



## **City of Crystal Lake** **Liquor License FAQ's**

- **How long is my license good for?**
  - The license period runs from June 1 to May 31 of the following year.
- **Do I have to apply for a license with the State of Illinois?**
  - After receiving a license from the City of Crystal Lake, a licensee must apply for a license from the State of Illinois prior to selling alcohol at their establishment.
- **Do I also have to renew my license with the State of Illinois?**
  - All licenses must be renewed with the State of Illinois and follow State regulations.
- **Is my license transferable?**
  - No-if an establishment previously held a liquor license, the new owner must submit a complete application and go before City Council to have their liquor license approved.
- **What if my business moves?**
  - The change of address must be approved by the Mayor and City Council. An application, a letter concerning the move, updated insurance, updated bond and new lease or proof of ownership must be included in the submission. If new construction is occurring, a Certificate of Occupancy must be issued prior to release of the license. There are no additional fees for transferring the license to a new address.
- **What if my business changes names?**
  - Please notify the City Manager's office in writing of any changes such that the license can be properly updated. The old license must be turned in prior to releasing the new license.
- **What if I have a change in management?**
  - The City Manager's Office must be notified in writing of all changes in management. Any new owner must submit a State and Federal background check. Per the City Code of Crystal Lake, Chapter 329-3 (C):
    - A fee of \$300 shall be paid upon any change in ownership or interest of any corporation, partnership, copartnership, limited-liability company or other entity holding a liquor license which would result in a change of ownership interest of 5% or more of the entity's ownership.
- **Can I change my license classification?**
  - A complete application must be submitted including a letter of request for change. The Community Development department will review the application for any potential restrictions in zoning. The petition will be taken before the Mayor and City Council for approval. Upon approval of the change, any differences in fees must be paid prior to issuance of the new license.
- **What does a registered agent do/where do I find one?**
  - A registered agent acts on behalf of the organization and receives any legal notices or other documentation pertaining to the establishment's liquor license. The registered agent must be a resident of Crystal Lake and live within corporate limits. This individual can either be a manager or employee of the establishment. It is not necessary to have a registered agent if the owner lives in corporate City limits. If the establishment is registered with the Crystal Lake Chamber of Commerce, they may submit a request to their office, requesting that they act as their registered agent.
- **What is a bond?**
  - The bond is a necessary document that acts as added insurance for the City of Crystal Lake to ensure that the establishment is following all City mandated requirements. The bond must be in the amount of \$1,000 and payable to the City of Crystal Lake. Most insurance agencies can help provide these documents.

- **What are the insurance requirements?**

- Must follow State requirements:

- The Illinois Liquor Control Act [235 ILCS 5/6-21(a)] requires the Illinois Comptroller to determine each year the liability limits for causes of action brought under the Act in accordance with the consumer price index-u (CPI-U) during the preceding 12-month calendar year. According to the Bureau of Labor Statistics of the U.S. Department of Labor, the CPI-U increased 0.76 percent during the preceding calendar year. Based upon the previous determinations, the 2015 dram shop liability limits have been adjusted as follows:

- For causes of action involving persons injured or killed on or after January 20, 2015, the judgment or recovery under the Liquor Control Act of 1934 for injury to the person shall not exceed \$65,511.99 for each person incurring damages;
      - For causes of action involving persons incurring property damage on or after January 20, 2015, the judgment or recovery under the Liquor Control Act of 1934 for property of any person shall not exceed \$65,511.99 for each person incurring damages; and
      - For causes of action under the Liquor Control Act of 1934 for either loss of means of support or loss of society resulting from the death or injury of any person on or after January 20, 2015, the judgment or recovery shall not exceed \$80,070.21.

- **Can a business give away alcohol for free?**

- A for profit business cannot give away alcohol at their establishment. If the establishment wishes to provide alcohol, it must be sold by a nonprofit organization that obtains a temporary liquor license, pending approval from the Mayor and City Council. Any organization or for profit business hosting a private event, can serve alcohol at their function, provided it is not open to the public. That organization or for profit business assumes all responsibility for having liquor on premise.

- **Can I host a special event outside my license hours?**

- Special hours are only given to applicable license holders for extended New Year's Eve hours. Any other request must go before City Council for approval.

- **What are the new Happy Hour laws?**

- Per Public Act 99-0046, licensees may have up to 4 hours per day of discounted drinks, not to exceed, 15 hours per week. Notice of the discounted alcoholic drinks must be given 7 days prior to the promotion period. (Please see the attached document for further information.)

- **What are the new BASSET laws?**

- Effective July 1, 2015, all current BASSET holders must renew their certification every three years. If the license holder is not current as of July 1, 2015 he or she must re-certify. Effective July 1, 2016, all persons who card or serve alcohol must be BASSET certified. The City of Crystal Lake will follow state statute on this matter. (Please see the attached document for further information.)