

**104TH GENERAL ASSEMBLY****State of Illinois****2025 and 2026****HB2343**

Introduced 2/4/2025, by Rep. Marcus C. Evans, Jr.

SYNOPSIS AS INTRODUCED:

See Index

Amends the Compassionate Use of Medical Cannabis Program Act. Provides that the Department of Financial and Professional Regulation and the Department of Agriculture may share with the Department of Commerce and Economic Opportunity any licensee information necessary to support the administration of social equity programming. Amends the Cannabis Regulation and Tax Act. Adds a definition. In various provisions, adds Social Equity Lottery Licensees to provisions that include Social Equity Applicants. Provides that the Cannabis Business Development Fund shall be exclusively used for certain purposes, to include providing financial assistance to support lending to, or private investment in, Qualified Social Equity Applicants and Social Equity Lottery Licensees, or to facilitate access to the facilities needed to commence operations as a cannabis business establishment. In provisions regarding loans and grants to Social Equity Applicants, adds financial assistance to provisions that include loans and grants. Provides that the Department of Commerce and Economic Opportunity has the power to enter into financial intermediary agreements to facilitate lending to or investment in Qualified Social Equity Applicants, Social Equity Lottery Licensees, or their subsidiaries or affiliates, to ensure the availability of facilities necessary to operate a cannabis business establishment. Provides that certain loans made shall contain terms and provisions with respect to forgiveness. Provides that those loans also may be distributed by lot if the Department of Commerce and Economic Opportunity determines that the amount of funding available is insufficient. Provides that, to the extent registration with the federal System for Award Management requires a grant applicant to certify compliance with all federal laws, the grant applicants shall not be required to register for a unique entity identifier through the federal System for Award Management. Makes other and conforming changes.

LRB104 03587 BDA 13611 b

1 AN ACT concerning health.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Compassionate Use of Medical Cannabis
5 Program Act is amended by changing Section 145 as follows:

6 (410 ILCS 130/145)

7 Sec. 145. Confidentiality.

8 (a) The following information received and records kept by
9 the Department of Public Health, Department of Financial and
10 Professional Regulation, Department of Agriculture, or
11 Illinois State Police for purposes of administering this Act
12 are subject to all applicable federal privacy laws,
13 confidential, and exempt from the Freedom of Information Act,
14 and not subject to disclosure to any individual or public or
15 private entity, except as necessary for authorized employees
16 of those authorized agencies to perform official duties under
17 this Act and the following information received and records
18 kept by Department of Public Health, Department of
19 Agriculture, Department of Financial and Professional
20 Regulation, and Illinois State Police, excluding any existing
21 or non-existing Illinois or national criminal history record
22 information as defined in subsection (d), may be disclosed to
23 each other upon request:

(1) Applications and renewals, their contents, and supporting information submitted by qualifying patients and designated caregivers, including information regarding their designated caregivers and certifying health care professionals.

(2) Applications and renewals, their contents, and supporting information submitted by or on behalf of cultivation centers and dispensing organizations in compliance with this Act, including their physical addresses. This does not preclude the release of ownership information of cannabis business establishment licenses.

(3) The individual names and other information identifying persons to whom the Department of Public Health has issued registry identification cards.

(4) Any dispensing information required to be kept under Section 135, Section 150, or Department of Public Health, Department of Agriculture, or Department of Financial and Professional Regulation rules shall identify cardholders and registered cultivation centers by their registry identification numbers and medical cannabis dispensing organizations by their registration number and not contain names or other personally identifying information.

(5) All medical records provided to the Department of Public Health in connection with an application for a registry card.

(b) Nothing in this Section precludes the following:

(1) Department of Agriculture, Department of Financial and Professional Regulation, or Public Health employees may notify law enforcement about falsified or fraudulent information submitted to the Departments if the employee who suspects that falsified or fraudulent information has been submitted conferred with his or her supervisor and both agree that circumstances exist that warrant reporting.

(2) If the employee conferred with his or her supervisor and both agree that circumstances exist that warrant reporting, Department of Public Health employees may notify the Department of Financial and Professional Regulation if there is reasonable cause to believe a certifying health care professional:

(A) issued a written certification without a bona fide health care professional-patient relationship under this Act;

(B) issued a written certification to a person who was not under the certifying health care professional's care for the debilitating medical condition; or

(C) failed to abide by the acceptable and prevailing standard of care when evaluating a patient's medical condition.

(3) The Department of Public Health, Department of

1 Agriculture, and Department of Financial and Professional
2 Regulation may notify State or local law enforcement about
3 apparent criminal violations of this Act if the employee
4 who suspects the offense has conferred with his or her
5 supervisor and both agree that circumstances exist that
6 warrant reporting.

7 (4) Medical cannabis cultivation center agents and
8 medical cannabis dispensing organizations may notify the
9 Department of Public Health, Department of Financial and
10 Professional Regulation, or Department of Agriculture of a
11 suspected violation or attempted violation of this Act or
12 the rules issued under it.

13 (5) Each Department may verify registry identification
14 cards under Section 150.

15 (6) The submission of the report to the General
16 Assembly under Section 160.

17 (b-5) Each Department responsible for licensure under this
18 Act shall publish on the Department's website a list of the
19 ownership information of cannabis business establishment
20 licensees under the Department's jurisdiction. The list shall
21 include, but shall not be limited to, the name of the person or
22 entity holding each cannabis business establishment license
23 and the address at which the entity is operating under this
24 Act. This list shall be published and updated monthly.

25 (c) Except for any ownership information released pursuant
26 to subsection (b-5) or as otherwise authorized or required by

1 law, it is a Class B misdemeanor with a \$1,000 fine for any
2 person, including an employee or official of the Department of
3 Public Health, Department of Financial and Professional
4 Regulation, or Department of Agriculture or another State
5 agency or local government, to breach the confidentiality of
6 information obtained under this Act.

7 (d) The Department of Public Health, the Department of
8 Agriculture, the Illinois State Police, and the Department of
9 Financial and Professional Regulation shall not share or
10 disclose any existing or non-existing Illinois or national
11 criminal history record information. For the purposes of this
12 Section, "any existing or non-existing Illinois or national
13 criminal history record information" means any Illinois or
14 national criminal history record information, including but
15 not limited to the lack of or non-existence of these records.

16 (e) Notwithstanding any other provision of this Section,
17 the Department of Financial and Professional Regulation and
18 the Department of Agriculture may share with the Department of
19 Commerce and Economic Opportunity any licensee information
20 necessary to support the administration of social equity
21 programming.

22 (Source: P.A. 101-363, eff. 8-9-19; 102-98, eff. 7-15-21;
23 102-538, eff. 8-20-21; 102-813, eff. 5-13-22.)

24 Section 10. The Cannabis Regulation and Tax Act is amended
25 by changing Sections 1-10, 7-10, 7-15, and 55-30 as follows:

(410 ILCS 705/1-10)

Sec. 1-10. Definitions. In this Act:

"Adult Use Cultivation Center License" means a license issued by the Department of Agriculture that permits a person to act as a cultivation center under this Act and any administrative rule made in furtherance of this Act.

"Adult Use Dispensing Organization License" means a license issued by the Department of Financial and Professional Regulation that permits a person to act as a dispensing organization under this Act and any administrative rule made in furtherance of this Act.

"Advertise" means to engage in promotional activities including, but not limited to: newspaper, radio, Internet and electronic media, and television advertising; the distribution of fliers and circulars; billboard advertising; and the display of window and interior signs. "Advertise" does not mean exterior signage displaying only the name of the licensed cannabis business establishment.

"Application points" means the number of points a Dispensary Applicant receives on an application for a Conditional Adult Use Dispensing Organization License.

"BLS Region" means a region in Illinois used by the United States Bureau of Labor Statistics to gather and categorize certain employment and wage data. The 17 such regions in Illinois are: Bloomington, Cape Girardeau, Carbondale-Marion,

1 Champaign-Urbana, Chicago-Naperville-Elgin, Danville,
2 Davenport-Moline-Rock Island, Decatur, Kankakee, Peoria,
3 Rockford, St. Louis, Springfield, Northwest Illinois
4 nonmetropolitan area, West Central Illinois nonmetropolitan
5 area, East Central Illinois nonmetropolitan area, and South
6 Illinois nonmetropolitan area.

7 "By lot" means a randomized method of choosing between 2
8 or more Eligible Tied Applicants or 2 or more Qualifying
9 Applicants.

10 "Cannabis" means marijuana, hashish, and other substances
11 that are identified as including any parts of the plant
12 Cannabis sativa and including derivatives or subspecies, such
13 as indica, of all strains of cannabis, whether growing or not;
14 the seeds thereof, the resin extracted from any part of the
15 plant; and any compound, manufacture, salt, derivative,
16 mixture, or preparation of the plant, its seeds, or resin,
17 including tetrahydrocannabinol (THC) and all other naturally
18 produced cannabinol derivatives, whether produced directly or
19 indirectly by extraction; however, "cannabis" does not include
20 the mature stalks of the plant, fiber produced from the
21 stalks, oil or cake made from the seeds of the plant, any other
22 compound, manufacture, salt, derivative, mixture, or
23 preparation of the mature stalks (except the resin extracted
24 from it), fiber, oil or cake, or the sterilized seed of the
25 plant that is incapable of germination. "Cannabis" does not
26 include industrial hemp as defined and authorized under the

1 Industrial Hemp Act. "Cannabis" also means cannabis flower,
2 concentrate, and cannabis-infused products.

3 "Cannabis business establishment" means a cultivation
4 center, craft grower, processing organization, infuser
5 organization, dispensing organization, or transporting
6 organization.

7 "Cannabis concentrate" means a product derived from
8 cannabis that is produced by extracting cannabinoids,
9 including tetrahydrocannabinol (THC), from the plant through
10 the use of propylene glycol, glycerin, butter, olive oil, or
11 other typical cooking fats; water, ice, or dry ice; or butane,
12 propane, CO₂, ethanol, or isopropanol and with the intended
13 use of smoking or making a cannabis-infused product. The use
14 of any other solvent is expressly prohibited unless and until
15 it is approved by the Department of Agriculture.

16 "Cannabis container" means a sealed or resealable,
17 traceable, container, or package used for the purpose of
18 containment of cannabis or cannabis-infused product during
19 transportation.

20 "Cannabis flower" means marijuana, hashish, and other
21 substances that are identified as including any parts of the
22 plant Cannabis sativa and including derivatives or subspecies,
23 such as indica, of all strains of cannabis; including raw
24 kief, leaves, and buds, but not resin that has been extracted
25 from any part of such plant; nor any compound, manufacture,
26 salt, derivative, mixture, or preparation of such plant, its

1 seeds, or resin.

2 "Cannabis-infused product" means a beverage, food, oil,
3 ointment, tincture, topical formulation, or another product
4 containing cannabis or cannabis concentrate that is not
5 intended to be smoked.

6 "Cannabis paraphernalia" means equipment, products, or
7 materials intended to be used for planting, propagating,
8 cultivating, growing, harvesting, manufacturing, producing,
9 processing, preparing, testing, analyzing, packaging,
10 repackaging, storing, containing, concealing, ingesting, or
11 otherwise introducing cannabis into the human body.

12 "Cannabis plant monitoring system" or "plant monitoring
13 system" means a system that includes, but is not limited to,
14 testing and data collection established and maintained by the
15 cultivation center, craft grower, or processing organization
16 and that is available to the Department of Revenue, the
17 Department of Agriculture, the Department of Financial and
18 Professional Regulation, and the Illinois State Police for the
19 purposes of documenting each cannabis plant and monitoring
20 plant development throughout the life cycle of a cannabis
21 plant cultivated for the intended use by a customer from seed
22 planting to final packaging.

23 "Cannabis testing facility" means an entity registered by
24 the Department of Agriculture to test cannabis for potency and
25 contaminants.

26 "Clone" means a plant section from a female cannabis plant

1 not yet rootbound, growing in a water solution or other
2 propagation matrix, that is capable of developing into a new
3 plant.

4 "Community College Cannabis Vocational Training Pilot
5 Program faculty participant" means a person who is 21 years of
6 age or older, licensed by the Department of Agriculture, and
7 is employed or contracted by an Illinois community college to
8 provide student instruction using cannabis plants at an
9 Illinois Community College.

10 "Community College Cannabis Vocational Training Pilot
11 Program faculty participant Agent Identification Card" means a
12 document issued by the Department of Agriculture that
13 identifies a person as a Community College Cannabis Vocational
14 Training Pilot Program faculty participant.

15 "Conditional Adult Use Dispensing Organization License"
16 means a contingent license awarded to applicants for an Adult
17 Use Dispensing Organization License that reserves the right to
18 an Adult Use Dispensing Organization License if the applicant
19 meets certain conditions described in this Act, but does not
20 entitle the recipient to begin purchasing or selling cannabis
21 or cannabis-infused products.

22 "Conditional Adult Use Cultivation Center License" means a
23 license awarded to top-scoring applicants for an Adult Use
24 Cultivation Center License that reserves the right to an Adult
25 Use Cultivation Center License if the applicant meets certain
26 conditions as determined by the Department of Agriculture by

1 rule, but does not entitle the recipient to begin growing,
2 processing, or selling cannabis or cannabis-infused products.

3 "Craft grower" means a facility operated by an
4 organization or business that is licensed by the Department of
5 Agriculture to cultivate, dry, cure, and package cannabis and
6 perform other necessary activities to make cannabis available
7 for sale at a dispensing organization or use at a processing
8 organization. A craft grower may contain up to 5,000 square
9 feet of canopy space on its premises for plants in the
10 flowering state. The Department of Agriculture may authorize
11 an increase or decrease of flowering stage cultivation space
12 in increments of 3,000 square feet by rule based on market
13 need, craft grower capacity, and the licensee's history of
14 compliance or noncompliance, with a maximum space of 14,000
15 square feet for cultivating plants in the flowering stage,
16 which must be cultivated in all stages of growth in an enclosed
17 and secure area. A craft grower may share premises with a
18 processing organization or a dispensing organization, or both,
19 provided each licensee stores currency and cannabis or
20 cannabis-infused products in a separate secured vault to which
21 the other licensee does not have access or all licensees
22 sharing a vault share more than 50% of the same ownership.

23 "Craft grower agent" means a principal officer, board
24 member, employee, or other agent of a craft grower who is 21
25 years of age or older.

26 "Craft Grower Agent Identification Card" means a document

1 issued by the Department of Agriculture that identifies a
2 person as a craft grower agent.

3 "Cultivation center" means a facility operated by an
4 organization or business that is licensed by the Department of
5 Agriculture to cultivate, process, transport (unless otherwise
6 limited by this Act), and perform other necessary activities
7 to provide cannabis and cannabis-infused products to cannabis
8 business establishments.

9 "Cultivation center agent" means a principal officer,
10 board member, employee, or other agent of a cultivation center
11 who is 21 years of age or older.

12 "Cultivation Center Agent Identification Card" means a
13 document issued by the Department of Agriculture that
14 identifies a person as a cultivation center agent.

15 "Currency" means currency and coin of the United States.

16 "Dispensary" means a facility operated by a dispensing
17 organization at which activities licensed by this Act may
18 occur.

19 "Dispensary Applicant" means the Proposed Dispensing
20 Organization Name as stated on an application for a
21 Conditional Adult Use Dispensing Organization License.

22 "Dispensing organization" means a facility operated by an
23 organization or business that is licensed by the Department of
24 Financial and Professional Regulation to acquire cannabis from
25 a cultivation center, craft grower, processing organization,
26 or another dispensary for the purpose of selling or dispensing

1 cannabis, cannabis-infused products, cannabis seeds,
2 paraphernalia, or related supplies under this Act to
3 purchasers or to qualified registered medical cannabis
4 patients and caregivers. As used in this Act, "dispensing
5 organization" includes a registered medical cannabis
6 organization as defined in the Compassionate Use of Medical
7 Cannabis Program Act or its successor Act that has obtained an
8 Early Approval Adult Use Dispensing Organization License.

9 "Dispensing organization agent" means a principal officer,
10 employee, or agent of a dispensing organization who is 21
11 years of age or older.

12 "Dispensing organization agent identification card" means
13 a document issued by the Department of Financial and
14 Professional Regulation that identifies a person as a
15 dispensing organization agent.

16 "Disproportionately Impacted Area" means a census tract or
17 comparable geographic area that satisfies the following
18 criteria as determined by the Department of Commerce and
19 Economic Opportunity, that:

20 (1) meets at least one of the following criteria:
21 (A) the area has a poverty rate of at least 20%
22 according to the latest federal decennial census; or
23 (B) 75% or more of the children in the area
24 participate in the federal free lunch program
25 according to reported statistics from the State Board
26 of Education; or

(C) at least 20% of the households in the area receive assistance under the Supplemental Nutrition Assistance Program; or

(D) the area has an average unemployment rate, as determined by the Illinois Department of Employment Security, that is more than 120% of the national unemployment average, as determined by the United States Department of Labor, for a period of at least 2 consecutive calendar years preceding the date of the application; and

(2) has high rates of arrest, conviction, and incarceration related to the sale, possession, use, cultivation, manufacture, or transport of cannabis.

"Early Approval Adult Use Cultivation Center License" means a license that permits a medical cannabis cultivation center licensed under the Compassionate Use of Medical Cannabis Program Act as of the effective date of this Act to begin cultivating, infusing, packaging, transporting (unless otherwise provided in this Act), processing, and selling cannabis or cannabis-infused product to cannabis business establishments for resale to purchasers as permitted by this Act as of January 1, 2020.

"Early Approval Adult Use Dispensing Organization License" means a license that permits a medical cannabis dispensing organization licensed under the Compassionate Use of Medical Cannabis Program Act as of the effective date of this Act to

1 begin selling cannabis or cannabis-infused product to
2 purchasers as permitted by this Act as of January 1, 2020.

3 "Early Approval Adult Use Dispensing Organization at a
4 secondary site" means a license that permits a medical
5 cannabis dispensing organization licensed under the
6 Compassionate Use of Medical Cannabis Program Act as of the
7 effective date of this Act to begin selling cannabis or
8 cannabis-infused product to purchasers as permitted by this
9 Act on January 1, 2020 at a different dispensary location from
10 its existing registered medical dispensary location.

11 "Eligible Tied Applicant" means a Tied Applicant that is
12 eligible to participate in the process by which a remaining
13 available license is distributed by lot pursuant to a Tied
14 Applicant Lottery.

15 "Enclosed, locked facility" means a room, greenhouse,
16 building, or other enclosed area equipped with locks or other
17 security devices that permit access only by cannabis business
18 establishment agents working for the licensed cannabis
19 business establishment or acting pursuant to this Act to
20 cultivate, process, store, or distribute cannabis.

21 "Enclosed, locked space" means a closet, room, greenhouse,
22 building, or other enclosed area equipped with locks or other
23 security devices that permit access only by authorized
24 individuals under this Act. "Enclosed, locked space" may
25 include:

26 (1) a space within a residential building that (i) is

1 the primary residence of the individual cultivating 5 or
2 fewer cannabis plants that are more than 5 inches tall and
3 (ii) includes sleeping quarters and indoor plumbing. The
4 space must only be accessible by a key or code that is
5 different from any key or code that can be used to access
6 the residential building from the exterior; or

7 (2) a structure, such as a shed or greenhouse, that
8 lies on the same plot of land as a residential building
9 that (i) includes sleeping quarters and indoor plumbing
10 and (ii) is used as a primary residence by the person
11 cultivating 5 or fewer cannabis plants that are more than
12 5 inches tall, such as a shed or greenhouse. The structure
13 must remain locked when it is unoccupied by people.

14 "Financial institution" has the same meaning as "financial
15 organization" as defined in Section 1501 of the Illinois
16 Income Tax Act, and also includes the holding companies,
17 subsidiaries, and affiliates of such financial organizations.

18 "Flowering stage" means the stage of cultivation where and
19 when a cannabis plant is cultivated to produce plant material
20 for cannabis products. This includes mature plants as follows:

21 (1) if greater than 2 stigmas are visible at each
22 internode of the plant; or

23 (2) if the cannabis plant is in an area that has been
24 intentionally deprived of light for a period of time
25 intended to produce flower buds and induce maturation,
26 from the moment the light deprivation began through the

1 remainder of the marijuana plant growth cycle.

2 "Individual" means a natural person.

3 "Infuser organization" or "infuser" means a facility
4 operated by an organization or business that is licensed by
5 the Department of Agriculture to directly incorporate cannabis
6 or cannabis concentrate into a product formulation to produce
7 a cannabis-infused product.

8 "Kief" means the resinous crystal-like trichomes that are
9 found on cannabis and that are accumulated, resulting in a
10 higher concentration of cannabinoids, untreated by heat or
11 pressure, or extracted using a solvent.

12 "Labor peace agreement" means an agreement between a
13 cannabis business establishment and any labor organization
14 recognized under the National Labor Relations Act, referred to
15 in this Act as a bona fide labor organization, that prohibits
16 labor organizations and members from engaging in picketing,
17 work stoppages, boycotts, and any other economic interference
18 with the cannabis business establishment. This agreement means
19 that the cannabis business establishment has agreed not to
20 disrupt efforts by the bona fide labor organization to
21 communicate with, and attempt to organize and represent, the
22 cannabis business establishment's employees. The agreement
23 shall provide a bona fide labor organization access at
24 reasonable times to areas in which the cannabis business
25 establishment's employees work, for the purpose of meeting
26 with employees to discuss their right to representation,

1 employment rights under State law, and terms and conditions of
2 employment. This type of agreement shall not mandate a
3 particular method of election or certification of the bona
4 fide labor organization.

5 "Limited access area" means a room or other area under the
6 control of a cannabis dispensing organization licensed under
7 this Act and upon the licensed premises where cannabis sales
8 occur with access limited to purchasers, dispensing
9 organization owners and other dispensing organization agents,
10 or service professionals conducting business with the
11 dispensing organization, or, if sales to registered qualifying
12 patients, caregivers, provisional patients, and Opioid
13 Alternative Pilot Program participants licensed pursuant to
14 the Compassionate Use of Medical Cannabis Program Act are also
15 permitted at the dispensary, registered qualifying patients,
16 caregivers, provisional patients, and Opioid Alternative Pilot
17 Program participants.

18 "Member of an impacted family" means an individual who has
19 a parent, legal guardian, child, spouse, or dependent, or was
20 a dependent of an individual who, prior to the effective date
21 of this Act, was arrested for, convicted of, or adjudicated
22 delinquent for any offense that is eligible for expungement
23 under this Act.

24 "Mother plant" means a cannabis plant that is cultivated
25 or maintained for the purpose of generating clones, and that
26 will not be used to produce plant material for sale to an

1 infuser or dispensing organization.

2 "Ordinary public view" means within the sight line with
3 normal visual range of a person, unassisted by visual aids,
4 from a public street or sidewalk adjacent to real property, or
5 from within an adjacent property.

6 "Ownership and control" means ownership of at least 51% of
7 the business, including corporate stock if a corporation, and
8 control over the management and day-to-day operations of the
9 business and an interest in the capital, assets, and profits
10 and losses of the business proportionate to percentage of
11 ownership.

12 "Person" means a natural individual, firm, partnership,
13 association, joint stock company, joint venture, public or
14 private corporation, limited liability company, or a receiver,
15 executor, trustee, guardian, or other representative appointed
16 by order of any court.

17 "Possession limit" means the amount of cannabis under
18 Section 10-10 that may be possessed at any one time by a person
19 21 years of age or older or who is a registered qualifying
20 medical cannabis patient or caregiver under the Compassionate
21 Use of Medical Cannabis Program Act.

22 "Principal officer" includes a cannabis business
23 establishment applicant or licensed cannabis business
24 establishment's board member, owner with more than 1% interest
25 of the total cannabis business establishment or more than 5%
26 interest of the total cannabis business establishment of a

1 publicly traded company, president, vice president, secretary,
2 treasurer, partner, officer, member, manager member, or person
3 with a profit sharing, financial interest, or revenue sharing
4 arrangement. The definition includes a person with authority
5 to control the cannabis business establishment, a person who
6 assumes responsibility for the debts of the cannabis business
7 establishment and who is further defined in this Act.

8 "Primary residence" means a dwelling where a person
9 usually stays or stays more often than other locations. It may
10 be determined by, without limitation, presence, tax filings;
11 address on an Illinois driver's license, an Illinois
12 Identification Card, or an Illinois Person with a Disability
13 Identification Card; or voter registration. No person may have
14 more than one primary residence.

15 "Processing organization" or "processor" means a facility
16 operated by an organization or business that is licensed by
17 the Department of Agriculture to either extract constituent
18 chemicals or compounds to produce cannabis concentrate or
19 incorporate cannabis or cannabis concentrate into a product
20 formulation to produce a cannabis product.

21 "Processing organization agent" means a principal officer,
22 board member, employee, or agent of a processing organization.

23 "Processing organization agent identification card" means
24 a document issued by the Department of Agriculture that
25 identifies a person as a processing organization agent.

26 "Purchaser" means a person 21 years of age or older who

1 acquires cannabis for a valuable consideration. "Purchaser"
2 does not include a cardholder under the Compassionate Use of
3 Medical Cannabis Program Act.

4 "Qualifying Applicant" means an applicant that submitted
5 an application pursuant to Section 15-30 that received at
6 least 85% of 250 application points available under Section
7 15-30 as the applicant's final score and meets the definition
8 of "Social Equity Applicant" as set forth under this Section.

9 "Qualifying Social Equity Justice Involved Applicant"
10 means an applicant that submitted an application pursuant to
11 Section 15-30 that received at least 85% of 250 application
12 points available under Section 15-30 as the applicant's final
13 score and meets the criteria of either paragraph (1) or (2) of
14 the definition of "Social Equity Applicant" as set forth under
15 this Section.

16 "Qualified Social Equity Applicant" means a Social Equity
17 Applicant who has been awarded a conditional license under
18 this Act to operate a cannabis business establishment.

19 "Resided" means an individual's primary residence was
20 located within the relevant geographic area as established by
21 2 of the following:

22 (1) a signed lease agreement that includes the
23 applicant's name;

24 (2) a property deed that includes the applicant's
25 name;

26 (3) school records;

(4) a voter registration card;

(5) an Illinois driver's license, an Illinois Identification Card, or an Illinois Person with a Disability Identification Card;

(6) a paycheck stub;

(7) a utility bill;

(8) tax records; or

(9) any other proof of residency or other information necessary to establish residence as provided by rule.

"Smoking" means the inhalation of smoke caused by the combustion of cannabis.

"Social Equity Applicant" means an applicant that is an Illinois resident that meets one of the following criteria:

(1) an applicant with at least 51% ownership and control by one or more individuals who have resided for at least 5 of the preceding 10 years in a Disproportionately Impacted Area;

(2) an applicant with at least 51% ownership and control by one or more individuals who:

(i) have been arrested for, convicted of, or adjudicated delinquent for any offense that is eligible for expungement under this Act; or

(ii) is a member of an impacted family;

(3) for applicants with a minimum of 10 full-time employees, an applicant with at least 51% of current employees who:

(i) currently reside in a Disproportionately Impacted Area; or

(ii) have been arrested for, convicted of, or adjudicated delinquent for any offense that is eligible for expungement under this Act or member of an impacted family.

Nothing in this Act shall be construed to preempt or limit the duties of any employer under the Job Opportunities for Qualified Applicants Act. Nothing in this Act shall permit an employer to require an employee to disclose sealed or expunged offenses, unless otherwise required by law.

"Social Equity Lottery Licensee" means a holder of an adult-use cannabis dispensary license awarded through a lottery held under subsection (c) of Section 15-35.20 of this Act.

"Tied Applicant" means an application submitted by a Dispensary Applicant pursuant to Section 15-30 that received the same number of application points under Section 15-30 as the Dispensary Applicant's final score as one or more top-scoring applications in the same BLS Region and would have been awarded a license but for the one or more other top-scoring applications that received the same number of application points. Each application for which a Dispensary Applicant was required to pay a required application fee for the application period ending January 2, 2020 shall be considered an application of a separate Tied Applicant.

1 "Tied Applicant Lottery" means the process established
2 under 68 Ill. Adm. Code 1291.50 for awarding Conditional Adult
3 Use Dispensing Organization Licenses pursuant to Sections
4 15-25 and 15-30 among Eligible Tied Applicants.

5 "Tincture" means a cannabis-infused solution, typically
6 comprised of alcohol, glycerin, or vegetable oils, derived
7 either directly from the cannabis plant or from a processed
8 cannabis extract. A tincture is not an alcoholic liquor as
9 defined in the Liquor Control Act of 1934. A tincture shall
10 include a calibrated dropper or other similar device capable
11 of accurately measuring servings.

12 "Transporting organization" or "transporter" means an
13 organization or business that is licensed by the Department of
14 Agriculture to transport cannabis or cannabis-infused product
15 on behalf of a cannabis business establishment or a community
16 college licensed under the Community College Cannabis
17 Vocational Training Pilot Program.

18 "Transporting organization agent" means a principal
19 officer, board member, employee, or agent of a transporting
20 organization.

21 "Transporting organization agent identification card"
22 means a document issued by the Department of Agriculture that
23 identifies a person as a transporting organization agent.

24 "Unit of local government" means any county, city,
25 village, or incorporated town.

26 "Vegetative stage" means the stage of cultivation in which

1 a cannabis plant is propagated to produce additional cannabis
2 plants or reach a sufficient size for production. This
3 includes seedlings, clones, mothers, and other immature
4 cannabis plants as follows:

5 (1) if the cannabis plant is in an area that has not
6 been intentionally deprived of light for a period of time
7 intended to produce flower buds and induce maturation, it
8 has no more than 2 stigmas visible at each internode of the
9 cannabis plant; or

10 (2) any cannabis plant that is cultivated solely for
11 the purpose of propagating clones and is never used to
12 produce cannabis.

13 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19;
14 102-98, eff. 7-15-21; 102-538, eff. 8-20-21; 102-813, eff.
15 5-13-22.)

16 (410 ILCS 705/7-10)

17 Sec. 7-10. Cannabis Business Development Fund.

18 (a) There is created in the State treasury a special fund,
19 which shall be held separate and apart from all other State
20 moneys, to be known as the Cannabis Business Development Fund.
21 The Cannabis Business Development Fund shall be exclusively
22 used for the following purposes:

23 (1) to provide low-interest rate loans to Qualified
24 Social Equity Applicants and Social Equity Lottery
25 Licensees to pay for ordinary and necessary expenses to

1 start and operate a cannabis business establishment
2 permitted by this Act;

3 (2) to provide grants to Qualified Social Equity
4 Applicants to pay for ordinary and necessary expenses to
5 start and operate a cannabis business establishment
6 permitted by this Act;

7 (3) to compensate the Department of Commerce and
8 Economic Opportunity for any costs related to the
9 provision of low-interest loans and grants to Qualified
10 Social Equity Applicants and Social Equity Lottery
11 Licensees;

12 (4) to pay for outreach that may be provided or
13 targeted to attract and support Social Equity Applicants,
14 and Qualified Social Equity Applicants, and Social Equity
15 Lottery Licensees;

16 (5) to provide financial assistance to support lending
17 to, or private investment in, Qualified Social Equity
18 Applicants and Social Equity Lottery Licensees, or to
19 facilitate access to the facilities needed to commence
20 operations as a cannabis business establishment (blank);

21 (6) to conduct any study or research concerning the
22 participation of minorities, women, veterans, or people
23 with disabilities in the cannabis industry, including,
24 without limitation, barriers to such individuals entering
25 the industry as equity owners of cannabis business
26 establishments;

(7) (blank); and

(8) to assist with job training and technical assistance for residents in Disproportionately Impacted Areas.

(b) All moneys collected under Sections 15-15 and 15-20 for Early Approval Adult Use Dispensing Organization Licenses issued before January 1, 2021 and remunerations made as a result of transfers of permits awarded to Qualified Social Equity Applicants shall be deposited into the Cannabis Business Development Fund.

(c) (Blank) .

(c-5) In addition to any other transfers that may be provided for by law, on July 1, 2023, or as soon thereafter as practical, the State Comptroller shall direct and the State Treasurer shall transfer the sum of \$40,000,000 from the Compassionate Use of Medical Cannabis Fund to the Cannabis Business Development Fund.

(d) Notwithstanding any other law to the contrary, the Cannabis Business Development Fund is not subject to sweeps, administrative charge-backs, or any other fiscal or budgetary maneuver that would in any way transfer any amounts from the Cannabis Business Development Fund into any other fund of the State.

(Source: P.A. 103-8, eff. 6-7-23.)

1 Sec. 7-15. Loans, financial assistance, and grants to
2 Qualified Social Equity Applicants and Social Equity Lottery
3 Licensees.

4 (a) The Department of Commerce and Economic Opportunity
5 shall establish grant, and loan, and financial assistance
6 programs, subject to appropriations from the Cannabis Business
7 Development Fund, for the purposes of providing financial
8 assistance, loans, grants, and technical assistance to
9 Qualified Social Equity Applicants and Social Equity Lottery
10 Licensees.

11 (b) The Department of Commerce and Economic Opportunity
12 has the power to:

13 (1) provide Cannabis Social Equity loans, financial
14 assistance, and grants from appropriations from the
15 Cannabis Business Development Fund to assist Qualified
16 Social Equity Applicants and Social Equity Lottery
17 Licensees in gaining entry to, and successfully operating
18 in, the State's regulated cannabis marketplace;

19 (2) enter into agreements that set forth terms and
20 conditions of the financial assistance, accept funds or
21 grants, and engage in cooperation with private entities
22 and agencies of State or local government to carry out the
23 purposes of this Section;

24 (3) fix, determine, charge, and collect any premiums,
25 fees, charges, costs and expenses, including application
26 fees, commitment fees, program fees, financing charges, or

1 publication fees in connection with its activities under
2 this Section;

3 (4) coordinate assistance under the financial
4 assistance ~~these loan~~ programs with activities of the
5 Illinois Department of Financial and Professional
6 Regulation, the Illinois Department of Agriculture, and
7 other agencies as needed to maximize the effectiveness and
8 efficiency of this Act;

9 (5) provide staff, administration, and related support
10 required to administer this Section;

11 (6) take whatever actions are necessary or appropriate
12 to protect the State's interest in the event of
13 bankruptcy, default, foreclosure, or noncompliance with
14 the terms and conditions of financial assistance provided
15 under this Section, including the ability to recapture
16 funds if the recipient is found to be noncompliant with
17 the terms and conditions of the financial assistance
18 agreement;

19 (6.5) enter into financial intermediary agreements to
20 facilitate lending to or investment in Qualified Social
21 Equity Applicants, Social Equity Lottery Licensees, or
22 their subsidiaries or affiliates, to ensure the
23 availability of facilities necessary to operate a cannabis
24 business establishment;

25 (7) establish application, notification, contract, and
26 other forms, procedures, or rules deemed necessary and

1 appropriate; and

2 (8) utilize vendors or contract work to carry out the
3 purposes of this Act.

4 (c) Loans made under this Section:

5 (1) shall only be made if, in the Department's
6 judgment, the project furthers the goals set forth in this
7 Act; and

8 (2) shall be in such principal amount and form and
9 contain such terms and provisions with respect to
10 security, insurance, reporting, delinquency charges,
11 default remedies, forgiveness, and other matters as the
12 Department shall determine appropriate to protect the
13 public interest and to be consistent with the purposes of
14 this Section. The terms and provisions may be less than
15 required for similar loans not covered by this Section;
16 and.

17 (3) may be distributed by lot if the Department
18 determines that the amount of funding available is
19 insufficient to provide an adequate amount of funding for
20 all of the applicants eligible to receive a loan. The
21 Department may determine the number of loans available
22 based on the amount of funding available and communicate
23 the number of loans available on the loan application. The
24 Department may use competitive criteria to establish which
25 applicants are eligible to receive a grant, loan, or
26 financial assistance.

(d) Grants made under this Section shall be awarded on a competitive and annual basis under the Grant Accountability and Transparency Act. Grants made under this Section shall further and promote the goals of this Act, including promotion of Social Equity Applicants, Qualified Social Equity Applicants, or Social Equity Lottery Licensees, job training and workforce development, and technical assistance to Social Equity Applicants and Social Equity Lottery Licensees. To the extent registration with the federal System for Award Management requires a grant applicant to certify compliance with all federal laws, the grant applicants under this Section shall not be required to register for a unique entity identifier through the federal System for Award Management to be qualified to receive a grant so long as federal law prohibits the cultivation and sale of cannabis.

(d-5) Financial intermediary agreements to provide financial assistance must further the goals set forth in this Act and shall result in financing or lease costs that are affordable or below market rate.

(e) Beginning January 1, 2021 and each year thereafter, the Department shall annually report to the Governor and the General Assembly on the outcomes and effectiveness of this Section that shall include the following:

- (1) the number of persons or businesses receiving financial assistance under this Section;
- (2) the amount in financial assistance awarded in the

1 aggregate, in addition to the amount of loans made that
2 are outstanding and the amount of grants awarded;

3 (3) the location of the project engaged in by the
4 person or business; and

5 (4) if applicable, the number of new jobs and other
6 forms of economic output created as a result of the
7 financial assistance.

8 (f) The Department of Commerce and Economic Opportunity
9 shall include engagement with individuals with limited English
10 proficiency as part of its outreach provided or targeted to
11 attract and support Social Equity Applicants.

12 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19.)

13 (410 ILCS 705/55-30)

14 Sec. 55-30. Confidentiality.

15 (a) Information provided by the cannabis business
16 establishment licensees or applicants to the Department of
17 Agriculture, the Department of Public Health, the Department
18 of Financial and Professional Regulation, the Department of
19 Commerce and Economic Opportunity, or other agency shall be
20 limited to information necessary for the purposes of
21 administering this Act. The information is subject to the
22 provisions and limitations contained in the Freedom of
23 Information Act and may be disclosed in accordance with
24 Section 55-65.

25 (b) The following information received and records kept by

1 the Department of Agriculture, the Department of Public
2 Health, the Illinois State Police, and the Department of
3 Financial and Professional Regulation for purposes of
4 administering this Article are subject to all applicable
5 federal privacy laws, are confidential and exempt from
6 disclosure under the Freedom of Information Act, except as
7 provided in this Act, and not subject to disclosure to any
8 individual or public or private entity, except to the
9 Department of Financial and Professional Regulation, the
10 Department of Agriculture, the Department of Public Health,
11 the Department of Commerce and Economic Opportunity, and the
12 Illinois State Police as necessary to perform official duties
13 under this Article and to the Attorney General as necessary to
14 enforce the provisions of this Act. The following information
15 received and kept by the Department of Financial and
16 Professional Regulation or the Department of Agriculture may
17 be disclosed to the Department of Public Health, the
18 Department of Agriculture, the Department of Revenue, the
19 Illinois State Police, the Department of Commerce and Economic
20 Opportunity, or the Attorney General upon proper request:

21 (1) Applications and renewals, their contents, and
22 supporting information submitted by or on behalf of
23 dispensing organizations, cannabis business
24 establishments, or Community College Cannabis Vocational
25 Program licensees, in compliance with this Article,
26 including their physical addresses; however, this does not

1 preclude the release of ownership information about
2 cannabis business establishment licenses, or information
3 submitted with an application required to be disclosed
4 pursuant to subsection (f);

5 (2) Any plans, procedures, policies, or other records
6 relating to cannabis business establishment security; and

7 (3) Information otherwise exempt from disclosure by
8 State or federal law.

9 Illinois or national criminal history record information,
10 or the nonexistence or lack of such information, may not be
11 disclosed by the Department of Financial and Professional
12 Regulation or the Department of Agriculture, except as
13 necessary to the Attorney General to enforce this Act.

14 (c) The name and address of a dispensing organization
15 licensed under this Act shall be subject to disclosure under
16 the Freedom of Information Act. The name and cannabis business
17 establishment address of the person or entity holding each
18 cannabis business establishment license shall be subject to
19 disclosure.

20 (d) All information collected by the Department of
21 Financial and Professional Regulation or the Department of
22 Agriculture in the course of an examination, inspection, or
23 investigation of a licensee or applicant, including, but not
24 limited to, any complaint against a licensee or applicant
25 filed with the Department of Financial and Professional
26 Regulation or the Department of Agriculture and information

1 collected to investigate any such complaint, shall be
2 maintained for the confidential use of the Department of
3 Financial and Professional Regulation or the Department of
4 Agriculture and shall not be disclosed, except as otherwise
5 provided in this Act. A formal complaint against a licensee by
6 the Department of Financial and Professional Regulation or the
7 Department of Agriculture or any disciplinary order issued by
8 the Department of Financial and Professional Regulation or the
9 Department of Agriculture against a licensee or applicant
10 shall be a public record, except as otherwise provided by law.
11 Complaints from consumers or members of the general public
12 received regarding a specific, named licensee or complaints
13 regarding conduct by unlicensed entities shall be subject to
14 disclosure under the Freedom of Information Act.

15 (e) The Department of Agriculture, the Illinois State
16 Police, and the Department of Financial and Professional
17 Regulation shall not share or disclose any Illinois or
18 national criminal history record information, or the
19 nonexistence or lack of such information, to any person or
20 entity not expressly authorized by this Act.

21 (f) Each Department responsible for licensure under this
22 Act shall publish on the Department's website a list of the
23 ownership information of cannabis business establishment
24 licensees under the Department's jurisdiction. The list shall
25 include, but is not limited to: the name of the person or
26 entity holding each cannabis business establishment license;

1 and the address at which the entity is operating under this
2 Act. This list shall be published and updated monthly.

3 (g) Notwithstanding anything in this Section to the
4 contrary, the Department of Financial and Professional
5 Regulation and the Department of Agriculture may share with
6 the Department of Commerce and Economic Opportunity any
7 licensee information necessary to support the administration
8 of social equity programming.

9 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19;
10 102-98, eff. 7-15-21; 102-538, eff. 8-20-21; 102-813, eff.
11 5-13-22.)

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3 410 ILCS 130/145

4 410 ILCS 705/1-10

5 410 ILCS 705/7-10

6 410 ILCS 705/7-15

7 410 ILCS 705/55-30