



ILCC News

Volume XXV
Spring 2008

Inside This Issue

New wine shipping law takes effect June 1st 2

Lottery is just the ticket. . . 3

Holding a special event? 4

BASSET Trainer-of-the-Quarter . . 6

New licensed BASSET providers. 6

Illinois hosting national conference 7

Scrutinize each guest 7

Tobacco Retailer Kit . . . 7

FREE ILCC materials . . . 8

www.state.il.us/LCC

“Unofficial” crackdown highlights statewide compliance check operation

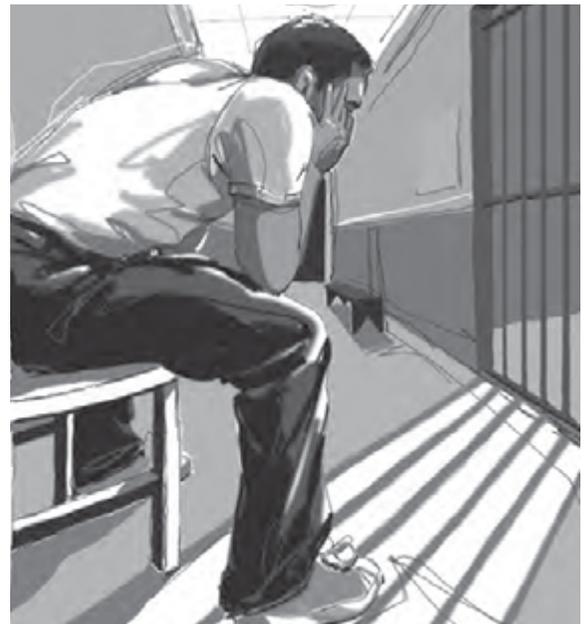
Did you know the Illinois Liquor Control Commission (ILCC) Investigations Division conducts compliance check operations using a minor decoy to buy alcohol? Champaign-Urbana licensees surely are, after a compliance sweep was conducted during the so-called “Unofficial St. Patrick’s Day” weekend this past March.

Most licensees are aware that special agents conduct liquor inspections at ILCC-licensed entities throughout Illinois. Using laptop computers to ensure standardized reporting and consistent application of enforcement, ILCC special agents visit liquor establishments on a regular basis and respond to complaints received from the general public regarding violations.

But what you may not know is that agents also check for violations above and beyond Illinois liquor laws by conducting periodic compliance sweeps throughout the state in conjunction with other state and local enforcement agencies. Oftentimes, depending upon the specific charge, licensees must immediately close their business.

During these operations, special agents supervise underage purchasers to counter a problem that consistently ranks near the top of the ILCC’s yearly top ten violation list: Sales to minors. Checks are designed to test retail sales personnel on their duty to perform proper ID checks in the sale of alcohol.

Many businesses voluntarily send their staff to BASSET training to equip them with the skills necessary to prevent such an occurrence. If you are interested in enrolling your staff in such training, please turn to page 6 for more information about this ILCC program.



continued on page 5

New wine shipping law takes effect June 1st

License required when selling wine directly to consumers

Beginning June 1, 2008, all wineries shipping directly to Illinois residents must have a **State of Illinois Winery Shipper's License** prior to delivery. With the passage of House Bill 429 and resultant signing of Public Act 095-0634 by Gov. Rod R. Blagojevich, wineries with an approved license will be allowed to ship up to 12 cases of wine each year per adult Illinois resident.



To ensure wine recipients are of legal age, several safety precautions have already been put into place, including the requirement that a delivery person verifies the recipient's age and identity by checking his or her identification **prior** to releasing the product.

"Crafting this legislation required many months of compromise and careful deliberation among all interested parties," says Lainie Krozel, Acting Director for the Illinois Liquor Control Commission (ILCC). "Of key concern was ensuring the economic health of our state's wine industry, and allowing it the flexibility to continue to grow."

To further this goal, one key component to the legislation's passage was allowing wineries producing less than 25,000 gallons a year to self-distribute up to 5,000 gallons of their product to Illinois retailers. "With over 95 percent of Illinois wineries below this 25,000 gallon threshold, our state's vibrant wine industry can better compete with the larger conglomerates located in other wine-producing states," notes Krozel.

"Additionally, as home to over 68 wineries and 450 grape growers, it is estimated that the Illinois wine industry creates an annual economic impact of over \$250 million. These types of small businesses are the backbone of our state's economy, and supporting this community is more important than ever as our nation slips toward an economic slowdown."

The Winery Shipper's License is required for both in-state and out-of-state wineries (*see box at right for the fee structure of this new license*).

To download an application for the new **Winery Shipper's License**, please visit our website www.state.il.us/LCC. Those without a license are subject to a fine, suspension, or revocation of their license.

Categories for Winery Shipper's License

IL First-Class Wine Manufacturer or Wine Maker	\$150.00
IL Limited Wine Manufacturer	\$150.00
IL Second-Class Wine Manufacturer or Wine Maker:	
○ Class 1 (producing under 250,000 gal/yr.)	\$150.00
○ Class 2 (250,000-500,000 gal/yr.)	\$500.00
○ Class 3 (over 500,000 gal/yr.)	\$1,000.00
Out-of-State Winery:	
○ Class 1 (producing under 250,000 gal/yr.)	\$150.00
○ Class 2 (250,000-500,000 gal/yr.)	\$500.00
○ Class 3 (over 500,000 gal/yr.)	\$1,000.00

continued on page 3

ILCC News

Article suggestions are welcome!

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

Managing Editor:
Ted Penesis

ILCC Website:
www.state.il.us/LCC

ILCC Email:
ilcc_info@mail.state.il.us

Chicago Office
100 West Randolph Street
Suite 7-801
Chicago, IL 60601
Phone: 312.814.2206
Fax: 312.814.2241

Springfield Office
101 West Jefferson
Suite 3-525
Springfield, IL 62702
Phone: 217.782.2136
Fax: 217.524.1911

How does this law affect Illinois retailers?

Holders of a State of Illinois Retailer's Liquor License will continue to be allowed to ship to Illinois residents over the Internet; however, they may not be allowed to ship to other states. Likewise, out-of-state retailers will need to use an Illinois-licensed distributor to ship product.

Remember, violation of another's state law can result in an enforcement action being taken against your license by the ILCC. It is your responsibility as an Illinois-licensed retailer to know a particular state's law prior to shipping alcoholic beverages to an out-of-state customer.

Bar owners find Lottery is just the ticket to keep regulars coming back!

by Mike Lang, Retail Relations, Illinois Lottery



There are thousands of small, neighborhood bars across Illinois. These friendly watering holes are a place of refuge from the day-to-day grind for people who work and live nearby. Selling Illinois Lottery tickets is one thing that many of these friendly, neighborhood taverns have in common.



Lottery tickets—especially instant, scratch-off tickets—have become a staple at many watering holes. In speaking with a half-dozen bar owners who sell Illinois Lottery tickets, all agree that

it has become an integral part of the day-to-day rhythm of their business. If you're a bar owner, and don't currently sell Illinois Lottery tickets, read on—you may decide the Illinois Lottery is just the ticket for your business.

Chiko Club Liquors in Cicero has been in business for 33 years, and selling Illinois Lottery tickets for nearly as long. Its bar owner, Robert Bartkowski, not only sells tickets to his patrons—he plays Lottery with them, too! For 20 years, he and about 15 regulars have contributed \$1 per drawing for Lotto (and lately Mega Millions) drawings. Occasional, small winnings go back into future drawings, or sometimes instant tickets.

"Most of my regulars play Lottery," states Bartkowski. "You can usually tell who is sitting where by the kind of Lottery instant game found on the table." For example, a couple of already-scratched Crossword tickets and a half-full glass of light beer would tell everyone where "Joey" was sitting, he says.

Jan's Tap in Peoria is a friendly, working-class bar that has been selling Lottery for nearly 20 years. Owner Jan McAllister, who lives above the bar, says about two-thirds of her regulars play Lottery. She keeps Lotto, Little Lotto and Mega Millions playslips on site for 40 regular customers, and sells about \$200,000 a year in Lottery tickets.

Over the years, Jan has sold numerous mid-tier winning tickets—with prizes ranging from \$2,500 and \$25,000. When regulars win a "decent" Lottery prize, they typically buy a round of drinks for the house. "Lottery has always been an important part of Jan's Tap," says McAllister, who posts in-store banners advertising the winners she has sold.

"When you sell a decent prize, it leads to more sales. Like everyone else, I'm hoping to sell the big one," she says, and earn a Lottery selling bonus of up to \$500,000.

Belford Tavern in Chicago is among the top-selling bars in the state. It boasts Lottery sales of \$625,000 per year, earning the bar over \$31,000 in annual Lottery commissions—plus substantial winning-ticket selling bonuses. The tavern has sold a lot of winners, including a recent \$1 million instant game winner (earning the store a quick \$10,000 selling bonus). Owner Jimmy Praskevas says Lottery is a great fit with his 1,100-square foot bar. "It keeps customers busy—gives 'em something to do, a reason to stick around."

The \$1 million winner he sold last August was purchased by a tavern regular. "He still comes here," Praskevas adds, "and he still plays Lottery."

"Playing" is what the Illinois Lottery is all about. It's a fun form of entertainment, one that—like alcohol—is restricted to adults. Lottery and neighborhood taverns go together—like beer and baseball. If you're not currently selling Illinois Lottery tickets, you might want to reconsider.

Becoming a Lottery retailer is easy; just fill out an application form and submit it along with a \$50 check. In about three weeks you can be selling Lottery. And once in place, your bar will feel even more like a home away from home. For more information on becoming an Illinois Lottery retailer, visit www.IllinoisLottery.com or call 800.248.2511.

Holding a special event?

Here's how to stay within the law...

We made it through yet another brutal Illinois winter, and now that Spring has finally arrived, outside activities featuring alcohol consumption are becoming more prevalent.

One question local jurisdictions and our licensees frequently ask is: Do I need a liquor license for my special event to be in compliance with the law? There are, of course, many extenuating circumstances that determine whether an event requires additional licensing, but let's take a look at a couple of the more common activities we'll soon be seeing as the weather turns warmer:

- *Golf outings featuring alcohol:* Many organizations host golf outings as a major fundraising activity. If the golf course has a liquor license and is serving the alcohol, there is no need for the hosting organization to get a special event license. Likewise, the licensed golf club need not apply for a special use permit as the event is held within its licensed premises.
- *Outdoor festivals featuring alcohol:* Now, let's say you're planning the annual street fair for your non-profit organization. If your organization is in charge of serving the alcohol, you will need to apply for a **Special Event License**. Should an existing liquor licensee host the event at a location other than its licensed premise, the licensed retailer will need to acquire a **Special Use Permit**.

Please remember, it is **your** responsibility as the license holder to ensure that guests are not overserved. The Happy Hour Law prohibits serving guests an unlimited number of drinks during a set period of time for a fixed price. The only exception to this law is a **private function** (see "What is a private function?" box at right).

To ensure alcohol is served responsibly at your event, it is suggested that at least two of your staff attend BASSET-approved alcohol server training. For more information about the Liquor Commission's BASSET (Beverage Alcohol Sellers and Servers Education and Training) program, please turn to page 6.

How do I apply for the needed licenses?

To make the process of applying for one of the above licenses less intimidating, the Illinois Liquor Control Commission has produced a DVD entitled *How to Apply For a Special Event*

Liquor

License. Designed for both non-profit organizations and licensed retail

establishments, this short video

presentation provides

step-by-step instructions and tips on how to stay within the law.



See ordering instructions below to obtain your FREE "How to Apply for a Special Event Liquor License" DVD!

How to order the Special Event DVD

To order this DVD, simply click on the "FREE Special Event DVD" link located on the right side of our home page www.state.il.us/LCC or call 312.814.4802.

Still not convinced it's worthwhile to view the DVD? **Many local liquor commissioners have already ordered the DVD.** With your local officials receiving a brief refresher course on the law, it is now more important than ever to follow all state rules and regulations.

Lastly, if you have any additional questions, we are here to answer them for you. Please give us a call at 312.814.2206.

What is a private function?

The only exception to serving an unlimited number of drinks for a fixed price (per the *Happy Hour Law*)—is when your event is a **private function**.

As defined per the Illinois Liquor Control Act (235 ILCS 5/1-3.36), a "private function" means a prearranged private party, function, or event for a specific social or business occasion, either by invitation or reservation and not open to the general public, where the guests in attendance are served in a room or rooms designated and used exclusively for the private party, function, or event.

“Unofficial” crackdown highlights statewide compliance check operation” continued from page 1

“The Liquor Commission has made it a priority to crack down on those who sell to underage,” says ILCC Acting Director Lainie Krozel. “Our goal is to keep alcohol out of the hands of those not old enough to drink. Those liquor establishments who choose to break the law will be held accountable.”

“Underage drinking affects us all. On average, over one hundred teens in Illinois die each year because of drunk driving alone. In addition to the human toll, it is estimated that underage drinking costs Illinois citizens \$3 billion a year,” Krozel continued.

Should retailers require an additional “incentive” to ensure their staff operates within the law, a review of the March 2008 Champaign-Urbana operation should serve as proper motivation.

Licensees shut down during “Unofficial” weekend

To ensure University of Illinois students celebrated safely and legally during the Unofficial St. Patrick’s Day weekend, the Liquor Commission mobilized its special agent force in the Champaign-Urbana area to cite liquor establishments who sell alcohol to those under the age of 21 years.

In past years, this weekend has been the scene of numerous arrests and injuries, including one fatality. With this in mind, the ILCC Legal Division counseled the area’s local liquor commissioners on what steps could be legally taken to minimize alcohol-related problems prior to the mobilization.

Then, on the event weekend, ILCC special agents followed up by working closely with the Illinois State Police, Champaign County Sheriff’s Office, Champaign Police Department, Urbana Police Department, and University of Illinois Police.

During the two-day operation, a total of 30 citations were issued for selling to minors at 18 locations, with several licensees forced to shut down during a busy weekend. ILCC agents also found

A note from your liquor agent...

Have your business hours changed? Make sure the hours of operation are correct when renewing your liquor license. Illinois Liquor Control Commission special agents are increasingly seeing businesses closed during hours when they are supposed to be open.

If your business hours have changed, please ensure to correct them when renewing your license.

Other underage drinking prevention programs

The Illinois Liquor Control Commission has created the Tracking Alcohol in IL (TrAIL) Program where investigators trace alcohol purchases when underage drinking leads to serious consequences.

During its first year, ILCC agents were called in to investigate 28 incidents which resulted in 19 fatalities and 45 injuries.

Additionally, the ILCC has created the *Don’t Be Sorry* public education campaign to make parents, teens, and liquor retailers aware of the consequences of underage drinking. For more information about this program—and to order FREE materials—please visit www.DontBeSorry.org.

TrAIL



Tracking Alcohol in IL



a total of 15 other Liquor Control Act violations. Many of these infractions were Happy Hour Law violations; for example, establishments selling an unlimited number of drinks during a set period of time for a fixed price.

“We have received positive feedback from parents and community members on this operation, who were concerned another tragedy will occur,” says Illinois Department of Revenue Assistant Director Pat Welch, who oversees ILCC’s investigative unit. “Hopefully, the effectiveness of this effort—which can be directly tied to working hand-in-hand with local and state law enforcement—has offered them some comfort and peace of mind.”

Those found selling to minors are subject to arrest, one year in jail, and a \$2,500.00 maximum fine. “We appreciate the additional manpower provided by the Liquor Commission and their special agents,” says Sergeant Scott Friedlein of the Champaign Police Department. “Through their support and assistance, we were able to take our compliance operation to the next level.”

Hopefully, retailers throughout the state will learn from their fellow business owners about the ramifications of breaking the law.

Hospitality expert picked as BASSET Trainer-of-the-Quarter

By Lee J. Roupas, ILCC BASSET Program Manager



Michelle Joseph

Being a newly licensed BASSET trainer since January, Michelle Joseph has already managed to train over two hundred owners, managers, and servers in the Beverage Alcohol Sellers and Servers Education and Training (BASSET) program.

An entrepreneur, Joseph's business consulting company, The Local Connection, was recently contracted to work on new entertainment television show *24/7 Chicago, Secrets of the City*. She is also adjunct professor at Lexington College, where she teaches Special Event and Event Planning courses.

Prior to starting her own business, Joseph worked in a variety of fields. After serving as an elementary and middle school teacher, she worked in the pharmaceutical industry doing by marketing and sales work. She then transitioned into the hospitality industry and began her career in meeting planning, training and development for the Responsible Hospitality Institute.

One of her career accomplishments was becoming a founding member of the Chicago Hospitality Resource Partnership (HRP)—a cooperative alliance of representatives from the hospitality industry, law enforcement, and city and state government agencies. To further the HRP's mission of educating liquor licensees on available resources, new ordinances, and

best business practices, Joseph oversaw the partnership's communication, outreach and training efforts.

As a result of this effort with the HRP, a good working relationship was formed with the industry, law enforcement, and government/community agencies; ultimately, this led to communication lines being opened between all entities.

Seeing this success, Joseph also saw an opportunity to further the HRP's goal of "providing safe and vibrant places for citizens to socialize" by extending BASSET training to the liquor serving establishments in Chicago.

When asked what advice she gives to trainees, Joseph replies: "Be observant of everything that is going on around you. BASSET training increases awareness of the importance of responsible alcohol service."

She believes that people who work in this hospitality industry "do so because they enjoy seeing their guests have a good time. It is very small percentage of customers who go overboard, and it is my responsibility to ensure servers are aware of how to prevent such a situation from occurring."

In her spare time, Joseph volunteers at several charities and non-profit organizations. Her busy social life includes entertaining, skiing, golf, and "enjoying all Chicago has to offer." A Brighton, Michigan native and Chicago resident for the last 15 years, Joseph is an avid Michigan State Spartan fan, where she graduated with an Education degree along with a minor in Social Science.



New Licensed BASSET Providers

NOVEMBER

- Canton Police Department
- Diversy's Learning
- El Burrito Loco
- Top Golf Wood Dale
- Ultra Foods
- Julie Zalenka

DECEMBER

- US Interactive, Inc.,

JANUARY

- Last Call Bar Service
- The Local Connection Chicago
- Teri Lee Wegeng

FEBRUARY

- Archon Hospitality—Holiday Inn Crystal Lake
- Drury Inn—O'Fallon

Illinois hosting national conference

The Illinois Liquor Control Commission (ILCC) is proud to serve as host of the National Conference of State Liquor Administrators (NCSLA) 74th Annual Conference this summer in Chicago.

As the premier event for regulators from throughout the United States, this year's conference will feature federal and state elected officials, CEO's and presidents of Fortune 500 companies, and other nationally recognized figures.

Also during the conference, the NCSLA will pay tribute to current ILCC Chairman Irving J. Koppel. As a former president of the NCSLA and a Illinois liquor commissioner for over twenty years, Koppel will be honored for his lifelong commitment to the liquor regulation in the United States.

Scrutinize each guest

By Lee J. Roupas, ILCC
BASSET Program Manager

Being an observant individual is an advantage an owner, manager or server of a liquor establishment can have in preventing customers from getting intoxicated. When taking a seller/server training course, participants are trained to assess each guest.

After completing a training course a server should be able to know factors that would influence or speed up a patron's level of intoxication. Intoxication rate factors are:

- Size of an individual
- Gender
- Strength of a drink
- Food
- Drinking on an empty stomach or full stomach
- Rate of Consumption
- Drug Use

By knowing these intoxication rate factors, it will contribute to responsible alcohol service and prevention of costly alcohol-related mishaps.



Please check the next edition of *ILCC News* for a recap of the 2008 Annual Conference.



Order your Tobacco Retailer Kit today!

To order your Tobacco Retailer Kit, please call 312.814.6884 or visit www.state.il.us/lcc/tobacco



**Illinois Liquor
Control Commission**

Presorted Standard
U.S. Postage
PAID
MT. PROSPECT, IL
Permit #87



100 West Randolph Street
Suite 7-801
Chicago, IL 60601

Rod R. Blagojevich
Governor

Irving J. Koppel
Chairman

Lainie Krozel
Acting Executive Director

John M. Aguilar
Daniel J. Downes
James M. Hogan
Lillibeth Lopez
Stephen Schnorf
Commissioners

**Order your FREE ILCC
materials today!**

The following FREE Liquor
Commission materials are
available to all licensees
by visiting the web at
[www.state.il.us/LCC/
ILmaterials.asp](http://www.state.il.us/LCC/ILmaterials.asp)
or calling 312.814.4802:

- Illinois Liquor Control Act and ILCC/BASSET Rules and Regulations.
- "Happy Hour Law" and "Just the Facts" fliers.
- Alcohol "Proof of Age" and "Pregnancy Warning" signs.
- BASSET Program Brochure and Age-Verification Guide.
- "We Card Hard" decal and Liquor Licensee Employee Training Guide.

