the foreign importer complies with the provisions of  
4 Sections 6-5 and 6-6 of this Act to the same extent that these  
5 provisions apply to manufacturers.

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

16 No holder of a retailer's license issued by the Illinois  
17 Liquor Control Commission shall purchase or receive any  
18 alcoholic liquor, the order for which was solicited or offered  
19 for sale to such retailer by a broker unless the broker is the  
20 holder of a valid broker's license.

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

1           (ii) A broker's license shall be required of a person  
2 within this State, other than a retail licensee, who, for a fee  
3 or commission, promotes, solicits, or accepts orders for  
4 alcoholic liquor, for use or consumption and not for resale, to  
5 be shipped from this State and delivered to residents outside  
6 of this State by an express company, common carrier, or  
7 contract carrier. This Section does not apply to any person who  
8 promotes, solicits, or accepts orders for wine as specifically  
9 authorized in Section 6-29 of this Act.

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

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

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

23           (m) A non-resident dealer's license shall permit such  
24 licensee to ship into and warehouse alcoholic liquor into this  
25 State from any point outside of this State, and to sell such  
26 alcoholic liquor to Illinois licensed foreign importers and



1 importing distributors and to no one else in this State;  
2 provided that (i) said non-resident dealer shall register with  
3 the Illinois Liquor Control Commission each and every brand of  
4 alcoholic liquor which it proposes to sell to Illinois  
5 licensees during the license period, (ii) it shall comply with  
6 all of the provisions of Section 6-9 hereof with respect to  
7 registration of such Illinois licensees as may be granted the  
8 right to sell such brands at wholesale, and (iii) the  
9 non-resident dealer shall comply with the provisions of  
10 Sections 6-5 and 6-6 of this Act to the same extent that these  
11 provisions apply to manufacturers. No person licensed as a  
12 non-resident dealer shall be granted a distributor's or  
13 importing distributor's license.

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

1 of alcoholic liquor purchased from a licensed distributor or  
2 importing distributor, and (vi) with the prior approval of the  
3 Commission, annually transfer no more than 155,000 gallons of  
4 beer manufactured on the premises to a licensed brew pub wholly  
5 owned and operated by the same licensee.

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

9 A person who holds a class 2 brewer license may  
10 simultaneously hold a brew pub license if the class 2 brewer  
11 (i) does not, under any circumstance, sell or offer for sale  
12 beer manufactured by the class 2 brewer to retail licensees;  
13 (ii) does not hold more than 3 brew pub licenses in this State;  
14 (iii) does not manufacture more than a combined 3,720,000  
15 gallons of beer per year, including the beer manufactured at  
16 the brew pub; and (iv) is not a member of or affiliated with,  
17 directly or indirectly, a manufacturer that produces more than  
18 3,720,000 gallons of beer per year or any other alcoholic  
19 liquor.

20 Notwithstanding any other provision of this Act, a licensed  
21 brewer, class 2 brewer, or non-resident dealer who before July  
22 1, 2015 manufactured less than 3,720,000 gallons of beer per  
23 year and held a brew pub license on or before July 1, 2015 may  
24 (i) continue to qualify for and hold that brew pub license for  
25 the licensed premises and (ii) manufacture more than 3,720,000  
26 gallons of beer per year and continue to qualify for and hold

1 that brew pub license if that brewer, class 2 brewer, or  
2 non-resident dealer does not simultaneously hold a class 1  
3 brewer license and is not a member of or affiliated with,  
4 directly or indirectly, a manufacturer that produces more than  
5 3,720,000 gallons of beer per year or that produces any other  
6 alcoholic liquor.

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 ~~12-month~~ period. An applicant for  
4 the 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 all addresses from which the  
22 applicant for a winery shipper's license intends to ship wine,  
23 including the name and address of any third party, except for a  
24 common carrier, authorized to ship wine on behalf of the  
25 manufacturer. The application form shall include an  
26 acknowledgement consenting to the jurisdiction of the

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

23 Except for a common carrier, a third-party provider  
24 shipping wine on behalf of a winery shipper's license holder is  
25 the agent of the winery shipper's license holder and, as such,  
26 a winery shipper's license holder is responsible for the acts

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

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

16 (2) the quantity, point of origin, and retail value of  
17 the products delivered;

18 (3) the number of cases, the types and brands of wine  
19 delivered, and the size of the bottles;

20 (4) the date, time, and address of both the shipment  
21 and the delivery; and

22 (5) the name of the individual 21 years of age or more  
23 to whom the delivery was made, including a copy or  
24 electronic copy of that individual's signature and a  
25 chronological account of the third-party provider's  
26 dealings with that individual.

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

18 Before any employee of a third-party provider transports  
19 any wine within or into this State, that employee shall post  
20 with the State Commission a bond with approved surety payable  
21 to the State in the penalty of \$1,000 upon the condition that  
22 the person will not unlawfully transport or deliver any  
23 alcoholic liquors within or into this State. Evidence that the  
24 required bond has been posted shall accompany the wine at all  
25 times during transportation. The driver or person in charge of  
26 any vehicle covered by any bond posted with the State

1 Commission under this subsection shall, when requested by any  
2 representative or agent of the State Commission or any person  
3 having police authority, exhibit to such person the bill of  
4 lading or other memorandum of shipment covering the cargo of  
5 the vehicle.

6 A third-party provider shall comply with all applicable  
7 provisions of subsection (a) of Section 6-16. Any vehicle used  
8 by a third-party provider to transport wine must be owned,  
9 leased, or under the control of the third-provider or an  
10 employee of the third-party provider. All wine being  
11 transported by a third-party provider shall remain unopened in  
12 accordance with the provisions of Section 11-502 of the  
13 Illinois Vehicle Code and there shall accompany such wine at  
14 all times during transportation, a bill of lading or other  
15 memorandum of shipment signed by the winery shipper's licensee  
16 showing an exact description of the wine being transported, the  
17 name and address of the consignor, the name and address of the  
18 consignee, and the route to be traveled by the vehicle  
19 transporting the wine. The route must be the most direct route  
20 from the consignor's place of business to the consignee. The  
21 third-party provider transporting the wine shall not vary from  
22 the route specified in the bill of lading or other memorandum  
23 of shipment, unless there are extenuating circumstances  
24 blocking the passage of the route, such as construction or  
25 manmade or natural obstructions on a road. Extenuating  
26 circumstances do not include momentary obstructions, such as a



1 passing train or train momentarily delayed on the tracks,  
2 traffic jam, animal crossing, weather-caused delays, or other  
3 similar obstructions.

4 Payment for any wine shipped by a third-party provider  
5 shall be received no later than at the time of delivery, and,  
6 as a condition of delivery, a third-party provider shall obtain  
7 the signature, which may be obtained by using an electronic  
8 signature system, of a person 21 years of age or more who has  
9 demonstrated his or her age by providing a valid motor vehicle  
10 operator's license, Illinois identification card issued under  
11 the Illinois Identification Card Act, or other similar  
12 identification document issued by a federal or state  
13 government. In each shipment of wine, the third-party provider  
14 shall include written information concerning fetal alcohol  
15 syndrome and fetal alcohol effects resulting from a woman  
16 consuming alcohol during pregnancy. A third-party provider  
17 shall not deliver wine outside the hours of lawful service of  
18 alcoholic liquor in accordance with any applicable law or  
19 ordinance and shall not deliver wine to a person who is under  
20 the age of 21 or is intoxicated or simulating intoxication.

21 The State Commission shall adopt rules as soon as  
22 practicable to implement the requirements of Public Act 99-904  
23 ~~this amendatory Act of the 99th General Assembly~~ and shall  
24 adopt rules prohibiting any such third-party appointment of a  
25 third-party provider, except for a common carrier, that has  
26 been deemed by the State Commission to have violated the

1 provisions of this Act with regard to any winery shipper  
2 licensee.

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

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

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

5 As used in this subsection, "third-party provider" means  
6 any entity, except for common carriers, that the winery  
7 shipper's licensee does not own or that is not a subsidiary of  
8 the winery shipper's licensee and that contracts with, either  
9 through a retention or service plan or on a per-delivery basis,  
10 to deliver wine to a consumer who has made a purchase of wine  
11 through the winery shipper's licensee.

12 (s) A craft distiller tasting permit license shall allow an  
13 Illinois licensed craft distiller to transfer a portion of its  
14 alcoholic liquor inventory from its craft distiller licensed  
15 premises to the premises specified in the license hereby  
16 created and to conduct a sampling, only in the premises  
17 specified in the license hereby created, of the transferred  
18 alcoholic liquor in accordance with subsection (c) of Section  
19 6-31 of this Act. The transferred alcoholic liquor may not be  
20 sold or resold in any form. An applicant for the craft  
21 distiller tasting permit license must also submit with the  
22 application proof satisfactory to the State Commission that the  
23 applicant will provide dram shop liability insurance to the  
24 maximum limits and have local authority approval.

25 (Source: P.A. 98-394, eff. 8-16-13; 98-401, eff. 8-16-13;  
26 98-756, eff. 7-16-14; 99-448, eff. 8-24-15; 99-642, eff.

1 7-28-16; 99-800, eff. 8-12-16; 99-902, eff. 8-26-16; 99-904,  
2 eff. 1-1-17; revised 9-15-16.)

3 (235 ILCS 5/10-1) (from Ch. 43, par. 183)

4 Sec. 10-1. Violations; penalties. Whereas a substantial  
5 threat to the sound and careful control, regulation, and  
6 taxation of the manufacture, sale, and distribution of  
7 alcoholic liquors exists by virtue of individuals who  
8 manufacture, import, distribute, or sell alcoholic liquors  
9 within the State without having first obtained a valid license  
10 to do so, and whereas such threat is especially serious along  
11 the borders of this State, and whereas such threat requires  
12 immediate correction by this Act, by active investigation and  
13 prosecution by law enforcement officials and prosecutors, and  
14 by prompt and strict enforcement through the courts of this  
15 State to punish violators and to deter such conduct in the  
16 future:

17 (a) Any person who manufactures, imports for distribution  
18 or use, transports from outside this State into this State, or  
19 distributes or sells 108 liters (28.53 gallons) or more of  
20 wine, 45 liters (11.88 gallons) or more of distilled spirits,  
21 or 118 liters (31.17 gallons) or more of beer at any place  
22 within the State without having first obtained a valid license  
23 to do so under the provisions of this Act shall be guilty of a  
24 Class 4 felony for each offense. However, any person who was  
25 duly licensed under this Act and whose license expired within

1 30 days prior to a violation shall be guilty of a business  
2 offense and fined not more than \$1,000 for the first such  
3 offense and shall be guilty of a Class 4 felony for each  
4 subsequent offense.

5 Any person who manufactures, imports for distribution,  
6 transports from outside this State into this State for sale or  
7 resale in this State, or distributes or sells less than 108  
8 liters (28.53 gallons) of wine, less than 45 liters (11.88  
9 gallons) of distilled spirits, or less than 118 liters (31.17  
10 gallons) of beer at any place within the State without having  
11 first obtained a valid license to do so under the provisions of  
12 this Act shall be guilty of a business offense and fined not  
13 more than \$1,000 for the first such offense and shall be guilty  
14 of a Class 4 felony for each subsequent offense. This  
15 subsection does not apply to a motor carrier or freight  
16 forwarder, as defined in Section 13102 of Title 49 of the  
17 United States Code, an air carrier, as defined in Section 40102  
18 of Title 49 of the United States Code, or a rail carrier, as  
19 defined in Section 10102 of Title 49 of the United States Code,  
20 or a third-party provider, as defined in subsection (r) of  
21 Section 5-1 of this Act.

22 Any person who both has been issued an initial cease and  
23 desist notice from the State Commission and for compensation  
24 ships alcoholic liquor into this State without a license  
25 authorized by Section 5-1 issued by the State Commission or in  
26 violation of that license is guilty of a Class 4 felony for

1 each offense.

2 (b) (1) Any retailer, licensed in this State, who knowingly  
3 causes to furnish, give, sell, or otherwise being within the  
4 State, any alcoholic liquor destined to be used, distributed,  
5 consumed or sold in another state, unless such alcoholic liquor  
6 was received in this State by a duly licensed distributor, or  
7 importing distributors shall have his license suspended for 7  
8 days for the first offense and for the second offense, shall  
9 have his license revoked by the Commission.

10 (2) In the event the Commission receives a certified copy  
11 of a final order from a foreign jurisdiction that an Illinois  
12 retail licensee has been found to have violated that foreign  
13 jurisdiction's laws, rules, or regulations concerning the  
14 importation of alcoholic liquor into that foreign  
15 jurisdiction, the violation may be grounds for the Commission  
16 to revoke, suspend, or refuse to issue or renew a license, to  
17 impose a fine, or to take any additional action provided by  
18 this Act with respect to the Illinois retail license or  
19 licensee. Any such action on the part of the Commission shall  
20 be in accordance with this Act and implementing rules.

21 For the purposes of paragraph (2): (i) "foreign  
22 jurisdiction" means a state, territory, or possession of the  
23 United States, the District of Columbia, or the Commonwealth of  
24 Puerto Rico, and (ii) "final order" means an order or judgment  
25 of a court or administrative body that determines the rights of  
26 the parties respecting the subject matter of the proceeding,

1 that remains in full force and effect, and from which no appeal  
2 can be taken.

3 (c) Any person who shall make any false statement or  
4 otherwise violates any of the provisions of this Act in  
5 obtaining any license hereunder, or who having obtained a  
6 license hereunder shall violate any of the provisions of this  
7 Act with respect to the manufacture, possession, distribution  
8 or sale of alcoholic liquor, or with respect to the maintenance  
9 of the licensed premises, or shall violate any other provision  
10 of this Act, shall for a first offense be guilty of a petty  
11 offense and fined not more than \$500, and for a second or  
12 subsequent offense shall be guilty of a Class B misdemeanor.

13 (c-5) Any owner of an establishment that serves alcohol on  
14 its premises, if more than 50% of the establishment's gross  
15 receipts within the prior 3 months is from the sale of alcohol,  
16 who knowingly fails to prohibit concealed firearms on its  
17 premises or who knowingly makes a false statement or record to  
18 avoid the prohibition of concealed firearms on its premises  
19 under the Firearm Concealed Carry Act shall be guilty of a  
20 business offense with a fine up to \$5,000.

21 (d) Each day any person engages in business as a  
22 manufacturer, foreign importer, importing distributor,  
23 distributor or retailer in violation of the provisions of this  
24 Act shall constitute a separate offense.

25 (e) Any person, under the age of 21 years who, for the  
26 purpose of buying, accepting or receiving alcoholic liquor from

1 a licensee, represents that he is 21 years of age or over shall  
2 be guilty of a Class A misdemeanor.

3 (f) In addition to the penalties herein provided, any  
4 person licensed as a wine-maker in either class who  
5 manufactures more wine than authorized by his license shall be  
6 guilty of a business offense and shall be fined \$1 for each  
7 gallon so manufactured.

8 (g) A person shall be exempt from prosecution for a  
9 violation of this Act if he is a peace officer in the  
10 enforcement of the criminal laws and such activity is approved  
11 in writing by one of the following:

12 (1) In all counties, the respective State's Attorney;

13 (2) The Director of State Police under Section 2605-10,  
14 2605-15, 2605-75, 2605-100, 2605-105, 2605-110, 2605-115,  
15 2605-120, 2605-130, 2605-140, 2605-190, 2605-200,  
16 2605-205, 2605-210, 2605-215, 2605-250, 2605-275,  
17 2605-300, 2605-305, 2605-315, 2605-325, 2605-335,  
18 2605-340, 2605-350, 2605-355, 2605-360, 2605-365,  
19 2605-375, 2605-390, 2605-400, 2605-405, 2605-420,  
20 2605-430, 2605-435, 2605-500, 2605-525, or 2605-550 of the  
21 Department of State Police Law (20 ILCS 2605/2605-10,  
22 2605/2605-15, 2605/2605-75, 2605/2605-100, 2605/2605-105,  
23 2605/2605-110, 2605/2605-115, 2605/2605-120,  
24 2605/2605-130, 2605/2605-140, 2605/2605-190,  
25 2605/2605-200, 2605/2605-205, 2605/2605-210,  
26 2605/2605-215, 2605/2605-250, 2605/2605-275,



1           2605/2605-300,           2605/2605-305,           2605/2605-315,  
2           2605/2605-325,           2605/2605-335,           2605/2605-340,  
3           2605/2605-350,           2605/2605-355,           2605/2605-360,  
4           2605/2605-365,           2605/2605-375,           2605/2605-390,  
5           2605/2605-400,           2605/2605-405,           2605/2605-420,  
6           2605/2605-430,           2605/2605-435,           2605/2605-500,  
7           2605/2605-525, or 2605/2605-550); or

8                   (3) In cities over 1,000,000, the Superintendent of  
9           Police.

10           (Source: P.A. 98-63, eff. 7-9-13; 99-904, eff. 1-1-17.)

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