



Rep. Lou Lang

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1 AMENDMENT TO SENATE BILL 392

2 AMENDMENT NO. _____. Amend Senate Bill 392 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,

1 non-beverage users, railroads, including owners and
2 lessees of sleeping, dining and cafe cars, airplanes,
3 boats, brokers, and wine maker's premises licensees in
4 accordance with the provisions of this Act, and to suspend
5 or revoke such licenses upon the State commission's
6 determination, upon notice after hearing, that a licensee
7 has violated any provision of this Act or any rule or
8 regulation issued pursuant thereto and in effect for 30
9 days prior to such violation. Except in the case of an
10 action taken pursuant to a violation of Section 6-3, 6-5,
11 or 6-9, any action by the State Commission to suspend or
12 revoke a licensee's license may be limited to the license
13 for the specific premises where the violation occurred.

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

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

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

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

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

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

4 (5.1) Upon receipt of a complaint or upon having
5 knowledge that any person is engaged in business as a
6 manufacturer, importing distributor, distributor, or
7 retailer without a license or valid license, to notify the
8 local liquor authority, file a complaint with the State's
9 Attorney's Office of the county where the incident
10 occurred, or initiate an investigation with the
11 appropriate law enforcement officials.

12 (5.2) To issue a cease and desist notice to persons
13 shipping alcoholic liquor into this State from a point
14 outside of this State if the shipment is in violation of
15 this Act.

16 (5.3) To receive complaints from licensees, local
17 officials, law enforcement agencies, organizations, and
18 persons stating that any licensee has been or is violating
19 any provision of this Act or the rules and regulations
20 issued pursuant to this Act. Such complaints shall be in
21 writing, signed and sworn to by the person making the
22 complaint, and shall state with specificity the facts in
23 relation to the alleged violation. If the Commission has
24 reasonable grounds to believe that the complaint
25 substantially alleges a violation of this Act or rules and
26 regulations adopted pursuant to this Act, it shall conduct

1 an investigation. If, after conducting an investigation,
2 the Commission is satisfied that the alleged violation did
3 occur, it shall proceed with disciplinary action against
4 the licensee as provided in this Act.

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

11 (7) The commission shall establish uniform systems of
12 accounts to be kept by all retail licensees having more
13 than 4 employees, and for this purpose the commission may
14 classify all retail licensees having more than 4 employees
15 and establish a uniform system of accounts for each class
16 and prescribe the manner in which such accounts shall be
17 kept. The commission may also prescribe the forms of
18 accounts to be kept by all retail licensees having more
19 than 4 employees, including but not limited to accounts of
20 earnings and expenses and any distribution, payment, or
21 other distribution of earnings or assets, and any other
22 forms, records and memoranda which in the judgment of the
23 commission may be necessary or appropriate to carry out any
24 of the provisions of this Act, including but not limited to
25 such forms, records and memoranda as will readily and
26 accurately disclose at all times the beneficial ownership

1 of such retail licensed business. The accounts, forms,
2 records and memoranda shall be available at all reasonable
3 times for inspection by authorized representatives of the
4 State commission or by any local liquor control
5 commissioner or his or her authorized representative. The
6 commission, may, from time to time, alter, amend or repeal,
7 in whole or in part, any uniform system of accounts, or the
8 form and manner of keeping accounts.

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

23 Any Circuit Court may by order duly entered, require
24 the attendance of witnesses and the production of relevant
25 books subpoenaed by the State commission and the court may
26 compel obedience to its order by proceedings for contempt.

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

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

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

17 (11.1) To license persons providing education and
18 training to alcohol beverage sellers and servers under the
19 Beverage Alcohol Sellers and Servers Education and
20 Training (BASSET) programs and to develop and administer a
21 public awareness program in Illinois to reduce or eliminate
22 the illegal purchase and consumption of alcoholic beverage
23 products by persons under the age of 21. Application for a
24 license shall be made on forms provided by the State
25 Commission.

26 (12) To develop and maintain a repository of license

1 and regulatory information.

2 (13) On or before January 15, 1994, the Commission
3 shall issue a written report to the Governor and General
4 Assembly that is to be based on a comprehensive study of
5 the impact on and implications for the State of Illinois of
6 Section 1926 of the Federal ADAMHA Reorganization Act of
7 1992 (Public Law 102-321). This study shall address the
8 extent to which Illinois currently complies with the
9 provisions of P.L. 102-321 and the rules promulgated
10 pursuant thereto.

11 As part of its report, the Commission shall provide the
12 following essential information:

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

15 (ii) the number of reported citations and
16 successful convictions, categorized by type and
17 location of retail distributor, for violation of the
18 Sale of Tobacco to Minors Act and the Smokeless Tobacco
19 Limitation Act;

20 (iii) the extent and nature of organized
21 educational and governmental activities that are
22 intended to promote, encourage or otherwise secure
23 compliance with any Illinois laws that prohibit the
24 sale or distribution of tobacco products to minors; and

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

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

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

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

18 (14) On or before April 30, 2008 and every 2 years
19 thereafter, the Commission shall present a written report
20 to the Governor and the General Assembly that shall be
21 based on a study of the impact of this amendatory Act of
22 the 95th General Assembly on the business of soliciting,
23 selling, and shipping wine from inside and outside of this
24 State directly to residents of this State. As part of its
25 report, the Commission shall provide all of the following
26 information:

1 (A) The amount of State excise and sales tax
2 revenues generated.

3 (B) The amount of licensing fees received.

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

7 (D) The number of alcohol compliance operations
8 conducted.

9 (E) The number of winery shipper's licenses
10 issued.

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

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

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

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

20 (B) In the application, which shall be sworn under
21 penalty of perjury, such person shall state (1) the
22 date it was established; (2) its volume of production
23 and sales for each year since its establishment; (3)
24 its efforts to establish distributor relationships;
25 (4) that a self-distribution exemption is necessary to
26 facilitate the marketing of its wine; and (5) that it

1 will comply with the liquor and revenue laws of the
2 United States, this State, and any other state where it
3 is licensed.

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

13 (D) A self-distribution exemption holder shall
14 annually certify to the Commission its production of
15 wine in the previous 12 months and its anticipated
16 production and sales for the next 12 months. The
17 Commission may fine, suspend, or revoke a
18 self-distribution exemption after a hearing if it
19 finds that the exemption holder has made a material
20 misrepresentation in its application, violated a
21 revenue or liquor law of Illinois, exceeded production
22 of 25,000 gallons of wine in any calendar year, or
23 become part of an affiliated group producing more than
24 25,000 gallons of wine or any other alcoholic liquor.

25 (E) Except in hearings for violations of this Act
26 or amendatory Act or a bona fide investigation by duly

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

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

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

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

26 (b) On or before April 30, 1999, the Commission shall

1 present a written report to the Governor and the General
2 Assembly that shall be based on a study of the impact of this
3 amendatory Act of 1998 on the business of soliciting, selling,
4 and shipping alcoholic liquor from outside of this State
5 directly to residents of this State.

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

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

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

12 (iii) the number of reported violations, the number of
13 cease and desist notices issued by the Commission, the
14 number of notices of violations issued to the Department of
15 Revenue, and the number of notices and complaints of
16 violations to law enforcement officials.

17 (Source: P.A. 92-378, eff. 8-16-01; 92-813, eff. 8-21-02;
18 93-1057, eff. 12-2-04.)

19 (235 ILCS 5/5-1) (from Ch. 43, par. 115)

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

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

1 8. Limited Wine Manufacturer,

2 (b) Distributor's license,

3 (c) Importing Distributor's license,

4 (d) Retailer's license,

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

6 (f) Railroad license,

7 (g) Boat license,

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

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

10 (j) Airplane license,

11 (k) Foreign importer's license,

12 (l) Broker's license,

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

14 (n) Brew Pub license,

15 (o) Auction liquor license,

16 (p) Caterer retailer license,

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

18 (r) Winery shipper's license.

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

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

1 Class 1. A Distiller may make sales and deliveries of
2 alcoholic liquor to distillers, rectifiers, importing
3 distributors, distributors and non-beverage users and to no
4 other licensees.

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

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

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

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

22 Class 6. A first-class wine-maker's license shall allow the
23 manufacture of up to 50,000 gallons of wine per year, and the
24 storage and sale of such wine to distributors in the State and
25 to persons without the State, as may be permitted by law. A
26 person who, prior to the effective date of this amendatory Act

1 of the 95th General Assembly, is a holder of a first-class
2 wine-maker's license and annually produces more than 25,000
3 gallons of its own wine and who distributes its wine to
4 licensed retailers shall cease this practice on or before July
5 1, 2008 in compliance with this amendatory Act of the 95th
6 General Assembly. A first class wine maker's license shall
7 allow the sale of no more than 5,000 gallons of the licensee's
8 wine to retailers. The State Commission shall issue only one
9 first class wine maker's license to any person, firm,
10 partnership, corporation, or other legal business entity that
11 is engaged in the making of less than 50,000 gallons of wine
12 annually that applies for a first class wine maker's license.
13 No subsidiary or affiliate thereof, nor any officer, associate,
14 member, partner, representative, employee, agent, or
15 shareholder may be issued an additional wine maker's license by
16 the State 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 person who, prior to the effective
22 date of this amendatory Act of the 95th General Assembly, is a
23 holder of a second-class wine-maker's license and annually
24 produces more than 25,000 gallons of its own wine and who
25 distributes its wine to licensed retailers shall cease this
26 practice on or before July 1, 2008 in compliance with this

1 amendatory Act of the 95th General Assembly. ~~A second class~~
2 ~~wine maker's license shall allow the sale of no more than~~
3 ~~10,000 gallons of the licensee's wine directly to retailers.~~
4 ~~The State Commission shall issue only one second class~~
5 ~~wine maker's license to any person, firm, partnership,~~
6 ~~corporation, or other legal business entity that is engaged in~~
7 ~~the making of less than 100,000 gallons of wine annually that~~
8 ~~applies for a second class wine maker's license. No subsidiary~~
9 ~~or affiliate thereof, or any officer, associate, member,~~
10 ~~partner, representative, employee, agent, or shareholder may~~
11 ~~be issued an additional wine maker's license by the State~~
12 ~~Commission.~~

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

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

23 Registration of agents, representatives, or persons acting
24 on behalf of a manufacturer is fulfilled by submitting a form
25 to the Commission. The form shall be developed by the
26 Commission and shall include the name and address of the

1 applicant, the name and address of the manufacturer he or she
2 represents, the territory or areas assigned to sell to or
3 discuss pricing terms of alcoholic liquor, and any other
4 questions deemed appropriate and necessary. All statements in
5 the forms required to be made by law or by rule shall be deemed
6 material, and any person who knowingly misstates any material
7 fact under oath in an application is guilty of a Class B
8 misdemeanor. Fraud, misrepresentation, false statements,
9 misleading statements, evasions, or suppression of material
10 facts in the securing of a registration are grounds for
11 suspension or revocation of the registration.

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

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

1 labeled, stamped and otherwise made to comply with all
2 provisions, rules and regulations governing manufacturers in
3 the preparation and bottling of alcoholic liquors. The
4 importing distributor's license shall permit such licensee to
5 purchase alcoholic liquor from Illinois licensed non-resident
6 dealers and foreign importers only.

7 (d) A retailer's license shall allow the licensee to sell
8 and offer for sale at retail, only in the premises specified in
9 the license, alcoholic liquor for use or consumption, but not
10 for resale in any form. Nothing in this amendatory Act of the
11 95th General Assembly shall deny, limit, remove, or restrict
12 the ability of a holder of a retailer's license to transfer,
13 deliver, or ship alcoholic liquor to the purchaser for use or
14 consumption subject to any applicable local law or ordinance.

15 ~~Any: Provided that any~~ retail license issued to a manufacturer
16 shall only permit the manufacturer to sell beer at retail on
17 the premises actually occupied by the manufacturer. For the
18 purpose of further describing the type of business conducted at
19 a retail licensed premises, a retailer's licensee may be
20 designated by the State Commission as (i) an on premise
21 consumption retailer, (ii) an off premise sale retailer, or
22 (iii) a combined on premise consumption and off premise sale
23 retailer.

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

1 under subsection (e).

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

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

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

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

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

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

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

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

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

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

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

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

1 Section 6-9 of this Act with respect to registration of such
2 Illinois licensees as may be granted the right to sell such
3 brands at wholesale.

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

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

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

25 (ii) A broker's license shall be required of a person
26 within this State, other than a retail licensee, who, for a fee

1 or commission, promotes, solicits, or accepts orders for
2 alcoholic liquor, for use or consumption and not for resale, to
3 be shipped from this State and delivered to residents outside
4 of this State by an express company, common carrier, or
5 contract carrier. This Section does not apply to any person who
6 promotes, solicits, or accepts orders for wine as specifically
7 authorized in Section 6-29 of this Act.

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

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

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

21 (m) A non-resident dealer's license shall permit such
22 licensee to ship into and warehouse alcoholic liquor into this
23 State from any point outside of this State, and to sell such
24 alcoholic liquor to Illinois licensed foreign importers and
25 importing distributors and to no one else in this State;
26 provided that said non-resident dealer shall register with the

1 Illinois Liquor Control Commission each and every brand of
2 alcoholic liquor which it proposes to sell to Illinois
3 licensees during the license period; and further provided that
4 it shall comply with all of the provisions of Section 6-9
5 hereof with respect to registration of such Illinois licensees
6 as may be granted the right to sell such brands at wholesale.

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

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

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

1 auction at least 14 days in advance of the auction date.

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

16 (r) A winery shipper's license shall allow a person with a
17 first-class or second-class wine manufacturer's license, a
18 first-class or second-class wine-maker's license, or a limited
19 wine manufacturer's license or who is licensed to make wine
20 under the laws of another state to ship wine made by that
21 licensee directly to a resident of this State who is 21 years
22 of age or older for that resident's personal use and not for
23 resale. Prior to receiving a winery shipper's license, an
24 applicant for the license must provide the Commission with a
25 true copy of its current license in any state in which it is
26 licensed as a manufacturer of wine. An applicant for a winery

1 shipper's license must also complete an application form that
2 provides any other information the Commission deems necessary.
3 The application form shall include an acknowledgement
4 consenting to the jurisdiction of the Commission, the Illinois
5 Department of Revenue, and the courts of this State concerning
6 the enforcement of this Act and any related laws, rules, and
7 regulations, including authorizing the Department of Revenue
8 and the Commission to conduct audits for the purpose of
9 ensuring compliance with this amendatory Act.

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

1 shipper's license shall be revoked in accordance with the
2 provisions of Article VII of this Act.

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

9 (Source: P.A. 92-105, eff. 1-1-02; 92-378, eff. 8-16-01;
10 92-651, eff. 7-11-02; 92-672, eff. 7-16-02; 93-923, eff.
11 8-12-04; 93-1057, eff. 12-2-04; revised 12-6-04.)

12 (235 ILCS 5/5-3) (from Ch. 43, par. 118)

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

18 The fee for licenses issued by the State Commission shall
19 be as follows:

20 For a manufacturer's license:

21	Class 1. Distiller	\$3,600
22	Class 2. Rectifier	3,600
23	Class 3. Brewer	900
24	Class 4. First-class Wine Manufacturer	600
25	Class 5. Second-class	

1	Wine Manufacturer	1,200
2	Class 6. First-class wine-maker	600
3	Class 7. Second-class wine-maker	1200
4	Class 8. Limited Wine Manufacturer	120
5	For a Brew Pub License	1,050
6	For a caterer retailer's license	200
7	For a foreign importer's license	25
8	For an importing distributor's license	25
9	For a distributor's license	270
10	For a non-resident dealer's license	
11	(500,000 gallons or over)	270
12	For a non-resident dealer's license	
13	(under 500,000 gallons)	90
14	For a wine-maker's premises license	100
15	<u>For a winery shipper's license</u>	
16	<u>(under 250,000 gallons)</u>	<u>150</u>
17	<u>For a winery shipper's license</u>	
18	<u>(250,000 or over, but under 500,000 gallons)</u>	<u>500</u>
19	<u>For a winery shipper's license</u>	
20	<u>(500,000 gallons or over)</u>	<u>1,000</u>
21	For a wine-maker's premises license,	
22	second location	350
23	For a wine-maker's premises license,	
24	third location	350
25	For a retailer's license	500
26	For a special event retailer's license,	

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

21 Fees collected under this Section shall be paid into the
 22 Dram Shop Fund. On and after July 1, 2003, of the funds
 23 received for a retailer's license, in addition to the first
 24 \$175, an additional \$75 shall be paid into the Dram Shop Fund,
 25 and \$250 shall be paid into the General Revenue Fund. Beginning
 26 June 30, 1990 and on June 30 of each subsequent year through

1 June 29, 2003, any balance over \$5,000,000 remaining in the
2 Dram Shop Fund shall be credited to State liquor licensees and
3 applied against their fees for State liquor licenses for the
4 following year. The amount credited to each licensee shall be a
5 proportion of the balance in the Dram Fund that is the same as
6 the proportion of the license fee paid by the licensee under
7 this Section for the period in which the balance was
8 accumulated to the aggregate fees paid by all licensees during
9 that period.

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

12 (a) Hospitals, sanitariums, or clinics when their use
13 of alcoholic liquor is exclusively medicinal, mechanical
14 or scientific.

15 (b) Universities, colleges of learning or schools when
16 their use of alcoholic liquor is exclusively medicinal,
17 mechanical or scientific.

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

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

21 (235 ILCS 5/6-4) (from Ch. 43, par. 121)

22 Sec. 6-4. (a) No person licensed by any licensing authority
23 as a distiller, or a wine manufacturer, or any subsidiary or
24 affiliate thereof, or any officer, associate, member, partner,
25 representative, employee, agent or shareholder owning more

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

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

22 (b) The foregoing provisions shall not apply to any person
23 licensed by any licensing authority as a distiller or wine
24 manufacturer, or to any subsidiary or affiliate of any
25 distiller or wine manufacturer who shall have been heretofore
26 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

1 distributor's or importing distributor's license wherein any
2 other person has an interest therein who is not a distiller and
3 does not own more than 5% of any stock in any distillery.
4 Nothing herein contained shall apply to such distillers or
5 their subsidiaries or affiliates, who had a distributor's or
6 importing distributor's license during the licensing period
7 ending June 30, 1947, which license was owned in whole by such
8 distiller, or subsidiaries or affiliates of such distiller.

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

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

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

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

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

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

1 (235 ILCS 5/6-29) (from Ch. 43, par. 144e)

2 Sec. 6-29. Winery shipper's license. ~~Interstate reciprocal~~
3 ~~wine shipments.~~

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

6 (1) To authorize direct shipment of wine by an
7 out-of-state maker of wine on the same basis permitted an
8 in-state maker of wine pursuant to the authority of the
9 State under the provisions of Section 2 of the Twenty-First
10 Amendment to the United States Constitution and in
11 conformance with the United States Supreme Court decision
12 decided on May 16, 2005 in Granholm v. Heald.

13 (2) To reaffirm that the General Assembly's findings
14 and declarations that selling alcoholic liquor through
15 various direct marketing means such as catalogs,
16 newspapers, mailings, and the Internet directly to
17 consumers of this State poses a serious threat to the
18 State's efforts to further temperance and prevent youth
19 from accessing alcoholic liquor and the expansion of youth
20 access to additional types of alcoholic liquors.

21 (3) To maintain the State's broad powers granted by
22 Section 2 of the Twenty-First Amendment to the United
23 States Constitution to control the importation or sale of
24 alcoholic liquor and its right to structure its alcoholic
25 liquor distribution system.

26 (4) To ensure that the General Assembly, by authorizing

1 limited direct shipment of wine to meet the directives of
2 the United States Supreme Court, does not intend to impair
3 or modify the State's distribution of wine through
4 distributors or importing distributors, but only to permit
5 limited shipment of wine for personal use.

6 (5) To provide that, in the event that a court of
7 competent jurisdiction declares or finds that this
8 Section, which is enacted to conform Illinois law to the
9 United States Supreme Court decision, is invalid or
10 unconstitutional, the Illinois General Assembly at its
11 earliest general session shall conduct hearings and study
12 methods to conform to any directive or order of the court
13 consistent with the temperance and revenue collection
14 purposes of this Act.

15 (b) Notwithstanding any other provision of law, a wine
16 shipper licensee may ship, for personal use and not for resale,
17 not more than 12 cases of wine per year to any resident of this
18 State who is 21 years of age or older.

19 (b-3) Notwithstanding any other provision of law, sale and
20 shipment by a winery shipper licensee pursuant to this Section
21 shall be deemed to constitute a sale in this State.

22 (b-5) The shipping container of any wine shipped under this
23 Section shall be clearly labeled with the following words:
24 "CONTAINS ALCOHOL. SIGNATURE OF A PERSON 21 YEARS OF AGE OR
25 OLDER REQUIRED FOR DELIVERY. PROOF OF AGE AND IDENTITY MUST BE
26 SHOWN BEFORE DELIVERY.". This warning must be prominently

1 displayed on the packaging. A licensee shall require the
2 transporter or common carrier that delivers the wine to obtain
3 the signature of a person 21 years of age or older at the
4 delivery address at the time of delivery. At the expense of the
5 licensee, the licensee shall receive a delivery confirmation
6 from the express company, common carrier, or contract carrier
7 indicating the location of the delivery, time of delivery, and
8 the name and signature of the individual 21 years of age or
9 older who accepts delivery. The Commission shall design and
10 create a label or approve a label that must be affixed to the
11 shipping container by the licensee.

12 ~~(a) Notwithstanding any other provision of law, an adult~~
13 ~~resident or holder of an alcoholic beverage license in a state~~
14 ~~which affords Illinois licensees or adult residents an equal~~
15 ~~reciprocal shipping privilege may ship, for personal use and~~
16 ~~not for resale, not more than 2 cases of wine (each case~~
17 ~~containing not more than 9 liters) per year to any adult~~
18 ~~resident of this State. Delivery of a shipment pursuant to this~~
19 ~~Section shall not be deemed to constitute a sale in this State.~~

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

24 (c) No broker within this State shall solicit consumers to
25 engage in direct interstate reciprocal wine shipments under
26 this Section. ~~No shipper located outside this State may~~

1 ~~advertise such interstate reciprocal wine shipments in this~~
2 ~~State.~~

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

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

8 (235 ILCS 5/6-29.1)

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

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

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

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

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

1 (4) Combined with family education and individual
2 discipline, retail validation of age, and assessment of the
3 capacity of the consumer remains the best pre-sale social
4 protection against the problems associated with the abuse
5 of alcoholic liquor.

6 (5) Therefore, the paramount purpose of this
7 amendatory Act is to continue to carefully limit direct
8 shipment sales of wine produced by makers of wine and to
9 continue to prohibit such direct shipment sales for spirits
10 and beer.

11 For these reasons, the Commission shall establish a system
12 to notify the out-of-state trade of this prohibition and to
13 detect violations. The Commission shall request the Attorney
14 General to extradite any offender.

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

1 Any person manufacturing, distributing, or selling
2 alcoholic liquor who knowingly ships or transports or causes
3 the shipping or transportation of any alcoholic liquor from a
4 point outside this State to a person in this State who does not
5 hold a manufacturer's, distributor's, importing distributor's,
6 or non-resident dealer's license issued by the Liquor Control
7 Commission, other than a shipment of sacramental wine to a bona
8 fide religious organization, a shipment authorized by Section
9 6-29, subparagraph (17) of Section 3-12, or any other shipment
10 authorized by this Act, is in violation of this Act.

11 The Commission, upon determining, after investigation,
12 that a person has violated this Section, shall give notice to
13 the person by certified mail to cease and desist all shipments
14 of alcoholic liquor into this State and to withdraw from this
15 State within 5 working days after receipt of the notice all
16 shipments of alcoholic liquor then in transit.

17 Whenever the Commission has reason to believe that a person
18 has failed to comply with the Commission notice under this
19 Section, it shall notify the Department of Revenue and file a
20 complaint with the State's Attorney of the county where the
21 alcoholic liquor was delivered or with appropriate law
22 enforcement officials.

23 Failure to comply with the notice issued by the Commission
24 under this Section constitutes a business offense for which the
25 person shall be fined not more than \$1,000 for a first offense,
26 not more than \$5,000 for a second offense, and not more than

1 \$10,000 for a third or subsequent offense. Each shipment of
2 alcoholic liquor delivered in violation of the cease and desist
3 notice shall constitute a separate offense.

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

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