



Sen. John J. Cullerton

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1 AMENDMENT TO SENATE BILL 729

2 AMENDMENT NO. _____. Amend Senate Bill 729 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 Section 5-1 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 2,500
25 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 the provisions of subsection (c) of
24 Section 10-1 of this Act, any person who holds a retailer's
25 license and maintains storage for alcoholic liquor at any place
26 other than the premises specified in the license without

1 express statutory authorization shall be guilty of a Class B
2 misdemeanor for a first offense and a Class A misdemeanor for a
3 second or subsequent offense.

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

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

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

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

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

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

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

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

1 (i) A wine-maker's premises license shall allow a licensee
2 that concurrently holds a first-class wine-maker's license to
3 sell and offer for sale at retail in the premises specified in
4 such license not more than 50,000 gallons of the first-class
5 wine-maker's wine that is made at the first-class wine-maker's
6 licensed premises per year for use or consumption, but not for
7 resale in any form. A wine-maker's premises license shall allow
8 a licensee who concurrently holds a second-class wine-maker's
9 license to sell and offer for sale at retail in the premises
10 specified in such license up to 100,000 gallons of the
11 second-class wine-maker's wine that is made at the second-class
12 wine-maker's licensed premises per year for use or consumption
13 but not for resale in any form. A wine-maker's premises license
14 shall allow a licensee that concurrently holds a first-class
15 wine-maker's license or a second-class wine-maker's license to
16 sell and offer for sale at retail at the premises specified in
17 the wine-maker's premises license, for use or consumption but
18 not for resale in any form, any beer, wine, and spirits
19 purchased from a licensed distributor. Upon approval from the
20 State Commission, a wine-maker's premises license shall allow
21 the licensee to sell and offer for sale at (i) the wine-maker's
22 licensed premises and (ii) at up to 2 additional locations for
23 use and consumption and not for resale. Each location shall
24 require additional licensing per location as specified in
25 Section 5-3 of this Act. A wine-maker's premises licensee shall
26 secure liquor liability insurance coverage in an amount at

1 least equal to the maximum liability amounts set forth in
2 subsection (a) of Section 6-21 of this Act.

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

23 (k) A foreign importer's license shall permit such licensee
24 to purchase alcoholic liquor from Illinois licensed
25 non-resident dealers only, and to import alcoholic liquor other
26 than in bulk from any point outside the United States and to

1 sell such alcoholic liquor to Illinois licensed importing
2 distributors and to no one else in Illinois; provided that (i)
3 the foreign importer registers with the State Commission every
4 brand of alcoholic liquor that it proposes to sell to Illinois
5 licensees during the license period, (ii) the foreign importer
6 complies with all of the provisions of Section 6-9 of this Act
7 with respect to registration of such Illinois licensees as may
8 be granted the right to sell such brands at wholesale, and
9 (iii) the foreign importer complies with the provisions of
10 Sections 6-5 and 6-6 of this Act to the same extent that these
11 provisions apply to manufacturers.

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

22 No holder of a retailer's license issued by the Illinois
23 Liquor Control Commission shall purchase or receive any
24 alcoholic liquor, the order for which was solicited or offered
25 for sale to such retailer by a broker unless the broker is the
26 holder of a valid broker's license.

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

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

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

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

26 Any agent, representative, or person subject to

1 registration pursuant to subsection (a-1) of this Section shall
2 not be eligible to receive a broker's license.

3 (m) A non-resident dealer's license shall permit such
4 licensee to ship into and warehouse alcoholic liquor into this
5 State from any point outside of this State, and to sell such
6 alcoholic liquor to Illinois licensed foreign importers and
7 importing distributors and to no one else in this State;
8 provided that (i) said non-resident dealer shall register with
9 the Illinois Liquor Control Commission each and every brand of
10 alcoholic liquor which it proposes to sell to Illinois
11 licensees during the license period, (ii) it shall comply with
12 all of the provisions of Section 6-9 hereof with respect to
13 registration of such Illinois licensees as may be granted the
14 right to sell such brands at wholesale, and (iii) the
15 non-resident dealer shall comply with the provisions of
16 Sections 6-5 and 6-6 of this Act to the same extent that these
17 provisions apply to manufacturers.

18 (n) A brew pub license shall allow the licensee (i) to
19 manufacture beer only on the premises specified in the license,
20 (ii) to make sales of the beer manufactured on the premises or,
21 with the approval of the Commission, beer manufactured on
22 another brew pub licensed premises that is substantially owned
23 and operated by the same licensee to importing distributors,
24 distributors, and to non-licensees for use and consumption,
25 (iii) to store the beer upon the premises, and (iv) to sell and
26 offer for sale at retail from the licensed premises, provided

1 that a brew pub licensee shall not sell for off-premises
2 consumption more than 50,000 gallons per year. A person who
3 holds a brew pub license may simultaneously hold a craft brewer
4 license if he or she otherwise qualifies for the craft brewer
5 license and the craft brewer license is for a location separate
6 from the brew pub's licensed premises. A brew pub license shall
7 permit a person who has received prior approval from the
8 Commission to annually transfer no more than a total of 50,000
9 gallons of beer manufactured on premises to all other licensed
10 brew pubs that are substantially owned and operated by the same
11 person.

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

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

25 (q) A special use permit license shall allow an Illinois
26 licensed retailer to transfer a portion of its alcoholic liquor

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

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

1 consenting to the jurisdiction of the Commission, the Illinois
2 Department of Revenue, and the courts of this State concerning
3 the enforcement of this Act and any related laws, rules, and
4 regulations, including authorizing the Department of Revenue
5 and the Commission to conduct audits for the purpose of
6 ensuring compliance with this amendatory Act.

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

26 A winery shipper licensee must collect, maintain, and

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

6 (Source: P.A. 97-5, eff. 6-1-11; 97-455, eff. 8-19-11; 97-813,
7 eff. 7-13-12; 97-1166, eff. 3-1-13; 98-394, eff. 8-16-13;
8 98-401, eff. 8-16-13; revised 9-12-13.)

9 Section 99. Effective date. This Act takes effect upon
10 becoming law.".