



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

SB0207

Introduced 1/22/2025, by Sen. Sally J. Turner

SYNOPSIS AS INTRODUCED:

235 ILCS 5/6-4	from Ch. 43, par. 121
235 ILCS 5/6-5	from Ch. 43, par. 122

Amends the Liquor Control Act of 1934. Provides that an immediate family member of a retail licensee may be issued a wine manufacturer's license if the family member is not named on the retail license and does not have any ownership or other interest in that family member's licensed business. Provides that an individual shall not be deemed to have an ownership or other interest in the licensed business of a spouse if each spouse's ownership is independent and each spouse does not exercise control over or have a financial interest in the other's operations in a manner inconsistent with this Act. Provides that a holder of a wine manufacturer license and a holder of a retail license who are married shall not be deemed to be accepting, receiving, borrowing, or exchanging anything of value solely based on their marital status so long as (i) each spouse independently operates his or her licensed business separately in compliance with the 3-tier regulatory system, (ii) each spouse's ownership is independent, and (iii) neither spouse exercises control or has a financial interest over the other's operations in a manner inconsistent with the Act or the 3-tier regulatory system. Effective immediately.

LRB104 03204 RPS 13225 b

1 AN ACT concerning liquor.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Liquor Control Act of 1934 is amended by
5 changing Sections 6-4 and 6-5 as follows:

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

7 Sec. 6-4. (a) No person licensed by any licensing
8 authority as a distiller, or a wine manufacturer, or any
9 subsidiary or affiliate thereof, or any officer, associate,
10 member, partner, representative, employee, agent or
11 shareholder owning more than 5% of the outstanding shares of
12 such person shall be issued an importing distributor's or
13 distributor's license, nor shall any person licensed by any
14 licensing authority as an importing distributor, distributor
15 or retailer, or any subsidiary or affiliate thereof, or any
16 officer or associate, member, partner, representative,
17 employee, agent or shareholder owning more than 5% of the
18 outstanding shares of such person be issued a distiller's
19 license, a craft distiller's license, or a wine manufacturer's
20 license; and no person or persons licensed as a distiller,
21 craft distiller, class 1 craft distiller, or class 2 craft
22 distiller by any licensing authority shall have any interest,
23 directly or indirectly, with such distributor or importing

1 distributor. However, an immediate family member of a retail
2 licensee may be issued a wine manufacturer's license if the
3 family member is not named on the retail license and does not
4 have any ownership or other interest in that other family
5 member's business for which the wine manufacturer license was
6 issued. An individual shall not be deemed to have an ownership
7 or other interest in the licensed business of a spouse if each
8 spouse's ownership is independent and each spouse does not
9 exercise control over or have a financial interest in the
10 other's operations in a manner inconsistent with this Act.

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

20 (b) The foregoing provisions shall not apply to any person
21 licensed by any licensing authority as a distiller or wine
22 manufacturer, or to any subsidiary or affiliate of any
23 distiller or wine manufacturer who shall have been heretofore
24 licensed by the State Commission as either an importing
25 distributor or distributor during the annual licensing period
26 expiring June 30, 1947, and shall actually have made sales

1 regularly to retailers.

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

23 (d) It shall be unlawful for any distiller licensed
24 anywhere to have any stock ownership or interest in any
25 distributor's or importing distributor's license wherein any
26 other person has an interest therein who is not a distiller and

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

7 (e) Any person licensed as a brewer, class 1 brewer, or
8 class 2 brewer shall be permitted to sell on the licensed
9 premises to non-licensees for on or off-premises consumption
10 for the premises in which he or she actually conducts such
11 business: (i) beer manufactured by the brewer, class 1 brewer,
12 class 2 brewer, or class 3 brewer; (ii) beer manufactured by
13 any other brewer, class 1 brewer, class 2 brewer, or class 3
14 brewer; and (iii) cider or mead. Any person licensed as a class
15 3 brewer shall be permitted to sell on the licensed premises to
16 non-licensees for on or off premises consumption for the
17 premises in which he or she actually conducts such business:
18 (i) beer manufactured by the class 3 brewer on the premises;
19 (ii) beer manufactured by any other brewer, class 1 brewer,
20 class 2 brewer, or class 3 brewer; and (iii) cider, wine, and
21 spirits. All products sold under this subsection that are not
22 manufactured on premises must be purchased through a licensed
23 distributor, importing distributor, or manufacturer with
24 self-distribution privileges. Such sales shall be limited to
25 on-premises, in-person sales only, for lawful consumption on
26 or off premises. Such authorization shall be considered a

1 privilege granted by the brewer license and, other than a
2 manufacturer of beer as stated above, no manufacturer or
3 distributor or importing distributor, excluding airplane
4 licensees exercising powers provided in paragraph (i) of
5 Section 5-1 of this Act, or any subsidiary or affiliate
6 thereof, or any officer, associate, member, partner,
7 representative, employee or agent, or shareholder shall be
8 issued a retailer's license, nor shall any person having a
9 retailer's license, excluding airplane licensees exercising
10 powers provided in paragraph (i) of Section 5-1 of this Act, or
11 any subsidiary or affiliate thereof, or any officer,
12 associate, member, partner, representative or agent, or
13 shareholder be issued a manufacturer's license or importing
14 distributor's license.

15 A manufacturer of beer that imports or transfers beer into
16 this State must comply with Sections 6-8 and 8-1 of this Act.

17 A person who holds a class 2 brewer license and is
18 authorized by this Section to sell beer to non-licensees shall
19 not sell beer to non-licensees from more than 3 total brewer or
20 commonly owned brew pub licensed locations in this State. The
21 class 2 brewer shall designate to the State Commission the
22 brewer or brew pub locations from which it will sell beer to
23 non-licensees.

24 A person licensed as a class 1 craft distiller or a class 2
25 craft distiller, including a person who holds more than one
26 class 1 craft distiller or class 2 craft distiller license,

1 not affiliated with any other person manufacturing spirits may
2 be authorized by the State Commission to sell (1) up to 5,000
3 gallons of spirits produced by the person to non-licensees for
4 on or off-premises consumption for the premises in which he or
5 she actually conducts business permitting only the retail sale
6 of spirits manufactured at such premises and (2) vermouth
7 purchased through a licensed distributor for on-premises
8 consumption. Such sales shall be limited to on-premises,
9 in-person sales only, for lawful consumption on or off
10 premises, and such authorization shall be considered a
11 privilege granted by the class 1 craft distiller or class 2
12 craft distiller license. A class 1 craft distiller or class 2
13 craft distiller licensed for retail sale shall secure liquor
14 liability insurance coverage in an amount at least equal to
15 the maximum liability amounts set forth in subsection (a) of
16 Section 6-21 of this Act.

17 A class 1 craft distiller or class 2 craft distiller
18 license holder shall not deliver any alcoholic liquor to any
19 non-licensee off the licensed premises. A class 1 craft
20 distiller or class 2 craft distiller shall affirm in its
21 annual license application that it does not produce more than
22 50,000 or 100,000 gallons of distilled spirits annually,
23 whichever is applicable, and that the craft distiller does not
24 sell more than 5,000 gallons of spirits to non-licensees for
25 on or off-premises consumption. In the application, which
26 shall be sworn under penalty of perjury, the class 1 craft

1 distiller or class 2 craft distiller shall state the volume of
2 production and sales for each year since the class 1 craft
3 distiller's or class 2 craft distiller's establishment.

4 A person who holds a class 1 craft distiller or class 2
5 craft distiller license and is authorized by this Section to
6 sell spirits to non-licensees shall not sell spirits to
7 non-licensees from more than 3 total distillery or commonly
8 owned distilling pub licensed locations in this State. The
9 class 1 craft distiller or class 2 craft distiller shall
10 designate to the State Commission the distillery or distilling
11 pub locations from which it will sell spirits to
12 non-licensees.

13 (f) (Blank).

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 (h) The changes made to this Section by Public Act 99-47
22 shall not diminish or impair the rights of any person, whether
23 a distiller, wine manufacturer, agent, or affiliate thereof,
24 who requested in writing and submitted documentation to the
25 State Commission on or before February 18, 2015 to be approved
26 for a retail license pursuant to what has heretofore been

1 subsection (f); provided that, on or before that date, the
2 State Commission considered the intent of that person to apply
3 for the retail license under that subsection and, by recorded
4 vote, the State Commission approved a resolution indicating
5 that such a license application could be lawfully approved
6 upon that person duly filing a formal application for a retail
7 license and if that person, within 90 days of the State
8 Commission appearance and recorded vote, first filed an
9 application with the appropriate local commission, which
10 application was subsequently approved by the appropriate local
11 commission prior to consideration by the State Commission of
12 that person's application for a retail license. It is further
13 provided that the State Commission may approve the person's
14 application for a retail license or renewals of such license
15 if such person continues to diligently adhere to all
16 representations made in writing to the State Commission on or
17 before February 18, 2015, or thereafter, or in the affidavit
18 filed by that person with the State Commission to support the
19 issuance of a retail license and to abide by all applicable
20 laws and duly adopted rules.

21 (i) Notwithstanding any other provision of this Act, the
22 common ownership of a brewery, winery, or a distillery shall
23 not authorize the grant of and aggregation of retail
24 privileges granted to any person or licensees in subsection
25 (e). Any person or licensee with common ownership in a
26 brewery, winery, or a distillery shall be limited to the

1 retail privileges granted to only one of the commonly owned
2 brewery, winery, or distillery. The State Commission is hereby
3 authorized to restrict the locations of any commonly owned
4 brewery, winery, or distillery to prevent the expansion of
5 retail privileges, including, without limitation, restricting
6 a commonly owned brewery, winery, or distillery from operating
7 in adjacent licensed premises or restricting self-distribution
8 privileges.

9 (Source: P.A. 101-81, eff. 7-12-19; 101-482, eff. 8-23-19;
10 101-615, eff. 12-20-19; 102-442, eff. 8-20-21.)

11 (235 ILCS 5/6-5) (from Ch. 43, par. 122)

12 Sec. 6-5. Except as otherwise provided in this Section, it
13 is unlawful for any person having a retailer's license or any
14 officer, associate, member, representative or agent of such
15 licensee to accept, receive or borrow money, or anything else
16 of value, or accept or receive credit (other than
17 merchandising credit in the ordinary course of business for a
18 period not to exceed 30 days) directly or indirectly from any
19 manufacturer, importing distributor or distributor of
20 alcoholic liquor, or from any person connected with or in any
21 way representing, or from any member of the family of, such
22 manufacturer, importing distributor, distributor or
23 wholesaler, or from any stockholders in any corporation
24 engaged in manufacturing, distributing or wholesaling of such
25 liquor, or from any officer, manager, agent or representative

1 of said manufacturer. Except as provided below, it is unlawful
2 for any manufacturer or distributor or importing distributor
3 to give or lend money or anything of value, or otherwise loan
4 or extend credit (except such merchandising credit) directly
5 or indirectly to any retail licensee or to the manager,
6 representative, agent, officer or director of such licensee. A
7 manufacturer, distributor or importing distributor may furnish
8 free advertising, posters, signs, brochures, hand-outs, or
9 other promotional devices or materials to any unit of
10 government owning or operating any auditorium, exhibition
11 hall, recreation facility or other similar facility holding a
12 retailer's license, provided that the primary purpose of such
13 promotional devices or materials is to promote public events
14 being held at such facility. For the purposes of this Section,
15 a holder of a wine manufacturer license and a holder of a
16 retail license who are married shall not be deemed to be
17 accepting, receiving, borrowing, or exchanging anything of
18 value solely based on his or her marital status so long as (i)
19 each spouse independently operates his or her licensed
20 business separately in compliance with the 3-tier regulatory
21 system, (ii) each spouse's ownership is independent, and (iii)
22 neither spouse exercises control over or has a financial
23 interest in the other's operations in a manner inconsistent
24 with this Act or the 3-tier regulatory system. A unit of
25 government owning or operating such a facility holding a
26 retailer's license may accept such promotional devices or

1 materials designed primarily to promote public events held at
2 the facility. No retail licensee delinquent beyond the 30 day
3 period specified in this Section shall solicit, accept or
4 receive credit, purchase or acquire alcoholic liquors,
5 directly or indirectly from any other licensee, and no
6 manufacturer, distributor or importing distributor shall
7 knowingly grant or extend credit, sell, furnish or supply
8 alcoholic liquors to any such delinquent retail licensee;
9 provided that the purchase price of all beer sold to a retail
10 licensee shall be paid by the retail licensee in cash on or
11 before delivery of the beer, and unless the purchase price
12 payable by a retail licensee for beer sold to him in returnable
13 bottles shall expressly include a charge for the bottles and
14 cases, the retail licensee shall, on or before delivery of
15 such beer, pay the seller in cash a deposit in an amount not
16 less than the deposit required to be paid by the distributor to
17 the brewer; but where the brewer sells direct to the retailer,
18 the deposit shall be an amount no less than that required by
19 the brewer from his own distributors; and provided further,
20 that in no instance shall this deposit be less than 50 cents
21 for each case of beer in pint or smaller bottles and 60 cents
22 for each case of beer in quart or half-gallon bottles; and
23 provided further, that the purchase price of all beer sold to
24 an importing distributor or distributor shall be paid by such
25 importing distributor or distributor in cash on or before the
26 15th day (Sundays and holidays excepted) after delivery of

1 such beer to such purchaser; and unless the purchase price
2 payable by such importing distributor or distributor for beer
3 sold in returnable bottles and cases shall expressly include a
4 charge for the bottles and cases, such importing distributor
5 or distributor shall, on or before the 15th day (Sundays and
6 holidays excepted) after delivery of such beer to such
7 purchaser, pay the seller in cash a required amount as a
8 deposit to assure the return of such bottles and cases.
9 Nothing herein contained shall prohibit any licensee from
10 crediting or refunding to a purchaser the actual amount of
11 money paid for bottles, cases, kegs or barrels returned by the
12 purchaser to the seller or paid by the purchaser as a deposit
13 on bottles, cases, kegs or barrels, when such containers or
14 packages are returned to the seller. Nothing herein contained
15 shall prohibit any manufacturer, importing distributor or
16 distributor from extending usual and customary credit for
17 alcoholic liquor sold to customers or purchasers who live in
18 or maintain places of business outside of this State when such
19 alcoholic liquor is actually transported and delivered to such
20 points outside of this State.

21 A manufacturer, distributor, or importing distributor may
22 furnish free social media advertising to a retail licensee if
23 the social media advertisement does not contain the retail
24 price of any alcoholic liquor and the social media
25 advertisement complies with any applicable rules or
26 regulations issued by the Alcohol and Tobacco Tax and Trade

1 Bureau of the United States Department of the Treasury. A
2 manufacturer, distributor, or importing distributor may list
3 the names of one or more unaffiliated retailers in the
4 advertisement of alcoholic liquor through social media.
5 Nothing in this Section shall prohibit a retailer from
6 communicating with a manufacturer, distributor, or importing
7 distributor on social media or sharing media on the social
8 media of a manufacturer, distributor, or importing
9 distributor. A retailer may request free social media
10 advertising from a manufacturer, distributor, or importing
11 distributor. Nothing in this Section shall prohibit a
12 manufacturer, distributor, or importing distributor from
13 sharing, reposting, or otherwise forwarding a social media
14 post by a retail licensee, so long as the sharing, reposting,
15 or forwarding of the social media post does not contain the
16 retail price of any alcoholic liquor. No manufacturer,
17 distributor, or importing distributor shall pay or reimburse a
18 retailer, directly or indirectly, for any social media
19 advertising services, except as specifically permitted in this
20 Act. No retailer shall accept any payment or reimbursement,
21 directly or indirectly, for any social media advertising
22 services offered by a manufacturer, distributor, or importing
23 distributor, except as specifically permitted in this Act. For
24 the purposes of this Section, "social media" means a service,
25 platform, or site where users communicate with one another and
26 share media, such as pictures, videos, music, and blogs, with

1 other users free of charge.

2 No right of action shall exist for the collection of any
3 claim based upon credit extended to a distributor, importing
4 distributor or retail licensee contrary to the provisions of
5 this Section.

6 Every manufacturer, importing distributor and distributor
7 shall submit or cause to be submitted, to the State
8 Commission, not later than Thursday of each calendar week, a
9 verified written list of the names and respective addresses of
10 each retail licensee purchasing spirits or wine from such
11 manufacturer, importing distributor or distributor who, on the
12 first business day of that calendar week, was delinquent
13 beyond the above mentioned permissible merchandising credit
14 period of 30 days; or, if such is the fact, a verified written
15 statement that no retail licensee purchasing spirits or wine
16 was then delinquent beyond such permissible merchandising
17 credit period of 30 days.

18 Every manufacturer, importing distributor and distributor
19 shall submit or cause to be submitted, to the State
20 Commission, a verified written list of the names and
21 respective addresses of each previously reported delinquent
22 retail licensee who has cured such delinquency by payment,
23 which list shall be submitted not later than the close of the
24 second full business day following the day such delinquency
25 was so cured.

26 The written list of delinquent retail licensees shall be

1 developed, administered, and maintained only by the State
2 Commission. The State Commission shall notify each retail
3 licensee that it has been placed on the delinquency list.
4 Determinations of delinquency or nondelinquency shall be made
5 only by the State Commission.

6 Such written verified reports required to be submitted by
7 this Section shall be posted by the State Commission in each of
8 its offices in places available for public inspection not
9 later than the day following receipt thereof by the State
10 Commission. The reports so posted shall constitute notice to
11 every manufacturer, importing distributor and distributor of
12 the information contained therein. Actual notice to
13 manufacturers, importing distributors and distributors of the
14 information contained in any such posted reports, however
15 received, shall also constitute notice of such information.

16 The 30-day merchandising credit period allowed by this
17 Section shall commence with the day immediately following the
18 date of invoice and shall include all successive days
19 including Sundays and holidays to and including the 30th
20 successive day.

21 In addition to other methods allowed by law, payment by
22 check or credit card during the period for which merchandising
23 credit may be extended under the provisions of this Section
24 shall be considered payment. All checks received in payment
25 for alcoholic liquor shall be promptly deposited for
26 collection. A post dated check or a check dishonored on

1 presentation for payment shall not be deemed payment.

2 A credit card payment in dispute by a retailer shall not be
3 deemed payment, and the debt uncured for merchandising credit
4 shall be reported as delinquent. Nothing in this Section shall
5 prevent a distributor, self-distributing manufacturer, or
6 importing distributor from assessing a usual and customary
7 transaction fee representative of the actual finance charges
8 incurred for processing a credit card payment. This
9 transaction fee shall be disclosed on the invoice. It shall be
10 considered unlawful for a distributor, importing distributor,
11 or self-distributing manufacturer to waive finance charges for
12 retailers.

13 A retail licensee shall not be deemed to be delinquent in
14 payment for any alleged sale to him of alcoholic liquor when
15 there exists a bona fide dispute between such retailer and a
16 manufacturer, importing distributor or distributor with
17 respect to the amount of indebtedness existing because of such
18 alleged sale. A retail licensee shall not be deemed to be
19 delinquent under this provision and 11 Ill. Adm. Code 100.90
20 until 30 days after the date on which the region in which the
21 retail licensee is located enters Phase 4 of the Governor's
22 Restore Illinois Plan as issued on May 5, 2020.

23 A delinquent retail licensee who engages in the retail
24 liquor business at 2 or more locations shall be deemed to be
25 delinquent with respect to each such location.

26 The license of any person who violates any provision of

1 this Section shall be subject to suspension or revocation in
2 the manner provided by this Act.

3 If any part or provision of this Article or the
4 application thereof to any person or circumstances shall be
5 adjudged invalid by a court of competent jurisdiction, such
6 judgment shall be confined by its operation to the controversy
7 in which it was mentioned and shall not affect or invalidate
8 the remainder of this Article or the application thereof to
9 any other person or circumstance and to this and the
10 provisions of this Article are declared severable.

11 (Source: P.A. 102-8, eff. 6-2-21; 102-442, eff. 1-1-22;
12 102-813, eff. 5-13-22; 103-363, eff. 7-28-23.)

13 Section 99. Effective date. This Act takes effect upon
14 becoming law.