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The Culinary & Hospitality Modernization Act of 2015 Details of Changes

The governor signed the bill on July 15th, 2015. With the 7-day happy hour posting requirement described below, the earliest Happy Hour may be enacted is July 22nd, 2015.

235 ILCS 5/1-2

Specifies what the Illinois Liquor Control Commission may enforce.

"The State Commission may not enforce any trade practice policy or other rule adopted in accordance with the Illinois Administrative Procedure Act."

Keeps the ILCC from making and enforcing their own rules. The State's Agents may only enforce what is officially adopted/instituted by JCAR (Joint Committee on Administrative Rules), a bipartisan legislative oversight committee created by the General Assembly in 1977.

235 ILCS 5/1-3.25

Deals with hotel licensing, redefining hotel premises.

Previously, hotels had to purchase separate state liquor licenses for each bar in the hotel. This consolidates all areas owned and managed by the same hotel operator to be one address requiring just one state license.

All rooms and areas located within or adjacent to a hotel where alcohol is stored, offered or sold is considered part of the hotel's licensed premises if those areas are owned and managed by the hotel operator. As part of hotel's premises, each and all of these locations within or adjacent to the hotel shall be maintained and managed pursuant to a single retailer's license issued by the state, regardless of how many licenses are mandated by the local government unit.

Rooms and areas within or adjacent to a hotel that are owned or managed by a person or entity that is not the hotel operator is not considered part of the hotel's premises and must be maintained and operated under a separate license(s).

235 ILCS 5/3-14

Deals with hotel liquor license issuance.



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In regards to a hotel, even if the local municipality issues multiple local liquor licenses, the state liquor control will consider it all one premises and issue one license (provided the above section is also applicable).

235 ILCS 5/4-1

Eliminates "Sunday Blue" law in Chicago.

In cities of 1 million or greater population (Chicago), the language about "no alcohol sales between 3am and Noon on Sunday" is struck.

235 ILCS 5/6-11

Deals with liquor sales near churches, schools & hospitals.

It adds language that the local liquor commission may grant an exception in some instances.

"(a-5) Notwithstanding any provision of this Section to the contrary, a local liquor control commissioner may grant an exemption to the prohibition in subsection (a) of this Section if a local rule or ordinance authorizes the local liquor control commissioner to grant that exemption."

235 ILCS 5/6-22.5

New subsection covers the rules for Infusions.

Definition: For purposes of this Section, "infusion" means a spirit where ingredients, including, but not limited to, fruits, spices, or nuts, are added to naturally infuse flavor into the spirit.

A retail licensee that is preparing an infusion for consumption on the premises shall comply with the following requirements:

- 1. The infusion shall be mixed and stored on the premises of the licensee
- 2. The container that the infusion is stored in must have a lid and be in sanitary condition
- 3. The infusion shall not be aged for more than 14 days
- 4. The infusion must be used or destroyed within 21 days after the end of the aging process
- 5. Cleaning records for the container that the infusion is stored in must be available for inspection by agents of the State Commission
- 6. The container that the infusion is stored in must have a label affixed to the container that provides the production date of the infusion, the base spirit of the infusion, the date the infusion will finish the aging process, and the date by which the infusion must be destroyed.

235 ILCS 5/6-27.1

Deals with BASSET training requirements.



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BASSET: Beverage Alcohol Sellers and Servers Education Training

Cook County was already covered via prior enactment. It read to the effect of:

"Unless issued a valid server training card between 7/1/12 and 7/1/15 by certified BASSET trainer, all alcohol servers are required to obtain and complete training, as those provisions exist on 7/1/15, by 7/1/15 or within 120 days after the beginning of employment, whichever is later."

The new language picks up after the guidelines for employees in Cook County:

All alcohol servers in a county, other than Cook, with a population of 200,000 inhabitants or more are required to obtain and complete training by 7/1/16 or within 120 days of employment beginning, whichever is later.

All alcohol servers in a county, other than Cook, with a population of more than 30,000 but less than 200,000 inhabitants or more are required to obtain and complete training by 7/1/17 or within 120 days of employment beginning, whichever is later.

All alcohol servers in a county, other than Cook, with a population of 30,000 or fewer inhabitants are required to obtain and complete training by 7/1/18 or within 120 days of employment beginning, whichever is later.

The rest of the language here regarding licensees and servers/sellers is the same:

- Liquor training certificate belongs to the server (not the business).
- It can transfer with the server to a new job, but cannot transfer to another server.
- Proof of training must be available upon "reasonable" request by state law enforcement
- Must be re-certified every 3 years

Alcohol "Servers" are defined as:

Persons who sell or serve open containers of alcoholic beverages at retail and anyone whose job description entails the checking of identification for the purchase of open containers of alcoholic beverages at retail or for entry into the licensed premises.

The definition does not include:

- 1. A distributor or importing distributor conducting product sampling as authorized in Section 6-31 of this Act or a registered tasting representative, as provided in 11 Adm. Code 100.40, conducting a tasting, as defined in 11 IL Adm. Code 100.10;
- 2. A volunteer serving alcoholic beverages at a charitable function
- 3. An instructor engaged in training or educating on the proper technique for using a system that dispenses alcoholic beverages.



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The provisions of this section (regarding mandatory BASSET training) do not apply to a special event retailer.

235 ILCS 5/6-27.5

New subsection mandates schedule of prices for all alcoholic beverages offered for sale.

"Mandatory schedule of prices. All retail licensees shall maintain a schedule of the prices charged for all drinks of alcoholic liquor to be served and consumed on the licensed premises or in any room or part thereof. Whenever a hotel or multi-use establishment which holds a valid retailer's license operates on its premises more than one establishment at which drinks of alcoholic liquor are sold at retail, the hotel or multi-use establishment shall maintain at each such establishment a separate schedule of the prices charged for such drinks at that establishment."

235 ILCS 5/6-28

This section lists activities banned by liquor licensees. The update here is that language about the prohibition of 'Happy Hour' is repealed, as well as the wording on serving 2 or more drinks at one time to one person.

To refresh, the banned practices that no retail licensee or employee or agent of such licensee shall perform remain in place and are as follows:

- Sell more than one drink of alcoholic liquor for the price of one drink of alcoholic liquor (no 2-for-1's). Language regarding serving two or more drinks to one person at one person for consumption by that one person is removed. This is now an acceptable practice provided you are charging them for both drinks.
- 2. Sell, offer or serve to any person an unlimited number of drinks of alcoholic liquor during any set period of time for a fixed price, except at private functions not open to the general public. (no all you can drink deals)
- 3. Increase the volume of an alcoholic liquor contained in a drink or the size of a drink of alcoholic liquor, without increasing proportionally the price regularly charged for the drink on that day
- 4. Encourage or permit, on the licensed premises, any game or contest which involves drinking alcoholic liquor or the awarding of drinks of alcohol as prizes for such game or contest on the licensed premises.
- Advertise or promote in any way, whether on or off premises, any of the practices prohibited above



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235 ILCS 5/6-28.5

New subsection covers permitted 'Happy Hours', as well as Party, Meal and Entertainment Packages.

First off, some definitions of terms or phrases to be used in this section:

"Dedicated Event Space" - a room or rooms or other clearly delineated space within a retail licensee's premises that is reserved for the exclusive use of party package invitees during the entirety of a party package. Furniture, stanchions and ropes, or other room dividers may be used to clearly delineate a dedicated event space.

"Meal Package" – means a food and beverage package, which may or may not include entertainment, where the service of alcoholic liquor is an accompaniment to the food, including, but not limited to, a meal, tour, tasting, or any combination thereof for a fixed price by a retail licensee or any other licensees operating within a sports facility, restaurant, winery, brewery or distillery.

"Party Package" – means a private party, function or event for a specific social or business occasion, either arranged by invitation or reservation for a defined number of individuals, that is not open to the general public and where attendees are served both food and alcohol for a fixed price in a dedicated event space.

A retail licensee may:

- 1. Offer free food or entertainment at any time
- 2. Include alcoholic drinks as part of a meal package
- 3. Sell or offer for sale a party package only if the retail licensee
 - a. Offers food in the dedicated event space
 - b. Limits the party package to no more than 3 hours
 - Distributes wristbands, lanyards, shirts, or any other such wearable items to identify
 party package attendees so the attendees may be granted access to the dedicated event
 space, and
 - d. Excludes individuals not participating in the party package from the dedicated event space
- 4. Include alcoholic drinks as part of a hotel package
- 5. Negotiate alcoholic drinks as part of a hotel package
- 6. Provide room service to persons renting rooms at a hotel
- 7. Sell pitchers (or the equivalent, including, but not limited to, buckets of bottled beer), carafes or bottles of alcoholic liquor which are customarily sold in such manner, or sell bottles of spirits
- 8. Advertise events permitted under this section
- 9. Include drinks of alcoholic liquor as part of an entertainment package where the licensee is separately licensed by a municipal ordinance that (A) restricts dates of operation to dates during



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which there is an event at an adjacent stadium, (B) restricts hours of serving alcoholic liquor to 2 hours before the event and one hour after the event, (C) restricts alcoholic liquor sales to beer and wine, (D) requires tickets for admission to the establishment, and (E) prohibits sale of admission tickets on the day of an event and permits the sale of admission tickets for single events only; and

10. Discount any drink of alcoholic liquor during a specified time period only if:

- a. The price of the drink of alcoholic liquor is not changed during the time that it is discounted
- b. The period of time during which any drink of alcoholic liquor is discounted does not exceed 4 hours per day and 15 hours per week; however, this period of time is not required to be consecutive and may be divided by the licensee in any manner
- c. The drink of alcoholic liquor is not discounted between the hours of 10:00pm and the licensed premises' closing hour; and
- d. Notice of the discount of the drink of alcoholic liquor during a specified time is posted on the licensed premises or on the licensee's publicly available website at least 7 days prior to the specified time

"A violation of this Section shall be grounds for suspension or revocation of the retailer's license as provided by this Act. The State Commission may not enforce any trade practice policy or other rule that was not adopted in accordance with the Illinois Administrative Procedure Act."

"All licensees affected by this Section must also comply with Sections 6-16, 6-21 and 6-27.1 of this Act."

235 ILCS 5/6-31

Cleans up language dealing with product sampling.

This statute still reads:

"Retailer, distributor, importing distributor, manufacturer and nonresident dealer licensees may conduct product sampling for consumption at a licensed retail location. Up to 3 samples, consisting of no more than (1) ¼ ounce of distilled spirits, (2) one ounce of wine, or (3) 2 ounces of beer may be served to a consumer in one day."