

# **ILLINOIS LIQUOR CONTROL COMMISSION**

**Environment and Business Regulations/Executive agency**

**FY14 Headcount: Under Illinois Department of Revenue**

<http://www.state.il.us/lcc/>

## **Summary of Agency Operations**

The Illinois Liquor Control Commission is within the Illinois Department of Revenue.

## **Internal Hiring**

### **Agency positions subject to restrictions based on criminal history**

Information in the Illinois Department of Revenue (IDOR) report will include the Illinois Lottery and the Illinois Liquor Control Commission (ILCC). This is due to the fact that until September of 2011, the Illinois Lottery was part of the IDOR. They have since separated from IDOR. However the ILCC is still part of IDOR.

Due to the confidential and sensitive nature of tax records and because disclosure of tax information is prohibited, IDOR must investigate all criminal records for new employees, contractual persons, or persons from other state of Illinois agencies requesting an identification badge authorizing admittance to Illinois Department of Revenue facilities. All persons requesting an Illinois Lottery Retailers License are also required to submit to a criminal background check, see 20 ILCS 1605/10.1.

**This agency is subject to personnel or non-personnel code.**

Personnel code agency

### **Statutory Restrictions Applicable to Internal Hiring:**

#### **235 ILCS 5/3-6**

No commissioner, secretary, inspector, or other employee shall be appointed who has been convicted of any violation of any Federal or State law concerning the manufacture or sale of alcoholic liquor prior or subsequent to the passage of this Act or who has paid a fine or penalty in settlement of any prosecution against him for any violation of such laws or shall have forfeited his bond to appear in court to answer charges for any such violation, nor shall any person be appointed who has been convicted of a felony.

**Restriction Type:** Mandatory

**Restriction Duration:** Not mentioned in the above listed statute

## **Background Check Procedures:**

### **(1) Self-disclosure on application**

Yes, All employees, contractual persons or persons from other state agencies who are seeking identification badge authorizing admittance into IDOR facilities will have a criminal background check completed before they are hired and or given identifications badges, see IDR-147 attached. Additionally, all persons requesting an Illinois Lottery Retailers License are also required to submit to a criminal background check, see 20 ILCS 1605/10.1.

## Illinois Liquor Control Commission

### **(2) Background check review procedure**

Once the background check has been completed, one of the following possibilities would exist.

1. The background check is clear and no further action is required.
2. The applicant failed to include a conviction, including any guilty pleas where the individual received some sort of alternative sentencing, including court supervision. If this occurs the application would be falsified, meaning the application would initially be denied. A letter would be sent to the applicant advising them and giving them the opportunity to contact the Internal Affairs Office of IDOR and request to have the matter reviewed. In many cases the conviction is old and or of a minor nature and the applicant simply forgot to include it, or didn't believe the conviction was on their record. If the applicant requests the matter be reviewed, a committee made up of the Chief of the Internal Affairs Division, the EEO Officer, an Assistant General Counsel and a member of the Shared Services Unit, will meet and make a determination if the application will go forward or be denied.
3. The background check revealed a conviction giving concern as to the applicant's viability. Some examples would include identity theft, gambling, fraud, deceptive practice or any violent crimes. As in the situation above, the application would be reviewed and a decision rendered as to the viability of the applicant. Various factors are weighed, such as the time elapsed between the application and when the conviction took place.

It should also be noted that in addition to the criminal background checks completed on all applicants, a tax check is completed as well. If and when an application reveals a tax issue, the applicant is sent a letter indicating same and if the applicant corrects the problem the application will be approved.

### **Exemption, waiver, or review mechanisms**

Not mentioned in the agency report

### **Total number of people who underwent a background check**

The following statistics are based on all applications received and processed between July of 2009 and January 2012.

Total Applications received/processed = 9768 (5155 were Lottery Retailer Applications or renewals, 4613 were all other applications).

Total Applications Cleared/Approved = 8400 (5108 were Lottery Retailer Applications or Renewals, 3292 were all other applications).

Total number of Applicants denied = 1368 (includes 875 for tax related issues)

Total number of Applications reviewed = 493.

**AGENCY occupational licensing restrictions based on criminal history:**

**Liquor Control Act**

**235 ILCS 5/6-2 (Issuance of licenses to certain persons prohibited)**

a. Except as otherwise provided in subsection (b) of this Section and in paragraph (1) of subsection (a) of Section 3-12, no license of any kind issued by the State Commission or any local commission shall be issued to:

2) A person who is not of good character and reputation in the community in which he resides.

4) A person who has been convicted of a felony under any Federal or State law, unless the Commission determines that such person has been sufficiently rehabilitated to warrant the public trust after considering matters set forth in such person's application and the Commission's investigation. The burden of proof of sufficient rehabilitation shall be on the applicant

5) A person who has been convicted of keeping a place of prostitution or keeping a place of juvenile prostitution, promoting prostitution that involves keeping a place of prostitution, or promoting juvenile prostitution that involves keeping a place of juvenile prostitution.

6) A person who has been convicted of pandering or other crime or misdemeanor opposed to decency and morality.

12) A person who has been convicted of a violation of any Federal or State law concerning the manufacture, possession or sale of alcoholic liquor, subsequent to the passage of this Act or has forfeited his bond to appear in court to answer charges for any such violation.

16) A person who has been convicted of a gambling offense as proscribed by any of subsections (a) (3) through (a) (11) of Section 28-1 of, or as proscribed by Section 28-1.1 or 28-3 of, the Criminal Code of 1961 or the Criminal Code of 2012, or as proscribed by a statute replaced by any of the aforesaid statutory provision.

**Restriction Type:** Mandatory

**Restriction Duration:** No time limit specified

**235 ILCS 5/7-1 (Applicant for retail license; requisites)**

An applicant for a retail license from the State Commission shall submit to the State Commission an application in writing under oath stating:

21) Whether the applicant has ever been convicted of a gambling offense or felony, and if so, the particulars thereof

If the applicant reports a felony conviction as required under paragraph (21) of this Section, such conviction may be considered by the Commission in determining qualifications for licensing, but shall not operate as a bar to licensing.

**Restriction Type:** Discretionary

**Restriction Duration:** No time limit specified

## Illinois Liquor Control Commission

### **235 ILCS 5/7-12 (Conviction to cause forfeiture of license moneys and license revocation)**

Whenever any licensee shall have been convicted by any court of a wilful violation of any of the provisions of this Act, he shall, in addition to the penalties for such offense, incur a forfeiture of his state and local license and all moneys that have been paid therefor; the local commission shall thereupon revoke his license or the State commission shall revoke his license as the case may be.

**Restriction Type:** Mandatory

**Restriction Duration:** No time limit specified

### **235 ILCS 5/10-4 (Revocation of license after conviction; forfeiture of bond and license fees; effect of revocation)**

Whenever any licensee shall be convicted of any violation of this Act, the licenses of said licensee may, in the discretion of the State commission or of the local commissioner, (whichever has jurisdiction) be revoked and forfeited and all fees paid thereon shall be forfeited, and the bond given by said licensee to secure such licensee's faithful compliance with the terms of this Act shall be forfeited, and it shall thereafter be unlawful and shall constitute a further violation of this Act for said licensee to continue to operate under said license.

**Restriction Type:** Discretionary

**Restriction Duration:** No time limit specified

### **235 ILCS 5/10-5 (Revocation of license when employee convicted; forfeiture of bond and license Fees)**

Whenever any officer, director, manager or other employee in a position of authority of any licensee under this Act shall be convicted of any violation of this Act while engaged in the course of his employment or while upon the premises described by said license, said license shall be revoked and the fees paid thereon forfeited both as to the holder of said license and as to said premises, and said bond given by said licensee to secure the faithful compliance with the terms of this Act shall be forfeited in like manner as if said licensee had himself been convicted.

**Restriction Type:** Mandatory

**Restriction Duration:** Not mentioned in the above listed statute

### **720 ILCS 5/37-3 (Revocation of Licenses, Permits and Certificates)(Licenses)**

All licenses, permits or certificates issued by the State of Illinois or any subdivision or political agency thereof authorizing the serving of food or liquor on any premises found to constitute a public nuisance as described in Section 37-1 shall be void and shall be revoked by the issuing authority; and no license, permit or certificate so revoked shall be reissued for such premises for a period of 60 days thereafter; nor shall any person convicted of knowingly maintaining such nuisance be reissued such license, permit or certificate for one year from his conviction. No license, permit or certificate shall be revoked pursuant to this Section without a full hearing conducted by the commission or agency which issued the license.

**Restriction Type:** Mandatory

**Restriction Duration:** No license, permit or certificate so revoked shall be reissued for such premises for a period of 60 days thereafter; nor shall any person convicted of knowingly maintaining such nuisance be reissued such license, permit or certificate for one year from his conviction.

## Illinois Liquor Control Commission

### Alcohol, Horse Racing and Lottery

#### **Administrative Code: Title II, Subtitle A, Chapter I, Part 100 Section 100.30. Violation of Federal Law, State Statute or City, Village or County Ordinance or Regulation**

a) No person holding a license issued by the Commission shall in the conduct of the licensed business or upon the licensed premises:

1) Violate any Federal law or State statute.

b) Violations may be proved by evidence that the licensee has been convicted of a violation of a Federal law or a law of the State of Illinois in the conduct of the licensed business or upon the premises, or has been found guilty of violating any city, village, town or county ordinance or resolution regulating the sale of alcoholic liquors.

c) Proof before this Commission of facts which establish a violation of any Federal law, State statute, city, village, town or county ordinance or resolution or rule of the Commission, shall be sufficient cause for imposing a fine, revocation or suspension of any license issued by the Commission, irrespective of whether or not a conviction has been obtained in any court.

**Restriction Type:** Mandatory

**Restriction Duration:** No time limit specified

#### **Employment Contracting**

**Contracting restrictions based on criminal history:**

Not mentioned in the agency report

#### **SUMMARY OF EMPLOYMENT RESTRICTIONS FROM AGENCY REPORT:**

The information above may cover sections relating to the Illinois Department of Revenue (IDOR), the Illinois Lottery and the Illinois Liquor Control Commission (ILCC), since until September of 2011, the Illinois Lottery was part of the IDOR. The ILCC is still part of IDOR. Many statutory restrictions relating to cigarette licenses and taxes are found under the IDOR.