



Rep. Jil Tracy

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LRB098 16434 RPS 57126 a

1 AMENDMENT TO HOUSE BILL 4816

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 4816 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 5-1 and 6-4 as follows:

6 (235 ILCS 5/5-1) (from Ch. 43, par. 115)

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

9 (a) Manufacturer's license - Class 1. Distiller, Class 2.  
10 Rectifier, Class 3. Brewer, Class 4. First Class Wine  
11 Manufacturer, Class 5. Second Class Wine Manufacturer, Class 6.  
12 First Class Winemaker, Class 7. Second Class Winemaker, Class  
13 8. Limited Wine Manufacturer, Class 9. Craft Distiller, Class  
14 10. Craft Brewer,

15 (b) Distributor's license,

16 (c) Importing Distributor's license,

- 1 (d) Retailer's license,
- 2 (e) Special Event Retailer's license (not-for-profit),
- 3 (f) Railroad license,
- 4 (g) Boat license,
- 5 (h) Non-Beverage User's license,
- 6 (i) Wine-maker's premises license,
- 7 (j) Airplane license,
- 8 (k) Foreign importer's license,
- 9 (l) Broker's license,
- 10 (m) Non-resident dealer's license,
- 11 (n) Brew Pub license,
- 12 (o) Auction liquor license,
- 13 (p) Caterer retailer license,
- 14 (q) Special use permit license,
- 15 (r) Winery shipper's license.

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

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

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

1 other licensees.

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

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

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

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

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

1 General Assembly.

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

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 Class 9. A craft distiller license shall allow the  
18 manufacture of up to 30,000 gallons of spirits by distillation  
19 for one year after the effective date of this amendatory Act of  
20 the 97th General Assembly and up to 35,000 gallons of spirits  
21 by distillation per year thereafter and the storage of such  
22 spirits. If a craft distiller licensee is not affiliated with  
23 any other manufacturer, then the craft distiller licensee may  
24 sell such spirits to distributors in this State and up to 5,000  
25 ~~2,500~~ gallons of such spirits to non-licensees to the extent  
26 permitted by any exemption approved by the Commission pursuant

1 to Section 6-4 of this Act.

2 Any craft distiller licensed under this Act who on the  
3 effective date of this amendatory Act of the 96th General  
4 Assembly was licensed as a distiller and manufactured no more  
5 spirits than permitted by this Section shall not be required to  
6 pay the initial licensing fee.

7 Class 10. A craft brewer's license, which may only be  
8 issued to a licensed brewer or licensed non-resident dealer,  
9 shall allow the manufacture of up to 930,000 gallons of beer  
10 per year. A craft brewer licensee may make sales and deliveries  
11 to importing distributors and distributors and to retail  
12 licensees in accordance with the conditions set forth in  
13 paragraph (18) of subsection (a) of Section 3-12 of this Act.

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

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

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

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

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

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



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

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

25 (g) A boat license shall allow the sale of alcoholic liquor  
26 in individual drinks, on any passenger boat regularly operated

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

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

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

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

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

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

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

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

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

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

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

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

26 (ii) A broker's license shall be required of a person

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

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

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

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

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

1 provided that (i) said non-resident dealer shall register with  
2 the Illinois Liquor Control Commission each and every brand of  
3 alcoholic liquor which it proposes to sell to Illinois  
4 licensees during the license period, (ii) it shall comply with  
5 all of the provisions of Section 6-9 hereof with respect to  
6 registration of such Illinois licensees as may be granted the  
7 right to sell such brands at wholesale, and (iii) the  
8 non-resident dealer shall comply with the provisions of  
9 Sections 6-5 and 6-6 of this Act to the same extent that these  
10 provisions apply to manufacturers.

11 (n) A brew pub license shall allow the licensee (i) to  
12 manufacture beer only on the premises specified in the license,  
13 (ii) to make sales of the beer manufactured on the premises or,  
14 with the approval of the Commission, beer manufactured on  
15 another brew pub licensed premises that is substantially owned  
16 and operated by the same licensee to importing distributors,  
17 distributors, and to non-licensees for use and consumption,  
18 (iii) to store the beer upon the premises, and (iv) to sell and  
19 offer for sale at retail from the licensed premises, provided  
20 that a brew pub licensee shall not sell for off-premises  
21 consumption more than 50,000 gallons per year. A person who  
22 holds a brew pub license may simultaneously hold a craft brewer  
23 license if he or she otherwise qualifies for the craft brewer  
24 license and the craft brewer license is for a location separate  
25 from the brew pub's licensed premises. A brew pub license shall  
26 permit a person who has received prior approval from the

1 Commission to annually transfer no more than a total of 50,000  
2 gallons of beer manufactured on premises to all other licensed  
3 brew pubs that are substantially owned and operated by the same  
4 person.

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

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

18 (q) A special use permit license shall allow an Illinois  
19 licensed retailer to transfer a portion of its alcoholic liquor  
20 inventory from its retail licensed premises to the premises  
21 specified in the license hereby created, and to sell or offer  
22 for sale at retail, only in the premises specified in the  
23 license hereby created, the transferred alcoholic liquor for  
24 use or consumption, but not for resale in any form. A special  
25 use permit license may be granted for the following time  
26 periods: one day or less; 2 or more days to a maximum of 15 days



1 per location in any 12 month period. An applicant for the  
2 special use permit license must also submit with the  
3 application proof satisfactory to the State Commission that the  
4 applicant will provide dram shop liability insurance to the  
5 maximum limits and have local authority approval.

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

26 A winery shipper licensee must pay to the Department of

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

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

25 (Source: P.A. 97-5, eff. 6-1-11; 97-455, eff. 8-19-11; 97-813,  
26 eff. 7-13-12; 97-1166, eff. 3-1-13; 98-394, eff. 8-16-13;

1 98-401, eff. 8-16-13; revised 9-12-13.)

2 (235 ILCS 5/6-4) (from Ch. 43, par. 121)

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

19 However, an importing distributor or distributor, which on  
20 January 1, 1985 is owned by a brewer, or any subsidiary or  
21 affiliate thereof or any officer, associate, member, partner,  
22 representative, employee, agent or shareholder owning more  
23 than 5% of the outstanding shares of the importing distributor  
24 or distributor referred to in this paragraph, may own or  
25 acquire an ownership interest of more than 5% of the

1 outstanding shares of a wine manufacturer and be issued a wine  
2 manufacturer's license by any licensing authority.

3 (b) The foregoing provisions shall not apply to any person  
4 licensed by any licensing authority as a distiller or wine  
5 manufacturer, or to any subsidiary or affiliate of any  
6 distiller or wine manufacturer who shall have been heretofore  
7 licensed by the State Commission as either an importing  
8 distributor or distributor during the annual licensing period  
9 expiring June 30, 1947, and shall actually have made sales  
10 regularly to retailers.

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

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

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

16 (e) Any person having been licensed as a manufacturer shall  
17 be permitted to receive one retailer's license for the premises  
18 in which he or she actually conducts such business, permitting  
19 only the retail sale of beer manufactured at such premises and  
20 only on such premises, but no such person shall be entitled to  
21 more than one retailer's license in any event, and, other than  
22 a manufacturer of beer as stated above, no manufacturer or  
23 distributor or importing distributor, excluding airplane  
24 licensees exercising powers provided in paragraph (i) of  
25 Section 5-1 of this Act, or any subsidiary or affiliate  
26 thereof, or any officer, associate, member, partner,

1 representative, employee or agent, or shareholder shall be  
2 issued a retailer's license, nor shall any person having a  
3 retailer's license, excluding airplane licensees exercising  
4 powers provided in paragraph (i) of Section 5-1 of this Act, or  
5 any subsidiary or affiliate thereof, or any officer, associate,  
6 member, partner, representative or agent, or shareholder be  
7 issued a manufacturer's license or importing distributor's  
8 license.

9 A person licensed as a craft distiller not affiliated with  
10 any other person manufacturing spirits may be authorized by the  
11 Commission to sell up to 5,000 ~~2,500~~ gallons of spirits  
12 produced by the person to non-licensees for on or off-premises  
13 consumption for the premises in which he or she actually  
14 conducts business permitting only the retail sale of spirits  
15 manufactured at such premises. Such sales shall be limited to  
16 on-premises, in-person sales only, for lawful consumption on or  
17 off premises, and such authorization shall be considered a  
18 privilege granted by the craft distiller license. A craft  
19 distiller licensed for retail sale shall secure liquor  
20 liability insurance coverage in an amount at least equal to the  
21 maximum liability amounts set forth in subsection (a) of  
22 Section 6-21 of this Act.

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

26 (i) to any hotel, motel or restaurant whose principal

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

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

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

21 (Source: P.A. 96-1367, eff. 7-28-10; 97-606, eff. 8-26-11;  
22 97-1166, eff. 3-1-13.)

23 Section 99. Effective date. This Act takes effect upon  
24 becoming law."