



ST. CHARLES
SINCE 1834

AGENDA ITEM EXECUTIVE SUMMARY

Title: Discussion on Recent “Happy Hour” changes Posted by the Illinois Liquor Control Commission Regarding Public Act 99-0046 (went into effect on July 15, 2015)

Presenter: Mayor Rogina/ Atty. McGuirk

Please check appropriate box:

<input type="checkbox"/>	Government Operations	<input type="checkbox"/>	Government Services
<input type="checkbox"/>	Planning & Development	<input type="checkbox"/>	City Council
<input type="checkbox"/>	Public Hearing	<input checked="" type="checkbox"/>	Liquor Commission (8/17/15)

Estimated Cost:		Budgeted:	YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
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If NO, please explain how item will be funded:

Executive Summary:

The Illinois Liquor Commission made changes to the state “Happy Hour” law, Public Act 99-0046 which went into effect on July 15, 2015.

The Liquor Control Commission will discuss these changes and make recommendation to change/keep any of these laws to practice within the City of St. Charles.

“The City is a “Home Rule” municipality pursuant to Section 6, Article VII of the Illinois Constitution of 1970. Except as limited by statute, a home rule unit may exercise any power and perform any function pertaining to its government and affairs including, but not limited to, the power to regulate for the protection of public health, safety, morals and welfare; to tax; and to incur debt.”

Attachments: *(please list)*

FAQs on “Happy Hour” Changes

Recommendation / Suggested Action *(briefly explain):*

Discussion on recent “Happy Hour” changes posted by the Illinois Liquor Control Commission regarding Public Act 99-0046 (went into effect on July 15, 2015).

For office use only: *Agenda Item Number: 6*

FAQs on "happy hour" changes

Posted by the Illinois Liquor Control Commission

Below are frequently asked questions regarding **Public Act 99-0046** which went into effect on **July 15, 2015**:

Q: Will I be able to offer "happy hour" specials by temporarily reducing the price of drinks at my establishment?

A: **Yes.** This legislation permits licensees to offer discounted drinks for up to **4 hours per day**, and not more than **15 hours per week**. The specified drink promotional period does not have to be for 4 consecutive hours.

Q: What are the additional rules and restrictions on price reductions?

A: Licensees must adhere to the following stipulations on price reductions on drinks:

- Licensee must give notice of the discount of alcohol drinks on the licensee's premises or on their website **7 days prior to the specified drink promotion period**.
- Licensee shall not offer a specified drink promotion period between the hours of **10:00 p.m. and the licensed premise's closing hour**.
- Licensee shall not change the price of an alcoholic drink during a single drink promotion period.

Q: When can I start reducing prices as part of happy hour?

A: No earlier than 7 days after the license holder has given notice of the discount of alcohol drinks at its licensed location or on its website.

Q: Can I provide unlimited drinks for a single price?

A: No. Drink limits are required unless the drinks are part of a meal/party package or private function.

Q: Am I allowed to sell "meal packages" with food and alcohol? What does that entail?

A: **Yes.** "Meal package" means a food & 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 licensee operating within a sports facility, restaurant, winery, brewery, or distillery.

Q: Is there a limit on the number of drinks which may be served with a meal package?

A: No. There is no limit to the number of drinks included with a meal package.

Q: What is considered "food" for purposes of a meal package?

A: Any food, including snacks and other so-called "finger food," that is available on the licensed premises as long as the food and alcoholic drinks are sold as a package for a fixed price.

Q: Am I allowed to sell "party packages," such as wristband deals for a private event? What are the regulations?

A: **Yes.** "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**. In order to sell a party package, a business must:

- Offer food in the dedicated event space.
- Limit the party package to no more than 3 hours.
- Distribute wristbands, lanyards, or shirts that designate party package attendees.
- Exclude individuals not participating in the party package from the dedicated event space.

Q: Is there a limit on the number of drinks which may be served with a party package?

A: No. There is no limit on the number of drinks allowed to be included with a party package.

Q: What is considered "food" for purposes of a party package?

A: Any food, including snacks and other so-called "finger food," that is available on the licensed premises.

Q: Private functions as defined in the Liquor Control Act (235 ILCS 5/1-3.36) have always been an exception to the prohibition on unlimited drinks; are private functions now limited to 3 hours?

A: No. Private functions such as weddings, private parties, fund-raising functions, etc., where "guests in attendance are served in a room or rooms designated and used exclusively for the private party, function or event" (235 ILCS 5/1-3.36) are not subjected to a time limit.

Q: How can alcoholic drinks be sold and served to a customer?

A: 1) You may serve two or more drinks to one customer at one time;
2) You may not sell two or more drinks for the price of one drink;
3) You must increase the price of a drink proportionately to an increase in the volume of the same drink (Example: The price of a 24 ounce draft of Brand X beer must cost twice as much as a 12 ounce draft of Brand X beer).

Q: Can I sell or serve a pitcher, bottle, carafe, bucket, flight, or similar container to one person?

A: Yes.

Q: How does proportionate pricing apply to prices of a pitcher, bottle, carafe, bucket, flight, or similar container?

A: Proportionate pricing applies to individual drinks, not to pitchers, bottles, carafes, buckets, flight or similar containers. As long as a price reduction is not equal to selling 2 or more alcoholic drinks for the price of one, a retailer is free to set any price for a pitcher, bottle, carafe, bucket, flight or similar container.

Q: Can I permit or encourage drinking games or contests at my licensed premises?

A: No.

Q: Can I still offer daily drink specials?

A: Yes, as long as the price of the drink special is listed on the mandatory schedule of drink prices.

Q: May I advertise happy hour, meal packages, and party packages?

A: Yes. Events permitted under the Liquor Control Act may be legally advertised.

Q: May I advertise events and drink specials permitted under the Happy Hour law on social media?

A: Yes. Social media advertising is allowed.

Q: Does the new law mandate that all servers in Illinois be trained and certified?

A: Yes. All alcohol servers and those checking ID's for alcohol service in on-premise establishments (ie, bars, restaurants, banquet halls) will be required to successfully complete BASSET by a pre-determined date cited in the law. See following page for the schedule.

Required training date for alcohol servers

The signing of **Public Act 99-0046** on **July 15, 2015** requires on-premise servers (and those checking ID's for alcohol service) to successfully complete a Beverage Alcohol Sellers/Servers Education & Training (BASSET) class by a certain date based upon county population. NOTE: Some local jurisdictions may already require BASSET. Please visit www.illinois.gov/ILCC/SitePages/Survey.aspx for ordinances in your community. **Below is the list of Illinois counties by the date in which servers are required to be BASSET-certified** (based on 2010 U.S. Census data):

BASSET certification currently required (as of July 1, 2015)

Cook County

Certification required by July 1, 2016 (in counties with 200,000+ people)

Champaign County
DuPage County
Kane County
Lake County
Madison County

McHenry County
St. Clair County
Will County
Winnebago County

Certification required by July 1, 2017 (counties between 30,000-200,000 people)

Adams County
Boone County
Bureau County
Christian County
Clinton County
Coles County
DeKalb County
Effingham County
Franklin County
Fulton County
Grundy County
Henry County
Jackson County

Jefferson County
Kankakee County
Kendall County
Knox County
LaSalle County
Lee County
Livingston County
Logan County
Macon County
Macoupin County
Marion County
McDonough County
McLean County
Monroe County

Montgomery County
Morgan County
Ogle County
Peoria County
Randolph County
Rock Island County
Sangamon County
Stephenson County
Tazewell County
Vermilion County
Whiteside County
Williamson County
Woodford County

Certification required by July 1, 2018 (counties with 30,000 people or less)

Alexander County
Bond County
Brown County
Calhoun County
Carroll County
Cass County
Clark County
Clay County
Crawford County
Cumberland County
De Witt County
Douglas County
Edgar County

Edwards County
Fayette County
Ford County
Gallatin County
Greene County
Hamilton County
Hancock County
Hardin County
Henderson County
Iroquois County
Jasper County
Jersey County
Jo Daviess County

Johnson County
Lawrence County
Marshall County
Mason County
Massac County
Menard County
Mercer County
Moultrie County
Perry County
Piatt County
Pike County
Pope County
Pulaski County

Putnam County
Richland County
Saline County
Schuyler County
Scott County
Shelby County
Stark County
Union County
Wabash County
Warren County
Washington County
Wayne County
White County