



101ST GENERAL ASSEMBLY

State of Illinois

2019 and 2020

HB1439

by Rep. Sara Feigenholtz

SYNOPSIS AS INTRODUCED:

235 ILCS 5/3-12
235 ILCS 5/5-1 from Ch. 43, par. 115
235 ILCS 5/5-3 from Ch. 43, par. 118
235 ILCS 5/6-18.5 new
235 ILCS 5/6-29.5 new

Amends the Liquor Control Act of 1934. Creates a third-party facilitator license. Establishes licensing fees, recordkeeping requirements, reporting requirements, and other requirements for a third-party facilitator licensee. Provides that a retailer may deliver alcoholic liquors to the home or other designated location of a consumer in this State if specified conditions are met, including verifying that the individual accepting the delivery is at least 21 years of age. Provides that a retailer may use the services of a third-party facilitator by means of the Internet or mobile application to facilitate the sale of alcoholic liquors to be delivered to the home or other designated location of a consumer in this State if specified conditions are met, including verifying that the individual accepting the delivery is at least 21 years of age. Provides that the Illinois Liquor Control Commission may not treat a violation of those conditions as a violation by the retailer. Preempts home rule powers. Makes conforming changes. Effective immediately.

LRB101 04782 RPS 49791 b

FISCAL NOTE ACT
MAY APPLY

HOME RULE 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 3-12, 5-1, and 5-3 and by adding Sections
6 6-18.5 and 6-29.5 as follows:

7 (235 ILCS 5/3-12)

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

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

11 (1) To receive applications and to issue licenses to
12 manufacturers, foreign importers, importing distributors,
13 distributors, non-resident dealers, on premise consumption
14 retailers, off premise sale retailers, special event
15 retailer licensees, third-party facilitators, special use
16 permit licenses, auction liquor licenses, brew pubs,
17 caterer retailers, non-beverage users, railroads,
18 including owners and lessees of sleeping, dining and cafe
19 cars, airplanes, boats, brokers, and wine maker's premises
20 licensees in accordance with the provisions of this Act,
21 and to suspend or revoke such licenses upon the State
22 Commission's determination, upon notice after hearing,
23 that a licensee has violated any provision of this Act or

1 any rule or regulation issued pursuant thereto and in
2 effect for 30 days prior to such violation. Except in the
3 case of an action taken pursuant to a violation of Section
4 6-3, 6-5, or 6-9, any action by the State Commission to
5 suspend or revoke a licensee's license may be limited to
6 the license for the specific premises where the violation
7 occurred. An action for a violation of this Act shall be
8 commenced by the State Commission within 2 years after the
9 date the State Commission becomes aware of the violation.

10 In lieu of suspending or revoking a license, the
11 commission may impose a fine, upon the State Commission's
12 determination and notice after hearing, that a licensee has
13 violated any provision of this Act or any rule or
14 regulation issued pursuant thereto and in effect for 30
15 days prior to such violation.

16 For the purpose of this paragraph (1), when determining
17 multiple violations for the sale of alcohol to a person
18 under the age of 21, a second or subsequent violation for
19 the sale of alcohol to a person under the age of 21 shall
20 only be considered if it was committed within 5 years after
21 the date when a prior violation for the sale of alcohol to
22 a person under the age of 21 was committed.

23 The fine imposed under this paragraph may not exceed
24 \$500 for each violation. Each day that the activity, which
25 gave rise to the original fine, continues is a separate
26 violation. The maximum fine that may be levied against any

1 licensee, for the period of the license, shall not exceed
2 \$20,000. The maximum penalty that may be imposed on a
3 licensee for selling a bottle of alcoholic liquor with a
4 foreign object in it or serving from a bottle of alcoholic
5 liquor with a foreign object in it shall be the destruction
6 of that bottle of alcoholic liquor for the first 10 bottles
7 so sold or served from by the licensee. For the eleventh
8 bottle of alcoholic liquor and for each third bottle
9 thereafter sold or served from by the licensee with a
10 foreign object in it, the maximum penalty that may be
11 imposed on the licensee is the destruction of the bottle of
12 alcoholic liquor and a fine of up to \$50.

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

22 (2) To adopt such rules and regulations consistent with
23 the provisions of this Act which shall be necessary to
24 carry on its functions and duties to the end that the
25 health, safety and welfare of the People of the State of
26 Illinois shall be protected and temperance in the

1 consumption of alcoholic liquors shall be fostered and
2 promoted and to distribute copies of such rules and
3 regulations to all licensees affected thereby.

4 (3) To call upon other administrative departments of
5 the State, county and municipal governments, county and
6 city police departments and upon prosecuting officers for
7 such information and assistance as it deems necessary in
8 the performance of its duties.

9 (4) To recommend to local commissioners rules and
10 regulations, not inconsistent with the law, for the
11 distribution and sale of alcoholic liquors throughout the
12 State.

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

21 (5.1) Upon receipt of a complaint or upon having
22 knowledge that any person is engaged in business as a
23 manufacturer, importing distributor, distributor, or
24 retailer without a license or valid license, to notify the
25 local liquor authority, file a complaint with the State's
26 Attorney's Office of the county where the incident

1 occurred, or initiate an investigation with the
2 appropriate law enforcement officials.

3 (5.2) To issue a cease and desist notice to persons
4 shipping alcoholic liquor into this State from a point
5 outside of this State if the shipment is in violation of
6 this Act.

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

22 (6) To hear and determine appeals from orders of a
23 local commission in accordance with the provisions of this
24 Act, as hereinafter set forth. Hearings under this
25 subsection shall be held in Springfield or Chicago, at
26 whichever location is the more convenient for the majority

1 of persons who are parties to the hearing.

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

26 (8) In the conduct of any hearing authorized to be held

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

14 Any circuit court may by order duly entered, require
15 the attendance of witnesses and the production of relevant
16 books subpoenaed by the State Commission and the court may
17 compel obedience to its order by proceedings for contempt.

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

25 (10) To adopt such rules and regulations consistent
26 with the provisions of this Act which shall be necessary

1 for the control, sale or disposition of alcoholic liquor
2 damaged as a result of an accident, wreck, flood, fire or
3 other similar occurrence.

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

8 (11.1) To license persons providing education and
9 training to alcohol beverage sellers and servers for
10 mandatory and non-mandatory training under the Beverage
11 Alcohol Sellers and Servers Education and Training
12 (BASSET) programs and to develop and administer a public
13 awareness program in Illinois to reduce or eliminate the
14 illegal purchase and consumption of alcoholic beverage
15 products by persons under the age of 21. Application for a
16 license shall be made on forms provided by the State
17 Commission.

18 (12) To develop and maintain a repository of license
19 and regulatory information.

20 (13) (Blank).

21 (14) On or before April 30, 2008 and every 2 years
22 thereafter, the Commission shall present a written report
23 to the Governor and the General Assembly that shall be
24 based on a study of the impact of Public Act 95-634 on the
25 business of soliciting, selling, and shipping wine from
26 inside and outside of this State directly to residents of

1 this State. As part of its report, the Commission shall
2 provide all of the following information:

3 (A) The amount of State excise and sales tax
4 revenues generated.

5 (B) The amount of licensing fees received.

6 (C) The number of cases of wine shipped from inside
7 and outside of this State directly to residents of this
8 State.

9 (D) The number of alcohol compliance operations
10 conducted.

11 (E) The number of winery shipper's licenses
12 issued.

13 (F) The number of each of the following: reported
14 violations; cease and desist notices issued by the
15 Commission; notices of violations issued by the
16 Commission and to the Department of Revenue; and
17 notices and complaints of violations to law
18 enforcement officials, including, without limitation,
19 the Illinois Attorney General and the U.S. Department
20 of Treasury's Alcohol and Tobacco Tax and Trade Bureau.

21 (15) As a means to reduce the underage consumption of
22 alcoholic liquors, the Commission shall conduct alcohol
23 compliance operations to investigate whether businesses
24 that are soliciting, selling, and shipping wine from inside
25 or outside of this State directly to residents of this
26 State are licensed by this State or are selling or

1 attempting to sell wine to persons under 21 years of age in
2 violation of this Act.

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

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

21 (B) In the application, which shall be sworn under
22 penalty of perjury, such person shall state (1) the date it
23 was established; (2) its volume of production and sales for
24 each year since its establishment; (3) its efforts to
25 establish distributor relationships; (4) that a
26 self-distribution exemption is necessary to facilitate the

1 marketing of its wine; and (5) that it will comply with the
2 liquor and revenue laws of the United States, this State,
3 and any other state where it is licensed.

4 (C) The Commission shall approve the application for a
5 self-distribution exemption if such person: (1) is in
6 compliance with State revenue and liquor laws; (2) is not a
7 member of any affiliated group that produces more than
8 25,000 gallons of wine per annum or produces any other
9 alcoholic liquor; (3) will not annually produce for sale
10 more than 25,000 gallons of wine; and (4) will not annually
11 sell more than 5,000 gallons of its wine to retail
12 licensees.

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

24 (E) Except in hearings for violations of this Act or
25 Public Act 95-634 or a bona fide investigation by duly
26 sworn law enforcement officials, the Commission, or its

1 agents, the Commission shall maintain the production and
2 sales information of a self-distribution exemption holder
3 as confidential and shall not release such information to
4 any person.

5 (F) The Commission shall issue regulations governing
6 self-distribution exemptions consistent with this Section
7 and this Act.

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

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

24 (18)(A) A class 1 brewer licensee, who must also be
25 either a licensed brewer or licensed non-resident dealer
26 and annually manufacture less than 930,000 gallons of beer,

1 may make application to the State Commission for a
2 self-distribution exemption to allow the sale of not more
3 than 232,500 gallons of the exemption holder's beer per
4 year to retail licensees and to brewers, class 1 brewers,
5 and class 2 brewers that, pursuant to subsection (e) of
6 Section 6-4 of this Act, sell beer, cider, or both beer and
7 cider to non-licensees at their breweries.

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

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

1 for sale more than 930,000 gallons of beer; (4) shall not
2 annually sell more than 232,500 gallons of its beer to
3 retail licensees or to brewers, class 1 brewers, and class
4 2 brewers that, pursuant to subsection (e) of Section 6-4
5 of this Act, sell beer, cider, or both beer and cider to
6 non-licensees at their breweries; and (5) has relinquished
7 any brew pub license held by the licensee, including any
8 ownership interest it held in the licensed brew pub.

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

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

25 (F) Nothing in this paragraph (18) shall prohibit a
26 self-distribution exemption holder from entering into or

1 simultaneously having a distribution agreement with a
2 licensed Illinois importing distributor or a distributor.
3 If a self-distribution exemption holder enters into a
4 distribution agreement and has assigned distribution
5 rights to an importing distributor or distributor, then the
6 self-distribution exemption holder's distribution rights
7 in the assigned territories shall cease in a reasonable
8 time not to exceed 60 days.

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

17 (b) On or before April 30, 1999, the Commission shall
18 present a written report to the Governor and the General
19 Assembly that shall be based on a study of the impact of Public
20 Act 90-739 on the business of soliciting, selling, and shipping
21 alcoholic liquor from outside of this State directly to
22 residents of this State.

23 As part of its report, the Commission shall provide the
24 following information:

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

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

3 (iii) the number of reported violations, the number of
4 cease and desist notices issued by the Commission, the
5 number of notices of violations issued to the Department of
6 Revenue, and the number of notices and complaints of
7 violations to law enforcement officials.

8 (Source: P.A. 99-78, eff. 7-20-15; 99-448, eff. 8-24-15;
9 100-134, eff. 8-18-17; 100-201, eff. 8-18-17; 100-816, eff.
10 8-13-18; 100-1012, eff. 8-21-18; 100-1050, eff. 8-23-18;
11 revised 10-24-18.)

12 (235 ILCS 5/5-1) (from Ch. 43, par. 115)

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

15 (a) Manufacturer's license - Class 1. Distiller, Class 2.
16 Rectifier, Class 3. Brewer, Class 4. First Class Wine
17 Manufacturer, Class 5. Second Class Wine Manufacturer, Class 6.
18 First Class Winemaker, Class 7. Second Class Winemaker, Class
19 8. Limited Wine Manufacturer, Class 9. Craft Distiller, Class
20 10. Class 1 Brewer, Class 11. Class 2 Brewer,

21 (b) Distributor's license,

22 (c) Importing Distributor's license,

23 (d) Retailer's license,

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

25 (f) Railroad license,

- 1 (g) Boat license,
2 (h) Non-Beverage User's license,
3 (i) Wine-maker's premises license,
4 (j) Airplane license,
5 (k) Foreign importer's license,
6 (l) Broker's license,
7 (m) Non-resident dealer's license,
8 (n) Brew Pub license,
9 (o) Auction liquor license,
10 (p) Caterer retailer license,
11 (q) Special use permit license,
12 (r) Winery shipper's license,
13 (s) Craft distiller tasting permit,
14 (t) Brewer warehouse permit, ~~u~~
15 (u) Third-party facilitator license.

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

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

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

1 other licensees.

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

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

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

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

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

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

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

15 Class 9. A craft distiller license shall allow the
16 manufacture of up to 100,000 gallons of spirits by distillation
17 per year and the storage of such spirits. If a craft distiller
18 licensee, including a craft distiller licensee who holds more
19 than one craft distiller license, is not affiliated with any
20 other manufacturer of spirits, then the craft distiller
21 licensee may sell such spirits to distributors in this State
22 and up to 2,500 gallons of such spirits to non-licensees to the
23 extent permitted by any exemption approved by the Commission
24 pursuant to Section 6-4 of this Act. A craft distiller license
25 holder may store such spirits at a non-contiguous licensed
26 location, but at no time shall a craft distiller license holder

1 directly or indirectly produce in the aggregate more than
2 100,000 gallons of spirits per year.

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

11 Any craft distiller licensed under this Act who on July 28,
12 2010 (the effective date of Public Act 96-1367) was licensed as
13 a distiller and manufactured no more spirits than permitted by
14 this Section shall not be required to pay the initial licensing
15 fee.

16 Class 10. A class 1 brewer license, which may only be
17 issued to a licensed brewer or licensed non-resident dealer,
18 shall allow the manufacture of up to 930,000 gallons of beer
19 per year provided that the class 1 brewer licensee does not
20 manufacture more than a combined 930,000 gallons of beer per
21 year and is not a member of or affiliated with, directly or
22 indirectly, a manufacturer that produces more than 930,000
23 gallons of beer per year or any other alcoholic liquor. A class
24 1 brewer licensee may make sales and deliveries to importing
25 distributors and distributors and to retail licensees in
26 accordance with the conditions set forth in paragraph (18) of

1 subsection (a) of Section 3-12 of this Act. If the State
2 Commission provides prior approval, a class 1 brewer may
3 annually transfer up to 930,000 gallons of beer manufactured by
4 that class 1 brewer to the premises of a licensed class 1
5 brewer wholly owned and operated by the same licensee.

6 Class 11. A class 2 brewer license, which may only be
7 issued to a licensed brewer or licensed non-resident dealer,
8 shall allow the manufacture of up to 3,720,000 gallons of beer
9 per year provided that the class 2 brewer licensee does not
10 manufacture more than a combined 3,720,000 gallons of beer per
11 year and is not a member of or affiliated with, directly or
12 indirectly, a manufacturer that produces more than 3,720,000
13 gallons of beer per year or any other alcoholic liquor. A class
14 2 brewer licensee may make sales and deliveries to importing
15 distributors and distributors, but shall not make sales or
16 deliveries to any other licensee. If the State Commission
17 provides prior approval, a class 2 brewer licensee may annually
18 transfer up to 3,720,000 gallons of beer manufactured by that
19 class 2 brewer licensee to the premises of a licensed class 2
20 brewer wholly owned and operated by the same licensee.

21 A class 2 brewer may transfer beer to a brew pub wholly
22 owned and operated by the class 2 brewer subject to the
23 following limitations and restrictions: (i) the transfer shall
24 not annually exceed more than 31,000 gallons; (ii) the annual
25 amount transferred shall reduce the brew pub's annual permitted
26 production limit; (iii) all beer transferred shall be subject

1 to Article VIII of this Act; (iv) a written record shall be
2 maintained by the brewer and brew pub specifying the amount,
3 date of delivery, and receipt of the product by the brew pub;
4 and (v) the brew pub shall be located no farther than 80 miles
5 from the class 2 brewer's licensed location.

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

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

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

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

11 (b) A distributor's license shall allow the wholesale
12 purchase and storage of alcoholic liquors and sale of alcoholic
13 liquors to licensees in this State and to persons without the
14 State, as may be permitted by law, and the sale of beer, cider,
15 or both beer and cider to brewers, class 1 brewers, and class 2
16 brewers that, pursuant to subsection (e) of Section 6-4 of this
17 Act, sell beer, cider, or both beer and cider to non-licensees
18 at their breweries. No person licensed as a distributor shall
19 be granted a non-resident dealer's license.

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

1 in the United States outside this State, and the purchase of
2 alcoholic liquor in barrels, casks or other bulk containers and
3 the bottling of such alcoholic liquors before resale thereof,
4 but all bottles or containers so filled shall be sealed,
5 labeled, stamped and otherwise made to comply with all
6 provisions, rules and regulations governing manufacturers in
7 the preparation and bottling of alcoholic liquors. The
8 importing distributor's license shall permit such licensee to
9 purchase alcoholic liquor from Illinois licensed non-resident
10 dealers and foreign importers only. No person licensed as an
11 importing distributor shall be granted a non-resident dealer's
12 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 to
21 a manufacturer shall only permit the manufacturer to sell beer
22 at retail on the premises actually occupied by the
23 manufacturer. For the purpose of further describing the type of
24 business conducted at a retail licensed premises, a retailer's
25 licensee may be designated by the State Commission as (i) an on
26 premise consumption retailer, (ii) an off premise sale

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

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

10 Nothing in this Act prohibits an Illinois licensed
11 distributor from offering credit or a refund for unused,
12 salable alcoholic liquors to a holder of a special event
13 retailer's license or ~~from~~ the special event retailer's
14 licensee from accepting the credit or refund of alcoholic
15 liquors at the conclusion of the event specified in the
16 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 liquors
21 directly from manufacturers, foreign importers, distributors
22 and importing distributors from within or outside this State;
23 and to store such alcoholic liquors in this State; provided
24 that the above powers may be exercised only in connection with
25 the importation, purchase or storage of alcoholic liquors to be
26 sold or dispensed on a club, buffet, lounge or dining car

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

12 (g) A boat license shall allow the sale of alcoholic liquor
13 in individual drinks, on any passenger boat regularly operated
14 as a common carrier on navigable waters in this State or on any
15 riverboat operated under the Riverboat Gambling Act, which boat
16 or riverboat maintains a public dining room or restaurant
17 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 allow
14 a licensee who concurrently holds a second-class wine-maker's
15 license to sell and offer for sale at retail in the premises
16 specified in such license up to 100,000 gallons of the
17 second-class wine-maker's wine that is made at the second-class
18 wine-maker's licensed premises per year for use or consumption
19 but not for resale in any form. A wine-maker's premises license
20 shall allow a licensee that concurrently holds a first-class
21 wine-maker's license or a second-class wine-maker's license to
22 sell and offer for sale at retail at the premises specified in
23 the wine-maker's premises license, for use or consumption but
24 not for resale in any form, any beer, wine, and spirits
25 purchased from a licensed distributor. Upon approval from the
26 State Commission, a wine-maker's premises license shall allow

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

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

1 service is provided on board aircraft in this State. The annual
2 fee for such license shall be as determined in Section 5-3.

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

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

1 State of Illinois.

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

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

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

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

26 This subsection (1) shall not apply to distributors,

1 employees of distributors, or employees of a manufacturer who
2 has registered the trademark, brand or name of the alcoholic
3 liquor pursuant to Section 6-9 of this Act, and who regularly
4 sells such alcoholic liquor in the State of Illinois only to
5 its registrants thereunder.

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

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

1 importing distributor's license.

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

20 A brew pub licensee shall not under any circumstance sell
21 or offer for sale beer manufactured by the brew pub licensee to
22 retail licensees.

23 A person who holds a class 2 brewer license may
24 simultaneously hold a brew pub license if the class 2 brewer
25 (i) does not, under any circumstance, sell or offer for sale
26 beer manufactured by the class 2 brewer to retail licensees;

1 (ii) does not hold more than 3 brew pub licenses in this State;
2 (iii) does not manufacture more than a combined 3,720,000
3 gallons of beer per year, including the beer manufactured at
4 the brew pub; and (iv) is not a member of or affiliated with,
5 directly or indirectly, a manufacturer that produces more than
6 3,720,000 gallons of beer per year or any other alcoholic
7 liquor.

8 Notwithstanding any other provision of this Act, a licensed
9 brewer, class 2 brewer, or non-resident dealer who before July
10 1, 2015 manufactured less than 3,720,000 gallons of beer per
11 year and held a brew pub license on or before July 1, 2015 may
12 (i) continue to qualify for and hold that brew pub license for
13 the licensed premises and (ii) manufacture more than 3,720,000
14 gallons of beer per year and continue to qualify for and hold
15 that brew pub license if that brewer, class 2 brewer, or
16 non-resident dealer does not simultaneously hold a class 1
17 brewer license and is not a member of or affiliated with,
18 directly or indirectly, a manufacturer that produces more than
19 3,720,000 gallons of beer per year or that produces any other
20 alcoholic liquor.

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

26 (p) An auction liquor license shall allow the licensee to

1 sell and offer for sale at auction wine and spirits for use or
2 consumption, or for resale by an Illinois liquor licensee in
3 accordance with provisions of this Act. An auction liquor
4 license will be issued to a person and it will permit the
5 auction liquor licensee to hold the auction anywhere in the
6 State. An auction liquor license must be obtained for each
7 auction at least 14 days in advance of the auction date.

8 (q) A special use permit license shall allow an Illinois
9 licensed retailer to transfer a portion of its alcoholic liquor
10 inventory from its retail licensed premises to the premises
11 specified in the license hereby created, and to sell or offer
12 for sale at retail, only in the premises specified in the
13 license hereby created, the transferred alcoholic liquor for
14 use or consumption, but not for resale in any form. A special
15 use permit license may be granted for the following time
16 periods: one day or less; 2 or more days to a maximum of 15 days
17 per location in any 12-month period. An applicant for the
18 special use permit license must also submit with the
19 application proof satisfactory to the State Commission that the
20 applicant will provide dram shop liability insurance to the
21 maximum limits and have local authority approval.

22 (r) A winery shipper's license shall allow a person with a
23 first-class or second-class wine manufacturer's license, a
24 first-class or second-class wine-maker's license, or a limited
25 wine manufacturer's license or who is licensed to make wine
26 under the laws of another state to ship wine made by that

1 licensee directly to a resident of this State who is 21 years
2 of age or older for that resident's personal use and not for
3 resale. Prior to receiving a winery shipper's license, an
4 applicant for the license must provide the Commission with a
5 true copy of its current license in any state in which it is
6 licensed as a manufacturer of wine. An applicant for a winery
7 shipper's license must also complete an application form that
8 provides any other information the Commission deems necessary.
9 The application form shall include all addresses from which the
10 applicant for a winery shipper's license intends to ship wine,
11 including the name and address of any third party, except for a
12 common carrier, authorized to ship wine on behalf of the
13 manufacturer. The application form shall include an
14 acknowledgement consenting to the jurisdiction of the
15 Commission, the Illinois Department of Revenue, and the courts
16 of this State concerning the enforcement of this Act and any
17 related laws, rules, and regulations, including authorizing
18 the Department of Revenue and the Commission to conduct audits
19 for the purpose of ensuring compliance with Public Act 95-634,
20 and an acknowledgement that the wine manufacturer is in
21 compliance with Section 6-2 of this Act. Any third party,
22 except for a common carrier, authorized to ship wine on behalf
23 of a first-class or second-class wine manufacturer's licensee,
24 a first-class or second-class wine-maker's licensee, a limited
25 wine manufacturer's licensee, or a person who is licensed to
26 make wine under the laws of another state shall also be

1 disclosed by the winery shipper's licensee, and a copy of the
2 written appointment of the third-party wine provider, except
3 for a common carrier, to the wine manufacturer shall be filed
4 with the State Commission as a supplement to the winery
5 shipper's license application or any renewal thereof. The
6 winery shipper's license holder shall affirm under penalty of
7 perjury, as part of the winery shipper's license application or
8 renewal, that he or she only ships wine, either directly or
9 indirectly through a third-party provider, from the licensee's
10 own production.

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

1 the following information:

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

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

23 The State Commission shall adopt rules as soon as
24 practicable to implement the requirements of Public Act 99-904
25 and shall adopt rules prohibiting any such third-party
26 appointment of a third-party provider, except for a common

1 carrier, that has been deemed by the State Commission to have
2 violated the provisions of this Act with regard to any winery
3 shipper licensee.

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

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

1 must comply with the requirements of Section 6-29 of this Act.

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

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

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

24 (t) A brewer warehouse permit may be issued to the holder
25 of a class 1 brewer license or a class 2 brewer license. If the
26 holder of the permit is a class 1 brewer licensee, the brewer

1 warehouse permit shall allow the holder to store or warehouse
2 up to 930,000 gallons of tax-determined beer manufactured by
3 the holder of the permit at the premises specified on the
4 permit. If the holder of the permit is a class 2 brewer
5 licensee, the brewer warehouse permit shall allow the holder to
6 store or warehouse up to 3,720,000 gallons of tax-determined
7 beer manufactured by the holder of the permit at the premises
8 specified on the permit. Sales to non-licensees are prohibited
9 at the premises specified in the brewer warehouse permit.

10 (u) A third-party facilitator license shall allow the
11 holder to deliver alcoholic liquors on behalf of a retailer to
12 the home or other designated location of a consumer in this
13 State in compliance with Section 6-29.5.

14 A third-party facilitator licensee shall submit quarterly
15 reports to the State Commission. The quarterly report must
16 include the following information about each delivery to a
17 consumer in this State during the preceding calendar quarter:

18 (1) the name and business address of the person who
19 ships the alcoholic liquors;

20 (2) the name and address of the recipient of the
21 alcoholic liquors;

22 (3) the weight of the alcoholic liquors delivered to
23 the consignee; and

24 (4) the date of the delivery.

25 A third-party facilitator licensee shall maintain the books,
26 records, and documents supporting the quarterly report for 3

1 years following submission of the quarterly report, unless the
2 State Commission notifies the third-party facilitator licensee
3 that the books, records, and documents may be destroyed. Within
4 30 days after the State Commission's request, the third-party
5 facilitator licensee shall make the books, records, and
6 documents available for inspection during normal business
7 hours. Within 30 days after a local law enforcement agency's or
8 unit of local government's request, the third-party
9 facilitator licensee shall make the books, records, and
10 documents available for inspection to a local law enforcement
11 agency or unit of local government where the third-party
12 facilitator licensee resides or does business.

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

18 (235 ILCS 5/5-3) (from Ch. 43, par. 118)

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

24 The fee for licenses issued by the State Commission shall
25 be as follows:

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

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

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

1	For a craft distiller		
2	tasting permit	25	25
3	For a BASSET trainer license	300	350
4	For a tasting representative		
5	license.....	200	300
6	For a brewer warehouse permit	25	25

7 Fees collected under this Section shall be paid into the
8 Dram Shop Fund. On and after July 1, 2003 and until June 30,
9 2016, of the funds received for a retailer's license, in
10 addition to the first \$175, an additional \$75 shall be paid
11 into the Dram Shop Fund, and \$250 shall be paid into the
12 General Revenue Fund. On and after June 30, 2016, one-half of
13 the funds received for a retailer's license shall be paid into
14 the Dram Shop Fund and one-half of the funds received for a
15 retailer's license shall be paid into the General Revenue Fund.
16 Beginning June 30, 1990 and on June 30 of each subsequent year
17 through June 29, 2003, any balance over \$5,000,000 remaining in
18 the Dram Shop Fund shall be credited to State liquor licensees
19 and applied against their fees for State liquor licenses for
20 the following year. The amount credited to each licensee shall
21 be a proportion of the balance in the Dram Fund that is the
22 same as the proportion of the license fee paid by the licensee
23 under this Section for the period in which the balance was
24 accumulated to the aggregate fees paid by all licensees during
25 that period.

26 No fee shall be paid for licenses issued by the State

1 Commission to the following non-beverage users:

2 (a) Hospitals, sanitariums, or clinics when their use
3 of alcoholic liquor is exclusively medicinal, mechanical
4 or scientific.

5 (b) Universities, colleges of learning or schools when
6 their use of alcoholic liquor is exclusively medicinal,
7 mechanical or scientific.

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

10 (Source: P.A. 99-448, eff. 8-24-15; 99-902, eff. 8-26-16;
11 99-904, eff. 8-26-16; 100-201, eff. 8-18-17; 100-816, eff.
12 8-13-18.)

13 (235 ILCS 5/6-18.5 new)

14 Sec. 6-18.5. Third-party facilitator; home rule
15 preemption. The regulation and licensing of third-party
16 facilitators are exclusive powers and functions of the State. A
17 home rule unit may not regulate or license third-party
18 facilitators. This subsection is a denial and limitation of
19 home rule powers and functions under subsection (h) of Section
20 6 of Article VII of the Illinois Constitution.

21 (235 ILCS 5/6-29.5 new)

22 Sec. 6-29.5. Delivery of alcoholic liquors to a home by a
23 retailer or third-party facilitator.

24 (a) As used in this Section, "mobile application" means a

1 specialized software program downloaded onto a wireless
2 communication device.

3 (b) A retailer may deliver alcoholic liquors to the home or
4 other designated location of a consumer in this State if all of
5 the following conditions are met:

6 (1) The alcoholic liquors are delivered by the
7 retailer's employee.

8 (2) The retailer or its employee who delivers the
9 alcoholic liquors verifies that the individual accepting
10 delivery is at least 21 years of age.

11 (3) If the retailer or its employee intends to serve
12 the alcoholic liquors to the consumer, the retailer or its
13 employee providing the service has completed the
14 responsible alcohol service server training under Section
15 6-27.1.

16 (c) A retailer may use the services of a third-party
17 facilitator licensee by means of the Internet or mobile
18 application to facilitate the sale of alcoholic liquors to be
19 delivered to the home or designated location of a consumer, and
20 a third-party facilitator licensee may deliver alcoholic
21 liquors to a consumer on behalf of a retailer located in this
22 State, if all of the following conditions are met:

23 (1) If the third-party facilitator licensee delivers
24 alcoholic liquors under this subsection, the third-party
25 facilitator licensee verifies that the individual
26 accepting the delivery of the alcoholic liquors is at least

1 21 years of age.

2 (2) A manufacturer, distributor, or importing
3 distributor does not have a direct or indirect interest in
4 the third-party facilitator licensee and does not aid or
5 assist a third-party facilitator licensee by gift, loan of
6 money, property of any description, or other valuable
7 thing, and the third-party facilitator licensee does not
8 accept the same.

9 (3) The retailer or consumer pays the fees associated
10 with deliveries provided for under this subsection.

11 (4) The third-party facilitator licensee offers
12 services for all brands available at the retail location.

13 The State Commission may not treat a violation of this
14 subsection as a violation by the retailer.

15 Section 99. Effective date. This Act takes effect upon
16 becoming law.