



Rep. Lou Lang

Filed: 3/1/2006

09400HB4350ham001

LRB094 16414 LJB 56842 a

1 AMENDMENT TO HOUSE BILL 4350

2 AMENDMENT NO. _____. Amend House Bill 4350 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Liquor Control Act of 1934 is amended by
5 changing Sections 3-12, 5-1, 5-3, 6-4, 6-29, and 6-29.1 as
6 follows:

7 (235 ILCS 5/3-12) (from Ch. 43, par. 108)

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, special use permit licenses, auction
16 liquor licenses, brew pubs, caterer retailers,
17 non-beverage users, railroads, including owners and
18 lessees of sleeping, dining and cafe cars, airplanes,
19 boats, brokers, and wine maker's premises licensees in
20 accordance with the provisions of this Act, and to suspend
21 or revoke such licenses upon the State commission's
22 determination, upon notice after hearing, that a licensee
23 has violated any provision of this Act or any rule or
24 regulation issued pursuant thereto and in effect for 30

1 days prior to such violation. Except in the case of an
2 action taken pursuant to a violation of Section 6-3, 6-5,
3 or 6-9, any action by the State Commission to suspend or
4 revoke a licensee's license may be limited to the license
5 for the specific premises where the violation occurred.

6 In lieu of suspending or revoking a license, the
7 commission may impose a fine, upon the State commission's
8 determination and notice after hearing, that a licensee has
9 violated any provision of this Act or any rule or
10 regulation issued pursuant thereto and in effect for 30
11 days prior to such violation. The fine imposed under this
12 paragraph may not exceed \$500 for each violation. Each day
13 that the activity, which gave rise to the original fine,
14 continues is a separate violation. The maximum fine that
15 may be levied against any licensee, for the period of the
16 license, shall not exceed \$20,000. The maximum penalty that
17 may be imposed on a licensee for selling a bottle of
18 alcoholic liquor with a foreign object in it or serving
19 from a bottle of alcoholic liquor with a foreign object in
20 it shall be the destruction of that bottle of alcoholic
21 liquor for the first 10 bottles so sold or served from by
22 the licensee. For the eleventh bottle of alcoholic liquor
23 and for each third bottle thereafter sold or served from by
24 the licensee with a foreign object in it, the maximum
25 penalty that may be imposed on the licensee is the
26 destruction of the bottle of alcoholic liquor and a fine of
27 up to \$50.

28 (2) To adopt such rules and regulations consistent with
29 the provisions of this Act which shall be necessary to
30 carry on its functions and duties to the end that the
31 health, safety and welfare of the People of the State of
32 Illinois shall be protected and temperance in the
33 consumption of alcoholic liquors shall be fostered and
34 promoted and to distribute copies of such rules and

1 regulations to all licensees affected thereby.

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

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

11 (5) To inspect, or cause to be inspected, any premises
12 in this State where alcoholic liquors are manufactured,
13 distributed, warehoused, or sold.

14 (5.1) Upon receipt of a complaint or upon having
15 knowledge that any person is engaged in business as a
16 manufacturer, importing distributor, distributor, or
17 retailer without a license or valid license, to notify the
18 local liquor authority, file a complaint with the State's
19 Attorney's Office of the county where the incident
20 occurred, or initiate an investigation with the
21 appropriate law enforcement officials.

22 (5.2) To issue a cease and desist notice to persons
23 shipping alcoholic liquor into this State from a point
24 outside of this State if the shipment is in violation of
25 this Act.

26 (5.3) To receive complaints from licensees, local
27 officials, law enforcement agencies, organizations, and
28 persons stating that any licensee has been or is violating
29 any provision of this Act or the rules and regulations
30 issued pursuant to this Act. Such complaints shall be in
31 writing, signed and sworn to by the person making the
32 complaint, and shall state with specificity the facts in
33 relation to the alleged violation. If the Commission has
34 reasonable grounds to believe that the complaint

1 substantially alleges a violation of this Act or rules and
2 regulations adopted pursuant to this Act, it shall conduct
3 an investigation. If, after conducting an investigation,
4 the Commission is satisfied that the alleged violation did
5 occur, it shall proceed with disciplinary action against
6 the licensee as provided in this Act.

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

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

1 in whole or in part, any uniform system of accounts, or the
2 form and manner of keeping accounts.

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

17 Any Circuit Court may by order duly entered, require
18 the attendance of witnesses and the production of relevant
19 books subpoenaed by the State commission and the court may
20 compel obedience to its order by proceedings for contempt.

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

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

33 (11) To develop industry educational programs related
34 to responsible serving and selling, particularly in the

1 areas of overserving consumers and illegal underage
2 purchasing and consumption of alcoholic beverages.

3 (11.1) To license persons providing education and
4 training to alcohol beverage sellers and servers under the
5 Beverage Alcohol Sellers and Servers Education and
6 Training (BASSET) programs and to develop and administer a
7 public awareness program in Illinois to reduce or eliminate
8 the illegal purchase and consumption of alcoholic beverage
9 products by persons under the age of 21. Application for a
10 license shall be made on forms provided by the State
11 Commission.

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

14 (13) On or before January 15, 1994, the Commission
15 shall issue a written report to the Governor and General
16 Assembly that is to be based on a comprehensive study of
17 the impact on and implications for the State of Illinois of
18 Section 1926 of the Federal ADAMHA Reorganization Act of
19 1992 (Public Law 102-321). This study shall address the
20 extent to which Illinois currently complies with the
21 provisions of P.L. 102-321 and the rules promulgated
22 pursuant thereto.

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

25 (i) the number of retail distributors of tobacco
26 products, by type and geographic area, in the State;

27 (ii) the number of reported citations and
28 successful convictions, categorized by type and
29 location of retail distributor, for violation of the
30 Sale of Tobacco to Minors Act and the Smokeless Tobacco
31 Limitation Act;

32 (iii) the extent and nature of organized
33 educational and governmental activities that are
34 intended to promote, encourage or otherwise secure

1 compliance with any Illinois laws that prohibit the
2 sale or distribution of tobacco products to minors; and

3 (iv) the level of access and availability of
4 tobacco products to individuals under the age of 18.

5 To obtain the data necessary to comply with the
6 provisions of P.L. 102-321 and the requirements of this
7 report, the Commission shall conduct random, unannounced
8 inspections of a geographically and scientifically
9 representative sample of the State's retail tobacco
10 distributors.

11 The Commission shall consult with the Department of
12 Public Health, the Department of Human Services, the
13 Illinois State Police and any other executive branch
14 agency, and private organizations that may have
15 information relevant to this report.

16 The Commission may contract with the Food and Drug
17 Administration of the U.S. Department of Health and Human
18 Services to conduct unannounced investigations of Illinois
19 tobacco vendors to determine compliance with federal laws
20 relating to the illegal sale of cigarettes and smokeless
21 tobacco products to persons under the age of 18.

22 (14) On or before April 30, 2007 and every 2 years
23 thereafter, the State Commission shall present a written
24 report to the Governor and the General Assembly that shall
25 be based on a study of the impact of this amendatory Act of
26 the 94th General Assembly on the business of soliciting,
27 selling, and shipping wine from inside and outside of this
28 State directly to residents of this State. As part of its
29 report, the State Commission shall provide all of the
30 following information:

31 (A) The amount of State excise and sales tax
32 revenues generated.

33 (B) The amount of licensing fees received.

34 (C) The number of cases of wine shipped from inside

1 and outside of this State directly to residents of this
2 State.

3 (D) The number of alcohol compliance operations
4 conducted.

5 (E) The number of direct wine shipper's licenses
6 issued.

7 (F) The number of each of the following: reported
8 violations; cease and desist notices issued by the
9 State Commission; notices of violations issued by the
10 State Commission and the Department of Revenue;
11 notices and complaints of violations to law
12 enforcement officials, including, without limitation,
13 the Illinois Attorney General and the U.S. Department
14 of Treasury's Alcohol and Tobacco Tax and Trade Bureau.

15 (15) As a means to reduce the underage consumption of
16 alcoholic liquors, the State Commission shall conduct
17 alcohol compliance operations to investigate whether
18 businesses that are soliciting, selling, and shipping wine
19 from inside or outside of this State directly to residents
20 of this State are licensed by this State or are selling or
21 attempting to sell wine to persons under 21 years of age in
22 violation of this Act.

23 (16) The State Commission shall, in addition to
24 notifying any appropriate law enforcement agency, submit
25 notices of complaints or violations of Sections 6-29 and
26 6-29.1 by persons who do not hold a direct wine shipper's
27 license under this Act to the Illinois Attorney General and
28 to the U.S. Department of Treasury's Alcohol and Tobacco
29 Tax and Trade Bureau.

30 (b) On or before April 30, 1999, the Commission shall
31 present a written report to the Governor and the General
32 Assembly that shall be based on a study of the impact of this
33 amendatory Act of 1998 on the business of soliciting, selling,
34 and shipping alcoholic liquor from outside of this State

1 directly to residents of this State.

2 As part of its report, the Commission shall provide the
3 following information:

4 (i) the amount of State excise and sales tax revenues
5 generated as a result of this amendatory Act of 1998;

6 (ii) the amount of licensing fees received as a result
7 of this amendatory Act of 1998;

8 (iii) the number of reported violations, the number of
9 cease and desist notices issued by the Commission, the
10 number of notices of violations issued to the Department of
11 Revenue, and the number of notices and complaints of
12 violations to law enforcement officials.

13 (Source: P.A. 92-378, eff. 8-16-01; 92-813, eff. 8-21-02;
14 93-1057, eff. 12-2-04.)

15 (235 ILCS 5/5-1) (from Ch. 43, par. 115)

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

18 (a) Manufacturer's license - Class 1. Distiller, Class 2.
19 Rectifier, Class 3. Brewer, Class 4. First Class Wine
20 Manufacturer, Class 5. Second Class Wine Manufacturer, Class 6.
21 First Class Winemaker, Class 7. Second Class Winemaker, Class
22 8. Limited Wine Manufacturer,

23 (b) Distributor's license,

24 (c) Importing Distributor's license,

25 (d) Retailer's license,

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

27 (f) Railroad license,

28 (g) Boat license,

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

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

31 (j) Airplane license,

32 (k) Foreign importer's license,

33 (l) Broker's license,

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

2 (n) Brew Pub license,

3 (o) Auction liquor license,

4 (p) Caterer retailer license,

5 (q) Special use permit license~~,-~~

6 (r) Direct wine shipper's license.

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

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

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

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

23 Class 3. A Brewer may make sales and deliveries of beer to
24 importing distributors, distributors, and to non-licensees,
25 and to retailers provided the brewer obtains an importing
26 distributor's license or distributor's license in accordance
27 with the provisions of this Act.

28 Class 4. A first class wine-manufacturer may make sales and
29 deliveries of up to 50,000 gallons of wine to manufacturers,
30 importing distributors and distributors, and to no other
31 licensees.

32 Class 5. A second class Wine manufacturer may make sales
33 and deliveries of more than 50,000 gallons of wine to
34 manufacturers, importing distributors and distributors and to

1 no other licensees.

2 Class 6. A first-class wine-maker's license shall allow the
3 manufacture of up to 50,000 gallons of wine per year, and the
4 storage and sale of such wine to distributors in the State and
5 to persons without the State, as may be permitted by law. ~~A~~
6 ~~first class wine maker's license shall allow the sale of no~~
7 ~~more than 5,000 gallons of the licensee's wine to retailers.~~
8 ~~The State Commission shall issue only one first class~~
9 ~~wine maker's license to any person, firm, partnership,~~
10 ~~corporation, or other legal business entity that is engaged in~~
11 ~~the making of less than 50,000 gallons of wine annually that~~
12 ~~applies for a first class wine maker's license. No subsidiary~~
13 ~~or affiliate thereof, nor any officer, associate, member,~~
14 ~~partner, representative, employee, agent, or shareholder may~~
15 ~~be issued an additional wine maker's license by the State~~
16 ~~Commission.~~

17 Class 7. A second-class wine-maker's license shall allow
18 the manufacture of between 50,000 and 150,000 ~~100,000~~ gallons
19 of wine per year, and the storage and sale of such wine to
20 distributors in this State and to persons without the State, as
21 may be permitted by law. ~~A second class wine maker's license~~
22 ~~shall allow the sale of no more than 10,000 gallons of the~~
23 ~~licensee's wine directly to retailers. The State Commission~~
24 ~~shall issue only one second class wine maker's license to any~~
25 ~~person, firm, partnership, corporation, or other legal~~
26 ~~business entity that is engaged in the making of less than~~
27 ~~100,000 gallons of wine annually that applies for a~~
28 ~~second class wine maker's license. No subsidiary or affiliate~~
29 ~~thereof, or any officer, associate, member, partner,~~
30 ~~representative, employee, agent, or shareholder may be issued~~
31 ~~an additional wine maker's license by the State Commission.~~

32 Class 8. A limited wine-manufacturer may make sales and
33 deliveries not to exceed 40,000 gallons of wine per year to
34 distributors, and to non-licensees in accordance with the

1 provisions of this Act.

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

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

23 (b) A distributor's license shall allow the wholesale
24 purchase and storage of alcoholic liquors and sale of alcoholic
25 liquors to licensees in this State and to persons without the
26 State, as may be permitted by law.

27 (c) An importing distributor's license may be issued to and
28 held by those only who are duly licensed distributors, upon the
29 filing of an application by a duly licensed distributor, with
30 the Commission and the Commission shall, without the payment of
31 any fee, immediately issue such importing distributor's
32 license to the applicant, which shall allow the importation of
33 alcoholic liquor by the licensee into this State from any point
34 in the United States outside this State, and the purchase of

1 alcoholic liquor in barrels, casks or other bulk containers and
2 the bottling of such alcoholic liquors before resale thereof,
3 but all bottles or containers so filled shall be sealed,
4 labeled, stamped and otherwise made to comply with all
5 provisions, rules and regulations governing manufacturers in
6 the preparation and bottling of alcoholic liquors. The
7 importing distributor's license shall permit such licensee to
8 purchase alcoholic liquor from Illinois licensed non-resident
9 dealers and foreign importers only.

10 (d) A retailer's license shall allow the licensee to sell
11 and offer for sale at retail, only in the premises specified in
12 the license, alcoholic liquor for use or consumption, but not
13 for resale in any form: Provided that any retail license issued
14 to a manufacturer shall only permit the manufacturer to sell
15 beer at retail on the premises actually occupied by the
16 manufacturer. For the purpose of further describing the type of
17 business conducted at a retail licensed premises, a retailer
18 ~~retailer's~~ licensee may be designated by the State Commission
19 as (i) an on premise consumption retailer, (ii) an off premise
20 sale retailer, or (iii) a combined on premise consumption and
21 off premise sale retailer.

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

26 (e) A special event retailer's license (not-for-profit)
27 shall permit the licensee to purchase alcoholic liquors from an
28 Illinois licensed distributor (unless the licensee purchases
29 less than \$500 of alcoholic liquors for the special event, in
30 which case the licensee may purchase the alcoholic liquors from
31 a licensed retailer) and shall allow the licensee to sell and
32 offer for sale, at retail, alcoholic liquors for use or
33 consumption, but not for resale in any form and only at the
34 location and on the specific dates designated for the special

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

21 (f) A railroad license shall permit the licensee to import
22 alcoholic liquors into this State from any point in the United
23 States outside this State and to store such alcoholic liquors
24 in this State; to make wholesale purchases of alcoholic liquors
25 directly from manufacturers, foreign importers, distributors
26 and importing distributors from within or outside this State;
27 and to store such alcoholic liquors in this State; provided
28 that the above powers may be exercised only in connection with
29 the importation, purchase or storage of alcoholic liquors to be
30 sold or dispensed on a club, buffet, lounge or dining car
31 operated on an electric, gas or steam railway in this State;
32 and provided further, that railroad licensees exercising the
33 above powers shall be subject to all provisions of Article VIII
34 of this Act as applied to importing distributors. A railroad

1 license shall also permit the licensee to sell or dispense
 2 alcoholic liquors on any club, buffet, lounge or dining car
 3 operated on an electric, gas or steam railway regularly
 4 operated by a common carrier in this State, but shall not
 5 permit the sale for resale of any alcoholic liquors to any
 6 licensee within this State. A license shall be obtained for
 7 each car in which such sales are made.

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

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

- 24 Class 1, not to exceed 500 gallons
- 25 Class 2, not to exceed 1,000 gallons
- 26 Class 3, not to exceed 5,000 gallons
- 27 Class 4, not to exceed 10,000 gallons
- 28 Class 5, not to exceed 50,000 gallons

29 (i) A wine-maker's premises license shall allow a licensee
 30 that concurrently holds a first-class wine-maker's license to
 31 sell and offer for sale at retail in the premises specified in
 32 such license not more than 50,000 gallons of the first-class
 33 wine-maker's wine that is made at the first-class wine-maker's
 34 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 150,000 ~~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
27 directly from manufacturers, foreign importers, distributors
28 and importing distributors from within or outside this State;
29 and to store such alcoholic liquors in this State; provided
30 that the above powers may be exercised only in connection with
31 the importation, purchase or storage of alcoholic liquors to be
32 sold or dispensed on an airplane; and provided further, that
33 airplane licensees exercising the above powers shall be subject
34 to all provisions of Article VIII of this Act as applied to

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

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

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

32 No holder of a retailer's license issued by the Illinois
33 Liquor Control Commission shall purchase or receive any
34 alcoholic liquor, the order for which was solicited or offered

1 for sale to such retailer by a broker unless the broker is the
2 holder of a valid broker's license.

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

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

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

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

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

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

1 importing distributors and to no one else in this State;
2 provided that said non-resident dealer shall register with the
3 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; and further provided that
6 it shall comply with all of the provisions of Section 6-9
7 hereof with respect to registration of such Illinois licensees
8 as may be granted the right to sell such brands at wholesale.

9 (n) A brew pub license shall allow the licensee to
10 manufacture beer only on the premises specified in the license,
11 to make sales of the beer manufactured on the premises to
12 importing distributors, distributors, and to non-licensees for
13 use and consumption, to store the beer upon the premises, and
14 to sell and offer for sale at retail from the licensed
15 premises, provided that a brew pub licensee shall not sell for
16 off-premises consumption more than 50,000 gallons per year.

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

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

30 (q) A special use permit license shall allow an Illinois
31 licensed retailer to transfer a portion of its alcoholic liquor
32 inventory from its retail licensed premises to the premises
33 specified in the license hereby created, and to sell or offer
34 for sale at retail, only in the premises specified in the

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

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

31 A direct wine shipper licensee must pay to the Department
32 of Revenue the State liquor gallonage tax under Section 8-1 for
33 all wine that is sold by the licensee and shipped to a person
34 in this State. A licensee who is not otherwise required to

1 register under the Retailers' Occupation Tax Act must register
2 under the Use Tax Act to collect and remit use tax to the
3 Department of Revenue for all gallons of wine that are sold by
4 the licensee and shipped to persons in this State. If a
5 licensee fails to remit the tax imposed under this Act in
6 accordance with the provisions of Article VIII of this Act, the
7 direct wine shipper's license shall be revoked in accordance
8 with the provisions of Article VII of this Act. If a licensee
9 fails to properly register and remit tax under the Use Tax Act
10 or the Retailers' Occupation Tax Act for all wine that is sold
11 by the direct wine shipper and shipped to persons in this
12 State, the direct wine shipper's license shall be revoked in
13 accordance with the provisions of Article VII of this Act.

14 A direct wine shipper licensee must collect, maintain, and
15 submit to the State Commission on a semi-annual basis all of
16 the following information:

17 (1) The name and birth date of each Illinois purchaser.

18 (2) The full mailing address of each Illinois
19 purchaser, including the zip code.

20 (3) The name, total quantity, and total price of the
21 wine purchased.

22 (4) The date of purchase.

23 (5) The name and address of the transporter or common
24 carrier delivering the wine.

25 (6) The signature of the person filing the report.

26 (7) Any other information required by the State
27 Commission.

28 A direct wine shipper licensed under this subsection (r)
29 must comply with the requirements of Section 6-29 of this Act.

30 (Source: P.A. 92-105, eff. 1-1-02; 92-378, eff. 8-16-01;
31 92-651, eff. 7-11-02; 92-672, eff. 7-16-02; 93-923, eff.
32 8-12-04; 93-1057, eff. 12-2-04; revised 12-6-04.)

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

6 The fee for licenses issued by the State Commission shall
 7 be as follows:

8 For a manufacturer's license:

9	Class 1. Distiller	\$3,600
10	Class 2. Rectifier	3,600
11	Class 3. Brewer	900
12	Class 4. First-class Wine Manufacturer	600
13	Class 5. Second-class	
14	Wine Manufacturer	1,200
15	Class 6. First-class wine-maker	600
16	Class 7. Second-class wine-maker	1200
17	Class 8. Limited Wine Manufacturer	120
18	For a Brew Pub License	1,050
19	For a caterer retailer's license	200
20	For a foreign importer's license	25
21	For an importing distributor's license	25
22	For a distributor's license	270
23	For a non-resident dealer's license	
24	(500,000 gallons or over)	270
25	For a non-resident dealer's license	
26	(under 500,000 gallons)	90
27	For a wine-maker's premises license	100
28	<u>For a direct wine shipper's license</u>	
29	<u>(under 250,000 gallons)</u>	<u>150</u>
30	<u>For a direct wine shipper's license</u>	
31	<u>(250,000 or over, but under 500,000 gallons)</u>	<u>500</u>
32	<u>For a direct wine shipper's license</u>	
33	<u>(500,000 gallons or over)</u>	<u>1,000</u>
34	For a wine-maker's premises license,	

1	second location	350
2	For a wine-maker's premises license,	
3	third location	350
4	For a retailer's license	500
5	For a special event retailer's license,	
6	(not-for-profit)	25
7	For a special use permit license,	
8	one day only	50
9	2 days or more	100
10	For a railroad license	60
11	For a boat license	180
12	For an airplane license, times the	
13	licensee's maximum number of aircraft	
14	in flight, serving liquor over the	
15	State at any given time, which either	
16	originate, terminate, or make	
17	an intermediate stop in the State	60
18	For a non-beverage user's license:	
19	Class 1	24
20	Class 2	60
21	Class 3	120
22	Class 4	240
23	Class 5	600
24	For a broker's license	600
25	For an auction liquor license	50

26 Fees collected under this Section shall be paid into the
27 Dram Shop Fund. On and after July 1, 2003, of the funds
28 received for a retailer's license, in addition to the first
29 \$175, an additional \$75 shall be paid into the Dram Shop Fund,
30 and \$250 shall be paid into the General Revenue Fund. Beginning
31 June 30, 1990 and on June 30 of each subsequent year through
32 June 29, 2003, any balance over \$5,000,000 remaining in the
33 Dram Shop Fund shall be credited to State liquor licensees and
34 applied against their fees for State liquor licenses for the

1 following year. The amount credited to each licensee shall be a
2 proportion of the balance in the Dram Fund that is the same as
3 the proportion of the license fee paid by the licensee under
4 this Section for the period in which the balance was
5 accumulated to the aggregate fees paid by all licensees during
6 that period.

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

9 (a) Hospitals, sanitariums, or clinics when their use
10 of alcoholic liquor is exclusively medicinal, mechanical
11 or scientific.

12 (b) Universities, colleges of learning or schools when
13 their use of alcoholic liquor is exclusively medicinal,
14 mechanical or scientific.

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

17 (Source: P.A. 92-378, eff. 8-16-01; 93-22, eff. 6-20-03.)

18 (235 ILCS 5/6-4) (from Ch. 43, par. 121)

19 Sec. 6-4. (a) No person licensed by any licensing authority
20 as a distiller, or a wine manufacturer, or any subsidiary or
21 affiliate thereof, or any officer, associate, member, partner,
22 representative, employee, agent or shareholder owning more
23 than 5% of the outstanding shares of such person shall be
24 issued an importing distributor's or distributor's license,
25 nor shall any person licensed by any licensing authority as an
26 importing distributor, distributor or retailer, or any
27 subsidiary or affiliate thereof, or any officer or associate,
28 member, partner, representative, employee, agent or
29 shareholder owning more than 5% of the outstanding shares of
30 such person be issued a distiller's license or a wine
31 manufacturer's license; and no person or persons licensed as a
32 distiller by any licensing authority shall have any interest,
33 directly or indirectly, with such distributor or importing

1 distributor.

2 However, an importing distributor or distributor, which on
3 January 1, 1985 is owned by a brewer, or any subsidiary or
4 affiliate thereof or any officer, associate, member, partner,
5 representative, employee, agent or shareholder owning more
6 than 5% of the outstanding shares of the importing distributor
7 or distributor referred to in this paragraph, may own or
8 acquire an ownership interest of more than 5% of the
9 outstanding shares of a wine manufacturer and be issued a wine
10 manufacturer's license by any licensing authority.

11 (b) The foregoing provisions shall not apply to any person
12 licensed by any licensing authority as a distiller or wine
13 manufacturer, or to any subsidiary or affiliate of any
14 distiller or wine manufacturer who shall have been heretofore
15 licensed by the State Commission as either an importing
16 distributor or distributor during the annual licensing period
17 expiring June 30, 1947, and shall actually have made sales
18 regularly to retailers.

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

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

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

16 (e) Any person having been licensed as a manufacturer shall
17 be permitted to receive one retailer's license for the premises
18 in which he actually conducts such business, permitting the
19 sale of beer only on such premises, but no such person shall be
20 entitled to more than one retailer's license in any event, and,
21 other than a manufacturer of beer as stated above, no
22 manufacturer or distributor or importing distributor,
23 excluding airplane licensees exercising powers provided in
24 paragraph (i) of Section 5-1 of this Act, or any subsidiary or
25 affiliate thereof, or any officer, associate, member, partner,
26 representative, employee or agent, or shareholder shall be
27 issued a retailer's license, nor shall any person having a
28 retailer's license, excluding airplane licensees exercising
29 powers provided in paragraph (i) of Section 5-1 of this Act, or
30 any subsidiary or affiliate thereof, or any officer, associate,
31 member, partner, representative or agent, or shareholder be
32 issued a manufacturer's license, importing distributor's
33 license.

34 (f) However, the foregoing prohibitions against any person

1 licensed as a distiller or wine manufacturer being issued a
2 retailer's license shall not apply:

3 (i) to any hotel, motel or restaurant whose principal
4 business is not the sale of alcoholic liquors if said
5 retailer's sales of any alcoholic liquors manufactured, sold,
6 distributed or controlled, directly or indirectly, by any
7 affiliate, subsidiary, officer, associate, member, partner,
8 representative, employee, agent or shareholder owning more
9 than 5% of the outstanding shares of such person does not
10 exceed 10% of the total alcoholic liquor sales of said retail
11 licensee; and

12 (ii) where the Commission determines, having considered
13 the public welfare, the economic impact upon the State and the
14 entirety of the facts and circumstances involved, that the
15 purpose and intent of this Section would not be violated by
16 granting an exemption.

17 (g) Notwithstanding any of the foregoing prohibitions, a
18 limited wine manufacturer may sell at retail at its
19 manufacturing site for on or off premises consumption and may
20 sell to distributors. A limited wine manufacturer licensee
21 shall secure liquor liability insurance coverage in an amount
22 at least equal to the maximum liability amounts set forth in
23 subsection (a) of Section 6-21 of this Act.

24 (Source: P.A. 86-858.)

25 (235 ILCS 5/6-29) (from Ch. 43, par. 144e)

26 Sec. 6-29. Direct ~~Interstate reciprocal~~ wine shipments.

27 (a) The General Assembly declares that the following is the
28 intent of this Section:

29 (1) To authorize direct shipment of wine by an
30 out-of-state wine-maker on the same basis permitted an
31 in-state wine-maker pursuant to the authority of the State
32 under the provisions of Section 2 of the Twenty-First
33 Amendment to the United States Constitution and in

1 conformance with the United States Supreme Court decisions
2 decided May 16, 2005 in *Granholm v. Heald*.

3 (2) To reaffirm that the General Assembly's findings
4 and declarations that selling alcoholic liquor through
5 various direct marketing means such as catalogs,
6 newspapers, mailings, and the Internet directly to
7 consumers of this State poses a serious threat to the
8 State's efforts to further temperance and prevent youth
9 from accessing alcoholic liquor and the expansion of youth
10 access to additional types of alcoholic liquors.

11 (3) To maintain the State's broad powers granted by
12 Section 2 of the Twenty-First Amendment to the United
13 States Constitution to control the importation or sale of
14 alcoholic liquor and its right to structure its alcoholic
15 liquor distribution system.

16 (4) To ensure that the General Assembly, by authorizing
17 limited direct shipment of wine to meet the directives of
18 the United States Supreme Court, does not intend to impair
19 or modify the State's distribution of wine through
20 distributors or importing distributors, but only to permit
21 limited shipment of wine for personal use.

22 (5) To provide that, in the event that a court of
23 competent jurisdiction declares or finds that this
24 Section, which is enacted to conform Illinois law to the
25 United States Supreme Court decision, is invalid or
26 unconstitutional, the Illinois General Assembly at its
27 earliest general session shall conduct hearings, study
28 methods, and pass legislation conforming to any directive
29 or order of the court consistent with the temperance and
30 revenue collection purposes of the Liquor Control Act of
31 1934.

32 (b) Notwithstanding any other provision of law, a direct
33 wine shipper licensee may ship, for personal use and not for
34 resale, not more than 12 cases of wine per year to any resident

1 of this State who is 21 years of age or older.

2 (b-3) Notwithstanding any other provision of law, sale and
3 shipment by a direct wine shipper licensee pursuant to this
4 Section shall be deemed to constitute a sale in this State.

5 (b-5) The shipping container of any wine shipped under this
6 Section shall be clearly labeled with the following words:

7 "CONTAINS ALCOHOL. SIGNATURE OF A PERSON 21 YEARS OF AGE OR
8 OLDER REQUIRED FOR DELIVERY. PROOF OF AGE AND IDENTITY MUST BE
9 SHOWN BEFORE DELIVERY.". This warning must be prominently

10 displayed on the packaging. A licensee shall require the

11 transporter or common carrier that delivers the wine to obtain

12 the signature of a person 21 years of age or older at the

13 delivery address at the time of delivery. At the expense of the

14 licensee, the licensee shall receive a delivery confirmation

15 from the express company, common carrier, or contract carrier

16 indicating the location of the delivery, time of delivery, and

17 the name and signature of the individual 21 years of age or

18 older who accepts delivery. The State Commission shall design

19 and create a label or approve a label that must be affixed to

20 the shipping container by the licensee. ~~Notwithstanding any~~

21 ~~other provision of law, an adult resident or holder of an~~

22 ~~alcoholic beverage license in a state which affords Illinois~~

23 ~~licensees or adult residents an equal reciprocal shipping~~

24 ~~privilege may ship, for personal use and not for resale, not~~

25 ~~more than 2 cases of wine (each case containing not more than 9~~

26 ~~liters) per year to any adult resident of this State. Delivery~~

27 ~~of a shipment pursuant to this Section shall not be deemed to~~

28 ~~constitute a sale in this State.~~

29 ~~(b) The shipping container of any wine sent into or out of~~

30 ~~this State under this Section shall be clearly labeled to~~

31 ~~indicate that the package cannot be delivered to a person under~~

32 ~~the age of 21 years.~~

33 (c) No broker within this State shall solicit consumers to

34 engage in direct ~~interstate reciprocal~~ wine shipments under

1 this Section. ~~No shipper located outside this State may~~
2 ~~advertise such interstate reciprocal wine shipments in this~~
3 ~~State.~~

4 (d) It is not the intent of this Section to impair the
5 distribution of wine through distributors or importing
6 distributors, but only to permit shipments of wine for personal
7 use.

8 (Source: P.A. 86-1483.)

9 (235 ILCS 5/6-29.1)

10 Sec. 6-29.1. Direct shipments of alcoholic liquor.

11 (a) The General Assembly makes the following findings:

12 (1) The General Assembly of Illinois, having reviewed
13 the Liquor Control Act of 1934 in light of the United
14 States Supreme Court's 2005 decision in *Granholm v. Heald*,
15 has determined to conform that law to the constitutional
16 principles enunciated by the Court in a manner that best
17 preserves the temperance, revenue, and orderly
18 distribution values of the Act.

19 (2) Minimizing automobile accidents and fatalities,
20 domestic violence, health problems, loss of productivity,
21 unemployment, and other social problems associated with
22 dependency and improvident use of alcoholic beverages
23 remains the policy of Illinois.

24 (3) To the maximum extent constitutionally feasible,
25 Illinois desires to collect sufficient revenue from excise
26 and use taxes on alcoholic beverages for the purpose of
27 responding to such social problems.

28 (4) Combined with family education and individual
29 discipline, retail validation of age and assessment of the
30 capacity of the consumer remains the best pre-sale social
31 protection against the problems associated with the abuse
32 of alcoholic liquor.

33 (5) Therefore, the paramount purpose of this Act is to

1 continue to carefully limit direct shipment sales of wine
2 and to continue to prohibit such direct shipment sales for
3 spirits and beer.

4 For these reasons, the shipment of any alcoholic beverage
5 to any person in Illinois not licensed as a distributor,
6 importing distributor, foreign importer, manufacturer, or
7 non-resident dealer or not shipped pursuant to the provisions
8 of this Act is prohibited. The State Commission shall establish
9 a system to notify the out-of-state trade of this prohibition
10 and to detect violations. The State Commission shall request
11 the Attorney General to extradite any offender.

12 (b) Pursuant to the Twenty-First Amendment of the United
13 States Constitution allowing states to regulate the
14 distribution and sale of alcoholic liquor and pursuant to the
15 federal Webb-Kenyon Act declaring that alcoholic liquor
16 shipped in interstate commerce must comply with state laws, the
17 General Assembly hereby finds and declares that selling
18 alcoholic liquor from a point outside this State through
19 various direct marketing means, such as catalogs, newspapers,
20 mailers, and the Internet, directly to residents of this State
21 poses a serious threat to the State's efforts to prevent youths
22 from accessing alcoholic liquor; to State revenue collections;
23 and to the economy of this State.

24 Any person manufacturing, distributing, or selling
25 alcoholic liquor who knowingly ships or transports or causes
26 the shipping or transportation of any alcoholic liquor from a
27 point outside this State to a person in this State who does not
28 hold a manufacturer's, distributor's, importing distributor's,
29 foreign importer's, direct wine shipper's, or non-resident
30 dealer's license issued by the Liquor Control Commission, other
31 than a shipment of sacramental wine to a bona fide religious
32 organization, a shipment authorized by Section 6-29, or any
33 other shipment authorized by this Act, is in violation of this
34 Act.

1 The Commission, upon determining, after investigation,
2 that a person has violated this Section, shall give notice to
3 the person by certified mail to cease and desist all shipments
4 of alcoholic liquor into this State and to withdraw from this
5 State within 5 working days after receipt of the notice all
6 shipments of alcoholic liquor then in transit.

7 Whenever the Commission has reason to believe that a person
8 has failed to comply with the Commission notice under this
9 Section, it shall notify the Department of Revenue and file a
10 complaint with the ~~State's Attorney of the county where the~~
11 ~~alcoholic liquor was delivered or with~~ appropriate law
12 enforcement officials.

13 Failure to comply with the notice issued by the Commission
14 under this Section constitutes a business offense for which the
15 person shall be fined not more than \$1,000 for a first offense,
16 not more than \$5,000 for a second offense, and not more than
17 \$10,000 for a third or subsequent offense. Each shipment of
18 alcoholic liquor delivered in violation of the cease and desist
19 notice shall constitute a separate offense.

20 (Source: P.A. 90-739, eff. 8-13-98.)

21 Section 90. Severability. The General Assembly recognizes
22 that courts established pursuant to the Constitution of the
23 United States and the Constitution of the State of Illinois
24 construe statutory provisions dealing with judicial
25 interpretation, severability, and partial invalidity by
26 determining whether the legislative intent was to enforce the
27 remainder of the law enacted in the event of a judicial
28 determination of partial invalidity. For the purpose of
29 explaining such intent, if any provision, application,
30 exemption, exception, or authorization of this amendatory Act
31 of the 94th General Assembly, the Retailers' Occupation Tax
32 Act, Section 3-7 of the Uniform Penalty and Interest Act, or
33 the Liquor Control Act of 1934 is held invalid, then all other

1 constitutional provisions, exemptions, exceptions, and
2 authorizations of this amendatory Act of the 94th General
3 Assembly are severable and shall be given effect.

4 Section 99. Effective date. This Act takes effect July 1,
5 2006.".