

ILLINOIS LIQUOR CONTROL COMMISSION

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Illinois Liquor Control Commission

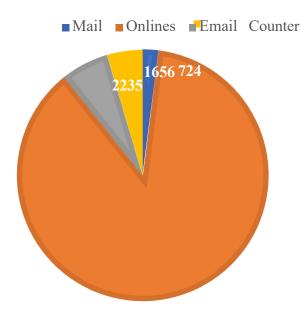
Acts and Doings For 2023

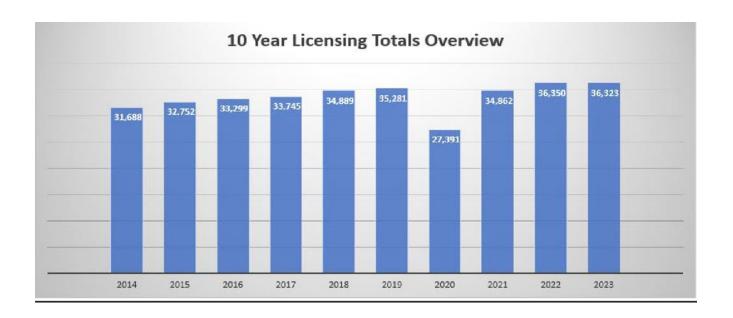
2023 Annual Licensing Division Accomplishments

Licensing Totals

Mail 724 Onlines 31,702 Email 2,235 Counter 1,656

2023 LICENSING TOTALS OVERVIEW





2023 Accomplishments

01/01/2023-12/31/2023

1. Legislation Impacting Licensing-SB1001 passed both houses on 01/09/2023 and Governor Pritzker signed this bill into law on 02/17/2023. Illinois General Assembly - Bill Status for SB1001 (ilga.gov)

Illinois Wineries- Fee Reduction

1st Class Wine Manufacturer- 3D - New Rule Change-fee reduction from \$1200 to \$750 for online renewals and from \$1,500 to \$900 for new licenses or for applications received via in person or mail in. **1st Class Wine Maker 3F**- New Rule Change-fee reduction from \$1200 to \$750 for online renewals and from \$1,500 to \$900 for new licenses or for applications received via in person or mail in.

2. One of our main goals in 2023 was to encourage more of our special event licensees to apply for their licenses via their MyTax Illinois account, this will help expedite the review and processing of their requests. We had worked with our Industry Education Manager to create a two -page reference source, based on some of the feedback we had received in reference to some of the issues our applicants were having related to log in issues. We provided detailed contact information if users need to re-set their User ID or Password, and how they can access their MyTaxIllinois account. We also included some additional instructions which are available on our website in reference to the special event application process, such as what attachments are required and the review and processing times.

We issued 3,927 special event licenses in 2023 and 80% of our licensees applied for their special event licenses electronically.

LicenseType		111201	3/1/201	12/3/1/2012	11/2012	12/2	13)	12/31	18131	211	11119	12/31/1	12/31/20	2/31/22	2/31/22	3123	
4A - SPECIAL EVENT RETAILER	2,400	2,358	2,332	2,291	2,461	2,573	2,716	2,890	2,951	2,949	556	1,385	2,372	2,583			
4B - SPECIAL USE PER - 1 DAY	474	531	610	689	678	800	850	812	865	870	97	418	697	754			
4C - SPECIAL USE PERMIT >= 2 D	348	400	411	453	475	525	533	561	568	584	350	570	471	487			
4D - TASTING REPRESENTATIVE	92	47	51	26	34	35	34	45	37	36	26	42	38	39			
4E - HOMEBREW SPECIAL EVENT	0	0	0	1	13	21	39	18	14	19	1	12	17	19			
4F - TEMPORARY RETAILERS EVENT	0	0	0	7	29	40	21	38	46	23	2	11	17	24			
4G - CRAFT DISTILLER TASTING	0	0	0	0	0	0	0	3	24	14	15	0	10	2			
4H - BEER SHOWCASE PERMIT - 1DAY	0	0	0	0	0	0	0	3	0	0	0	0	4	16			
4I - BEER SHOWCASE PERMIT >= 2DAYS														3			
Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023			
Totals	3,314	3,336	3,404	3,467	3,690	3,994	4,193	4,367	4,505	4,495	1,047	2,438	3,626	3,927			

3. License Fee Waivers

The license fee requirements for retailer licensees were reinstated beginning with all licenses expiring after 06/30/2023, an email was sent out to all licensees on 06/05/2023 reminding them that licensee fees waivers were expiring 06/30/2023 we did not experience any programming issues with the re-implementation of the retailer license fees.

4. Liquor License Certificate Changes

In October 2022 we originally updated our license certificates to reflect a QR code and a Watermark in an effort to authenticate the license certificate to avoid any edits or alterations to the certificate. We had to make some changes in 2023 to the format of these certificates per IDOR's request due to the installation of some new mail inserter software. We also took this as an opportunity to make some additional changes and enhancements, such as adding the state seal and updating the format a bit. The licensees will notice the license number reference was moved to the left of the certificate, the QR Code was moved to the right side of the license certificate, the State Seal was added to the top right corner, and we updated the header in the top left corner to reflect "State of Illinois Liquor License".

The time frame for this change was short and we were able to implement the changes effectively on 06/30/2023 and we did not experience any programming issues with this implementation.

5. New Retailer Liquor License Application Submission via MyTax Illinois

On 10/23/2023 the Illinois Liquor Control Commission (ILCC) announced the rollout of a new, streamlined online application option for new 1A retailer licenses. We have upgraded our application process to give new 1A retail applicants the option to submit their license

applications online via MyTax.illinois.gov, beginning, October 23, 2023. This upgrade will make the new retailer application process more efficient for our licensees. MyTax Illinois is the quickest and easiest way to apply for a liquor license. The beginning of online applications for new 1A retailer license applicants will improve ILCC licensing services and make online applications available for all 1A retailer license customers. We provided detailed step by step instructions for all users and these instructions are available on our website.

6. "Appointments Only" In-Person Licensing Services

We implemented a new appointments program for all customers seeking in person licensing assistance at the ILCC's Springfield and Chicago offices. The goal of this program is to improve customer service and eliminate the unpredictability of wait times at the ILCC's offices. This program went live on October 23, 2023, and appointments can be booked on the ILCC's Licensing Appointments webpage. Customers can choose the type of licensing services they need and a time and date for their appointment. When the licensee setups an appointment, a confirmation email will be sent with specific detailed information that should be brought to the appointment. Not only with this benefit the licensee, but this will also benefit the ILCC staff by allowing for a more structured workday, allows us to plan ahead based on the appointment schedule and also allows for more efficient and productive interactions. Since implementation of this appointments only service we have not experienced any issues and the new program is going very well.

2023 Annual Legal Division Accomplishments

The Legal Division is responsible for counseling the Commissioners and the Executive Director on interpretations of the Illinois Liquor Control Act of 1934. The Division also reviews all violations of the Act to weigh the severity of offenses and when necessary, holds pre-disciplinary conferences with licensees. In addition, the Division provides administrative and legal support to the Commissioners regarding local liquor appeals, analyzes legislation, drafts administrative rules, negotiates settlement for license violations including Sale of Alcohol to Minors violations, replies to Freedom of Information requests, and provides technical assistance to the public regarding explanations and interpretations of the Illinois Liquor Control Act.

During the past calendar year (January 1, 2023 – December 31, 2023) the Legal Division:

- Filed Emergency Rule and permanent Rule concerning co-branded alcoholic beverage product placement, which rules were subsequently adopted.
- SB1720 was passed, amending 235 ILCS 5/3-4.1 to authorize the Executive Director to create and maintain one or more commercial checking accounts for the expenditure of funds to purchase evidence and for the employment of persons to obtain evidence.
- SB0089 was passed, amending 235 ILCS 5/6-28.8 to extend the sunset provision for "cocktails to go" until August 1, 2028.
- Provided subject matter expertise to the Assistant Attorney General defending the ILCC in the Full Pull Wines v. Berg case, and in other Administrative Review matters.

- Created a video for the Illinois Municipal League introducing newly elected officials/local liquor control commissioners to the ILCC, explaining the concurrent jurisdiction of State and local government in alcoholic beverage regulation in Illinois and the local commissioner's role in the licensing and disciplinary processes.
- Worked with DOIT to create a process by which violation fine payments can be accepted online through licensee's MyTax account.
- Closed out 1,166 disciplinary cases assessing fines in the amount of \$967,786.00.
- Processed 140 delinquency list related bona fide dispute requests.
- Received 28 appeals; conducted 14 appeals hearings; drafted 25 orders/opinions; closed 26 appeals cases.
- Rick Haymaker conducted a one hour Continuing Legal Education course at the Illinois Municipal League Conference in September where he discussed the law and procedures of filing and defending an appeal of an action or order of a Local Liquor Control Commissioner. Conference was attended by statewide local officials and legal counsels.
- Noel Quanbeck participated as a panelist on regulatory matters at the USA Trade Tasting Conference in September where he discussed Illinois' tied house laws and the ILCC's new rule concerning co-branded alcoholic beverage placement in retail liquor establishments.

2023 Annual Enforcement Division Accomplishments

The division of Enforcement continued to prioritize compliance inspections of licensed premises and illegal sales of alcoholic liquor through social media. During 2023, Enforcement Special Agents conducted 12,999 inspections. This is a 25% increase from 2022. These inspections resulted in 3,455 violations and 1,445 warnings. Working in collaboration with social media providers, the Division of Enforcement was able to report thousands of posts for removal from social media sites.

The Division of Enforcement also worked collaboratively with local law enforcement agencies to reduce youth access to alcoholic beverages. One of the most cost-effective methods is the use of underage compliance check details at licensed retail locations.

2023 Annual Industry Education Accomplishments

ILCC's Industry Education Manager, Nicole Sanders, presented at the Youth Alcohol Awareness Summit along with Enforcement Supervisor, Kenneth Williams. They explained the rise of cobranded products and the dangers with children, the drinking trends that parents and guardians should be aware of, as well as giving a video presentation on how substance abuse effects children. Leon Roupas, BASSET Manager, presented at various schools and events to continue the ILCC's mission to educate the youth.

ILCC introduced Bentley the BASSET hound as part of their new marketing campaign.



The Commission certified close to 100,000 BASSET professionals.

Our media presence reached all Illinoisans through various news outlets and social media platforms regarding new rules, co-branding alcoholic beverages, cocktails to-go among other information.

The ILCC began a podcast in 2023, meeting with various experts and staff to touch on various topics concerning the Liquor Industry, dangers of drinking, etc.

2023 Annual Human Resources Division Accomplishments

In 2023, ILCC revamped their Human Resources Department by hiring a new HR Supervisor as well as two new HR Specialists. The staff has been working on hiring for more than 25 positions in our Enforcement Division and other various positions as we work to ensure our agency is fully staffed. The HR staff will also be continuing to work in collaboration with DoIT on the Success Factors HCM system implementation. Once HR is fully trained on the Success Factors system, they will be rolling out agency wide training for staff members. To promote professional development throughout our agency, the HR staff has provided various training opportunities throughout the year to ensure the Commission is setting up team members for success.

2023/2024 Fiscal Outlook

From July 2022 through June 2023, the ILCC waived all 1A Retail Liquor Licenses. This, in effort to assist businesses in their recovery from the recent pandemic. The ILCC waived approximately \$14 million in license fees for Fiscal Year 2023.

Currently, in Fiscal Year 2024, we are seeing an increase in licensees and in revenue. Through the first six months of this fiscal year, ILCC has surpassed fiscal year 2023 total revenue by 47%. We anticipate revenues to rival those of pre-pandemic showing that the industry is back in great health.