

1 AN ACT in relation to alcoholic 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 3-12 and 6-11 as follows:

6 (235 ILCS 5/3-12) (from Ch. 43, par. 108)

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

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

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

26 In lieu of suspending or revoking a license, the
27 commission may impose a fine, upon the State commission's
28 determination and notice after hearing, that a licensee
29 has violated any provision of this Act or any rule or
30 regulation issued pursuant thereto and in effect for 30
31 days prior to such violation. The fine imposed under

1 this paragraph may not exceed \$500 for each violation.
2 Each day that the activity, which gave rise to the
3 original fine, continues is a separate violation. The
4 maximum fine that may be levied against any licensee, for
5 the period of the license, shall not exceed \$20,000. The
6 maximum penalty that may be imposed on a licensee for
7 selling a bottle of alcoholic liquor with a foreign
8 object in it or serving from a bottle of alcoholic liquor
9 with a foreign object in it shall be the destruction of
10 that bottle of alcoholic liquor for the first 10 bottles
11 so sold or served from by the licensee. For the eleventh
12 bottle of alcoholic liquor and for each third bottle
13 thereafter sold or served from by the licensee with a
14 foreign object in it, the maximum penalty that may be
15 imposed on the licensee is the destruction of the bottle
16 of alcoholic liquor and a fine of up to \$50.

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

25 (3) To call upon other administrative departments
26 of the State, county and municipal governments, county
27 and city police departments and upon prosecuting officers
28 for such information and assistance as it deems necessary
29 in the performance of its duties.

30 (4) To recommend to local commissioners rules and
31 regulations, not inconsistent with the law, for the
32 distribution and sale of alcoholic liquors throughout the
33 State.

34 (5) To inspect, or cause to be inspected, any

1 premises in this State where alcoholic liquors are
2 manufactured, distributed, warehoused, or sold.

3 (5.1) Upon receipt of a complaint or upon having
4 knowledge that any person is engaged in business as a
5 manufacturer, importing distributor, distributor, or
6 retailer without a license or valid license, to notify
7 the local liquor authority, file a complaint with the
8 State's Attorney's Office of the county where the
9 incident occurred, or initiate an investigation with the
10 appropriate law enforcement officials.

11 (5.2) To issue a cease and desist notice to persons
12 shipping alcoholic liquor into this State from a point
13 outside of this State if the shipment is in violation of
14 this Act.

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

31 (6) To hear and determine appeals from orders of a
32 local commission in accordance with the provisions of
33 this Act, as hereinafter set forth. Hearings under this
34 subsection shall be held in Springfield or Chicago, at

1 whichever location is the more convenient for the
2 majority of persons who are parties to the hearing.

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

28 (8) In the conduct of any hearing authorized to be
29 held by the commission, to appoint, at the commission's
30 discretion, hearing officers to conduct hearings
31 involving complex issues or issues that will require a
32 protracted period of time to resolve, to examine, or
33 cause to be examined, under oath, any licensee, and to
34 examine or cause to be examined the books and records of

1 such licensee; to hear testimony and take proof material
2 for its information in the discharge of its duties
3 hereunder; to administer or cause to be administered
4 oaths; and for any such purpose to issue subpoena or
5 subpoenas to require the attendance of witnesses and the
6 production of books, which shall be effective in any part
7 of this State, and to adopt rules to implement its powers
8 under this paragraph (8).

9 Any Circuit Court may by order duly entered, require
10 the attendance of witnesses and the production of
11 relevant books subpoenaed by the State commission and the
12 court may compel obedience to its order by proceedings
13 for contempt.

14 (9) To investigate the administration of laws in
15 relation to alcoholic liquors in this and other states
16 and any foreign countries, and to recommend from time to
17 time to the Governor and through him or her to the
18 legislature of this State, such amendments to this Act,
19 if any, as it may think desirable and as will serve to
20 further the general broad purposes contained in Section
21 1-2 hereof.

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

27 (11) To develop industry educational programs
28 related to responsible serving and selling, particularly
29 in the areas of overserving consumers and illegal
30 underage purchasing and consumption of alcoholic
31 beverages.

32 (11.1) To license persons providing education and
33 training to alcohol beverage sellers and servers under
34 the Beverage Alcohol Sellers and Servers Education and

1 Training (BASSET) programs and to develop and administer
2 a public awareness program in Illinois to reduce or
3 eliminate the illegal purchase and consumption of
4 alcoholic beverage products by persons under the age of
5 21. Application for a license shall be made on forms
6 provided by the State Commission.

7 (12) To develop and maintain a repository of
8 license and regulatory information.

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

18 As part of its report, the Commission shall provide
19 the following essential information:

20 (i) the number of retail distributors of
21 tobacco products, by type and geographic area, in
22 the State;

23 (ii) the number of reported citations and
24 successful convictions, categorized by type and
25 location of retail distributor, for violation of the
26 Sale of Tobacco to Minors Act and the Smokeless
27 Tobacco Limitation Act;

28 (iii) the extent and nature of organized
29 educational and governmental activities that are
30 intended to promote, encourage or otherwise secure
31 compliance with any Illinois laws that prohibit the
32 sale or distribution of tobacco products to minors;
33 and

34 (iv) the level of access and availability of

1 tobacco products to individuals under the age of 18.

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

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

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

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

25 As part of its report, the Commission shall provide the
26 following information:

27 (i) the amount of State excise and sales tax
28 revenues generated as a result of this amendatory Act of
29 1998;

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

32 (iii) the number of reported violations, the number
33 of cease and desist notices issued by the Commission, the
34 number of notices of violations issued to the Department

1 of Revenue, and the number of notices and complaints of
2 violations to law enforcement officials.

3 (Source: P.A. 91-553, eff. 8-14-99; 91-922, eff. 7-7-00;
4 92-378, eff. 8-16-01.)

5 (235 ILCS 5/6-11) (from Ch. 43, par. 127)

6 Sec. 6-11. No license shall be issued for the sale at
7 retail of any alcoholic liquor within 100 feet of any church,
8 school other than an institution of higher learning,
9 hospital, home for aged or indigent persons or for veterans,
10 their spouses or children or any military or naval station,
11 provided, that this prohibition shall not apply to hotels
12 offering restaurant service, regularly organized clubs, or to
13 restaurants, food shops or other places where sale of
14 alcoholic liquors is not the principal business carried on if
15 the place of business so exempted is not located in a
16 municipality of more than 500,000 persons, unless required by
17 local ordinance; nor to the renewal of a license for the sale
18 at retail of alcoholic liquor on premises within 100 feet of
19 any church or school where the church or school has been
20 established within such 100 feet since the issuance of the
21 original license. In the case of a church, the distance of
22 100 feet shall be measured to the nearest part of any
23 building used for worship services or educational programs
24 and not to property boundaries.

25 Nothing in this Section shall prohibit the issuance of a
26 retail license authorizing the sale of alcoholic liquor to a
27 restaurant, the primary business of which is the sale of
28 goods baked on the premises if (i) the restaurant is newly
29 constructed and located on a lot of not less than 10,000
30 square feet, (ii) the restaurant costs at least \$1,000,000 to
31 construct, (iii) the licensee is the titleholder to the
32 premises and resides on the premises, and (iv) the
33 construction of the restaurant is completed within 18 months

1 of the effective date of this amendatory Act of 1998.

2 Nothing in this Section shall prohibit the issuance of a
3 retail license authorizing the sale of alcoholic liquor
4 incidental to a restaurant if (1) the primary business of the
5 restaurant consists of the sale of food where the sale of
6 liquor is incidental to the sale of food and the applicant is
7 a completely new owner of the restaurant, (2) the immediately
8 prior owner or operator of the premises where the restaurant
9 is located operated the premises as a restaurant and held a
10 valid retail license authorizing the sale of alcoholic liquor
11 at the restaurant for at least part of the 24 months before
12 the change of ownership, and (3) the restaurant is located 75
13 or more feet from a school.

14 In the interest of further developing Illinois' economy
15 in the area of commerce, tourism, convention, and banquet
16 business, nothing in this Section shall prohibit issuance of
17 a retail license authorizing the sale of alcoholic beverages
18 to a restaurant, banquet facility, grocery store, or hotel
19 having not fewer than 150 guest room accommodations located
20 in a municipality of more than 500,000 persons,
21 notwithstanding the proximity of such hotel, restaurant,
22 banquet facility, or grocery store to any church or school,
23 if the licensed premises described on the license are located
24 within an enclosed mall or building of a height of at least 6
25 stories, or 60 feet in the case of a building that has been
26 registered as a national landmark, or in a grocery store
27 having a minimum of 56,010 square feet of floor space in a
28 single story building in an open mall of at least 3.96 acres
29 that is adjacent to a public school that opened as a boys
30 technical high school in 1934, and in each of these cases if
31 the sale of alcoholic liquors is not the principal business
32 carried on by the licensee.

33 For purposes of this Section, a "banquet facility" is any
34 part of a building that caters to private parties and where

1 the sale of alcoholic liquors is not the principal business.

2 Nothing in this Section shall prohibit the issuance of a
3 license to a church or private school to sell at retail
4 alcoholic liquor if any such sales are limited to periods
5 when groups are assembled on the premises solely for the
6 promotion of some common object other than the sale or
7 consumption of alcoholic liquors.

8 Nothing in this Section shall prohibit a church or church
9 affiliated school located in a home rule municipality or in a
10 municipality with 75,000 or more inhabitants from locating
11 within 100 feet of a property for which there is a
12 preexisting license to sell alcoholic liquor at retail. In
13 these instances, the local zoning authority may, by ordinance
14 adopted simultaneously with the granting of an initial
15 special use zoning permit for the church or church affiliated
16 school, provide that the 100-foot restriction in this Section
17 shall not apply to that church or church affiliated school
18 and future retail liquor licenses.

19 (Source: P.A. 90-617, eff. 7-10-98; 90-655, eff. 7-30-98;
20 91-357, eff. 7-29-99; 91-623, eff. 1-1-00.)

21 Section 99. Effective date. This Act takes effect upon
22 becoming law.