



Sen. Ira I. Silverstein

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1 AMENDMENT TO SENATE BILL 2180

2 AMENDMENT NO. _____. Amend Senate Bill 2180, AS AMENDED,
3 by replacing everything after the enacting clause with the
4 following:

5 "Section 5. The Liquor Control Act of 1934 is amended by
6 changing Sections 1-3.28, 3-12, 5-1, 5-3, 6-4, 6-29, and 6-29.1
7 as follows:

8 (235 ILCS 5/1-3.28) (from Ch. 43, par. 95.28)

9 Sec. 1-3.28. "Broker" means (i) a person who solicits
10 orders for or offers to sell or supply alcoholic liquors to
11 retailers for a fee or commission, for or on behalf of a person
12 authorized to manufacture or sell at wholesale alcoholic
13 liquors within or without the State or (ii) a person within
14 this State, other than a retail licensee, who, for a fee or
15 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 (Source: P.A. 90-739, eff. 8-13-98.)

23 (235 ILCS 5/3-12) (from Ch. 43, par. 108)

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

2 (a) The State commission shall have the following powers,
3 functions and duties:

4 (1) To receive applications and to issue licenses to
5 manufacturers, foreign importers, importing distributors,
6 distributors, non-resident dealers, on premise consumption
7 retailers, off premise sale retailers, special event
8 retailer licensees, special use permit licenses, auction
9 liquor licenses, brew pubs, caterer retailers,
10 non-beverage users, railroads, including owners and
11 lessees of sleeping, dining and cafe cars, airplanes,
12 boats, brokers, and wine maker's premises licensees in
13 accordance with the provisions of this Act, and to suspend
14 or revoke such licenses upon the State commission's
15 determination, upon notice after hearing, that a licensee
16 has violated any provision of this Act or any rule or
17 regulation issued pursuant thereto and in effect for 30
18 days prior to such violation. Except in the case of an
19 action taken pursuant to a violation of Section 6-3, 6-5,
20 or 6-9, any action by the State Commission to suspend or
21 revoke a licensee's license may be limited to the license
22 for the specific premises where the violation occurred.

23 In lieu of suspending or revoking a license, the
24 commission may impose a fine, upon the State commission's
25 determination and notice after hearing, that a licensee has
26 violated any provision of this Act or any rule or
27 regulation issued pursuant thereto and in effect for 30
28 days prior to such violation. The fine imposed under this
29 paragraph may not exceed \$500 for each violation. Each day
30 that the activity, which gave rise to the original fine,
31 continues is a separate violation. The maximum fine that
32 may be levied against any licensee, for the period of the
33 license, shall not exceed \$20,000. The maximum penalty that
34 may be imposed on a licensee for selling a bottle of

1 alcoholic liquor with a foreign object in it or serving
2 from a bottle of alcoholic liquor with a foreign object in
3 it shall be the destruction of that bottle of alcoholic
4 liquor for the first 10 bottles so sold or served from by
5 the licensee. For the eleventh bottle of alcoholic liquor
6 and for each third bottle thereafter sold or served from by
7 the licensee with a foreign object in it, the maximum
8 penalty that may be imposed on the licensee is the
9 destruction of the bottle of alcoholic liquor and a fine of
10 up to \$50.

11 (2) To adopt such rules and regulations consistent with
12 the provisions of this Act which shall be necessary to
13 carry on its functions and duties to the end that the
14 health, safety and welfare of the People of the State of
15 Illinois shall be protected and temperance in the
16 consumption of alcoholic liquors shall be fostered and
17 promoted and to distribute copies of such rules and
18 regulations to all licensees affected thereby.

19 (3) To call upon other administrative departments of
20 the State, county and municipal governments, county and
21 city police departments and upon prosecuting officers for
22 such information and assistance as it deems necessary in
23 the performance of its duties.

24 (4) To recommend to local commissioners rules and
25 regulations, not inconsistent with the law, for the
26 distribution and sale of alcoholic liquors throughout the
27 State.

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

31 (5.1) Upon receipt of a complaint or upon having
32 knowledge that any person is engaged in business as a
33 manufacturer, importing distributor, distributor, or
34 retailer without a license or valid license, to notify the

1 local liquor authority, file a complaint with the State's
2 Attorney's Office of the county where the incident
3 occurred, or initiate an investigation with the
4 appropriate law enforcement officials.

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

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

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

30 (7) The commission shall establish uniform systems of
31 accounts to be kept by all retail licensees having more
32 than 4 employees, and for this purpose the commission may
33 classify all retail licensees having more than 4 employees
34 and establish a uniform system of accounts for each class

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

20 (8) In the conduct of any hearing authorized to be held
21 by the commission, to appoint, at the commission's
22 discretion, hearing officers to conduct hearings involving
23 complex issues or issues that will require a protracted
24 period of time to resolve, to examine, or cause to be
25 examined, under oath, any licensee, and to examine or cause
26 to be examined the books and records of such licensee; to
27 hear testimony and take proof material for its information
28 in the discharge of its duties hereunder; to administer or
29 cause to be administered oaths; for any such purpose to
30 issue subpoena or subpoenas to require the attendance of
31 witnesses and the production of books, which shall be
32 effective in any part of this State, and to adopt rules to
33 implement its powers under this paragraph (8).

34 Any Circuit Court may by order duly entered, require

1 the attendance of witnesses and the production of relevant
2 books subpoenaed by the State commission and the court may
3 compel obedience to its order by proceedings for contempt.

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

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

16 (11) To develop industry educational programs related
17 to responsible serving and selling, particularly in the
18 areas of overserving consumers and illegal underage
19 purchasing and consumption of alcoholic beverages.

20 (11.1) To license persons providing education and
21 training to alcohol beverage sellers and servers under the
22 Beverage Alcohol Sellers and Servers Education and
23 Training (BASSET) programs and to develop and administer a
24 public awareness program in Illinois to reduce or eliminate
25 the illegal purchase and consumption of alcoholic beverage
26 products by persons under the age of 21. Application for a
27 license shall be made on forms provided by the State
28 Commission.

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

31 (13) On or before January 15, 1994, the Commission
32 shall issue a written report to the Governor and General
33 Assembly that is to be based on a comprehensive study of
34 the impact on and implications for the State of Illinois of

1 Section 1926 of the Federal ADAMHA Reorganization Act of
2 1992 (Public Law 102-321). This study shall address the
3 extent to which Illinois currently complies with the
4 provisions of P.L. 102-321 and the rules promulgated
5 pursuant thereto.

6 As part of its report, the Commission shall provide the
7 following essential information:

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

10 (ii) the number of reported citations and
11 successful convictions, categorized by type and
12 location of retail distributor, for violation of the
13 Sale of Tobacco to Minors Act and the Smokeless Tobacco
14 Limitation Act;

15 (iii) the extent and nature of organized
16 educational and governmental activities that are
17 intended to promote, encourage or otherwise secure
18 compliance with any Illinois laws that prohibit the
19 sale or distribution of tobacco products to minors; and

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

22 To obtain the data necessary to comply with the
23 provisions of P.L. 102-321 and the requirements of this
24 report, the Commission shall conduct random, unannounced
25 inspections of a geographically and scientifically
26 representative sample of the State's retail tobacco
27 distributors.

28 The Commission shall consult with the Department of
29 Public Health, the Department of Human Services, the
30 Illinois State Police and any other executive branch
31 agency, and private organizations that may have
32 information relevant to this report.

33 The Commission may contract with the Food and Drug
34 Administration of the U.S. Department of Health and Human

1 Services to conduct unannounced investigations of Illinois
2 tobacco vendors to determine compliance with federal laws
3 relating to the illegal sale of cigarettes and smokeless
4 tobacco products to persons under the age of 18.

5 (14) On or before April 30, 2007 and each year
6 thereafter, the State Commission shall present a written
7 report to the Governor and the General Assembly that shall
8 be based on a study of the impact of this amendatory Act of
9 the 94th General Assembly on the business of soliciting,
10 selling, and shipping wine from inside and outside of this
11 State directly to residents of this State. As part of its
12 report, the State Commission shall provide all of the
13 following information:

14 (A) The amount of State excise and sales tax
15 revenues generated.

16 (B) The amount of licensing fees received.

17 (C) The number of cases of wine shipped from inside
18 and outside of this State directly to residents of this
19 State.

20 (D) The number of alcohol compliance operations
21 conducted.

22 (E) The number of each of the following: reported
23 violations; cease and desist notices issued by the
24 State Commission; and notices of violations issued to
25 the Department of Revenue and notices and complaints of
26 violations to law enforcement officials, including,
27 without limitation, the Illinois Attorney General and
28 the U.S. Department of Treasury's Alcohol and Tobacco
29 Tax and Trade Bureau.

30 (15) The State Commission shall have primary
31 responsibility for enforcing laws preventing underage
32 consumption of alcoholic liquors, as local jurisdictions
33 have no licensing authority over interstate direct wine
34 shipments. As a means to reduce the underage consumption of

1 alcoholic liquors, the State Commission shall conduct
2 alcohol compliance operations to investigate whether
3 businesses that are soliciting, selling, and shipping wine
4 from inside or outside of this State directly to residents
5 of this State are licensed by this State or are selling or
6 attempting to sell wine to persons under 21 years of age in
7 violation of this Act.

8 (16) The State Commission shall, in addition to
9 notifying any appropriate law enforcement agency, submit
10 notices of complaints of violations of Sections 6-29 and
11 6-29.1 by persons who do not hold a direct wine shipper's
12 license under this Act to the Illinois Attorney General and
13 to the U.S. Department of Treasury's Alcohol and Tobacco
14 Tax and Trade Bureau.

15 (b) On or before April 30, 1999, the Commission shall
16 present a written report to the Governor and the General
17 Assembly that shall be based on a study of the impact of this
18 amendatory Act of 1998 on the business of soliciting, selling,
19 and shipping alcoholic liquor from outside of this State
20 directly to residents of this State.

21 As part of its report, the Commission shall provide the
22 following information:

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

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

27 (iii) the number of reported violations, the number of
28 cease and desist notices issued by the Commission, the
29 number of notices of violations issued to the Department of
30 Revenue, and the number of notices and complaints of
31 violations to law enforcement officials.

32 (Source: P.A. 92-378, eff. 8-16-01; 92-813, eff. 8-21-02;
33 93-1057, eff. 12-2-04.)

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

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

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

9 (b) Distributor's license,

10 (c) Importing Distributor's license,

11 (d) Retailer's license,

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

13 (f) Railroad license,

14 (g) Boat license,

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

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

17 (j) Airplane license,

18 (k) Foreign importer's license,

19 (l) Broker's license,

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

21 (n) Brew Pub license,

22 (o) Auction liquor license,

23 (p) Caterer retailer license,

24 (q) Special use permit license, ~~and~~

25 (r) Direct wine shipper's license.

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

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

34 Class 1. A Distiller may make sales and deliveries of

1 alcoholic liquor to distillers, rectifiers, importing
2 distributors, distributors and non-beverage users and to no
3 other licensees.

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

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

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

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

21 Class 6. A first-class wine-maker's license shall allow the
22 manufacture of up to 50,000 gallons of wine per year, and the
23 storage and sale of such wine to distributors in the State and
24 to persons without the State, as may be permitted by law. ~~A~~
25 ~~first class wine maker's license shall allow the sale of no~~
26 ~~more than 5,000 gallons of the licensee's wine to retailers.~~
27 ~~The State Commission shall issue only one first class~~
28 ~~wine maker's license to any person, firm, partnership,~~
29 ~~corporation, or other legal business entity that is engaged in~~
30 ~~the making of less than 50,000 gallons of wine annually that~~
31 ~~applies for a first class wine maker's license. No subsidiary~~
32 ~~or affiliate thereof, nor any officer, associate, member,~~
33 ~~partner, representative, employee, agent, or shareholder may~~
34 ~~be issued an additional wine maker's license by the State~~

1 ~~Commission.~~

2 Class 7. A second-class wine-maker's license shall allow
3 the manufacture of between 50,000 and 150,000 ~~100,000~~ gallons
4 of wine per year, and the storage and sale of such wine to
5 distributors in this State and to persons without the State, as
6 may be permitted by law. ~~A second class wine maker's license~~
7 ~~shall allow the sale of no more than 10,000 gallons of the~~
8 ~~licensee's wine directly to retailers. The State Commission~~
9 ~~shall issue only one second class wine maker's license to any~~
10 ~~person, firm, partnership, corporation, or other legal~~
11 ~~business entity that is engaged in the making of less than~~
12 ~~100,000 gallons of wine annually that applies for a~~
13 ~~second class wine maker's license. No subsidiary or affiliate~~
14 ~~thereof, or any officer, associate, member, partner,~~
15 ~~representative, employee, agent, or shareholder may be issued~~
16 ~~an additional wine maker's license by the State Commission.~~

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

21 (a-1) A manufacturer which is licensed in this State to
22 make sales or deliveries of alcoholic liquor and which enlists
23 agents, representatives, or individuals acting on its behalf
24 who contact licensed retailers on a regular and continual basis
25 in this State must register those agents, representatives, or
26 persons acting on its behalf with the State Commission.

27 Registration of agents, representatives, or persons acting
28 on behalf of a manufacturer is fulfilled by submitting a form
29 to the Commission. The form shall be developed by the
30 Commission and shall include the name and address of the
31 applicant, the name and address of the manufacturer he or she
32 represents, the territory or areas assigned to sell to or
33 discuss pricing terms of alcoholic liquor, and any other
34 questions deemed appropriate and necessary. All statements in

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

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

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

29 (d) A retailer's license shall allow the licensee to sell
30 and offer for sale at retail, only in the premises specified in
31 the license, alcoholic liquor for use or consumption, but not
32 for resale in any form: Provided that any retail license issued
33 to a manufacturer shall only permit the manufacturer to sell
34 beer at retail on the premises actually occupied by the

1 manufacturer. For the purpose of further describing the type of
2 business conducted at a retail licensed premises, a retailer's
3 licensee may be designated by the State Commission as (i) an on
4 premise consumption retailer, (ii) an off premise sale
5 retailer, or (iii) a combined on premise consumption and off
6 premise sale retailer.

7 Notwithstanding any other provision of this subsection
8 (d), a retail licensee may sell alcoholic liquors to a special
9 event retailer licensee for resale to the extent permitted
10 under subsection (e).

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

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

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

27 (g) A boat license shall allow the sale of alcoholic liquor
28 in individual drinks, on any passenger boat regularly operated
29 as a common carrier on navigable waters in this State or on any
30 riverboat operated under the Riverboat Gambling Act, which boat
31 or riverboat maintains a public dining room or restaurant
32 thereon.

33 (h) A non-beverage user's license shall allow the licensee
34 to purchase alcoholic liquor from a licensed manufacturer or

1 importing distributor, without the imposition of any tax upon
 2 the business of such licensed manufacturer or importing
 3 distributor as to such alcoholic liquor to be used by such
 4 licensee solely for the non-beverage purposes set forth in
 5 subsection (a) of Section 8-1 of this Act, and such licenses
 6 shall be divided and classified and shall permit the purchase,
 7 possession and use of limited and stated quantities of
 8 alcoholic liquor as follows:

- 9 Class 1, not to exceed 500 gallons
- 10 Class 2, not to exceed 1,000 gallons
- 11 Class 3, not to exceed 5,000 gallons
- 12 Class 4, not to exceed 10,000 gallons
- 13 Class 5, not to exceed 50,000 gallons

14 (i) A wine-maker's premises license shall allow a licensee
 15 that concurrently holds a first-class wine-maker's license to
 16 sell and offer for sale at retail in the premises specified in
 17 such license not more than 50,000 gallons of the first-class
 18 wine-maker's wine that is made at the first-class wine-maker's
 19 licensed premises per year for use or consumption, but not for
 20 resale in any form. A wine-maker's premises license shall allow
 21 a licensee who concurrently holds a second-class wine-maker's
 22 license to sell and offer for sale at retail in the premises
 23 specified in such license up to 150,000 ~~100,000~~ gallons of the
 24 second-class wine-maker's wine that is made at the second-class
 25 wine-maker's licensed premises per year for use or consumption
 26 but not for resale in any form. A wine-maker's premises license
 27 shall allow a licensee that concurrently holds a first-class
 28 wine-maker's license or a second-class wine-maker's license to
 29 sell and offer for sale at retail at the premises specified in
 30 the wine-maker's premises license, for use or consumption but
 31 not for resale in any form, any beer, wine, and spirits
 32 purchased from a licensed distributor. Upon approval from the
 33 State Commission, a wine-maker's premises license shall allow
 34 the licensee to sell and offer for sale at (i) the wine-maker's

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

8 (j) An airplane license shall permit the licensee to import
9 alcoholic liquors into this State from any point in the United
10 States outside this State and to store such alcoholic liquors
11 in this State; to make wholesale purchases of alcoholic liquors
12 directly from manufacturers, foreign importers, distributors
13 and importing distributors from within or outside this State;
14 and to store such alcoholic liquors in this State; provided
15 that the above powers may be exercised only in connection with
16 the importation, purchase or storage of alcoholic liquors to be
17 sold or dispensed on an airplane; and provided further, that
18 airplane licensees exercising the above powers shall be subject
19 to all provisions of Article VIII of this Act as applied to
20 importing distributors. An airplane licensee shall also permit
21 the sale or dispensing of alcoholic liquors on any passenger
22 airplane regularly operated by a common carrier in this State,
23 but shall not permit the sale for resale of any alcoholic
24 liquors to any licensee within this State. A single airplane
25 license shall be required of an airline company if liquor
26 service is provided on board aircraft in this State. The annual
27 fee for such license shall be as determined in Section 5-3.

28 (k) A foreign importer's license shall permit such licensee
29 to purchase alcoholic liquor from Illinois licensed
30 non-resident dealers only, and to import alcoholic liquor other
31 than in bulk from any point outside the United States and to
32 sell such alcoholic liquor to Illinois licensed importing
33 distributors and to no one else in Illinois; provided that the
34 foreign importer registers with the State Commission every

1 brand of alcoholic liquor that it proposes to sell to Illinois
2 licensees during the license period and provided further that
3 the foreign importer complies with all of the provisions of
4 Section 6-9 of this Act with respect to registration of such
5 Illinois licensees as may be granted the right to sell such
6 brands at wholesale.

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

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

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

28 (ii) A broker's license shall be required of a person
29 within this State, other than a retail licensee, who, for a fee
30 or commission, promotes, solicits, or accepts orders for
31 alcoholic liquor, for use or consumption and not for resale, to
32 be shipped from this State and delivered to residents outside
33 of this State by an express company, common carrier, or
34 contract carrier. ~~This Section does not apply to any person who~~

1 ~~promotes, solicits, or accepts orders for wine as specifically~~
2 ~~authorized in Section 6-29 of this Act.~~

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

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

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

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

28 (n) A brew pub license shall allow the licensee to
29 manufacture beer only on the premises specified in the license,
30 to make sales of the beer manufactured on the premises to
31 importing distributors, distributors, and to non-licensees for
32 use and consumption, to store the beer upon the premises, and
33 to sell and offer for sale at retail from the licensed
34 premises, provided that a brew pub licensee shall not sell for

1 off-premises consumption more than 50,000 gallons per year.

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

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

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

29 (r) A direct wine shipper's license shall allow a person
30 with a first-class or second-class wine manufacturer's
31 license, a first-class or second-class wine-maker's license,
32 or a limited wine manufacturer's license or who is licensed to
33 manufacture wine under the laws of another state to ship wine
34 manufactured by that licensee directly to a resident of this

1 State who is 21 years of age or older for that resident's
2 personal use and not for resale. Prior to receiving a direct
3 wine shipper's license, an applicant for the license must
4 provide the State Commission with a true copy of its current
5 license in any state in which it is licensed as a manufacturer
6 of wine. An applicant for a direct wine shipper's license must
7 also complete an application form that provides any other
8 information the State Commission deems necessary. The
9 application form shall include an acknowledgement consenting
10 to the jurisdiction of the State Commission, the Illinois
11 Department of Revenue, and the courts of this State concerning
12 the enforcement of this Act and any related laws, rules, and
13 regulations, including authorizing the Department of Revenue
14 and the State Commission to conduct audits for the purpose of
15 insuring compliance with this Act.

16 A direct wine shipper licensee must pay to the Department
17 of Revenue the State liquor gallonage tax under Section 8-1 for
18 all wine that is sold by the licensee and shipped to a person
19 in this State. A licensee who is not otherwise required to
20 register under the Retailers' Occupation Tax Act must register
21 under the Use Tax Act to collect and remit use tax to the
22 Department of Revenue for all gallons of wine that are sold by
23 the licensee and shipped to persons in this State. If a
24 licensee fails to remit the tax imposed under this Act in
25 accordance with the provisions of Article VIII of this Act, the
26 direct wine shipper's license shall be revoked in accordance
27 with the provisions of Article VII of this Act. If a licensee
28 fails to properly register and remit tax under the Use Tax Act
29 or the Retailers' Occupation Tax Act for all wine that is sold
30 by the direct wine shipper and shipped to persons in this
31 State, the direct wine shipper's license shall be revoked in
32 accordance with the provisions of Article VII of this Act.

33 A direct wine shipper licensee must collect, maintain, and
34 submit to the State Commission on a semi-annual basis all of

1 the following information:

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

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

5 (3) The name, total quantity, and total price of the
6 wine purchased.

7 (4) The date of purchase.

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

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

11 (7) Any other information required by the State
12 Commission.

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

15 (Source: P.A. 92-105, eff. 1-1-02; 92-378, eff. 8-16-01;
16 92-651, eff. 7-11-02; 92-672, eff. 7-16-02; 93-923, eff.
17 8-12-04; 93-1057, eff. 12-2-04; revised 12-6-04.)

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:

26 For a manufacturer's license:

27	Class 1. Distiller	\$3,600
28	Class 2. Rectifier	3,600
29	Class 3. Brewer	900
30	Class 4. First-class Wine Manufacturer	600
31	Class 5. Second-class	
32	Wine Manufacturer	1,200
33	Class 6. First-class wine-maker	600

1	Class 7. Second-class wine-maker	1200
2	Class 8. Limited Wine Manufacturer	120
3	For a Brew Pub License	1,050
4	For a caterer retailer's license	200
5	For a foreign importer's license	25
6	For an importing distributor's license	25
7	For a distributor's license	270
8	For a non-resident dealer's license	
9	(500,000 gallons or over)	270
10	For a non-resident dealer's license	
11	(under 500,000 gallons)	90
12	For a wine-maker's premises license	100
13	<u>For a direct wine shipper's license</u>	
14	<u>(under 250,000 gallons)</u>	<u>150</u>
15	<u>For a direct wine shipper's license</u>	
16	<u>(250,000 or over, but under 500,000 gallons)</u>	<u>500</u>
17	<u>For a direct wine shipper's license</u>	
18	<u>(500,000 gallons or over)</u>	<u>1,000</u>
19	For a wine-maker's premises license,	
20	second location	350
21	For a wine-maker's premises license,	
22	third location	350
23	For a retailer's license	500
24	For a special event retailer's license,	
25	(not-for-profit)	25
26	For a special use permit license,	
27	one day only	50
28	2 days or more	100
29	For a railroad license	60
30	For a boat license	180
31	For an airplane license, times the	
32	licensee's maximum number of aircraft	
33	in flight, serving liquor over the	
34	State at any given time, which either	

1 originate, terminate, or make
2 an intermediate stop in the State 60
3 For a non-beverage user's license:
4 Class 1 24
5 Class 2 60
6 Class 3 120
7 Class 4 240
8 Class 5 600
9 For a broker's license 600
10 For an auction liquor license 50

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

28 (a) Hospitals, sanitariums, or clinics when their use
29 of alcoholic liquor is exclusively medicinal, mechanical
30 or scientific.

31 (b) Universities, colleges of learning or schools when
32 their use of alcoholic liquor is exclusively medicinal,
33 mechanical or scientific.

34 (c) Laboratories when their use is exclusively for the

1 purpose of scientific research.

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

3 (235 ILCS 5/6-4) (from Ch. 43, par. 121)

4 Sec. 6-4. (a) No person licensed by any licensing authority
5 as a distiller, or a wine manufacturer, or any subsidiary or
6 affiliate thereof, or any officer, associate, member, partner,
7 representative, employee, agent or shareholder owning more
8 than 5% of the outstanding shares of such person shall be
9 issued an importing distributor's or distributor's license,
10 nor shall any person licensed by any licensing authority as an
11 importing distributor, distributor or retailer, or any
12 subsidiary or affiliate thereof, or any officer or associate,
13 member, partner, representative, employee, agent or
14 shareholder owning more than 5% of the outstanding shares of
15 such person be issued a distiller's license or a wine
16 manufacturer's license; and no person or persons licensed as a
17 distiller by any licensing authority shall have any interest,
18 directly or indirectly, with such distributor or importing
19 distributor.

20 However, an importing distributor or distributor, which on
21 January 1, 1985 is owned by a brewer, or any subsidiary or
22 affiliate thereof or any officer, associate, member, partner,
23 representative, employee, agent or shareholder owning more
24 than 5% of the outstanding shares of the importing distributor
25 or distributor referred to in this paragraph, may own or
26 acquire an ownership interest of more than 5% of the
27 outstanding shares of a wine manufacturer and be issued a wine
28 manufacturer's license by any licensing authority.

29 (b) The foregoing provisions shall not apply to any person
30 licensed by any licensing authority as a distiller or wine
31 manufacturer, or to any subsidiary or affiliate of any
32 distiller or wine manufacturer who shall have been heretofore
33 licensed by the State Commission as either an importing

1 distributor or distributor during the annual licensing period
2 expiring June 30, 1947, and shall actually have made sales
3 regularly to retailers.

4 (c) Provided, however, that in such instances where a
5 distributor's or importing distributor's license has been
6 issued to any distiller or wine manufacturer or to any
7 subsidiary or affiliate of any distiller or wine manufacturer
8 who has, during the licensing period ending June 30, 1947, sold
9 or distributed as such licensed distributor or importing
10 distributor alcoholic liquors and wines to retailers, such
11 distiller or wine manufacturer or any subsidiary or affiliate
12 of any distiller or wine manufacturer holding such
13 distributor's or importing distributor's license may continue
14 to sell or distribute to retailers such alcoholic liquors and
15 wines which are manufactured, distilled, processed or marketed
16 by distillers and wine manufacturers whose products it sold or
17 distributed to retailers during the whole or any part of its
18 licensing periods; and such additional brands and additional
19 products may be added to the line of such distributor or
20 importing distributor, provided, that such brands and such
21 products were not sold or distributed by any distributor or
22 importing distributor licensed by the State Commission during
23 the licensing period ending June 30, 1947, but can not sell or
24 distribute to retailers any other alcoholic liquors or wines.

25 (d) It shall be unlawful for any distiller licensed
26 anywhere to have any stock ownership or interest in any
27 distributor's or importing distributor's license wherein any
28 other person has an interest therein who is not a distiller and
29 does not own more than 5% of any stock in any distillery.
30 Nothing herein contained shall apply to such distillers or
31 their subsidiaries or affiliates, who had a distributor's or
32 importing distributor's license during the licensing period
33 ending June 30, 1947, which license was owned in whole by such
34 distiller, or subsidiaries or affiliates of such distiller.

1 (e) Any person having been licensed as a manufacturer shall
2 be permitted to receive one retailer's license for the premises
3 in which he actually conducts such business, permitting the
4 sale of beer only on such premises, but no such person shall be
5 entitled to more than one retailer's license in any event, and,
6 other than a manufacturer of beer as stated above, no
7 manufacturer or distributor or importing distributor,
8 excluding airplane licensees exercising powers provided in
9 paragraph (i) of Section 5-1 of this Act, or any subsidiary or
10 affiliate thereof, or any officer, associate, member, partner,
11 representative, employee or agent, or shareholder shall be
12 issued a retailer's license, nor shall any person having a
13 retailer's license, excluding airplane licensees exercising
14 powers provided in paragraph (i) of Section 5-1 of this Act, or
15 any subsidiary or affiliate thereof, or any officer, associate,
16 member, partner, representative or agent, or shareholder be
17 issued a manufacturer's license, importing distributor's
18 license.

19 (f) However, the foregoing prohibitions against any person
20 licensed as a distiller or wine manufacturer being issued a
21 retailer's license shall not apply:

22 (i) to any hotel, motel or restaurant whose principal
23 business is not the sale of alcoholic liquors if said
24 retailer's sales of any alcoholic liquors manufactured, sold,
25 distributed or controlled, directly or indirectly, by any
26 affiliate, subsidiary, officer, associate, member, partner,
27 representative, employee, agent or shareholder owning more
28 than 5% of the outstanding shares of such person does not
29 exceed 10% of the total alcoholic liquor sales of said retail
30 licensee; and

31 (ii) where the Commission determines, having considered
32 the public welfare, the economic impact upon the State and the
33 entirety of the facts and circumstances involved, that the
34 purpose and intent of this Section would not be violated by

1 granting an exemption.

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

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

10 (235 ILCS 5/6-29) (from Ch. 43, par. 144e)

11 Sec. 6-29. Interstate ~~reciprocal~~ wine shipments.

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

14 (1) To authorize direct shipment of wine by an
15 out-of-state wine-maker on the same basis permitted
16 in-state wine-maker pursuant to the authority of the State
17 under the provisions of Section 2 of the Twenty-First
18 Amendment to the United States Constitution and in
19 conformance with the United States Supreme Court decisions
20 decided May 16, 2005 in the cases of *Granholm v. Heald* and
21 *Swedenburg v. Kelly*.

22 (2) To reaffirm that the General Assembly's findings
23 and declarations that selling alcoholic liquor through
24 various direct marketing means such as catalogs,
25 newspapers, mailings, and the Internet directly to
26 consumers of this State poses a serious threat to the
27 State's efforts to further temperance and prevent youth
28 from accessing alcoholic liquor and does not result in any
29 expansion of youth accessing additional types of alcoholic
30 liquors.

31 (3) To ensure that the State's broad powers granted by
32 Section 2 of the Twenty-First Amendment to the United
33 States Constitution to control the importation or sale of

1 alcoholic liquor and its right to structure its alcoholic
2 liquor distribution system are protected.

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

9 (5) To provide that, in the event that a court of
10 competent jurisdiction declares or finds that this
11 Section, which is enacted to conform Illinois law to the
12 United States Supreme Court's decisions, is invalid or
13 unconstitutional, the Illinois General Assembly at its
14 earliest general session shall conduct hearings, study
15 methods, and pass legislation conforming to any directive
16 or order of the court consistent with the temperance and
17 revenue collection purposes of the Liquor Control Act of
18 1934.

19 (b) Notwithstanding any other provision of law, a direct
20 wine shipper licensee may ship, for personal use and not for
21 resale, not more than 12 cases of wine per year to any resident
22 of this State who is 21 year of age or older. Sale and shipment
23 by a direct wine shipper licensee pursuant to this Section
24 shall be deemed to constitute a sale in this State.

25 (b-5) A direct wine shipper licensee shall affix on the
26 shipping container a label which shall read as follows:
27 "CONTAINS ALCOHOL. SIGNATURE OF A PERSON 21 YEARS OF AGE OR
28 OLDER REQUIRED FOR DELIVERY. PROOF OF AGE AND IDENTITY MUST BE
29 SHOWN BEFORE DELIVERY." This warning language must be
30 prominently displayed on the packaging. At the expense of the
31 licensee, the licensee shall require the express company,
32 common carrier, or contract carrier that delivers the wine to
33 obtain the signature of a person 21 years of age or older at
34 the delivery address at the time of delivery. At the expense of

1 the licensee, the licensee shall receive a delivery
2 confirmation from the express company, common carrier, or
3 contract carrier indicating the location of the delivery, time
4 of delivery, and the name and signature of the individual 21
5 years of age or older who accepts delivery. The State
6 Commission shall design and create a label that must be affixed
7 to the shipping container by the licensee. Notwithstanding any
8 other provision of law, an adult resident or holder of an
9 alcoholic beverage license in a state which affords Illinois
10 licensees or adult residents an equal reciprocal shipping
11 privilege may ship, for personal use and not for resale, not
12 more than 2 cases of wine (each case containing not more than 9
13 liters) per year to any adult resident of this State. Delivery
14 of a shipment pursuant to this Section shall not be deemed to
15 constitute a sale in this State.

16 ~~(b) The shipping container of any wine sent into or out of~~
17 ~~this State under this Section shall be clearly labeled to~~
18 ~~indicate that the package cannot be delivered to a person under~~
19 ~~the age of 21 years.~~

20 (c) No broker within this State shall solicit consumers to
21 engage in interstate ~~reciprocal~~ wine shipments under this
22 Section. ~~No shipper located outside this State may advertise~~
23 ~~such interstate reciprocal wine shipments in this State.~~

24 (d) It is not the intent of this Section to impair the
25 distribution of wine through distributors or importing
26 distributors, but only to permit shipments of wine for personal
27 use.

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

29 (235 ILCS 5/6-29.1)

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

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

32 (1) The General Assembly of Illinois, having reviewed
33 the Liquor Control Act of 1934 in light of the United

1 States Supreme Court's 2005 decision in *Granholm v. Heald*,
2 has determined to conform that law to the constitutional
3 principles enunciated by the Court in a manner that best
4 preserves the temperance, revenue, and orderly
5 distribution values of the Act.

6 (2) Maximizing the availability and minimizing the
7 price of alcoholic liquor is not the policy of the State of
8 Illinois.

9 (3) Minimizing automobile accidents and fatalities,
10 domestic violence, health problems, loss of productivity,
11 unemployment, and other social problems associated with
12 dependency and improvident use of alcoholic beverages
13 remains the policy of Illinois.

14 (4) To the maximum extent constitutionally feasible,
15 Illinois desires to collect sufficient revenue from excise
16 and use taxes on alcoholic beverages for the purpose of
17 responding to such social problems.

18 (5) Combined with family education and individual
19 discipline, retail validation of age and assessment of the
20 capacity of the consumer remains the best pre-sale social
21 protection against the problems associated with the abuse
22 of alcoholic liquor.

23 (6) Therefore, the paramount purpose of this Act is to
24 carefully limit sales of alcoholic beverages outside the
25 licensed retail system and to prohibit such sales for
26 spirits and beer.

27 For these reasons, the shipment of any alcoholic beverage
28 to any person in Illinois not licensed as a distributor,
29 importing distributor, manufacturer, or non-resident dealer or
30 not shipped pursuant to the provisions of this Act is
31 prohibited. The State Commission shall establish a system to
32 notify the out-of-state trade of this prohibition and to detect
33 violations. The State Commission shall request the Governor and
34 Attorney General to extradite any offender.

1 (b) Pursuant to the Twenty-First Amendment of the United
2 States Constitution allowing states to regulate the
3 distribution and sale of alcoholic liquor and pursuant to the
4 federal Webb-Kenyon Act declaring that alcoholic liquor
5 shipped in interstate commerce must comply with state laws, the
6 General Assembly hereby finds and declares that selling
7 alcoholic liquor from a point outside this State through
8 various direct marketing means, such as catalogs, newspapers,
9 mailers, and the Internet, directly to residents of this State
10 poses a serious threat to the State's efforts to prevent youths
11 from accessing alcoholic liquor; to State revenue collections;
12 and to the economy of this State.

13 Any person manufacturing, distributing, or selling
14 alcoholic liquor who knowingly ships or transports or causes
15 the shipping or transportation of any alcoholic liquor from a
16 point outside this State to a person in this State who does not
17 hold a manufacturer's, distributor's, importing distributor's,
18 or non-resident dealer's license issued by the Liquor Control
19 Commission, other than a shipment of sacramental wine to a bona
20 fide religious organization, a shipment authorized by Section
21 6-29, or any other shipment authorized by this Act, is in
22 violation of this Act.

23 The Commission, upon determining, after investigation,
24 that a person has violated this Section, shall give notice to
25 the person by certified mail to cease and desist all shipments
26 of alcoholic liquor into this State and to withdraw from this
27 State within 5 working days after receipt of the notice all
28 shipments of alcoholic liquor then in transit.

29 Whenever the Commission has reason to believe that a person
30 has failed to comply with the Commission notice under this
31 Section, it shall notify the Department of Revenue and file a
32 complaint with the State's Attorney of the county where the
33 alcoholic liquor was delivered or with appropriate law
34 enforcement officials.

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

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

9 Section 90. Severability. The General Assembly recognizes
10 that courts established pursuant to the Constitution of the
11 United States and the Constitution of the State of Illinois
12 construe statutory provisions dealing with judicial
13 interpretation, severability, and partial invalidity by
14 determining whether the legislative intent was to enforce the
15 remainder of the law enacted in the event of a judicial
16 determination of partial invalidity. For the purpose of
17 explaining such intent, if any provision, application,
18 exemption, exception, or authorization of this amendatory Act
19 of the 94th General Assembly, the Retailers' Occupation Tax
20 Act, Section 3-7 of the Uniform Penalty and Interest Act, or
21 the Liquor Control Act of 1934 is held invalid, then all other
22 constitutional provisions, exemptions, exceptions, and
23 authorizations of this amendatory Act of the 94th General
24 Assembly are severable and shall be given effect.

25 Section 99. Effective date. This Act takes effect July 1,
26 2006."