

# Newsletter of the Illinois Liquor Control Commission

# **Greetings from the Executive Director**



Season's Greetings. This holiday season (and the last two years) have been undoubtedly difficult. Please know that we at the Liquor Control Commission ("ILCC") are keeping those residents and businesses impacted by the recent natural disaster in our thoughts. We know that the recent tornado as well as the rapidly growing Covid rates caused by the fast spreading Omicron variant, has put additional pressure on Illinois residents, businesses and our licensees. That coupled with the expiration of the license renewal exten-

sion as well as the delinquency list transition may also be causing additional strain to some of our licensees. Please be assured that the ILCC is available to provide any assistance, where we can, to help impacted licensees. Our knowledgeable staff are available to work with you to help you find some assistance during these trying times. And if you find our processing times to be are a little longer than normal, please remain patient with us as we too are feeling the effects of these difficult times.

And as always, the ILCC and local law enforcement agencies will be continuing to conduct underage compliance checks to ensure that young people are not consuming and purchasing alcohol. To that end will continue to hire underage compliance assistants and we encourage them to apply. More information can be found on our website.

As we move into 2022, let's all do our part to ensure that we close out the year strong and safe. I am sure I speak for everyone when I say we are all looking forward to a brighter future than the last two years have provided us. Stay safe.



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**Retail Theft LICENSING** 

It is our mission at the ILCC to ensure that the industry is conducting itself in a safe and responsible manner and that alcohol consumption is safe and moderated. However, we also want to assist our retailers by providing some useful information that may help prevent retailers from falling victim to fraud and scams.

During the holidays, theft, especially retail theft, is a huge concern. Nationally, it is estimated that nearly \$30 billion is lost due to retail theft, which includes but isn't limited to supply-chain theft, merchandise theft, and fraud. Alcohol is often one of the most frequently stolen items.

However, it is important to note that counterfeit currency can be another area of retail theft if retailers sell alcohol in exchange for counterfeit currency, resulting in loss revenue from the fraudulent transaction. That's why we wanted to encourage retailers to pay extra attention whenever bills are being presented in exchange for products. Especially the bars and nightclubs, where traditionally dark and crowded establishments may encourage employees to provide quick turnaround.

Our licensed establishments are often ideal places for organized crime members to circulate counterfeit bills. Due to the sophistication of modern ink-jet printers and digital printers, counterfeit bills may closely resemble real bills, even in feel. However, it should be noted that real bills have key features that are unable to be replicated. These features include, but are not limited to: Security threads, Watermarks, and color shifting ink.

The United States Secret Service has provided the ILCC with information on how to identify counterfeit bills. If you would like to receive this information, please contact us at ILCC@Illinois.gov with the name of your establishment and license number and we would be happy to send you a digital copy.

If you or any of your employees suspect counterfeiting, please contact your local police and the United States Secret Service. For your convenience, some local numbers are as follows: Chicago Office – (312) 353-5431, Springfield Office – (217) 726-8453 and St. Louis Office - (314) 539-2238.

## **Renewing Online**

**LICENSING** 



MyTax Illinois is the state's free online account management program that offers a centralized location for individuals and businesses to register for taxes and file returns, but it also allows ILCC Licensees to renew their state liquor license online. Please find instructions on how to navigate the MyTax Illinois program when renewing a license online.

### 2021 & 2022 Renewals

The pandemic license renewal extension expires December 31, 2021. If you see a renewal link for 2021 and 2022, that indicates that you need to renew for 2 years. Please make sure you renew for both years.



## **ILCC News**

### **Article suggestions** are welcome!

The ILCC welcomes your input to enhance the ILCC News. If you have a suggestion for an article or topic or have a helpful hint to share with other licensees, please contact the ILCC's Chicago Office.

ILCC News is published by the Illinois Liquor Control Commission for state liquor licensees, local government officials, industry associations, and related government agencies.

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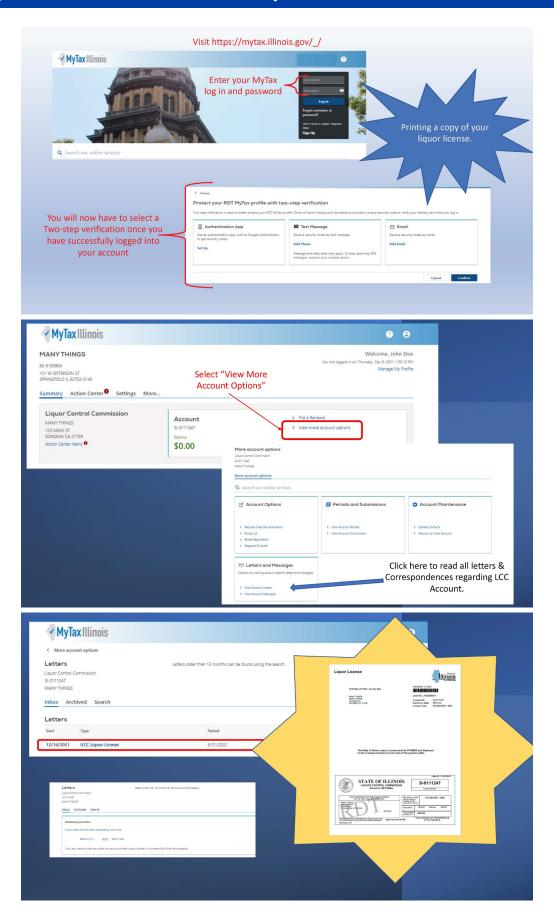
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# Printing Your State of Illinois Liquor License



## Introduction of General Counsel



Noel Quanbeck joined the ILCC as its General Counsel in July of 2021. Prior to this he worked as a litigator and trial attorney for the City of Chicago Department of Law in its Business and License Enforcement Division. Over sixteen years he prosecuted hundreds of cases before the Mayor's License Discipline Commission for violations of

state and local laws related to the sale and regulation of

alcohol, illegal business practices, gambling, zoning, and myriad other issues.

Noel graduated from Loyola University Chicago School of Law and was admitted to the Illinois Bar in 2005. Before law school Noel attended Iowa State University, where he graduated with a bachelor's degree in history. After college Noel mapped the seafloor for ten years as a hydrographic surveyor with the National Oceanic and Atmospheric Administration, and later for a Dutch geophysical company. These days he finds it much more comfortable, but no less challenging, plumbing the depths of the Liquor Control Act.

# Legislative Updates

**LEGAL** 

Earlier this year the Governor signed into law a number of bills which amended the Liquor Control Act in a multitude of ways. One of those amendments, P.A. 102-0442, calls for the Liquor Control Commission to assume management of the 30-Day Credit Delinquency List by January of 2022. ILCC staff and DoIT have been working tirelessly around the clock to bring the <u>Delinquency List online</u> and have developed a system that will be improved upon with time and developed into a more robust system.



### **Delinquency List**

The delinquency process will not change drastically. Distributors

who determine that a retailer has not paid-back their 30-day credit will submit the retailer information to the Commission via our website. Submissions will be reviewed by our staff to ensure that the submission is a legitimate delinquency (the ILCC will require some proof of delinquency). Retailers can file a bona fide dispute, which will prompt the ILCC to investigate whether that retailer is actually delinquent.

Additionally, P.A. 101-0668 amended Section 5/5-1(d) of the Liquor Control Act to allow limited retailer shipping and delivery privileges. For full text of amended section and further explanation click here. A retailer who uses a common carrier such as FedEx or UPS to transport alcoholic liquor to a consumer in the original product package conducts "shipping." A retailer or its third-party shipping agent may only ship alcoholic liquor if the State Commission has designated the retailer as an off-premise consumption or a combined (off-premise/

on-premise) retailer and the local liquor control commission or local ordinance has authorized the retailer to ship alcoholic liquor. No other licensee is authorized to ship alcoholic liquor directly to consumers except a winery shipper's license holder. It is important to verify that local ordinances do not prohibit shipment of alcoholic liquor into municipal jurisdictions.

A retailer may "deliver" alcoholic liquor to a consumer by: transporting alcoholic liquor in the original product package to a consumer in the retailer's parking lot or curbside, or; delivering by way of an owner, officer, director, shareholder, or employee of the retailer, or; through a third-party agent with whom the retailer has contracted to make deliveries of alcoholic liquors, such as delivery companies specializing in food and beverage deliveries, but does NOT include common carriers. A retailer and its third-party delivery agent may only deliver alcoholic liquor if the State Commission has designated the retailer as an off-premise consumption or a combined (off-premise/on-premise) retailer. Delivery to the consumer must occur no later than 12 hours from the time the products leave the retailer.

A retailer and its third-party shipping or delivery agent must abide by all requirements of Sections 6-16, 6-29, and 6-29.1 of the Act which include, but are not limited to: proper labeling; age verification by signature of a person 21 years of age or older at the delivery address at the time of the delivery; delivery confirmation from the third-party delivery company. The retailer and its third-party shipping or delivery agent must abide by all local, state, and federal shipping and delivery laws,

including but not limited to alcohol beverage shipping and delivery laws of other states. A retailer who utilizes a third-party common carrier or third-party delivery agent to ship or deliver alcoholic liquor shall be liable for any shipping or delivery violations.

All states prohibit the shipping or delivery of alcoholic liquor into each state without a license. Some states permit a retailer to obtain a license to ship or deliver into that state. It is important to know other states' alcohol

beverage laws before conducting shipping or delivery into other states. Illegal shipping or delivery into other states could jeopardize your Illinois retail license. Finally, the Railroad Intoxicating Liquor Act, 610 ILCS 90/et seq., which prohibits the drinking of intoxicating liquor on any railroad station or platform, or in or upon any railroad, smoking car, parlor car, day coach, interurban car or caboose car in use for the transportation of passengers, is repealed as of January 1, 2022.

## Shipping and Delivery of Alcoholic Liquor

**LEGAL** 

# ILCC Legislative Bulletin Public Act 101-0668 (Senate Bill 54)

Public Act 101-0668 (Senate Bill 54) becomes effective on January 1, 2022, and amends Section 5/5-1(d) of the Illinois Liquor Control Act ("Act") affecting retailer licensing shipping and delivery privileges.

Section 5/5-1(d) has been amended as follows: (d) A retailer's license shall allow the licensee to sell and offer for sale at retail, only in the premises specified in the license, alcoholic liquor for use or consumption, but not for resale in any form. Except as provided in Section 6-16, 6-29, or 6-29.1, nothing in this Act Nothing in Public Act 95-634 shall deny, limit, remove, or restrict the ability of a holder of a retailer's license to transfer, deliver, or ship alcoholic liquor to the purchaser for use or consumption subject to any applicable local law or ordinance. For the purposes of this Section, "shipping" means the movement of alcoholic liquor from a licensed retailer to a consumer via a common carrier. Except as provided in Section 6-16, 6-29, or 6-29.1, nothing in this Act shall deny, limit, remove, or restrict the ability of a holder of a retailer's license to deliver alcoholic liquor to the purchaser for use or consumption. The delivery shall be made only within 12 hours from the time the alcoholic liquor leaves the licensed premises of the retailer for delivery. For the purposes of this Section, "delivery" means the movement of alcoholic liquor purchased from a licensed retailer to a consumer through the following methods:

- (1) delivery within licensed retailer's parking lot, including curbside, for pickup by the consumer;
- (2) delivery by an owner, officer, director, shareholder, or employee of the licensed retailer; or
- (3) delivery by a third-party contractor, independent contractor, or agent with whom the licensed retailer has contracted to make deliveries of alcoholic liquors. Under subsection (1), (2), or (3), delivery shall not include the use of common carriers.

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

Except for a municipality with a population of more than 1,000,000 inhabitants, a home rule unit may not regulate the delivery of alcoholic liquor inconsistent with this subsection. This paragraph is a limitation under subsection (i) of Section 6 of Article VII of the Illinois Constitution on the concurrent exercise by home rule units of powers and functions exercised by the State.

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

## **Retailer Shipping**

- If a retailer uses a common carrier to transport alcoholic liquor to a consumer, it conducts "shipping." A common carrier is a transportation company offering its services to the general public, like FedEx or UPS. It is not a private transportation company.
- A retailer or its third-party shipping agent may ship alcoholic liquor if the State Commission has designated the retailer as an off-premises consumption or a combined (off-premises/on-premises) retailer.
- A retailer and its third-party shipping agent may ship alcoholic liquor if the local liquor control commission or local ordinance has authorized the retailer to ship alcoholic liquor.
- The retailer and its third-party shipping agent shall abide by all requirements of Sections 6-16, 6-29, and 6-29.1 of the Act which include but are not limited to:

- All packages containing alcoholic liquor must be clearly labeled "CONTAINS ALCOHOL. SIGNA-TURE OF A PERSON 21 YEARS OF AGE OR OLDER REQUIRED FOR DELIVERY. PROOF OF AGE AND IDENTITY MUST BE SHOWN BEFORE DELIVERY." This warning must be prominently displayed on the packaging.
- A retailer shall require the transporter or common carrier that ships the package to obtain the signature of a person 21 years of age or older at the shipping address.
- At the expense of the retailer, the retailer shall receive a shipping confirmation from the common carrier indicating the location of the shipment, time of shipment, and the name and signature of the individual 21 years of age or older who accepts shipment.
- The retailer and its third-party agent shall abide by all local, state, and federal shipping laws, including but not limited to the alcohol beverage shipping laws of other states.
  - It is important to verify that local ordinances do not prohibit shipment of alcoholic liquor into municipal jurisdictions.
  - All states prohibit the shipment of alcoholic liquor into each state without a license. Some states permit a retailer to obtain a license to ship into that state. It is important to know other states' alcohol beverage laws before conducting shipping into other states. Illegal shipping into other states could jeopardize your Illinois retail license.
- A RETAILER SHALL BE LIABLE FOR THE SHIPPING VIO-LATIONS OF A THIRD-PARTY COMMON CARRIER.
- No other license holder is authorized to ship alcoholic liquor directly to consumers except a winery shipper's license holder.
- All alcoholic liquor shipped by retailers be in the original product package.

### **Retailer Delivery**

- A retailer conducts an alcoholic liquor delivery if:
  - The retailer transports alcoholic liquor to a consumer in a retailer parking lot or at retailer curbside; OR
  - The retailer transports alcoholic liquor to a consumer by way of "an owner, officer, director, shareholder, or employee of the licensed retailer;" OR
  - The retailer delivers alcoholic liquor through "a third-party contractor, independent contractor, or agent with whom the licensed retailer has contracted to make deliveries of alcoholic liquors." This may in-

- clude delivery companies specializing in food/beverage deliveries but does not include common carriers.
- Delivery to the consumer must occur no later than 12 hours from the time the products leave the retailer.
- A retailer and its third-party delivery agent may deliver alcoholic liquor if the State Commission has designated the retailer as an off-premises consumption or as a combined (off-premises/on-premises) license holder.
- The retailer and its third-party delivery agent shall abide by all requirements of Sections 6-16, 6-29, and 6-29.1 of the Act which include but are not limited to:
  - All packages containing alcoholic liquor must be clearly labeled "CONTAINS ALCOHOL. SIGNA-TURE OF A PERSON 21 YEARS OF AGE OR OLD-ER REQUIRED FOR DELIVERY. PROOF OF AGE AND IDENTITY MUST BE SHOWN BEFORE DELIV-ERY." This warning must be prominently displayed on the packages.
  - A retailer shall require the transporter that delivers the package to obtain the signature of a person 21 years of age or older at the delivery address at the time of delivery.
  - At the expense of the retailer, the retailer shall receive a delivery confirmation from the third-party delivery company indicating the location of the delivery, time of delivery, and the name and signature of the individual 21 years of age or older who accepts delivery.
- The retailer and its third-party agents shall abide by all local, state, and federal delivery laws, including but not limited to the alcohol beverage delivery laws of other states.
- All states prohibit the delivery of alcoholic liquor into each state without a license. Some states permit a retailer to obtain a license to deliver into that state. It is important to know other states' alcohol beverage laws before conducting delivery into other states. Illegal delivery into another state could jeopardize your Illinois retail license.
- A RETAILER SHALL BE LIABLE FOR THE DELIVERY VIOLATIONS OF A THIRD-PARTY DELIVERY AGENT.
- No other licensee is authorized to deliver alcoholic liquor off premises to the consumer.
- All alcoholic liquor deliveries shall be in the original package unless the alcoholic liquor is delivered pursuant to 235 ILCS 5/6-28.8 (Cocktails to Go) as explained here.
- Deliveries in the original package pursuant to this bulletin are not deliveries pursuant to 235 ILCS 5/6-28.8 (Cocktails to Go) and, subject to local ordinance, such deliveries may be made by a person 18 years old and over.

Discounts and promotions are great ways to increase sales and create customer loyalty. However, it can sometimes be difficult to know what is and isn't acceptable. Below, you'll find a handy reference to know what you can and cannot offer for discounts/happy hour.

#### **PERMITTED**

- Have an all-day discount. As long as your discounted drink price runs from open to close, it does not count as a happy hour.
- Offer a happy hour discount. Rules for happy hour are laid out in 235 ILCS5/6-28 and 235 ILCS5/6-28.5.
- Offer a holiday themed discount. For example, on St Paddy's Day, shots of Irish whiskey are 50% off.
- Offer free food. As long as a condition of free food doesn't include an alcoholic drink purchase, you may give away food or non-alcoholic beverages.
- Offer a party/meal package; as long as the package conforms to the Happy Hour statute.
- Have a loyalty card/program; as long as there are no conditions to participate.

### **NOT PERMITTED**

- Require any conditions to receive a discount on alcohol. Using the St. Paddy's Day example, it would not be allowed to require a person to wear green in order to receive a discounted shot of Irish whiskey.
- Have drink specials after 10:00pm. Any drink special that starts past 10:00pm will be a violation of the Happy Hour Law.
- Selling more than one drink for the price of one. For example, "2 for 1" specials are not allowed. However, 50% off a single drink is allowed.
- Giving away alcohol. Giving away alcohol or any advertisement using the terms "free" or "complimentary" are strictly prohibited.
- Increasing the volume of a drink with a price that is not proportionate. For example, if a 16oz beer costs \$4, a 20oz beer must cost \$5.
- Have a drinking contest. Any game of chance (beer pong, dice, raffle, drawing, etc.) that involves the consumption of alcohol or the awarding of alcohol as a prize is strictly prohibited.



# 2022 Industry Events and Awareness Months

**January 11, 2022** – Choosing the Right College: Understanding Alcohol Policies webinar

**January 13, 2022** – Tazewell County Health Department Youth Conference

**January 22, 2022** – Prom Expo (NOTE: Prom Tops the List of School Functions Parents Are Most Concerned About Teens Drinking Alcohol)

March 21-27, 2022 – National Drug and Alcohol Facts Week hosted by the National Institute on Drug Abuse (NIDA) and the National Institute on Alcohol Abuse and Alcoholism (NIAAA)

April 2022 - Alcohol Awareness Month

May -15, 2022 - SAMHSA's National Prevention Week

**September 2022** - National Campus Safety Awareness Month

October 23-31, 2022 - Red Ribbon Week

**December 2022** - National Impaired Driving Prevention Month

In 2022, the industry presentations after the monthly commission meetings will focus on health and safety. Underage prevention and substance use prevention organizations have been invited to speak at the end of monthly commission meetings to share information regarding their background, populations that they serve and work that they do regarding prevention. Organizations for the following commission meetings have been confirmed:

**January 19, 2022** – Tazewell County Health Department **April 20, 2022** – Prevention First

May 18, 2022 - Midwest Asian Health Association

**June 15, 2022** – Prevention Partnership Inc. (West Side Coalition for Healthy Neighborhoods)

July 20, 2022 - Alcohol and Tobacco Tax and Trade Bureau

August 24, 2022 - Lurie Children's Hospital

October 19, 2022 - Drug Enforcement Administration

December 14, 2022 - Alliance Against Intoxicated Motorists

## **BASSET Issues and Information**

**BASSET** 

### For Licensed BASSET Trainers and Providers

As a new year approaches there will be new individuals seeking employment, new businesses starting, and any server, bartender, or security detail checking identification will need to be BASSET certified. BASSET cards will be expiring for some and the course will need to be taken to recertify.

It is important that BASSET trainers and providers submit their BASSET student roster spreadsheets as accurately and timely as possible.

### **BASSET Student Roster Spreadsheet**

Guidelines for trainers and providers when filling out the BASSET Student Roster Spreadsheet:

- Keep the Column Headers the same, do not tamper or change the spreadsheet.
- Student IDs are limited to 20 characters.
- When filling out the state of "ILLINOIS", put "IL".
   Do not type a period after Illinois such as "IL." or "il."
- Phone numbers cannot be in letters, they must be numeric.
- It is not required, but it is a good practice to put student ID numbers on the temporary certificate that BASSET programs issue upon the completion of BASSET training.
- For the Date of Birth, it should be MM/DD/YY.
- It also is not required but student emails should be

added in the event the BASSET card gets returned to the Illinois Liquor Control Commission (ILCC) office. They will be given their student ID and link to print their BASSET cards

**BASSET Student Roster Training Video** – The ILCC Industry Education Department has a <u>new video</u> for license BASSET trainers and providers on how to properly fill out and submit the student roster spreadsheet. Visit our YouTube channel to view the video.

**On-Premise vs. Off-Premise** – There is a lot of confusion between the two types of liquor serving establishments. Please clearly define those before someone enrolls in your course.

On-premise establishments are establishments which serve alcohol in open containers and include bars, restaurants, taverns, nightclubs, or sport venues.

Off-premise establishments are closed containers and packaged goods establishments such as grocery stores, liquor stores, gas stations, and convenience stores.

**Human Trafficking Training Video** - This past Fall the ILCC offered a Human Trafficking Training to all BASSET providers and are encouraged to include in their BASSET courses. <u>Click the link to view the training</u>.



### **Beware of BASSET Scammers**

Since BASSET training has become mandatory for all servers, bartenders, and security detail there must be an awareness of scammers posing as licensed BASSET trainers or programs.

For an individual or entity to conduct BASSET training they must have a current, valid BASSET License. If an online provider would like to do business and operate their BASSET program in the state of Illinois, the online program must be approved and licensed to certify students.

Any business or online provider found on the ILCC BASSET Training class on the ILCC website, <a href="https://www2.illinois.gov/ilcc/Education/Pages/BAS-SET/Training-Class-Directory.aspxs">https://www2.illinois.gov/ilcc/Education/Pages/BAS-SET/Training-Class-Directory.aspxs</a> is licensed and valid.

If there is any uncertainty if a BASSET program or trainer is legitimate, please contact Lee Roupas at lee.roupas@illinois.gov.



## 2022 "Proof of Age" signs and "2001" stickers

DO NOT throw away your current ILCC "Proof of Age" signs, as these are limited quantity for new licensees.

2 x 4 labels with the year "2001" (for placement over the old year) will be made available in January along with printable 2022 signs.

The link to order stickers www.illinois.gov/ilcc.



# **Community News & Events**



New Year New Proof of Age Sticker



Our BASSET/Under 21 Program Manager Lee Roupas at Speaker Welch 's **9th Annual Back to School Health Fair**.



We are ready for in-person presentations. Contact the ILCC for underage prevention presentations or literature.





Questions regarding your license? Meet our two new Licensing Assistants Alejandro Torres and Chiquita McGhee.



Information table at the Iron Horse District
- Pathway to Adventure Council
Roundtable. You can satisfy Second
Class 7c requirements for BSA by participating in a school, community, or troop program on the dangers of using drugs, alcohol, and tobacco, and other practices that could be harmful to your health.

Discuss your participation in the program with your family, and explain the dangers of substance addictions. Report to your Scoutmaster or other adult leader in your troop about which parts of the Scout Oath and Law relate to what you learned.



Our BASSET/Under 21 Program Manager Lee Roupas at the **AAIM For CommUNITY Event** at Richard J. Daley Center.



AAIM For CommUNITY Event at Richard J. Daley Center.



Our BASSET/Under 21 Program Manager Lee Roupas at the Illinois Municipal League Conference.



Webelos from Pack 3778 displaying their **Red Ribbon Week Coloring Page** in their window.