



What You Need to Know about the Culinary and Hospitality Modernization Act

For over two years, the Illinois Restaurant Association has worked with key stakeholders to modernize Illinois' culinary and hospitality laws to reflect the needs and current practices of today's businesses. On July 15, 2015, Governor Rauner signed SB 398 – the Culinary and Hospitality Modernization Act – into law. Below are a few common questions and answers about the new law and how it affects your business.

Q: Can I 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.

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

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

- Notice of the discount of alcohol drinks must be made publicly available 7 days prior to the specified time on the licensee's premises or on their website.
- Drinks may not be discounted between the hours of 10:00 p.m. and the licensed premise's closing hour.
- The price of alcoholic drinks must not be changed during the time that it is discounted.
- You may not sell 2 or more alcohol drinks for the price of one.
- You may not increase the volume of alcohol in a drink without proportionally increasing the price.
- You may not permit or encourage drinking games or contests.

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

A: You must publicly post a notice of the specified time of discounted drinks at least 7 days in advance at your location or on your website. For example, if you plan to offer \$3 pints of Brand A beer on Wednesday, August 12 from 5:00 to 7:00 p.m., you must include a notice of that price reduction in your menu, on a chalkboard at your establishment, or on your website by Wednesday, August 5.

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

A: Yes. "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 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 or party 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: Can I sell or serve a pitcher, bottle, carafe, bucket, flight, or similar container to one person? How does proportionate pricing apply?

A: Yes. 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: Which of my employees needs to have responsible alcohol server (BASSET) training? What is the deadline for them to receive the training and certificate?

A: All employees who sell or serve open containers of liquor and anyone whose job description entails the checking of identification for the purchase of open containers of liquor must complete approved training in responsible alcohol service.

- All alcohol servers in counties with a population of 200,000 or more (other than Cook County, which requires training by July 1, 2015) are required to obtain and complete training in basic responsible alcohol service by July 1, 2016 or within 120 days after the alcohol server begins his or her employment, whichever is later.
- All alcohol servers in counties with a population less than 200,000 and more than 30,000 are required to obtain and complete training in basic responsible alcohol service by July 1, 2017 or within 120 days after the alcohol server begins his or her employment, whichever is later.
- All alcohol servers in counties with a population of 30,000 or less are required to obtain and complete training in basic responsible alcohol service by July 1, 2018 or within 120 days after the alcohol server begins his or her employment, whichever is later.

Q: Can I sell infusions? What is an infusion?

A: Yes, you can sell infusions. Infused spirits are spirits where ingredients, including but not limited to, fruits, spices, nuts, are added to naturally infuse flavor into the spirits.

Q: Can I advertise happy hour, meal packages, and party packages? Can I advertise on social media?

A: Yes. Events permitted under the Liquor Control Act may be advertised. Yes, you can advertise on social media.

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