HB5784

LRB10422010BDA38050b

104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

HB5784

Introduced 5/20/2026, by Rep. Will Guzzardi - Justin Slaughter - Bob Morgan - Kevin John Olickal - Lisa Davis, et al.

SYNOPSIS AS INTRODUCED:

See Index

Creates the CBD Consumer Products Act, prohibiting the sale or distribution of hemp-derived cannabinoid products for human or animal consumption unless sold by a registered CBD product registrant. Amends the Department of Professional Regulation Law to add confidentiality references to the Office of the Executive Inspector General and the State Officials and Employees Ethics Act. Amends the Criminal Identification Act to update the definition of "minor cannabis offense." Updates the name of the Local Cannabis Retailers' Occupation Tax Trust Fund and removes a tax exemption for CBD food products. Provides for public tax-revenue reporting. Prohibits home rule counties and municipalities from taxing cannabis. Amends the Compassionate Use of Medical Cannabis Program Act to update definitions, add references to additional patient categories, allow certain intergovernmental agreements, and permit purchases at any licensed dispensing organization. Makes related changes to registration, identification cards, confidentiality, and taxes; repeals the Social Equity Justice Involved Medical Lottery. Amends the Cannabis Regulation and Tax Act regarding definitions, business development, social equity loans and fee waivers, possession limits, minors, licensing, operations, investigations, security, and testing, and adds provisions concerning medical cannabis licenses, relocation, storage endorsements, warning labels, and pickup or drive-through. Amends the Industrial Hemp Act, Cannabis Control Act, and the Tobacco Accessories and Smoking Herbs Control Act. Makes technical and other changes. Effective immediately.

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A BILL FOR

AN ACT concerning health.

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

Section 1. Short Title. This Act may be cited as the CBD Consumer Products Act.

Section 5. Definitions. As used in this Act:

"CBD product" means a product offered for sale or distribution that:

(1) contains naturally occurring cannabinoids derived from hemp;

(2) is intended for consumption only by oral ingestion or topical absorption, not including inhalation or smoking;

(3) contains a total tetrahydrocannabinols concentration, including tetrahydrocannabinolic acid, of no greater than 0.3% on a dry weight basis; and

(4) per container, contains a total tetrahydrocannabinols amount of no greater than 0.4 milligrams combined of:

(A) tetrahydrocannabinols, including tetrahydrocannabinolic acid; and

(B) any other cannabinoids that have similar effects, or are marketed to have similar effects, on

humans or animals as a tetrahydrocannabinol, as determined by the United States Secretary of Health and Human Services.

"CBD product registrant" means a person or entity that manufactures, processes, packages, handles, distributes, sells, or offers for distribution or sale, a CBD product in Illinois to an Illinois wholesaler, processor, distributor, retailer, or consumer.

"Container" means the innermost wrapping, packaging, or vessel in direct contact with a final hemp-derived cannabinoid product and in which the product is enclosed for retail sale to consumers, including, but not limited to, a jar, bottle, bag, box, packet, can, carton, or cartridge.

"Department" means the Department of Agriculture.

"Director" means the Director of Agriculture.

"Hemp" has the meaning given to that term in the Industrial Hemp Act.

"Testing laboratory" means an independent, third-party laboratory licensed by the Department that is contracted to test CBD products. "Testing laboratory" includes a laboratory licensed by the Department under the Cannabis Regulation and Tax Act or a laboratory operated by the State.

"Tetrahydrocannabinol" or "THC" has the meaning given that term in the Cannabis Regulation and Tax Act.

Section 10. Prohibitions; compliance.

(a) Beginning on the first date that a CBD product registration is made available by the Department of Revenue, no person, retailer, or entity shall distribute for sale, manufacture, sell, offer for sale, market, or advertise any product that contains naturally occurring cannabinoids derived from hemp and that is intended for human or animal consumption within this State unless the product meets the definition of CBD product under this Act and is sold by a registered CBD product registrant.

(b) Effective July 1, 2026, or upon the first date that a CBD product registration is made available by the Department of Revenue, whichever is sooner, all CBD products shall comply with all of the CBD product requirements of this Act.

(c) A product that has a THC concentration greater than the limits set forth for CBD products under this Act shall be regulated as cannabis, as defined in the Cannabis Regulation and Tax Act, whether or not the product is made from or derived from hemp, industrial hemp, or natural or synthetic sources, unless otherwise provided under this Act or the Cannabis Regulation and Tax Act.

(d) A product derived from hemp cannabinoids and sold by a cannabis business establishment as authorized by the Cannabis Regulation and Tax Act shall be cannabis as that term is used under the Cannabis Regulation and Tax Act and may be sold only by a licensed dispensing organization.

(e) Notwithstanding any other law, the Department may, by

rule, establish serving limitations for CBD products that are beverages intended for oral ingestion and for immediate consumption on the premises of a restaurant, bar, or any other retail establishment authorized to serve beverages for on-premises consumption.

Section 15. Registration of CBD product registrants.

(a) Upon the availability of a CBD product registration application, all establishments, including physical and online establishments, that distribute or sell, or offer for sale, CBD products in the State shall register with the Department of Revenue. A CBD product registrant shall comply with all registration requirements under this Act.

(b) The Department of Revenue shall create an online CBD product registration application. The Department of Revenue may reject an application if the CBD product registrant does not distribute or sell, or offer for sale, CBD products that meet the definition of a CBD product under this Act.

(c) The application shall include, but is not limited to, the following information:

(1) the name of the CBD product registrant;

(2) the address of the CBD product registrant; and

(3) the contact information for the CBD product registrant.

(d) Any CBD product offered for sale in this State by any registered CBD product registrant may be subject to product

inspection and sampling by the Department to ensure compliance with the registration requirements. Any CBD product registrant shall provide the Department with a reasonable sample upon request not to exceed 2 units per product.

(e) The Department of Revenue may deregister any CBD product registrant that is found not to be in compliance with this Act. CBD product registrants that have been deregistered shall have 30 days to remove from sale all CBD products.

(f) The Department of Revenue shall set an application fee of $200, which shall be deposited into the Industrial Hemp Regulatory Fund. The Department of Revenue may adjust the fee by rule.

(g) The Department of Revenue may promulgate rules regarding the registration of CBD product registrants.

(h) Retailers or entities that offer for sale products that are found to meet the definition of CBD product but are not registered as a CBD product registrant are subject to a $500 fine per day of violation.

Section 20. Packaging and labeling of CBD products.

(a) All CBD products distributed or offered for retail sale in this State shall include the following information on the product label or packaging or via a QR code:

(1) a list of all ingredients in descending order of predominance by weight in the product;

(2) the serving size and number of servings per

package or container, including the milligrams per serving of detectable:

(A) individual hemp cannabinoids;

(B) total hemp cannabinoids; and

(C) any other cannabinoids;

(3) an expiration date;

(4) the name of the hemp processor, whether in-state or out-of-state;

(5) a means for reporting serious adverse events; and

(6) any other marking, statement, or symbol required by the Department, by rule.

(b) All CBD products offered for retail sale shall include, in addition to any warning required by the Department by rule, the following warnings on the product label or packaging, in a manner that is clear and conspicuous:

(1) This is a hemp-based product that contains no more than 0.4 milligrams of THC.

(2) This product should be kept out of reach of young children and pets.

(3) This product has not been evaluated or approved by the Food and Drug Administration for safety or efficacy.

(4) If you are pregnant or nursing, you should consult your health care provider before use.

(c) No CBD product shall be marketed, advertised, or offered for sale in a manner that would cause a reasonable consumer:

(1) to be misled as to whether the CBD product is labeled, packaged, or marketed in a manner that violates any federal trademark law or regulation; or

(2) to believe that a CBD product is cannabis or medical cannabis or that a CBD product registrant is authorized to sell or dispense cannabis or medical cannabis, as those terms are defined in the Cannabis Regulation and Tax Act or the Compassionate Use of Medical Cannabis Program Act.

Section 25. Laboratory testing requirements for CBD products.

(a) Every CBD product registrant shall submit at least one sample of each type of CBD product offered for sale to a laboratory licensed by the Department for testing.

(b) The Department shall be responsible for notifying the CBD product registrant if any CBD product exceeds the total tetrahydrocannabinol limits set forth in this Act or if any CBD product is adulterated with any other contaminants that are greater than the limits set forth by the Department by rule.

Section 30. Advertising requirements. An advertisement for a CBD product shall not:

(1) include any false or misleading statements, images, or other content, including, but not limited to,

health claims;

(2) contain claims that hemp consumption or a CBD product can, or is intended to, diagnose, cure, mitigate, treat, or prevent disease;

(3) lead a reasonable consumer to believe that a CBD product is cannabis or medical cannabis, or that a CBD product registrant is authorized to sell or dispense cannabis or medical cannabis; or

(4) have the purpose or effect of targeting or appealing to individuals under 21 years of age.

The use of images of children or minors consuming CBD products and the use of words, designs, or brands that resemble products commonly associated with children or minors or that are marketed to children or minors is prohibited.

Section 35. Registration suspension; revocation; penalties. Notwithstanding any other criminal penalties related to the unlawful possession of cannabis or any other controlled substance, the Department may revoke, suspend, place on probation, reprimand, issue cease and desist orders, refuse to issue or renew a registration, or take any other disciplinary or nondisciplinary action as the Department may deem proper with regard to a CBD product registrant, including the imposition of fines not to exceed $1,000 for each violation of this Act or rules adopted under this Act.

Section 40. Administration and enforcement; rules; inspections.

(a) The Department and the Department of Revenue shall administer and enforce this Act and may adopt rules under the Illinois Administrative Procedure Act for the purpose of administering and enforcing this Act.

(b) The Department shall update, through official guidance and publish publicly on its website, the cannabinoids that it deems tetrahydrocannabinol or THC on or before January 1 and July 1 of each calendar year.

(c) The Department may adopt rules setting forth labeling, packaging, and minimum testing requirements for CBD products.

(d) The Department of Public Health, local health departments, local sheriff's departments, municipal police departments, and the Department of Revenue may inspect any business that offers for sale CBD products in the State if a formal complaint is registered with the appropriate agency to ensure compliance with this Act. The Department may enter into intergovernmental agreements to enforce this Act and any rules adopted under this Act.

Section 45. Temporary restraining order or injunction. The Director, through the Attorney General or the appropriate State's Attorney, may file a complaint and apply to the circuit court for, and the court, upon hearing and for cause shown, may grant, a temporary restraining order or a

preliminary or permanent injunction restraining any person from violating this Act.

Section 55. The Department of Professional Regulation Law of the Civil Administrative Code of Illinois is amended by changing Section 2105-117 as follows:

(20 ILCS 2105/2105-117)

Sec. 2105-117. Confidentiality. All information collected by the Department in the course of an examination or investigation of a licensee, registrant, or applicant, including, but not limited to, any complaint against a licensee or registrant filed with the Department and information collected to investigate any such complaint, shall be maintained for the confidential use of the Department and shall not be disclosed. The Department may not disclose the information to anyone other than law enforcement officials, other regulatory agencies that have an appropriate regulatory interest as determined by the Director, the Office of the Executive Inspector General, or a party presenting a lawful subpoena to the Department. Information and documents disclosed to a federal, State, county, or local law enforcement agency, including the Office of the Executive Inspector General, shall not be disclosed by the agency for any purpose to any other agency or person, except as necessary to those involved in enforcing the State Officials and

Employees Ethics Act. A formal complaint filed against a licensee or registrant by the Department or any order issued by the Department against a licensee, registrant, or applicant shall be a public record, except as otherwise prohibited by law.

(Source: P.A. 99-227, eff. 8-3-15.)

Section 60. The Criminal Identification Act is amended by changing Section 5.2 as follows:

(20 ILCS 2630/5.2)

(Text of Section before amendment by P.A. 104-459)

Sec. 5.2. Expungement, sealing, and immediate sealing.

(a) General Provisions.

(1) Definitions. In this Act, words and phrases have the meanings set forth in this subsection, except when a particular context clearly requires a different meaning.

(A) The following terms shall have the meanings ascribed to them in the following Sections of the Unified Code of Corrections:

Business Offense, Section 5-1-2.

Charge, Section 5-1-3.

Court, Section 5-1-6.

Defendant, Section 5-1-7.

Felony, Section 5-1-9.

Imprisonment, Section 5-1-10.

Judgment, Section 5-1-12.

Misdemeanor, Section 5-1-14.

Offense, Section 5-1-15.

Parole, Section 5-1-16.

Petty Offense, Section 5-1-17.

Probation, Section 5-1-18.

Sentence, Section 5-1-19.

Supervision, Section 5-1-21.

Victim, Section 5-1-22.

(B) As used in this Section, "charge not initiated by arrest" means a charge (as defined by Section 5-1-3 of the Unified Code of Corrections) brought against a defendant where the defendant is not arrested prior to or as a direct result of the charge.

(C) "Conviction" means a judgment of conviction or sentence entered upon a plea of guilty or upon a verdict or finding of guilty of an offense, rendered by a legally constituted jury or by a court of competent jurisdiction authorized to try the case without a jury. An order of supervision successfully completed by the petitioner is not a conviction. An order of qualified probation (as defined in subsection (a)(1)(J)) successfully completed by the petitioner is not a conviction. An order of supervision or an order of qualified probation that is terminated unsatisfactorily is a conviction, unless the

unsatisfactory termination is reversed, vacated, or modified and the judgment of conviction, if any, is reversed or vacated.

(D) "Criminal offense" means a petty offense, business offense, misdemeanor, felony, or municipal ordinance violation (as defined in subsection (a)(1)(H)). As used in this Section, a minor traffic offense (as defined in subsection (a)(1)(G)) shall not be considered a criminal offense.

(E) "Expunge" means to physically destroy the records or return them to the petitioner and to obliterate the petitioner's name from any official index or public record, or both. Nothing in this Act shall require the physical destruction of the circuit court file, but such records relating to arrests or charges, or both, ordered expunged shall be impounded as required by subsections (d)(9)(A)(ii) and (d)(9)(B)(ii).

(F) As used in this Section, "last sentence" means the sentence, order of supervision, or order of qualified probation (as defined by subsection (a)(1)(J)), for a criminal offense (as defined by subsection (a)(1)(D)) that terminates last in time in any jurisdiction, regardless of whether the petitioner has included the criminal offense for which the sentence or order of supervision or qualified

probation was imposed in his or her petition. If multiple sentences, orders of supervision, or orders of qualified probation terminate on the same day and are last in time, they shall be collectively considered the "last sentence" regardless of whether they were ordered to run concurrently.

(G) "Minor traffic offense" means a petty offense, business offense, or Class C misdemeanor under the Illinois Vehicle Code or a similar provision of a municipal or local ordinance.

(G-5) "Minor Cannabis Offense" means a violation of Section 4 or 5 of the Cannabis Control Act concerning not more than 60 ~~30~~ grams of any substance containing cannabis, provided the violation did not include a penalty enhancement under Section 7 of the Cannabis Control Act and is not associated with an arrest, conviction or other disposition for a violent crime as defined in subsection (c) of Section 3 of the Rights of Crime Victims and Witnesses Act.

(H) "Municipal ordinance violation" means an offense defined by a municipal or local ordinance that is criminal in nature and with which the petitioner was charged or for which the petitioner was arrested and released without charging.

(I) "Petitioner" means an adult or a minor prosecuted as an adult who has applied for relief

under this Section.

(J) "Qualified probation" means an order of probation under Section 10 of the Cannabis Control Act, Section 410 of the Illinois Controlled Substances Act, Section 70 of the Methamphetamine Control and Community Protection Act, Section 5-6-3.3 or 5-6-3.4 of the Unified Code of Corrections, Section 12-4.3(b)(1) and (2) of the Criminal Code of 1961 (as those provisions existed before their deletion by Public Act 89-313), Section 10-102 of the Illinois Alcoholism and Other Drug Dependency Act, Section 40-10 of the Substance Use Disorder Act, or Section 10 of the Steroid Control Act. For the purpose of this Section, "successful completion" of an order of qualified probation under Section 10-102 of the Illinois Alcoholism and Other Drug Dependency Act and Section 40-10 of the Substance Use Disorder Act means that the probation was terminated satisfactorily and the judgment of conviction was vacated.

(K) "Seal" means to physically and electronically maintain the records, unless the records would otherwise be destroyed due to age, but to make the records unavailable without a court order, subject to the exceptions in Sections 12 and 13 of this Act. The petitioner's name shall also be obliterated from the official index required to be kept by the circuit

court clerk under Section 16 of the Clerks of Courts Act, but any index issued by the circuit court clerk before the entry of the order to seal shall not be affected.

(L) "Sexual offense committed against a minor" includes, but is not limited to, the offenses of indecent solicitation of a child or criminal sexual abuse when the victim of such offense is under 18 years of age.

(M) "Terminate" as it relates to a sentence or order of supervision or qualified probation includes either satisfactory or unsatisfactory termination of the sentence, unless otherwise specified in this Section. A sentence is terminated notwithstanding any outstanding financial legal obligation.

(2) Minor Traffic Offenses. Orders of supervision or convictions for minor traffic offenses shall not affect a petitioner's eligibility to expunge or seal records pursuant to this Section.

(2.5) Commencing 180 days after July 29, 2016 (the effective date of Public Act 99-697), the law enforcement agency issuing the citation shall automatically expunge, on or before January 1 and July 1 of each year, the law enforcement records of a person found to have committed a civil law violation of subsection (a) of Section 4 of the Cannabis Control Act or subsection (c) of Section 3.5 of

the Drug Paraphernalia Control Act in the law enforcement agency's possession or control and which contains the final satisfactory disposition which pertain to the person issued a citation for that offense. The law enforcement agency shall provide by rule the process for access, review, and to confirm the automatic expungement by the law enforcement agency issuing the citation. Commencing 180 days after July 29, 2016 (the effective date of Public Act 99-697), the clerk of the circuit court shall expunge, upon order of the court, or in the absence of a court order on or before January 1 and July 1 of each year, the court records of a person found in the circuit court to have committed a civil law violation of subsection (a) of Section 4 of the Cannabis Control Act or subsection (c) of Section 3.5 of the Drug Paraphernalia Control Act in the clerk's possession or control and which contains the final satisfactory disposition which pertain to the person issued a citation for any of those offenses.

(3) Exclusions. Except as otherwise provided in subsections (b)(5), (b)(6), (b)(8), (e), (e-5), and (e-6) of this Section, the court shall not order:

(A) the sealing or expungement of the records of arrests or charges not initiated by arrest that result in an order of supervision for or conviction of: (i) any sexual offense committed against a minor; (ii) Section 11-501 of the Illinois Vehicle Code or a

similar provision of a local ordinance; or (iii) Section 11-503 of the Illinois Vehicle Code or a similar provision of a local ordinance, unless the arrest or charge is for a misdemeanor violation of subsection (a) of Section 11-503 or a similar provision of a local ordinance, that occurred prior to the offender reaching the age of 25 years and the offender has no other conviction for violating Section 11-501 or 11-503 of the Illinois Vehicle Code or a similar provision of a local ordinance.

(B) the sealing or expungement of records of minor traffic offenses (as defined in subsection (a)(1)(G)), unless the petitioner was arrested and released without charging.

(C) the sealing of the records of arrests or charges not initiated by arrest which result in an order of supervision or a conviction for the following offenses:

(i) offenses included in Article 11 of the Criminal Code of 1961 or the Criminal Code of 2012 or a similar provision of a local ordinance, except Section 11-14 and a misdemeanor violation of Section 11-30 of the Criminal Code of 1961 or the Criminal Code of 2012, or a similar provision of a local ordinance;

(ii) Section 11-1.50, 12-3.4, 12-15, 12-30,

26-5, or 48-1 of the Criminal Code of 1961 or the Criminal Code of 2012, or a similar provision of a local ordinance;

(iii) Section 12-3.1 or 12-3.2 of the Criminal Code of 1961 or the Criminal Code of 2012, or Section 125 of the Stalking No Contact Order Act, or Section 219 of the Civil No Contact Order Act, or a similar provision of a local ordinance;

(iv) Class A misdemeanors or felony offenses under the Humane Care for Animals Act; or

(v) any offense or attempted offense that would subject a person to registration under the Sex Offender Registration Act.

(D) (blank).

(b) Expungement.

(1) A petitioner may petition the circuit court to expunge the records of his or her arrests and charges not initiated by arrest when each arrest or charge not initiated by arrest sought to be expunged resulted in: (i) acquittal, dismissal, or the petitioner's release without charging, unless excluded by subsection (a)(3)(B); (ii) a conviction which was vacated or reversed, unless excluded by subsection (a)(3)(B); (iii) an order of supervision and such supervision was successfully completed by the petitioner, unless excluded by subsection (a)(3)(A) or (a)(3)(B); or (iv) an order of qualified probation (as

defined in subsection (a)(1)(J)) and such probation was successfully completed by the petitioner.

(1.5) When a petitioner seeks to have a record of arrest expunged under this Section, and the offender has been convicted of a criminal offense, the State's Attorney may object to the expungement on the grounds that the records contain specific relevant information aside from the mere fact of the arrest.

(2) Time frame for filing a petition to expunge.

(A) When the arrest or charge not initiated by arrest sought to be expunged resulted in an acquittal, dismissal, the petitioner's release without charging, or the reversal or vacation of a conviction, there is no waiting period to petition for the expungement of such records.

(A-5) In anticipation of the successful completion of a problem-solving court, pre-plea diversion, or post-plea diversion program, a petition for expungement may be filed 61 days before the anticipated dismissal of the case or any time thereafter. Upon successful completion of the program and dismissal of the case, the court shall review the petition of the person graduating from the program and shall grant expungement if the petitioner meets all requirements as specified in any applicable statute.

(B) When the arrest or charge not initiated by

arrest sought to be expunged resulted in an order of supervision, successfully completed by the petitioner, the following time frames will apply:

(i) Those arrests or charges that resulted in orders of supervision under Section 3-707, 3-708, 3-710, or 5-401.3 of the Illinois Vehicle Code or a similar provision of a local ordinance, or under Section 11-1.50, 12-3.2, or 12-15 of the Criminal Code of 1961 or the Criminal Code of 2012, or a similar provision of a local ordinance, shall not be eligible for expungement until 5 years have passed following the satisfactory termination of the supervision.

(i-5) Those arrests or charges that resulted in orders of supervision for a misdemeanor violation of subsection (a) of Section 11-503 of the Illinois Vehicle Code or a similar provision of a local ordinance, that occurred prior to the offender reaching the age of 25 years and the offender has no other conviction for violating Section 11-501 or 11-503 of the Illinois Vehicle Code or a similar provision of a local ordinance shall not be eligible for expungement until the petitioner has reached the age of 25 years.

(ii) Those arrests or charges that resulted in orders of supervision for any other offenses shall

not be eligible for expungement until 2 years have passed following the satisfactory termination of the supervision.

(C) When the arrest or charge not initiated by arrest sought to be expunged resulted in an order of qualified probation, successfully completed by the petitioner, such records shall not be eligible for expungement until 5 years have passed following the satisfactory termination of the probation.

(3) Those records maintained by the Illinois State Police for persons arrested prior to their 17th birthday shall be expunged as provided in Section 5-915 of the Juvenile Court Act of 1987.

(4) Whenever a person has been arrested for or convicted of any offense, in the name of a person whose identity he or she has stolen or otherwise come into possession of, the aggrieved person from whom the identity was stolen or otherwise obtained without authorization, upon learning of the person having been arrested using his or her identity, may, upon verified petition to the chief judge of the circuit wherein the arrest was made, have a court order entered nunc pro tunc by the Chief Judge to correct the arrest record, conviction record, if any, and all official records of the arresting authority, the Illinois State Police, other criminal justice agencies, the prosecutor, and the trial court concerning such

arrest, if any, by removing his or her name from all such records in connection with the arrest and conviction, if any, and by inserting in the records the name of the offender, if known or ascertainable, in lieu of the aggrieved's name. The records of the circuit court clerk shall be sealed until further order of the court upon good cause shown and the name of the aggrieved person obliterated on the official index required to be kept by the circuit court clerk under Section 16 of the Clerks of Courts Act, but the order shall not affect any index issued by the circuit court clerk before the entry of the order. Nothing in this Section shall limit the Illinois State Police or other criminal justice agencies or prosecutors from listing under an offender's name the false names he or she has used.

(5) Whenever a person has been convicted of criminal sexual assault, aggravated criminal sexual assault, predatory criminal sexual assault of a child, criminal sexual abuse, or aggravated criminal sexual abuse, the victim of that offense may request that the State's Attorney of the county in which the conviction occurred file a verified petition with the presiding trial judge at the petitioner's trial to have a court order entered to seal the records of the circuit court clerk in connection with the proceedings of the trial court concerning that offense. However, the records of the arresting authority

and the Illinois State Police concerning the offense shall not be sealed. The court, upon good cause shown, shall make the records of the circuit court clerk in connection with the proceedings of the trial court concerning the offense available for public inspection.

(6) If a conviction has been set aside on direct review or on collateral attack and the court determines by clear and convincing evidence that the petitioner was factually innocent of the charge, the court that finds the petitioner factually innocent of the charge shall enter an expungement order for the conviction for which the petitioner has been determined to be innocent as provided in subsection (b) of Section 5-5-4 of the Unified Code of Corrections.

(7) Nothing in this Section shall prevent the Illinois State Police from maintaining all records of any person who is admitted to probation upon terms and conditions and who fulfills those terms and conditions pursuant to Section 10 of the Cannabis Control Act, Section 410 of the Illinois Controlled Substances Act, Section 70 of the Methamphetamine Control and Community Protection Act, Section 5-6-3.3 or 5-6-3.4 of the Unified Code of Corrections, Section 12-4.3 or subdivision (b)(1) of Section 12-3.05 of the Criminal Code of 1961 or the Criminal Code of 2012, Section 10-102 of the Illinois Alcoholism and Other Drug Dependency Act, Section 40-10 of

the Substance Use Disorder Act, or Section 10 of the Steroid Control Act.

(8) If the petitioner has been granted a certificate of innocence under Section 2-702 of the Code of Civil Procedure, the court that grants the certificate of innocence shall also enter an order expunging the conviction for which the petitioner has been determined to be innocent as provided in subsection (h) of Section 2-702 of the Code of Civil Procedure.

(c) Sealing.

(1) Applicability. Notwithstanding any other provision of this Act to the contrary, and cumulative with any rights to expungement of criminal records, this subsection authorizes the sealing of criminal records of adults and of minors prosecuted as adults. Subsection (g) of this Section provides for immediate sealing of certain records.

(2) Eligible Records. The following records may be sealed:

(A) All arrests resulting in release without charging;

(B) Arrests or charges not initiated by arrest resulting in acquittal, dismissal, or conviction when the conviction was reversed or vacated, except as excluded by subsection (a)(3)(B);

(C) Arrests or charges not initiated by arrest resulting in orders of supervision, including orders

of supervision for municipal ordinance violations, successfully completed by the petitioner, unless excluded by subsection (a)(3);

(D) Arrests or charges not initiated by arrest resulting in convictions, including convictions on municipal ordinance violations, unless excluded by subsection (a)(3);

(E) Arrests or charges not initiated by arrest resulting in orders of first offender probation under Section 10 of the Cannabis Control Act, Section 410 of the Illinois Controlled Substances Act, Section 70 of the Methamphetamine Control and Community Protection Act, or Section 5-6-3.3 of the Unified Code of Corrections; and

(F) Arrests or charges not initiated by arrest resulting in felony convictions unless otherwise excluded by subsection (a) paragraph (3) of this Section.

(3) When Records Are Eligible to Be Sealed. Records identified as eligible under subsection (c)(2) may be sealed as follows:

(A) Records identified as eligible under subsections (c)(2)(A) and (c)(2)(B) may be sealed at any time.

(B) Except as otherwise provided in subparagraph (E) of this paragraph (3), records identified as

eligible under subsection (c)(2)(C) may be sealed 2 years after the termination of petitioner's last sentence (as defined in subsection (a)(1)(F)).

(C) Except as otherwise provided in subparagraph (E) of this paragraph (3), records identified as eligible under subsections (c)(2)(D), (c)(2)(E), and (c)(2)(F) may be sealed 3 years after the termination of the petitioner's last sentence (as defined in subsection (a)(1)(F)). Convictions requiring public registration under the Arsonist Registry Act, the Sex Offender Registration Act, or the Murderer and Violent Offender Against Youth Registration Act may not be sealed until the petitioner is no longer required to register under that relevant Act.

(D) Records identified in subsection (a)(3)(A)(iii) may be sealed after the petitioner has reached the age of 25 years.

(E) Records identified as eligible under subsection (c)(2)(C), (c)(2)(D), (c)(2)(E), or (c)(2)(F) may be sealed upon termination of the petitioner's last sentence if the petitioner earned a high school diploma, associate's degree, career certificate, vocational technical certification, or bachelor's degree, or passed the high school level Test of General Educational Development, during the period of his or her sentence or mandatory supervised

release. This subparagraph shall apply only to a petitioner who has not completed the same educational goal prior to the period of his or her sentence or mandatory supervised release. If a petition for sealing eligible records filed under this subparagraph is denied by the court, the time periods under subparagraph (B) or (C) shall apply to any subsequent petition for sealing filed by the petitioner.

(4) Subsequent felony convictions. A person may not have subsequent felony conviction records sealed as provided in this subsection (c) if he or she is convicted of any felony offense after the date of the sealing of prior felony convictions as provided in this subsection (c). The court may, upon conviction for a subsequent felony offense, order the unsealing of prior felony conviction records previously ordered sealed by the court.

(5) Notice of eligibility for sealing. Upon entry of a disposition for an eligible record under this subsection (c), the petitioner shall be informed by the court of the right to have the records sealed and the procedures for the sealing of the records.

(d) Procedure. The following procedures apply to expungement under subsections (b), (e), and (e-6) and sealing under subsections (c) and (e-5):

(1) Filing the petition. Upon becoming eligible to petition for the expungement or sealing of records under

this Section, the petitioner shall file a petition requesting the expungement or sealing of records with the clerk of the court where the arrests occurred or the charges were brought, or both. If arrests occurred or charges were brought in multiple jurisdictions, a petition must be filed in each such jurisdiction. The petitioner shall pay the applicable fee, except no fee shall be required if the petitioner has obtained a court order waiving fees under Supreme Court Rule 298 or it is otherwise waived.

(1.5) County fee waiver pilot program. From August 9, 2019 (the effective date of Public Act 101-306) through December 31, 2020, in a county of 3,000,000 or more inhabitants, no fee shall be required to be paid by a petitioner if the records sought to be expunged or sealed were arrests resulting in release without charging or arrests or charges not initiated by arrest resulting in acquittal, dismissal, or conviction when the conviction was reversed or vacated, unless excluded by subsection (a)(3)(B). The provisions of this paragraph (1.5), other than this sentence, are inoperative on and after January 1, 2022.

(2) Contents of petition. The petition shall be verified and shall contain the petitioner's name, date of birth, current address and, for each arrest or charge not initiated by arrest sought to be sealed or expunged, the

case number, the date of arrest (if any), the identity of the arresting authority, and such other information as the court may require. During the pendency of the proceeding, the petitioner shall promptly notify the circuit court clerk of any change of his or her address. If the petitioner has received a certificate of eligibility for sealing from the Prisoner Review Board under paragraph (10) of subsection (a) of Section 3-3-2 of the Unified Code of Corrections, the certificate shall be attached to the petition.

(3) Drug test. The petitioner must attach to the petition proof that the petitioner has taken within 30 days before the filing of the petition a test showing the absence within his or her body of all illegal substances as defined by the Illinois Controlled Substances Act and the Methamphetamine Control and Community Protection Act if he or she is petitioning to:

(A) seal felony records under clause (c)(2)(E);

(B) seal felony records for a violation of the Illinois Controlled Substances Act, the Methamphetamine Control and Community Protection Act, or the Cannabis Control Act under clause (c)(2)(F);

(C) seal felony records under subsection (e-5); or

(D) expunge felony records of a qualified probation under clause (b)(1)(iv).

(4) Service of petition. The circuit court clerk shall

promptly serve a copy of the petition and documentation to support the petition under subsection (e-5) or (e-6) on the State's Attorney or prosecutor charged with the duty of prosecuting the offense, the Illinois State Police, the arresting agency and the chief legal officer of the unit of local government effecting the arrest.

(5) Objections.

(A) Any party entitled to notice of the petition may file an objection to the petition. All objections shall be in writing, shall be filed with the circuit court clerk, and shall state with specificity the basis of the objection. Whenever a person who has been convicted of an offense is granted a pardon by the Governor which specifically authorizes expungement, an objection to the petition may not be filed.

(B) Objections to a petition to expunge or seal must be filed within 60 days of the date of service of the petition.

(6) Entry of order.

(A) The Chief Judge of the circuit wherein the charge was brought, any judge of that circuit designated by the Chief Judge, or in counties of less than 3,000,000 inhabitants, the presiding trial judge at the petitioner's trial, if any, shall rule on the petition to expunge or seal as set forth in this subsection (d)(6).

(B) Unless the State's Attorney or prosecutor, the Illinois State Police, the arresting agency, or the chief legal officer files an objection to the petition to expunge or seal within 60 days from the date of service of the petition, the court shall enter an order granting or denying the petition.

(C) Notwithstanding any other provision of law, the court shall not deny a petition for sealing under this Section because the petitioner has not satisfied an outstanding legal financial obligation established, imposed, or originated by a court, law enforcement agency, or a municipal, State, county, or other unit of local government, including, but not limited to, any cost, assessment, fine, or fee. An outstanding legal financial obligation does not include any court ordered restitution to a victim under Section 5-5-6 of the Unified Code of Corrections, unless the restitution has been converted to a civil judgment. Nothing in this subparagraph (C) waives, rescinds, or abrogates a legal financial obligation or otherwise eliminates or affects the right of the holder of any financial obligation to pursue collection under applicable federal, State, or local law.

(D) Notwithstanding any other provision of law, the court shall not deny a petition to expunge or seal under this Section because the petitioner has

submitted a drug test taken within 30 days before the filing of the petition to expunge or seal that indicates a positive test for the presence of cannabis within the petitioner's body. In this subparagraph (D), "cannabis" has the meaning ascribed to it in Section 3 of the Cannabis Control Act.

(7) Hearings. If an objection is filed, the court shall set a date for a hearing and notify the petitioner and all parties entitled to notice of the petition of the hearing date at least 30 days prior to the hearing. Prior to the hearing, the State's Attorney shall consult with the Illinois State Police as to the appropriateness of the relief sought in the petition to expunge or seal. At the hearing, the court shall hear evidence on whether the petition should or should not be granted, and shall grant or deny the petition to expunge or seal the records based on the evidence presented at the hearing. The court may consider the following:

(A) the strength of the evidence supporting the defendant's conviction;

(B) the reasons for retention of the conviction records by the State;

(C) the petitioner's age, criminal record history, and employment history;

(D) the period of time between the petitioner's arrest on the charge resulting in the conviction and

the filing of the petition under this Section; and

(E) the specific adverse consequences the petitioner may be subject to if the petition is denied.

(8) Service of order. After entering an order to expunge or seal records, the court must provide copies of the order to the Illinois State Police, in a form and manner prescribed by the Illinois State Police, to the petitioner, to the State's Attorney or prosecutor charged with the duty of prosecuting the offense, to the arresting agency, to the chief legal officer of the unit of local government effecting the arrest, and to such other criminal justice agencies as may be ordered by the court.

(9) Implementation of order.

(A) Upon entry of an order to expunge records pursuant to subsection (b)(2)(A) or (b)(2)(B)(ii), or both:

(i) the records shall be expunged (as defined in subsection (a)(1)(E)) by the arresting agency, the Illinois State Police, and any other agency as ordered by the court, within 60 days of the date of service of the order, unless a motion to vacate, modify, or reconsider the order is filed pursuant to paragraph (12) of subsection (d) of this Section;

(ii) the records of the circuit court clerk

shall be impounded until further order of the court upon good cause shown and the name of the petitioner obliterated on the official index required to be kept by the circuit court clerk under Section 16 of the Clerks of Courts Act, but the order shall not affect any index issued by the circuit court clerk before the entry of the order; and

(iii) in response to an inquiry for expunged records, the court, the Illinois State Police, or the agency receiving such inquiry, shall reply as it does in response to inquiries when no records ever existed.

(B) Upon entry of an order to expunge records pursuant to subsection (b)(2)(B)(i) or (b)(2)(C), or both:

(i) the records shall be expunged (as defined in subsection (a)(1)(E)) by the arresting agency and any other agency as ordered by the court, within 60 days of the date of service of the order, unless a motion to vacate, modify, or reconsider the order is filed pursuant to paragraph (12) of subsection (d) of this Section;

(ii) the records of the circuit court clerk shall be impounded until further order of the court upon good cause shown and the name of the

petitioner obliterated on the official index required to be kept by the circuit court clerk under Section 16 of the Clerks of Courts Act, but the order shall not affect any index issued by the circuit court clerk before the entry of the order;

(iii) the records shall be impounded by the Illinois State Police within 60 days of the date of service of the order as ordered by the court, unless a motion to vacate, modify, or reconsider the order is filed pursuant to paragraph (12) of subsection (d) of this Section;

(iv) records impounded by the Illinois State Police may be disseminated by the Illinois State Police only as required by law or to the arresting authority, the State's Attorney, and the court upon a later arrest for the same or a similar offense or for the purpose of sentencing for any subsequent felony, and to the Department of Corrections upon conviction for any offense; and

(v) in response to an inquiry for such records from anyone not authorized by law to access such records, the court, the Illinois State Police, or the agency receiving such inquiry shall reply as it does in response to inquiries when no records ever existed.

(B-5) Upon entry of an order to expunge records

under subsection (e-6):

(i) the records shall be expunged (as defined in subsection (a)(1)(E)) by the arresting agency and any other agency as ordered by the court, within 60 days of the date of service of the order, unless a motion to vacate, modify, or reconsider the order is filed under paragraph (12) of subsection (d) of this Section;

(ii) the records of the circuit court clerk shall be impounded until further order of the court upon good cause shown and the name of the petitioner obliterated on the official index required to be kept by the circuit court clerk under Section 16 of the Clerks of Courts Act, but the order shall not affect any index issued by the circuit court clerk before the entry of the order;

(iii) the records shall be impounded by the Illinois State Police within 60 days of the date of service of the order as ordered by the court, unless a motion to vacate, modify, or reconsider the order is filed under paragraph (12) of subsection (d) of this Section;

(iv) records impounded by the Illinois State Police may be disseminated by the Illinois State Police only as required by law or to the arresting authority, the State's Attorney, and the court

upon a later arrest for the same or a similar offense or for the purpose of sentencing for any subsequent felony, and to the Department of Corrections upon conviction for any offense; and

(v) in response to an inquiry for these records from anyone not authorized by law to access the records, the court, the Illinois State Police, or the agency receiving the inquiry shall reply as it does in response to inquiries when no records ever existed.

(C) Upon entry of an order to seal records under subsection (c), the arresting agency, any other agency as ordered by the court, the Illinois State Police, and the court shall seal the records (as defined in subsection (a)(1)(K)). In response to an inquiry for such records, from anyone not authorized by law to access such records, the court, the Illinois State Police, or the agency receiving such inquiry shall reply as it does in response to inquiries when no records ever existed.

(D) The Illinois State Police shall send written notice to the petitioner of its compliance with each order to expunge or seal records within 60 days of the date of service of that order or, if a motion to vacate, modify, or reconsider is filed, within 60 days of service of the order resolving the motion, if that

order requires the Illinois State Police to expunge or seal records. In the event of an appeal from the circuit court order, the Illinois State Police shall send written notice to the petitioner of its compliance with an Appellate Court or Supreme Court judgment to expunge or seal records within 60 days of the issuance of the court's mandate. The notice is not required while any motion to vacate, modify, or reconsider, or any appeal or petition for discretionary appellate review, is pending.

(E) Upon motion, the court may order that a sealed judgment or other court record necessary to demonstrate the amount of any legal financial obligation due and owing be made available for the limited purpose of collecting any legal financial obligations owed by the petitioner that were established, imposed, or originated in the criminal proceeding for which those records have been sealed. The records made available under this subparagraph (E) shall not be entered into the official index required to be kept by the circuit court clerk under Section 16 of the Clerks of Courts Act and shall be immediately re-impounded upon the collection of the outstanding financial obligations.

(F) Notwithstanding any other provision of this Section, a circuit court clerk may access a sealed

record for the limited purpose of collecting payment for any legal financial obligations that were established, imposed, or originated in the criminal proceedings for which those records have been sealed.

(10) Fees. The Illinois State Police may charge the petitioner a fee equivalent to the cost of processing any order to expunge or seal records. Notwithstanding any provision of the Clerks of Courts Act to the contrary, the circuit court clerk may charge a fee equivalent to the cost associated with the sealing or expungement of records by the circuit court clerk. From the total filing fee collected for the petition to seal or expunge, the circuit court clerk shall deposit $10 into the Circuit Court Clerk Operation and Administrative Fund, to be used to offset the costs incurred by the circuit court clerk in performing the additional duties required to serve the petition to seal or expunge on all parties. The circuit court clerk shall collect and remit the Illinois State Police portion of the fee to the State Treasurer and it shall be deposited in the State Police Services Fund. If the record brought under an expungement petition was previously sealed under this Section, the fee for the expungement petition for that same record shall be waived.

(11) Final Order. No court order issued under the expungement or sealing provisions of this Section shall become final for purposes of appeal until 30 days after

service of the order on the petitioner and all parties entitled to notice of the petition.

(12) Motion to Vacate, Modify, or Reconsider. Under Section 2-1203 of the Code of Civil Procedure, the petitioner or any party entitled to notice may file a motion to vacate, modify, or reconsider the order granting or denying the petition to expunge or seal within 60 days of service of the order. If filed more than 60 days after service of the order, a petition to vacate, modify, or reconsider shall comply with subsection (c) of Section 2-1401 of the Code of Civil Procedure. Upon filing of a motion to vacate, modify, or reconsider, notice of the motion shall be served upon the petitioner and all parties entitled to notice of the petition.

(13) Effect of Order. An order granting a petition under the expungement or sealing provisions of this Section shall not be considered void because it fails to comply with the provisions of this Section or because of any error asserted in a motion to vacate, modify, or reconsider. The circuit court retains jurisdiction to determine whether the order is voidable and to vacate, modify, or reconsider its terms based on a motion filed under paragraph (12) of this subsection (d).

(14) Compliance with Order Granting Petition to Seal Records. Unless a court has entered a stay of an order granting a petition to seal, all parties entitled to

notice of the petition must fully comply with the terms of the order within 60 days of service of the order even if a party is seeking relief from the order through a motion filed under paragraph (12) of this subsection (d) or is appealing the order.

(15) Compliance with Order Granting Petition to Expunge Records. While a party is seeking relief from the order granting the petition to expunge through a motion filed under paragraph (12) of this subsection (d) or is appealing the order, and unless a court has entered a stay of that order, the parties entitled to notice of the petition must seal, but need not expunge, the records until there is a final order on the motion for relief or, in the case of an appeal, the issuance of that court's mandate.

(16) The changes to this subsection (d) made by Public Act 98-163 apply to all petitions pending on August 5, 2013 (the effective date of Public Act 98-163) and to all orders ruling on a petition to expunge or seal on or after August 5, 2013 (the effective date of Public Act 98-163).

(e) Whenever a person who has been convicted of an offense is granted a pardon by the Governor which specifically authorizes expungement, he or she may, upon verified petition to the Chief Judge of the circuit where the person had been convicted, any judge of the circuit designated by the Chief Judge, or in counties of less than 3,000,000 inhabitants, the

presiding trial judge at the defendant's trial, have a court order entered expunging the record of arrest from the official records of the arresting authority and order that the records of the circuit court clerk and the Illinois State Police be sealed until further order of the court upon good cause shown or as otherwise provided herein, and the name of the defendant obliterated from the official index requested to be kept by the circuit court clerk under Section 16 of the Clerks of Courts Act in connection with the arrest and conviction for the offense for which he or she had been pardoned but the order shall not affect any index issued by the circuit court clerk before the entry of the order. All records sealed by the Illinois State Police may be disseminated by the Illinois State Police only to the arresting authority, the State's Attorney, and the court upon a later arrest for the same or similar offense or for the purpose of sentencing for any subsequent felony. Upon conviction for any subsequent offense, the Department of Corrections shall have access to all sealed records of the Illinois State Police pertaining to that individual. Upon entry of the order of expungement, the circuit court clerk shall promptly mail a copy of the order to the person who was pardoned.

(e-5) Whenever a person who has been convicted of an offense is granted a certificate of eligibility for sealing by the Prisoner Review Board which specifically authorizes sealing, he or she may, upon verified petition to the Chief

Judge of the circuit where the person had been convicted, any judge of the circuit designated by the Chief Judge, or in counties of less than 3,000,000 inhabitants, the presiding trial judge at the petitioner's trial, have a court order entered sealing the record of arrest from the official records of the arresting authority and order that the records of the circuit court clerk and the Illinois State Police be sealed until further order of the court upon good cause shown or as otherwise provided herein, and the name of the petitioner obliterated from the official index requested to be kept by the circuit court clerk under Section 16 of the Clerks of Courts Act in connection with the arrest and conviction for the offense for which he or she had been granted the certificate but the order shall not affect any index issued by the circuit court clerk before the entry of the order. All records sealed by the Illinois State Police may be disseminated by the Illinois State Police only as required by this Act or to the arresting authority, a law enforcement agency, the State's Attorney, and the court upon a later arrest for the same or similar offense or for the purpose of sentencing for any subsequent felony. Upon conviction for any subsequent offense, the Department of Corrections shall have access to all sealed records of the Illinois State Police pertaining to that individual. Upon entry of the order of sealing, the circuit court clerk shall promptly mail a copy of the order to the person who was granted the certificate of

eligibility for sealing.

(e-6) Whenever a person who has been convicted of an offense is granted a certificate of eligibility for expungement by the Prisoner Review Board which specifically authorizes expungement, he or she may, upon verified petition to the Chief Judge of the circuit where the person had been convicted, any judge of the circuit designated by the Chief Judge, or in counties of less than 3,000,000 inhabitants, the presiding trial judge at the petitioner's trial, have a court order entered expunging the record of arrest from the official records of the arresting authority and order that the records of the circuit court clerk and the Illinois State Police be sealed until further order of the court upon good cause shown or as otherwise provided herein, and the name of the petitioner obliterated from the official index requested to be kept by the circuit court clerk under Section 16 of the Clerks of Courts Act in connection with the arrest and conviction for the offense for which he or she had been granted the certificate but the order shall not affect any index issued by the circuit court clerk before the entry of the order. All records sealed by the Illinois State Police may be disseminated by the Illinois State Police only as required by this Act or to the arresting authority, a law enforcement agency, the State's Attorney, and the court upon a later arrest for the same or similar offense or for the purpose of sentencing for any subsequent felony. Upon conviction for any

subsequent offense, the Department of Corrections shall have access to all expunged records of the Illinois State Police pertaining to that individual. Upon entry of the order of expungement, the circuit court clerk shall promptly mail a copy of the order to the person who was granted the certificate of eligibility for expungement.

(f) Subject to available funding, the Illinois Department of Corrections shall conduct a study of the impact of sealing, especially on employment and recidivism rates, utilizing a random sample of those who apply for the sealing of their criminal records under Public Act 93-211. At the request of the Illinois Department of Corrections, records of the Illinois Department of Employment Security shall be utilized as appropriate to assist in the study. The study shall not disclose any data in a manner that would allow the identification of any particular individual or employing unit. The study shall be made available to the General Assembly no later than September 1, 2010.

(g) Immediate Sealing.

(1) Applicability. Notwithstanding any other provision of this Act to the contrary, and cumulative with any rights to expungement or sealing of criminal records, this subsection authorizes the immediate sealing of criminal records of adults and of minors prosecuted as adults.

(2) Eligible Records. Arrests or charges not initiated by arrest resulting in acquittal or dismissal with

prejudice, except as excluded by subsection (a)(3)(B), that occur on or after January 1, 2018 (the effective date of Public Act 100-282), may be sealed immediately if the petition is filed with the circuit court clerk on the same day and during the same hearing in which the case is disposed.

(3) When Records are Eligible to be Immediately Sealed. Eligible records under paragraph (2) of this subsection (g) may be sealed immediately after entry of the final disposition of a case, notwithstanding the disposition of other charges in the same case.

(4) Notice of Eligibility for Immediate Sealing. Upon entry of a disposition for an eligible record under this subsection (g), the defendant shall be informed by the court of his or her right to have eligible records immediately sealed and the procedure for the immediate sealing of these records.

(5) Procedure. The following procedures apply to immediate sealing under this subsection (g).

(A) Filing the Petition. Upon entry of the final disposition of the case, the defendant's attorney may immediately petition the court, on behalf of the defendant, for immediate sealing of eligible records under paragraph (2) of this subsection (g) that are entered on or after January 1, 2018 (the effective date of Public Act 100-282). The immediate sealing

petition may be filed with the circuit court clerk during the hearing in which the final disposition of the case is entered. If the defendant's attorney does not file the petition for immediate sealing during the hearing, the defendant may file a petition for sealing at any time as authorized under subsection (c)(3)(A).

(B) Contents of Petition. The immediate sealing petition shall be verified and shall contain the petitioner's name, date of birth, current address, and for each eligible record, the case number, the date of arrest if applicable, the identity of the arresting authority if applicable, and other information as the court may require.

(C) Drug Test. The petitioner shall not be required to attach proof that he or she has passed a drug test.

(D) Service of Petition. A copy of the petition shall be served on the State's Attorney in open court. The petitioner shall not be required to serve a copy of the petition on any other agency.

(E) Entry of Order. The presiding trial judge shall enter an order granting or denying the petition for immediate sealing during the hearing in which it is filed. Petitions for immediate sealing shall be ruled on in the same hearing in which the final disposition of the case is entered.

(F) Hearings. The court shall hear the petition for immediate sealing on the same day and during the same hearing in which the disposition is rendered.

(G) Service of Order. An order to immediately seal eligible records shall be served in conformance with subsection (d)(8).

(H) Implementation of Order. An order to immediately seal records shall be implemented in conformance with subsections (d)(9)(C) and (d)(9)(D).

(I) Fees. The fee imposed by the circuit court clerk and the Illinois State Police shall comply with paragraph (1) of subsection (d) of this Section.

(J) Final Order. No court order issued under this subsection (g) shall become final for purposes of appeal until 30 days after service of the order on the petitioner and all parties entitled to service of the order in conformance with subsection (d)(8).

(K) Motion to Vacate, Modify, or Reconsider. Under Section 2-1203 of the Code of Civil Procedure, the petitioner, State's Attorney, or the Illinois State Police may file a motion to vacate, modify, or reconsider the order denying the petition to immediately seal within 60 days of service of the order. If filed more than 60 days after service of the order, a petition to vacate, modify, or reconsider shall comply with subsection (c) of Section 2-1401 of

the Code of Civil Procedure.

(L) Effect of Order. An order granting an immediate sealing petition shall not be considered void because it fails to comply with the provisions of this Section or because of an error asserted in a motion to vacate, modify, or reconsider. The circuit court retains jurisdiction to determine whether the order is voidable, and to vacate, modify, or reconsider its terms based on a motion filed under subparagraph (L) of this subsection (g).

(M) Compliance with Order Granting Petition to Seal Records. Unless a court has entered a stay of an order granting a petition to immediately seal, all parties entitled to service of the order must fully comply with the terms of the order within 60 days of service of the order.

(h) Sealing or vacation and expungement of trafficking victims' crimes.

(1) A trafficking victim, as defined by paragraph (10) of subsection (a) of Section 10-9 of the Criminal Code of 2012, may petition for vacation and expungement or immediate sealing of his or her criminal record upon the completion of his or her last sentence if his or her participation in the underlying offense was a result of human trafficking under Section 10-9 of the Criminal Code of 2012 or a severe form of trafficking under the federal

Trafficking Victims Protection Act.

(1.5) A petition under paragraph (1) shall be prepared, signed, and filed in accordance with Supreme Court Rule 9. The court may allow the petitioner to attend any required hearing remotely in accordance with local rules. The court may allow a petition to be filed under seal if the public filing of the petition would constitute a risk of harm to the petitioner.

(2) A petitioner under this subsection (h), in addition to the requirements provided under paragraph (4) of subsection (d) of this Section, shall include in his or her petition a clear and concise statement that: (A) he or she was a victim of human trafficking at the time of the offense; and (B) that his or her participation in the offense was a result of human trafficking under Section 10-9 of the Criminal Code of 2012 or a severe form of trafficking under the federal Trafficking Victims Protection Act.

(3) If an objection is filed alleging that the petitioner is not entitled to vacation and expungement or immediate sealing under this subsection (h), the court shall conduct a hearing under paragraph (7) of subsection (d) of this Section and the court shall determine whether the petitioner is entitled to vacation and expungement or immediate sealing under this subsection (h). A petitioner is eligible for vacation and expungement or immediate

relief under this subsection (h) if he or she shows, by a preponderance of the evidence, that: (A) he or she was a victim of human trafficking at the time of the offense; and (B) that his or her participation in the offense was a result of human trafficking under Section 10-9 of the Criminal Code of 2012 or a severe form of trafficking under the federal Trafficking Victims Protection Act.

(i) Minor Cannabis Offenses under the Cannabis Control Act.

(1) Expungement of Arrest Records of Minor Cannabis Offenses.

(A) The Illinois State Police and all law enforcement agencies within the State shall automatically expunge all criminal history records of an arrest, charge not initiated by arrest, order of supervision, or order of qualified probation for a Minor Cannabis Offense committed prior to June 25, 2019 (the effective date of Public Act 101-27) if:

(i) One year or more has elapsed since the date of the arrest or law enforcement interaction documented in the records; and

(ii) No criminal charges were filed relating to the arrest or law enforcement interaction or criminal charges were filed and subsequently dismissed or vacated or the arrestee was acquitted.

(B) If the law enforcement agency is unable to verify satisfaction of condition (ii) in paragraph (A), records that satisfy condition (i) in paragraph (A) shall be automatically expunged.

(C) Records shall be expunged by the law enforcement agency under the following timelines:

(i) Records created prior to June 25, 2019 (the effective date of Public Act 101-27), but on or after January 1, 2013, shall be automatically expunged prior to January 1, 2021;

(ii) Records created prior to January 1, 2013, but on or after January 1, 2000, shall be automatically expunged prior to January 1, 2023;

(iii) Records created prior to January 1, 2000 shall be automatically expunged prior to January 1, 2025.

In response to an inquiry for expunged records, the law enforcement agency receiving such inquiry shall reply as it does in response to inquiries when no records ever existed; however, it shall provide a certificate of disposition or confirmation that the record was expunged to the individual whose record was expunged if such a record exists.

(D) Nothing in this Section shall be construed to restrict or modify an individual's right to have that individual's records expunged except as otherwise may

be provided in this Act, or diminish or abrogate any rights or remedies otherwise available to the individual.

(2) Pardons Authorizing Expungement of Minor Cannabis Offenses.

(A) Upon June 25, 2019 (the effective date of Public Act 101-27), the Department of State Police shall review all criminal history record information and identify all records that meet all of the following criteria:

(i) one or more convictions for a Minor Cannabis Offense;

(ii) the conviction identified in paragraph (2)(A)(i) did not include a penalty enhancement under Section 7 of the Cannabis Control Act; and

(iii) the conviction identified in paragraph (2)(A)(i) is not associated with a conviction for a violent crime as defined in subsection (c) of Section 3 of the Rights of Crime Victims and Witnesses Act.

(B) Within 180 days after June 25, 2019 (the effective date of Public Act 101-27), the Department of State Police shall notify the Prisoner Review Board of all such records that meet the criteria established in paragraph (2)(A).

(i) The Prisoner Review Board shall notify the

State's Attorney of the county of conviction of each record identified by State Police in paragraph (2)(A) that is classified as a Class 4 felony. The State's Attorney may provide a written objection to the Prisoner Review Board on the sole basis that the record identified does not meet the criteria established in paragraph (2)(A). Such an objection must be filed within 60 days or by such later date set by the Prisoner Review Board in the notice after the State's Attorney received notice from the Prisoner Review Board.

(ii) In response to a written objection from a State's Attorney, the Prisoner Review Board is authorized to conduct a non-public hearing to evaluate the information provided in the objection.

(iii) The Prisoner Review Board shall make a confidential and privileged recommendation to the Governor as to whether to grant a pardon authorizing expungement for each of the records identified by the Department of State Police as described in paragraph (2)(A).

(C) If an individual has been granted a pardon authorizing expungement as described in this Section, the Prisoner Review Board, through the Attorney General, shall file a petition for expungement with

the Chief Judge of the circuit or any judge of the circuit designated by the Chief Judge where the individual had been convicted. Such petition may include more than one individual. Whenever an individual who has been convicted of an offense is granted a pardon by the Governor that specifically authorizes expungement, an objection to the petition may not be filed. Petitions to expunge under this subsection (i) may include more than one individual. Within 90 days of the filing of such a petition, the court shall enter an order expunging the records of arrest from the official records of the arresting authority and order that the records of the circuit court clerk and the Illinois State Police be expunged and the name of the defendant obliterated from the official index requested to be kept by the circuit court clerk under Section 16 of the Clerks of Courts Act in connection with the arrest and conviction for the offense for which the individual had received a pardon but the order shall not affect any index issued by the circuit court clerk before the entry of the order. Upon entry of the order of expungement, the circuit court clerk shall promptly provide a copy of the order and a certificate of disposition to the individual who was pardoned to the individual's last known address or by electronic means (if available) or

otherwise make it available to the individual upon request.

(D) Nothing in this Section is intended to diminish or abrogate any rights or remedies otherwise available to the individual.

(3) Any individual may file a motion to vacate and expunge a conviction for a misdemeanor or Class 4 felony violation of Section 4 or Section 5 of the Cannabis Control Act. Motions to vacate and expunge under this subsection (i) may be filed with the circuit court, Chief Judge of a judicial circuit or any judge of the circuit designated by the Chief Judge. The circuit court clerk shall promptly serve a copy of the motion to vacate and expunge, and any supporting documentation, on the State's Attorney or prosecutor charged with the duty of prosecuting the offense. When considering such a motion to vacate and expunge, a court shall consider the following: the reasons to retain the records provided by law enforcement, the petitioner's age, the petitioner's age at the time of offense, the time since the conviction, and the specific adverse consequences if denied. An individual may file such a petition after the completion of any non-financial sentence or non-financial condition imposed by the conviction. Within 60 days of the filing of such motion, a State's Attorney may file an objection to such a petition along with supporting evidence. If a motion to

vacate and expunge is granted, the records shall be expunged in accordance with subparagraphs (d)(8) and (d)(9)(A) of this Section. An agency providing civil legal aid, as defined by Section 15 of the Public Interest Attorney Assistance Act, assisting individuals seeking to file a motion to vacate and expunge under this subsection may file motions to vacate and expunge with the Chief Judge of a judicial circuit or any judge of the circuit designated by the Chief Judge, and the motion may include more than one individual. Motions filed by an agency providing civil legal aid concerning more than one individual may be prepared, presented, and signed electronically.

(4) Any State's Attorney may file a motion to vacate and expunge a conviction for a misdemeanor or Class 4 felony violation of Section 4 or Section 5 of the Cannabis Control Act. Motions to vacate and expunge under this subsection (i) may be filed with the circuit court, Chief Judge of a judicial circuit or any judge of the circuit designated by the Chief Judge, and may include more than one individual. Motions filed by a State's Attorney concerning more than one individual may be prepared, presented, and signed electronically. When considering such a motion to vacate and expunge, a court shall consider the following: the reasons to retain the records provided by law enforcement, the individual's age, the

individual's age at the time of offense, the time since the conviction, and the specific adverse consequences if denied. Upon entry of an order granting a motion to vacate and expunge records pursuant to this Section, the State's Attorney shall notify the Prisoner Review Board within 30 days. Upon entry of the order of expungement, the circuit court clerk shall promptly provide a copy of the order and a certificate of disposition to the individual whose records will be expunged to the individual's last known address or by electronic means (if available) or otherwise make available to the individual upon request. If a motion to vacate and expunge is granted, the records shall be expunged in accordance with subparagraphs (d)(8) and (d)(9)(A) of this Section.

(5) In the public interest, the State's Attorney of a county has standing to file motions to vacate and expunge pursuant to this Section in the circuit court with jurisdiction over the underlying conviction.

(6) If a person is arrested for a Minor Cannabis Offense as defined in this Section before June 25, 2019 (the effective date of Public Act 101-27) and the person's case is still pending but a sentence has not been imposed, the person may petition the court in which the charges are pending for an order to summarily dismiss those charges against him or her, and expunge all official records of his or her arrest, plea, trial, conviction, incarceration,

supervision, or expungement. If the court determines, upon review, that: (A) the person was arrested before June 25, 2019 (the effective date of Public Act 101-27) for an offense that has been made eligible for expungement; (B) the case is pending at the time; and (C) the person has not been sentenced of the minor cannabis violation eligible for expungement under this subsection, the court shall consider the following: the reasons to retain the records provided by law enforcement, the petitioner's age, the petitioner's age at the time of offense, the time since the conviction, and the specific adverse consequences if denied. If a motion to dismiss and expunge is granted, the records shall be expunged in accordance with subparagraph (d)(9)(A) of this Section.

(7) A person imprisoned solely as a result of one or more convictions for Minor Cannabis Offenses under this subsection (i) shall be released from incarceration upon the issuance of an order under this subsection.

(8) The Illinois State Police shall allow a person to use the access and review process, established in the Illinois State Police, for verifying that his or her records relating to Minor Cannabis Offenses of the Cannabis Control Act eligible under this Section have been expunged.

(9) No conviction vacated pursuant to this Section shall serve as the basis for damages for time unjustly

served as provided in the Court of Claims Act.

(10) Effect of Expungement. A person's right to expunge an expungeable offense shall not be limited under this Section. The effect of an order of expungement shall be to restore the person to the status he or she occupied before the arrest, charge, or conviction.

(11) Information. The Illinois State Police shall post general information on its website about the expungement process described in this subsection (i).

(j) Felony Prostitution Convictions.

(1) Automatic Sealing of Felony Prostitution Arrests.

(A) The Illinois State Police and local law enforcement agencies within the State shall automatically seal the law enforcement records relating to a person's Class 4 felony arrests and charges not initiated by arrest for prostitution if that arrest or charge not initiated by arrest is eligible for sealing under paragraph (2) of subsection (c).

(B) In the absence of a court order or upon the order of a court, the clerk of the circuit court shall automatically seal the court records and case files relating to a person's Class 4 felony arrests and charges not initiated by arrest for prostitution if that arrest or charge not initiated by arrest is eligible for sealing under paragraph (2) of subsection

(c).

(C) The automatic sealing described in this paragraph (1) shall be completed no later than January 1, 2028.

(2) Automatic Sealing of Felony Prostitution Convictions.

(A) The Illinois State Police and local law enforcement agencies within the State shall automatically seal the law enforcement records relating to a person's Class 4 felony conviction for prostitution if those records are eligible for sealing under paragraph (2) of subsection (c).

(B) In the absence of a court order or upon the order of a court, the clerk of the circuit court shall automatically seal the court records relating to a person's Class 4 felony conviction for prostitution if those records are eligible for sealing under paragraph (2) of subsection (c).

(C) The automatic sealing of records described in this paragraph (2) shall be completed no later than January 1, 2028.

(3) Motions to Vacate and Expunge Felony Prostitution Convictions. Any individual may file a motion to vacate and expunge a conviction for a prior Class 4 felony violation of prostitution. Motions to vacate and expunge under this subsection (j) may be filed with the circuit

court, Chief Judge of a judicial circuit, or any judge of the circuit designated by the Chief Judge. When considering the motion to vacate and expunge, a court shall consider the following:

(A) the reasons to retain the records provided by law enforcement;

(B) the petitioner's age;

(C) the petitioner's age at the time of offense; and

(D) the time since the conviction, and the specific adverse consequences if denied. An individual may file the petition after the completion of any sentence or condition imposed by the conviction. Within 60 days of the filing of the motion, a State's Attorney may file an objection to the petition along with supporting evidence. If a motion to vacate and expunge is granted, the records shall be expunged in accordance with subparagraph (d)(9)(A) of this Section. An agency providing civil legal aid, as defined in Section 15 of the Public Interest Attorney Assistance Act, assisting individuals seeking to file a motion to vacate and expunge under this subsection may file motions to vacate and expunge with the Chief Judge of a judicial circuit or any judge of the circuit designated by the Chief Judge, and the motion may include more than one individual.

(4) Any State's Attorney may file a motion to vacate and expunge a conviction for a Class 4 felony violation of prostitution. Motions to vacate and expunge under this subsection (j) may be filed with the circuit court, Chief Judge of a judicial circuit, or any judge of the circuit court designated by the Chief Judge, and may include more than one individual. When considering the motion to vacate and expunge, a court shall consider the following reasons:

(A) the reasons to retain the records provided by law enforcement;

(B) the petitioner's age;

(C) the petitioner's age at the time of offense;

(D) the time since the conviction; and

(E) the specific adverse consequences if denied.

If the State's Attorney files a motion to vacate and expunge records for felony prostitution convictions pursuant to this Section, the State's Attorney shall notify the Prisoner Review Board within 30 days of the filing. If a motion to vacate and expunge is granted, the records shall be expunged in accordance with subparagraph (d)(9)(A) of this Section.

(5) In the public interest, the State's Attorney of a county has standing to file motions to vacate and expunge pursuant to this Section in the circuit court with jurisdiction over the underlying conviction.

(6) The Illinois State Police shall allow a person to

~~a~~ use the access and review process, established in the Illinois State Police, for verifying that his or her records relating to felony prostitution eligible under this Section have been expunged.

(7) No conviction vacated pursuant to this Section shall serve as the basis for damages for time unjustly served as provided in the Court of Claims Act.

(8) Effect of Expungement. A person's right to expunge an expungeable offense shall not be limited under this Section. The effect of an order of expungement shall be to restore the person to the status he or she occupied before the arrest, charge, or conviction.

(9) Information. The Illinois State Police shall post general information on its website about the expungement or sealing process described in this subsection (j).

(Source: P.A. 103-35, eff. 1-1-24; 103-154, eff. 6-30-23; 103-609, eff. 7-1-24; 103-755, eff. 8-2-24; 103-1071, eff. 7-1-25; 104-417, eff. 8-15-25; revised 1-20-26.)

(Text of Section after amendment by P.A. 104-459)

Sec. 5.2. Expungement, sealing, and immediate sealing.

(a) General Provisions.

(1) Definitions. In this Act, words and phrases have the meanings set forth in this subsection, except when a particular context clearly requires a different meaning.

(A) The following terms shall have the meanings

ascribed to them in the following Sections of the Unified Code of Corrections:

Business Offense, Section 5-1-2.

Charge, Section 5-1-3.

Court, Section 5-1-6.

Defendant, Section 5-1-7.

Felony, Section 5-1-9.

Imprisonment, Section 5-1-10.

Judgment, Section 5-1-12.

Misdemeanor, Section 5-1-14.

Offense, Section 5-1-15.

Parole, Section 5-1-16.

Petty Offense, Section 5-1-17.

Probation, Section 5-1-18.

Sentence, Section 5-1-19.

Supervision, Section 5-1-21.

Victim, Section 5-1-22.

(B) As used in this Section, "charge not initiated by arrest" means a charge (as defined by Section 5-1-3 of the Unified Code of Corrections) brought against a defendant where the defendant is not arrested prior to or as a direct result of the charge.

(C) "Conviction" means a judgment of conviction or sentence entered upon a plea of guilty or upon a verdict or finding of guilty of an offense, rendered by a legally constituted jury or by a court of

competent jurisdiction authorized to try the case without a jury. An order of supervision successfully completed by the petitioner is not a conviction. An order of qualified probation (as defined in subsection (a)(1)(J)) successfully completed by the petitioner is not a conviction. An order of supervision or an order of qualified probation that is terminated unsatisfactorily is a conviction, unless the unsatisfactory termination is reversed, vacated, or modified and the judgment of conviction, if any, is reversed or vacated.

(D) "Criminal offense" means a petty offense, business offense, misdemeanor, felony, or municipal ordinance violation (as defined in subsection (a)(1)(H)). As used in this Section, a minor traffic offense (as defined in subsection (a)(1)(G)) shall not be considered a criminal offense.

(E) "Expunge" means to physically destroy the records or return them to the petitioner and to obliterate the petitioner's name from any official index or public record, or both. Nothing in this Act shall require the physical destruction of the circuit court file, but such records relating to arrests or charges, or both, ordered expunged shall be impounded as required by subsections (d)(9)(A)(ii) and (d)(9)(B)(ii).

(F) As used in this Section, "last sentence" means the sentence, order of supervision, or order of qualified probation (as defined by subsection (a)(1)(J)), for a criminal offense (as defined by subsection (a)(1)(D)) that terminates last in time in any jurisdiction, regardless of whether the petitioner has included the criminal offense for which the sentence or order of supervision or qualified probation was imposed in his or her petition. If multiple sentences, orders of supervision, or orders of qualified probation terminate on the same day and are last in time, they shall be collectively considered the "last sentence" regardless of whether they were ordered to run concurrently.

(G) "Minor traffic offense" means a petty offense, business offense, or Class C misdemeanor under the Illinois Vehicle Code or a similar provision of a municipal or local ordinance.

(G-5) "Minor Cannabis Offense" means a violation of Section 4 or 5 of the Cannabis Control Act concerning not more than 60 ~~30~~ grams of any substance containing cannabis, provided the violation did not include a penalty enhancement under Section 7 of the Cannabis Control Act and is not associated with an arrest, conviction or other disposition for a violent crime as defined in subsection (c) of Section 3 of the

Rights of Crime Victims and Witnesses Act.

(H) "Municipal ordinance violation" means an offense defined by a municipal or local ordinance that is criminal in nature and with which the petitioner was charged or for which the petitioner was arrested and released without charging.

(I) "Petitioner" means an adult or a minor prosecuted as an adult who has applied for relief under this Section.

(J) "Qualified probation" means an order of probation under Section 10 of the Cannabis Control Act, Section 410 of the Illinois Controlled Substances Act, Section 70 of the Methamphetamine Control and Community Protection Act, Section 5-6-3.3 or 5-6-3.4 of the Unified Code of Corrections, Section 12-4.3(b)(1) and (2) of the Criminal Code of 1961 (as those provisions existed before their deletion by Public Act 89-313), Section 10-102 of the Illinois Alcoholism and Other Drug Dependency Act, Section 40-10 of the Substance Use Disorder Act, or Section 10 of the Steroid Control Act. For the purpose of this Section, "successful completion" of an order of qualified probation under Section 10-102 of the Illinois Alcoholism and Other Drug Dependency Act and Section 40-10 of the Substance Use Disorder Act means that the probation was terminated satisfactorily and

the judgment of conviction was vacated.

(K) (i) Except as provided in subdivision (ii), "seal" means to physically and electronically maintain the records, unless the records would otherwise be destroyed due to age, but to make the records unavailable without a court order, subject to the exceptions in Sections 12 and 13 of this Act. The petitioner's name shall also be obliterated from the official index required to be kept by the circuit court clerk under Section 16 of the Clerks of Courts Act, but any index issued by the circuit court clerk before the entry of the order to seal shall not be affected.

(ii) For records subject to relief under subsection (k) of this Section, "seal" means to physically and electronically maintain the records, unless the records would otherwise be destroyed due to age, but to have the records impounded, as defined in paragraph (2) of subsection (b) of Section 5 of the Court Record and Document Accessibility Act. The defendant's name shall also be obliterated from the official index required to be kept by the circuit court clerk under Section 16 of the Clerks of Courts Act. Upon request, and without court order, the circuit court clerk shall provide to the Illinois State Police the disposition information for any

record that was ordered to be sealed or impounded pursuant to this Section.

(L) "Sexual offense committed against a minor" includes, but is not limited to, the offenses of indecent solicitation of a child or criminal sexual abuse when the victim of such offense is under 18 years of age.

(M) "Terminate" as it relates to a sentence or order of supervision or qualified probation includes either satisfactory or unsatisfactory termination of the sentence, unless otherwise specified in this Section. A sentence is terminated notwithstanding any outstanding financial legal obligation.

(2) Minor Traffic Offenses. Orders of supervision or convictions for minor traffic offenses shall not affect a petitioner's eligibility to expunge or seal records pursuant to this Section.

(2.5) Commencing 180 days after July 29, 2016 (the effective date of Public Act 99-697), the law enforcement agency issuing the citation shall automatically expunge, on or before January 1 and July 1 of each year, the law enforcement records of a person found to have committed a civil law violation of subsection (a) of Section 4 of the Cannabis Control Act or subsection (c) of Section 3.5 of the Drug Paraphernalia Control Act in the law enforcement agency's possession or control and which contains the

final satisfactory disposition which pertain to the person issued a citation for that offense. The law enforcement agency shall provide by rule the process for access, review, and to confirm the automatic expungement by the law enforcement agency issuing the citation. Commencing 180 days after July 29, 2016 (the effective date of Public Act 99-697), the clerk of the circuit court shall expunge, upon order of the court, or in the absence of a court order on or before January 1 and July 1 of each year, the court records of a person found in the circuit court to have committed a civil law violation of subsection (a) of Section 4 of the Cannabis Control Act or subsection (c) of Section 3.5 of the Drug Paraphernalia Control Act in the clerk's possession or control and which contains the final satisfactory disposition which pertain to the person issued a citation for any of those offenses.

(3) Exclusions. Except as otherwise provided in subsections (b)(5), (b)(6), (b)(8), (e), (e-5), and (e-6) of this Section, the court shall not order:

(A) the sealing or expungement of the records of arrests or charges not initiated by arrest that result in an order of supervision for or conviction of: (i) any sexual offense committed against a minor; (ii) Section 11-501 of the Illinois Vehicle Code or a similar provision of a local ordinance; or (iii) Section 11-503 of the Illinois Vehicle Code or a

similar provision of a local ordinance, unless the arrest or charge is for a misdemeanor violation of subsection (a) of Section 11-503 or a similar provision of a local ordinance, that occurred prior to the offender reaching the age of 25 years and the offender has no other conviction for violating Section 11-501 or 11-503 of the Illinois Vehicle Code or a similar provision of a local ordinance.

(B) the sealing or expungement of records of minor traffic offenses (as defined in subsection (a)(1)(G)), unless the petitioner was arrested and released without charging.

(C) the sealing of the records of arrests or charges not initiated by arrest which result in an order of supervision or a conviction for the following offenses:

(i) offenses included in Article 11 of the Criminal Code of 1961 or the Criminal Code of 2012 or a similar provision of a local ordinance, except Section 11-14 and a misdemeanor violation of Section 11-30 of the Criminal Code of 1961 or the Criminal Code of 2012, or a similar provision of a local ordinance;

(ii) Section 11-1.50, 12-3.4, 12-15, 12-30, 26-5, or 48-1 of the Criminal Code of 1961 or the Criminal Code of 2012, or a similar provision of a

local ordinance;

(iii) Section 12-3.1 or 12-3.2 of the Criminal Code of 1961 or the Criminal Code of 2012, or Section 125 of the Stalking No Contact Order Act, or Section 219 of the Civil No Contact Order Act, or a similar provision of a local ordinance;

(iv) Class A misdemeanors or felony offenses under the Humane Care for Animals Act; or

(v) any offense or attempted offense that would subject a person to registration under the Sex Offender Registration Act.

(D) (blank).

(b) Expungement.

(1) A petitioner may petition the circuit court to expunge the records of his or her arrests and charges not initiated by arrest when each arrest or charge not initiated by arrest sought to be expunged resulted in: (i) acquittal, dismissal, or the petitioner's release without charging, unless excluded by subsection (a)(3)(B); (ii) a conviction which was vacated or reversed, unless excluded by subsection (a)(3)(B); (iii) an order of supervision and such supervision was successfully completed by the petitioner, unless excluded by subsection (a)(3)(A) or (a)(3)(B); or (iv) an order of qualified probation (as defined in subsection (a)(1)(J)) and such probation was successfully completed by the petitioner.

(1.5) When a petitioner seeks to have a record of arrest expunged under this Section, and the petitioner has been convicted of a criminal offense, the State's Attorney may object to the expungement on the grounds that the records contain specific relevant information aside from the mere fact of the arrest.

(2) Time frame for filing a petition to expunge.

(A) When the arrest or charge not initiated by arrest sought to be expunged resulted in an acquittal, dismissal, the petitioner's release without charging, or the reversal or vacation of a conviction, there is no waiting period to petition for the expungement of such records.

(A-5) In anticipation of the successful completion of a problem-solving court, pre-plea diversion, or post-plea diversion program, a petition for expungement may be filed 61 days before the anticipated dismissal of the case or any time thereafter. Upon successful completion of the program and dismissal of the case, the court shall review the petition of the person graduating from the program and shall grant expungement if the petitioner meets all requirements as specified in any applicable statute.

(B) When the arrest or charge not initiated by arrest sought to be expunged resulted in an order of supervision, successfully completed by the petitioner,

the following time frames will apply:

(i) Those arrests or charges that resulted in orders of supervision under Section 3-707, 3-708, 3-710, or 5-401.3 of the Illinois Vehicle Code or a similar provision of a local ordinance, or under Section 11-1.50, 12-3.2, or 12-15 of the Criminal Code of 1961 or the Criminal Code of 2012, or a similar provision of a local ordinance, shall not be eligible for expungement until 5 years have passed following the satisfactory termination of the supervision.

(i-5) Those arrests or charges that resulted in orders of supervision for a misdemeanor violation of subsection (a) of Section 11-503 of the Illinois Vehicle Code or a similar provision of a local ordinance, that occurred prior to the petitioner reaching the age of 25 years and the petitioner has no other conviction for violating Section 11-501 or 11-503 of the Illinois Vehicle Code or a similar provision of a local ordinance shall not be eligible for expungement until the petitioner has reached the age of 25 years.

(ii) Those arrests or charges that resulted in orders of supervision for any other offenses shall not be eligible for expungement until 2 years have passed following the satisfactory termination of

the supervision.

(C) When the arrest or charge not initiated by arrest sought to be expunged resulted in an order of qualified probation, successfully completed by the petitioner, such records shall not be eligible for expungement until 5 years have passed following the satisfactory termination of the probation.

(3) Those records maintained by the Illinois State Police for persons arrested prior to their 17th birthday shall be expunged as provided in Section 5-915 of the Juvenile Court Act of 1987.

(4) Whenever a person has been arrested for or convicted of any offense, in the name of a person whose identity he or she has stolen or otherwise come into possession of, the aggrieved person from whom the identity was stolen or otherwise obtained without authorization, upon learning of the person having been arrested using his or her identity, may, upon verified petition to the chief judge of the circuit wherein the arrest was made, have a court order entered nunc pro tunc by the Chief Judge to correct the arrest record, conviction record, if any, and all official records of the arresting authority, the Illinois State Police, other criminal justice agencies, the prosecutor, and the trial court concerning such arrest, if any, by removing his or her name from all such records in connection with the arrest and conviction, if

any, and by inserting in the records the name of the petitioner, if known or ascertainable, in lieu of the aggrieved's name. The records of the circuit court clerk shall be sealed until further order of the court upon good cause shown and the name of the aggrieved person obliterated on the official index required to be kept by the circuit court clerk under Section 16 of the Clerks of Courts Act, but the order shall not affect any index issued by the circuit court clerk before the entry of the order. Nothing in this Section shall limit the Illinois State Police or other criminal justice agencies or prosecutors from listing under a petitioner's name the false names he or she has used.

(5) Whenever a person has been convicted of criminal sexual assault, aggravated criminal sexual assault, predatory criminal sexual assault of a child, criminal sexual abuse, or aggravated criminal sexual abuse, the victim of that offense may request that the State's Attorney of the county in which the conviction occurred file a verified petition with the presiding trial judge at the petitioner's trial to have a court order entered to seal the records of the circuit court clerk in connection with the proceedings of the trial court concerning that offense. However, the records of the arresting authority and the Illinois State Police concerning the offense shall not be sealed. The court, upon good cause shown, shall

make the records of the circuit court clerk in connection with the proceedings of the trial court concerning the offense available for public inspection.

(6) If a conviction has been set aside on direct review or on collateral attack and the court determines by clear and convincing evidence that the petitioner was factually innocent of the charge, the court that finds the petitioner factually innocent of the charge shall enter an expungement order for the conviction for which the petitioner has been determined to be innocent as provided in subsection (b) of Section 5-5-4 of the Unified Code of Corrections.

(7) Nothing in this Section shall prevent the Illinois State Police from maintaining all records of any person who is admitted to probation upon terms and conditions and who fulfills those terms and conditions pursuant to Section 10 of the Cannabis Control Act, Section 410 of the Illinois Controlled Substances Act, Section 70 of the Methamphetamine Control and Community Protection Act, Section 5-6-3.3 or 5-6-3.4 of the Unified Code of Corrections, Section 12-4.3 or subdivision (b)(1) of Section 12-3.05 of the Criminal Code of 1961 or the Criminal Code of 2012, Section 10-102 of the Illinois Alcoholism and Other Drug Dependency Act, Section 40-10 of the Substance Use Disorder Act, or Section 10 of the Steroid Control Act.

(8) If the petitioner has been granted a certificate of innocence under Section 2-702 of the Code of Civil Procedure, the court that grants the certificate of innocence shall also enter an order expunging the conviction for which the petitioner has been determined to be innocent as provided in subsection (h) of Section 2-702 of the Code of Civil Procedure.

(c) Sealing.

(1) Applicability. Notwithstanding any other provision of this Act to the contrary, and cumulative with any rights to expungement of criminal records, this subsection authorizes the sealing of criminal records of adults and of minors prosecuted as adults. Subsection (g) of this Section provides for immediate sealing of certain records.

(2) Eligible Records. The following records may be sealed:

(A) All arrests resulting in release without charging;

(B) Arrests or charges not initiated by arrest resulting in acquittal, dismissal, or conviction when the conviction was reversed or vacated, except as excluded by subsection (a)(3)(B);

(C) Arrests or charges not initiated by arrest resulting in orders of supervision, including orders of supervision for municipal ordinance violations, successfully completed by the petitioner, unless

excluded by subsection (a)(3);

(C-5) Arrests or charges not initiated by arrest resulting in orders of qualified probation;

(D) Arrests or charges not initiated by arrest resulting in convictions with sentences of conditional discharge or probation, completed without revocation by the petitioner, unless otherwise excluded by subsection (a)(3);

(E) Arrests or charges not initiated by arrest resulting in misdemeanor convictions not included in subsection (c)(2)(D), including convictions on municipal ordinance violations, unless excluded by subsection (a)(3); and

(F) Arrests or charges not initiated by arrest resulting in felony convictions not included in subsection (c)(2)(D) unless otherwise excluded by subsection (a)(3).

(3) When Records Are Eligible to Be Sealed. Records identified as eligible under subsection (c)(2) may be sealed as follows:

(A) Records identified as eligible under subsections (c)(2)(A) and (c)(2)(B) may be sealed at any time.

(B) Records identified as eligible under subsection (c)(2)(C), (c)(2)(C-5), (c)(2)(D), or (c)(2)(E) may be sealed 2 years after the termination

of petitioner's last sentence (as defined in subsection (a)(1)(F)).

(C) Except as otherwise provided in subparagraphs (B) and (E) of this paragraph (3), records identified as eligible under subsection (c)(2)(F) may be sealed 3 years after the termination of the petitioner's last sentence (as defined in subsection (a)(1)(F)). Convictions requiring public registration under the Arsonist Registry Act, the Sex Offender Registration Act, or the Murderer and Violent Offender Against Youth Registration Act may not be sealed until the petitioner is no longer required to register under that relevant Act.

(D) Records identified in subsection (a)(3)(A)(iii) may be sealed after the petitioner has reached the age of 25 years.

(E) Records identified as eligible under subsection (c)(2)(F) may be sealed upon termination of the petitioner's last sentence if the petitioner earned a high school diploma, associate's degree, career certificate, vocational technical certification, or bachelor's degree, or passed the high school level Test of General Educational Development, during the period of his or her sentence or mandatory supervised release. This subparagraph shall apply only to a petitioner who has not completed

the same educational goal prior to the period of his or her sentence or mandatory supervised release. If a petition for sealing eligible records filed under this subparagraph is denied by the court, the time periods under subparagraph (C) shall apply to any subsequent petition for sealing filed by the petitioner.

(4) (Blank).

(5) Notice of eligibility for sealing. Upon entry of a disposition for an eligible record under this subsection (c), the petitioner shall be informed by the court of the right to have the records sealed and the procedures for the sealing of the records.

(d) Procedure. The following procedures apply to expungement under subsections (b), (e), and (e-6) and sealing under subsections (c) and (e-5):

(1) Filing the petition. Upon becoming eligible to petition for the expungement or sealing of records under this Section, the petitioner shall file a petition requesting the expungement or sealing of records with the clerk of the court where the arrests occurred or the charges were brought, or both. If arrests occurred or charges were brought in multiple jurisdictions, a petition must be filed in each such jurisdiction. The petitioner shall pay the applicable fee, except no fee shall be required if the petitioner has obtained a court order waiving fees under Supreme Court Rule 298 or it is

otherwise waived.

(1.5) County fee waiver pilot program. From August 9, 2019 (the effective date of Public Act 101-306) through December 31, 2020, in a county of 3,000,000 or more inhabitants, no fee shall be required to be paid by a petitioner if the records sought to be expunged or sealed were arrests resulting in release without charging or arrests or charges not initiated by arrest resulting in acquittal, dismissal, or conviction when the conviction was reversed or vacated, unless excluded by subsection (a)(3)(B). The provisions of this paragraph (1.5), other than this sentence, are inoperative on and after January 1, 2022.

(2) Contents of petition. The petition shall be verified and shall contain the petitioner's name, date of birth, current address and, for each arrest or charge not initiated by arrest sought to be sealed or expunged, the case number, the date of arrest (if any), the identity of the arresting authority, and such other information as the court may require. During the pendency of the proceeding, the petitioner shall promptly notify the circuit court clerk of any change of his or her address. If the petitioner has received a certificate of eligibility for sealing from the Prisoner Review Board under paragraph (10) of subsection (a) of Section 3-3-2 of the Unified Code of Corrections, the certificate shall be attached to

the petition.

(3) (Blank).

(4) Service of petition. The circuit court clerk shall promptly serve a copy of the petition and documentation to support the petition under subsection (e-5) or (e-6) on the State's Attorney or prosecutor charged with the duty of prosecuting the offense, the Illinois State Police, the arresting agency, and, for municipal ordinance violations, the chief legal officer of the unit of local government effecting the arrest.

(5) Objections.

(A) Any party entitled to notice of the petition may file an objection to the petition. All objections shall be in writing, shall be filed with the circuit court clerk, and shall state with specificity the basis of the objection. Whenever a person who has been convicted of an offense is granted a pardon by the Governor which specifically authorizes expungement, an objection to the petition may not be filed.

(B) Objections to a petition to expunge or seal must be filed within 60 days of the date of service of the petition.

(6) Entry of order.

(A) The Chief Judge of the circuit wherein the charge was brought, any judge of that circuit designated by the Chief Judge, or in counties of less

than 3,000,000 inhabitants, the presiding trial judge at the petitioner's trial, if any, shall rule on the petition to expunge or seal as set forth in this subsection (d)(6).

(B) Unless the State's Attorney or prosecutor, the Illinois State Police, the arresting agency, or the chief legal officer files an objection to the petition to expunge or seal within 60 days from the date of service of the petition, the court shall enter an order granting or denying the petition.

(C) Notwithstanding any other provision of law, the court shall not deny a petition for sealing under this Section because the petitioner has not satisfied an outstanding legal financial obligation established, imposed, or originated by a court, law enforcement agency, or a municipal, State, county, or other unit of local government, including, but not limited to, any cost, assessment, fine, or fee. An outstanding legal financial obligation does not include any court ordered restitution to a victim under Section 5-5-6 of the Unified Code of Corrections, unless the restitution has been converted to a civil judgment. Nothing in this subparagraph (C) waives, rescinds, or abrogates a legal financial obligation or otherwise eliminates or affects the right of the holder of any financial obligation to pursue collection under

applicable federal, State, or local law.

(D) (Blank).

(7) Hearings. If an objection is filed, the court shall set a date for a hearing and notify the petitioner and all parties entitled to notice of the petition of the hearing date at least 30 days prior to the hearing. Prior to the hearing, the State's Attorney shall consult with the Illinois State Police as to the appropriateness of the relief sought in the petition to expunge or seal. At the hearing, the court shall hear evidence on whether the petition should or should not be granted, and shall grant or deny the petition to expunge or seal the records based on the evidence presented at the hearing. The court may consider the following:

(A) the strength of the evidence supporting the defendant's conviction;

(B) the reasons for retention of the conviction records by the State;

(C) the petitioner's age, criminal record history, and employment history;

(D) the period of time between the petitioner's arrest on the charge resulting in the conviction and the filing of the petition under this Section; and

(E) the specific adverse consequences the petitioner may be subject to if the petition is denied.

(8) Service of order. After entering an order to expunge or seal records, the court must provide copies of the order to the Illinois State Police, in a form and manner prescribed by the Illinois State Police, to the petitioner, to the State's Attorney or prosecutor charged with the duty of prosecuting the offense, to the arresting agency, to the chief legal officer of the unit of local government effecting the arrest for municipal ordinance violations, and to such other criminal justice agencies as may be ordered by the court. The disposition information for each case or record ordered expunged, sealed, or impounded shall be attached to the order provided to the Illinois State Police.

(9) Implementation of order.

(A) Upon entry of an order to expunge records pursuant to subsection (b)(2)(A) or (b)(2)(B)(ii), or both:

(i) the records shall be expunged (as defined in subsection (a)(1)(E)) by the arresting agency, the Illinois State Police, and any other agency as ordered by the court, within 60 days of the date of service of the order, unless a motion to vacate, modify, or reconsider the order is filed pursuant to paragraph (12) of subsection (d) of this Section;

(ii) the records of the circuit court clerk

shall be impounded until further order of the court upon good cause shown and the name of the petitioner obliterated on the official index required to be kept by the circuit court clerk under Section 16 of the Clerks of Courts Act, but the order shall not affect any index issued by the circuit court clerk before the entry of the order; and

(iii) in response to an inquiry for expunged records, the court, the Illinois State Police, or the agency receiving such inquiry, shall reply as it does in response to inquiries when no records ever existed.

(B) Upon entry of an order to expunge records pursuant to subsection (b)(2)(B)(i) or (b)(2)(C), or both:

(i) the records shall be expunged (as defined in subsection (a)(1)(E)) by the arresting agency and any other agency as ordered by the court, within 60 days of the date of service of the order, unless a motion to vacate, modify, or reconsider the order is filed pursuant to paragraph (12) of subsection (d) of this Section;

(ii) the records of the circuit court clerk shall be impounded until further order of the court upon good cause shown and the name of the

petitioner obliterated on the official index required to be kept by the circuit court clerk under Section 16 of the Clerks of Courts Act, but the order shall not affect any index issued by the circuit court clerk before the entry of the order;

(iii) the records shall be impounded by the Illinois State Police within 60 days of the date of service of the order as ordered by the court, unless a motion to vacate, modify, or reconsider the order is filed pursuant to paragraph (12) of subsection (d) of this Section;

(iv) records impounded by the Illinois State Police may be disseminated by the Illinois State Police only as required by law or to the arresting authority, the State's Attorney, and the court upon a later arrest for the same or a similar offense or for the purpose of sentencing for any subsequent felony, and to the Department of Corrections upon conviction for any offense; and

(v) in response to an inquiry for such records from anyone not authorized by law to access such records, the court, the Illinois State Police, or the agency receiving such inquiry shall reply as it does in response to inquiries when no records ever existed.

(B-5) Upon entry of an order to expunge records

under subsection (e-6):

(i) the records shall be expunged (as defined in subsection (a)(1)(E)) by the arresting agency and any other agency as ordered by the court, within 60 days of the date of service of the order, unless a motion to vacate, modify, or reconsider the order is filed under paragraph (12) of subsection (d) of this Section;

(ii) the records of the circuit court clerk shall be impounded until further order of the court upon good cause shown and the name of the petitioner obliterated on the official index required to be kept by the circuit court clerk under Section 16 of the Clerks of Courts Act, but the order shall not affect any index issued by the circuit court clerk before the entry of the order;

(iii) the records shall be impounded by the Illinois State Police within 60 days of the date of service of the order as ordered by the court, unless a motion to vacate, modify, or reconsider the order is filed under paragraph (12) of subsection (d) of this Section;

(iv) records impounded by the Illinois State Police may be disseminated by the Illinois State Police only as required by law or to the arresting authority, the State's Attorney, and the court

upon a later arrest for the same or a similar offense or for the purpose of sentencing for any subsequent felony, and to the Department of Corrections upon conviction for any offense; and

(v) in response to an inquiry for these records from anyone not authorized by law to access the records, the court, the Illinois State Police, or the agency receiving the inquiry shall reply as it does in response to inquiries when no records ever existed.

(C) Upon entry of an order to seal records under subsection (c), the arresting agency, any other agency as ordered by the court, the Illinois State Police, and the court shall seal the records (as defined in subsection (a)(1)(K)). In response to an inquiry for such records, from anyone not authorized by law to access such records, the court, the Illinois State Police, or the agency receiving such inquiry shall reply as it does in response to inquiries when no records ever existed.

(D) The Illinois State Police shall send written notice to the petitioner of its compliance with each order to expunge or seal records within 60 days of the date of service of that order or, if a motion to vacate, modify, or reconsider is filed, within 60 days of service of the order resolving the motion, if that

order requires the Illinois State Police to expunge or seal records. In the event of an appeal from the circuit court order, the Illinois State Police shall send written notice to the petitioner of its compliance with an Appellate Court or Supreme Court judgment to expunge or seal records within 60 days of the issuance of the court's mandate. The notice is not required while any motion to vacate, modify, or reconsider, or any appeal or petition for discretionary appellate review, is pending.

(E) Upon motion, the court may order that a sealed judgment or other court record necessary to demonstrate the amount of any legal financial obligation due and owing be made available for the limited purpose of collecting any legal financial obligations owed by the petitioner that were established, imposed, or originated in the criminal proceeding for which those records have been sealed. The records made available under this subparagraph (E) shall not be entered into the official index required to be kept by the circuit court clerk under Section 16 of the Clerks of Courts Act and shall be immediately re-impounded upon the collection of the outstanding financial obligations.

(F) Notwithstanding any other provision of this Section, a circuit court clerk may access a sealed

record for the limited purpose of collecting payment for any legal financial obligations that were established, imposed, or originated in the criminal proceedings for which those records have been sealed.

(10) Fees. The Illinois State Police may charge the petitioner a fee equivalent to the cost of processing any order to expunge or seal records. Notwithstanding any provision of the Clerks of Courts Act to the contrary, the circuit court clerk may charge a fee equivalent to the cost associated with the sealing or expungement of records by the circuit court clerk. From the total filing fee collected for the petition to seal or expunge, the circuit court clerk shall deposit $10 into the Circuit Court Clerk Operation and Administrative Fund, to be used to offset the costs incurred by the circuit court clerk in performing the additional duties required to serve the petition to seal or expunge on all parties. The circuit court clerk shall collect and remit the Illinois State Police portion of the fee to the State Treasurer and it shall be deposited in the State Police Services Fund. If the record brought under an expungement petition was previously sealed under this Section, the fee for the expungement petition for that same record shall be waived.

(11) Final Order. No court order issued under the expungement or sealing provisions of this Section shall become final for purposes of appeal until 30 days after

service of the order on the petitioner and all parties entitled to notice of the petition.

(12) Motion to Vacate, Modify, or Reconsider. Under Section 2-1203 of the Code of Civil Procedure, the petitioner or any party entitled to notice may file a motion to vacate, modify, or reconsider the order granting or denying the petition to expunge or seal within 60 days of service of the order. If filed more than 60 days after service of the order, a petition to vacate, modify, or reconsider shall comply with subsection (c) of Section 2-1401 of the Code of Civil Procedure. Upon filing of a motion to vacate, modify, or reconsider, notice of the motion shall be served upon the petitioner and all parties entitled to notice of the petition.

(13) Effect of Order. An order granting a petition under the expungement or sealing provisions of this Section shall not be considered void because it fails to comply with the provisions of this Section or because of any error asserted in a motion to vacate, modify, or reconsider. The circuit court retains jurisdiction to determine whether the order is voidable and to vacate, modify, or reconsider its terms based on a motion filed under paragraph (12) of this subsection (d).

(14) Compliance with Order Granting Petition to Seal Records. Unless a court has entered a stay of an order granting a petition to seal, all parties entitled to

notice of the petition must fully comply with the terms of the order within 60 days of service of the order even if a party is seeking relief from the order through a motion filed under paragraph (12) of this subsection (d) or is appealing the order.

(15) Compliance with Order Granting Petition to Expunge Records. While a party is seeking relief from the order granting the petition to expunge through a motion filed under paragraph (12) of this subsection (d) or is appealing the order, and unless a court has entered a stay of that order, the parties entitled to notice of the petition must seal, but need not expunge, the records until there is a final order on the motion for relief or, in the case of an appeal, the issuance of that court's mandate.

(16) The changes to this subsection (d) made by Public Act 98-163 apply to all petitions pending on August 5, 2013 (the effective date of Public Act 98-163) and to all orders ruling on a petition to expunge or seal on or after August 5, 2013 (the effective date of Public Act 98-163).

(17) Upon request, and without court order, the circuit court clerk shall provide the disposition information for any record that was ordered to be sealed or impounded pursuant to this Section to the Illinois State Police.

(e) Whenever a person who has been convicted of an offense

is granted a pardon by the Governor which specifically authorizes expungement, he or she may, upon verified petition to the Chief Judge of the circuit where the person had been convicted, any judge of the circuit designated by the Chief Judge, or in counties of less than 3,000,000 inhabitants, the presiding trial judge at the defendant's trial, have a court order entered expunging the record of arrest from the official records of the arresting authority and order that the records of the circuit court clerk and the Illinois State Police be sealed until further order of the court upon good cause shown or as otherwise provided herein, and the name of the defendant obliterated from the official index requested to be kept by the circuit court clerk under Section 16 of the Clerks of Courts Act in connection with the arrest and conviction for the offense for which he or she had been pardoned but the order shall not affect any index issued by the circuit court clerk before the entry of the order. All records sealed by the Illinois State Police may be disseminated by the Illinois State Police only to the arresting authority, the State's Attorney, and the court upon a later arrest for the same or similar offense or for the purpose of sentencing for any subsequent felony. Upon conviction for any subsequent offense, the Department of Corrections shall have access to all sealed records of the Illinois State Police pertaining to that individual. Upon entry of the order of expungement, the circuit court clerk shall promptly mail a copy of the order to

the person who was pardoned.

(e-5) Whenever a person who has been convicted of an offense is granted a certificate of eligibility for sealing by the Prisoner Review Board which specifically authorizes sealing, he or she may, upon verified petition to the Chief Judge of the circuit where the person had been convicted, any judge of the circuit designated by the Chief Judge, or in counties of less than 3,000,000 inhabitants, the presiding trial judge at the petitioner's trial, have a court order entered sealing the record of arrest from the official records of the arresting authority and order that the records of the circuit court clerk and the Illinois State Police be sealed until further order of the court upon good cause shown or as otherwise provided herein, and the name of the petitioner obliterated from the official index requested to be kept by the circuit court clerk under Section 16 of the Clerks of Courts Act in connection with the arrest and conviction for the offense for which he or she had been granted the certificate but the order shall not affect any index issued by the circuit court clerk before the entry of the order. All records sealed by the Illinois State Police may be disseminated by the Illinois State Police only as required by this Act or to the arresting authority, a law enforcement agency, the State's Attorney, and the court upon a later arrest for the same or similar offense or for the purpose of sentencing for any subsequent felony. Upon conviction for any

subsequent offense, the Department of Corrections shall have access to all sealed records of the Illinois State Police pertaining to that individual. Upon entry of the order of sealing, the circuit court clerk shall promptly mail a copy of the order to the person who was granted the certificate of eligibility for sealing.

(e-6) Whenever a person who has been convicted of an offense is granted a certificate of eligibility for expungement by the Prisoner Review Board which specifically authorizes expungement, he or she may, upon verified petition to the Chief Judge of the circuit where the person had been convicted, any judge of the circuit designated by the Chief Judge, or in counties of less than 3,000,000 inhabitants, the presiding trial judge at the petitioner's trial, have a court order entered expunging the record of arrest from the official records of the arresting authority and order that the records of the circuit court clerk and the Illinois State Police be sealed until further order of the court upon good cause shown or as otherwise provided herein, and the name of the petitioner obliterated from the official index requested to be kept by the circuit court clerk under Section 16 of the Clerks of Courts Act in connection with the arrest and conviction for the offense for which he or she had been granted the certificate but the order shall not affect any index issued by the circuit court clerk before the entry of the order. All records sealed by the Illinois State Police may be

disseminated by the Illinois State Police only as required by this Act or to the arresting authority, a law enforcement agency, the State's Attorney, and the court upon a later arrest for the same or similar offense or for the purpose of sentencing for any subsequent felony. Upon conviction for any subsequent offense, the Department of Corrections shall have access to all expunged records of the Illinois State Police pertaining to that individual. Upon entry of the order of expungement, the circuit court clerk shall promptly mail a copy of the order to the person who was granted the certificate of eligibility for expungement.

(f) Subject to available funding, the Illinois Department of Corrections shall conduct a study of the impact of sealing, especially on employment and recidivism rates, utilizing a random sample of those who apply for the sealing of their criminal records under Public Act 93-211. At the request of the Illinois Department of Corrections, records of the Illinois Department of Employment Security shall be utilized as appropriate to assist in the study. The study shall not disclose any data in a manner that would allow the identification of any particular individual or employing unit. The study shall be made available to the General Assembly no later than September 1, 2010.

(g) Immediate Sealing.

(1) Applicability. Notwithstanding any other provision of this Act to the contrary, and cumulative with any

rights to expungement or sealing of criminal records, this subsection authorizes the immediate sealing of criminal records of adults and of minors prosecuted as adults.

(2) Eligible Records. Arrests or charges not initiated by arrest resulting in acquittal or dismissal with prejudice, except as excluded by subsection (a)(3)(B), that occur on or after January 1, 2018 (the effective date of Public Act 100-282), may be sealed immediately if the petition is filed with the circuit court clerk on the same day and during the same hearing in which the case is disposed.

(3) When Records are Eligible to be Immediately Sealed. Eligible records under paragraph (2) of this subsection (g) may be sealed immediately after entry of the final disposition of a case, notwithstanding the disposition of other charges in the same case.

(4) Notice of Eligibility for Immediate Sealing. Upon entry of a disposition for an eligible record under this subsection (g), the defendant shall be informed by the court of his or her right to have eligible records immediately sealed and the procedure for the immediate sealing of these records.

(5) Procedure. The following procedures apply to immediate sealing under this subsection (g).

(A) Filing the Petition. Upon entry of the final disposition of the case, the defendant's attorney may

immediately petition the court, on behalf of the defendant, for immediate sealing of eligible records under paragraph (2) of this subsection (g) that are entered on or after January 1, 2018 (the effective date of Public Act 100-282). The immediate sealing petition may be filed with the circuit court clerk during the hearing in which the final disposition of the case is entered. If the defendant's attorney does not file the petition for immediate sealing during the hearing, the defendant may file a petition for sealing at any time as authorized under subsection (c)(3)(A).

(B) Contents of Petition. The immediate sealing petition shall be verified and shall contain the petitioner's name, date of birth, current address, and for each eligible record, the case number, the date of arrest if applicable, the identity of the arresting authority if applicable, and other information as the court may require.

(C) Drug Test. The petitioner shall not be required to attach proof that he or she has passed a drug test.

(D) Service of Petition. A copy of the petition shall be served on the State's Attorney in open court. The petitioner shall not be required to serve a copy of the petition on any other agency.

(E) Entry of Order. The presiding trial judge

shall enter an order granting or denying the petition for immediate sealing during the hearing in which it is filed. Petitions for immediate sealing shall be ruled on in the same hearing in which the final disposition of the case is entered.

(F) Hearings. The court shall hear the petition for immediate sealing on the same day and during the same hearing in which the disposition is rendered.

(G) Service of Order. An order to immediately seal eligible records shall be served in conformance with subsection (d)(8).

(H) Implementation of Order. An order to immediately seal records shall be implemented in conformance with subsections (d)(9)(C) and (d)(9)(D).

(I) Fees. The fee imposed by the circuit court clerk and the Illinois State Police shall comply with paragraph (1) of subsection (d) of this Section.

(J) Final Order. No court order issued under this subsection (g) shall become final for purposes of appeal until 30 days after service of the order on the petitioner and all parties entitled to service of the order in conformance with subsection (d)(8).

(K) Motion to Vacate, Modify, or Reconsider. Under Section 2-1203 of the Code of Civil Procedure, the petitioner, State's Attorney, or the Illinois State Police may file a motion to vacate, modify, or

reconsider the order denying the petition to immediately seal within 60 days of service of the order. If filed more than 60 days after service of the order, a petition to vacate, modify, or reconsider shall comply with subsection (c) of Section 2-1401 of the Code of Civil Procedure.

(L) Effect of Order. An order granting an immediate sealing petition shall not be considered void because it fails to comply with the provisions of this Section or because of an error asserted in a motion to vacate, modify, or reconsider. The circuit court retains jurisdiction to determine whether the order is voidable, and to vacate, modify, or reconsider its terms based on a motion filed under subparagraph (L) of this subsection (g).

(M) Compliance with Order Granting Petition to Seal Records. Unless a court has entered a stay of an order granting a petition to immediately seal, all parties entitled to service of the order must fully comply with the terms of the order within 60 days of service of the order.

(h) Sealing or vacation and expungement of trafficking victims' crimes.

(1) A trafficking victim, as defined by paragraph (10) of subsection (a) of Section 10-9 of the Criminal Code of 2012, may petition for vacation and expungement or

immediate sealing of his or her criminal record upon the completion of his or her last sentence if his or her participation in the underlying offense was a result of human trafficking under Section 10-9 of the Criminal Code of 2012 or a severe form of trafficking under the federal Trafficking Victims Protection Act.

(1.5) A petition under paragraph (1) shall be prepared, signed, and filed in accordance with Supreme Court Rule 9. The court may allow the petitioner to attend any required hearing remotely in accordance with local rules. The court may allow a petition to be filed under seal if the public filing of the petition would constitute a risk of harm to the petitioner.

(2) A petitioner under this subsection (h), in addition to the requirements provided under paragraph (4) of subsection (d) of this Section, shall include in his or her petition a clear and concise statement that: (A) he or she was a victim of human trafficking at the time of the offense; and (B) that his or her participation in the offense was a result of human trafficking under Section 10-9 of the Criminal Code of 2012 or a severe form of trafficking under the federal Trafficking Victims Protection Act.

(3) If an objection is filed alleging that the petitioner is not entitled to vacation and expungement or immediate sealing under this subsection (h), the court

shall conduct a hearing under paragraph (7) of subsection (d) of this Section and the court shall determine whether the petitioner is entitled to vacation and expungement or immediate sealing under this subsection (h). A petitioner is eligible for vacation and expungement or immediate relief under this subsection (h) if he or she shows, by a preponderance of the evidence, that: (A) he or she was a victim of human trafficking at the time of the offense; and (B) that his or her participation in the offense was a result of human trafficking under Section 10-9 of the Criminal Code of 2012 or a severe form of trafficking under the federal Trafficking Victims Protection Act.

(i) Minor Cannabis Offenses under the Cannabis Control Act.

(1) Expungement of Arrest Records of Minor Cannabis Offenses.

(A) The Illinois State Police and all law enforcement agencies within the State shall automatically expunge all criminal history records of an arrest, charge not initiated by arrest, order of supervision, or order of qualified probation for a Minor Cannabis Offense committed prior to June 25, 2019 (the effective date of Public Act 101-27) if:

(i) One year or more has elapsed since the date of the arrest or law enforcement interaction documented in the records; and

(ii) No criminal charges were filed relating to the arrest or law enforcement interaction or criminal charges were filed and subsequently dismissed or vacated or the arrestee was acquitted.

(B) If the law enforcement agency is unable to verify satisfaction of condition (ii) in paragraph (A), records that satisfy condition (i) in paragraph (A) shall be automatically expunged.

(C) Records shall be expunged by the law enforcement agency under the following timelines:

(i) Records created prior to June 25, 2019 (the effective date of Public Act 101-27), but on or after January 1, 2013, shall be automatically expunged prior to January 1, 2021;

(ii) Records created prior to January 1, 2013, but on or after January 1, 2000, shall be automatically expunged prior to January 1, 2023;

(iii) Records created prior to January 1, 2000 shall be automatically expunged prior to January 1, 2025.

In response to an inquiry for expunged records, the law enforcement agency receiving such inquiry shall reply as it does in response to inquiries when no records ever existed; however, it shall provide a certificate of disposition or confirmation that the

record was expunged to the individual whose record was expunged if such a record exists.

(D) Nothing in this Section shall be construed to restrict or modify an individual's right to have that individual's records expunged except as otherwise may be provided in this Act, or diminish or abrogate any rights or remedies otherwise available to the individual.

(2) Pardons Authorizing Expungement of Minor Cannabis Offenses.

(A) Upon June 25, 2019 (the effective date of Public Act 101-27), the Department of State Police shall review all criminal history record information and identify all records that meet all of the following criteria:

(i) one or more convictions for a Minor Cannabis Offense;

(ii) the conviction identified in paragraph (2)(A)(i) did not include a penalty enhancement under Section 7 of the Cannabis Control Act; and

(iii) the conviction identified in paragraph (2)(A)(i) is not associated with a conviction for a violent crime as defined in subsection (c) of Section 3 of the Rights of Crime Victims and Witnesses Act.

(B) Within 180 days after June 25, 2019 (the

effective date of Public Act 101-27), the Department of State Police shall notify the Prisoner Review Board of all such records that meet the criteria established in paragraph (2)(A).

(i) The Prisoner Review Board shall notify the State's Attorney of the county of conviction of each record identified by State Police in paragraph (2)(A) that is classified as a Class 4 felony. The State's Attorney may provide a written objection to the Prisoner Review Board on the sole basis that the record identified does not meet the criteria established in paragraph (2)(A). Such an objection must be filed within 60 days or by such later date set by the Prisoner Review Board in the notice after the State's Attorney received notice from the Prisoner Review Board.

(ii) In response to a written objection from a State's Attorney, the Prisoner Review Board is authorized to conduct a non-public hearing to evaluate the information provided in the objection.

(iii) The Prisoner Review Board shall make a confidential and privileged recommendation to the Governor as to whether to grant a pardon authorizing expungement for each of the records identified by the Department of State Police as

described in paragraph (2)(A).

(C) If an individual has been granted a pardon authorizing expungement as described in this Section, the Prisoner Review Board, through the Attorney General, shall file a petition for expungement with the Chief Judge of the circuit or any judge of the circuit designated by the Chief Judge where the individual had been convicted. Such petition may include more than one individual. Whenever an individual who has been convicted of an offense is granted a pardon by the Governor that specifically authorizes expungement, an objection to the petition may not be filed. Petitions to expunge under this subsection (i) may include more than one individual. Within 90 days of the filing of such a petition, the court shall enter an order expunging the records of arrest from the official records of the arresting authority and order that the records of the circuit court clerk and the Illinois State Police be expunged and the name of the defendant obliterated from the official index requested to be kept by the circuit court clerk under Section 16 of the Clerks of Courts Act in connection with the arrest and conviction for the offense for which the individual had received a pardon but the order shall not affect any index issued by the circuit court clerk before the entry of the

order. Upon entry of the order of expungement, the circuit court clerk shall promptly provide a copy of the order and a certificate of disposition to the individual who was pardoned to the individual's last known address or by electronic means (if available) or otherwise make it available to the individual upon request.

(D) Nothing in this Section is intended to diminish or abrogate any rights or remedies otherwise available to the individual.

(3) Any individual may file a motion to vacate and expunge a conviction for a misdemeanor or Class 4 felony violation of Section 4 or Section 5 of the Cannabis Control Act. Motions to vacate and expunge under this subsection (i) may be filed with the circuit court, Chief Judge of a judicial circuit or any judge of the circuit designated by the Chief Judge. The circuit court clerk shall promptly serve a copy of the motion to vacate and expunge, and any supporting documentation, on the State's Attorney or prosecutor charged with the duty of prosecuting the offense. When considering such a motion to vacate and expunge, a court shall consider the following: the reasons to retain the records provided by law enforcement, the petitioner's age, the petitioner's age at the time of offense, the time since the conviction, and the specific adverse consequences if denied. An individual

may file such a petition after the completion of any non-financial sentence or non-financial condition imposed by the conviction. Within 60 days of the filing of such motion, a State's Attorney may file an objection to such a petition along with supporting evidence. If a motion to vacate and expunge is granted, the records shall be expunged in accordance with subparagraphs (d)(8) and (d)(9)(A) of this Section. An agency providing civil legal aid, as defined by Section 15 of the Public Interest Attorney Assistance Act, assisting individuals seeking to file a motion to vacate and expunge under this subsection may file motions to vacate and expunge with the Chief Judge of a judicial circuit or any judge of the circuit designated by the Chief Judge, and the motion may include more than one individual. Motions filed by an agency providing civil legal aid concerning more than one individual may be prepared, presented, and signed electronically.

(4) Any State's Attorney may file a motion to vacate and expunge a conviction for a misdemeanor or Class 4 felony violation of Section 4 or Section 5 of the Cannabis Control Act. Motions to vacate and expunge under this subsection (i) may be filed with the circuit court, Chief Judge of a judicial circuit or any judge of the circuit designated by the Chief Judge, and may include more than one individual. Motions filed by a State's Attorney

concerning more than one individual may be prepared, presented, and signed electronically. When considering such a motion to vacate and expunge, a court shall consider the following: the reasons to retain the records provided by law enforcement, the individual's age, the individual's age at the time of offense, the time since the conviction, and the specific adverse consequences if denied. Upon entry of an order granting a motion to vacate and expunge records pursuant to this Section, the State's Attorney shall notify the Prisoner Review Board within 30 days. Upon entry of the order of expungement, the circuit court clerk shall promptly provide a copy of the order and a certificate of disposition to the individual whose records will be expunged to the individual's last known address or by electronic means (if available) or otherwise make available to the individual upon request. If a motion to vacate and expunge is granted, the records shall be expunged in accordance with subparagraphs (d)(8) and (d)(9)(A) of this Section.

(5) In the public interest, the State's Attorney of a county has standing to file motions to vacate and expunge pursuant to this Section in the circuit court with jurisdiction over the underlying conviction.

(6) If a person is arrested for a Minor Cannabis Offense as defined in this Section before June 25, 2019 (the effective date of Public Act 101-27) and the person's

case is still pending but a sentence has not been imposed, the person may petition the court in which the charges are pending for an order to summarily dismiss those charges against him or her, and expunge all official records of his or her arrest, plea, trial, conviction, incarceration, supervision, or expungement. If the court determines, upon review, that: (A) the person was arrested before June 25, 2019 (the effective date of Public Act 101-27) for an offense that has been made eligible for expungement; (B) the case is pending at the time; and (C) the person has not been sentenced of the minor cannabis violation eligible for expungement under this subsection, the court shall consider the following: the reasons to retain the records provided by law enforcement, the petitioner's age, the petitioner's age at the time of offense, the time since the conviction, and the specific adverse consequences if denied. If a motion to dismiss and expunge is granted, the records shall be expunged in accordance with subparagraph (d)(9)(A) of this Section.

(7) A person imprisoned solely as a result of one or more convictions for Minor Cannabis Offenses under this subsection (i) shall be released from incarceration upon the issuance of an order under this subsection.

(8) The Illinois State Police shall allow a person to use the access and review process, established in the Illinois State Police, for verifying that his or her

records relating to Minor Cannabis Offenses of the Cannabis Control Act eligible under this Section have been expunged.

(9) No conviction vacated pursuant to this Section shall serve as the basis for damages for time unjustly served as provided in the Court of Claims Act.

(10) Effect of Expungement. A person's right to expunge an expungeable offense shall not be limited under this Section. The effect of an order of expungement shall be to restore the person to the status he or she occupied before the arrest, charge, or conviction.

(11) Information. The Illinois State Police shall post general information on its website about the expungement process described in this subsection (i).

(j) Felony Prostitution Convictions.

(1) Automatic Sealing of Felony Prostitution Arrests.

(A) The Illinois State Police and local law enforcement agencies within the State shall automatically seal the law enforcement records relating to a person's Class 4 felony arrests and charges not initiated by arrest for prostitution if that arrest or charge not initiated by arrest is eligible for sealing under paragraph (2) of subsection (c).

(B) In the absence of a court order or upon the order of a court, the clerk of the circuit court shall

automatically seal the court records and case files relating to a person's Class 4 felony arrests and charges not initiated by arrest for prostitution if that arrest or charge not initiated by arrest is eligible for sealing under paragraph (2) of subsection (c).

(C) The automatic sealing described in this paragraph (1) shall be completed no later than January 1, 2028.

(2) Automatic Sealing of Felony Prostitution Convictions.

(A) The Illinois State Police and local law enforcement agencies within the State shall automatically seal the law enforcement records relating to a person's Class 4 felony conviction for prostitution if those records are eligible for sealing under paragraph (2) of subsection (c).

(B) In the absence of a court order or upon the order of a court, the clerk of the circuit court shall automatically seal the court records relating to a person's Class 4 felony conviction for prostitution if those records are eligible for sealing under paragraph (2) of subsection (c).

(C) The automatic sealing of records described in this paragraph (2) shall be completed no later than January 1, 2028.

(3) Motions to Vacate and Expunge Felony Prostitution Convictions. Any individual may file a motion to vacate and expunge a conviction for a prior Class 4 felony violation of prostitution. Motions to vacate and expunge under this subsection (j) may be filed with the circuit court, Chief Judge of a judicial circuit, or any judge of the circuit designated by the Chief Judge. When considering the motion to vacate and expunge, a court shall consider the following:

(A) the reasons to retain the records provided by law enforcement;

(B) the petitioner's age;

(C) the petitioner's age at the time of offense; and

(D) the time since the conviction, and the specific adverse consequences if denied. An individual may file the petition after the completion of any sentence or condition imposed by the conviction. Within 60 days of the filing of the motion, a State's Attorney may file an objection to the petition along with supporting evidence. If a motion to vacate and expunge is granted, the records shall be expunged in accordance with subparagraph (d)(9)(A) of this Section. An agency providing civil legal aid, as defined in Section 15 of the Public Interest Attorney Assistance Act, assisting individuals seeking to file

a motion to vacate and expunge under this subsection may file motions to vacate and expunge with the Chief Judge of a judicial circuit or any judge of the circuit designated by the Chief Judge, and the motion may include more than one individual.

(4) Any State's Attorney may file a motion to vacate and expunge a conviction for a Class 4 felony violation of prostitution. Motions to vacate and expunge under this subsection (j) may be filed with the circuit court, Chief Judge of a judicial circuit, or any judge of the circuit court designated by the Chief Judge, and may include more than one individual. When considering the motion to vacate and expunge, a court shall consider the following reasons:

(A) the reasons to retain the records provided by law enforcement;

(B) the petitioner's age;

(C) the petitioner's age at the time of offense;

(D) the time since the conviction; and

(E) the specific adverse consequences if denied.

If the State's Attorney files a motion to vacate and expunge records for felony prostitution convictions pursuant to this Section, the State's Attorney shall notify the Prisoner Review Board within 30 days of the filing. If a motion to vacate and expunge is granted, the records shall be expunged in accordance with subparagraph (d)(9)(A) of this Section.

(5) In the public interest, the State's Attorney of a county has standing to file motions to vacate and expunge pursuant to this Section in the circuit court with jurisdiction over the underlying conviction.

(6) The Illinois State Police shall allow a person to ~~a~~ use the access and review process, established in the Illinois State Police, for verifying that his or her records relating to felony prostitution eligible under this Section have been expunged.

(7) No conviction vacated pursuant to this Section shall serve as the basis for damages for time unjustly served as provided in the Court of Claims Act.

(8) Effect of Expungement. A person's right to expunge an expungeable offense shall not be limited under this Section. The effect of an order of expungement shall be to restore the person to the status he or she occupied before the arrest, charge, or conviction.

(9) Information. The Illinois State Police shall post general information on its website about the expungement or sealing process described in this subsection (j).

(k) Automatic Sealing.

(1) Applicability. Notwithstanding any other provision of this Act, and cumulative with any rights to expungement or sealing of criminal records, this subsection authorizes the automatic sealing of criminal records of adults and of minors prosecuted as adults. Any duties imposed upon the

Illinois State Police by this Act are subject to appropriations being made for that purpose to the State Police Services Fund. Any duties imposed upon circuit clerks by this Act are subject to appropriations being made for that purpose to the Circuit Court Clerk Operation and Administrative Fund.

(2) Beginning January 1, 2029, records created on or after January 1, 1970 that meet the eligibility criteria in paragraph (k)(3) and timing criteria in paragraph (k)(4) or (k)(5) shall be automatically sealed without the filing of a petition. The Illinois State Police shall identify eligible records, automatically seal eligible records, and provide an electronic notice to circuit clerks, by means of the applicable e-filing system.

Commencing January 1, 2029, the Illinois State Police shall, at least quarterly, seal all records identified as subject to automatic sealing in paragraph (k)(3) and meeting time requirements under paragraph (k)(5). At least quarterly, the Illinois State Police shall electronically notify each circuit court of all previously unidentified records originating in that county for which a record is subject to automatic sealing pursuant to this subsection.

Upon receipt of notice from the Illinois State Police, circuit clerks shall seal records as that term is defined in subsection (a)(1)(K)(ii). For records held electronically, circuit clerks shall seal records within

90 days of notice from the Illinois State Police. For records not held electronically, circuit clerks shall ensure that the individual's name is obliterated from the official index required to be kept by the circuit court clerk under Section 16 of the Clerks of Courts Act and shall also ensure that the permanent record, as defined by the Supreme Court, is sealed as defined in subsection (a)(1)(K)(ii) before anyone not authorized by law is able to access the physical records.

For all records created before January 1, 2029, the following timelines shall apply:

(A) Records created prior to January 1, 2029 but on or after July 1, 2005 shall be identified and sealed by the Illinois State Police, with notice provided to circuit clerks by means of the applicable e-filing system, by January 1, 2030. Circuit clerks shall seal records in accordance with the procedures established in this Section by January 1, 2031.

(B) Records created prior to July 1, 2005 but on or after July 1, 1990 shall be identified and sealed by the Illinois State Police, with notice provided to circuit clerks by means of the applicable e-filing system, by January 1, 2031. Circuit clerks shall seal records in accordance with the procedures established in this Section by January 1, 2032.

(C) Records created prior to July 1, 1990 but on or

after July 1, 1970 shall be identified and sealed by the Illinois State Police, with notice provided to circuit clerks by means of the applicable e-filing system, by January 1, 2032. Circuit clerks shall seal records in accordance with the procedures established in this Section by January 1, 2034.

(3) Records listed in subsection (c)(2) are eligible for automatic record sealing unless excluded by subsection (a)(3) or in this paragraph (3):

(A) Records are not eligible for automatic sealing while the subject of the record is serving a sentence, order of supervision, or order of qualified probation for a criminal offense in this State. Records are not eligible for automatic sealing if the subject of the record has pending filed charges. For the purposes of determining if a charge is pending, if the Illinois State Police is otherwise unable to determine disposition status, misdemeanor charges shall not be considered pending if one year has elapsed since the filing of charges and felony charges shall not be considered pending if 7 years have elapsed since the filing of charges.

(B) Records of conviction for offenses included in Article 9 or 11 of the Criminal Code of 1961 or the Criminal Code of 2012, for felonies designated as Class X, and for felonies that require public

registration under the Sex Offender Registration Act are not eligible for automatic sealing. Notwithstanding this subparagraph, offenses included in Section 11-14 of the Criminal Code of 1961 or the Criminal Code of 2012 are eligible for automatic sealing. A conviction of a crime of violence, as that term is defined in Section 20 of the Drug Court Treatment Act, is not eligible for automatic sealing. A conviction of trafficking in persons, involuntary servitude, or involuntary sexual servitude of a minor, a conviction of organized retail crime, a conviction of robbery, a conviction of vehicular hijacking, a conviction of burglary that is a Class 1 or 2 felony, or a conviction of residential burglary, as those terms are used in Sections 10-9, 16-25.1, 18-1, 18-3, 19-1, and 19-3 of the Criminal Code of 2012, is not eligible for automatic sealing. Convictions requiring public registration under the Arsonist Registration Act or the Murderer and Violent Offender Against Youth Registration Act are not eligible for automatic sealing until the petitioner is no longer required to register under the relevant Act.

(C) Records with the same case number as a conviction listed in subparagraph (B) are not eligible for automatic sealing.

(D) Felony conviction records are not eligible for

automatic sealing until all felony conviction records eligible for automatic sealing for the subject of the record have met the time requirements in paragraph (5).

(4) Automatic Sealing of Nonconviction Records. Arrests or charges not initiated by arrest resulting in acquittal or dismissal, except as excluded by subsection (a)(3)(B), that occur on or after January 1, 2029 shall be sealed immediately after entry of the final disposition of a case, except as provided in subsection (k)(3)(C). Upon entry of a disposition for an eligible record under this paragraph, the defendant shall be informed by the court that the defendant's eligible records will be immediately sealed and the procedure for the immediate sealing of these records. The court shall enter an order sealing the record after entry of the final disposition of a case. After sealing records pursuant to this paragraph, the circuit court clerk must provide notice of sealing to the Illinois State Police and to the arresting agency in a form and manner prescribed by the Supreme Court. The circuit clerk shall provide this notice within 30 days of sealing the record and may do so electronically. An order to immediately seal records shall be implemented in conformance with paragraph (8).

(5) When Records are Subject to Automatic Sealing.

(A) Records of arrest resulting in release without

charging and records of arrests or charges not initiated by arrest resulting in acquittal, dismissal, or conviction when the conviction was reversed or vacated are subject to automatic sealing immediately.

(B) Records of arrests or charges not initiated by arrest resulting in orders of supervision, including orders of supervision for municipal ordinance violations, resulting in orders of qualified probation, are subject to automatic sealing if 2 years have elapsed since the termination of the order of supervision or qualified probation.

(C) Arrests or charges not initiated by arrest resulting in misdemeanor convictions are subject to automatic sealing if two years have elapsed since the termination of the sentence associated with the record.

(D) Arrests or charges not initiated by arrest resulting in convictions for felony offenses are subject to automatic sealing if 3 years have elapsed since the termination of the sentence associated with the record.

(E) For the purposes of determining if the timelines in this paragraph (5) have been met, the Illinois State Police shall consider records in its possession and, in the absence of disposition or sentence termination records, shall deem sentences

terminated based on the sentence or supervision term length information in its possession. In the absence of a known term length of probation or conditional discharge, the Illinois State Police shall deem a term completed if the maximum probation or conditional discharge term length for the statutory class of the offense has elapsed since the disposition date.

(6) Notice. At least monthly, the circuit court clerk shall provide notice to each arresting agency of all records sealed under this subsection. The circuit court clerk may provide this notice electronically.

(7) Implementation.

(A) Upon notice of sealing provided by the circuit court clerk, the arresting agency and any other agency receiving notice of sealing shall seal the records under the procedures in subsections (a)(1)(K) and (d)(9)(C).

(B) In response to an inquiry for the sealed records from anyone not authorized by law to access the records, the court, the Illinois State Police, the arresting agency, or the prosecuting agency receiving the inquiry shall reply as it does in response to inquiries when no records ever existed.

(C) Each circuit court that has sealed a record shall make those records available to the subject of the record, or an attorney representing the subject of

the record, without court order within 7 days.

(8) Upon request, the circuit court clerk shall provide disposition information for any record sealed pursuant to this subsection to the Illinois State Police, the arresting agency, the State's Attorney, or prosecutor that prosecuted the offense. If the Illinois State Police, arresting agency, State's Attorney, or prosecutor that prosecuted the offense determine a record has been improperly sealed pursuant to this subsection, the Illinois State Police, arresting agency, State's Attorney, or prosecutor that prosecuted the offense may file a petition to unseal the record with the court that entered the original record. If the court determines the record was improperly sealed, the court shall enter an order unsealing the record.

(9) Records sealed under this subsection shall be used and disseminated by the Illinois State Police only as required or authorized by a federal or State law, rule, or regulation that requires inquiry into and release of criminal records. The Department of Corrections shall have access to all sealed records of the Illinois State Police pertaining to individuals committed or confined within or sentenced to a term of imprisonment within a correctional institution or facility.

(10) The Illinois State Police shall allow a person to use the access and review process, established by the

Illinois State Police, for verifying that the person's records eligible under this subsection have been sealed. As part of the access and review process, upon request, the Illinois State Police shall provide the subject of the record written confirmation that the record was sealed under this subsection.

(11) An individual may challenge the individual's record and request corrections, including the sealing of records eligible under this subsection, by completing and submitting a record challenge form to the Illinois State Police. The Illinois State Police shall automatically seal all records identified as eligible under this subsection based on the access and review process. The Illinois State Police shall include any records identified as eligible under this process in the next electronic notification of the circuit court in which the case originated. The Illinois State Police shall render a final administrative decision with respect to the record challenge, which shall be subject to administrative appeal procedures established by the Illinois Criminal Justice Information Authority.

(12) Nothing in this Section shall be construed to restrict or modify an individual's right to have that individual's records expunged or sealed except as otherwise may be provided in this Act or diminish or abrogate any rights or remedies otherwise available to the individual.

(13) The State or the county, or an official or employee of the State or the county acting in the course of the official's or employee's duties, is not liable for an injury or loss a person might receive due to an act or omission of a person in the commission of the person's duties under this Act, except for willful, wanton misconduct or gross negligence on the part of the governmental unit or on the part of the official or employee.

(l) Municipal ordinance violations and Class C misdemeanors. Notwithstanding any other provision of this Act to the contrary and cumulative with any rights to expungement of criminal records, this subsection requires the sealing of criminal records of municipal ordinance violations and Class C misdemeanors without petition. Beginning January 1, 2028, and on January 1 and July 1 of each year thereafter, circuit court clerks shall seal any criminal records of arrests or charges not initiated by arrest resulting in charges or convictions for municipal ordinance violations or Class C misdemeanors if one year has elapsed since the case was closed as designated by the Supreme Court.

(Source: P.A. 103-35, eff. 1-1-24; 103-154, eff. 6-30-23; 103-609, eff. 7-1-24; 103-755, eff. 8-2-24; 103-1071, eff. 7-1-25; 104-417, eff. 8-15-25; 104-459, eff. 6-1-26; revised 1-20-26.)

Section 65. The State Finance Act is amended by changing Section 5.916 as follows:

(30 ILCS 105/5.916)

Sec. 5.916. The Local Cannabis Retailers' Occupation ~~Consumer Excise~~ Tax Trust Fund.

(Source: P.A. 101-27, eff. 6-25-19; 102-558, eff. 8-20-21.)

Section 72. The Use Tax Act is amended by changing Section 3-5 as follows:

(35 ILCS 105/3-5)

Sec. 3-5. Exemptions. Use, which, on and after January 1, 2025, includes use by a lessee, of the following tangible personal property is exempt from the tax imposed by this Act:

(1) Personal property purchased from a corporation, society, association, foundation, institution, or organization, other than a limited liability company, that is organized and operated as a not-for-profit service enterprise for the benefit of persons 65 years of age or older if the personal property was not purchased by the enterprise for the purpose of resale by the enterprise.

(2) Personal property purchased by a not-for-profit Illinois county fair association for use in conducting, operating, or promoting the county fair.

(3) Personal property purchased by a not-for-profit arts

or cultural organization that establishes, by proof required by the Department by rule, that it has received an exemption under Section 501(c)(3) of the Internal Revenue Code and that is organized and operated primarily for the presentation or support of arts or cultural programming, activities, or services. These organizations include, but are not limited to, music and dramatic arts organizations such as symphony orchestras and theatrical groups, arts and cultural service organizations, local arts councils, visual arts organizations, and media arts organizations. On and after July 1, 2001 (the effective date of Public Act 92-35), however, an entity otherwise eligible for this exemption shall not make tax-free purchases unless it has an active identification number issued by the Department.

(4) Except as otherwise provided in this Act, personal property purchased by a governmental body, by a corporation, society, association, foundation, or institution organized and operated exclusively for charitable, religious, or educational purposes, or by a not-for-profit corporation, society, association, foundation, institution, or organization that has no compensated officers or employees and that is organized and operated primarily for the recreation of persons 55 years of age or older. A limited liability company may qualify for the exemption under this paragraph only if the limited liability company is organized and operated exclusively for educational purposes. On and after July 1, 1987, however, no entity

otherwise eligible for this exemption shall make tax-free purchases unless it has an active exemption identification number issued by the Department.

(5) Until July 1, 2003, a passenger car that is a replacement vehicle to the extent that the purchase price of the car is subject to the Replacement Vehicle Tax.

(6) Until July 1, 2003 and beginning again on September 1, 2004 through August 30, 2014, graphic arts machinery and equipment, including repair and replacement parts, both new and used, and including that manufactured on special order, certified by the purchaser to be used primarily for graphic arts production, and including machinery and equipment purchased for lease. Equipment includes chemicals or chemicals acting as catalysts but only if the chemicals or chemicals acting as catalysts effect a direct and immediate change upon a graphic arts product. Beginning on July 1, 2017, graphic arts machinery and equipment is included in the manufacturing and assembling machinery and equipment exemption under paragraph (18).

(7) Farm chemicals.

(8) Legal tender, currency, medallions, or gold or silver coinage issued by the State of Illinois, the government of the United States of America, or the government of any foreign country, and bullion.

(9) Personal property purchased from a teacher-sponsored student organization affiliated with an elementary or

secondary school located in Illinois.

(10) A motor vehicle that is used for automobile renting, as defined in the Automobile Renting Occupation and Use Tax Act.

(11) Farm machinery and equipment, both new and used, including that manufactured on special order, certified by the purchaser to be used primarily for production agriculture or State or federal agricultural programs, including individual replacement parts for the machinery and equipment, including machinery and equipment purchased for lease, and including implements of husbandry defined in Section 1-130 of the Illinois Vehicle Code, farm machinery and agricultural chemical and fertilizer spreaders, and nurse wagons required to be registered under Section 3-809 of the Illinois Vehicle Code, but excluding other motor vehicles required to be registered under the Illinois Vehicle Code. Horticultural polyhouses or hoop houses used for propagating, growing, or overwintering plants shall be considered farm machinery and equipment under this item (11). Agricultural chemical tender tanks and dry boxes shall include units sold separately from a motor vehicle required to be licensed and units sold mounted on a motor vehicle required to be licensed if the selling price of the tender is separately stated.

Farm machinery and equipment shall include precision farming equipment that is installed or purchased to be installed on farm machinery and equipment, including, but not

limited to, tractors, harvesters, sprayers, planters, seeders, or spreaders. Precision farming equipment includes, but is not limited to, soil testing sensors, computers, monitors, software, global positioning and mapping systems, and other such equipment.

Farm machinery and equipment also includes computers, sensors, software, and related equipment used primarily in the computer-assisted operation of production agriculture facilities, equipment, and activities such as, but not limited to, the collection, monitoring, and correlation of animal and crop data for the purpose of formulating animal diets and agricultural chemicals.

Beginning on January 1, 2024, farm machinery and equipment also includes electrical power generation equipment used primarily for production agriculture.

This item (11) is exempt from the provisions of Section 3-90.

(12) Until June 30, 2013, fuel and petroleum products sold to or used by an air common carrier, certified by the carrier to be used for consumption, shipment, or storage in the conduct of its business as an air common carrier, for a flight destined for or returning from a location or locations outside the United States without regard to previous or subsequent domestic stopovers.

Beginning July 1, 2013, fuel and petroleum products sold to or used by an air carrier, certified by the carrier to be

used for consumption, shipment, or storage in the conduct of its business as an air common carrier, for a flight that (i) is engaged in foreign trade or is engaged in trade between the United States and any of its possessions and (ii) transports at least one individual or package for hire from the city of origination to the city of final destination on the same aircraft, without regard to a change in the flight number of that aircraft.

(13) Proceeds of mandatory service charges separately stated on customers' bills for the purchase and consumption of food and beverages purchased at retail from a retailer, to the extent that the proceeds of the service charge are in fact turned over as tips or as a substitute for tips to the employees who participate directly in preparing, serving, hosting or cleaning up the food or beverage function with respect to which the service charge is imposed.

(14) Until July 1, 2003, oil field exploration, drilling, and production equipment, including (i) rigs and parts of rigs, rotary rigs, cable tool rigs, and workover rigs, (ii) pipe and tubular goods, including casing and drill strings, (iii) pumps and pump-jack units, (iv) storage tanks and flow lines, (v) any individual replacement part for oil field exploration, drilling, and production equipment, and (vi) machinery and equipment purchased for lease; but excluding motor vehicles required to be registered under the Illinois Vehicle Code.

(15) Photoprocessing machinery and equipment, including repair and replacement parts, both new and used, including that manufactured on special order, certified by the purchaser to be used primarily for photoprocessing, and including photoprocessing machinery and equipment purchased for lease.

(16) Until July 1, 2028, coal and aggregate exploration, mining, off-highway hauling, processing, maintenance, and reclamation equipment, including replacement parts and equipment, and including equipment purchased for lease, but excluding motor vehicles required to be registered under the Illinois Vehicle Code. The changes made to this Section by Public Act 97-767 apply on and after July 1, 2003, but no claim for credit or refund is allowed on or after August 16, 2013 (the effective date of Public Act 98-456) for such taxes paid during the period beginning July 1, 2003 and ending on August 16, 2013 (the effective date of Public Act 98-456).

(17) Until July 1, 2003, distillation machinery and equipment, sold as a unit or kit, assembled or installed by the retailer, certified by the user to be used only for the production of ethyl alcohol that will be used for consumption as motor fuel or as a component of motor fuel for the personal use of the user, and not subject to sale or resale.

(18) Manufacturing and assembling machinery and equipment used primarily in the process of manufacturing or assembling tangible personal property for wholesale or retail sale or lease, whether that sale or lease is made directly by the

manufacturer or by some other person, whether the materials used in the process are owned by the manufacturer or some other person, or whether that sale or lease is made apart from or as an incident to the seller's engaging in the service occupation of producing machines, tools, dies, jigs, patterns, gauges, or other similar items of no commercial value on special order for a particular purchaser. The exemption provided by this paragraph (18) includes production related tangible personal property, as defined in Section 3-50, purchased on or after July 1, 2019. The exemption provided by this paragraph (18) does not include machinery and equipment used in (i) the generation of electricity for wholesale or retail sale; (ii) the generation or treatment of natural or artificial gas for wholesale or retail sale that is delivered to customers through pipes, pipelines, or mains; or (iii) the treatment of water for wholesale or retail sale that is delivered to customers through pipes, pipelines, or mains. The provisions of Public Act 98-583 are declaratory of existing law as to the meaning and scope of this exemption. Beginning on July 1, 2017, the exemption provided by this paragraph (18) includes, but is not limited to, graphic arts machinery and equipment, as defined in paragraph (6) of this Section.

(19) Personal property delivered to a purchaser or purchaser's donee inside Illinois when the purchase order for that personal property was received by a florist located outside Illinois who has a florist located inside Illinois

deliver the personal property.

(20) Semen used for artificial insemination of livestock for direct agricultural production.

(21) Horses, or interests in horses, registered with and meeting the requirements of any of the Arabian Horse Club Registry of America, Appaloosa Horse Club, American Quarter Horse Association, United States Trotting Association, or Jockey Club, as appropriate, used for purposes of breeding or racing for prizes. This item (21) is exempt from the provisions of Section 3-90, and the exemption provided for under this item (21) applies for all periods beginning May 30, 1995, but no claim for credit or refund is allowed on or after January 1, 2008 for such taxes paid during the period beginning May 30, 2000 and ending on January 1, 2008.

(22) Computers and communications equipment utilized for any hospital purpose and equipment used in the diagnosis, analysis, or treatment of hospital patients purchased by a lessor who leases the equipment, under a lease of one year or longer executed or in effect at the time the lessor would otherwise be subject to the tax imposed by this Act, to a hospital that has been issued an active tax exemption identification number by the Department under Section 1g of the Retailers' Occupation Tax Act. If the equipment is leased in a manner that does not qualify for this exemption or is used in any other non-exempt manner, the lessor shall be liable for the tax imposed under this Act or the Service Use Tax Act, as

the case may be, based on the fair market value of the property at the time the non-qualifying use occurs. No lessor shall collect or attempt to collect an amount (however designated) that purports to reimburse that lessor for the tax imposed by this Act or the Service Use Tax Act, as the case may be, if the tax has not been paid by the lessor. If a lessor improperly collects any such amount from the lessee, the lessee shall have a legal right to claim a refund of that amount from the lessor. If, however, that amount is not refunded to the lessee for any reason, the lessor is liable to pay that amount to the Department.

(23) Personal property purchased by a lessor who leases the property, under a lease of one year or longer executed or in effect at the time the lessor would otherwise be subject to the tax imposed by this Act, to a governmental body that has been issued an active sales tax exemption identification number by the Department under Section 1g of the Retailers' Occupation Tax Act. If the property is leased in a manner that does not qualify for this exemption or used in any other non-exempt manner, the lessor shall be liable for the tax imposed under this Act or the Service Use Tax Act, as the case may be, based on the fair market value of the property at the time the non-qualifying use occurs. No lessor shall collect or attempt to collect an amount (however designated) that purports to reimburse that lessor for the tax imposed by this Act or the Service Use Tax Act, as the case may be, if the tax

has not been paid by the lessor. If a lessor improperly collects any such amount from the lessee, the lessee shall have a legal right to claim a refund of that amount from the lessor. If, however, that amount is not refunded to the lessee for any reason, the lessor is liable to pay that amount to the Department.

(24) Beginning with taxable years ending on or after December 31, 1995 and ending with taxable years ending on or before December 31, 2004, personal property that is donated for disaster relief to be used in a State or federally declared disaster area in Illinois or bordering Illinois by a manufacturer or retailer that is registered in this State to a corporation, society, association, foundation, or institution that has been issued a sales tax exemption identification number by the Department that assists victims of the disaster who reside within the declared disaster area.

(25) Beginning with taxable years ending on or after December 31, 1995 and ending with taxable years ending on or before December 31, 2004, personal property that is used in the performance of infrastructure repairs in this State, including, but not limited to, municipal roads and streets, access roads, bridges, sidewalks, waste disposal systems, water and sewer line extensions, water distribution and purification facilities, storm water drainage and retention facilities, and sewage treatment facilities, resulting from a State or federally declared disaster in Illinois or bordering

Illinois when such repairs are initiated on facilities located in the declared disaster area within 6 months after the disaster.

(26) Beginning July 1, 1999, game or game birds purchased at a "game breeding and hunting preserve area" as that term is used in the Wildlife Code. This paragraph is exempt from the provisions of Section 3-90.

(27) A motor vehicle, as that term is defined in Section 1-146 of the Illinois Vehicle Code, that is donated to a corporation, limited liability company, society, association, foundation, or institution that is determined by the Department to be organized and operated exclusively for educational purposes. For purposes of this exemption, "a corporation, limited liability company, society, association, foundation, or institution organized and operated exclusively for educational purposes" means all tax-supported public schools, private schools that offer systematic instruction in useful branches of learning by methods common to public schools and that compare favorably in their scope and intensity with the course of study presented in tax-supported schools, and vocational or technical schools or institutes organized and operated exclusively to provide a course of study of not less than 6 weeks duration and designed to prepare individuals to follow a trade or to pursue a manual, technical, mechanical, industrial, business, or commercial occupation.

(28) Beginning January 1, 2000, personal property, including food, purchased through fundraising events for the benefit of a public or private elementary or secondary school, a group of those schools, or one or more school districts if the events are sponsored by an entity recognized by the school district that consists primarily of volunteers and includes parents and teachers of the school children. This paragraph does not apply to fundraising events (i) for the benefit of private home instruction or (ii) for which the fundraising entity purchases the personal property sold at the events from another individual or entity that sold the property for the purpose of resale by the fundraising entity and that profits from the sale to the fundraising entity. This paragraph is exempt from the provisions of Section 3-90.

(29) Beginning January 1, 2000 and through December 31, 2001, new or used automatic vending machines that prepare and serve hot food and beverages, including coffee, soup, and other items, and replacement parts for these machines. Beginning January 1, 2002 and through June 30, 2003, machines and parts for machines used in commercial, coin-operated amusement and vending business if a use or occupation tax is paid on the gross receipts derived from the use of the commercial, coin-operated amusement and vending machines. This paragraph is exempt from the provisions of Section 3-90.

(30) Beginning January 1, 2001 and through June 30, 2016, food for human consumption that is to be consumed off the

premises where it is sold (other than alcoholic beverages, soft drinks, and food that has been prepared for immediate consumption) and prescription and nonprescription medicines, drugs, medical appliances, and insulin, urine testing materials, syringes, and needles used by diabetics, for human use, when purchased for use by a person receiving medical assistance under Article V of the Illinois Public Aid Code who resides in a licensed long-term care facility, as defined in the Nursing Home Care Act, or in a licensed facility as defined in the ID/DD Community Care Act, the MC/DD Act, or the Specialized Mental Health Rehabilitation Act of 2013.

(31) Beginning on August 2, 2001 (the effective date of Public Act 92-227), computers and communications equipment utilized for any hospital purpose and equipment used in the diagnosis, analysis, or treatment of hospital patients purchased by a lessor who leases the equipment, under a lease of one year or longer executed or in effect at the time the lessor would otherwise be subject to the tax imposed by this Act, to a hospital that has been issued an active tax exemption identification number by the Department under Section 1g of the Retailers' Occupation Tax Act. If the equipment is leased in a manner that does not qualify for this exemption or is used in any other nonexempt manner, the lessor shall be liable for the tax imposed under this Act or the Service Use Tax Act, as the case may be, based on the fair market value of the property at the time the nonqualifying use occurs. No lessor shall

collect or attempt to collect an amount (however designated) that purports to reimburse that lessor for the tax imposed by this Act or the Service Use Tax Act, as the case may be, if the tax has not been paid by the lessor. If a lessor improperly collects any such amount from the lessee, the lessee shall have a legal right to claim a refund of that amount from the lessor. If, however, that amount is not refunded to the lessee for any reason, the lessor is liable to pay that amount to the Department. This paragraph is exempt from the provisions of Section 3-90.

(32) Beginning on August 2, 2001 (the effective date of Public Act 92-227), personal property purchased by a lessor who leases the property, under a lease of one year or longer executed or in effect at the time the lessor would otherwise be subject to the tax imposed by this Act, to a governmental body that has been issued an active sales tax exemption identification number by the Department under Section 1g of the Retailers' Occupation Tax Act. If the property is leased in a manner that does not qualify for this exemption or used in any other nonexempt manner, the lessor shall be liable for the tax imposed under this Act or the Service Use Tax Act, as the case may be, based on the fair market value of the property at the time the nonqualifying use occurs. No lessor shall collect or attempt to collect an amount (however designated) that purports to reimburse that lessor for the tax imposed by this Act or the Service Use Tax Act, as the case may be, if the tax

has not been paid by the lessor. If a lessor improperly collects any such amount from the lessee, the lessee shall have a legal right to claim a refund of that amount from the lessor. If, however, that amount is not refunded to the lessee for any reason, the lessor is liable to pay that amount to the Department. This paragraph is exempt from the provisions of Section 3-90.

(33) On and after July 1, 2003 and through June 30, 2004, the use in this State of motor vehicles of the second division with a gross vehicle weight in excess of 8,000 pounds and that are subject to the commercial distribution fee imposed under Section 3-815.1 of the Illinois Vehicle Code. Beginning on July 1, 2004 and through June 30, 2005, the use in this State of motor vehicles of the second division: (i) with a gross vehicle weight rating in excess of 8,000 pounds; (ii) that are subject to the commercial distribution fee imposed under Section 3-815.1 of the Illinois Vehicle Code; and (iii) that are primarily used for commercial purposes. Through June 30, 2005, this exemption applies to repair and replacement parts added after the initial purchase of such a motor vehicle if that motor vehicle is used in a manner that would qualify for the rolling stock exemption otherwise provided for in this Act. For purposes of this paragraph, the term "used for commercial purposes" means the transportation of persons or property in furtherance of any commercial or industrial enterprise, whether for-hire or not.

(34) Beginning January 1, 2008, tangible personal property used in the construction or maintenance of a community water supply, as defined under Section 3.145 of the Environmental Protection Act, that is operated by a not-for-profit corporation that holds a valid water supply permit issued under Title IV of the Environmental Protection Act. This paragraph is exempt from the provisions of Section 3-90.

(35) Beginning January 1, 2010 and continuing through December 31, 2029, materials, parts, equipment, components, and furnishings incorporated into or upon an aircraft as part of the modification, refurbishment, completion, replacement, repair, or maintenance of the aircraft. This exemption includes consumable supplies used in the modification, refurbishment, completion, replacement, repair, and maintenance of aircraft. However, until January 1, 2024, this exemption excludes any materials, parts, equipment, components, and consumable supplies used in the modification, replacement, repair, and maintenance of aircraft engines or power plants, whether such engines or power plants are installed or uninstalled upon any such aircraft. "Consumable supplies" include, but are not limited to, adhesive, tape, sandpaper, general purpose lubricants, cleaning solution, latex gloves, and protective films.

Beginning January 1, 2010 and continuing through December 31, 2023, this exemption applies only to the use of qualifying tangible personal property by persons who modify, refurbish,

complete, repair, replace, or maintain aircraft and who (i) hold an Air Agency Certificate and are empowered to operate an approved repair station by the Federal Aviation Administration, (ii) have a Class IV Rating, and (iii) conduct operations in accordance with Part 145 of the Federal Aviation Regulations. From January 1, 2024 through December 31, 2029, this exemption applies only to the use of qualifying tangible personal property by: (A) persons who modify, refurbish, complete, repair, replace, or maintain aircraft and who (i) hold an Air Agency Certificate and are empowered to operate an approved repair station by the Federal Aviation Administration, (ii) have a Class IV Rating, and (iii) conduct operations in accordance with Part 145 of the Federal Aviation Regulations; and (B) persons who engage in the modification, replacement, repair, and maintenance of aircraft engines or power plants without regard to whether or not those persons meet the qualifications of item (A).

The exemption does not include aircraft operated by a commercial air carrier providing scheduled passenger air service pursuant to authority issued under Part 121 or Part 129 of the Federal Aviation Regulations. The changes made to this paragraph (35) by Public Act 98-534 are declarative of existing law. It is the intent of the General Assembly that the exemption under this paragraph (35) applies continuously from January 1, 2010 through December 31, 2024; however, no claim for credit or refund is allowed for taxes paid as a result of

the disallowance of this exemption on or after January 1, 2015 and prior to February 5, 2020 (the effective date of Public Act 101-629).

(36) Tangible personal property purchased by a public-facilities corporation, as described in Section 11-65-10 of the Illinois Municipal Code, for purposes of constructing or furnishing a municipal convention hall, but only if the legal title to the municipal convention hall is transferred to the municipality without any further consideration by or on behalf of the municipality at the time of the completion of the municipal convention hall or upon the retirement or redemption of any bonds or other debt instruments issued by the public-facilities corporation in connection with the development of the municipal convention hall. This exemption includes existing public-facilities corporations as provided in Section 11-65-25 of the Illinois Municipal Code. This paragraph is exempt from the provisions of Section 3-90.

(37) Beginning January 1, 2017 and through December 31, 2026, menstrual pads, tampons, and menstrual cups.

(38) Merchandise that is subject to the Rental Purchase Agreement Occupation and Use Tax. The purchaser must certify that the item is purchased to be rented subject to a rental-purchase agreement, as defined in the Rental-Purchase Agreement Act, and provide proof of registration under the Rental Purchase Agreement Occupation and Use Tax Act. This

paragraph is exempt from the provisions of Section 3-90.

(39) Tangible personal property purchased by a purchaser who is exempt from the tax imposed by this Act by operation of federal law. This paragraph is exempt from the provisions of Section 3-90.

(40) Qualified tangible personal property used in the construction or operation of a data center that has been granted a certificate of exemption by the Department of Commerce and Economic Opportunity, whether that tangible personal property is purchased by the owner, operator, or tenant of the data center or by a contractor or subcontractor of the owner, operator, or tenant. Data centers that would have qualified for a certificate of exemption prior to January 1, 2020 had Public Act 101-31 been in effect may apply for and obtain an exemption for subsequent purchases of computer equipment or enabling software purchased or leased to upgrade, supplement, or replace computer equipment or enabling software purchased or leased in the original investment that would have qualified.

The Department of Commerce and Economic Opportunity shall grant a certificate of exemption under this item (40) to qualified data centers as defined by Section 605-1025 of the Department of Commerce and Economic Opportunity Law of the Civil Administrative Code of Illinois.

For the purposes of this item (40):

"Data center" means a building or a series of

buildings rehabilitated or constructed to house working servers in one physical location or multiple sites within the State of Illinois.

"Qualified tangible personal property" means: electrical systems and equipment; climate control and chilling equipment and systems; mechanical systems and equipment; monitoring and secure systems; emergency generators; hardware; computers; servers; data storage devices; network connectivity equipment; racks; cabinets; telecommunications cabling infrastructure; raised floor systems; peripheral components or systems; software; mechanical, electrical, or plumbing systems; battery systems; cooling systems and towers; temperature control systems; other cabling; and other data center infrastructure equipment and systems necessary to operate qualified tangible personal property, including fixtures; and component parts of any of the foregoing, including installation, maintenance, repair, refurbishment, and replacement of qualified tangible personal property to generate, transform, transmit, distribute, or manage electricity necessary to operate qualified tangible personal property; and all other tangible personal property that is essential to the operations of a computer data center. The term "qualified tangible personal property" also includes building materials physically incorporated into the qualifying data center. To document

the exemption allowed under this Section, the retailer must obtain from the purchaser a copy of the certificate of eligibility issued by the Department of Commerce and Economic Opportunity.

This item (40) is exempt from the provisions of Section 3-90.

(41) Beginning July 1, 2022, breast pumps, breast pump collection and storage supplies, and breast pump kits. This item (41) is exempt from the provisions of Section 3-90. As used in this item (41):

"Breast pump" means an electrically controlled or manually controlled pump device designed or marketed to be used to express milk from a human breast during lactation, including the pump device and any battery, AC adapter, or other power supply unit that is used to power the pump device and is packaged and sold with the pump device at the time of sale.

"Breast pump collection and storage supplies" means items of tangible personal property designed or marketed to be used in conjunction with a breast pump to collect milk expressed from a human breast and to store collected milk until it is ready for consumption.

"Breast pump collection and storage supplies" includes, but is not limited to: breast shields and breast shield connectors; breast pump tubes and tubing adapters; breast pump valves and membranes; backflow protectors and

backflow protector adaptors; bottles and bottle caps specific to the operation of the breast pump; and breast milk storage bags.

"Breast pump collection and storage supplies" does not include: (1) bottles and bottle caps not specific to the operation of the breast pump; (2) breast pump travel bags and other similar carrying accessories, including ice packs, labels, and other similar products; (3) breast pump cleaning supplies; (4) nursing bras, bra pads, breast shells, and other similar products; and (5) creams, ointments, and other similar products that relieve breastfeeding-related symptoms or conditions of the breasts or nipples, unless sold as part of a breast pump kit that is pre-packaged by the breast pump manufacturer or distributor.

"Breast pump kit" means a kit that: (1) contains no more than a breast pump, breast pump collection and storage supplies, a rechargeable battery for operating the breast pump, a breastmilk cooler, bottle stands, ice packs, and a breast pump carrying case; and (2) is pre-packaged as a breast pump kit by the breast pump manufacturer or distributor.

(42) Tangible personal property sold by or on behalf of the State Treasurer pursuant to the Revised Uniform Unclaimed Property Act. This item (42) is exempt from the provisions of Section 3-90.

(43) Beginning on January 1, 2024, tangible personal property purchased by an active duty member of the armed forces of the United States who presents valid military identification and purchases the property using a form of payment where the federal government is the payor. The member of the armed forces must complete, at the point of sale, a form prescribed by the Department of Revenue documenting that the transaction is eligible for the exemption under this paragraph. Retailers must keep the form as documentation of the exemption in their records for a period of not less than 6 years. "Armed forces of the United States" means the United States Army, Navy, Air Force, Space Force, Marine Corps, or Coast Guard. This paragraph is exempt from the provisions of Section 3-90.

(44) Beginning July 1, 2024, home-delivered meals provided to Medicare or Medicaid recipients when payment is made by an intermediary, such as a Medicare Administrative Contractor, a Managed Care Organization, or a Medicare Advantage Organization, pursuant to a government contract. This item (44) is exempt from the provisions of Section 3-90.

(45) Beginning on January 1, 2026, as further defined in Section 3-10, food for human consumption that is to be consumed off the premises where it is sold (other than alcoholic beverages, food consisting of or infused with adult use cannabis, soft drinks, candy, ~~and~~ food that has been prepared for immediate consumption<u>, and, beginning on the</u>

effective date of this amendatory Act of the 104th General Assembly, food that is a CBD product as defined in the CBD Consumer Products Act). This item (45) is exempt from the provisions of Section 3-90.

(46) Use by the lessee of the following leased tangible personal property:

(1) software transferred subject to a license that meets the following requirements:

(A) it is evidenced by a written agreement signed by the licensor and the customer;

(i) an electronic agreement in which the customer accepts the license by means of an electronic signature that is verifiable and can be authenticated and is attached to or made part of the license will comply with this requirement;

(ii) a license agreement in which the customer electronically accepts the terms by clicking "I agree" does not comply with this requirement;

(B) it restricts the customer's duplication and use of the software;

(C) it prohibits the customer from licensing, sublicensing, or transferring the software to a third party (except to a related party) without the permission and continued control of the licensor;

(D) the licensor has a policy of providing another copy at minimal or no charge if the customer loses or

damages the software, or of permitting the licensee to make and keep an archival copy, and such policy is either stated in the license agreement, supported by the licensor's books and records, or supported by a notarized statement made under penalties of perjury by the licensor; and

(E) the customer must destroy or return all copies of the software to the licensor at the end of the license period; this provision is deemed to be met, in the case of a perpetual license, without being set forth in the license agreement; and

(2) property that is subject to a tax on lease receipts imposed by a home rule unit of local government if the ordinance imposing that tax was adopted prior to January 1, 2023.

(Source: P.A. 103-9, Article 5, Section 5-5, eff. 6-7-23; 103-9, Article 15, Section 15-5, eff. 6-7-23; 103-154, eff. 6-30-23; 103-384, eff. 1-1-24; 103-592, eff. 1-1-25; 103-605, eff. 7-1-24; 103-643, eff. 7-1-24; 103-746, eff. 1-1-25; 103-781, eff. 8-5-24; 104-417, eff. 8-15-25.)

Section 73. The Service Use Tax Act is amended by changing Section 3-5 as follows:

(35 ILCS 110/3-5)

Sec. 3-5. Exemptions. Use of the following tangible

personal property is exempt from the tax imposed by this Act:

(1) Personal property purchased from a corporation, society, association, foundation, institution, or organization, other than a limited liability company, that is organized and operated as a not-for-profit service enterprise for the benefit of persons 65 years of age or older if the personal property was not purchased by the enterprise for the purpose of resale by the enterprise.

(2) Personal property purchased by a non-profit Illinois county fair association for use in conducting, operating, or promoting the county fair.

(3) Personal property purchased by a not-for-profit arts or cultural organization that establishes, by proof required by the Department by rule, that it has received an exemption under Section 501(c)(3) of the Internal Revenue Code and that is organized and operated primarily for the presentation or support of arts or cultural programming, activities, or services. These organizations include, but are not limited to, music and dramatic arts organizations such as symphony orchestras and theatrical groups, arts and cultural service organizations, local arts councils, visual arts organizations, and media arts organizations. On and after July 1, 2001 (the effective date of Public Act 92-35), however, an entity otherwise eligible for this exemption shall not make tax-free purchases unless it has an active identification number issued by the Department.

(4) Legal tender, currency, medallions, or gold or silver coinage issued by the State of Illinois, the government of the United States of America, or the government of any foreign country, and bullion.

(5) Until July 1, 2003 and beginning again on September 1, 2004 through August 30, 2014, graphic arts machinery and equipment, including repair and replacement parts, both new and used, and including that manufactured on special order or purchased for lease, certified by the purchaser to be used primarily for graphic arts production. Equipment includes chemicals or chemicals acting as catalysts but only if the chemicals or chemicals acting as catalysts effect a direct and immediate change upon a graphic arts product. Beginning on July 1, 2017, graphic arts machinery and equipment is included in the manufacturing and assembling machinery and equipment exemption under Section 2 of this Act.

(6) Personal property purchased from a teacher-sponsored student organization affiliated with an elementary or secondary school located in Illinois.

(7) Farm machinery and equipment, both new and used, including that manufactured on special order, certified by the purchaser to be used primarily for production agriculture or State or federal agricultural programs, including individual replacement parts for the machinery and equipment, including machinery and equipment purchased for lease, and including implements of husbandry defined in Section 1-130 of the

Illinois Vehicle Code, farm machinery and agricultural chemical and fertilizer spreaders, and nurse wagons required to be registered under Section 3-809 of the Illinois Vehicle Code, but excluding other motor vehicles required to be registered under the Illinois Vehicle Code. Horticultural polyhouses or hoop houses used for propagating, growing, or overwintering plants shall be considered farm machinery and equipment under this item (7). Agricultural chemical tender tanks and dry boxes shall include units sold separately from a motor vehicle required to be licensed and units sold mounted on a motor vehicle required to be licensed if the selling price of the tender is separately stated.

Farm machinery and equipment shall include precision farming equipment that is installed or purchased to be installed on farm machinery and equipment, including, but not limited to, tractors, harvesters, sprayers, planters, seeders, or spreaders. Precision farming equipment includes, but is not limited to, soil testing sensors, computers, monitors, software, global positioning and mapping systems, and other such equipment.

Farm machinery and equipment also includes computers, sensors, software, and related equipment used primarily in the computer-assisted operation of production agriculture facilities, equipment, and activities such as, but not limited to, the collection, monitoring, and correlation of animal and crop data for the purpose of formulating animal diets and

agricultural chemicals.

Beginning on January 1, 2024, farm machinery and equipment also includes electrical power generation equipment used primarily for production agriculture.

This item (7) is exempt from the provisions of Section 3-75.

(8) Until June 30, 2013, fuel and petroleum products sold to or used by an air common carrier, certified by the carrier to be used for consumption, shipment, or storage in the conduct of its business as an air common carrier, for a flight destined for or returning from a location or locations outside the United States without regard to previous or subsequent domestic stopovers.

Beginning July 1, 2013, fuel and petroleum products sold to or used by an air carrier, certified by the carrier to be used for consumption, shipment, or storage in the conduct of its business as an air common carrier, for a flight that (i) is engaged in foreign trade or is engaged in trade between the United States and any of its possessions and (ii) transports at least one individual or package for hire from the city of origination to the city of final destination on the same aircraft, without regard to a change in the flight number of that aircraft.

(9) Proceeds of mandatory service charges separately stated on customers' bills for the purchase and consumption of food and beverages acquired as an incident to the purchase of a

service from a serviceman, to the extent that the proceeds of the service charge are in fact turned over as tips or as a substitute for tips to the employees who participate directly in preparing, serving, hosting or cleaning up the food or beverage function with respect to which the service charge is imposed.

(10) Until July 1, 2003, oil field exploration, drilling, and production equipment, including (i) rigs and parts of rigs, rotary rigs, cable tool rigs, and workover rigs, (ii) pipe and tubular goods, including casing and drill strings, (iii) pumps and pump-jack units, (iv) storage tanks and flow lines, (v) any individual replacement part for oil field exploration, drilling, and production equipment, and (vi) machinery and equipment purchased for lease; but excluding motor vehicles required to be registered under the Illinois Vehicle Code.

(11) Proceeds from the sale of photoprocessing machinery and equipment, including repair and replacement parts, both new and used, including that manufactured on special order, certified by the purchaser to be used primarily for photoprocessing, and including photoprocessing machinery and equipment purchased for lease.

(12) Until July 1, 2028, coal and aggregate exploration, mining, off-highway hauling, processing, maintenance, and reclamation equipment, including replacement parts and equipment, and including equipment purchased for lease, but

excluding motor vehicles required to be registered under the Illinois Vehicle Code. The changes made to this Section by Public Act 97-767 apply on and after July 1, 2003, but no claim for credit or refund is allowed on or after August 16, 2013 (the effective date of Public Act 98-456) for such taxes paid during the period beginning July 1, 2003 and ending on August 16, 2013 (the effective date of Public Act 98-456).

(13) Semen used for artificial insemination of livestock for direct agricultural production.

(14) Horses, or interests in horses, registered with and meeting the requirements of any of the Arabian Horse Club Registry of America, Appaloosa Horse Club, American Quarter Horse Association, United States Trotting Association, or Jockey Club, as appropriate, used for purposes of breeding or racing for prizes. This item (14) is exempt from the provisions of Section 3-75, and the exemption provided for under this item (14) applies for all periods beginning May 30, 1995, but no claim for credit or refund is allowed on or after January 1, 2008 (the effective date of Public Act 95-88) for such taxes paid during the period beginning May 30, 2000 and ending on January 1, 2008 (the effective date of Public Act 95-88).

(15) Computers and communications equipment utilized for any hospital purpose and equipment used in the diagnosis, analysis, or treatment of hospital patients purchased by a lessor who leases the equipment, under a lease of one year or

longer executed or in effect at the time the lessor would otherwise be subject to the tax imposed by this Act, to a hospital that has been issued an active tax exemption identification number by the Department under Section 1g of the Retailers' Occupation Tax Act. If the equipment is leased in a manner that does not qualify for this exemption or is used in any other non-exempt manner, the lessor shall be liable for the tax imposed under this Act or the Use Tax Act, as the case may be, based on the fair market value of the property at the time the non-qualifying use occurs. No lessor shall collect or attempt to collect an amount (however designated) that purports to reimburse that lessor for the tax imposed by this Act or the Use Tax Act, as the case may be, if the tax has not been paid by the lessor. If a lessor improperly collects any such amount from the lessee, the lessee shall have a legal right to claim a refund of that amount from the lessor. If, however, that amount is not refunded to the lessee for any reason, the lessor is liable to pay that amount to the Department.

(16) Personal property purchased by a lessor who leases the property, under a lease of one year or longer executed or in effect at the time the lessor would otherwise be subject to the tax imposed by this Act, to a governmental body that has been issued an active tax exemption identification number by the Department under Section 1g of the Retailers' Occupation Tax Act. If the property is leased in a manner that does not

qualify for this exemption or is used in any other non-exempt manner, the lessor shall be liable for the tax imposed under this Act or the Use Tax Act, as the case may be, based on the fair market value of the property at the time the non-qualifying use occurs. No lessor shall collect or attempt to collect an amount (however designated) that purports to reimburse that lessor for the tax imposed by this Act or the Use Tax Act, as the case may be, if the tax has not been paid by the lessor. If a lessor improperly collects any such amount from the lessee, the lessee shall have a legal right to claim a refund of that amount from the lessor. If, however, that amount is not refunded to the lessee for any reason, the lessor is liable to pay that amount to the Department.

(17) Beginning with taxable years ending on or after December 31, 1995 and ending with taxable years ending on or before December 31, 2004, personal property that is donated for disaster relief to be used in a State or federally declared disaster area in Illinois or bordering Illinois by a manufacturer or retailer that is registered in this State to a corporation, society, association, foundation, or institution that has been issued a sales tax exemption identification number by the Department that assists victims of the disaster who reside within the declared disaster area.

(18) Beginning with taxable years ending on or after December 31, 1995 and ending with taxable years ending on or before December 31, 2004, personal property that is used in

the performance of infrastructure repairs in this State, including, but not limited to, municipal roads and streets, access roads, bridges, sidewalks, waste disposal systems, water and sewer line extensions, water distribution and purification facilities, storm water drainage and retention facilities, and sewage treatment facilities, resulting from a State or federally declared disaster in Illinois or bordering Illinois when such repairs are initiated on facilities located in the declared disaster area within 6 months after the disaster.

(19) Beginning July 1, 1999, game or game birds purchased at a "game breeding and hunting preserve area" as that term is used in the Wildlife Code. This paragraph is exempt from the provisions of Section 3-75.

(20) A motor vehicle, as that term is defined in Section 1-146 of the Illinois Vehicle Code, that is donated to a corporation, limited liability company, society, association, foundation, or institution that is determined by the Department to be organized and operated exclusively for educational purposes. For purposes of this exemption, "a corporation, limited liability company, society, association, foundation, or institution organized and operated exclusively for educational purposes" means all tax-supported public schools, private schools that offer systematic instruction in useful branches of learning by methods common to public schools and that compare favorably in their scope and

intensity with the course of study presented in tax-supported schools, and vocational or technical schools or institutes organized and operated exclusively to provide a course of study of not less than 6 weeks duration and designed to prepare individuals to follow a trade or to pursue a manual, technical, mechanical, industrial, business, or commercial occupation.

(21) Beginning January 1, 2000, personal property, including food, purchased through fundraising events for the benefit of a public or private elementary or secondary school, a group of those schools, or one or more school districts if the events are sponsored by an entity recognized by the school district that consists primarily of volunteers and includes parents and teachers of the school children. This paragraph does not apply to fundraising events (i) for the benefit of private home instruction or (ii) for which the fundraising entity purchases the personal property sold at the events from another individual or entity that sold the property for the purpose of resale by the fundraising entity and that profits from the sale to the fundraising entity. This paragraph is exempt from the provisions of Section 3-75.

(22) Beginning January 1, 2000 and through December 31, 2001, new or used automatic vending machines that prepare and serve hot food and beverages, including coffee, soup, and other items, and replacement parts for these machines. Beginning January 1, 2002 and through June 30, 2003, machines

and parts for machines used in commercial, coin-operated amusement and vending business if a use or occupation tax is paid on the gross receipts derived from the use of the commercial, coin-operated amusement and vending machines. This paragraph is exempt from the provisions of Section 3-75.

(23) Beginning August 23, 2001 and through June 30, 2016, food for human consumption that is to be consumed off the premises where it is sold (other than alcoholic beverages, soft drinks, and food that has been prepared for immediate consumption) and prescription and nonprescription medicines, drugs, medical appliances, and insulin, urine testing materials, syringes, and needles used by diabetics, for human use, when purchased for use by a person receiving medical assistance under Article V of the Illinois Public Aid Code who resides in a licensed long-term care facility, as defined in the Nursing Home Care Act, or in a licensed facility as defined in the ID/DD Community Care Act, the MC/DD Act, or the Specialized Mental Health Rehabilitation Act of 2013.

(24) Beginning on August 2, 2001 (the effective date of Public Act 92-227), computers and communications equipment utilized for any hospital purpose and equipment used in the diagnosis, analysis, or treatment of hospital patients purchased by a lessor who leases the equipment, under a lease of one year or longer executed or in effect at the time the lessor would otherwise be subject to the tax imposed by this Act, to a hospital that has been issued an active tax exemption

identification number by the Department under Section 1g of the Retailers' Occupation Tax Act. If the equipment is leased in a manner that does not qualify for this exemption or is used in any other nonexempt manner, the lessor shall be liable for the tax imposed under this Act or the Use Tax Act, as the case may be, based on the fair market value of the property at the time the nonqualifying use occurs. No lessor shall collect or attempt to collect an amount (however designated) that purports to reimburse that lessor for the tax imposed by this Act or the Use Tax Act, as the case may be, if the tax has not been paid by the lessor. If a lessor improperly collects any such amount from the lessee, the lessee shall have a legal right to claim a refund of that amount from the lessor. If, however, that amount is not refunded to the lessee for any reason, the lessor is liable to pay that amount to the Department. This paragraph is exempt from the provisions of Section 3-75.

(25) Beginning on August 2, 2001 (the effective date of Public Act 92-227), personal property purchased by a lessor who leases the property, under a lease of one year or longer executed or in effect at the time the lessor would otherwise be subject to the tax imposed by this Act, to a governmental body that has been issued an active tax exemption identification number by the Department under Section 1g of the Retailers' Occupation Tax Act. If the property is leased in a manner that does not qualify for this exemption or is used in any other

nonexempt manner, the lessor shall be liable for the tax imposed under this Act or the Use Tax Act, as the case may be, based on the fair market value of the property at the time the nonqualifying use occurs. No lessor shall collect or attempt to collect an amount (however designated) that purports to reimburse that lessor for the tax imposed by this Act or the Use Tax Act, as the case may be, if the tax has not been paid by the lessor. If a lessor improperly collects any such amount from the lessee, the lessee shall have a legal right to claim a refund of that amount from the lessor. If, however, that amount is not refunded to the lessee for any reason, the lessor is liable to pay that amount to the Department. This paragraph is exempt from the provisions of Section 3-75.

(26) Beginning January 1, 2008, tangible personal property used in the construction or maintenance of a community water supply, as defined under Section 3.145 of the Environmental Protection Act, that is operated by a not-for-profit corporation that holds a valid water supply permit issued under Title IV of the Environmental Protection Act. This paragraph is exempt from the provisions of Section 3-75.

(27) Beginning January 1, 2010 and continuing through December 31, 2029, materials, parts, equipment, components, and furnishings incorporated into or upon an aircraft as part of the modification, refurbishment, completion, replacement, repair, or maintenance of the aircraft. This exemption includes consumable supplies used in the modification,

refurbishment, completion, replacement, repair, and maintenance of aircraft. However, until January 1, 2024, this exemption excludes any materials, parts, equipment, components, and consumable supplies used in the modification, replacement, repair, and maintenance of aircraft engines or power plants, whether such engines or power plants are installed or uninstalled upon any such aircraft. "Consumable supplies" include, but are not limited to, adhesive, tape, sandpaper, general purpose lubricants, cleaning solution, latex gloves, and protective films.

Beginning January 1, 2010 and continuing through December 31, 2023, this exemption applies only to the use of qualifying tangible personal property transferred incident to the modification, refurbishment, completion, replacement, repair, or maintenance of aircraft by persons who (i) hold an Air Agency Certificate and are empowered to operate an approved repair station by the Federal Aviation Administration, (ii) have a Class IV Rating, and (iii) conduct operations in accordance with Part 145 of the Federal Aviation Regulations. From January 1, 2024 through December 31, 2029, this exemption applies only to the use of qualifying tangible personal property transferred incident to: (A) the modification, refurbishment, completion, repair, replacement, or maintenance of an aircraft by persons who (i) hold an Air Agency Certificate and are empowered to operate an approved repair station by the Federal Aviation Administration, (ii) have a

Class IV Rating, and (iii) conduct operations in accordance with Part 145 of the Federal Aviation Regulations; and (B) the modification, replacement, repair, and maintenance of aircraft engines or power plants without regard to whether or not those persons meet the qualifications of item (A).

The exemption does not include aircraft operated by a commercial air carrier providing scheduled passenger air service pursuant to authority issued under Part 121 or Part 129 of the Federal Aviation Regulations. The changes made to this paragraph (27) by Public Act 98-534 are declarative of existing law. It is the intent of the General Assembly that the exemption under this paragraph (27) applies continuously from January 1, 2010 through December 31, 2024; however, no claim for credit or refund is allowed for taxes paid as a result of the disallowance of this exemption on or after January 1, 2015 and prior to February 5, 2020 (the effective date of Public Act 101-629).

(28) Tangible personal property purchased by a public-facilities corporation, as described in Section 11-65-10 of the Illinois Municipal Code, for purposes of constructing or furnishing a municipal convention hall, but only if the legal title to the municipal convention hall is transferred to the municipality without any further consideration by or on behalf of the municipality at the time of the completion of the municipal convention hall or upon the retirement or redemption of any bonds or other debt

instruments issued by the public-facilities corporation in connection with the development of the municipal convention hall. This exemption includes existing public-facilities corporations as provided in Section 11-65-25 of the Illinois Municipal Code. This paragraph is exempt from the provisions of Section 3-75.

(29) Beginning January 1, 2017 and through December 31, 2026, menstrual pads, tampons, and menstrual cups.

(30) Tangible personal property transferred to a purchaser who is exempt from the tax imposed by this Act by operation of federal law. This paragraph is exempt from the provisions of Section 3-75.

(31) Qualified tangible personal property used in the construction or operation of a data center that has been granted a certificate of exemption by the Department of Commerce and Economic Opportunity, whether that tangible personal property is purchased by the owner, operator, or tenant of the data center or by a contractor or subcontractor of the owner, operator, or tenant. Data centers that would have qualified for a certificate of exemption prior to January 1, 2020 had Public Act 101-31 been in effect, may apply for and obtain an exemption for subsequent purchases of computer equipment or enabling software purchased or leased to upgrade, supplement, or replace computer equipment or enabling software purchased or leased in the original investment that would have qualified.

The Department of Commerce and Economic Opportunity shall grant a certificate of exemption under this item (31) to qualified data centers as defined by Section 605-1025 of the Department of Commerce and Economic Opportunity Law of the Civil Administrative Code of Illinois.

For the purposes of this item (31):

"Data center" means a building or a series of buildings rehabilitated or constructed to house working servers in one physical location or multiple sites within the State of Illinois.

"Qualified tangible personal property" means: electrical systems and equipment; climate control and chilling equipment and systems; mechanical systems and equipment; monitoring and secure systems; emergency generators; hardware; computers; servers; data storage devices; network connectivity equipment; racks; cabinets; telecommunications cabling infrastructure; raised floor systems; peripheral components or systems; software; mechanical, electrical, or plumbing systems; battery systems; cooling systems and towers; temperature control systems; other cabling; and other data center infrastructure equipment and systems necessary to operate qualified tangible personal property, including fixtures; and component parts of any of the foregoing, including installation, maintenance, repair, refurbishment, and replacement of qualified tangible personal property to

generate, transform, transmit, distribute, or manage electricity necessary to operate qualified tangible personal property; and all other tangible personal property that is essential to the operations of a computer data center. The term "qualified tangible personal property" also includes building materials physically incorporated into the qualifying data center. To document the exemption allowed under this Section, the retailer must obtain from the purchaser a copy of the certificate of eligibility issued by the Department of Commerce and Economic Opportunity.

This item (31) is exempt from the provisions of Section 3-75.

(32) Beginning July 1, 2022, breast pumps, breast pump collection and storage supplies, and breast pump kits. This item (32) is exempt from the provisions of Section 3-75. As used in this item (32):

"Breast pump" means an electrically controlled or manually controlled pump device designed or marketed to be used to express milk from a human breast during lactation, including the pump device and any battery, AC adapter, or other power supply unit that is used to power the pump device and is packaged and sold with the pump device at the time of sale.

"Breast pump collection and storage supplies" means items of tangible personal property designed or marketed

to be used in conjunction with a breast pump to collect milk expressed from a human breast and to store collected milk until it is ready for consumption.

"Breast pump collection and storage supplies" includes, but is not limited to: breast shields and breast shield connectors; breast pump tubes and tubing adapters; breast pump valves and membranes; backflow protectors and backflow protector adaptors; bottles and bottle caps specific to the operation of the breast pump; and breast milk storage bags.

"Breast pump collection and storage supplies" does not include: (1) bottles and bottle caps not specific to the operation of the breast pump; (2) breast pump travel bags and other similar carrying accessories, including ice packs, labels, and other similar products; (3) breast pump cleaning supplies; (4) nursing bras, bra pads, breast shells, and other similar products; and (5) creams, ointments, and other similar products that relieve breastfeeding-related symptoms or conditions of the breasts or nipples, unless sold as part of a breast pump kit that is pre-packaged by the breast pump manufacturer or distributor.

"Breast pump kit" means a kit that: (1) contains no more than a breast pump, breast pump collection and storage supplies, a rechargeable battery for operating the breast pump, a breastmilk cooler, bottle stands, ice

packs, and a breast pump carrying case; and (2) is pre-packaged as a breast pump kit by the breast pump manufacturer or distributor.

(33) Tangible personal property sold by or on behalf of the State Treasurer pursuant to the Revised Uniform Unclaimed Property Act. This item (33) is exempt from the provisions of Section 3-75.

(34) Beginning on January 1, 2024, tangible personal property purchased by an active duty member of the armed forces of the United States who presents valid military identification and purchases the property using a form of payment where the federal government is the payor. The member of the armed forces must complete, at the point of sale, a form prescribed by the Department of Revenue documenting that the transaction is eligible for the exemption under this paragraph. Retailers must keep the form as documentation of the exemption in their records for a period of not less than 6 years. "Armed forces of the United States" means the United States Army, Navy, Air Force, Space Force, Marine Corps, or Coast Guard. This paragraph is exempt from the provisions of Section 3-75.

(35) Beginning July 1, 2024, home-delivered meals provided to Medicare or Medicaid recipients when payment is made by an intermediary, such as a Medicare Administrative Contractor, a Managed Care Organization, or a Medicare Advantage Organization, pursuant to a government contract. This

paragraph (35) is exempt from the provisions of Section 3-75.

(36) Beginning on January 1, 2026, as further defined in Section 3-10, food prepared for immediate consumption and transferred incident to a sale of service subject to this Act or the Service Occupation Tax Act by an entity licensed under the Hospital Licensing Act, the Nursing Home Care Act, the Assisted Living and Shared Housing Act, the ID/DD Community Care Act, the MC/DD Act, the Specialized Mental Health Rehabilitation Act of 2013, or the Child Care Act of 1969 or by an entity that holds a permit issued pursuant to the Life Care Facilities Act. This item (36) is exempt from the provisions of Section 3-75.

(37) Beginning on January 1, 2026, as further defined in Section 3-10, food for human consumption that is to be consumed off the premises where it is sold (other than alcoholic beverages, food consisting of or infused with adult use cannabis, soft drinks, candy, ~~and~~ food that has been prepared for immediate consumption<u>, and, beginning on the effective date of this amendatory Act of the 104th General Assembly, food that is a CBD product as defined in the CBD Consumer Products Act</u>). This item (37) is exempt from the provisions of Section 3-75.

(38) Use by a lessee of the following leased tangible personal property:

(1) software transferred subject to a license that meets the following requirements:

(A) it is evidenced by a written agreement signed by the licensor and the customer;

(i) an electronic agreement in which the customer accepts the license by means of an electronic signature that is verifiable and can be authenticated and is attached to or made part of the license will comply with this requirement;

(ii) a license agreement in which the customer electronically accepts the terms by clicking "I agree" does not comply with this requirement;

(B) it restricts the customer's duplication and use of the software;

(C) it prohibits the customer from licensing, sublicensing, or transferring the software to a third party (except to a related party) without the permission and continued control of the licensor;

(D) the licensor has a policy of providing another copy at minimal or no charge if the customer loses or damages the software, or of permitting the licensee to make and keep an archival copy, and such policy is either stated in the license agreement, supported by the licensor's books and records, or supported by a notarized statement made under penalties of perjury by the licensor; and

(E) the customer must destroy or return all copies of the software to the licensor at the end of the

license period; this provision is deemed to be met, in the case of a perpetual license, without being set forth in the license agreement; and

(2) property that is subject to a tax on lease receipts imposed by a home rule unit of local government if the ordinance imposing that tax was adopted prior to January 1, 2023.

(Source: P.A. 103-9, Article 5, Section 5-10, eff. 6-7-23; 103-9, Article 15, Section 15-10, eff. 6-7-23; 103-154, eff. 6-30-23; 103-384, eff. 1-1-24; 103-592, eff. 1-1-25; 103-605, eff. 7-1-24; 103-643, eff. 7-1-24; 103-746, eff. 1-1-25; 103-781, eff. 8-5-24; 103-995, eff. 8-9-24; 104-417, eff. 8-15-25.)

Section 74. The Service Occupation Tax Act is amended by changing Section 3-5 as follows:

(35 ILCS 115/3-5)

Sec. 3-5. Exemptions. The following tangible personal property is exempt from the tax imposed by this Act:

(1) Personal property sold by a corporation, society, association, foundation, institution, or organization, other than a limited liability company, that is organized and operated as a not-for-profit service enterprise for the benefit of persons 65 years of age or older if the personal property was not purchased by the enterprise for the purpose

of resale by the enterprise.

(2) Personal property purchased by a not-for-profit Illinois county fair association for use in conducting, operating, or promoting the county fair.

(3) Personal property purchased by any not-for-profit arts or cultural organization that establishes, by proof required by the Department by rule, that it has received an exemption under Section 501(c)(3) of the Internal Revenue Code and that is organized and operated primarily for the presentation or support of arts or cultural programming, activities, or services. These organizations include, but are not limited to, music and dramatic arts organizations such as symphony orchestras and theatrical groups, arts and cultural service organizations, local arts councils, visual arts organizations, and media arts organizations. On and after July 1, 2001 (the effective date of Public Act 92-35), however, an entity otherwise eligible for this exemption shall not make tax-free purchases unless it has an active identification number issued by the Department.

(4) Legal tender, currency, medallions, or gold or silver coinage issued by the State of Illinois, the government of the United States of America, or the government of any foreign country, and bullion.

(5) Until July 1, 2003 and beginning again on September 1, 2004 through August 30, 2014, graphic arts machinery and equipment, including repair and replacement parts, both new

and used, and including that manufactured on special order or purchased for lease, certified by the purchaser to be used primarily for graphic arts production. Equipment includes chemicals or chemicals acting as catalysts but only if the chemicals or chemicals acting as catalysts effect a direct and immediate change upon a graphic arts product. Beginning on July 1, 2017, graphic arts machinery and equipment is included in the manufacturing and assembling machinery and equipment exemption under Section 2 of this Act.

(6) Personal property sold by a teacher-sponsored student organization affiliated with an elementary or secondary school located in Illinois.

(7) Farm machinery and equipment, both new and used, including that manufactured on special order, certified by the purchaser to be used primarily for production agriculture or State or federal agricultural programs, including individual replacement parts for the machinery and equipment, including machinery and equipment purchased for lease, and including implements of husbandry defined in Section 1-130 of the Illinois Vehicle Code, farm machinery and agricultural chemical and fertilizer spreaders, and nurse wagons required to be registered under Section 3-809 of the Illinois Vehicle Code, but excluding other motor vehicles required to be registered under the Illinois Vehicle Code. Horticultural polyhouses or hoop houses used for propagating, growing, or overwintering plants shall be considered farm machinery and

equipment under this item (7). Agricultural chemical tender tanks and dry boxes shall include units sold separately from a motor vehicle required to be licensed and units sold mounted on a motor vehicle required to be licensed if the selling price of the tender is separately stated.

Farm machinery and equipment shall include precision farming equipment that is installed or purchased to be installed on farm machinery and equipment, including, but not limited to, tractors, harvesters, sprayers, planters, seeders, or spreaders. Precision farming equipment includes, but is not limited to, soil testing sensors, computers, monitors, software, global positioning and mapping systems, and other such equipment.

Farm machinery and equipment also includes computers, sensors, software, and related equipment used primarily in the computer-assisted operation of production agriculture facilities, equipment, and activities such as, but not limited to, the collection, monitoring, and correlation of animal and crop data for the purpose of formulating animal diets and agricultural chemicals.

Beginning on January 1, 2024, farm machinery and equipment also includes electrical power generation equipment used primarily for production agriculture.

This item (7) is exempt from the provisions of Section 3-55.

(8) Until June 30, 2013, fuel and petroleum products sold

to or used by an air common carrier, certified by the carrier to be used for consumption, shipment, or storage in the conduct of its business as an air common carrier, for a flight destined for or returning from a location or locations outside the United States without regard to previous or subsequent domestic stopovers.

Beginning July 1, 2013, fuel and petroleum products sold to or used by an air carrier, certified by the carrier to be used for consumption, shipment, or storage in the conduct of its business as an air common carrier, for a flight that (i) is engaged in foreign trade or is engaged in trade between the United States and any of its possessions and (ii) transports at least one individual or package for hire from the city of origination to the city of final destination on the same aircraft, without regard to a change in the flight number of that aircraft.

(9) Proceeds of mandatory service charges separately stated on customers' bills for the purchase and consumption of food and beverages, to the extent that the proceeds of the service charge are in fact turned over as tips or as a substitute for tips to the employees who participate directly in preparing, serving, hosting or cleaning up the food or beverage function with respect to which the service charge is imposed.

(10) Until July 1, 2003, oil field exploration, drilling, and production equipment, including (i) rigs and parts of

rigs, rotary rigs, cable tool rigs, and workover rigs, (ii) pipe and tubular goods, including casing and drill strings, (iii) pumps and pump-jack units, (iv) storage tanks and flow lines, (v) any individual replacement part for oil field exploration, drilling, and production equipment, and (vi) machinery and equipment purchased for lease; but excluding motor vehicles required to be registered under the Illinois Vehicle Code.

(11) Photoprocessing machinery and equipment, including repair and replacement parts, both new and used, including that manufactured on special order, certified by the purchaser to be used primarily for photoprocessing, and including photoprocessing machinery and equipment purchased for lease.

(12) Until July 1, 2028, coal and aggregate exploration, mining, off-highway hauling, processing, maintenance, and reclamation equipment, including replacement parts and equipment, and including equipment purchased for lease, but excluding motor vehicles required to be registered under the Illinois Vehicle Code. The changes made to this Section by Public Act 97-767 apply on and after July 1, 2003, but no claim for credit or refund is allowed on or after August 16, 2013 (the effective date of Public Act 98-456) for such taxes paid during the period beginning July 1, 2003 and ending on August 16, 2013 (the effective date of Public Act 98-456).

(13) Beginning January 1, 1992 and through June 30, 2016, food for human consumption that is to be consumed off the

premises where it is sold (other than alcoholic beverages, soft drinks and food that has been prepared for immediate consumption) and prescription and non-prescription medicines, drugs, medical appliances, and insulin, urine testing materials, syringes, and needles used by diabetics, for human use, when purchased for use by a person receiving medical assistance under Article V of the Illinois Public Aid Code who resides in a licensed long-term care facility, as defined in the Nursing Home Care Act, or in a licensed facility as defined in the ID/DD Community Care Act, the MC/DD Act, or the Specialized Mental Health Rehabilitation Act of 2013.

(14) Semen used for artificial insemination of livestock for direct agricultural production.

(15) Horses, or interests in horses, registered with and meeting the requirements of any of the Arabian Horse Club Registry of America, Appaloosa Horse Club, American Quarter Horse Association, United States Trotting Association, or Jockey Club, as appropriate, used for purposes of breeding or racing for prizes. This item (15) is exempt from the provisions of Section 3-55, and the exemption provided for under this item (15) applies for all periods beginning May 30, 1995, but no claim for credit or refund is allowed on or after January 1, 2008 (the effective date of Public Act 95-88) for such taxes paid during the period beginning May 30, 2000 and ending on January 1, 2008 (the effective date of Public Act 95-88).

(16) Computers and communications equipment utilized for any hospital purpose and equipment used in the diagnosis, analysis, or treatment of hospital patients sold to a lessor who leases the equipment, under a lease of one year or longer executed or in effect at the time of the purchase, to a hospital that has been issued an active tax exemption identification number by the Department under Section 1g of the Retailers' Occupation Tax Act.

(17) Personal property sold to a lessor who leases the property, under a lease of one year or longer executed or in effect at the time of the purchase, to a governmental body that has been issued an active tax exemption identification number by the Department under Section 1g of the Retailers' Occupation Tax Act.

(18) Beginning with taxable years ending on or after December 31, 1995 and ending with taxable years ending on or before December 31, 2004, personal property that is donated for disaster relief to be used in a State or federally declared disaster area in Illinois or bordering Illinois by a manufacturer or retailer that is registered in this State to a corporation, society, association, foundation, or institution that has been issued a sales tax exemption identification number by the Department that assists victims of the disaster who reside within the declared disaster area.

(19) Beginning with taxable years ending on or after December 31, 1995 and ending with taxable years ending on or

before December 31, 2004, personal property that is used in the performance of infrastructure repairs in this State, including, but not limited to, municipal roads and streets, access roads, bridges, sidewalks, waste disposal systems, water and sewer line extensions, water distribution and purification facilities, storm water drainage and retention facilities, and sewage treatment facilities, resulting from a State or federally declared disaster in Illinois or bordering Illinois when such repairs are initiated on facilities located in the declared disaster area within 6 months after the disaster.

(20) Beginning July 1, 1999, game or game birds sold at a "game breeding and hunting preserve area" as that term is used in the Wildlife Code. This paragraph is exempt from the provisions of Section 3-55.

(21) A motor vehicle, as that term is defined in Section 1-146 of the Illinois Vehicle Code, that is donated to a corporation, limited liability company, society, association, foundation, or institution that is determined by the Department to be organized and operated exclusively for educational purposes. For purposes of this exemption, "a corporation, limited liability company, society, association, foundation, or institution organized and operated exclusively for educational purposes" means all tax-supported public schools, private schools that offer systematic instruction in useful branches of learning by methods common to public

schools and that compare favorably in their scope and intensity with the course of study presented in tax-supported schools, and vocational or technical schools or institutes organized and operated exclusively to provide a course of study of not less than 6 weeks duration and designed to prepare individuals to follow a trade or to pursue a manual, technical, mechanical, industrial, business, or commercial occupation.

(22) Beginning January 1, 2000, personal property, including food, purchased through fundraising events for the benefit of a public or private elementary or secondary school, a group of those schools, or one or more school districts if the events are sponsored by an entity recognized by the school district that consists primarily of volunteers and includes parents and teachers of the school children. This paragraph does not apply to fundraising events (i) for the benefit of private home instruction or (ii) for which the fundraising entity purchases the personal property sold at the events from another individual or entity that sold the property for the purpose of resale by the fundraising entity and that profits from the sale to the fundraising entity. This paragraph is exempt from the provisions of Section 3-55.

(23) Beginning January 1, 2000 and through December 31, 2001, new or used automatic vending machines that prepare and serve hot food and beverages, including coffee, soup, and other items, and replacement parts for these machines.

Beginning January 1, 2002 and through June 30, 2003, machines and parts for machines used in commercial, coin-operated amusement and vending business if a use or occupation tax is paid on the gross receipts derived from the use of the commercial, coin-operated amusement and vending machines. This paragraph is exempt from the provisions of Section 3-55.

(24) Beginning on August 2, 2001 (the effective date of Public Act 92-227), computers and communications equipment utilized for any hospital purpose and equipment used in the diagnosis, analysis, or treatment of hospital patients sold to a lessor who leases the equipment, under a lease of one year or longer executed or in effect at the time of the purchase, to a hospital that has been issued an active tax exemption identification number by the Department under Section 1g of the Retailers' Occupation Tax Act. This paragraph is exempt from the provisions of Section 3-55.

(25) Beginning on August 2, 2001 (the effective date of Public Act 92-227), personal property sold to a lessor who leases the property, under a lease of one year or longer executed or in effect at the time of the purchase, to a governmental body that has been issued an active tax exemption identification number by the Department under Section 1g of the Retailers' Occupation Tax Act. This paragraph is exempt from the provisions of Section 3-55.

(26) Beginning on January 1, 2002 and through June 30, 2016, tangible personal property purchased from an Illinois

retailer by a taxpayer engaged in centralized purchasing activities in Illinois who will, upon receipt of the property in Illinois, temporarily store the property in Illinois (i) for the purpose of subsequently transporting it outside this State for use or consumption thereafter solely outside this State or (ii) for the purpose of being processed, fabricated, or manufactured into, attached to, or incorporated into other tangible personal property to be transported outside this State and thereafter used or consumed solely outside this State. The Director of Revenue shall, pursuant to rules adopted in accordance with the Illinois Administrative Procedure Act, issue a permit to any taxpayer in good standing with the Department who is eligible for the exemption under this paragraph (26). The permit issued under this paragraph (26) shall authorize the holder, to the extent and in the manner specified in the rules adopted under this Act, to purchase tangible personal property from a retailer exempt from the taxes imposed by this Act. Taxpayers shall maintain all necessary books and records to substantiate the use and consumption of all such tangible personal property outside of the State of Illinois.

(27) Beginning January 1, 2008, tangible personal property used in the construction or maintenance of a community water supply, as defined under Section 3.145 of the Environmental Protection Act, that is operated by a not-for-profit corporation that holds a valid water supply permit issued

under Title IV of the Environmental Protection Act. This paragraph is exempt from the provisions of Section 3-55.

(28) Tangible personal property sold to a public-facilities corporation, as described in Section 11-65-10 of the Illinois Municipal Code, for purposes of constructing or furnishing a municipal convention hall, but only if the legal title to the municipal convention hall is transferred to the municipality without any further consideration by or on behalf of the municipality at the time of the completion of the municipal convention hall or upon the retirement or redemption of any bonds or other debt instruments issued by the public-facilities corporation in connection with the development of the municipal convention hall. This exemption includes existing public-facilities corporations as provided in Section 11-65-25 of the Illinois Municipal Code. This paragraph is exempt from the provisions of Section 3-55.

(29) Beginning January 1, 2010 and continuing through December 31, 2029, materials, parts, equipment, components, and furnishings incorporated into or upon an aircraft as part of the modification, refurbishment, completion, replacement, repair, or maintenance of the aircraft. This exemption includes consumable supplies used in the modification, refurbishment, completion, replacement, repair, and maintenance of aircraft. However, until January 1, 2024, this exemption excludes any materials, parts, equipment,

components, and consumable supplies used in the modification, replacement, repair, and maintenance of aircraft engines or power plants, whether such engines or power plants are installed or uninstalled upon any such aircraft. "Consumable supplies" include, but are not limited to, adhesive, tape, sandpaper, general purpose lubricants, cleaning solution, latex gloves, and protective films.

Beginning January 1, 2010 and continuing through December 31, 2023, this exemption applies only to the transfer of qualifying tangible personal property incident to the modification, refurbishment, completion, replacement, repair, or maintenance of an aircraft by persons who (i) hold an Air Agency Certificate and are empowered to operate an approved repair station by the Federal Aviation Administration, (ii) have a Class IV Rating, and (iii) conduct operations in accordance with Part 145 of the Federal Aviation Regulations. The exemption does not include aircraft operated by a commercial air carrier providing scheduled passenger air service pursuant to authority issued under Part 121 or Part 129 of the Federal Aviation Regulations. From January 1, 2024 through December 31, 2029, this exemption applies only to the transfer of qualifying tangible personal property incident to: (A) the modification, refurbishment, completion, repair, replacement, or maintenance of an aircraft by persons who (i) hold an Air Agency Certificate and are empowered to operate an approved repair station by the Federal Aviation

Administration, (ii) have a Class IV Rating, and (iii) conduct operations in accordance with Part 145 of the Federal Aviation Regulations; and (B) the modification, replacement, repair, and maintenance of aircraft engines or power plants without regard to whether or not those persons meet the qualifications of item (A).

The changes made to this paragraph (29) by Public Act 98-534 are declarative of existing law. It is the intent of the General Assembly that the exemption under this paragraph (29) applies continuously from January 1, 2010 through December 31, 2024; however, no claim for credit or refund is allowed for taxes paid as a result of the disallowance of this exemption on or after January 1, 2015 and prior to February 5, 2020 (the effective date of Public Act 101-629).

(30) Beginning January 1, 2017 and through December 31, 2026, menstrual pads, tampons, and menstrual cups.

(31) Tangible personal property transferred to a purchaser who is exempt from tax by operation of federal law. This paragraph is exempt from the provisions of Section 3-55.

(32) Qualified tangible personal property used in the construction or operation of a data center that has been granted a certificate of exemption by the Department of Commerce and Economic Opportunity, whether that tangible personal property is purchased by the owner, operator, or tenant of the data center or by a contractor or subcontractor of the owner, operator, or tenant. Data centers that would

have qualified for a certificate of exemption prior to January 1, 2020 had Public Act 101-31 been in effect, may apply for and obtain an exemption for subsequent purchases of computer equipment or enabling software purchased or leased to upgrade, supplement, or replace computer equipment or enabling software purchased or leased in the original investment that would have qualified.

The Department of Commerce and Economic Opportunity shall grant a certificate of exemption under this item (32) to qualified data centers as defined by Section 605-1025 of the Department of Commerce and Economic Opportunity Law of the Civil Administrative Code of Illinois.

For the purposes of this item (32):

"Data center" means a building or a series of buildings rehabilitated or constructed to house working servers in one physical location or multiple sites within the State of Illinois.

"Qualified tangible personal property" means: electrical systems and equipment; climate control and chilling equipment and systems; mechanical systems and equipment; monitoring and secure systems; emergency generators; hardware; computers; servers; data storage devices; network connectivity equipment; racks; cabinets; telecommunications cabling infrastructure; raised floor systems; peripheral components or systems; software; mechanical, electrical, or plumbing systems; battery

systems; cooling systems and towers; temperature control systems; other cabling; and other data center infrastructure equipment and systems necessary to operate qualified tangible personal property, including fixtures; and component parts of any of the foregoing, including installation, maintenance, repair, refurbishment, and replacement of qualified tangible personal property to generate, transform, transmit, distribute, or manage electricity necessary to operate qualified tangible personal property; and all other tangible personal property that is essential to the operations of a computer data center. The term "qualified tangible personal property" also includes building materials physically incorporated into the qualifying data center. To document the exemption allowed under this Section, the retailer must obtain from the purchaser a copy of the certificate of eligibility issued by the Department of Commerce and Economic Opportunity.

This item (32) is exempt from the provisions of Section 3-55.

(33) Beginning July 1, 2022, breast pumps, breast pump collection and storage supplies, and breast pump kits. This item (33) is exempt from the provisions of Section 3-55. As used in this item (33):

"Breast pump" means an electrically controlled or manually controlled pump device designed or marketed to be

used to express milk from a human breast during lactation, including the pump device and any battery, AC adapter, or other power supply unit that is used to power the pump device and is packaged and sold with the pump device at the time of sale.

"Breast pump collection and storage supplies" means items of tangible personal property designed or marketed to be used in conjunction with a breast pump to collect milk expressed from a human breast and to store collected milk until it is ready for consumption.

"Breast pump collection and storage supplies" includes, but is not limited to: breast shields and breast shield connectors; breast pump tubes and tubing adapters; breast pump valves and membranes; backflow protectors and backflow protector adaptors; bottles and bottle caps specific to the operation of the breast pump; and breast milk storage bags.

"Breast pump collection and storage supplies" does not include: (1) bottles and bottle caps not specific to the operation of the breast pump; (2) breast pump travel bags and other similar carrying accessories, including ice packs, labels, and other similar products; (3) breast pump cleaning supplies; (4) nursing bras, bra pads, breast shells, and other similar products; and (5) creams, ointments, and other similar products that relieve breastfeeding-related symptoms or conditions of the

breasts or nipples, unless sold as part of a breast pump kit that is pre-packaged by the breast pump manufacturer or distributor.

"Breast pump kit" means a kit that: (1) contains no more than a breast pump, breast pump collection and storage supplies, a rechargeable battery for operating the breast pump, a breastmilk cooler, bottle stands, ice packs, and a breast pump carrying case; and (2) is pre-packaged as a breast pump kit by the breast pump manufacturer or distributor.

(34) Tangible personal property sold by or on behalf of the State Treasurer pursuant to the Revised Uniform Unclaimed Property Act. This item (34) is exempt from the provisions of Section 3-55.

(35) Beginning on January 1, 2024, tangible personal property purchased by an active duty member of the armed forces of the United States who presents valid military identification and purchases the property using a form of payment where the federal government is the payor. The member of the armed forces must complete, at the point of sale, a form prescribed by the Department of Revenue documenting that the transaction is eligible for the exemption under this paragraph. Retailers must keep the form as documentation of the exemption in their records for a period of not less than 6 years. "Armed forces of the United States" means the United States Army, Navy, Air Force, Space Force, Marine Corps, or

Coast Guard. This paragraph is exempt from the provisions of Section 3-55.

(36) Beginning July 1, 2024, home-delivered meals provided to Medicare or Medicaid recipients when payment is made by an intermediary, such as a Medicare Administrative Contractor, a Managed Care Organization, or a Medicare Advantage Organization, pursuant to a government contract. This paragraph (36) is exempt from the provisions of Section 3-55.

(37) Beginning on January 1, 2026, as further defined in Section 3-10, food prepared for immediate consumption and transferred incident to a sale of service subject to this Act or the Service Use Tax Act by an entity licensed under the Hospital Licensing Act, the Nursing Home Care Act, the Assisted Living and Shared Housing Act, the ID/DD Community Care Act, the MC/DD Act, the Specialized Mental Health Rehabilitation Act of 2013, or the Child Care Act of 1969 or by an entity that holds a permit issued pursuant to the Life Care Facilities Act. This item (37) is exempt from the provisions of Section 3-55.

(38) Beginning on January 1, 2026, as further defined in Section 3-10, food for human consumption that is to be consumed off the premises where it is sold (other than alcoholic beverages, food consisting of or infused with adult use cannabis, soft drinks, candy, ~~and~~ food that has been prepared for immediate consumption, and, beginning on the effective date of this amendatory Act of the 104th General

Assembly, food that is a CBD product as defined in the CBD Consumer Products Act). This item (38) is exempt from the provisions of Section 3-55.

(39) The lease of the following tangible personal property:

(1) computer software transferred subject to a license that meets the following requirements:

(A) it is evidenced by a written agreement signed by the licensor and the customer;

(i) an electronic agreement in which the customer accepts the license by means of an electronic signature that is verifiable and can be authenticated and is attached to or made part of the license will comply with this requirement;

(ii) a license agreement in which the customer electronically accepts the terms by clicking "I agree" does not comply with this requirement;

(B) it restricts the customer's duplication and use of the software;

(C) it prohibits the customer from licensing, sublicensing, or transferring the software to a third party (except to a related party) without the permission and continued control of the licensor;

(D) the licensor has a policy of providing another copy at minimal or no charge if the customer loses or damages the software, or of permitting the licensee to

make and keep an archival copy, and such policy is either stated in the license agreement, supported by the licensor's books and records, or supported by a notarized statement made under penalties of perjury by the licensor; and

(E) the customer must destroy or return all copies of the software to the licensor at the end of the license period; this provision is deemed to be met, in the case of a perpetual license, without being set forth in the license agreement; and

(2) property that is subject to a tax on lease receipts imposed by a home rule unit of local government if the ordinance imposing that tax was adopted prior to January 1, 2023.

(Source: P.A. 103-9, Article 5, Section 5-15, eff. 6-7-23; 103-9, Article 15, Section 15-15, eff. 6-7-23; 103-154, eff. 6-30-23; 103-384, eff. 1-1-24; 103-592, eff. 1-1-25; 103-605, eff. 7-1-24; 103-643, eff. 7-1-24; 103-746, eff. 1-1-25; 103-781, eff. 8-5-24; 103-995, eff. 8-9-24; 104-417, eff. 8-15-25.)

Section 75. The Retailers' Occupation Tax Act is amended by changing Sections 2-5 and 11 as follows:

(35 ILCS 120/2-5)

Sec. 2-5. Exemptions. Gross receipts from proceeds from

the sale, which, on and after January 1, 2025, includes the lease, of the following tangible personal property are exempt from the tax imposed by this Act:

(1) Farm chemicals.

(2) Farm machinery and equipment, both new and used, including that manufactured on special order, certified by the purchaser to be used primarily for production agriculture or State or federal agricultural programs, including individual replacement parts for the machinery and equipment, including machinery and equipment purchased for lease, and including implements of husbandry defined in Section 1-130 of the Illinois Vehicle Code, farm machinery and agricultural chemical and fertilizer spreaders, and nurse wagons required to be registered under Section 3-809 of the Illinois Vehicle Code, but excluding other motor vehicles required to be registered under the Illinois Vehicle Code. Horticultural polyhouses or hoop houses used for propagating, growing, or overwintering plants shall be considered farm machinery and equipment under this item (2). Agricultural chemical tender tanks and dry boxes shall include units sold separately from a motor vehicle required to be licensed and units sold mounted on a motor vehicle required to be licensed, if the selling price of the tender is separately stated.

Farm machinery and equipment shall include precision

farming equipment that is installed or purchased to be installed on farm machinery and equipment including, but not limited to, tractors, harvesters, sprayers, planters, seeders, or spreaders. Precision farming equipment includes, but is not limited to, soil testing sensors, computers, monitors, software, global positioning and mapping systems, and other such equipment.

Farm machinery and equipment also includes computers, sensors, software, and related equipment used primarily in the computer-assisted operation of production agriculture facilities, equipment, and activities such as, but not limited to, the collection, monitoring, and correlation of animal and crop data for the purpose of formulating animal diets and agricultural chemicals.

Beginning on January 1, 2024, farm machinery and equipment also includes electrical power generation equipment used primarily for production agriculture.

This item (2) is exempt from the provisions of Section 2-70.

(3) Until July 1, 2003, distillation machinery and equipment, sold as a unit or kit, assembled or installed by the retailer, certified by the user to be used only for the production of ethyl alcohol that will be used for consumption as motor fuel or as a component of motor fuel for the personal use of the user, and not subject to sale or resale.

(4) Until July 1, 2003 and beginning again September 1, 2004 through August 30, 2014, graphic arts machinery and equipment, including repair and replacement parts, both new and used, and including that manufactured on special order or purchased for lease, certified by the purchaser to be used primarily for graphic arts production. Equipment includes chemicals or chemicals acting as catalysts but only if the chemicals or chemicals acting as catalysts effect a direct and immediate change upon a graphic arts product. Beginning on July 1, 2017, graphic arts machinery and equipment is included in the manufacturing and assembling machinery and equipment exemption under paragraph (14).

(5) A motor vehicle that is used for automobile renting, as defined in the Automobile Renting Occupation and Use Tax Act. This paragraph is exempt from the provisions of Section 2-70.

(6) Personal property sold by a teacher-sponsored student organization affiliated with an elementary or secondary school located in Illinois.

(7) Until July 1, 2003, proceeds of that portion of the selling price of a passenger car the sale of which is subject to the Replacement Vehicle Tax.

(8) Personal property sold to an Illinois county fair association for use in conducting, operating, or promoting the county fair.

(9) Personal property sold to a not-for-profit arts or cultural organization that establishes, by proof required by the Department by rule, that it has received an exemption under Section 501(c)(3) of the Internal Revenue Code and that is organized and operated primarily for the presentation or support of arts or cultural programming, activities, or services. These organizations include, but are not limited to, music and dramatic arts organizations such as symphony orchestras and theatrical groups, arts and cultural service organizations, local arts councils, visual arts organizations, and media arts organizations. On and after July 1, 2001 (the effective date of Public Act 92-35), however, an entity otherwise eligible for this exemption shall not make tax-free purchases unless it has an active identification number issued by the Department.

(10) Personal property sold by a corporation, society, association, foundation, institution, or organization, other than a limited liability company, that is organized and operated as a not-for-profit service enterprise for the benefit of persons 65 years of age or older if the personal property was not purchased by the enterprise for the purpose of resale by the enterprise.

(11) Except as otherwise provided in this Section, personal property sold to a governmental body, to a corporation, society, association, foundation, or institution organized and operated exclusively for

charitable, religious, or educational purposes, or to a not-for-profit corporation, society, association, foundation, institution, or organization that has no compensated officers or employees and that is organized and operated primarily for the recreation of persons 55 years of age or older. A limited liability company may qualify for the exemption under this paragraph only if the limited liability company is organized and operated exclusively for educational purposes. On and after July 1, 1987, however, no entity otherwise eligible for this exemption shall make tax-free purchases unless it has an active identification number issued by the Department.

(12) (Blank).

(12-5) On and after July 1, 2003 and through June 30, 2004, motor vehicles of the second division with a gross vehicle weight in excess of 8,000 pounds that are subject to the commercial distribution fee imposed under Section 3-815.1 of the Illinois Vehicle Code. Beginning on July 1, 2004 and through June 30, 2005, the use in this State of motor vehicles of the second division: (i) with a gross vehicle weight rating in excess of 8,000 pounds; (ii) that are subject to the commercial distribution fee imposed under Section 3-815.1 of the Illinois Vehicle Code; and (iii) that are primarily used for commercial purposes. Through June 30, 2005, this exemption applies to repair and replacement parts added after the initial purchase of

such a motor vehicle if that motor vehicle is used in a manner that would qualify for the rolling stock exemption otherwise provided for in this Act. For purposes of this paragraph, "used for commercial purposes" means the transportation of persons or property in furtherance of any commercial or industrial enterprise whether for-hire or not.

(13) Proceeds from sales to owners or lessors, lessees, or shippers of tangible personal property that is utilized by interstate carriers for hire for use as rolling stock moving in interstate commerce and equipment operated by a telecommunications provider, licensed as a common carrier by the Federal Communications Commission, which is permanently installed in or affixed to aircraft moving in interstate commerce.

(14) Machinery and equipment that will be used by the purchaser, or a lessee of the purchaser, primarily in the process of manufacturing or assembling tangible personal property for wholesale or retail sale or lease, whether the sale or lease is made directly by the manufacturer or by some other person, whether the materials used in the process are owned by the manufacturer or some other person, or whether the sale or lease is made apart from or as an incident to the seller's engaging in the service occupation of producing machines, tools, dies, jigs, patterns, gauges, or other similar items of no commercial

value on special order for a particular purchaser. The exemption provided by this paragraph (14) does not include machinery and equipment used in (i) the generation of electricity for wholesale or retail sale; (ii) the generation or treatment of natural or artificial gas for wholesale or retail sale that is delivered to customers through pipes, pipelines, or mains; or (iii) the treatment of water for wholesale or retail sale that is delivered to customers through pipes, pipelines, or mains. The provisions of Public Act 98-583 are declaratory of existing law as to the meaning and scope of this exemption. Beginning on July 1, 2017, the exemption provided by this paragraph (14) includes, but is not limited to, graphic arts machinery and equipment, as defined in paragraph (4) of this Section.

(15) Proceeds of mandatory service charges separately stated on customers' bills for purchase and consumption of food and beverages, to the extent that the proceeds of the service charge are in fact turned over as tips or as a substitute for tips to the employees who participate directly in preparing, serving, hosting or cleaning up the food or beverage function with respect to which the service charge is imposed.

(16) Tangible personal property sold to a purchaser if the purchaser is exempt from use tax by operation of federal law. This paragraph is exempt from the provisions

of Section 2-70.

(17) Tangible personal property sold to a common carrier by rail or motor that receives the physical possession of the property in Illinois and that transports the property, or shares with another common carrier in the transportation of the property, out of Illinois on a standard uniform bill of lading showing the seller of the property as the shipper or consignor of the property to a destination outside Illinois, for use outside Illinois.

(18) Legal tender, currency, medallions, or gold or silver coinage issued by the State of Illinois, the government of the United States of America, or the government of any foreign country, and bullion.

(19) Until July 1, 2003, oil field exploration, drilling, and production equipment, including (i) rigs and parts of rigs, rotary rigs, cable tool rigs, and workover rigs, (ii) pipe and tubular goods, including casing and drill strings, (iii) pumps and pump-jack units, (iv) storage tanks and flow lines, (v) any individual replacement part for oil field exploration, drilling, and production equipment, and (vi) machinery and equipment purchased for lease; but excluding motor vehicles required to be registered under the Illinois Vehicle Code.

(20) Photoprocessing machinery and equipment, including repair and replacement parts, both new and used, including that manufactured on special order, certified by

the purchaser to be used primarily for photoprocessing, and including photoprocessing machinery and equipment purchased for lease.

(21) Until July 1, 2028, coal and aggregate exploration, mining, off-highway hauling, processing, maintenance, and reclamation equipment, including replacement parts and equipment, and including equipment purchased for lease, but excluding motor vehicles required to be registered under the Illinois Vehicle Code. The changes made to this Section by Public Act 97-767 apply on and after July 1, 2003, but no claim for credit or refund is allowed on or after August 16, 2013 (the effective date of Public Act 98-456) for such taxes paid during the period beginning July 1, 2003 and ending on August 16, 2013 (the effective date of Public Act 98-456).

(22) Until June 30, 2013, fuel and petroleum products sold to or used by an air carrier, certified by the carrier to be used for consumption, shipment, or storage in the conduct of its business as an air common carrier, for a flight destined for or returning from a location or locations outside the United States without regard to previous or subsequent domestic stopovers.

Beginning July 1, 2013, fuel and petroleum products sold to or used by an air carrier, certified by the carrier to be used for consumption, shipment, or storage in the conduct of its business as an air common carrier, for a

flight that (i) is engaged in foreign trade or is engaged in trade between the United States and any of its possessions and (ii) transports at least one individual or package for hire from the city of origination to the city of final destination on the same aircraft, without regard to a change in the flight number of that aircraft.

(23) A transaction in which the purchase order is received by a florist who is located outside Illinois, but who has a florist located in Illinois deliver the property to the purchaser or the purchaser's donee in Illinois.

(24) Fuel consumed or used in the operation of ships, barges, or vessels that are used primarily in or for the transportation of property or the conveyance of persons for hire on rivers bordering on this State if the fuel is delivered by the seller to the purchaser's barge, ship, or vessel while it is afloat upon that bordering river.

(25) Except as provided in items (25-5) and (25-6) of this Section, a motor vehicle sold in this State to a nonresident even though the motor vehicle is delivered to the nonresident in this State, if the motor vehicle is not to be titled in this State, and if a drive-away permit is issued to the motor vehicle as provided in Section 3-603 of the Illinois Vehicle Code or if the nonresident purchaser has vehicle registration plates to transfer to the motor vehicle upon returning to his or her home state. The issuance of the drive-away permit or having the

out-of-state registration plates to be transferred is prima facie evidence that the motor vehicle will not be titled in this State.

(25-5) The exemption under item (25) does not apply if the state in which the motor vehicle will be titled does not allow a reciprocal exemption for a motor vehicle sold and delivered in that state to an Illinois resident but titled in Illinois. The tax collected under this Act on the sale of a motor vehicle in this State to a resident of another state that does not allow a reciprocal exemption shall be imposed at a rate equal to the state's rate of tax on taxable property in the state in which the purchaser is a resident, except that the tax shall not exceed the tax that would otherwise be imposed under this Act. At the time of the sale, the purchaser shall execute a statement, signed under penalty of perjury, of his or her intent to title the vehicle in the state in which the purchaser is a resident within 30 days after the sale and of the fact of the payment to the State of Illinois of tax in an amount equivalent to the state's rate of tax on taxable property in his or her state of residence and shall submit the statement to the appropriate tax collection agency in his or her state of residence. In addition, the retailer must retain a signed copy of the statement in his or her records. Nothing in this item shall be construed to require the removal of the vehicle from this state

following the filing of an intent to title the vehicle in the purchaser's state of residence if the purchaser titles the vehicle in his or her state of residence within 30 days after the date of sale. The tax collected under this Act in accordance with this item (25-5) shall be proportionately distributed as if the tax were collected at the 6.25% general rate imposed under this Act.

(25-6) There is a rebuttable presumption that the exemption under item (25) does not apply if the purchaser is a limited liability company and a member of the limited liability company is a resident of Illinois. This presumption may be rebutted by other evidence, such as evidence the motor vehicle is insured at a garaging or storage address outside Illinois or other evidence of the physical address at which the motor vehicle will be permanently stored or garaged outside Illinois.

(25-7) Beginning on July 1, 2007, no tax is imposed under this Act on the sale of an aircraft, as defined in Section 3 of the Illinois Aeronautics Act, if all of the following conditions are met:

(1) the aircraft leaves this State within 15 days after the later of either the issuance of the final billing for the sale of the aircraft, or the authorized approval for return to service, completion of the maintenance record entry, and completion of the test flight and ground test for inspection, as

required by 14 CFR 91.407;

(2) the aircraft is not based or registered in this State after the sale of the aircraft; and

(3) the seller retains in his or her books and records and provides to the Department a signed and dated certification from the purchaser, on a form prescribed by the Department, certifying that the requirements of this item (25-7) are met. The certificate must also include the name and address of the purchaser, the address of the location where the aircraft is to be titled or registered, the address of the primary physical location of the aircraft, and other information that the Department may reasonably require.

For purposes of this item (25-7):

"Based in this State" means hangared, stored, or otherwise used, excluding post-sale customizations as defined in this Section, for 10 or more days in each 12-month period immediately following the date of the sale of the aircraft.

"Registered in this State" means an aircraft registered with the Department of Transportation, Aeronautics Division, or titled or registered with the Federal Aviation Administration to an address located in this State.

This paragraph (25-7) is exempt from the provisions of

Section 2-70.

(26) Semen used for artificial insemination of livestock for direct agricultural production.

(27) Horses, or interests in horses, registered with and meeting the requirements of any of the Arabian Horse Club Registry of America, Appaloosa Horse Club, American Quarter Horse Association, United States Trotting Association, or Jockey Club, as appropriate, used for purposes of breeding or racing for prizes. This item (27) is exempt from the provisions of Section 2-70, and the exemption provided for under this item (27) applies for all periods beginning May 30, 1995, but no claim for credit or refund is allowed on or after January 1, 2008 (the effective date of Public Act 95-88) for such taxes paid during the period beginning May 30, 2000 and ending on January 1, 2008 (the effective date of Public Act 95-88).

(28) Computers and communications equipment utilized for any hospital purpose and equipment used in the diagnosis, analysis, or treatment of hospital patients sold to a lessor who leases the equipment, under a lease of one year or longer executed or in effect at the time of the purchase, to a hospital that has been issued an active tax exemption identification number by the Department under Section 1g of this Act.

(29) Personal property sold to a lessor who leases the

property, under a lease of one year or longer executed or in effect at the time of the purchase, to a governmental body that has been issued an active tax exemption identification number by the Department under Section 1g of this Act.

(30) Beginning with taxable years ending on or after December 31, 1995 and ending with taxable years ending on or before December 31, 2004, personal property that is donated for disaster relief to be used in a State or federally declared disaster area in Illinois or bordering Illinois by a manufacturer or retailer that is registered in this State to a corporation, society, association, foundation, or institution that has been issued a sales tax exemption identification number by the Department that assists victims of the disaster who reside within the declared disaster area.

(31) Beginning with taxable years ending on or after December 31, 1995 and ending with taxable years ending on or before December 31, 2004, personal property that is used in the performance of infrastructure repairs in this State, including, but not limited to, municipal roads and streets, access roads, bridges, sidewalks, waste disposal systems, water and sewer line extensions, water distribution and purification facilities, storm water drainage and retention facilities, and sewage treatment facilities, resulting from a State or federally declared

disaster in Illinois or bordering Illinois when such repairs are initiated on facilities located in the declared disaster area within 6 months after the disaster.

(32) Beginning July 1, 1999, game or game birds sold at a "game breeding and hunting preserve area" as that term is used in the Wildlife Code. This paragraph is exempt from the provisions of Section 2-70.

(33) A motor vehicle, as that term is defined in Section 1-146 of the Illinois Vehicle Code, that is donated to a corporation, limited liability company, society, association, foundation, or institution that is determined by the Department to be organized and operated exclusively for educational purposes. For purposes of this exemption, "a corporation, limited liability company, society, association, foundation, or institution organized and operated exclusively for educational purposes" means all tax-supported public schools, private schools that offer systematic instruction in useful branches of learning by methods common to public schools and that compare favorably in their scope and intensity with the course of study presented in tax-supported schools, and vocational or technical schools or institutes organized and operated exclusively to provide a course of study of not less than 6 weeks duration and designed to prepare individuals to follow a trade or to pursue a manual, technical, mechanical, industrial, business, or commercial

occupation.

(34) Beginning January 1, 2000, personal property, including food, purchased through fundraising events for the benefit of a public or private elementary or secondary school, a group of those schools, or one or more school districts if the events are sponsored by an entity recognized by the school district that consists primarily of volunteers and includes parents and teachers of the school children. This paragraph does not apply to fundraising events (i) for the benefit of private home instruction or (ii) for which the fundraising entity purchases the personal property sold at the events from another individual or entity that sold the property for the purpose of resale by the fundraising entity and that profits from the sale to the fundraising entity. This paragraph is exempt from the provisions of Section 2-70.

(35) Beginning January 1, 2000 and through December 31, 2001, new or used automatic vending machines that prepare and serve hot food and beverages, including coffee, soup, and other items, and replacement parts for these machines. Beginning January 1, 2002 and through June 30, 2003, machines and parts for machines used in commercial, coin-operated amusement and vending business if a use or occupation tax is paid on the gross receipts derived from the use of the commercial, coin-operated amusement and vending machines. This paragraph is exempt

from the provisions of Section 2-70.

(35-5) Beginning August 23, 2001 and through June 30, 2016, food for human consumption that is to be consumed off the premises where it is sold (other than alcoholic beverages, soft drinks, and food that has been prepared for immediate consumption) and prescription and nonprescription medicines, drugs, medical appliances, and insulin, urine testing materials, syringes, and needles used by diabetics, for human use, when purchased for use by a person receiving medical assistance under Article V of the Illinois Public Aid Code who resides in a licensed long-term care facility, as defined in the Nursing Home Care Act, or a licensed facility as defined in the ID/DD Community Care Act, the MC/DD Act, or the Specialized Mental Health Rehabilitation Act of 2013.

(36) Beginning August 2, 2001, computers and communications equipment utilized for any hospital purpose and equipment used in the diagnosis, analysis, or treatment of hospital patients sold to a lessor who leases the equipment, under a lease of one year or longer executed or in effect at the time of the purchase, to a hospital that has been issued an active tax exemption identification number by the Department under Section 1g of this Act. This paragraph is exempt from the provisions of Section 2-70.

(37) Beginning August 2, 2001, personal property sold

to a lessor who leases the property, under a lease of one year or longer executed or in effect at the time of the purchase, to a governmental body that has been issued an active tax exemption identification number by the Department under Section 1g of this Act. This paragraph is exempt from the provisions of Section 2-70.

(38) Beginning on January 1, 2002 and through June 30, 2016, tangible personal property purchased from an Illinois retailer by a taxpayer engaged in centralized purchasing activities in Illinois who will, upon receipt of the property in Illinois, temporarily store the property in Illinois (i) for the purpose of subsequently transporting it outside this State for use or consumption thereafter solely outside this State or (ii) for the purpose of being processed, fabricated, or manufactured into, attached to, or incorporated into other tangible personal property to be transported outside this State and thereafter used or consumed solely outside this State. The Director of Revenue shall, pursuant to rules adopted in accordance with the Illinois Administrative Procedure Act, issue a permit to any taxpayer in good standing with the Department who is eligible for the exemption under this paragraph (38). The permit issued under this paragraph (38) shall authorize the holder, to the extent and in the manner specified in the rules adopted under this Act, to purchase tangible personal property from a retailer exempt

from the taxes imposed by this Act. Taxpayers shall maintain all necessary books and records to substantiate the use and consumption of all such tangible personal property outside of the State of Illinois.

(39) Beginning January 1, 2008, tangible personal property used in the construction or maintenance of a community water supply, as defined under Section 3.145 of the Environmental Protection Act, that is operated by a not-for-profit corporation that holds a valid water supply permit issued under Title IV of the Environmental Protection Act. This paragraph is exempt from the provisions of Section 2-70.

(40) Beginning January 1, 2010 and continuing through December 31, 2029, materials, parts, equipment, components, and furnishings incorporated into or upon an aircraft as part of the modification, refurbishment, completion, replacement, repair, or maintenance of the aircraft. This exemption includes consumable supplies used in the modification, refurbishment, completion, replacement, repair, and maintenance of aircraft. However, until January 1, 2024, this exemption excludes any materials, parts, equipment, components, and consumable supplies used in the modification, replacement, repair, and maintenance of aircraft engines or power plants, whether such engines or power plants are installed or uninstalled upon any such aircraft. "Consumable supplies"

include, but are not limited to, adhesive, tape, sandpaper, general purpose lubricants, cleaning solution, latex gloves, and protective films.

Beginning January 1, 2010 and continuing through December 31, 2023, this exemption applies only to the sale of qualifying tangible personal property to persons who modify, refurbish, complete, replace, or maintain an aircraft and who (i) hold an Air Agency Certificate and are empowered to operate an approved repair station by the Federal Aviation Administration, (ii) have a Class IV Rating, and (iii) conduct operations in accordance with Part 145 of the Federal Aviation Regulations. The exemption does not include aircraft operated by a commercial air carrier providing scheduled passenger air service pursuant to authority issued under Part 121 or Part 129 of the Federal Aviation Regulations. From January 1, 2024 through December 31, 2029, this exemption applies only to the sale of qualifying tangible personal property to: (A) persons who modify, refurbish, complete, repair, replace, or maintain aircraft and who (i) hold an Air Agency Certificate and are empowered to operate an approved repair station by the Federal Aviation Administration, (ii) have a Class IV Rating, and (iii) conduct operations in accordance with Part 145 of the Federal Aviation Regulations; and (B) persons who engage in the modification, replacement, repair, and maintenance

of aircraft engines or power plants without regard to whether or not those persons meet the qualifications of item (A).

The changes made to this paragraph (40) by Public Act 98-534 are declarative of existing law. It is the intent of the General Assembly that the exemption under this paragraph (40) applies continuously from January 1, 2010 through December 31, 2024; however, no claim for credit or refund is allowed for taxes paid as a result of the disallowance of this exemption on or after January 1, 2015 and prior to February 5, 2020 (the effective date of Public Act 101-629).

(41) Tangible personal property sold to a public-facilities corporation, as described in Section 11-65-10 of the Illinois Municipal Code, for purposes of constructing or furnishing a municipal convention hall, but only if the legal title to the municipal convention hall is transferred to the municipality without any further consideration by or on behalf of the municipality at the time of the completion of the municipal convention hall or upon the retirement or redemption of any bonds or other debt instruments issued by the public-facilities corporation in connection with the development of the municipal convention hall. This exemption includes existing public-facilities corporations as provided in Section 11-65-25 of the Illinois Municipal Code. This

paragraph is exempt from the provisions of Section 2-70.

(42) Beginning January 1, 2017 and through December 31, 2026, menstrual pads, tampons, and menstrual cups.

(43) Merchandise that is subject to the Rental Purchase Agreement Occupation and Use Tax. The purchaser must certify that the item is purchased to be rented subject to a rental-purchase agreement, as defined in the Rental-Purchase Agreement Act, and provide proof of registration under the Rental Purchase Agreement Occupation and Use Tax Act. This paragraph is exempt from the provisions of Section 2-70.

(44) Qualified tangible personal property used in the construction or operation of a data center that has been granted a certificate of exemption by the Department of Commerce and Economic Opportunity, whether that tangible personal property is purchased by the owner, operator, or tenant of the data center or by a contractor or subcontractor of the owner, operator, or tenant. Data centers that would have qualified for a certificate of exemption prior to January 1, 2020 had Public Act 101-31 been in effect, may apply for and obtain an exemption for subsequent purchases of computer equipment or enabling software purchased or leased to upgrade, supplement, or replace computer equipment or enabling software purchased or leased in the original investment that would have qualified.

The Department of Commerce and Economic Opportunity shall grant a certificate of exemption under this item (44) to qualified data centers as defined by Section 605-1025 of the Department of Commerce and Economic Opportunity Law of the Civil Administrative Code of Illinois.

For the purposes of this item (44):

"Data center" means a building or a series of buildings rehabilitated or constructed to house working servers in one physical location or multiple sites within the State of Illinois.

"Qualified tangible personal property" means: electrical systems and equipment; climate control and chilling equipment and systems; mechanical systems and equipment; monitoring and secure systems; emergency generators; hardware; computers; servers; data storage devices; network connectivity equipment; racks; cabinets; telecommunications cabling infrastructure; raised floor systems; peripheral components or systems; software; mechanical, electrical, or plumbing systems; battery systems; cooling systems and towers; temperature control systems; other cabling; and other data center infrastructure equipment and systems necessary to operate qualified tangible personal property, including fixtures; and component parts of any of the foregoing, including installation,

maintenance, repair, refurbishment, and replacement of qualified tangible personal property to generate, transform, transmit, distribute, or manage electricity necessary to operate qualified tangible personal property; and all other tangible personal property that is essential to the operations of a computer data center. The term "qualified tangible personal property" also includes building materials physically incorporated into the qualifying data center. To document the exemption allowed under this Section, the retailer must obtain from the purchaser a copy of the certificate of eligibility issued by the Department of Commerce and Economic Opportunity.

This item (44) is exempt from the provisions of Section 2-70.

(45) Beginning January 1, 2020 and through December 31, 2020, sales of tangible personal property made by a marketplace seller over a marketplace for which tax is due under this Act but for which use tax has been collected and remitted to the Department by a marketplace facilitator under Section 2d of the Use Tax Act are exempt from tax under this Act. A marketplace seller claiming this exemption shall maintain books and records demonstrating that the use tax on such sales has been collected and remitted by a marketplace facilitator. Marketplace sellers that have properly remitted tax under this Act on such

sales may file a claim for credit as provided in Section 6 of this Act. No claim is allowed, however, for such taxes for which a credit or refund has been issued to the marketplace facilitator under the Use Tax Act, or for which the marketplace facilitator has filed a claim for credit or refund under the Use Tax Act.

(46) Beginning July 1, 2022, breast pumps, breast pump collection and storage supplies, and breast pump kits. This item (46) is exempt from the provisions of Section 2-70. As used in this item (46):

"Breast pump" means an electrically controlled or manually controlled pump device designed or marketed to be used to express milk from a human breast during lactation, including the pump device and any battery, AC adapter, or other power supply unit that is used to power the pump device and is packaged and sold with the pump device at the time of sale.

"Breast pump collection and storage supplies" means items of tangible personal property designed or marketed to be used in conjunction with a breast pump to collect milk expressed from a human breast and to store collected milk until it is ready for consumption.

"Breast pump collection and storage supplies" includes, but is not limited to: breast shields and breast shield connectors; breast pump tubes and tubing adapters; breast pump valves and membranes; backflow protectors and

backflow protector adaptors; bottles and bottle caps specific to the operation of the breast pump; and breast milk storage bags.

"Breast pump collection and storage supplies" does not include: (1) bottles and bottle caps not specific to the operation of the breast pump; (2) breast pump travel bags and other similar carrying accessories, including ice packs, labels, and other similar products; (3) breast pump cleaning supplies; (4) nursing bras, bra pads, breast shells, and other similar products; and (5) creams, ointments, and other similar products that relieve breastfeeding-related symptoms or conditions of the breasts or nipples, unless sold as part of a breast pump kit that is pre-packaged by the breast pump manufacturer or distributor.

"Breast pump kit" means a kit that: (1) contains no more than a breast pump, breast pump collection and storage supplies, a rechargeable battery for operating the breast pump, a breastmilk cooler, bottle stands, ice packs, and a breast pump carrying case; and (2) is pre-packaged as a breast pump kit by the breast pump manufacturer or distributor.

(47) Tangible personal property sold by or on behalf of the State Treasurer pursuant to the Revised Uniform Unclaimed Property Act. This item (47) is exempt from the provisions of Section 2-70.

(48) Beginning on January 1, 2024, tangible personal property purchased by an active duty member of the armed forces of the United States who presents valid military identification and purchases the property using a form of payment where the federal government is the payor. The member of the armed forces must complete, at the point of sale, a form prescribed by the Department of Revenue documenting that the transaction is eligible for the exemption under this paragraph. Retailers must keep the form as documentation of the exemption in their records for a period of not less than 6 years. "Armed forces of the United States" means the United States Army, Navy, Air Force, Space Force, Marine Corps, or Coast Guard. This paragraph is exempt from the provisions of Section 2-70.

(49) Beginning July 1, 2024, home-delivered meals provided to Medicare or Medicaid recipients when payment is made by an intermediary, such as a Medicare Administrative Contractor, a Managed Care Organization, or a Medicare Advantage Organization, pursuant to a government contract. This paragraph (49) is exempt from the provisions of Section 2-70.

(50) Beginning on January 1, 2026, as further defined in Section 2-10, food for human consumption that is to be consumed off the premises where it is sold (other than alcoholic beverages, food consisting of or infused with adult use cannabis, soft drinks, candy, ~~and~~ food that has

been prepared for immediate consumption, and, beginning on the effective date of this amendatory Act of the 104th General Assembly, food that is a CBD product as defined in the CBD Consumer Products Act). This item (50) is exempt from the provisions of Section 2-70.

(51) Gross receipts from the lease of the following tangible personal property:

(1) computer software transferred subject to a license that meets the following requirements:

(A) it is evidenced by a written agreement signed by the licensor and the customer;

(i) an electronic agreement in which the customer accepts the license by means of an electronic signature that is verifiable and can be authenticated and is attached to or made part of the license will comply with this requirement;

(ii) a license agreement in which the customer electronically accepts the terms by clicking "I agree" does not comply with this requirement;

(B) it restricts the customer's duplication and use of the software;

(C) it prohibits the customer from licensing, sublicensing, or transferring the software to a third party (except to a related party) without

the permission and continued control of the licensor;

(D) the licensor has a policy of providing another copy at minimal or no charge if the customer loses or damages the software, or of permitting the licensee to make and keep an archival copy, and such policy is either stated in the license agreement, supported by the licensor's books and records, or supported by a notarized statement made under penalties of perjury by the licensor; and

(E) the customer must destroy or return all copies of the software to the licensor at the end of the license period; this provision is deemed to be met, in the case of a perpetual license, without being set forth in the license agreement; and

(2) property that is subject to a tax on lease receipts imposed by a home rule unit of local government if the ordinance imposing that tax was adopted prior to January 1, 2023.

(Source: P.A. 103-9, Article 5, Section 5-20, eff. 6-7-23; 103-9, Article 15, Section 15-20, eff. 6-7-23; 103-154, eff. 6-30-23; 103-384, eff. 1-1-24; 103-592, eff. 1-1-25; 103-605, eff. 7-1-24; 103-643, eff. 7-1-24; 103-746, eff. 1-1-25; 103-781, eff. 8-5-24; 103-995, eff. 8-9-24; 104-6, eff.

6-16-25; 104-417, eff. 8-15-25.)

(35 ILCS 120/11) (from Ch. 120, par. 450)

Sec. 11. All information received by the Department from returns filed under this Act, or from any investigation conducted under this Act, shall be confidential, except for official purposes, and any person, including a third party as defined in the Local Government Revenue Recapture Act, who divulges any such information in any manner, except in accordance with a proper judicial order or as otherwise provided by law, including the Local Government Revenue Recapture Act, shall be guilty of a Class B misdemeanor with a fine not to exceed $7,500.

Nothing in this Act prevents the Director of Revenue from publishing or making available to the public the names and addresses of persons filing returns under this Act, or reasonable statistics concerning the operation of the tax by grouping the contents of returns so the information in any individual return is not disclosed.

Nothing in this Act prevents the Director of Revenue from divulging to the United States Government or the government of any other state, or any officer or agency thereof, for exclusively official purposes, information received by the Department in administering this Act, provided that such other governmental agency agrees to divulge requested tax information to the Department.

The Department's furnishing of information derived from a taxpayer's return or from an investigation conducted under this Act to the surety on a taxpayer's bond that has been furnished to the Department under this Act, either to provide notice to such surety of its potential liability under the bond or, in order to support the Department's demand for payment from such surety under the bond, is an official purpose within the meaning of this Section.

The furnishing upon request of information obtained by the Department from returns filed under this Act or investigations conducted under this Act to the Illinois Liquor Control Commission for official use is deemed to be an official purpose within the meaning of this Section.

Notice to a surety of potential liability shall not be given unless the taxpayer has first been notified, not less than 10 days prior thereto, of the Department's intent to so notify the surety.

The furnishing upon request of the Auditor General, or his authorized agents, for official use, of returns filed and information related thereto under this Act is deemed to be an official purpose within the meaning of this Section.

Where an appeal or a protest has been filed on behalf of a taxpayer, the furnishing upon request of the attorney for the taxpayer of returns filed by the taxpayer and information related thereto under this Act is deemed to be an official purpose within the meaning of this Section.

The furnishing of financial information to a municipality or county, upon request of the chief executive officer thereof, is an official purpose within the meaning of this Section, provided the municipality or county agrees in writing to the requirements of this Section. Information provided to municipalities and counties under this paragraph shall be limited to: (1) the business name; (2) the business address; (3) the standard classification number assigned to the business; (4) net revenue distributed to the requesting municipality or county that is directly related to the requesting municipality's or county's local share of the proceeds under the Use Tax Act, the Service Use Tax Act, the Service Occupation Tax Act, and the Retailers' Occupation Tax Act distributed from the Local Government Tax Fund, and, if applicable, any locally imposed retailers' occupation tax or service occupation tax; and (5) a listing of all businesses within the requesting municipality or county by account identification number and address. On and after July 1, 2015, the furnishing of financial information to municipalities and counties under this paragraph may be by electronic means. If the Department may furnish financial information to a municipality or county under this paragraph, then the chief executive officer of the municipality or county may, in turn, provide that financial information to a third party pursuant to the Local Government Revenue Recapture Act. However, the third party shall agree in writing to the requirements of this

Section and meet the requirements of the Local Government Revenue Recapture Act.

Information so provided shall be subject to all confidentiality provisions of this Section. The written agreement shall provide for reciprocity, limitations on access, disclosure, and procedures for requesting information. For the purposes of furnishing financial information to a municipality or county under this Section, "chief executive officer" means the mayor of a city, the village board president of a village, the mayor or president of an incorporated town, the county executive of a county that has adopted the county executive form of government, the president of the board of commissioners of Cook County, or the chairperson of the county board or board of county commissioners of any other county.

The Department may make available to the Board of Trustees of any Metro East Mass Transit District information contained on transaction reporting returns required to be filed under Section 3 of this Act that report sales made within the boundary of the taxing authority of that Metro East Mass Transit District, as provided in Section 5.01 of the Local Mass Transit District Act. The disclosure shall be made pursuant to a written agreement between the Department and the Board of Trustees of a Metro East Mass Transit District, which is an official purpose within the meaning of this Section. The written agreement between the Department and the Board of

Trustees of a Metro East Mass Transit District shall provide for reciprocity, limitations on access, disclosure, and procedures for requesting information. Information so provided shall be subject to all confidentiality provisions of this Section.

The Director may make available to any State agency, including the Illinois Supreme Court, which licenses persons to engage in any occupation, information that a person licensed by such agency has failed to file returns under this Act or pay the tax, penalty and interest shown therein, or has failed to pay any final assessment of tax, penalty or interest due under this Act. The Director may make available to any State agency, including the Illinois Supreme Court, information regarding whether a bidder, contractor, or an affiliate of a bidder or contractor has failed to collect and remit Illinois Use tax on sales into Illinois, or any tax under this Act or pay the tax, penalty, and interest shown therein, or has failed to pay any final assessment of tax, penalty, or interest due under this Act, for the limited purpose of enforcing bidder and contractor certifications. The Director may make available to units of local government and school districts that require bidder and contractor certifications, as set forth in Sections 50-11 and 50-12 of the Illinois Procurement Code, information regarding whether a bidder, contractor, or an affiliate of a bidder or contractor has failed to collect and remit Illinois Use tax on sales into

Illinois, file returns under this Act, or pay the tax, penalty, and interest shown therein, or has failed to pay any final assessment of tax, penalty, or interest due under this Act, for the limited purpose of enforcing bidder and contractor certifications. For purposes of this Section, the term "affiliate" means any entity that (1) directly, indirectly, or constructively controls another entity, (2) is directly, indirectly, or constructively controlled by another entity, or (3) is subject to the control of a common entity. For purposes of this Section, an entity controls another entity if it owns, directly or individually, more than 10% of the voting securities of that entity. As used in this Section, the term "voting security" means a security that (1) confers upon the holder the right to vote for the election of members of the board of directors or similar governing body of the business or (2) is convertible into, or entitles the holder to receive upon its exercise, a security that confers such a right to vote. A general partnership interest is a voting security.

The Director may make available to any State agency, including the Illinois Supreme Court, units of local government, and school districts, information regarding whether a bidder or contractor is an affiliate of a person who is not collecting and remitting Illinois Use taxes for the limited purpose of enforcing bidder and contractor certifications.

The Director may also make available to the Secretary of State information that a limited liability company, which has filed articles of organization with the Secretary of State, or corporation which has been issued a certificate of incorporation by the Secretary of State has failed to file returns under this Act or pay the tax, penalty and interest shown therein, or has failed to pay any final assessment of tax, penalty or interest due under this Act. An assessment is final when all proceedings in court for review of such assessment have terminated or the time for the taking thereof has expired without such proceedings being instituted.

It is an official purpose within the meaning of this Section for the Department to publicly report the aggregate amount of tax revenues from a given tax return type that the Department allocates from a State fund or State trust fund to each unit of local government, such as the amount of the monthly allocation to each unit of local government of Municipal Cannabis Retailers' Occupation Tax, County Cannabis Retailers' Occupation Tax, or Business District Occupation Tax, notwithstanding that some units of local government may have as few as one retailer reporting revenues for a given tax return type in any given reporting period.

The Director shall make available for public inspection in the Department's principal office and for publication, at cost, administrative decisions issued on or after January 1, 1995. These decisions are to be made available in a manner so

that the following taxpayer information is not disclosed:

(1) The names, addresses, and identification numbers of the taxpayer, related entities, and employees.

(2) At the sole discretion of the Director, trade secrets or other confidential information identified as such by the taxpayer, no later than 30 days after receipt of an administrative decision, by such means as the Department shall provide by rule.

The Director shall determine the appropriate extent of the deletions allowed in paragraph (2). In the event the taxpayer does not submit deletions, the Director shall make only the deletions specified in paragraph (1).

The Director shall make available for public inspection and publication an administrative decision within 180 days after the issuance of the administrative decision. The term "administrative decision" has the same meaning as defined in Section 3-101 of Article III of the Code of Civil Procedure. Costs collected under this Section shall be paid into the Tax Compliance and Administration Fund.

Nothing contained in this Act shall prevent the Director from divulging information to any person pursuant to a request or authorization made by the taxpayer or by an authorized representative of the taxpayer.

The furnishing of information obtained by the Department from returns filed under Public Act 101-10 to the Department of Transportation for purposes of compliance with Public Act

101-10 regarding aviation fuel is deemed to be an official purpose within the meaning of this Section.

The Director may make information available to the Secretary of State for the purpose of administering Section 5-901 of the Illinois Vehicle Code.

(Source: P.A. 101-10, eff. 6-5-19; 101-628, eff. 6-1-20; 102-558, eff. 8-20-21; 102-941, eff. 7-1-22.)

Section 80. The Counties Code is amended by changing Section 5-1009 as follows:

(55 ILCS 5/5-1009) (from Ch. 34, par. 5-1009)

Sec. 5-1009. Limitation on home rule powers. Except as provided in Sections 5-1006, 5-1006.5, 5-1006.8, 5-1006.9, 5-1007, and 5-1008, on and after September 1, 1990, no home rule county has the authority to impose, pursuant to its home rule authority, a retailers' occupation tax, service occupation tax, use tax, sales tax, or other tax on the use, sale, or purchase of tangible personal property based on the gross receipts from such sales or the selling or purchase price of said tangible personal property. Notwithstanding the foregoing, this Section does not preempt any home rule imposed tax such as the following: (1) a tax on alcoholic beverages, whether based on gross receipts, volume sold, or any other measurement; (2) a tax based on the number of units of cigarettes or tobacco products; (3) a tax, however measured,

based on the use of a hotel or motel room or similar facility; (4) a tax, however measured, on the sale or transfer of real property; (5) a tax, however measured, on lease receipts; (6) a tax on food prepared for immediate consumption and on alcoholic beverages sold by a business which provides for on premise consumption of said food or alcoholic beverages; or (7) other taxes not based on the selling or purchase price or gross receipts from the use, sale, or purchase of tangible personal property (other than a tax on cannabis in any of its forms, which is prohibited except as otherwise provided in this Section). This Section does not preempt a home rule county from imposing a tax, however measured, on the use, for consideration, of a parking lot, garage, or other parking facility.

On and after December 1, 2019, no home rule county has the authority to impose, pursuant to its home rule authority, a tax, however measured, on sales of aviation fuel, as defined in Section 3 of the Retailers' Occupation Tax Act, unless the tax revenue is expended for airport-related purposes. For purposes of this Section, "airport-related purposes" has the meaning ascribed in Section 6z-20.2 of the State Finance Act. Aviation fuel shall be excluded from tax only for so long as the revenue use requirements of 49 U.S.C. 47017(b) and 49 U.S.C. 47133 are binding on the county.

This Section is a limitation, pursuant to subsection (g) of Section 6 of Article VII of the Illinois Constitution, on

the power of home rule units to tax. The changes made to this Section by Public Act 101-10 are a denial and limitation of home rule powers and functions under subsection (g) of Section 6 of Article VII of the Illinois Constitution.

(Source: P.A. 103-781, eff. 8-5-24; 104-417, eff. 8-15-25.)

Section 85. The Illinois Municipal Code is amended by changing Section 8-11-6a as follows:

(65 ILCS 5/8-11-6a) (from Ch. 24, par. 8-11-6a)

Sec. 8-11-6a. Home rule municipalities; preemption of certain taxes. Except as provided in Sections 8-11-1, 8-11-5, 8-11-6, 8-11-6b, 8-11-6c, 8-11-23, 8-11-24, and 11-74.3-6 on and after September 1, 1990, no home rule municipality has the authority to impose, pursuant to its home rule authority, a retailer's occupation tax, service occupation tax, use tax, sales tax or other tax on the use, sale or purchase of tangible personal property based on the gross receipts from such sales or the selling or purchase price of said tangible personal property. Notwithstanding the foregoing, this Section does not preempt any home rule imposed tax such as the following: (1) a tax on alcoholic beverages, whether based on gross receipts, volume sold or any other measurement; (2) a tax based on the number of units of cigarettes or tobacco products (provided, however, that a home rule municipality that has not imposed a tax based on the number of units of cigarettes or tobacco

products before July 1, 1993, shall not impose such a tax after that date); (3) a tax, however measured, based on the use of a hotel or motel room or similar facility; (4) a tax, however measured, on the sale or transfer of real property; (5) a tax, however measured, on lease receipts; (6) a tax on food prepared for immediate consumption and on alcoholic beverages sold by a business which provides for on premise consumption of said food or alcoholic beverages; or (7) other taxes not based on the selling or purchase price or gross receipts from the use, sale or purchase of tangible personal property (other than a tax on cannabis in any of its forms, which is prohibited except as otherwise provided in this Section). This Section does not preempt a home rule municipality with a population of more than 2,000,000 from imposing a tax, however measured, on the use, for consideration, of a parking lot, garage, or other parking facility. This Section is not intended to affect any existing tax on food and beverages prepared for immediate consumption on the premises where the sale occurs, or any existing tax on alcoholic beverages, or any existing tax imposed on the charge for renting a hotel or motel room, which was in effect January 15, 1988, or any extension of the effective date of such an existing tax by ordinance of the municipality imposing the tax, which extension is hereby authorized, in any non-home rule municipality in which the imposition of such a tax has been upheld by judicial determination, nor is this Section intended to preempt the

authority granted by Public Act 85-1006. On and after December 1, 2019, no home rule municipality has the authority to impose, pursuant to its home rule authority, a tax, however measured, on sales of aviation fuel, as defined in Section 3 of the Retailers' Occupation Tax Act, unless the tax is not subject to the revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133, or unless the tax revenue is expended for airport-related purposes. For purposes of this Section, "airport-related purposes" has the meaning ascribed in Section 6z-20.2 of the State Finance Act. Aviation fuel shall be excluded from tax only if, and for so long as, the revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the municipality. This Section is a limitation, pursuant to subsection (g) of Section 6 of Article VII of the Illinois Constitution, on the power of home rule units to tax. The changes made to this Section by Public Act 101-10 are a denial and limitation of home rule powers and functions under subsection (g) of Section 6 of Article VII of the Illinois Constitution.

(Source: P.A. 103-781, eff. 8-5-24.)

Section 90. The Compassionate Use of Medical Cannabis Program Act is amended by changing Sections 7, 7-15, 10, 15, 25, 30, 35, 57, 60, 62, 70, 75, 85, 100, 105, 115, 120, 130, 145, 150, 173, 195, 200, and 210 as follows:

(410 ILCS 130/7)

Sec. 7. Lawful user and lawful products. For the purposes of this Act and to clarify the legislative findings on the lawful use of cannabis:

(1) A cardholder under this Act shall not be considered an unlawful user or addicted to narcotics solely as a result of his or her qualifying patient, provisional patient, ~~or~~ designated caregiver, or Opioid Alternative Patient Program participant status.

(2) All medical cannabis products purchased by a qualifying patient, provisional patient, designated caregiver, or Opioid Alternative Patient Program participant at a licensed dispensing organization shall be lawful products ~~and a distinction shall be made between medical and non-medical uses of cannabis as a result of the qualifying patient's cardholder status, provisional registration for qualifying patient cardholder status, or participation in the Opioid Alternative Pilot Program under the authorized use granted under State law~~.

(3) An individual with a provisional registration for qualifying patient cardholder status, a qualifying patient in the Compassionate Use of Medical Cannabis Program, or an Opioid Alternative Patient ~~Pilot~~ Program participant under Section 62 shall not be considered an unlawful user or addicted to narcotics solely as a result of his or her application to or participation in the program.

(Source: P.A. 100-1114, eff. 8-28-18; 101-363, eff. 8-9-19.)

(410 ILCS 130/10)

Sec. 10. Definitions. The following terms, as used in this Act, shall have the meanings set forth in this Section:

(a) "Adequate medical supply" means:

(1) 2.5 ounces of usable cannabis during a period of 14 days and that is derived solely from an intrastate source.

(2) Subject to the rules of the Department of Public Health, a patient may apply for a waiver where a certifying health care professional provides a substantial medical basis in a signed, written statement asserting that, based on the patient's medical history, in the certifying health care professional's professional judgment, 2.5 ounces is an insufficient adequate medical supply for a 14-day period to properly alleviate the patient's debilitating medical condition or symptoms associated with the debilitating medical condition.

(3) This subsection may not be construed to authorize the possession of more than 2.5 ounces at any time without authority from the Department of Public Health.

(4) The pre-mixed weight of medical cannabis used in making a cannabis-infused ~~cannabis infused~~ product shall apply toward the limit on the total amount of medical cannabis a registered qualifying patient may possess at

any one time.

(a-5) "Advanced practice registered nurse" means a person who is licensed under the Nurse Practice Act as an advanced practice registered nurse and has a controlled substances license under Article III of the Illinois Controlled Substances Act.

(b) "Cannabis" has the same meaning given to that term in Section 1-10 ~~3~~ of the Cannabis Regulation and Tax ~~Control~~ Act.

(c) "Cannabis plant monitoring system" means a system that includes, but is not limited to, testing and data collection established and maintained by the registered cultivation center and available to the Department for the purposes of documenting each cannabis plant and for monitoring plant development throughout the life cycle of a cannabis plant cultivated for the intended use by a qualifying patient from seed planting to final packaging.

(d) "Cardholder" means a qualifying patient, provisional patient, or a designated caregiver who has been issued and possesses a valid registry identification card by the Department of Public Health.

(d-5) "Certifying health care professional" means a physician, an advanced practice registered nurse, or a physician assistant.

(e) "Cultivation center" means a facility operated by an organization or business that is registered by the Department of Agriculture to perform necessary activities to provide only

registered medical cannabis dispensing organizations with usable medical cannabis.

(f) "Cultivation center agent" means a principal officer, board member, employee, or agent of a registered cultivation center who is 21 years of age or older ~~and has not been convicted of an excluded offense~~.

(g) "Cultivation center agent identification card" means a document issued by the Department of Agriculture that identifies a person as a cultivation center agent.

(h) "Debilitating medical condition" means one or more of the following:

(1) cancer, glaucoma, positive status for human immunodeficiency virus, acquired immune deficiency syndrome, hepatitis C, amyotrophic lateral sclerosis, Crohn's disease (including, but not limited to, ulcerative colitis), agitation of Alzheimer's disease, cachexia/wasting syndrome, muscular dystrophy, ~~severe~~ fibromyalgia, spinal cord disease, including but not limited to arachnoiditis, Tarlov cysts, hydromyelia, syringomyelia, Rheumatoid arthritis, fibrous dysplasia, spinal cord injury, traumatic brain injury and post-concussion syndrome, Multiple Sclerosis, Arnold-Chiari malformation and Syringomyelia, Spinocerebellar Ataxia (SCA), Parkinson's, Tourette's, Myoclonus, Dystonia, Reflex Sympathetic Dystrophy, RSD (Complex Regional Pain Syndromes Type I), Causalgia, CRPS

(Complex Regional Pain Syndromes Type II), Neurofibromatosis, Chronic Inflammatory Demyelinating Polyneuropathy, Sjogren's syndrome, Lupus, Interstitial Cystitis, Myasthenia Gravis, Hydrocephalus, nail-patella syndrome, residual limb pain, seizures (including those characteristic of epilepsy), post-traumatic stress disorder (PTSD), autism, chronic pain, irritable bowel syndrome, migraines, osteoarthritis, anorexia nervosa, Ehlers-Danlos Syndrome, Neuro-Behcet's Autoimmune Disease, neuropathy, polycystic kidney disease, superior canal dehiscence syndrome, endometriosis, ovarian cysts, uterine fibroids, female orgasmic disorder, or the treatment of these conditions;

(1.5) terminal illness with a diagnosis of 6 months or less; if the terminal illness is not one of the qualifying debilitating medical conditions, then the certifying health care professional shall on the certification form identify the cause of the terminal illness; or

(2) any other debilitating medical condition or its treatment that is added by the Department of Public Health by rule as provided in Section 45.

(i) "Designated caregiver" means a person who: (1) is at least 21 years of age; (2) has agreed to assist with a patient's medical use of cannabis; ~~(3) has not been convicted of an excluded offense;~~ and (3) ~~(4)~~ assists no more than one registered qualifying patient with the patient's ~~his or her~~

medical use of cannabis, except the parent or guardian of a registered qualifying patient may assist each of their children who are registered qualifying patients.

(j) "Dispensing organization agent identification card" means a document issued by the Department of Financial and Professional Regulation that identifies a person as a ~~medical cannabis~~ dispensing organization agent.

(k) "Enclosed, locked facility" means a room, greenhouse, building, or other enclosed area equipped with locks or other security devices that permit access only by a cultivation center's agents or a dispensing organization's agent working for the registered cultivation center or the registered dispensing organization to cultivate, store, and distribute cannabis for registered qualifying patients.

(l) (Blank). ~~"Excluded offense" for cultivation center agents and dispensing organizations means:~~

~~(1) a violent crime defined in Section 3 of the Rights of Crime Victims and Witnesses Act or a substantially similar offense that was classified as a felony in the jurisdiction where the person was convicted; or~~

~~(2) a violation of a state or federal controlled substance law, the Cannabis Control Act, or the Methamphetamine Control and Community Protection Act that was classified as a felony in the jurisdiction where the person was convicted, except that the registering Department may waive this restriction if the person~~

~~demonstrates to the registering Department's satisfaction that his or her conviction was for the possession, cultivation, transfer, or delivery of a reasonable amount of cannabis intended for medical use. This exception does not apply if the conviction was under state law and involved a violation of an existing medical cannabis law.~~

~~For purposes of this subsection, the Department of Public Health shall determine by emergency rule within 30 days after the effective date of this amendatory Act of the 99th General Assembly what constitutes a "reasonable amount".~~

~~(l-5) (Blank).~~

(l-10) "Illinois Cannabis Tracking System" means a web-based system established and maintained by the Department of Public Health that is available to the Department of Agriculture, the Department of Financial and Professional Regulation, the Illinois State Police, and registered medical cannabis dispensing organizations on a 24-hour basis to upload written certifications for Opioid Alternative Patient ~~Pilot~~ Program participants, to verify Opioid Alternative Patient ~~Pilot~~ Program participants, to verify Opioid Alternative Patient ~~Pilot~~ Program participants' available cannabis allotment ~~and assigned dispensary,~~ and the tracking of the date of sale, amount, and price of medical cannabis purchased by an Opioid Alternative Patient ~~Pilot~~ Program participant.

(m) "Medical cannabis cultivation center registration" means a registration issued by the Department of Agriculture.

(n) "Medical cannabis container" means a sealed, traceable, food compliant, tamper resistant, tamper evident container, or package used for the purpose of containment of medical cannabis from a cultivation center to a dispensing organization.

(o) "Dispensing organization" or "dispensary" ~~Medical cannabis dispensing organization", or "dispensing organization", or "dispensary organization"~~ means a facility operated by an organization or business that is registered by the Department of Financial and Professional Regulation to acquire ~~medical~~ cannabis from a registered cultivation center for the purpose of dispensing cannabis, paraphernalia, or related supplies and educational materials to registered qualifying patients, individuals with a provisional registration for qualifying patient cardholder status, or an Opioid Alternative Patient ~~Pilot~~ Program participants, or, if also licensed under the Cannabis Regulation and Tax Act, purchasers over the age of 21 ~~participant~~.

(p) "Dispensing ~~Medical cannabis dispensing~~ organization agent" ~~or "dispensing organization agent"~~ means a principal officer, board member, employee, or agent of a registered medical cannabis dispensing organization who is 21 years of age or older ~~and has not been convicted of an excluded offense~~.

(q) "Medical cannabis infused product" means food, oils, ointments, or other products containing usable cannabis that are not smoked.

(r) "Medical use" means the acquisition; administration; delivery; possession; transfer; transportation; or use of cannabis to treat or alleviate a registered qualifying patient's debilitating medical condition or symptoms associated with the patient's debilitating medical condition.

(r-5) "Opioid" means a narcotic drug or substance that is a Schedule II controlled substance under paragraph (1), (2), (3), or (5) of subsection (b) or under subsection (c) of Section 206 of the Illinois Controlled Substances Act.

(r-10) "Opioid Alternative Patient ~~Pilot~~ Program participant" means an individual who has received a valid written certification to participate in the Opioid Alternative Patient ~~Pilot~~ Program for a medical condition for which an opioid has been or could be prescribed by a certifying health care professional based on generally accepted standards of care.

(s) "Physician" means a doctor of medicine or doctor of osteopathy licensed under the Medical Practice Act of 1987 to practice medicine and who has a controlled substances license under Article III of the Illinois Controlled Substances Act. It does not include a licensed practitioner under any other Act including but not limited to the Illinois Dental Practice Act.

(s-1) "Physician assistant" means a physician assistant licensed under the Physician Assistant Practice Act of 1987 and who has a controlled substances license under Article III

of the Illinois Controlled Substances Act.

(s-2) "Provisional patient" means a qualifying patient who has received a provisional registration from the Department of Public Health.

(s-5) "Provisional registration" means a document issued by the Department of Public Health to a qualifying patient who has submitted: (1) an online application and paid a fee to participate in Compassionate Use of Medical Cannabis Program pending approval or denial of the patient's application; or (2) a completed application for terminal illness.

(t) "Qualifying patient" or "registered qualifying patient" means a person who has been diagnosed by a certifying health care professional as having a debilitating medical condition.

(u) "Registered" means licensed, permitted, or otherwise certified by the Department of Agriculture, Department of Public Health, or Department of Financial and Professional Regulation.

(v) "Registry identification card" means a document issued by the Department of Public Health that identifies a person as a registered qualifying patient, provisional patient, or registered designated caregiver.

(w) "Usable cannabis" means the seeds, leaves, buds, and flowers of the cannabis plant and any mixture or preparation thereof, but does not include the stalks, and roots of the plant. It does not include the weight of any non-cannabis

ingredients combined with cannabis, such as ingredients added to prepare a topical administration, food, or drink.

(x) "Verification system" means a Web-based system established and maintained by the Department of Public Health that is available to the Department of Agriculture, the Department of Financial and Professional Regulation, law enforcement personnel, and registered medical cannabis dispensing organization agents on a 24-hour basis for the verification of registry identification cards, the tracking of delivery of medical cannabis to medical cannabis dispensing organizations, and the tracking of the date of sale, amount, and price of medical cannabis purchased by a registered qualifying patient.

(y) "Written certification" means a document dated and signed by a certifying health care professional, stating (1) that the qualifying patient has a debilitating medical condition and specifying the debilitating medical condition the qualifying patient has; and (2) that (A) the certifying health care professional is treating or managing treatment of the patient's debilitating medical condition; or (B) an Opioid Alternative Patient ~~Pilot~~ Program participant has a medical condition for which opioids have been or could be prescribed. A written certification shall be made only in the course of a bona fide health care professional-patient relationship, after the certifying health care professional has completed an assessment of either a qualifying patient's medical history or

Opioid Alternative Patient ~~Pilot~~ Program participant, reviewed relevant records related to the patient's debilitating condition, and conducted a physical examination.

(z) "Bona fide health care professional-patient relationship" means a relationship ~~established at a hospital, certifying health care professional's office, or other health care facility~~ in which the certifying health care professional has an ongoing responsibility for the assessment, care, and treatment of a patient's debilitating medical condition or a symptom of the patient's debilitating medical condition.

A veteran who has received treatment at a VA hospital shall be deemed to have a bona fide health care professional-patient relationship with a VA certifying health care professional if the patient has been seen for his or her debilitating medical condition at the VA Hospital in accordance with VA Hospital protocols.

A bona fide health care professional-patient relationship under this subsection is a privileged communication within the meaning of Section 8-802 of the Code of Civil Procedure.

(Source: P.A. 100-1114, eff. 8-28-18; 101-363, eff. 8-9-19.)

(410 ILCS 130/15)

Sec. 15. Authority.

(a) It is the duty of the Department of Public Health to enforce the following provisions of this Act unless otherwise provided for by this Act:

(1) establish and maintain a confidential registry of qualifying patients authorized to engage in the medical use of cannabis and their caregivers;

(2) distribute educational materials about the health benefits and risks associated with the use of cannabis and prescription medications;

(3) adopt rules to administer the patient and caregiver registration program; and

(4) adopt rules establishing food handling requirements for cannabis-infused products that are prepared for human consumption.

(b) It is the duty of the Department of Agriculture to enforce the provisions of this Act relating to the registration and oversight of cultivation centers unless otherwise provided for in this Act.

(c) It is the duty of the Department of Financial and Professional Regulation to enforce the provisions of this Act relating to the registration and oversight of dispensing organizations unless otherwise provided for in this Act.

(d) The Department of Public Health, the Department of Agriculture, or the Department of Financial and Professional Regulation shall enter into intergovernmental agreements, as necessary, to carry out the provisions of this Act including, but not limited to, the provisions relating to the registration and oversight of cultivation centers, dispensing organizations, and qualifying patients and caregivers.

Beginning January 1, 2027, the Department of Public Health may enter into intergovernmental agreements, as necessary, to carry out the provisions of this Act, including, but not limited to, the provisions relating to registered qualifying patients, designated caregivers, provisional patients, and Opioid Alternative Patient Program participants.

(e) The Department of Public Health, the Department of Agriculture, or the Department of Financial and Professional Regulation may suspend, revoke, or impose other penalties upon a registration for violations of this Act and any rules adopted in accordance thereto. The suspension or revocation of, or imposition of any other penalty upon, a registration is a final Agency action, subject to judicial review. Jurisdiction and venue for judicial review are vested in the Circuit Court.

(Source: P.A. 98-122, eff. 1-1-14; 98-1172, eff. 1-12-15; 99-519, eff. 6-30-16.)

(410 ILCS 130/25)

Sec. 25. Immunities and presumptions related to the medical use of cannabis.

(a) A registered qualifying patient is not subject to arrest, prosecution, or denial of any right or privilege, including, but not limited to, civil penalty or disciplinary action by an occupational or professional licensing board, for the medical use of cannabis in accordance with this Act, if the

registered qualifying patient possesses an amount of cannabis that does not exceed an adequate medical supply as defined in subsection (a) of Section 10 of this Act of usable cannabis and, where the registered qualifying patient is a licensed professional, the use of cannabis does not impair that licensed professional when he or she is engaged in the practice of the profession for which he or she is licensed.

(b) A registered designated caregiver is not subject to arrest, prosecution, or denial of any right or privilege, including, but not limited to, civil penalty or disciplinary action by an occupational or professional licensing board, for acting in accordance with this Act to assist a registered qualifying patient to whom he or she is connected through the Department's registration process with the medical use of cannabis if the designated caregiver possesses an amount of cannabis that does not exceed an adequate medical supply as defined in subsection (a) of Section 10 of this Act of usable cannabis. A school nurse or school administrator is not subject to arrest, prosecution, or denial of any right or privilege, including, but not limited to, a civil penalty, for acting in accordance with Section 22-33 of the School Code relating to administering or assisting a student in self-administering a medical cannabis infused product. The total amount possessed between the qualifying patient and caregiver shall not exceed the patient's adequate supply as defined in subsection (a) of Section 10 of this Act.

(c) A registered qualifying patient, ~~or~~ registered designated caregiver, or Opioid Alternative Patient Program participant is not subject to arrest, prosecution, or denial of any right or privilege, including, but not limited to, civil penalty or disciplinary action by an occupational or professional licensing board for possession of cannabis that is incidental to medical use, but is not usable cannabis as defined in this Act.

(d)(1) There is a rebuttable presumption that a registered qualifying patient is engaged in, or a designated caregiver is assisting with, the medical use of cannabis in accordance with this Act if the qualifying patient or designated caregiver:

(A) is in possession of a valid registry identification card; and

(B) is in possession of an amount of cannabis that does not exceed the amount allowed under subsection (a) of Section 10.

(2) The presumption may be rebutted by evidence that conduct related to cannabis was not for the purpose of treating or alleviating the qualifying patient's debilitating medical condition or symptoms associated with the debilitating medical condition in compliance with this Act.

(e) A certifying health care professional is not subject to arrest, prosecution, or penalty in any manner, or denial of any right or privilege, including, but not limited to, civil penalty or disciplinary action by the Medical Disciplinary

Board or by any other occupational or professional licensing board, solely for providing written certifications or for otherwise stating that, in the certifying health care professional's professional opinion, a patient is likely to receive therapeutic or palliative benefit from the medical use of cannabis to treat or alleviate the patient's debilitating medical condition or symptoms associated with the debilitating medical condition, provided that nothing shall prevent a professional licensing or disciplinary board from sanctioning a certifying health care professional for: (1) issuing a written certification to a patient who is not under the certifying health care professional's care for a debilitating medical condition; or (2) failing to properly evaluate a patient's medical condition or otherwise violating the standard of care for evaluating medical conditions.

(f) No person may be subject to arrest, prosecution, or denial of any right or privilege, including, but not limited to, civil penalty or disciplinary action by an occupational or professional licensing board, solely for: (1) selling cannabis paraphernalia to a cardholder upon presentation of an unexpired registry identification card in the recipient's name or Opioid Alternative Patient Program participant upon verification of certification, if employed and registered as a dispensing agent by a registered dispensing organization; (2) being in the presence or vicinity of the medical use of cannabis as allowed under this Act; or (3) assisting a

registered qualifying patient with the act of administering cannabis.

(g) A registered cultivation center is not subject to prosecution; search or inspection, except by the Department of Agriculture, Department of Public Health, or State or local law enforcement under Section 130; seizure; or penalty in any manner, or denial of any right or privilege, including, but not limited to, civil penalty or disciplinary action by a business licensing board or entity, for acting under this Act and Department of Agriculture rules to: acquire, possess, cultivate, manufacture, deliver, transfer, transport, supply, or sell cannabis to registered dispensing organizations.

(h) A registered cultivation center agent is not subject to prosecution, search, or penalty in any manner, or denial of any right or privilege, including, but not limited to, civil penalty or disciplinary action by a business licensing board or entity, for working or volunteering for a registered cannabis cultivation center under this Act and Department of Agriculture rules, including to perform the actions listed under subsection (g).

(i) A registered dispensing organization is not subject to prosecution; search or inspection, except by the Department of Financial and Professional Regulation or State or local law enforcement pursuant to Section 130; seizure; or penalty in any manner, or denial of any right or privilege, including, but not limited to, civil penalty or disciplinary action by a

business licensing board or entity, for acting under this Act and Department of Financial and Professional Regulation rules to: acquire, possess, or dispense cannabis, or related supplies, and educational materials to registered qualifying patients or registered designated caregivers on behalf of registered qualifying patients.

(j) A registered dispensing organization agent is not subject to prosecution, search, or penalty in any manner, or denial of any right or privilege, including, but not limited to, civil penalty or disciplinary action by a business licensing board or entity, for working or volunteering for a dispensing organization under this Act and Department of Financial and Professional Regulation rules, including to perform the actions listed under subsection (i).

(k) Any cannabis, cannabis paraphernalia, illegal property, or interest in legal property that is possessed, owned, or used in connection with the medical use of cannabis as allowed under this Act, or acts incidental to that use, may not be seized or forfeited. This Act does not prevent the seizure or forfeiture of cannabis exceeding the amounts allowed under this Act or the Cannabis Regulation and Tax Act, nor shall it prevent seizure or forfeiture if the basis for the action is unrelated to the cannabis that is possessed, manufactured, transferred, or used under this Act or the Cannabis Regulation and Tax Act.

(l) Mere possession of, or application for, a registry

identification card or registration certificate does not constitute probable cause or reasonable suspicion, nor shall it be used as the sole basis to support the search of the person, property, or home of the person possessing or applying for the registry identification card. The possession of, or application for, a registry identification card does not preclude the existence of probable cause if probable cause exists on other grounds.

(m) Nothing in this Act shall preclude local or State law enforcement agencies from searching a registered cultivation center where there is probable cause to believe that the criminal laws of this State have been violated and the search is conducted in conformity with the Illinois Constitution, the Constitution of the United States, and all State statutes.

(n) Nothing in this Act shall preclude local or State law enforcement agencies from searching a registered dispensing organization where there is probable cause to believe that the criminal laws of this State have been violated and the search is conducted in conformity with the Illinois Constitution, the Constitution of the United States, and all State statutes.

(o) No individual employed by the State of Illinois shall be subject to criminal or civil penalties for taking any action in accordance with the provisions of this Act, when the actions are within the scope of his or her employment. Representation and indemnification of State employees shall be provided to State employees as set forth in Section 2 of the

State Employee Indemnification Act.

(p) No law enforcement or correctional agency, nor any individual employed by a law enforcement or correctional agency, shall be subject to criminal or civil liability, except for willful and wanton misconduct, as a result of taking any action within the scope of the official duties of the agency or individual to prohibit or prevent the possession or use of cannabis by a cardholder or Opioid Alternative Patient Program participant incarcerated at a correctional facility, jail, or municipal lockup facility, on parole or mandatory supervised release, or otherwise under the lawful jurisdiction of the agency or individual.

(Source: P.A. 101-363, eff. 8-19-19; 101-370, eff. 1-1-20; 102-558, eff. 8-20-21.)

(410 ILCS 130/30)

Sec. 30. Limitations and penalties.

(a) This Act does not permit any person to engage in, and does not prevent the imposition of any civil, criminal, or other penalties for engaging in, the following conduct:

(1) Undertaking any task under the influence of cannabis, when doing so would constitute negligence, professional malpractice, or professional misconduct;

(2) Possessing cannabis:

(A) except as provided under Section 22-33 of the School Code, in a school bus;

(B) except as provided under Section 22-33 of the School Code, on the grounds of any preschool or primary or secondary school;

(C) in any correctional facility;

(D) in a vehicle under Section 11-502.1 of the Illinois Vehicle Code;

(E) in a vehicle not open to the public unless the medical cannabis is in a reasonably secured, sealed container and reasonably inaccessible while the vehicle is moving; or

(F) in a private residence that is used at any time to provide licensed child care or other similar social service care on the premises;

(3) Using cannabis:

(A) except as provided under Section 22-33 of the School Code, in a school bus;

(B) except as provided under Section 22-33 of the School Code, on the grounds of any preschool or primary or secondary school;

(C) in any correctional facility;

(D) in any motor vehicle;

(E) in a private residence that is used at any time to provide licensed child care or other similar social service care on the premises;

(F) except as provided under Section 22-33 of the School Code and Section 31 of this Act, in any public

place. "Public place" as used in this subsection means any place where an individual could reasonably be expected to be observed by others. A "public place" includes all parts of buildings owned in whole or in part, or leased, by the State or a local unit of government. A "public place" does not include a private residence unless the private residence is used to provide licensed child care, foster care, or other similar social service care on the premises. For purposes of this subsection, a "public place" does not include a health care facility. For purposes of this Section, a "health care facility" includes, but is not limited to, hospitals, nursing homes, hospice care centers, and long-term care facilities;

(G) except as provided under Section 22-33 of the School Code and Section 31 of this Act, knowingly in close physical proximity to anyone under the age of 18 years of age;

(4) Smoking medical cannabis in any public place where an individual could reasonably be expected to be observed by others, in a health care facility, or any other place where smoking is prohibited under the Smoke Free Illinois Act;

(5) Operating, navigating, or being in actual physical control of any motor vehicle, aircraft, or motorboat while using or under the influence of cannabis in violation of

Sections 11-501 and 11-502.1 of the Illinois Vehicle Code;

(6) Using or possessing cannabis if that person does not have a debilitating medical condition and is not a registered qualifying patient or caregiver;

(7) Allowing any person who is not allowed to use cannabis under this Act to use cannabis that a cardholder is allowed to possess under this Act;

(8) Transferring cannabis to any person contrary to the provisions of this Act;

(9) The use of medical cannabis by an active duty law enforcement officer, correctional officer, correctional probation officer, or firefighter; or

(10) The use of medical cannabis by a person who has a school bus permit or a Commercial Driver's License.

(b) Nothing in this Act shall be construed to prevent the arrest or prosecution of a registered qualifying patient for reckless driving or driving under the influence of cannabis where probable cause exists.

(c) Notwithstanding any other criminal penalties related to the unlawful possession of cannabis, knowingly making a misrepresentation to a law enforcement official of any fact or circumstance relating to the medical use of cannabis to avoid arrest or prosecution is a petty offense punishable by a fine of up to $1,000, which shall be in addition to any other penalties that may apply for making a false statement or for the use of cannabis other than use undertaken under this Act.

(d) Notwithstanding any other criminal penalties related to the unlawful possession of cannabis, any person who makes a misrepresentation of a medical condition to a certifying health care professional or fraudulently provides material misinformation to a certifying health care professional in order to obtain a written certification is guilty of a petty offense punishable by a fine of up to $1,000.

(e) Any registered qualifying patient, provisional patient, designated ~~cardholder or registered~~ caregiver, or Opioid Alternative Patient Program participant who sells cannabis shall have his or her registry identification card revoked and is subject to other penalties for the unauthorized sale of cannabis.

(f) Any registered qualifying patient, provisional patient, or Opioid Alternative Patient Program participant who commits a violation of Section 11-502.1 of the Illinois Vehicle Code or refuses a properly requested test related to operating a motor vehicle while under the influence of cannabis shall have his or her registry identification card revoked.

(g) No registered qualifying patient, provisional patient, ~~or~~ designated caregiver, or Opioid Alternative Patient Program participant shall knowingly obtain, seek to obtain, or possess, individually or collectively, an amount of usable cannabis from a registered medical cannabis dispensing organization that would cause him or her to exceed the

authorized adequate medical supply under subsection (a) of Section 10.

(h) Nothing in this Act shall prevent a private business from restricting or prohibiting the medical use of cannabis on its property.

(i) Nothing in this Act shall prevent a university, college, or other institution of post-secondary education from restricting or prohibiting the use of medical cannabis on its property.

(Source: P.A. 101-363, eff. 8-9-19; 102-67, eff. 7-9-21.)

(410 ILCS 130/35)

Sec. 35. Certifying health care professional requirements.

(a) A certifying health care professional who certifies a debilitating medical condition for a qualifying patient shall comply with all of the following requirements:

(1) The certifying health care professional shall be currently licensed under the Medical Practice Act of 1987 to practice medicine in all its branches, the Nurse Practice Act, or the Physician Assistant Practice Act of 1987, shall be in good standing, and must hold a controlled substances license under Article III of the Illinois Controlled Substances Act.

(2) A certifying health care professional certifying a patient's condition shall comply with generally accepted standards of medical practice, the provisions of the Act

under which he or she is licensed and all applicable rules.

(3) The physical examination required by this Act may ~~not~~ be performed by remote means, including telemedicine.

(4) The certifying health care professional shall maintain a record-keeping system for all patients for whom the certifying health care professional has certified the patient's medical condition. These records shall be accessible to and subject to review by the Department of Public Health and the Department of Financial and Professional Regulation upon request.

(b) A certifying health care professional may not:

(1) accept, solicit, or offer any form of remuneration from or to a qualifying patient, provisional patient, designated ~~primary~~ caregiver, Opioid Alternative Patient Program participant, cultivation center, or dispensing organization, including each principal officer, board member, agent, and employee, to certify a patient, other than accepting payment from a patient for the fee associated with the required examination, except for the limited purpose of performing a medical cannabis-related research study;

(1.5) accept, solicit, or offer any form of remuneration from or to a medical cannabis cultivation center or dispensary organization for the purposes of referring a patient to a specific dispensary organization;

(1.10) engage in any activity that is prohibited under Section 22.2 of the Medical Practice Act of 1987, regardless of whether the certifying health care professional is a physician, advanced practice registered nurse, or physician assistant;

(2) offer a discount of any other item of value to a qualifying patient, provisional patient, designated caregiver, or Opioid Alternative Patient Program participant who uses or agrees to use a particular designated ~~primary~~ caregiver or dispensing organization to obtain medical cannabis;

(3) conduct a personal certifying ~~physical~~ examination of a patient for purposes of diagnosing a debilitating medical condition at a location where medical cannabis is sold or distributed or at the address of a principal officer, agent, or employee or a medical cannabis organization;

(4) hold a direct or indirect economic interest in a cultivation center or dispensing organization if he or she recommends the use of medical cannabis to qualified patients or is in a partnership or other fee or profit-sharing relationship with a certifying health care professional who recommends medical cannabis, except for the limited purpose of performing a medical cannabis-related research study;

(5) serve on the board of directors or as an employee

of a cultivation center or dispensing organization;

(6) refer patients to a cultivation center, a dispensing organization, or a registered designated caregiver; or

(7) advertise in a cultivation center or a dispensing organization.

(c) The Department of Public Health may with reasonable cause refer a certifying health care professional, who has certified a debilitating medical condition of a patient, to the Illinois Department of Financial and Professional Regulation for potential violations of this Section.

(d) Any violation of this Section or any other provision of this Act or rules adopted under this Act is a violation of the certifying health care professional's licensure act.

(e) A certifying health care professional who certifies a debilitating medical condition for a qualifying patient may notify the Department of Public Health in writing: (1) if the certifying health care professional has reason to believe either that the registered qualifying patient has ceased to suffer from a debilitating medical condition; (2) that the bona fide health care professional-patient relationship has terminated; or (3) that continued use of medical cannabis would result in contraindication with the patient's other medication. The registered qualifying patient's registry identification card shall be revoked by the Department of Public Health after receiving the certifying health care

professional's notification.

(f) Nothing in this Act shall preclude a certifying health care professional from referring a patient for health services, except when the referral is limited to certification purposes only, under this Act.

(Source: P.A. 101-363, eff. 8-9-19; 102-558, eff. 8-20-21.)

(410 ILCS 130/57)

Sec. 57. Designated caregivers ~~Qualifying patients~~.

(a) Qualifying patients or provisional patients that are under the age of 18 years shall not be prohibited from appointing up to 3 designated caregivers who meet the definition of "designated caregiver" under Section 10 so long as at least one designated caregiver is a biological parent or legal guardian.

(b) Qualifying patients and provisional patients that are 18 years of age or older shall not be prohibited from appointing up to 3 designated caregivers who meet the definition of "designated caregiver" under Section 10.

(c) Beginning on the effective date of this amendatory Act of the 104th General Assembly, designated caregivers, qualifying patients, provisional patients, and Opioid Alternative Patient Program participants registered under this Act may purchase an adequate medical supply at any dispensing organization licensed by the Department of Financial and Professional Regulation.

(Source: P.A. 101-363, eff. 8-9-19.)

(410 ILCS 130/60)

Sec. 60. Issuance of registry identification cards.

(a) Except as provided in subsection (b), the Department of Public Health shall:

(1) verify the information contained in an application or renewal for a registry identification card submitted under this Act, and approve or deny an application or renewal, within 90 days of receiving a completed application or renewal application and all supporting documentation specified in Section 55;

(2) issue registry identification cards to a qualifying patient and his or her designated caregiver, if any, within 15 business days of approving the application or renewal; and

~~(3) enter the registry identification number of the registered dispensing organization the patient designates into the verification system; and~~

(3) ~~(4)~~ allow for an electronic application process, and provide a confirmation by electronic or other methods that an application has been submitted.

Notwithstanding any other provision of this Act, the Department of Public Health shall adopt rules for qualifying patients and applicants with life-long debilitating medical conditions, who may be charged annual renewal fees. The

Department of Public Health shall not require patients and applicants with life-long debilitating medical conditions to apply to renew registry identification cards.

(b) The Department of Public Health may not issue a registry identification card to a qualifying patient who is under 18 years of age, unless that patient suffers from seizures, including those characteristic of epilepsy, or as provided by administrative rule. The Department of Public Health shall adopt rules for the issuance of a registry identification card for qualifying patients who are under 18 years of age and suffering from seizures, including those characteristic of epilepsy. The Department of Public Health may adopt rules to allow other individuals under 18 years of age to become registered qualifying patients under this Act with the consent of a parent or legal guardian. Registered qualifying patients under 18 years of age shall be prohibited from consuming forms of cannabis other than medical cannabis infused products and purchasing any usable cannabis.

(c) A veteran who has received treatment at a VA hospital is deemed to have a bona fide health care professional-patient relationship with a VA certifying health care professional if the patient has been seen for his or her debilitating medical condition at the VA hospital in accordance with VA hospital protocols. All reasonable inferences regarding the existence of a bona fide health care professional-patient relationship shall be drawn in favor of an applicant who is a veteran and

has undergone treatment at a VA hospital.

(c-10) An individual who submits an application as someone who is terminally ill shall have all fees waived. The Department of Public Health shall within 30 days after this amendatory Act of the 99th General Assembly adopt emergency rules to expedite approval for terminally ill individuals. These rules shall include, but not be limited to, rules that provide that applications by individuals with terminal illnesses shall be approved or denied within 14 days of their submission.

(d) No later than 6 months after the effective date of this amendatory Act of the 101st General Assembly, the Secretary of State shall remove all existing notations on driving records that the person is a registered qualifying patient or his or her caregiver under this Act.

(e) Upon the approval of the registration and issuance of a registry card under this Section, the Department of Public Health shall electronically forward the registered qualifying patient's identification card information to the Prescription Monitoring Program established under the Illinois Controlled Substances Act and certify that the individual is permitted to engage in the medical use of cannabis. For the purposes of patient care, the Prescription Monitoring Program shall make a notation on the person's prescription record stating that the person is a registered qualifying patient who is entitled to the lawful medical use of cannabis. If the person no longer

holds a valid registry card, the Department of Public Health shall notify the Prescription Monitoring Program and Department of Human Services to remove the notation from the person's record. The Department of Human Services and the Prescription Monitoring Program shall establish a system by which the information may be shared electronically. ~~This confidential list may not be combined or linked in any manner with any other list or database except as provided in this Section.~~

(f) (Blank).

(g) The confidential list described under this Section may not be combined or linked in any manner with any other list or database, except as provided in this Section or to support the statutory purpose of the Adult Use Cannabis Health Advisory Committee, the statutory purpose of the Medical Cannabis Advisory Board, the Department of Public Health, or the Department of Human Services, or to support other medical research into the effects of medical cannabis, so long as the data are readily available, the requesting organization has standing as a research institution, the research is approved by the Department's Institutional Review Board, and the research is compliant with data governance, privacy, and other requirements as determined by the Department. All research must protect and maintain the anonymity of medical cannabis patients and shall include only data related to patients who submitted initial applications after the effective date of

this amendatory Act of the 104th General Assembly.

(Source: P.A. 100-1114, eff. 8-28-18; 101-363, eff. 8-9-19; 101-593, eff. 12-4-19.)

(410 ILCS 130/62)

Sec. 62. Opioid Alternative Patient ~~Pilot~~ Program.

(a) The Department of Public Health shall establish the Opioid Alternative Patient ~~Pilot~~ Program. Licensed dispensing organizations shall allow persons with a written certification from a certifying health care professional under Section 36 to purchase medical cannabis upon enrollment in the Opioid Alternative Patient ~~Pilot~~ Program. The Department of Public Health shall adopt rules or establish procedures allowing qualified veterans to participate in the Opioid Alternative Patient ~~Pilot~~ Program. For a person to receive medical cannabis under this Section, the person must present the written certification along with a valid driver's license or state identification card to the licensed dispensing organization specified in his or her application. The dispensing organization shall verify the person's status as an Opioid Alternative Patient ~~Pilot~~ Program participant through the Department of Public Health's online verification system.

(b) The Opioid Alternative Patient ~~Pilot~~ Program shall be limited to participation by Illinois residents age 21 and older.

(c) The Department of Financial and Professional

Regulation shall specify that all licensed dispensing organizations participating in the Opioid Alternative Patient ~~Pilot~~ Program use the Illinois Cannabis Tracking System. The Department of Public Health shall establish and maintain the Illinois Cannabis Tracking System. The Illinois Cannabis Tracking System shall be used to collect information about all persons participating in the Opioid Alternative Patient ~~Pilot~~ Program and shall be used to track the sale of medical cannabis for verification purposes.

Each dispensing organization shall retain a copy of the Opioid Alternative Patient ~~Pilot~~ Program certification and other identifying information as required by the Department of Financial and Professional Regulation, the Department of Public Health, and the Illinois State Police in the Illinois Cannabis Tracking System.

The Illinois Cannabis Tracking System shall be accessible to the Department of Financial and Professional Regulation, Department of Public Health, Department of Agriculture, and the Illinois State Police.

The Department of Financial and Professional Regulation in collaboration with the Department of Public Health shall specify the data requirements for the Opioid Alternative Patient ~~Pilot~~ Program by licensed dispensing organizations; including, but not limited to, the participant's full legal name, address, and date of birth, date on which the Opioid Alternative Patient ~~Pilot~~ Program certification was issued,

length of the participation in the Program, including the start and end date to purchase medical cannabis, name of the issuing physician, copy of the participant's current driver's license or State identification card, and phone number.

The Illinois Cannabis Tracking System shall provide verification of a person's participation in the Opioid Alternative Patient ~~Pilot~~ Program for law enforcement at any time and on any day.

(d) The certification for Opioid Alternative Patient ~~Pilot~~ Program participant must be issued by a certifying health care professional who is licensed to practice in Illinois under the Medical Practice Act of 1987, the Nurse Practice Act, or the Physician Assistant Practice Act of 1987 and who is in good standing and holds a controlled substances license under Article III of the Illinois Controlled Substances Act.

The certification for an Opioid Alternative Patient ~~Pilot~~ Program participant shall be written within 90 days before the participant submits his or her certification to the dispensing organization.

The written certification uploaded to the Illinois Cannabis Tracking System shall be accessible to the Department of Public Health.

(e) Upon verification of the individual's valid certification and enrollment in the Illinois Cannabis Tracking System, the dispensing organization may dispense the medical cannabis, in amounts not exceeding 2.5 ounces of medical

cannabis per 14-day period to the participant at the participant's specified dispensary for no more than 90 days.

An Opioid Alternative Patient ~~Pilot~~ Program participant shall not be registered as a medical cannabis cardholder. The dispensing organization shall verify that the person is not an active registered qualifying patient prior to enrollment in the Opioid Alternative Patient ~~Pilot~~ Program and each time medical cannabis is dispensed.

Upon receipt of a written certification under the Opioid Alternative Patient ~~Pilot~~ Program, the Department of Public Health shall electronically forward the patient's identification information to the Prescription Monitoring Program established under the Illinois Controlled Substances Act and certify that the individual is permitted to engage in the medical use of cannabis. For the purposes of patient care, the Prescription Monitoring Program shall make a notation on the person's prescription record stating that the person has a written certification under the Opioid Alternative Patient ~~Pilot~~ Program and is a patient who is entitled to the lawful medical use of cannabis. If the person is no longer authorized to engage in the medical use of cannabis, the Department of Public Health shall notify the Prescription Monitoring Program and Department of Human Services to remove the notation from the person's record. The Department of Human Services and the Prescription Monitoring Program shall establish a system by which the information may be shared electronically. This

confidential list may not be combined or linked in any manner with any other list or database except as provided in this Section.

(e-5) The confidential list described under this Section may not be combined or linked in any manner with any other list or database, except as provided in this Section or to support the statutory purpose of the Adult Use Cannabis Health Advisory Committee, the statutory purpose of the Medical Cannabis Advisory Board, the Department of Public Health, or the Department of Human Services, or other medical research into the effects of medical cannabis, so long as the data are readily available, the requesting organization has standing as a research institution, the research is approved by the Department's Institutional Review Board, and the research is compliant with data governance, privacy, and other requirements as determined by the Department. All research must protect and maintain the anonymity of medical cannabis patients and shall include only data related to patients who submitted initial applications after the effective date of this amendatory Act of the 104th General Assembly.

(f) An Opioid Alternative Patient ~~Pilot~~ Program participant shall not be considered a qualifying patient with a debilitating medical condition under this Act and shall be provided access to medical cannabis solely for the duration of the participant's certification. Nothing in this Section shall be construed to limit or prohibit an Opioid Alternative

Patient ~~Pilot~~ Program participant who has a debilitating medical condition from applying to the Compassionate Use of Medical Cannabis Program.

(g) A person with a provisional registration under Section 55 shall not be considered an Opioid Alternative Patient ~~Pilot~~ Program participant.

(h) (Blank). ~~The Department of Financial and Professional Regulation and the Department of Public Health shall submit emergency rulemaking to implement the changes made by this amendatory Act of the 100th General Assembly by December 1, 2018. The Department of Financial and Professional Regulation, the Department of Agriculture, the Department of Human Services, the Department of Public Health, and the Illinois State Police shall utilize emergency purchase authority for 12 months after the effective date of this amendatory Act of the 100th General Assembly for the purpose of implementing the changes made by this amendatory Act of the 100th General Assembly.~~

(i) Dispensing organizations are not authorized to dispense medical cannabis to Opioid Alternative Patient ~~Pilot~~ Program participants until administrative rules are approved by the Joint Committee on Administrative Rules and go into effect.

(j) (Blank). ~~The provisions of this Section are inoperative on and after July 1, 2025.~~

(Source: P.A. 101-363, eff. 8-9-19; 102-16, eff. 6-17-21.)

(410 ILCS 130/70)

Sec. 70. Registry identification cards.

(a) A registered qualifying patient or designated caregiver must keep their registry identification card in his or her possession at all times when engaging in the medical use of cannabis.

(b) Registry identification cards shall contain the following:

(1) the name of the cardholder;

(2) a designation of whether the cardholder is a designated caregiver or qualifying patient;

(3) the date of issuance and expiration date of the registry identification card;

(4) a random alphanumeric identification number that is unique to the cardholder;

(5) if the cardholder is a designated caregiver, the random alphanumeric identification number of the registered qualifying patient the designated caregiver is receiving the registry identification card to assist; and

(6) a photograph of the cardholder, if required by Department of Public Health rules.

(c) To maintain a valid registration identification card, a registered qualifying patient and designated caregiver must annually resubmit, at least 45 days prior to the expiration date stated on the registry identification card, a completed

renewal application, renewal fee, and accompanying documentation as described in Department of Public Health rules. The Department of Public Health shall send a notification to a registered qualifying patient or registered designated caregiver 90 days prior to the expiration of the registered qualifying patient's or registered designated caregiver's identification card. If the Department of Public Health fails to grant or deny a renewal application received in accordance with this Section, then the renewal is deemed granted and the registered qualifying patient or registered designated caregiver may continue to use the expired identification card until the Department of Public Health denies the renewal or issues a new identification card.

(d) Except as otherwise provided in this Section, the expiration date is 3 years after the date of issuance.

(e) The Department of Public Health may electronically store in the card any or all of the information listed in subsection (b), along with the address and date of birth of the cardholder ~~and the qualifying patient's designated dispensary organization~~, to allow it to be read by law enforcement agents.

(Source: P.A. 98-122, eff. 1-1-14; 99-519, eff. 6-30-16.)

(410 ILCS 130/75)

Sec. 75. Notifications to Department of Public Health and responses; civil penalty.

(a) The following notifications and Department of Public Health responses are required:

(1) A registered qualifying patient or Opioid Alternative Patient Program participant shall notify the Department of Public Health of any change in his or her name or address, or if the registered qualifying patient ceases to have his or her debilitating medical condition, within 10 days of the change.

(2) A registered designated caregiver shall notify the Department of Public Health of any change in his or her name or address, or if the designated caregiver becomes aware the registered qualifying patient passed away, within 10 days of the change.

(3) Before a registered qualifying patient changes his or her designated caregiver, the qualifying patient must notify the Department of Public Health.

(4) (Blank). ~~If a cardholder loses his or her registry identification card, he or she shall notify the Department within 10 days of becoming aware the card has been lost.~~

(b) When a cardholder notifies the Department of Public Health of items listed in subsection (a), but remains eligible under this Act, the Department of Public Health shall issue the cardholder a new registry identification card with a new random alphanumeric identification number within 15 business days of receiving the updated information and a fee as specified in Department of Public Health rules. If the person

notifying the Department of Public Health is a registered qualifying patient, the Department shall also issue his or her registered designated caregiver, if any, a new registry identification card within 15 business days of receiving the updated information.

(c) If a registered qualifying patient ceases to be a registered qualifying patient or changes his or her registered designated caregiver, the Department of Public Health shall promptly notify the designated caregiver. The registered designated caregiver's protections under this Act as to that qualifying patient shall expire 15 days after notification by the Department.

(d) A cardholder who fails to make a notification to the Department of Public Health that is required by this Section is subject to a civil infraction, punishable by a penalty of no more than $150.

(e) (Blank). ~~A registered qualifying patient shall notify the Department of Public Health of any change to his or her designated registered dispensing organization. The Department of Public Health shall provide for immediate changes of a registered qualifying patient's designated registered dispensing organization. Registered dispensing organizations must comply with all requirements of this Act.~~

(f) If the registered qualifying patient's certifying health care professional notifies the Department in writing that either the registered qualifying patient or Opioid

Alternative Patient Program participant has ceased to suffer from a debilitating medical condition, that the bona fide health care professional-patient relationship has terminated, or that continued use of medical cannabis would result in contraindication with the patient's other medication, the card shall become null and void. However, the registered qualifying patient shall have 15 days to destroy his or her remaining medical cannabis and related paraphernalia.

(Source: P.A. 101-363, eff. 8-9-19; 102-558, eff. 8-20-21.)

(410 ILCS 130/85)

Sec. 85. Issuance and denial of medical cannabis cultivation permit.

(a) The Department of Agriculture may register up to 22 cultivation center registrations for operation. The Department of Agriculture may not issue more than one registration per each Illinois State Police District boundary as specified on the date of January 1, 2013. The Department of Agriculture may not issue less than the 22 registrations if there are qualified applicants who have applied with the Department.

(b) The registrations shall be issued and renewed annually as determined by administrative rule.

(c) The Department of Agriculture shall determine a registration fee by rule.

(d) A cultivation center may only operate if it has been issued a valid registration from the Department of

Agriculture. When applying for a cultivation center registration, the applicant shall submit the following in accordance with Department of Agriculture rules:

(1) the proposed legal name of the cultivation center;

(2) the proposed physical address of the cultivation center and description of the enclosed, locked facility as it applies to cultivation centers where medical cannabis will be grown, harvested, manufactured, packaged, or otherwise prepared for distribution to a dispensing organization;

(3) the name, address, and date of birth of each principal officer and board member of the cultivation center, provided that all those individuals shall be at least 21 years of age;

(4) any instance in which a business that any of the prospective board members of the cultivation center had managed or served on the board of the business and was convicted, fined, censured, or had a registration or license suspended or revoked in any administrative or judicial proceeding;

(5) cultivation, inventory, and packaging plans;

(6) proposed operating by-laws that include procedures for the oversight of the cultivation center, development and implementation of a plant monitoring system, medical cannabis container tracking system, accurate record keeping, staffing plan, and security plan reviewed by the

Illinois State Police that are in accordance with the rules issued by the Department of Agriculture under this Act. A physical inventory shall be performed of all plants and medical cannabis containers on a weekly basis;

(7) experience with agricultural cultivation techniques and industry standards;

(8) any academic degrees, certifications, or relevant experience with related businesses;

(9) the identity of every person, association, trust, or corporation having any direct or indirect pecuniary interest in the cultivation center operation with respect to which the registration is sought. If the disclosed entity is a trust, the application shall disclose the names and addresses of the beneficiaries; if a corporation, the names and addresses of all stockholders and directors; if a partnership, the names and addresses of all partners, both general and limited;

(10) verification from the Illinois State Police that all background checks of the principal officer, board members, and registered agents have been conducted ~~and those individuals have not been convicted of an excluded offense~~;

(11) provide a copy of the current local zoning ordinance to the Department of Agriculture and verify that proposed cultivation center is in compliance with the local zoning rules issued in accordance with Section 140;

(12) an application fee set by the Department of Agriculture by rule; and

(13) any other information required by Department of Agriculture rules, including, but not limited to a cultivation center applicant's experience with the cultivation of agricultural or horticultural products, operating an agriculturally related business, or operating a horticultural business.

(e) An application for a cultivation center permit must be denied if any of the following conditions are met:

(1) the applicant failed to submit the materials required by this Section, including if the applicant's plans do not satisfy the security, oversight, inventory, or recordkeeping rules issued by the Department of Agriculture;

(2) the applicant would not be in compliance with local zoning rules issued in accordance with Section 140;

(3) (blank); ~~one or more of the prospective principal officers or board members has been convicted of an excluded offense;~~

(4) one or more of the prospective principal officers or board members has served as a principal officer or board member for a registered dispensing organization or cultivation center that has had its registration revoked;

(5) one or more of the principal officers or board members is under 21 years of age;

(6) (blank); ~~a principal officer or board member of the cultivation center has been convicted of a felony under the laws of this State, any other state, or the United States;~~

(7) (blank); or ~~a principal officer or board member of the cultivation center has been convicted of any violation of Article 28 of the Criminal Code of 2012, or substantially similar laws of any other jurisdiction; or~~

(8) the person has submitted an application for a certificate under this Act which contains false information.

(Source: P.A. 102-538, eff. 8-20-21.)

(410 ILCS 130/100)

Sec. 100. Cultivation center agent identification card.

(a) The Department of Agriculture shall:

(1) verify the information contained in an application or renewal for a cultivation center identification card submitted under this Act, and approve or deny an application or renewal, within 30 days of receiving a completed application or renewal application and all supporting documentation required by rule;

(2) issue a cultivation center agent identification card to a qualifying agent within 15 business days of approving the application or renewal;

(3) enter the registry identification number of the

cultivation center where the agent works; and

(4) allow for an electronic application process, and provide a confirmation by electronic or other methods that an application has been submitted.

(b) A cultivation center agent must keep his or her identification card visible at all times when on the property of a cultivation center and during the transportation of medical cannabis to a registered dispensary organization.

(c) The cultivation center agent identification cards shall contain the following:

(1) the name of the cardholder;

(2) the date of issuance and expiration date of cultivation center agent identification cards;

(3) a random 10-digit alphanumeric identification number containing at least 4 numbers and at least 4 letters that is unique to the holder; and

(4) a photograph of the cardholder.

(d) The cultivation center agent identification cards shall be immediately returned to the cultivation center upon termination of employment.

(e) Any card lost by a cultivation center agent shall be reported to the Illinois State Police and the Department of Agriculture immediately upon discovery of the loss.

(f) (Blank). ~~An applicant shall be denied a cultivation center agent identification card if he or she has been convicted of an excluded offense.~~

(g) An agent applicant may begin employment at a cultivation center while the agent applicant's identification card application is pending. Upon approval, the Department shall issue the agent's identification card to the agent. If denied, the cultivation center and the agent applicant shall be notified and the agent applicant must cease all activity at the cultivation center immediately.

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

(410 ILCS 130/105)

Sec. 105. Requirements; prohibitions; penalties for cultivation centers.

(a) The operating documents of a registered cultivation center shall include procedures for the oversight of the cultivation center, a cannabis plant monitoring system including a physical inventory recorded weekly, a cannabis container system including a physical inventory recorded weekly, accurate record keeping, and a staffing plan.

(b) A registered cultivation center shall implement a security plan reviewed by the Illinois State Police and including but not limited to: facility access controls, perimeter intrusion detection systems, personnel identification systems, 24-hour surveillance system to monitor the interior and exterior of the registered cultivation center facility and accessible to authorized law enforcement and the

Department of Agriculture in real-time.

(c) A registered cultivation center may not be located within 2,500 feet of the property line of a pre-existing public or private preschool or elementary or secondary school or day care center, day care home, group day care home, part day child care facility, or an area zoned for residential use.

(d) All cultivation of cannabis for distribution to a registered dispensing organization must take place in an enclosed, locked facility as it applies to cultivation centers at the physical address provided to the Department of Agriculture during the registration process. The cultivation center location shall only be accessed by the cultivation center agents working for the registered cultivation center, Department of Agriculture staff performing inspections, Department of Public Health staff performing inspections, law enforcement or other emergency personnel, and contractors working on jobs unrelated to medical cannabis, such as installing or maintaining security devices or performing electrical wiring.

(e) A cultivation center may not sell or distribute any cannabis to any individual or entity other than another cultivation center, a dispensing organization registered under this Act, or a laboratory licensed by the Department of Agriculture.

(f) All harvested cannabis intended for distribution to a dispensing organization must be packaged in a labeled medical

cannabis container and entered into a data collection system.

(g) (Blank). ~~No person who has been convicted of an excluded offense may be a cultivation center agent.~~

(h) Registered cultivation centers are subject to random inspection by the Illinois State Police.

(i) Registered cultivation centers are subject to random inspections by the Department of Agriculture and the Department of Public Health.

(j) A cultivation center agent shall notify local law enforcement, the Illinois State Police, and the Department of Agriculture within 24 hours of the discovery of any loss or theft. Notification shall be made by phone or in-person, or by written or electronic communication.

(k) A cultivation center shall comply with all State and federal rules and regulations regarding the use of pesticides.

(Source: P.A. 101-363, eff. 8-9-19; 102-538, eff. 8-20-21.)

(410 ILCS 130/115)

Sec. 115. Dispensing ~~Registration of dispensing~~ organizations. A dispensing organization may only operate if it has been issued a dispensing organization license from the Department of Financial and Professional Regulation, including an Early Approval Adult Use Dispensing Organization at a Same-Site License, an Adult Use Dispensing Organization License, or a Medical Cannabis Dispensing Organization License. If a dispensing organization holds both an Adult Use

Dispensing Organization License and a corresponding Medical Cannabis Dispensing Organization License, the dispensing organization shall correspondingly adhere to the provisions of this Act, any administrative rules pursuant to this Act, the Cannabis Regulation and Tax Act, and any administrative rules adopted pursuant to the Cannabis Regulation and Tax Act.

~~(a) The Department of Financial and Professional Regulation may issue up to 60 dispensing organization registrations for operation. The Department of Financial and Professional Regulation may not issue less than the 60 registrations if there are qualified applicants who have applied with the Department of Financial and Professional Regulation. The organizations shall be geographically dispersed throughout the State to allow all registered qualifying patients reasonable proximity and access to a dispensing organization.~~

~~(a-5) The Department of Financial and Professional Regulation shall adopt rules to create a registration process for Social Equity Justice Involved Applicants and Qualifying Applicants, a streamlined application, and a Social Equity Justice Involved Medical Lottery under Section 115.5 to issue the remaining available 5 dispensing organization registrations for operation. For purposes of this Section:~~

~~"Disproportionately Impacted Area" means a census tract or comparable geographic area that satisfies the following criteria as determined by the Department of Commerce and~~

~~Economic Opportunity, that:~~

~~(1) meets at least one of the following criteria:~~

~~(A) the area has a poverty rate of at least 20% according to the latest federal decennial census; or~~

~~(B) 75% or more of the children in the area participate in the federal free lunch program according to reported statistics from the State Board 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 sale, possession, use, cultivation, manufacture, or transport of cannabis.~~

~~"Qualifying Applicant" means an applicant that: (i) submitted an application pursuant to Section 15-30 of the Cannabis Regulation and Tax Act that received at least 85% of 250 application points available under Section 15-30 of the Cannabis Regulation and Tax Act as the applicant's final~~

~~score; (ii) received points at the conclusion of the scoring process for meeting the definition of a "Social Equity Applicant" as set forth under the Cannabis Regulation and Tax Act; and (iii) is an applicant that did not receive a Conditional Adult Use Dispensing Organization License through a Qualifying Applicant Lottery pursuant to Section 15-35 of the Cannabis Regulation and Tax Act or any Tied Applicant Lottery conducted under the Cannabis Regulation and Tax Act.~~

~~"Social Equity Justice Involved Applicant" means an applicant that is an Illinois resident and one of the following:~~

~~(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% of ownership and control by one or more individuals who have been arrested for, convicted of, or adjudicated delinquent for any offense that is eligible for expungement under subsection (i) of Section 5.2 of the Criminal Identification Act; or~~

~~(3) an applicant with at least 51% ownership and control by one or more members of an impacted family.~~

~~(b) A dispensing organization may only operate if it has been issued a registration from the Department of Financial and Professional Regulation. The Department of Financial and Professional Regulation shall adopt rules establishing the~~

~~procedures for applicants for dispensing organizations.~~

~~(c) When applying for a dispensing organization registration, the applicant shall submit, at a minimum, the following in accordance with Department of Financial and Professional Regulation rules:~~

~~(1) a non refundable application fee established by rule;~~

~~(2) the proposed legal name of the dispensing organization;~~

~~(3) the proposed physical address of the dispensing organization;~~

~~(4) the name, address, and date of birth of each principal officer and board member of the dispensing organization, provided that all those individuals shall be at least 21 years of age;~~

~~(5) (blank);~~

~~(6) (blank); and~~

~~(7) (blank).~~

~~(d) The Department of Financial and Professional Regulation shall conduct a background check of the prospective dispensing organization agents in order to carry out this Section. The Department of State Police shall charge a fee for conducting the criminal history record check, which shall be deposited in the State Police Services Fund and shall not exceed the actual cost of the record check. Each person applying as a dispensing organization agent shall submit a~~

~~full set of fingerprints to the Department of State Police for the purpose of obtaining a State and federal criminal records check. These fingerprints shall be checked against the fingerprint records now and hereafter, to the extent allowed by law, filed in the Department of State Police and Federal Bureau of Investigation criminal history records databases. The Department of State Police shall furnish, following positive identification, all Illinois conviction information to the Department of Financial and Professional Regulation.~~

~~(e) A dispensing organization must pay a registration fee set by the Department of Financial and Professional Regulation.~~

~~(f) An application for a medical cannabis dispensing organization registration must be denied if any of the following conditions are met:~~

~~(1) the applicant failed to submit the materials required by this Section, including if the applicant's plans do not satisfy the security, oversight, or recordkeeping rules issued by the Department of Financial and Professional Regulation;~~

~~(2) the applicant would not be in compliance with local zoning rules issued in accordance with Section 140;~~

~~(3) the applicant does not meet the requirements of Section 130;~~

~~(4) one or more of the prospective principal officers or board members has been convicted of an excluded~~

~~offense;~~

~~(5) one or more of the prospective principal officers or board members has served as a principal officer or board member for a registered medical cannabis dispensing organization that has had its registration revoked; and~~

~~(6) one or more of the principal officers or board members is under 21 years of age.~~

(Source: P.A. 101-363, eff. 8-9-19; 102-98, eff. 7-15-21.)

(410 ILCS 130/120)

Sec. 120. Dispensing organization agent identification card.

(a) This Section does not apply to any dispensing organization agents who are employed at any dispensing organization and who are issued an Adult Use Dispensing Organization License and a corresponding Medical Cannabis Dispensing Organization License under Section 15-37 of the Cannabis Regulation and Tax Act.

(a-5) The Department of Financial and Professional Regulation shall:

(1) verify the information contained in an application or renewal for a dispensing organization agent identification card submitted under this Act, and approve or deny an application or renewal, within 30 days of receiving a completed application or renewal application and all supporting documentation required by rule;

(2) issue a dispensing organization agent identification card to a qualifying agent within 15 business days of approving the application or renewal;

(3) enter the registry identification number of the dispensing organization where the agent works; and

(4) allow for an electronic application process, and provide a confirmation by electronic or other methods that an application has been submitted.

(b) A dispensing agent must keep his or her identification card visible at all times when on the property of a dispensing organization.

(c) The dispensing organization agent identification cards shall contain the following:

(1) the name of the cardholder;

(2) the date of issuance and expiration date of the dispensing organization agent identification cards;

(3) a random 10 digit alphanumeric identification number containing at least 4 numbers and at least 4 letters; that is unique to the holder; and

(4) a photograph of the cardholder.

(d) The dispensing organization agent identification cards shall be immediately returned to the dispensing organization upon termination of employment.

(e) Any card lost by a dispensing organization agent shall be reported to the Illinois State Police and the Department of Financial and Professional Regulation immediately upon

discovery of the loss.

(f) (Blank) ~~An applicant shall be denied a dispensing organization agent identification card if he or she has been convicted of an excluded offense~~.

(Source: P.A. 98-122, eff. 1-1-14; 98-1172, eff. 1-12-15.)

(410 ILCS 130/130)

Sec. 130. Requirements; prohibitions; penalties; dispensing organizations.

(a) The Department of Financial and Professional Regulation shall implement the provisions of this Section by rule.

(b) A dispensing organization shall maintain operating documents which shall include procedures for the oversight of the registered dispensing organization and procedures to ensure accurate recordkeeping.

(c) A dispensing organization shall implement appropriate security measures, as provided by rule, to deter and prevent the theft of cannabis and unauthorized entrance into areas containing cannabis.

(d) A dispensing organization may not be located within 1,000 feet of the property line of a pre-existing public or private preschool or elementary or secondary school or day care center, day care home, group day care home, or part day child care facility. A registered dispensing organization may not be located in a house, apartment, condominium, or an area

zoned for residential use. This subsection shall not apply to any dispensing organizations registered on or after July 1, 2019.

(e) A dispensing organization is prohibited from acquiring cannabis from anyone other than a cultivation center, craft grower, infuser organization ~~processing organization~~, another dispensing organization, or transporting organization licensed or registered under this Act or the Cannabis Regulation and Tax Act. A dispensing organization is prohibited from obtaining cannabis from outside the State of Illinois.

(f) A registered dispensing organization is prohibited from dispensing cannabis for any purpose except to assist registered qualifying patients with the medical use of cannabis directly or through the qualifying patients' designated caregivers.

(g) The area in a dispensing organization where medical cannabis is stored can only be accessed by dispensing organization agents working for the dispensing organization, Department of Financial and Professional Regulation staff performing inspections, law enforcement or other emergency personnel, and contractors working on jobs unrelated to medical cannabis, such as installing or maintaining security devices or performing electrical wiring.

(h) A dispensing organization may not dispense more than an adequate medical supply ~~2.5 ounces of cannabis~~ to a registered qualifying patient, directly or via a designated

caregiver, in any 14-day period unless the qualifying patient has a Department of Public Health-approved quantity waiver. Any Department of Public Health-approved quantity waiver process must be made available to qualified veterans.

(i) Except as provided in subsection (i-5), before medical cannabis may be dispensed to a designated caregiver or a registered qualifying patient, a dispensing organization agent must determine that the individual is a current cardholder in the verification system and must verify each of the following:

(1) that the registry identification card presented to the registered dispensing organization is valid;

(2) that the person presenting the card is the person identified on the registry identification card presented to the dispensing organization agent;

(2.5) that the medical cannabis has the proper labeling required under State and federal law;

(3) (blank); and

(4) that the registered qualifying patient has not exceeded his or her adequate medical supply.

(i-5) A dispensing organization may dispense medical cannabis to an Opioid Alternative Patient ~~Pilot~~ Program participant under Section 62 and to a person presenting proof of provisional registration under Section 55. Before dispensing medical cannabis, the dispensing organization shall comply with the requirements of Section 62 or Section 55, whichever is applicable, and verify the following:

(1) that the written certification presented to the registered dispensing organization is valid and an original document;

(2) that the person presenting the written certification is the person identified on the written certification; and

(3) that the participant has not exceeded his or her adequate supply.

(j) Dispensing organizations shall ensure compliance with this limitation by maintaining internal, confidential records that include records specifying how much medical cannabis is dispensed to the registered qualifying patient and whether it was dispensed directly to the registered qualifying patient or to the designated caregiver. Each entry must include the date and time the cannabis was dispensed. Additional recordkeeping requirements may be set by rule.

(k) The health care professional-patient privilege as set forth by Section 8-802 of the Code of Civil Procedure shall apply between a qualifying patient and a registered dispensing organization and its agents with respect to communications and records concerning qualifying patients' debilitating conditions.

(l) A dispensing organization may not permit any person to consume cannabis on the property of a medical cannabis organization.

(m) A dispensing organization may not share office space

with or refer patients to a certifying health care professional.

(n) Notwithstanding any other criminal penalties related to the unlawful possession of cannabis, the Department of Financial and Professional Regulation may revoke, suspend, place on probation, reprimand, refuse to issue or renew, or take any other disciplinary or non-disciplinary action as the Department of Financial and Professional Regulation may deem proper with regard to the registration of any person issued under this Act to operate a dispensing organization or act as a dispensing organization agent, including imposing fines not to exceed $10,000 for each violation, for any violations of this Act and rules adopted in accordance with this Act. The procedures for disciplining a registered dispensing organization shall be determined by rule. All final administrative decisions of the Department of Financial and Professional Regulation are subject to judicial review under the Administrative Review Law and its rules. The term "administrative decision" is defined as in Section 3-101 of the Code of Civil Procedure.

(o) Dispensing organizations are subject to random inspection and cannabis testing by the Department of Financial and Professional Regulation, the Illinois State Police, the Department of Revenue, the Department of Public Health, the Department of Agriculture, or as provided by rule.

(p) The Department of Financial and Professional

Regulation shall adopt rules permitting returns, and potential refunds, for damaged or inadequate products.

(q) The Department of Financial and Professional Regulation may issue nondisciplinary citations for minor violations which may be accompanied by a civil penalty not to exceed $10,000 per violation. The penalty shall be a civil penalty or other condition as established by rule. The citation shall be issued to the licensee and shall contain the licensee's name, address, and license number, a brief factual statement, the Sections of the law or rule allegedly violated, and the civil penalty, if any, imposed. The citation must clearly state that the licensee may choose, in lieu of accepting the citation, to request a hearing. If the licensee does not dispute the matter in the citation with the Department of Financial and Professional Regulation within 30 days after the citation is served, then the citation shall become final and shall not be subject to appeal.

(Source: P.A. 101-363, eff. 8-9-19; 102-98, eff. 7-15-21.)

(410 ILCS 130/145)

Sec. 145. Confidentiality.

(a) The following information received and records kept by the Department of Public Health, Department of Financial and Professional Regulation, Department of Agriculture, Department of Commerce and Economic Opportunity, Office of the Executive Inspector General, or Illinois State Police for purposes of

administering this Act are subject to all applicable federal privacy laws, confidential, and exempt from the Freedom of Information Act, and not subject to disclosure to any individual or public or private entity, except as necessary for authorized employees of those authorized agencies to perform official duties under this Act and except as necessary to those involved in enforcing the State Officials and Employees Ethics Act, and the following information received and records kept by Department of Public Health, Department of Agriculture, Department of Commerce and Economic Opportunity, Department of Financial and Professional Regulation, Office of the Executive Inspector General, and Illinois State Police, excluding any existing or non-existing Illinois or national criminal history record information as defined in subsection (d), may be disclosed to each other upon request:

(1) Applications and renewals, their contents, and supporting information submitted by qualifying patients, provisional patients, ~~and~~ designated caregivers, and Opioid Alternative Patient Program participants, 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 Agriculture, and Department of Financial and Professional Regulation may notify State or local law enforcement about apparent criminal violations of this Act if the employee who suspects the offense has conferred with his or her supervisor and both agree that circumstances exist that warrant reporting.

(4) Medical cannabis cultivation center agents and medical cannabis dispensing organizations may notify the Department of Public Health, Department of Financial and Professional Regulation, or Department of Agriculture of a

suspected violation or attempted violation of this Act or the rules issued under it.

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

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

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

(c) (Blank). ~~Except for any ownership information released pursuant to subsection (b-5) or as otherwise authorized or required by law, it is a Class B misdemeanor with a $1,000 fine for any person, including an employee or official of the Department of Public Health, Department of Financial and Professional Regulation, or Department of Agriculture or another State agency or local government, to breach the confidentiality of information obtained under this Act.~~

(d) The Department of Public Health, the Department of Agriculture, the Illinois State Police, and the Department of Financial and Professional Regulation shall not share or disclose any existing or non-existing Illinois or national

criminal history record information. For the purposes of this Section, "any existing or non-existing Illinois or national criminal history record information" means any Illinois or national criminal history record information, including but not limited to the lack of or non-existence of these records. (Source: P.A. 101-363, eff. 8-9-19; 102-98, eff. 7-15-21; 102-538, eff. 8-20-21; 102-813, eff. 5-13-22.)

(410 ILCS 130/150)

Sec. 150. Registry identification and registration certificate verification.

(a) The Department of Public Health shall maintain a confidential list of the persons to whom the Department of Public Health has issued registry identification cards and their addresses, phone numbers, and registry identification numbers. This confidential list may not be combined or linked in any manner with any other list or database except as provided in this Section.

(b) Within 180 days of the effective date of this Act, the Department of Public Health, Department of Financial and Professional Regulation, and Department of Agriculture shall together establish a computerized database or verification system. The database or verification system must allow law enforcement personnel and medical cannabis dispensary organization agents to determine whether or not the identification number corresponds with a current, valid

registry identification card. The system shall only disclose whether the identification card is valid, whether the cardholder is a registered qualifying patient, provisional patient, ~~or a registered~~ designated caregiver, or Opioid Alternative Patient Program participant ~~the registry identification number of the registered medical cannabis dispensing organization designated to serve the registered qualifying patient who holds the card,~~ and the registry identification number of the patient who is assisted by a registered designated caregiver who holds the card. The Department of Public Health, the Department of Agriculture, the Illinois State Police, and the Department of Financial and Professional Regulation shall not share or disclose any existing or non-existing Illinois or national criminal history record information. Notwithstanding any other requirements established by this subsection, the Department of Public Health shall issue registry cards to qualifying patients, the Department of Financial and Professional Regulation may issue registration cards to medical cannabis dispensing organizations for the period during which the database is being established, and the Department of Agriculture may issue registration to medical cannabis cultivation organizations for the period during which the database is being established.

(c) For the purposes of this Section, "any existing or non-existing Illinois or national criminal history record information" means any Illinois or national criminal history

record information, including but not limited to the lack of or non-existence of these records.

(Source: P.A. 102-538, eff. 8-20-21.)

(410 ILCS 130/173)

Sec. 173. Conflicts of law. To the extent that any provision of this Act conflicts with any Act that allows the non-medical ~~recreational~~ use of cannabis, the provisions of that Act shall control.

(Source: P.A. 101-363, eff. 8-9-19.)

(410 ILCS 130/195)

Sec. 195. Definitions. For the purposes of this Law:

"Cultivation center" has the meaning ascribed to that term in the Compassionate Use of Medical Cannabis Program Act.

"Department" means the Department of Revenue.

"Dispensing organization" has the meaning ascribed to that term in the Compassionate Use of Medical Cannabis Program Act.

"Gross receipts from the sales of cannabis by a cultivator" means the total selling price or the amount of sale, as defined in this Article, except that, in the case of charges and time sales, the amount thereof shall be included only when payments are received by the cultivator.

"Person" means an individual, partnership, corporation, or public or private organization.

"Qualifying patient" means a qualifying patient registered

under the Compassionate Use of Medical Cannabis Program Act.

"Selling price" or "amount of sale" means the consideration for a sale valued in money, whether received in money or otherwise, including cash, credits, property, or services, determined without any deduction on account of the cost of the property sold, the cost of materials used, labor or service cost, or any other expense whatsoever. "Selling price" or "amount of sale" does not include separately stated charges identified on the invoice by cultivators to reimburse themselves for their tax liability.

(Source: P.A. 101-363, eff. 8-9-19.)

(410 ILCS 130/200)

Sec. 200. Tax imposed.

(a) Beginning on January 1, 2014 and through June 30, 2026 ~~the effective date of this Act~~, a tax is imposed upon the privilege of cultivating medical cannabis at a rate of 7% of the sales price per ounce. Beginning July 1, 2026, a tax is imposed on the privilege of cultivating medical cannabis at the rate of 7% of the gross receipts from the first sale of medical cannabis by a cultivator. The sale of any product that contains any amount of medical cannabis or any derivative thereof is subject to the tax under this Section on the full selling price of the product. The Department may determine the selling price of the medical cannabis when the seller and purchaser are affiliated persons or when the sale and purchase

of medical cannabis is not an arm's length transaction and a value is not established for the medical cannabis. The value determined by the Department shall be commensurate with the actual price received for products of like quality, character, and use in the area. If there are no sales of medical cannabis of like quality, character, and use in the area, then the Department shall establish a reasonable value based on sales of products of like quality, character, and use in the other areas of the State, taking into consideration any other relevant factors. The proceeds from this tax shall be deposited into the Compassionate Use of Medical Cannabis Fund created under the Compassionate Use of Medical Cannabis Program Act. This tax shall be paid by a cultivation center and is not the responsibility of a dispensing organization or a qualifying patient.

(b) The tax imposed under this Act shall be in addition to all other occupation or privilege taxes imposed by the State of Illinois or by any municipal corporation or political subdivision thereof.

(Source: P.A. 101-363, eff. 8-9-19.)

(410 ILCS 130/210)

Sec. 210. Returns.

(a) This subsection (a) applies to returns due on or before the effective date of this amendatory Act of the 101st General Assembly. On or before the twentieth day of each

calendar month, every person subject to the tax imposed under this Law during the preceding calendar month shall file a return with the Department, stating:

(1) The name of the taxpayer;

(2) The number of ounces of medical cannabis sold to a dispensing organization or a registered qualifying patient during the preceding calendar month;

(3) The amount of tax due;

(4) The signature of the taxpayer; and

(5) Such other reasonable information as the Department may require.

If a taxpayer fails to sign a return within 30 days after the proper notice and demand for signature by the Department, the return shall be considered valid and any amount shown to be due on the return shall be deemed assessed.

The taxpayer shall remit the amount of the tax due to the Department at the time the taxpayer files his or her return.

(b) ~~Beginning on the effective date of this amendatory Act of the 101st General Assembly,~~ Section 60-20 ~~65-20~~ of the Cannabis Regulation and Tax Act shall apply to returns filed and taxes paid under this Act to the same extent as if those provisions were set forth in full in this Section.

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

(410 ILCS 130/115.5 rep.)

Section 93. The Compassionate Use of Medical Cannabis

Program Act is amended by repealing Section 115.5.

Section 95. The Cannabis Regulation and Tax Act is amended by changing Sections 1-10, 7-10, 7-15, 7-20, 10-10, 10-15, 15-7.5, 15-10, 15-15, 15-20, 15-25, 15-35, 15-35.10, 15-36, 15-40, 15-45, 15-70, 15-85, 15-100, 15-135, 15-145, 20-10, 20-15, 20-30, 20-35, 20-45, 25-35, 25-45, 30-10, 30-30, 30-35, 30-45, 35-5, 35-10, 35-15, 35-25, 35-30, 35-40, 40-5, 40-25, 40-30, 45-5, 50-5, 55-5, 55-21, 55-30, 55-65, 55-85, 60-5, 60-10, 65-5, 65-10, 65-30, 65-38, and 65-42 and by adding Sections 15-24, 15-37, 40-50, and 55-22 as follows:

(410 ILCS 705/1-10)

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

"Adequate medical supply" means 2.5 ounces of usable cannabis that is obtained within a period of 14 days and that is derived solely from an intrastate source. Subject to the rules of the Department of Public Health, a patient may apply for a waiver in which a certifying health care professional provides a substantial medical basis in a signed, written statement asserting that, based on the patient's medical history, in the certifying health care professional's professional judgment, 2.5 ounces is an insufficient adequate medical supply for a 14-day period to properly alleviate the patient's debilitating medical condition or symptoms associated with the debilitating medical condition. This shall

not be construed to authorize the possession of more than 2.5 ounces at any time without authority from the Department of Public Health. The premixed weight of medical cannabis used in making a cannabis-infused product shall apply toward the limit on the total amount of medical cannabis a registered qualifying patient may possess at any one time. The Department of Financial and Professional Regulation may provide public guidance on the meaning of "pre-mixed weight" for the purposes of this definition of "adequate medical supply".

"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.

"Ancillary cannabis business" means a subsidiary,

affiliate, or related business to a licensed cannabis business that supports that licensed cannabis business in operations. "Ancillary cannabis business" includes a professional services business, raw materials and waste disposal business, technical services business, construction business, packaging and labeling business, security business, staffing services business, uniform supply business, safety material production business, cleaning business, and transportation business.

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

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

"Cannabis" means marijuana, hashish, and other substances that are identified as including any parts of the plant

Cannabis sativa and including derivatives or subspecies, such as indica, of all strains of cannabis, whether growing or not; the seeds thereof, the resin extracted from any part of the plant; and any compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin, including tetrahydrocannabinol (THC) and all other naturally produced cannabinol derivatives, whether produced directly or indirectly by extraction; however, "cannabis" does not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted from it), fiber, oil or cake, or the sterilized seed of the plant that is incapable of germination. "Cannabis" does not include industrial hemp as defined and authorized under the Industrial Hemp Act. "Cannabis" also means cannabis flower, concentrate, and cannabis-infused products. "Cannabis" includes products described under subsections (c) and (d) of Section 10 of the CBD Consumer Products Act.

"Cannabis business establishment" means a cultivation center, craft grower, ~~processing organization,~~ infuser organization, dispensing organization, or transporting organization.

"Cannabis concentrate" means a product derived from cannabis that is produced by extracting cannabinoids, including tetrahydrocannabinol (THC), from the plant through

the use of propylene glycol, glycerin, butter, olive oil, or other typical cooking fats; water, ice, or dry ice; or butane, propane, CO_2, ethanol, or isopropanol and with the intended use of smoking or making a cannabis-infused product. The use of any other solvent is expressly prohibited unless and until it is approved by the Department of Agriculture.

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

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

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

"Cannabis paraphernalia" means equipment, products, or materials intended to be used for planting, propagating, cultivating, growing, harvesting, manufacturing, producing, processing, preparing, testing, analyzing, packaging,

repackaging, storing, containing, concealing, ingesting, or otherwise introducing cannabis into the human body.

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

"Cannabis testing facility" means an entity licensed ~~registered~~ by the Department of Agriculture to test cannabis for potency and contaminants. Licensed cannabis testing facilities are authorized under this Act to transport cannabis from cannabis business establishments to the licensed cannabis testing facility and are exempt from the transporting organization license requirements.

"Clone" means a plant section from a female cannabis plant not yet rootbound, growing in a water solution or other propagation matrix, that is capable of developing into a new plant.

"Community College Cannabis Vocational Training Pilot Program faculty participant" means a person who is 21 years of

age or older, licensed by the Department of Agriculture, and is employed or contracted by an Illinois community college to provide student instruction using cannabis plants at an Illinois Community College.

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

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

"Conditional Adult Use Cultivation Center License" means a license awarded to top-scoring applicants for an Adult Use Cultivation Center License that reserves the right to an Adult Use Cultivation Center License if the applicant meets certain conditions as determined by the Department of Agriculture by rule, but does not entitle the recipient to begin growing, processing, or selling cannabis or cannabis-infused products.

"Craft grower" means a facility operated by an organization or business that is licensed by the Department of Agriculture to cultivate, dry, cure, and package cannabis and

perform other necessary activities to make cannabis available for sale at a dispensing organization or use at an infuser ~~a processing~~ organization. A craft grower may contain up to 14,000 ~~5,000~~ square feet of canopy space on its premises for plants in the flowering state~~. The Department of Agriculture may authorize an increase or decrease of flowering stage cultivation space in increments of 3,000 square feet by rule based on market need, craft grower capacity, and the licensee's history of compliance or noncompliance, with a maximum space of 14,000 square feet for cultivating plants in the flowering stage~~, which must be cultivated in all stages of growth in an enclosed and secure area. A craft grower may share premises with an infuser ~~a processing~~ organization or a dispensing organization, or both, provided each licensee stores currency and cannabis or cannabis-infused products in a separate secured vault to which the other licensee does not have access or all licensees sharing a vault share more than 50% of the same ownership.

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

"Craft Grower Agent Identification Card" means a document issued by the Department of Agriculture that identifies a person as a craft grower agent.

"Cultivation center" means a facility operated by an organization or business that is licensed by the Department of

Agriculture to cultivate, process, transport (unless otherwise limited by this Act), and perform other necessary activities to provide cannabis and cannabis-infused products to cannabis business establishments.

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

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

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

"Designated caregiver" means a person who assists no more than one registered qualifying patient with the patient's medical use of cannabis, except the parent or legal guardian of a registered qualifying patient may assist each of their children who are registered qualifying patients.

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

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

"Dispensing organization" or "dispensary" means a facility operated by an organization or business that is licensed by the Department of Financial and Professional Regulation to acquire cannabis from a cultivation center, craft grower, or

infuser ~~processing~~ organization licensed by the Department of Agriculture, or another dispensary licensed by the Department of Financial and Professional Regulation, for the purpose of selling or dispensing cannabis, cannabis-infused products, cannabis seeds, paraphernalia, or related supplies under this Act to purchasers or to qualified registered medical cannabis patients and caregivers. As used in this Act, "dispensing organization" or "dispensary" includes a registered medical cannabis organization as defined in the Compassionate Use of Medical Cannabis Program Act or its successor Act that has obtained an Early Approval Adult Use Dispensing Organization License or Early Approval Adult Use Dispensing Organization License at a Secondary Site and an entity that has obtained a Medical Cannabis Dispensing Organization License under Section 15-37 of this Act.

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

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

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

(1) meets at least one of the following criteria:

(A) the area has a poverty rate of at least 20% according to the latest federal decennial census; or

(B) 75% or more of the children in the area participate in the federal free lunch program according to reported statistics from the State Board 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 begin selling cannabis or cannabis-infused product to purchasers as permitted by this Act as of January 1, 2020.

"Early Approval Adult Use Dispensing Organization at a secondary site" 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 begin selling cannabis or cannabis-infused product to purchasers as permitted by this Act on January 1, 2020 at a different dispensary location from its existing registered medical dispensary location.

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

"Enclosed, locked facility" means a room, greenhouse, building, or other enclosed area equipped with locks or other security devices that permit access only by cannabis business establishment agents working for the licensed cannabis business establishment or acting pursuant to this Act to

cultivate, process, store, or distribute cannabis.

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

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

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

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

"Flowering stage" means the stage of cultivation where and when a cannabis plant is cultivated to produce plant material

for cannabis products. This includes mature plants as follows:

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

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

"Individual" means a natural person.

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

"Infuser organization agent" means a principal officer, board member, employee, or other agent of an infuser organization.

"Infuser organization agent identification card" means a document issued by the Department of Agriculture that identifies a person as an infuser organization agent.

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

"Labor peace agreement" means an agreement between a cannabis business establishment and any labor organization

recognized under the National Labor Relations Act, referred to in this Act as a bona fide labor organization, that prohibits labor organizations and members from engaging in picketing, work stoppages, boycotts, and any other economic interference with the cannabis business establishment. This agreement means that the cannabis business establishment has agreed not to disrupt efforts by the bona fide labor organization to communicate with, and attempt to organize and represent, the cannabis business establishment's employees. The agreement shall provide a bona fide labor organization access at reasonable times to areas in which the cannabis business establishment's employees work, for the purpose of meeting with employees to discuss their right to representation, employment rights under State law, and terms and conditions of employment. This type of agreement shall not mandate a particular method of election or certification of the bona fide labor organization.

"Limited access area" means a room or other area under the control of a cannabis dispensing organization licensed under this Act and upon the licensed premises where cannabis sales occur with access limited to purchasers, dispensing organization owners and other dispensing organization agents, or service professionals conducting business with the dispensing organization, or, if sales to registered qualifying patients, caregivers, provisional patients, and Opioid Alternative Patient ~~Pilot~~ Program participants licensed

pursuant to the Compassionate Use of Medical Cannabis Program Act are also permitted at the dispensary, registered qualifying patients, caregivers, provisional patients, and Opioid Alternative Patient ~~Pilot~~ Program participants.

"Medical cannabis dispensing organization license" means a license issued to an entity holding an Adult Use Dispensing Organization License enabling the license holder to acquire cannabis or cannabis-infused products from a registered cultivation center, craft grower, infuser organization, or transporting organization for the purpose of dispensing cannabis, cannabis-infused products, paraphernalia, or related supplies and educational materials to registered qualifying patients, provisional patients, designated caregivers, and Opioid Alternative Patient Program participants.

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

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

"Opioid Alternative Patient Program participant" means an individual who has received a valid written certification to

participate in the Opioid Alternative Patient Program for a medical condition for which an opioid has been or could be prescribed by a certifying health care professional based on generally accepted standards of care.

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

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

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

"Possession limit" means the amount of cannabis under Section 10-10 that may be possessed at any one time by a person 21 years of age or older or who is a registered qualifying medical cannabis patient, designated ~~or~~ caregiver, or Opioid Alternative Patient Program participant under the Compassionate Use of Medical Cannabis Program Act.

"Primary residence" means a dwelling where a person

usually stays or stays more often than other locations. It may be determined by, without limitation, presence, tax filings, address on an Illinois driver's license, an Illinois Identification Card, or an Illinois Person with a Disability Identification Card; or voter registration. No person may have more than one primary residence.

"Principal officer" includes a cannabis business establishment applicant or licensed cannabis business establishment's board member, owner with more than 10% ~~1%~~ interest of the total cannabis business establishment or more than 5% interest of the total cannabis business establishment of a publicly traded company, president, vice president, secretary, treasurer, partner, officer, member, manager member, or person with a profit sharing, financial interest, or revenue sharing arrangement. The definition includes a person with authority to control the cannabis business establishment, a person who assumes responsibility for the debts of the cannabis business establishment and who is further defined in this Act.

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

"Processor license" means a license issued to an infuser organization that is licensed by the Department of Agriculture under subsection (f) of Section 35-31 to extract raw materials from cannabis flower.

"Provisional patient" means a qualifying patient who has received a provisional registration from the Department of Public Health.

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

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

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

"Purchaser" means a person 21 years of age or older who acquires cannabis for a valuable consideration. "Purchaser" includes ~~does not include~~ a cardholder under the Compassionate Use of Medical Cannabis Program Act using the cardholder's card at a dispensing organization that is authorized to serve registered qualifying patients, provisional patients, designated caregivers, and Opioid Alternative Patient Program participants.

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

"Qualifying patient" or "qualified patient" means a person who has been diagnosed by a certifying health care professional as having a debilitating medical condition as defined under the Compassionate Use of Medical Cannabis Program Act.

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

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

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

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

(2) a property deed that includes the applicant's

name;

(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 are members ~~member~~ of families ~~an impacted family~~ that have been impacted by arrests, convictions, or adjudications of delinquency that are eligible for expungement under this Act.

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 or a conditional 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.

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

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

"Transfer site" means a secure, non-retail facility operated by a licensed cannabis transporter holding a transfer site endorsement for the short-term storage, consolidation, and logistical movement of cannabis or cannabis-infused products, as authorized under Section 1-10.5.

"Transfer site endorsement" means an authorization issued by the Department of Agriculture permitting an eligible social equity cannabis transporter to operate one or more transfer sites in accordance with this Act and rules adopted under it.

"Transporting organization" or "transporter" means an

organization or business that is licensed by the Department of Agriculture to transport cannabis or cannabis-infused product on behalf of a cannabis business establishment or a community college licensed under the Community College Cannabis Vocational Training Pilot Program.

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

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

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

"Vegetative stage" means the stage of cultivation in which a cannabis plant is propagated to produce additional cannabis plants or reach a sufficient size for production. This includes seedlings, clones, mothers, and other immature cannabis plants as follows:

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

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

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

(410 ILCS 705/7-10)

Sec. 7-10. Cannabis Business Development Fund.

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

(1) to provide low-interest rate loans to Qualified Social Equity Applicants to pay for ordinary and necessary expenses to start and operate a cannabis business establishment permitted by this Act;

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

(3) to compensate the Department of Commerce and Economic Opportunity for any costs related to the provision of low-interest loans and grants to Qualified Social Equity Applicants;

(4) to pay for outreach that may be provided or targeted to attract and support Social Equity Applicants and Qualified Social Equity Applicants;

(5) to provide financial assistance to support lending to, or private investment in, Qualified Social Equity Applicants, or to facilitate access to the facilities needed to commence operations as a cannabis business establishment ~~(blank)~~;

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

(6.5) to enter into financial intermediary agreements to facilitate lending to or investment in Qualified Social Equity Applicants, or their ancillary businesses, with the goal of ensuring the availability of facilities necessary to operate a cannabis business establishment;

(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.)

(410 ILCS 705/7-15)

Sec. 7-15. Loans, financial assistance, and grants to Qualified Social Equity Applicants.

(a) The Department of Commerce and Economic Opportunity shall establish grant, ~~and~~ loan, and financial assistance programs, subject to appropriations from the Cannabis Business Development Fund, for the purposes of providing financial assistance, loans, grants, and technical assistance to Qualified Social Equity Applicants.

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

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

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

(3) fix, determine, charge, and collect any premiums, fees, charges, costs and expenses, including application fees, commitment fees, program fees, financing charges, or publication fees in connection with its activities under this Section;

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

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

(6) take whatever actions are necessary or appropriate to protect the State's interest in the event of

bankruptcy, default, foreclosure, or noncompliance with the terms and conditions of financial assistance provided under this Section, including the ability to recapture funds if the recipient is found to be noncompliant with the terms and conditions of the financial assistance agreement;

(6.5) enter into financial intermediary agreements and charge fees to financial institutions required to facilitate lending to or investment in Qualified Social Equity Applicants, or their ancillary businesses, with the goal of ensuring the availability of facilities necessary to operate a cannabis business establishment;

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

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

(c) Financial assistance ~~Loans~~ made under this Section:

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

(2) shall be in such principal amount and form and contain such terms and provisions with respect to security, insurance, reporting, delinquency charges, default remedies, forgiveness, and other matters as the Department shall determine appropriate to protect the

public interest and to be consistent with the purposes of this Section. The terms and provisions may be less than required for similar loans not covered by this Section; and.

(3) may be distributed by lottery if the Department determines that the amount of funding available is insufficient to provide an adequate amount of funding for all of the applicants eligible to receive financial assistance. The Department may determine the number of financial assistance awards available based on the amount of funding available and may communicate the number of loans available on the loan application. The Department may use competitive criteria to establish which applicants are eligible to receive a grant, loan, or 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, job training and workforce development, and technical assistance to Social Equity Applicants. 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 aggregate, in addition to the amount of loans made that are outstanding and the amount of grants awarded;

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

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

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

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

(410 ILCS 705/7-20)

Sec. 7-20. Fee waivers.

(a) For Social Equity Applicants, the Department of Financial and Professional Regulation and the Department of Agriculture shall waive 50% of any nonrefundable license application fees, any nonrefundable fees associated with purchasing a license to operate a cannabis business establishment, and any surety bond or other financial requirements, provided a Social Equity Applicant meets the following qualifications at the time the payment is due:

(1) the applicant, including all individuals and entities with 10% or greater ownership and all parent companies, subsidiaries, and affiliates, has less than a total of $750,000 of gross income in the previous calendar year; and

(2) the applicant, including all individuals and entities with 10% or greater ownership and all parent companies, subsidiaries, and affiliates, has no more than 2 other licenses for cannabis business establishments in the State of Illinois.

(b) The Department of Financial and Professional Regulation and the Department of Agriculture may require Social Equity Applicants to attest that they meet the requirements for a fee waiver as provided in subsection (a) and to provide evidence of annual total income in the previous

calendar year.

(c) If the Department of Financial and Professional Regulation or the Department of Agriculture determines that an applicant who applied as a Social Equity Applicant is not eligible for such status, the applicant shall be provided an additional 10 days to provide alternative evidence that he or she qualifies as a Social Equity Applicant. Alternatively, the applicant may pay the remainder of the waived fee and be considered as a non-Social Equity Applicant. If the applicant cannot do either, then the Departments may keep the initial application fee and the application shall not be graded.

(d) The Department of Agriculture shall provide hardship waivers for craft grower, infuser, and transporter license and renewal fees due to the Department pursuant to the provisions below:

(1) The craft grower, infuser, and transporter organization attests that the craft grower, infuser, and transporter organization or applicant for renewal, including all individuals and entities with 10% or greater ownership and all parent companies, subsidiaries, and affiliates, have no more than 2 other licenses for cannabis business establishments in the State.

(2) For craft grower, infuser, and transporter organizations that have a total of $50,000 or less of reported gross income for the prior fiscal year, the Department shall waive the full license or renewal fee.

The craft grower, infuser, and transporter organization shall verify its income to the Department.

(3) For craft grower, infuser, and transporter organizations that have a gross income of more than $50,000 and less than or equal to $750,000, the Department shall waive 50% of the full license or renewal fee. The craft grower, infuser, and transporter organization shall verify its income to the Department.

(Source: P.A. 101-27, eff. 6-25-19.)

(410 ILCS 705/10-10)

Sec. 10-10. Possession limit.

(a) Except if otherwise authorized by this Act, for a person who is 21 years of age or older and a resident of this State, the possession limit is as follows:

(1) 60 ~~30~~ grams of cannabis flower;

(2) no more than 1000 ~~500~~ milligrams of THC contained in cannabis-infused product;

(3) 10 ~~5~~ grams of cannabis concentrate; and

(4) for registered qualifying patients, any cannabis produced by cannabis plants grown under subsection (b) of Section 10-5, provided any amount of cannabis produced in excess of 60 ~~30~~ grams of raw cannabis or its equivalent must remain secured within the residence or residential property in which it was grown.

(b) For a person who is 21 years of age or older and who is

not a resident of this State, the possession limit is:

(1) 15 grams of cannabis flower;

(2) 2.5 grams of cannabis concentrate; and

(3) 250 milligrams of THC contained in a cannabis-infused product.

(c) The possession limits found in subsections (a) and (b) of this Section are to be considered cumulative.

(d) No person shall knowingly obtain, seek to obtain, or possess an amount of cannabis from a dispensing organization or craft grower that would cause him or her to exceed the possession limit under this Section, including cannabis that is cultivated by a person under this Act or obtained as a qualified registered medical patient, provisional patient, designated caregiver, or Opioid Alternative Patient Program participant.

(d-1) No qualified patient, provisional patient, designated caregiver, or Opioid Alternative Patient Program participant shall knowingly obtain, seek to obtain, or possess, individually or collectively, an amount that would cause the individual to exceed that individual's adequate medical supply ~~under the Compassionate Use of Medical Cannabis Program Act~~.

(e) (Blank). ~~Cannabis and cannabis-derived substances regulated under the Industrial Hemp Act are not covered by this Act.~~

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

(410 ILCS 705/10-15)

Sec. 10-15. Persons under 21 years of age.

(a) Nothing in this Act is intended to permit the transfer of cannabis, with or without remuneration, to a person under 21 years of age, or to allow a person under 21 years of age to purchase, possess, use, process, transport, grow, or consume cannabis except where authorized by this Act, the Compassionate Use of Medical Cannabis Program Act, or ~~by~~ the Community College Cannabis Vocational Pilot Program.

(b) Notwithstanding any other provisions of law authorizing ~~the~~ possession of ~~medical~~ cannabis or cannabis-infused products by a qualified registered medical patient, provisional patient, designated caregiver, or Opioid Alternative Patient Program participant, nothing in this Act authorizes a person who is under 21 years of age to possess cannabis. A person under 21 years of age with cannabis in his or her possession is guilty of a civil law violation as outlined in paragraph (a) of Section 4 of the Cannabis Control Act.

(c) If the person under the age of 21 was in a motor vehicle at the time of the offense, the Secretary of State may suspend or revoke the driving privileges of any person for a violation of this Section under Section 6-206 of the Illinois Vehicle Code and the rules adopted under it.

(d) It is unlawful for any parent or guardian to knowingly

permit his or her residence, any other private property under his or her control, or any vehicle, conveyance, or watercraft under his or her control to be used by an invitee of the parent's child or the guardian's ward, if the invitee is under the age of 21, in a manner that constitutes a violation of this Section. A parent or guardian is deemed to have knowingly permitted his or her residence, any other private property under his or her control, or any vehicle, conveyance, or watercraft under his or her control to be used in violation of this Section if he or she knowingly authorizes or permits consumption of cannabis by underage invitees. Any person who violates this subsection (d) is guilty of a Class A misdemeanor and the person's sentence shall include, but shall not be limited to, a fine of not less than $500. If a violation of this subsection (d) directly or indirectly results in great bodily harm or death to any person, the person violating this subsection is guilty of a Class 4 felony. In this subsection (d), where the residence or other property has an owner and a tenant or lessee, the trier of fact may infer that the residence or other property is occupied only by the tenant or lessee.

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

(410 ILCS 705/15-7.5 new)

Sec. 15-7.5. Medical cannabis license. Any Adult Use Dispensing Organization Licensee licensed under this Act may

apply for a medical cannabis dispensing organization license at no cost and shall be awarded the medical cannabis dispensing organization license if qualified. The awarding of a medical cannabis dispensing organization license under this Section shall not be limited by the license caps under this Act or the Compassionate Use of Medical Cannabis Program Act.

(410 ILCS 705/15-10)

Sec. 15-10. Medical cannabis dispensing organization ~~exemption~~. Beginning on the effective date of this amendatory Act of the 104th General Assembly, this ~~This~~ Article does not apply to medical cannabis dispensing organizations registered pursuant to Section 15-15 and Section 15-37 of this Act ~~under the Compassionate Use of Medical Cannabis Pilot Program Act, except where otherwise specified~~.

(Source: P.A. 101-27, eff. 6-25-19.)

(410 ILCS 705/15-15)

Sec. 15-15. Early Approval Adult Use Dispensing Organization License.

(a) Any medical cannabis dispensing organization holding a valid registration under the Compassionate Use of Medical Cannabis Program Act as of the effective date of this Act may, within 60 days of the effective date of this Act, apply to the Department for an Early Approval Adult Use Dispensing Organization License to serve purchasers at any medical

cannabis dispensing location in operation on the effective date of this Act, pursuant to this Section.

(b) A medical cannabis dispensing organization seeking issuance of an Early Approval Adult Use Dispensing Organization License to serve purchasers at any medical cannabis dispensing location in operation as of the effective date of this Act shall submit an application on forms provided by the Department. The application must be submitted by the same person or entity that holds the medical cannabis dispensing organization registration and include the following:

(1) Payment of a nonrefundable fee of $30,000 to be deposited into the Cannabis Regulation Fund;

(2) Proof of registration as a medical cannabis dispensing organization that is in good standing;

(3) Certification that the applicant will comply with the requirements contained in the Compassionate Use of Medical Cannabis Program Act except as provided in this Act;

(4) The legal name of the dispensing organization;

(5) The physical address of the dispensing organization;

(6) The name, address, social security number, and date of birth of each principal officer and board member of the dispensing organization, each of whom must be at least 21 years of age;

(7) A nonrefundable Cannabis Business Development Fee equal to 3% of the dispensing organization's total sales between June 1, 2018 to June 1, 2019, or $100,000, whichever is less, to be deposited into the Cannabis Business Development Fund; and

(8) Identification of one of the following Social Equity Inclusion Plans to be completed by March 31, 2021:

(A) Make a contribution of 3% of total sales from June 1, 2018 to June 1, 2019, or $100,000, whichever is less, to the Cannabis Business Development Fund. This is in addition to the fee required by item (7) of this subsection (b);

(B) Make a grant of 3% of total sales from June 1, 2018 to June 1, 2019, or $100,000, whichever is less, to a cannabis industry training or education program at an Illinois community college as defined in the Public Community College Act;

(C) Make a donation of $100,000 or more to a program that provides job training services to persons recently incarcerated or that operates in a Disproportionately Impacted Area;

(D) Participate as a host in a cannabis business establishment incubator program approved by the Department of Commerce and Economic Opportunity, and in which an Early Approval Adult Use Dispensing Organization License holder agrees to provide a loan

of at least $100,000 and mentorship to incubate, for at least a year, a Social Equity Applicant intending to seek a license or a licensee that qualifies as a Social Equity Applicant. As used in this Section, "incubate" means providing direct financial assistance and training necessary to engage in licensed cannabis industry activity similar to that of the host licensee. The Early Approval Adult Use Dispensing Organization License holder or the same entity holding any other licenses issued pursuant to this Act shall not take an ownership stake of greater than 10% in any business receiving incubation services to comply with this subsection. If an Early Approval Adult Use Dispensing Organization License holder fails to find a business to incubate to comply with this subsection before its Early Approval Adult Use Dispensing Organization License expires, it may opt to meet the requirement of this subsection by completing another item from this subsection; or

(E) Participate in a sponsorship program for at least 2 years approved by the Department of Commerce and Economic Opportunity in which an Early Approval Adult Use Dispensing Organization License holder agrees to provide an interest-free loan of at least $200,000 to a Social Equity Applicant. The sponsor shall not take an ownership stake in any cannabis

business establishment receiving sponsorship services to comply with this subsection.

(b-5) Beginning 90 days after the effective date of this amendatory Act of the 102nd General Assembly, an Early Approval Adult Use Dispensing Organization licensee whose license was issued pursuant to this Section may apply to relocate within the same geographic district where its existing associated medical cannabis dispensing organization dispensary licensed under the Compassionate Use of Medical Cannabis Program Act is authorized to operate. A request to relocate under this subsection is subject to approval by the Department. An Early Approval Adult Use Dispensing Organization's application to relocate its license under this subsection shall be deemed approved 30 days following the submission of a complete application to relocate, unless sooner approved or denied in writing by the Department. If an application to relocate is denied, the Department shall provide, in writing, the specific reason for denial.

An Early Approval Adult Use Dispensing Organization may request to relocate under this subsection if:

(1) its existing location is within the boundaries of a unit of local government that prohibits the sale of adult use cannabis; or

(2) the Early Approval Adult Use Dispensing Organization has obtained the approval of the municipality or, if outside the boundaries of a municipality in an

unincorporated area of the county, the approval of the county where the existing license is located to move to another location within that unit of local government.

At no time may an Early Approval Adult Use Dispensing Organization dispensary licensed under this Section operate in a separate facility from its associated medical cannabis dispensing organization dispensary licensed under the Compassionate Use of Medical Cannabis Program Act. The relocation of an Early Approval Adult Use Dispensing Organization License under this subsection shall be subject to Sections 55-25 and 55-28 of this Act.

(c) The license fee required by paragraph (1) of subsection (b) of this Section shall be in addition to any license fee required for the renewal of a registered medical cannabis dispensing organization license.

(d) Applicants must submit all required information, including the requirements in subsection (b) of this Section, to the Department. Failure by an applicant to submit all required information may result in the application being disqualified.

(e) If the Department receives an application that fails to provide the required elements contained in subsection (b), the Department shall issue a deficiency notice to the applicant. The applicant shall have 10 calendar days from the date of the deficiency notice to submit complete information. Applications that are still incomplete after this opportunity

to cure may be disqualified.

(f) If an applicant meets all the requirements of subsection (b) of this Section, the Department shall issue the Early Approval Adult Use Dispensing Organization License within 14 days of receiving a completed application unless:

(1) The licensee or a principal officer is delinquent in filing any required tax returns or paying any amounts owed to the State of Illinois;

(2) The Secretary of Financial and Professional Regulation determines there is reason, based on documented compliance violations, the licensee is not entitled to an Early Approval Adult Use Dispensing Organization License; or

(3) Any principal officer fails to register and remain in compliance with this Act or the Compassionate Use of Medical Cannabis Program Act.

(g) A registered medical cannabis dispensing organization that obtains an Early Approval Adult Use Dispensing Organization License may begin selling cannabis, cannabis-infused products, paraphernalia, and related items to purchasers under the rules of this Act no sooner than January 1, 2020.

(h) A dispensing organization holding a medical cannabis dispensing organization license issued under the Compassionate Use of Medical Cannabis Program Act must maintain an adequate supply of cannabis and cannabis-infused products for purchase

by qualifying patients, designated caregivers, provisional patients, and Opioid Alternative Patient ~~Pilot~~ Program participants. For the purposes of this subsection, "adequate supply" means a monthly inventory level that is comparable in type and quantity to those medical cannabis products provided to patients and caregivers on an average monthly basis for the 6 months before the effective date of this Act.

(i) If there is a shortage of cannabis or cannabis-infused products, a dispensing organization holding both a dispensing organization license under the Compassionate Use of Medical Cannabis Program Act and this Act shall prioritize serving qualifying patients, designated caregivers, provisional patients, and Opioid Alternative Patient ~~Pilot~~ Program participants before serving purchasers.

(j) Notwithstanding any law or rule to the contrary, a person that holds a medical cannabis dispensing organization license issued under the Compassionate Use of Medical Cannabis Program Act and an Early Approval Adult Use Dispensing Organization License may permit purchasers into a limited access area as that term is defined in administrative rules made under the authority in the Compassionate Use of Medical Cannabis Program Act.

(k) An Early Approval Adult Use Dispensing Organization License is valid until March 31, 2021. A dispensing organization that obtains an Early Approval Adult Use Dispensing Organization License shall receive written or

electronic notice 90 days before the expiration of the license that the license will expire, and that informs the license holder that it may apply to renew its Early Approval Adult Use Dispensing Organization License on forms provided by the Department. The Department shall renew the Early Approval Adult Use Dispensing Organization License within 60 days of the renewal application being deemed complete if:

(1) the dispensing organization submits an application and the required nonrefundable renewal fee of $30,000, to be deposited into the Cannabis Regulation Fund;

(2) the Department has not suspended or permanently revoked the Early Approval Adult Use Dispensing Organization License or a medical cannabis dispensing organization license on the same premises for violations of this Act, the Compassionate Use of Medical Cannabis Program Act, or rules adopted pursuant to those Acts;

(3) the dispensing organization has completed a Social Equity Inclusion Plan as provided by parts (A), (B), and (C) of paragraph (8) of subsection (b) of this Section or has made substantial progress toward completing a Social Equity Inclusion Plan as provided by parts (D) and (E) of paragraph (8) of subsection (b) of this Section; and

(4) the dispensing organization is in compliance with this Act and rules.

(l) The Early Approval Adult Use Dispensing Organization License renewed pursuant to subsection (k) of this Section

shall expire March 31, 2022. The Early Approval Adult Use Dispensing Organization Licensee shall receive written or electronic notice 90 days before the expiration of the license that the license will expire, and that informs the license holder that it may apply for an Adult Use Dispensing Organization License on forms provided by the Department. The Department shall grant an Adult Use Dispensing Organization License within 60 days of an application being deemed complete if the applicant has met all of the criteria in Section 15-36.

(m) If a dispensing organization fails to submit an application for renewal of an Early Approval Adult Use Dispensing Organization License or for an Adult Use Dispensing Organization License before the expiration dates provided in subsections (k) and (l) of this Section, the dispensing organization shall cease serving purchasers and cease all operations until it receives a renewal or an Adult Use Dispensing Organization License, as the case may be.

(n) A dispensing organization agent who holds a valid dispensing organization agent identification card issued under the Compassionate Use of Medical Cannabis Program Act and is an officer, director, manager, or employee of the dispensing organization licensed under this Section may engage in all activities authorized by this Article to be performed by a dispensing organization agent.

(o) If the Department suspends, permanently revokes, or otherwise disciplines the Early Approval Adult Use Dispensing

Organization License of a dispensing organization that also holds a medical cannabis dispensing organization license issued under the Compassionate Use of Medical Cannabis Program Act, the Department may consider the suspension, permanent revocation, or other discipline of the medical cannabis dispensing organization license.

(p) All fees collected pursuant to this Section shall be deposited into the Cannabis Regulation Fund, unless otherwise specified.

(q) Beginning 90 days after the effective date of this amendatory Act of the 104th General Assembly, the Department may update any existing Early Approval Adult Use Dispensing Organization License to become both an Adult Use Dispensing Organization License issued under Section 15-36 and a corresponding Medical Cannabis Dispensing Organization License under Section 15-37.

(Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19; 102-98, eff. 7-15-21.)

(410 ILCS 705/15-20)

Sec. 15-20. Early Approval Adult Use Dispensing Organization License; secondary site.

(a) Any medical cannabis dispensing organization holding a valid registration under the Compassionate Use of Medical Cannabis Program Act as of the effective date of this Act may, within 60 days of the effective date of this Act, apply to the

Department for an Early Approval Adult Use Dispensing Organization License to operate a dispensing organization to serve purchasers at a secondary site not within 1,500 feet of another medical cannabis dispensing organization or adult use dispensing organization. The Early Approval Adult Use Dispensing Organization secondary site shall be within any BLS Region that shares territory with the dispensing organization district to which the medical cannabis dispensing organization is assigned under the administrative rules for dispensing organizations under the Compassionate Use of Medical Cannabis Program Act.

(a-5) If, within 360 days of the effective date of this Act, a dispensing organization is unable to find a location within the BLS Regions prescribed in subsection (a) of this Section in which to operate an Early Approval Adult Use Dispensing Organization at a secondary site because no jurisdiction within the prescribed area allows the operation of an Adult Use Dispensing Organization, the Department of Financial and Professional Regulation may waive the geographic restrictions of subsection (a) of this Section and specify another BLS Region into which the dispensary may be placed.

(b) (Blank).

(c) A medical cannabis dispensing organization seeking issuance of an Early Approval Adult Use Dispensing Organization License at a secondary site to serve purchasers at a secondary site as prescribed in subsection (a) of this

Section shall submit an application on forms provided by the Department. The application must meet or include the following qualifications:

(1) a payment of a nonrefundable application fee of $30,000;

(2) proof of registration as a medical cannabis dispensing organization that is in good standing;

(3) submission of the application by the same person or entity that holds the medical cannabis dispensing organization registration;

(4) the legal name of the medical cannabis dispensing organization;

(5) the physical address of the medical cannabis dispensing organization and the proposed physical address of the secondary site;

(6) a copy of the current local zoning ordinance Sections relevant to dispensary operations and documentation of the approval, the conditional approval or the status of a request for zoning approval from the local zoning office that the proposed dispensary location is in compliance with the local zoning rules;

(7) a plot plan of the dispensary drawn to scale. The applicant shall submit general specifications of the building exterior and interior layout;

(8) a statement that the dispensing organization agrees to respond to the Department's supplemental

requests for information;

(9) for the building or land to be used as the proposed dispensary:

(A) if the property is not owned by the applicant, a written statement from the property owner and landlord, if any, certifying consent that the applicant may operate a dispensary on the premises; or

(B) if the property is owned by the applicant, confirmation of ownership;

(10) a copy of the proposed operating bylaws;

(11) a copy of the proposed business plan that complies with the requirements in this Act, including, at a minimum, the following:

(A) a description of services to be offered; and

(B) a description of the process of dispensing cannabis;

(12) a copy of the proposed security plan that complies with the requirements in this Article, including:

(A) a description of the delivery process by which cannabis will be received from a transporting organization, including receipt of manifests and protocols that will be used to avoid diversion, theft, or loss at the dispensary acceptance point; and

(B) the process or controls that will be implemented to monitor the dispensary, secure the premises, agents, patients, and currency, and prevent

the diversion, theft, or loss of cannabis; and

(C) the process to ensure that access to the restricted access areas is restricted to, registered agents, service professionals, transporting organization agents, Department inspectors, and security personnel;

(13) a proposed inventory control plan that complies with this Section;

(14) the name, address, social security number, and date of birth of each principal officer and board member of the dispensing organization; each of those individuals shall be at least 21 years of age;

(15) a nonrefundable Cannabis Business Development Fee equal to $200,000, to be deposited into the Cannabis Business Development Fund; and

(16) a commitment to completing one of the following Social Equity Inclusion Plans in subsection (d).

(d) Before receiving an Early Approval Adult Use Dispensing Organization License at a secondary site, a dispensing organization shall indicate the Social Equity Inclusion Plan that the applicant plans to achieve before the expiration of the Early Approval Adult Use Dispensing Organization License from the list below:

(1) make a contribution of 3% of total sales from June 1, 2018 to June 1, 2019, or $100,000, whichever is less, to the Cannabis Business Development Fund. This is in

addition to the fee required by paragraph (16) of subsection (c) of this Section;

(2) make a grant of 3% of total sales from June 1, 2018 to June 1, 2019, or $100,000, whichever is less, to a cannabis industry training or education program at an Illinois community college as defined in the Public Community College Act;

(3) make a donation of $100,000 or more to a program that provides job training services to persons recently incarcerated or that operates in a Disproportionately Impacted Area;

(4) participate as a host in a cannabis business establishment incubator program approved by the Department of Commerce and Economic Opportunity, and in which an Early Approval Adult Use Dispensing Organization License at a secondary site holder agrees to provide a loan of at least $100,000 and mentorship to incubate, for at least a year, a Social Equity Applicant intending to seek a license or a licensee that qualifies as a Social Equity Applicant. In this paragraph (4), "incubate" means providing direct financial assistance and training necessary to engage in licensed cannabis industry activity similar to that of the host licensee. The Early Approval Adult Use Dispensing Organization License holder or the same entity holding any other licenses issued under this Act shall not take an ownership stake of greater than 10%

in any business receiving incubation services to comply with this subsection. If an Early Approval Adult Use Dispensing Organization License at a secondary site holder fails to find a business to incubate in order to comply with this subsection before its Early Approval Adult Use Dispensing Organization License at a secondary site expires, it may opt to meet the requirement of this subsection by completing another item from this subsection before the expiration of its Early Approval Adult Use Dispensing Organization License at a secondary site to avoid a penalty; or

(5) participate in a sponsorship program for at least 2 years approved by the Department of Commerce and Economic Opportunity in which an Early Approval Adult Use Dispensing Organization License at a secondary site holder agrees to provide an interest-free loan of at least $200,000 to a Social Equity Applicant. The sponsor shall not take an ownership stake of greater than 10% in any business receiving sponsorship services to comply with this subsection.

(e) The license fee required by paragraph (1) of subsection (c) of this Section is in addition to any license fee required for the renewal of a registered medical cannabis dispensing organization license.

(f) Applicants must submit all required information, including the requirements in subsection (c) of this Section,

to the Department. Failure by an applicant to submit all required information may result in the application being disqualified. Principal officers shall not be required to submit to the fingerprint and background check requirements of Section 5-20.

(g) If the Department receives an application that fails to provide the required elements contained in subsection (c), the Department shall issue a deficiency notice to the applicant. The applicant shall have 10 calendar days from the date of the deficiency notice to submit complete information. Applications that are still incomplete after this opportunity to cure may be disqualified.

(h) Once all required information and documents have been submitted, the Department will review the application. The Department may request revisions and retains final approval over dispensary features. Once the application is complete and meets the Department's approval, the Department shall conditionally approve the license. Final approval is contingent on the build-out and Department inspection.

(i) Upon submission of the Early Approval Adult Use Dispensing Organization at a secondary site application, the applicant shall request an inspection and the Department may inspect the Early Approval Adult Use Dispensing Organization's secondary site to confirm compliance with the application and this Act.

(j) The Department shall only issue an Early Approval

Adult Use Dispensing Organization License at a secondary site after the completion of a successful inspection.

(k) If an applicant passes the inspection under this Section, the Department shall issue the Early Approval Adult Use Dispensing Organization License at a secondary site within 10 business days unless:

(1) the licensee, any principal officer or board member of the licensee, or any person having a financial or voting interest of 5% or greater in the licensee is delinquent in filing any required tax returns or paying any amounts owed to the State of Illinois; or

(2) the Secretary of Financial and Professional Regulation determines there is reason, based on documented compliance violations, the licensee is not entitled to an Early Approval Adult Use Dispensing Organization License at its secondary site.

(l) Once the Department has issued a license, the dispensing organization shall notify the Department of the proposed opening date.

(m) A registered medical cannabis dispensing organization that obtains an Early Approval Adult Use Dispensing Organization License at a secondary site may begin selling cannabis, cannabis-infused products, paraphernalia, and related items to purchasers under the rules of this Act no sooner than January 1, 2020.

(n) If there is a shortage of cannabis or cannabis-infused

products, a dispensing organization holding both a dispensing organization license under the Compassionate Use of Medical Cannabis Program Act and this Article shall prioritize serving qualifying patients and caregivers before serving purchasers.

(o) An Early Approval Adult Use Dispensing Organization License at a secondary site is valid until March 31, 2021. A dispensing organization that obtains an Early Approval Adult Use Dispensing Organization License at a secondary site shall receive written or electronic notice 90 days before the expiration of the license that the license will expire, and inform the license holder that it may renew its Early Approval Adult Use Dispensing Organization License at a secondary site. The Department shall renew an Early Approval Adult Use Dispensing Organization License at a secondary site within 60 days of submission of the renewal application being deemed complete if:

(1) the dispensing organization submits an application and the required nonrefundable renewal fee of $30,000, to be deposited into the Cannabis Regulation Fund;

(2) the Department has not suspended or permanently revoked the Early Approval Adult Use Dispensing Organization License or a medical cannabis dispensing organization license held by the same person or entity for violating this Act or rules adopted under this Act or the Compassionate Use of Medical Cannabis Program Act or rules adopted under that Act; and

(3) the dispensing organization has completed a Social Equity Inclusion Plan provided by paragraph (1), (2), or (3) of subsection (d) of this Section or has made substantial progress toward completing a Social Equity Inclusion Plan provided by paragraph (4) or (5) of subsection (d) of this Section.

(p) The Early Approval Adult Use Dispensing Organization Licensee at a secondary site renewed pursuant to subsection (o) shall receive written or electronic notice 90 days before the expiration of the license that the license will expire, and that informs the license holder that it may apply for an Adult Use Dispensing Organization License on forms provided by the Department. The Department shall grant an Adult Use Dispensing Organization License within 60 days of an application being deemed complete if the applicant has met ~~meet~~ all of the criteria in Section 15-36.

(q) If a dispensing organization fails to submit an application for renewal of an Early Approval Adult Use Dispensing Organization License or for an Adult Use Dispensing Organization License before the expiration dates provided in subsections (o) and (p) of this Section, the dispensing organization shall cease serving purchasers until it receives a renewal or an Adult Use Dispensing Organization License.

(r) A dispensing organization agent who holds a valid dispensing organization agent identification card issued under the Compassionate Use of Medical Cannabis Program Act and is

an officer, director, manager, or employee of the dispensing organization licensed under this Section may engage in all activities authorized by this Article to be performed by a dispensing organization agent.

(s) If the Department suspends, permanently revokes, or otherwise disciplines the Early Approval Adult Use Dispensing Organization License of a dispensing organization that also holds a medical cannabis dispensing organization license issued under the Compassionate Use of Medical Cannabis Program Act, the Department may consider the suspension, permanent revocation, or other discipline as grounds to take disciplinary action against the medical cannabis dispensing organization.

(t) All fees collected pursuant to this Section shall be deposited into the Cannabis Regulation Fund, unless otherwise specified.

(Source: P.A. 104-417, eff. 8-15-25.)

(410 ILCS 705/15-24 new)

Sec. 15-24. Adult Use Dispensing Organization Licensee relocation.

(a) An Adult Use Dispensing Organization licensee may apply to relocate within the licensee's specific BLS Region consistent with this Section. A request to relocate under this Section is subject to approval by the Department. An Adult Use Dispensing Organization's application to relocate its license

under this Section shall be considered to be approved 30 days following the submission of a complete application to relocate, unless the request is sooner approved or denied in writing by the Department. If an application to relocate is denied, the Department shall provide, in writing, the specific reason for denial. An Adult Use Dispensing Organization may request to relocate under this Section only if:

(1) the Adult Use Dispensing Organization's existing location is within the boundaries of a unit of local government that prohibits the sale of adult use cannabis;

(2) the Adult Use Dispensing Organization has obtained the zoning approval of a new location by the municipality it currently operates in if the new location is within that same municipality, or if outside the boundaries of a municipality in an unincorporated area of the county, the zoning approval of a new location by the county where it currently operates in if the new location is within the same county, to move to a different location within that unit of local government; or

(3) the Adult Use Dispensing Organization has obtained the approval, as evidenced by a letter of intent or full zoning approval, to operate within the boundaries of a new unit of local government, so long as the new unit of local government is within the dispensing organization's specific BLS Region.

(b) The relocation of an Adult Use Dispensing Organization

Licensee under this Section shall be subject to Sections 55-25 and 55-28.

(410 ILCS 705/15-25)

Sec. 15-25. Awarding of Conditional Adult Use Dispensing Organization Licenses prior to January 1, 2021.

(a) The Department shall issue up to 75 Conditional Adult Use Dispensing Organization Licenses before May 1, 2020.

(b) The Department shall make the application for a Conditional Adult Use Dispensing Organization License available no later than October 1, 2019 and shall accept applications no later than January 1, 2020.

(c) To ensure the geographic dispersion of Conditional Adult Use Dispensing Organization License holders, the following number of licenses shall be awarded in each BLS Region as determined by each region's percentage of the State's population:

(1) Bloomington: 1

(2) Cape Girardeau: 1

(3) Carbondale-Marion: 1

(4) Champaign-Urbana: 1

(5) Chicago-Naperville-Elgin: 47

(6) Danville: 1

(7) Davenport-Moline-Rock Island: 1

(8) Decatur: 1

(9) Kankakee: 1

(10) Peoria: 3

(11) Rockford: 2

(12) St. Louis: 4

(13) Springfield: 1

(14) Northwest Illinois nonmetropolitan: 3

(15) West Central Illinois nonmetropolitan: 3

(16) East Central Illinois nonmetropolitan: 2

(17) South Illinois nonmetropolitan: 2

(d) An applicant seeking issuance of a Conditional Adult Use Dispensing Organization License shall submit an application on forms provided by the Department. An applicant must meet the following requirements:

(1) Payment of a nonrefundable application fee of $5,000 for each license for which the applicant is applying, which shall be deposited into the Cannabis Regulation Fund;

(2) Certification that the applicant will comply with the requirements contained in this Act;

(3) The legal name of the proposed dispensing organization;

(4) A statement that the dispensing organization agrees to respond to the Department's supplemental requests for information;

(5) From each principal officer, a statement indicating whether that person:

(A) has previously held or currently holds an

ownership interest in a cannabis business establishment in Illinois; or

(B) has held an ownership interest in a dispensing organization or its equivalent in another state or territory of the United States that had the dispensing organization registration or license suspended, revoked, placed on probationary status, or subjected to other disciplinary action;

(6) Disclosure of whether any principal officer has ever filed for bankruptcy or defaulted on spousal support or child support obligation;

(7) A resume for each principal officer, including whether that person has an academic degree, certification, or relevant experience with a cannabis business establishment or in a related industry;

(8) A description of the training and education that will be provided to dispensing organization agents;

(9) A copy of the proposed operating bylaws;

(10) A copy of the proposed business plan that complies with the requirements in this Act, including, at a minimum, the following:

(A) A description of services to be offered; and

(B) A description of the process of dispensing cannabis;

(11) A copy of the proposed security plan that complies with the requirements in this Article, including:

(A) The process or controls that will be implemented to monitor the dispensary, secure the premises, agents, and currency, and prevent the diversion, theft, or loss of cannabis; and

(B) The process to ensure that access to the restricted access areas is restricted to, registered agents, service professionals, transporting organization agents, Department inspectors, and security personnel;

(12) A proposed inventory control plan that complies with this Section;

(13) A proposed floor plan, a square footage estimate, and a description of proposed security devices, including, without limitation, cameras, motion detectors, servers, video storage capabilities, and alarm service providers;

(14) The name, address, social security number, and date of birth of each principal officer and board member of the dispensing organization; each of those individuals shall be at least 21 years of age;

(15) Evidence of the applicant's status as a Social Equity Applicant, if applicable, and whether a Social Equity Applicant plans to apply for a loan or grant issued by the Department of Commerce and Economic Opportunity;

(16) The address, telephone number, and email address of the applicant's principal place of business, if applicable. A post office box is not permitted;

(17) Written summaries of any information regarding instances in which a business or not-for-profit that a prospective board member previously managed or served on were fined or censured, or any instances in which a business or not-for-profit that a prospective board member previously managed or served on had its registration suspended or revoked in any administrative or judicial proceeding;

(18) A plan for community engagement;

(19) Procedures to ensure accurate recordkeeping and security measures that are in accordance with this Article and Department rules;

(20) The estimated volume of cannabis it plans to store at the dispensary;

(21) A description of the features that will provide accessibility to purchasers as required by the Americans with Disabilities Act;

(22) A detailed description of air treatment systems that will be installed to reduce odors;

(23) A reasonable assurance that the issuance of a license will not have a detrimental impact on the community in which the applicant wishes to locate;

(24) The dated signature of each principal officer;

(25) A description of the enclosed, locked facility where cannabis will be stored by the dispensing organization;

(26) Signed statements from each dispensing organization agent stating that he or she will not divert cannabis;

(27) The number of licenses it is applying for in each BLS Region;

(28) A diversity plan that includes a narrative of at least 2,500 words that establishes a goal of diversity in ownership, management, employment, and contracting to ensure that diverse participants and groups are afforded equality of opportunity;

(29) A contract with a private security contractor agency that is licensed under Section 10-5 of the Private Detective, Private Alarm, Private Security, Fingerprint Vendor, and Locksmith Act of 2004 in order for the dispensary to have adequate security at its facility; and

(30) Other information deemed necessary by the Illinois Cannabis Regulation Oversight Officer to conduct the disparity and availability study referenced in subsection (e) of Section 5-45.

(e) An applicant who receives a Conditional Adult Use Dispensing Organization License under this Section has 180 days from the date of award to identify a physical location for the dispensing organization retail storefront. The applicant shall provide evidence that the location is not within 1,500 feet of an existing dispensing organization, unless the applicant is a Social Equity Applicant or Social Equity

Justice Involved Applicant located or seeking to locate within 1,500 feet of a dispensing organization licensed under Section 15-15 or Section 15-20. However, the applicant need not comply with the 1,500-foot limitation if the applicant has received zoning approval from its unit of local government. If an applicant is unable to find a suitable physical address in the opinion of the Department within 180 days of the issuance of the Conditional Adult Use Dispensing Organization License, the Department may extend the period for finding a physical address an additional 540 days if the Conditional Adult Use Dispensing Organization License holder demonstrates concrete attempts to secure a location and a hardship. If the Department denies the extension or the Conditional Adult Use Dispensing Organization License holder is unable to either find a location within 720 days of being awarded a conditional license and become operational within 180 days thereafter or become operational within 720 days of being awarded a conditional license, the Department may, considering the totality of the circumstances, rescind the conditional license. If the conditional license holder does not become operational within 365 days after having found a location, the Department may mandate a date by which the conditional license holder shall become operational prior to the Department rescinding the conditional license. If the Department rescinds ~~shall rescind~~ the conditional license it may ~~and~~ award it to the next highest scoring applicant in the BLS Region for which

the license was assigned, provided the applicant receiving the license: (i) confirms a continued interest in operating a dispensing organization; (ii) can provide evidence that the applicant continues to meet all requirements for holding a Conditional Adult Use Dispensing Organization License set forth in this Act; and (iii) has not otherwise become ineligible to be awarded a dispensing organization license. If the new awardee is unable to accept the Conditional Adult Use Dispensing Organization License, the Department may issue ~~shall award~~ the Conditional Adult Use Dispensing Organization License to the next highest scoring applicant in the same manner. The new awardee shall be subject to the same required deadlines as provided in this subsection.

(e-5) If, within 720 days of being awarded a Conditional Adult Use Dispensing Organization License, a dispensing organization is unable to find a location within the BLS Region in which it was awarded a Conditional Adult Use Dispensing Organization License because no jurisdiction within the BLS Region allows for the operation of an Adult Use Dispensing Organization, the Department of Financial and Professional Regulation may authorize the Conditional Adult Use Dispensing Organization License holder to transfer its license to a BLS Region specified by the Department.

(f) A dispensing organization that is awarded a Conditional Adult Use Dispensing Organization License pursuant to the criteria in Section 15-30 shall not purchase, possess,

sell, or dispense cannabis or cannabis-infused products until the person has received an Adult Use Dispensing Organization License issued by the Department pursuant to Section 15-36 of this Act.

(g) The Department shall conduct a background check of the prospective organization agents in order to carry out this Article. The Illinois State Police shall charge the applicant a fee for conducting the criminal history record check, which shall be deposited into the State Police Services Fund and shall not exceed the actual cost of the record check. Each person applying as a dispensing organization agent shall submit a full set of fingerprints to the Illinois State Police for the purpose of obtaining a State and federal criminal records check. These fingerprints shall be checked against the fingerprint records now and hereafter, to the extent allowed by law, filed in the Illinois State Police and Federal Bureau of Identification criminal history records databases. The Illinois State Police shall furnish, following positive identification, all Illinois conviction information to the Department.

(Source: P.A. 102-98, eff. 7-15-21; 102-538, eff. 8-20-21; 102-813, eff. 5-13-22; 103-8, eff. 6-7-23.)

(410 ILCS 705/15-35)

Sec. 15-35. Qualifying Applicant Lottery for Conditional Adult Use Dispensing Organization Licenses.

(a) In addition to any of the licenses issued under Section 15-15, Section 15-20, Section 15-25, Section 15-30.20, or Section 15-35.10 of this Act, within 10 business days after the resulting final scores for all scored applications pursuant to Sections 15-25 and 15-30 are released, the Department shall issue up to 55 Conditional Adult Use Dispensing Organization Licenses by lot, pursuant to the application process adopted under this Section. In order to be eligible to be awarded a Conditional Adult Use Dispensing Organization License by lot under this Section, a Dispensary Applicant must be a Qualifying Applicant.

The licenses issued under this Section shall be awarded in each BLS Region in the following amounts:

(1) Bloomington: 1.

(2) Cape Girardeau: 1.

(3) Carbondale-Marion: 1.

(4) Champaign-Urbana: 1.

(5) Chicago-Naperville-Elgin: 36.

(6) Danville: 1.

(7) Davenport-Moline-Rock Island: 1.

(8) Decatur: 1.

(9) Kankakee: 1.

(10) Peoria: 2.

(11) Rockford: 1.

(12) St. Louis: 3.

(13) Springfield: 1.

(14) Northwest Illinois nonmetropolitan: 1.

(15) West Central Illinois nonmetropolitan: 1.

(16) East Central Illinois nonmetropolitan: 1.

(17) South Illinois nonmetropolitan: 1.

(a-5) Prior to issuing licenses under subsection (a), the Department may adopt rules through emergency rulemaking in accordance with subsection (kk) of Section 5-45 of the Illinois Administrative Procedure Act. The General Assembly finds that the adoption of rules to regulate cannabis use is deemed an emergency and necessary for the public interest, safety, and welfare.

(b) The Department shall distribute the available licenses established under this Section subject to the following:

(1) The drawing by lot for all available licenses issued under this Section shall occur on the same day when practicable.

(2) Within each BLS Region, the first Qualifying Applicant drawn will have the first right to an available license. The second Qualifying Applicant drawn will have the second right to an available license. The same pattern will continue for each subsequent Qualifying Applicant drawn.

(3) The process for distributing available licenses under this Section shall be recorded by the Department in a format selected by the Department.

(4) A Dispensary Applicant is prohibited from becoming

a Qualifying Applicant if a principal officer resigns after the resulting final scores for all scored applications pursuant to Sections 15-25 and 15-30 are released.

(5) No Qualifying Applicant may be awarded more than 2 Conditional Adult Use Dispensing Organization Licenses at the conclusion of a lottery conducted under this Section.

(6) No individual may be listed as a principal officer of more than 2 Conditional Adult Use Dispensing Organization Licenses awarded under this Section.

(7) If, upon being selected for an available license established under this Section, a Qualifying Applicant exceeds the limits under paragraph (5) or (6), the Qualifying Applicant must choose which license to abandon and notify the Department in writing within 5 business days. If the Qualifying Applicant does not notify the Department as required, the Department shall refuse to issue the Qualifying Applicant all available licenses established under this Section obtained by lot in all BLS Regions.

(8) If, upon being selected for an available license established under this Section, a Qualifying Applicant has a principal officer who is a principal officer in more than 10 Early Approval Adult Use Dispensing Organization Licenses, Conditional Adult Use Dispensing Organization Licenses, Adult Use Dispensing Organization Licenses, or

any combination thereof, the licensees and the Qualifying Applicant listing that principal officer must choose which license to abandon pursuant to subsection (d) of Section 15-36 and notify the Department in writing within 5 business days. If the Qualifying Applicant or licensees do not notify the Department as required, the Department shall refuse to issue the Qualifying Applicant all available licenses established under this Section obtained by lot in all BLS Regions.

(9) All available licenses that have been abandoned under paragraph (7) or (8) shall be distributed to the next Qualifying Applicant drawn by lot.

Any and all rights conferred or obtained under this Section shall be limited to the provisions of this Section.

(c) An applicant who receives a Conditional Adult Use Dispensing Organization License under this Section has 180 days from the date it is awarded to identify a physical location for the dispensing organization's retail storefront. The applicant shall provide evidence that the location is not within 1,500 feet of an existing dispensing organization, unless the applicant is a Social Equity Applicant or Social Equity Justice Involved Applicant located or seeking to locate within 1,500 feet of a dispensing organization licensed under Section 15-15 or Section 15-20. If an applicant is unable to find a suitable physical address in the opinion of the Department within 180 days from the issuance of the

Conditional Adult Use Dispensing Organization License, the Department may extend the period for finding a physical address an additional 540 days if the Conditional Adult Use Dispensing Organization License holder demonstrates a concrete attempt to secure a location and a hardship. If the Department denies the extension or the Conditional Adult Use Dispensing Organization License holder is unable to either find a location within 720 days of being awarded a conditional license and become operational within 180 days thereafter or become operational within 720 days of being awarded a Conditional Adult Use Dispensing Organization License, the Department may, considering the totality of the circumstances, rescind the conditional license. If the conditional license holder does not become operational within 365 days after having found a location, the Department may mandate a date by which the conditional license holder shall become operational prior to the Department rescinding the conditional license. If ~~under this Section,~~ the Department rescinds ~~shall rescind~~ the Conditional Adult Use Dispensing Organization License it may issue ~~and award~~ it pursuant to subsection (b), provided the applicant receiving the Conditional Adult Use Dispensing Organization License: (i) confirms a continued interest in operating a dispensing organization; (ii) can provide evidence that the applicant continues to meet all requirements for holding a Conditional Adult Use Dispensing Organization License set forth in this Act; and (iii) has not otherwise

become ineligible to be awarded a Conditional Adult Use Dispensing Organization License. If the new awardee is unable to accept the Conditional Adult Use Dispensing Organization License, the Department may issue ~~shall award~~ the Conditional Adult Use Dispensing Organization License pursuant to subsection (b). The new awardee shall be subject to the same required deadlines as provided in this subsection. However, the applicant need not comply with the 1,500-foot limitation if the applicant has received zoning approval from its unit of local government.

(d) If, within 720 days of being awarded a Conditional Adult Use Dispensing Organization License, a dispensing organization is unable to find a location within the BLS Region in which it was awarded a Conditional Adult Use Dispensing Organization License because no jurisdiction within the BLS Region allows for the operation of an Adult Use Dispensing Organization, the Department may authorize the Conditional Adult Use Dispensing Organization License holder to transfer its Conditional Adult Use Dispensing Organization License to a BLS Region specified by the Department.

(e) A dispensing organization that is awarded a Conditional Adult Use Dispensing Organization License under this Section shall not purchase, possess, sell, or dispense cannabis or cannabis-infused products until the dispensing organization has received an Adult Use Dispensing Organization License issued by the Department pursuant to Section 15-36.

(f) The Department shall conduct a background check of the prospective dispensing organization agents in order to carry out this Article. The Illinois State Police shall charge the applicant a fee for conducting the criminal history record check, which shall be deposited into the State Police Services Fund and shall not exceed the actual cost of the record check. Each person applying as a dispensing organization agent shall submit a full set of fingerprints to the Illinois State Police for the purpose of obtaining a State and federal criminal records check. These fingerprints shall be checked against the fingerprint records now and hereafter, to the extent allowed by law, filed with the Illinois State Police and the Federal Bureau of Investigation criminal history records databases. The Illinois State Police shall furnish, following positive identification, all Illinois conviction information to the Department.

(g) The Department may verify information contained in each application and accompanying documentation to assess the applicant's veracity and fitness to operate a dispensing organization.

(h) The Department may, in its discretion, refuse to issue authorization to an applicant who meets any of the following criteria:

(1) An applicant who is unqualified to perform the duties required of the applicant.

(2) An applicant who fails to disclose or states

falsely any information called for in the application.

(3) An applicant who has been found guilty of a violation of this Act, who has had any disciplinary order entered against the applicant by the Department, who has entered into a disciplinary or nondisciplinary agreement with the Department, whose medical cannabis dispensing organization, medical cannabis cultivation organization, Early Approval Adult Use Dispensing Organization License, Early Approval Adult Use Dispensing Organization License at a secondary site, Early Approval Cultivation Center License, Conditional Adult Use Dispensing Organization License, or Adult Use Dispensing Organization License was suspended, restricted, revoked, or denied for just cause, or whose cannabis business establishment license was suspended, restricted, revoked, or denied in any other state.

(4) An applicant who has engaged in a pattern or practice of unfair or illegal practices, methods, or activities in the conduct of owning a cannabis business establishment or other business.

(i) The Department shall deny issuance of a license under this Section if any principal officer, board member, or person having a financial or voting interest of 5% or greater in the licensee is delinquent in filing any required tax return or paying any amount owed to the State of Illinois.

(j) The Department shall verify an applicant's compliance

with the requirements of this Article and rules adopted under this Article before issuing a Conditional Adult Use Dispensing Organization License under this Section.

(k) If an applicant is awarded a Conditional Adult Use Dispensing Organization License under this Section, the information and plans provided in the application, including any plans submitted for bonus points, shall become a condition of the Conditional Adult Use Dispensing Organization License and any Adult Use Dispensing Organization License issued to the holder of the Conditional Adult Use Dispensing Organization License, except as otherwise provided by this Act or by rule. A dispensing organization has a duty to disclose any material changes to the application. The Department shall review all material changes disclosed by the dispensing organization and may reevaluate its prior decision regarding the awarding of a Conditional Adult Use Dispensing Organization License, including, but not limited to, suspending or permanently revoking a Conditional Adult Use Dispensing Organization License. Failure to comply with the conditions or requirements in the application may subject the dispensing organization to discipline up to and including suspension or permanent revocation of its authorization or Conditional Adult Use Dispensing Organization License by the Department.

(l) If an applicant has not begun operating as a dispensing organization within one year after the issuance of

the Conditional Adult Use Dispensing Organization License under this Section, the Department may permanently revoke the Conditional Adult Use Dispensing Organization License and award it to the next highest scoring applicant in the BLS Region if a suitable applicant indicates a continued interest in the Conditional Adult Use Dispensing Organization License or may begin a new selection process to award a Conditional Adult Use Dispensing Organization License.

(Source: P.A. 102-98, eff. 7-15-21; 103-8, eff. 6-7-23.)

(410 ILCS 705/15-35.10)

Sec. 15-35.10. Social Equity Justice Involved Lottery for Conditional Adult Use Dispensing Organization Licenses.

(a) In addition to any of the licenses issued under Section 15-15, Section 15-20, Section 15-25, Section 15-30.20, or Section 15-35, within 10 business days after the resulting final scores for all scored applications pursuant to Sections 15-25 and 15-30 are released, the Department shall issue up to 55 Conditional Adult Use Dispensing Organization Licenses by lot, pursuant to the application process adopted under this Section. In order to be eligible to be awarded a Conditional Adult Use Dispensing Organization License by lot, a Dispensary Applicant must be a Qualifying Social Equity Justice Involved Applicant.

The licenses issued under this Section shall be awarded in each BLS Region in the following amounts:

(1) Bloomington: 1.

(2) Cape Girardeau: 1.

(3) Carbondale-Marion: 1.

(4) Champaign-Urbana: 1.

(5) Chicago-Naperville-Elgin: 36.

(6) Danville: 1.

(7) Davenport-Moline-Rock Island: 1.

(8) Decatur: 1.

(9) Kankakee: 1.

(10) Peoria: 2.

(11) Rockford: 1.

(12) St. Louis: 3.

(13) Springfield: 1.

(14) Northwest Illinois nonmetropolitan: 1.

(15) West Central Illinois nonmetropolitan: 1.

(16) East Central Illinois nonmetropolitan: 1.

(17) South Illinois nonmetropolitan: 1.

(a-5) Prior to issuing licenses under subsection (a), the Department may adopt rules through emergency rulemaking in accordance with subsection (kk) of Section 5-45 of the Illinois Administrative Procedure Act. The General Assembly finds that the adoption of rules to regulate cannabis use is deemed an emergency and necessary for the public interest, safety, and welfare.

(b) The Department shall distribute the available licenses established under this Section subject to the following:

(1) The drawing by lot for all available licenses established under this Section shall occur on the same day when practicable.

(2) Within each BLS Region, the first Qualifying Social Equity Justice Involved Applicant drawn will have the first right to an available license. The second Qualifying Social Equity Justice Involved Applicant drawn will have the second right to an available license. The same pattern will continue for each subsequent applicant drawn.

(3) The process for distributing available licenses under this Section shall be recorded by the Department in a format selected by the Department.

(4) A Dispensary Applicant is prohibited from becoming a Qualifying Social Equity Justice Involved Applicant if a principal officer resigns after the resulting final scores for all scored applications pursuant to Sections 15-25 and 15-30 are released.

(5) No Qualifying Social Equity Justice Involved Applicant may be awarded more than 2 Conditional Adult Use Dispensing Organization Licenses at the conclusion of a lottery conducted under this Section.

(6) No individual may be listed as a principal officer of more than 2 Conditional Adult Use Dispensing Organization Licenses awarded under this Section.

(7) If, upon being selected for an available license

established under this Section, a Qualifying Social Equity Justice Involved Applicant exceeds the limits under paragraph (5) or (6), the Qualifying Social Equity Justice Involved Applicant must choose which license to abandon and notify the Department in writing within 5 business days on forms prescribed by the Department. If the Qualifying Social Equity Justice Involved Applicant does not notify the Department as required, the Department shall refuse to issue the Qualifying Social Equity Justice Involved Applicant all available licenses established under this Section obtained by lot in all BLS Regions.

(8) If, upon being selected for an available license established under this Section, a Qualifying Social Equity Justice Involved Applicant has a principal officer who is a principal officer in more than 10 Early Approval Adult Use Dispensing Organization Licenses, Conditional Adult Use Dispensing Organization Licenses, Adult Use Dispensing Organization Licenses, or any combination thereof, the licensees and the Qualifying Social Equity Justice Involved Applicant listing that principal officer must choose which license to abandon pursuant to subsection (d) of Section 15-36 and notify the Department in writing within 5 business days on forms prescribed by the Department. If the Dispensary Applicant or licensees do not notify the Department as required, the Department shall refuse to issue the Qualifying Social Equity Justice

Involved Applicant all available licenses established under this Section obtained by lot in all BLS Regions.

(9) All available licenses that have been abandoned under paragraph (7) or (8) shall be distributed to the next Qualifying Social Equity Justice Involved Applicant drawn by lot.

Any and all rights conferred or obtained under this subsection shall be limited to the provisions of this subsection.

(c) An applicant who receives a Conditional Adult Use Dispensing Organization License under this Section has 180 days from the date of the award to identify a physical location for the dispensing organization's retail storefront. The applicant shall provide evidence that the location is not within 1,500 feet of an existing dispensing organization, unless the applicant is a Social Equity Applicant or Social Equity Justice Involved Applicant located or seeking to locate within 1,500 feet of a dispensing organization licensed under Section 15-15 or Section 15-20. If an applicant is unable to find a suitable physical address in the opinion of the Department within 180 days from the issuance of the Conditional Adult Use Dispensing Organization License, the Department may extend the period for finding a physical address an additional 540 days if the Conditional Adult Use Dispensing Organization License holder demonstrates a concrete attempt to secure a location and a hardship. If the Department

denies the extension or the Conditional Adult Use Dispensing Organization License holder is unable to either find a location within 720 days of being awarded a conditional license and become operational within 180 days thereafter or become operational within 720 days of being awarded a Conditional Adult Use Dispensing Organization License, the Department may, considering the totality of the circumstances, rescind the conditional license. If the conditional license holder does not become operational within 365 days after having found a location, the Department may mandate a date by which the conditional license holder shall become operational prior to the Department rescinding the conditional license. If ~~under this Section,~~ the Department rescinds ~~shall rescind~~ the Conditional Adult Use Dispensing Organization License it may issue ~~and award~~ it pursuant to subsection (b) and notify the new awardee at the email address provided in the awardee's application, provided the applicant receiving the Conditional Adult Use Dispensing Organization License: (i) confirms a continued interest in operating a dispensing organization; (ii) can provide evidence that the applicant continues to meet all requirements for holding a Conditional Adult Use Dispensing Organization License set forth in this Act; and (iii) has not otherwise become ineligible to be awarded a Conditional Adult Use Dispensing Organization License. If the new awardee is unable to accept the Conditional Adult Use Dispensing Organization License, the Department may issue

~~shall award~~ the Conditional Adult Use Dispensing Organization License pursuant to subsection (b). The new awardee shall be subject to the same required deadlines as provided in this subsection. However, the applicant need not comply with the 1,500-foot limitation if the applicant has received zoning approval from its unit of local government.

(d) If, within 720 ~~180~~ days of being awarded a Conditional Adult Use Dispensing Organization License, a dispensing organization is unable to find a location within the BLS Region in which it was awarded a Conditional Adult Use Dispensing Organization License under this Section because no jurisdiction within the BLS Region allows for the operation of an Adult Use Dispensing Organization, the Department may authorize the Conditional Adult Use Dispensing Organization License holder to transfer its Conditional Adult Use Dispensing Organization License to a BLS Region specified by the Department.

(e) A dispensing organization that is awarded a Conditional Adult Use Dispensing Organization License under this Section shall not purchase, possess, sell, or dispense cannabis or cannabis-infused products until the dispensing organization has received an Adult Use Dispensing Organization License issued by the Department pursuant to Section 15-36.

(f) The Department shall conduct a background check of the prospective dispensing organization agents in order to carry out this Article. The Illinois State Police shall charge the

applicant a fee for conducting the criminal history record check, which shall be deposited into the State Police Services Fund and shall not exceed the actual cost of the record check. Each person applying as a dispensing organization agent shall submit a full set of fingerprints to the Illinois State Police for the purpose of obtaining a State and federal criminal records check. These fingerprints shall be checked against the fingerprint records now and hereafter, to the extent allowed by law, filed with the Illinois State Police and the Federal Bureau of Investigation criminal history records databases. The Illinois State Police shall furnish, following positive identification, all Illinois conviction information to the Department.

(g) The Department may verify information contained in each application and accompanying documentation to assess the applicant's veracity and fitness to operate a dispensing organization.

(h) The Department may, in its discretion, refuse to issue an authorization to an applicant who meets any of the following criteria:

(1) An applicant who is unqualified to perform the duties required of the applicant.

(2) An applicant who fails to disclose or states falsely any information called for in the application.

(3) An applicant who has been found guilty of a violation of this Act, who has had any disciplinary order

entered against the applicant by the Department, who has entered into a disciplinary or nondisciplinary agreement with the Department, whose medical cannabis dispensing organization, medical cannabis cultivation organization, Early Approval Adult Use Dispensing Organization License, Early Approval Adult Use Dispensing Organization License at a secondary site, Early Approval Cultivation Center License, Conditional Adult Use Dispensing Organization License, or Adult Use Dispensing Organization License was suspended, restricted, revoked, or denied for just cause, or whose cannabis business establishment license was suspended, restricted, revoked, or denied in any other state.

(4) An applicant who has engaged in a pattern or practice of unfair or illegal practices, methods, or activities in the conduct of owning a cannabis business establishment or other business.

(i) The Department shall deny the license if any principal officer, board member, or person having a financial or voting interest of 5% or greater in the licensee is delinquent in filing any required tax return or paying any amount owed to the State of Illinois.

(j) The Department shall verify an applicant's compliance with the requirements of this Article and rules adopted under this Article before issuing a Conditional Adult Use Dispensing Organization License.

(k) If an applicant is awarded a Conditional Adult Use Dispensing Organization License under this Section, the information and plans provided in the application, including any plans submitted for bonus points, shall become a condition of the Conditional Adult Use Dispensing Organization License and any Adult Use Dispensing Organization License issued to the holder of the Conditional Adult Use Dispensing Organization License, except as otherwise provided by this Act or by rule. Dispensing organizations have a duty to disclose any material changes to the application. The Department shall review all material changes disclosed by the dispensing organization and may reevaluate its prior decision regarding the awarding of a Conditional Adult Use Dispensing Organization License, including, but not limited to, suspending or permanently revoking a Conditional Adult Use Dispensing Organization License. Failure to comply with the conditions or requirements in the application may subject the dispensing organization to discipline up to and including suspension or permanent revocation of its authorization or Conditional Adult Use Dispensing Organization License by the Department.

(l) If an applicant has not begun operating as a dispensing organization within one year after the issuance of the Conditional Adult Use Dispensing Organization License under this Section, the Department may permanently revoke the Conditional Adult Use Dispensing Organization License and

award it to the next highest scoring applicant in the BLS Region if a suitable applicant indicates a continued interest in the Conditional Adult Use Dispensing Organization License or may begin a new selection process to award a Conditional Adult Use Dispensing Organization License.

(Source: P.A. 102-98, eff. 7-15-21; 103-8, eff. 6-7-23.)

(410 ILCS 705/15-36)

Sec. 15-36. Adult Use Dispensing Organization License.

(a) A person is only eligible to receive or hold an Adult Use Dispensing Organization License if the person has been issued ~~awarded~~ a Conditional Adult Use Dispensing Organization License, an Early Approval Adult Use Dispensing Organization License, or an Early Approval Adult Use Dispensing Organization License at a Secondary Site pursuant to this Act or its administrative rules ~~or has renewed its license pursuant to subsection (k) of Section 15-15 or subsection (p) of Section 15-20~~.

(b) The Department shall not issue an Adult Use Dispensing Organization License until:

(1) the Department has inspected the dispensary site and proposed operations and verified that they are in compliance with this Act and local zoning laws;

(2) the Conditional Adult Use Dispensing Organization License holder has paid a license fee of $60,000 or a prorated amount accounting for the difference of time

between when the Adult Use Dispensing Organization License is issued and March 31 of the next even-numbered year; and

(3) the Conditional Adult Use Dispensing Organization License holder has met all the requirements in this Act and rules.

(c) No person or entity shall hold any legal, equitable, ownership, or beneficial interest, directly or indirectly, of more than 10 dispensing organizations ~~licensed under this Article~~. Further, no person or entity that is:

(1) employed by, is an agent of, or participates in the management of a dispensing organization or registered medical cannabis dispensing organization;

(2) a principal officer of a dispensing organization or registered medical cannabis dispensing organization; or

(3) an entity controlled by or affiliated with a principal officer of a dispensing organization or registered medical cannabis dispensing organization;

shall hold any legal, equitable, ownership, or beneficial interest, directly or indirectly, in a dispensing organization that would result in such person or entity owning or participating in the management of more than 10 <u>dispensing organizations</u> ~~Early Approval Adult Use Dispensing Organization Licenses, Early Approval Adult Use Dispensing Organization Licenses at a secondary site, Conditional Adult Use Dispensing Organization Licenses, or Adult Use Dispensing Organization Licenses~~. For the purpose of this subsection, participating in

management may include, without limitation, controlling decisions regarding staffing, pricing, purchasing, marketing, store design, hiring, and website design.

(d) The Department shall deny an application if granting that application would result in a person or entity obtaining direct or indirect financial interest in more than 10 Early Approval Adult Use Dispensing Organization Licenses and Dispensing Organization Licenses ~~, Conditional Adult Use Dispensing Organization Licenses, Adult Use Dispensing Organization Licenses, or any combination thereof~~. If a person or entity is awarded a Conditional Adult Use Dispensing Organization License that would cause the person or entity to be in violation of this subsection, he, she, or it shall choose which license application it wants to abandon and such licenses shall become available to the next qualified applicant in the region in which the abandoned license was awarded.

(Source: P.A. 104-417, eff. 8-15-25.)

(410 ILCS 705/15-37 new)

Sec. 15-37. Medical Cannabis Dispensing Organization License.

(a) Beginning 90 days after the effective date of this amendatory Act of the 104th General Assembly, the Department may issue a Medical Cannabis Dispensing Organization License to any entity holding an Adult Use Dispensing Organization

License.

(b) The Medical Cannabis Dispensing Organization License shall be issued to the same entity holding the Adult Use Dispensing Organization License and for the same address of the corresponding dispensary.

(c) The Department shall provide an approval process for issuing Medical Cannabis Dispensing Organization Licenses to corresponding Adult Use Dispensing Organization Licensees, which shall include, but shall not be limited to, the following:

(1) proof of the corresponding Adult Use Dispensing Organization License that is in active status;

(2) certification that the licensee shall comply with the requirements contained in the Compassionate Use of Medical Cannabis Program Act;

(3) the legal name of the dispensing organization;

(4) the physical address of the dispensing organization;

(5) affirmation that the dispensing organization understands it is prohibited from separating its Medical Cannabis Dispensing Organization License from its Adult Use Dispensing Organization License;

(6) proof of proper zoning for both medical and adult use sales in a form and manner prescribed by the Department; and

(7) any other information which the Department may

request.

(d) If an Adult Use Dispensing Organization is issued a corresponding Medical Cannabis Dispensing Organization License, the entity holding the 2 corresponding licenses is prohibited from separating the 2 licenses from each other. In this subsection, "separating" means, but is not limited to, the following:

(1) relocating either license without relocating the other to the same facility; or

(2) changing the ownership for only one of the licenses.

(e) For the purpose of subsection (c) of Section 15-36, a dispensing organization holding an Adult Use Dispensing Organization License and a Medical Cannabis Dispensing Organization License at a single location pursuant to this Section 15-37 shall count as a single dispensing organization.

(410 ILCS 705/15-40)

Sec. 15-40. Dispensing organization agent identification card; agent training.

(a) The Department shall:

(1) verify the information contained in an application or renewal for a dispensing organization agent identification card submitted under this Article, and approve or deny an application or renewal, within 30 days of receiving a completed application or renewal

application and all supporting documentation required by rule;

(2) issue a dispensing organization agent identification card to a qualifying agent within 15 business days of approving the application or renewal;

(3) (blank); ~~enter the registry identification number of the dispensing organization where the agent works;~~

(4) within one year from the effective date of this Act, allow for an electronic application process and provide a confirmation by electronic or other methods that an application has been submitted; and

(5) collect a $100 nonrefundable fee from the applicant to be deposited into the Cannabis Regulation Fund.

(b) A dispensing organization agent must keep his or her identification card visible at all times when in the dispensary. This may include providing the card via electronic means available upon request.

(c) The dispensing organization agent identification cards shall contain the following:

(1) the name of the cardholder;

(2) the date of issuance and expiration date of the dispensing organization agent identification cards;

(3) a random 10-digit alphanumeric identification number containing at least 4 numbers and at least 4 letters that is unique to the cardholder; and

(4) a photograph of the cardholder.

(c-5) A dispensing organization agent identification card issued pursuant to this Section authorizes a dispensing organization agent to perform work at the dispensing organization with both an Adult Use Dispensing Organization License and the corresponding Medical Cannabis Dispensing Organization License issued under Section 15-37 of this Act.

(d) (Blank). ~~The dispensing organization agent identification cards shall be immediately returned to the dispensing organization upon termination of employment.~~

(e) The Department shall not issue an agent identification card if the applicant is delinquent in filing any required tax returns or paying any amounts owed to the State of Illinois.

(f) Any card lost by a dispensing organization agent shall be reported to the Illinois State Police and the Department immediately upon discovery of the loss.

(g) An applicant shall be denied a dispensing organization agent identification card renewal if he or she fails to complete the training provided for in this Section.

(h) A dispensing organization agent shall only be required to hold one dispensing organization agent identification card ~~for the same employer regardless of what type of dispensing organization license the employer holds~~. For agent cards issued to all agents except agents-in-charge and principal officers, the card shall not be specific to any individual dispensing organization.

(i) Cannabis retail sales training requirements.

(1) Within 90 days of September 1, 2019, or 90 days of employment, whichever is later, all owners, managers, employees, and agents involved in the handling or sale of cannabis or cannabis-infused product employed by an adult use dispensing organization or medical cannabis dispensing organization as defined in Section 10 of the Compassionate Use of Medical Cannabis Program Act shall attend and successfully complete a Responsible Vendor Program.

(2) Each owner, manager, employee, and agent of an adult use dispensing organization or medical cannabis dispensing organization shall successfully complete the program annually.

(3) Responsible Vendor Program Training modules shall include at least 2 hours of instruction time approved by the Department including:

(i) Health and safety concerns of cannabis use, including the responsible use of cannabis, its physical effects, onset of physiological effects, recognizing signs of impairment, and appropriate responses in the event of overconsumption.

(ii) Training on laws and regulations on driving while under the influence and operating a watercraft or snowmobile while under the influence.

(iii) Sales to minors prohibition. Training shall cover all relevant Illinois laws and rules.

(iv) Quantity limitations on sales to purchasers. Training shall cover all relevant Illinois laws and rules.

(v) Acceptable forms of identification. Training shall include:

(I) How to check identification; and

(II) Common mistakes made in verification;

(vi) Safe storage of cannabis;

(vii) Compliance with all inventory tracking system regulations;

(viii) Waste handling, management, and disposal;

(ix) Health and safety standards;

(x) Maintenance of records;

(xi) Security and surveillance requirements;

(xii) Permitting inspections by State and local licensing and enforcement authorities;

(xiii) Privacy issues;

(xiv) Packaging and labeling requirements ~~requirement~~ for sales to purchasers; and

(xv) Other areas as determined by rule.

(j) Blank.

(k) Upon the successful completion of the Responsible Vendor Program, the provider shall deliver proof of completion either through mail or electronic communication to the dispensing organization, which shall retain a copy of the certificate.

(l) The license of a dispensing organization or medical cannabis dispensing organization whose owners, managers, employees, or agents fail to comply with this Section may be suspended or permanently revoked under Section 15-145 or may face other disciplinary action.

(m) The regulation of dispensing organization and medical cannabis dispensing employer and employee training is an exclusive function of the State, and regulation by a unit of local government, including a home rule unit, is prohibited. This subsection (m) is a denial and limitation of home rule powers and functions under subsection (h) of Section 6 of Article VII of the Illinois Constitution.

(n) Persons seeking Department approval to offer the training required by paragraph (3) of subsection (i) may apply for such approval ~~between August 1 and August 15 of each odd-numbered year~~ in a manner prescribed by the Department.

(o) Persons seeking Department approval to offer the training required by paragraph (3) of subsection (i) shall submit a nonrefundable application fee of $2,000 to be deposited into the Cannabis Regulation Fund or a fee as may be set by rule. Any changes made to the training module shall be approved by the Department.

(p) The Department shall not unreasonably deny approval of a training module that meets all the requirements of paragraph (3) of subsection (i). A denial of approval shall include a detailed description of the reasons for the denial.

(q) Any person approved to provide the training required by paragraph (3) of subsection (i) shall submit an application for re-approval every 2 years from the date of approval ~~between August 1 and August 15 of each odd-numbered year~~ and include a nonrefundable application fee of $2,000 to be deposited into the Cannabis Regulation Fund or a fee as may be set by rule.

(r) All persons applying to become or renewing their registrations to be agents, including agents-in-charge and principal officers, shall disclose any disciplinary action taken against them that may have occurred in Illinois, another state, or another country in relation to their employment at a cannabis business establishment or at any cannabis cultivation center, ~~processor,~~ infuser, dispensary, or other cannabis business establishment.

(s) An agent applicant may begin employment at a dispensing organization while the agent applicant's identification card application is pending. Upon approval, the Department shall issue the agent's identification card to the agent. If denied, the dispensing organization and the agent applicant shall be notified and the agent applicant must cease all activity at the dispensing organization immediately.

(t) The Department and the Department of Agriculture may develop and implement an integrated system to issue an agent identification card which identifies a dispensary agent licensed by the Department as well as any cultivator, craft

grower, transporter, community college program, or infuser license or registration the agent may simultaneously hold.

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

(410 ILCS 705/15-45)

Sec. 15-45. Renewal.

(a) All ~~Adult Use~~ Dispensing Organization Licenses shall expire on March 31 of even-numbered years.

(b) Agent identification cards shall expire one year from the date they are issued.

(c) Dispensing organizations ~~Licensees~~ and dispensing agents shall submit a renewal application as provided by the Department and pay the required renewal fee. The Department shall require an agent, employee, contracting, and subcontracting diversity report and an environmental impact report with its renewal application. No license or agent identification card shall be renewed if it is currently under revocation or suspension for violation of this Article or any rules that may be adopted under this Article or the licensee, principal officer, board member, person having a financial or voting interest of 5% or greater in the licensee, or agent is delinquent in filing any required tax returns or paying any amounts owed to the State of Illinois.

(d) Renewal fees are:

(1) For a dispensing organization: (i) except as provided in paragraph (3), $60,000 or the proportional prorated amount, to be deposited into the Cannabis Regulation Fund; and (ii) if the dispensing organization also holds a Medical Cannabis Dispensing Organization License issued pursuant to Section 15-37 of this Act, $10,000 or the proportional prorated amount, to be deposited into the Compassionate Use of Medical Cannabis Fund.

(2) For an agent identification card, $100, to be deposited into the Cannabis Regulation Fund.

(d-5) The Department of Financial and Professional Regulation shall provide hardship waivers for dispensing organization license and renewal fees due to the Department pursuant to the provisions below:

(1) The dispensing organization attests that the dispensing organization or applicant for renewal, including all individuals and entities with 10% or greater ownership and all parent companies, subsidiaries, and affiliates, have no more than 2 other licenses for cannabis business establishments in the State.

(2) For dispensing organizations that have a total of $50,000 or less of reported gross income for the prior fiscal year, the Department shall waive the full license or renewal fee. The dispensing organization shall verify its income to the Department.

(3) For dispensing organizations that have a gross income of more than $50,000 and less than or equal to $750,000, the Department shall waive 50% of the full license or renewal fee. The dispensing organization shall verify its income to the Department.

(e) If a dispensing organization fails to renew its license before expiration, the dispensing organization shall cease operations until the license is renewed.

(f) If a dispensing organization agent fails to renew his or her registration before its expiration, he or she shall cease to perform duties authorized by this Article at a dispensing organization until his or her registration is renewed.

(g) Any dispensing organization that continues to operate or dispensing agent that continues to perform duties authorized by this Article at a dispensing organization that fails to renew its license is subject to penalty as provided in this Article, or any rules that may be adopted pursuant to this Article.

(h) The Department shall not renew a license if the applicant is delinquent in filing any required tax returns or paying any amounts owed to the State of Illinois. The Department shall not renew a dispensing agent identification card if the applicant is delinquent in filing any required tax returns or paying any amounts owed to the State of Illinois.

(Source: P.A. 101-27, eff. 6-25-19.)

(410 ILCS 705/15-70)

Sec. 15-70. Operational requirements; prohibitions.

(a) A dispensing organization shall operate in accordance with the representations made in its application and license materials. It shall be in compliance with this Act and rules.

(b) (Blank) ~~A dispensing organization must include the legal name of the dispensary on the packaging of any cannabis product it sells~~.

(c) All cannabis, cannabis-infused products, and cannabis seeds must be obtained from an Illinois registered adult use cultivation center, craft grower, infuser, or another dispensary.

(d) Dispensing organizations are prohibited from selling any product containing alcohol except tinctures, which must be limited to containers that are no larger than 100 milliliters.

(e) A dispensing organization shall inspect and count product received from a transporting organization, adult use cultivation center, craft grower, infuser organization, or other dispensing organization before dispensing it.

(f) A dispensing organization may only accept cannabis deliveries into a restricted access area. Deliveries may not be accepted through the public or limited access areas unless otherwise approved by the Department.

(g) A dispensing organization shall maintain compliance with State and local building, fire, and zoning requirements

or regulations.

(h) A dispensing organization shall submit a list to the Department of the names of all service professionals that will work at the dispensary. The list shall include a description of the type of business or service provided. Changes to the service professional list shall be promptly provided. No service professional shall work in the dispensary until the name is provided to the Department on the service professional list.

(i) A dispensing organization's license allows for a dispensary to be operated only at a single location.

(j) A dispensary may operate between 6 a.m. and 2 a.m. ~~10 p.m.~~ local time.

(k) A dispensing organization must keep all lighting outside and inside the dispensary in good working order and wattage sufficient for security cameras.

(l) A dispensing organization must keep all air treatment systems that will be installed to reduce odors in good working order.

(m) A dispensing organization shall provide on-site ~~must contract with a private~~ security ~~contractor that is licensed under Section 10-5 of the Private Detective, Private Alarm, Private Security, Fingerprint Vendor, and Locksmith Act of 2004 to provide on-site security~~ at all hours of the dispensary's operation.

(n) A dispensing organization shall ensure that any

building or equipment used by a dispensing organization for the storage or sale of cannabis is maintained in a clean and sanitary condition.

(o) The dispensary shall be free from infestation by insects, rodents, or pests.

(p) A dispensing organization shall not:

(1) Produce or manufacture cannabis;

(2) Accept a cannabis product from an adult use cultivation center, craft grower, infuser, dispensing organization, or transporting organization unless it is pre-packaged and labeled in accordance with this Act and any rules that may be adopted pursuant to this Act;

(3) Obtain cannabis or cannabis-infused products from outside the State of Illinois;

(4) Sell cannabis or cannabis-infused products to a purchaser unless the dispensing organization is licensed under the Compassionate Use of Medical Cannabis Program Act, and the individual is registered under the Compassionate Use of Medical Cannabis Program or the purchaser has been verified to be 21 years of age or older;

(5) Enter into an exclusive agreement with any adult use cultivation center, craft grower, or infuser. Dispensaries shall provide consumers an assortment of products from various cannabis business establishment licensees such that the inventory available for sale at any dispensary from any single cultivation center, craft

grower, ~~processor,~~ transporter, or infuser entity shall not be more than 40% of the total inventory available for sale. For the purpose of this subsection, a cultivation center, craft grower, ~~processor,~~ or infuser shall be considered part of the same entity if the licensees share at least one principal officer. The Department may request that a dispensary diversify its products as needed or otherwise discipline a dispensing organization for violating this requirement;

(6) Refuse to conduct business with an adult use cultivation center, craft grower, transporting organization, or infuser that has the ability to properly deliver the product and is permitted by the Department of Agriculture, on the same terms as other adult use cultivation centers, craft growers, infusers, or transporters with whom it is dealing;

(7) (Blank); ~~Operate drive through windows;~~

(7.5) Separate an Adult Use Dispensing Organization License from a Medical Cannabis Dispensing Organization License issued under Section 15-37;

(8) Allow for the dispensing of cannabis or cannabis-infused products in vending machines;

(9) Transport cannabis to residences or transport cannabis to other locations where purchasers may be for delivery, except for the limited circumstances provided in paragraph (5.5) of subsection (c) of Section 15-100;

(10) Enter into agreements to allow persons who are not dispensing organization agents to deliver cannabis or to transport cannabis to purchasers;

(11) Operate a dispensary if its video surveillance equipment is inoperative;

(12) Operate a dispensary if the point-of-sale equipment is inoperative;

(13) Operate a dispensary if the State's cannabis electronic verification system is inoperative;

(14) Have fewer than 2 people working at the dispensary at any time while the dispensary is open;

(15) Be located within 1,500 feet of the property line of a pre-existing dispensing organization~~,~~ unless the applicant is a Social Equity Applicant or Social Equity Justice Involved Applicant located or seeking to locate within 1,500 feet of a dispensing organization licensed under Section 15-15 or Section 15-20or has the zoning approval of its unit of local government;

(16) Sell clones or any other live plant material, except to a qualifying medical patient, designated caregiver, provisional patient, or Opioid Alternative Patient Program participant;

(17) Sell cannabis, cannabis concentrate, or cannabis-infused products in combination or bundled with each other or any other items for one price, and each item of cannabis, concentrate, or cannabis-infused product must

be separately identified by quantity and price on the receipt; or

(18) Sell cannabis, cannabis concentrate, or cannabis-infused products to a registered qualifying patient, provisional patient, designated caregiver, or an Opioid Alternative Patient Program participant without first affixing any warning label required under any State or federal law, rule, or regulation. ~~Violate any other requirements or prohibitions set by Department rules.~~

(q) It is unlawful for any person having an Early Approval Adult Use Dispensing Organization License, a Conditional Adult Use Dispensing Organization License, an Adult Use Dispensing Organization License, or a medical cannabis dispensing organization license ~~issued under the Compassionate Use of Medical Cannabis Program Act~~ or any officer, associate, member, representative, or agent of such licensee to accept, receive, or borrow money or anything else of value or accept or receive credit (other than merchandising credit in the ordinary course of business for a period not to exceed 30 days) directly or indirectly from any adult use cultivation center, craft grower, infuser, or transporting organization in exchange for preferential placement on the dispensing organization's shelves, display cases, or website. This includes anything received or borrowed or from any stockholders, officers, agents, or persons connected with an adult use cultivation center, craft grower, infuser, or

transporting organization.

(r) It is unlawful for any person having an Early Approval Adult Use Dispensing Organization License, a Conditional Adult Use Dispensing Organization License, an Adult Use Dispensing Organization License, or a medical cannabis dispensing organization license ~~issued under the Compassionate Use of Medical Cannabis Program~~ to enter into any contract with any person licensed to cultivate, process, or transport cannabis whereby such dispensing organization agrees not to sell any cannabis cultivated, processed, transported, manufactured, or distributed by any other cultivator, transporter, or infuser, and any provision in any contract violative of this Section shall render the whole of such contract void and no action shall be brought thereon in any court.

(Source: P.A. 104-417, eff. 8-15-25.)

(410 ILCS 705/15-85)

Sec. 15-85. Dispensing cannabis.

(a) Before a dispensing organization agent dispenses cannabis to a purchaser, the agent shall:

(1) Verify the age of the purchaser by checking a government-issued identification card by use of an electronic reader or electronic scanning device to scan a purchaser's government-issued identification, if applicable, to determine the purchaser's age and the validity of the identification;

(2) Verify the validity of the government-issued identification card by use of an electronic reader or electronic scanning device to scan a purchaser's government-issued identification, if applicable, to determine the purchaser's age and the validity of the identification;

(3) Offer any appropriate purchaser education or support materials;

(4) Enter the following information into the State's cannabis electronic verification system:

(i) The dispensing organization agent's identification number, or if the agent's card application is pending the Department's approval, a temporary and unique identifier until the agent's card application is approved or denied by the Department;

(ii) The dispensing organization's identification number;

(iii) The amount, type (including strain, if applicable) of cannabis or cannabis-infused product dispensed;

(iv) The date and time the cannabis was dispensed.

(b) A dispensing organization shall refuse to sell cannabis or cannabis-infused products to any person unless the person produces a valid identification showing that the person is 21 years of age or older. A medical cannabis dispensing organization may sell cannabis or cannabis-infused products to

a person who is under 21 years of age if the sale complies with the provisions of the Compassionate Use of Medical Cannabis Program Act and rules.

(c) For the purposes of this Section, valid identification must:

(1) Be valid and unexpired;

(2) Contain a photograph and the date of birth of the person.

(d) In accordance with this amendatory Act of the 104th General Assembly, a dispensing organization may offer pickup or drive-through locations for cannabis, cannabis concentrate, or cannabis-infused products.

(Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19; 102-98, eff. 7-15-21.)

(410 ILCS 705/15-100)

Sec. 15-100. Security.

(a) A dispensing organization shall implement security measures to deter and prevent entry into and theft of cannabis or currency.

(b) A dispensing organization shall submit any changes to the floor plan or security plan to the Department for pre-approval. All cannabis shall be maintained and stored in a restricted access area during construction.

(c) The dispensing organization shall implement security measures to protect the premises, purchasers, and dispensing

organization agents including, but not limited to the following:

(1) Establish a locked door or barrier between the facility's entrance and the limited access area;

(2) Prevent individuals from remaining on the premises if they are not engaging in activity permitted by this Act or rules;

(3) Develop a policy that addresses the maximum capacity and purchaser flow in the waiting rooms and limited access areas;

(4) Dispose of cannabis in accordance with this Act and rules;

(5) During hours of operation, store ~~and dispense~~ all cannabis in ~~from~~ the restricted access area~~. During operational hours, cannabis shall be stored~~ in an enclosed locked room or cabinet and accessible only to specifically authorized dispensing organization agents;

(5.5) During hours of operation, dispense all cannabis from the restricted access area, including a drive-through window, or from a pickup location in close proximity to the restricted access area. The dispensing organization shall, prior to dispensing the cannabis, confirm compliance with Section 15-85 of this Act. As used in this paragraph, "pickup location in close proximity" means an area contiguous to the real property of the dispensary, such as a sidewalk or parking lot;

(6) When the dispensary is closed, store all cannabis and currency in a reinforced vault room in the restricted access area and in a manner as to prevent diversion, theft, or loss;

(7) Keep the reinforced vault room and any other equipment or cannabis storage areas securely locked and protected from unauthorized entry;

(8) Keep an electronic daily log of dispensing organization agents with access to the reinforced vault room and knowledge of the access code or combination;

(9) Keep all locks and security equipment in good working order;

(10) Maintain an operational security and alarm system at all times;

(11) Prohibit keys, if applicable, from being left in the locks, or stored or placed in a location accessible to persons other than specifically authorized personnel;

(12) Prohibit accessibility of security measures, including combination numbers, passwords, or electronic or biometric security systems to persons other than specifically authorized dispensing organization agents;

(13) Ensure that the dispensary interior and exterior premises are sufficiently lit to facilitate surveillance;

(14) Ensure that trees, bushes, and other foliage outside of the dispensary premises do not allow for a person or persons to conceal themselves from sight;

(15) Develop emergency policies and procedures for securing all product and currency following any instance of diversion, theft, or loss of cannabis, and conduct an assessment to determine whether additional safeguards are necessary; and

(16) Develop sufficient additional safeguards in response to any special security concerns, or as required by the Department.

(d) The Department may request or approve alternative security provisions that it determines are an adequate substitute for a security requirement specified in this Article. Any additional protections may be considered by the Department in evaluating overall security measures.

(e) A dispensing organization may share premises with a craft grower or an infuser organization, or both, provided each licensee stores currency and cannabis or cannabis-infused products in a separate secured vault to which the other licensee does not have access or all licensees sharing a vault share more than 50% of the same ownership.

(f) A dispensing organization shall provide additional security as needed and in a manner appropriate for the community where it operates.

(g) Restricted access areas.

(1) All restricted access areas must be identified by the posting of a sign that is a minimum of 12 inches by 12 inches and that states "Do Not Enter - Restricted Access

Area - Authorized Personnel Only" in lettering no smaller than one inch in height.

(2) All restricted access areas shall be clearly described in the floor plan of the premises, in the form and manner determined by the Department, reflecting walls, partitions, counters, and all areas of entry and exit. The floor plan shall show all storage, disposal, and retail sales areas.

(3) All restricted access areas must be secure, with locking devices that prevent access from the limited access areas.

(h) Security and alarm.

(1) A dispensing organization shall have an adequate security plan and security system to prevent and detect diversion, theft, or loss of cannabis, currency, or unauthorized intrusion using commercial grade equipment installed by an Illinois licensed private alarm contractor or private alarm contractor agency that shall, at a minimum, include:

(i) A perimeter alarm on all entry points and glass break protection on perimeter windows;

(ii) Security shatterproof tinted film on exterior windows;

(iii) A failure notification system that provides an audible, text, or visual notification of any failure in the surveillance system, including, but not

limited to, panic buttons, alarms, and video monitoring system. The failure notification system shall provide an alert to designated dispensing organization agents within 5 minutes after the failure, either by telephone or text message;

(iv) A duress alarm, panic button, and alarm, or holdup alarm and after-hours intrusion detection alarm that by design and purpose will directly or indirectly notify, by the most efficient means, the Public Safety Answering Point for the law enforcement agency having primary jurisdiction;

(v) Security equipment to deter and prevent unauthorized entrance into the dispensary, including electronic door locks on the limited and restricted access areas that include devices or a series of devices to detect unauthorized intrusion that may include a signal system interconnected with a radio frequency method, cellular, private radio signals or other mechanical or electronic device.

(2) All security system equipment and recordings shall be maintained in good working order, in a secure location so as to prevent theft, loss, destruction, or alterations.

(3) Access to surveillance monitoring recording equipment shall be limited to persons who are essential to surveillance operations, law enforcement authorities acting within their jurisdiction, security system service

personnel, and the Department. A current list of authorized dispensing organization agents and service personnel that have access to the surveillance equipment must be available to the Department upon request.

(4) All security equipment shall be inspected and tested at regular intervals, not to exceed one month from the previous inspection, and tested to ensure the systems remain functional.

(5) The security system shall provide protection against theft and diversion that is facilitated or hidden by tampering with computers or electronic records.

(6) The dispensary shall ensure all access doors are not solely controlled by an electronic access panel to ensure that locks are not released during a power outage.

(i) To monitor the dispensary, the dispensing organization shall incorporate continuous electronic video monitoring including the following:

(1) All monitors must be 19 inches or greater;

(2) Unobstructed video surveillance of all enclosed dispensary areas, unless prohibited by law, including all points of entry and exit that shall be appropriate for the normal lighting conditions of the area under surveillance. The cameras shall be directed so all areas are captured, including, but not limited to, safes, vaults, sales areas, and areas where cannabis is stored, handled, dispensed, or destroyed. Cameras shall be angled to allow for facial

recognition, the capture of clear and certain identification of any person entering or exiting the dispensary area and in lighting sufficient during all times of night or day;

(3) Unobstructed video surveillance of outside areas, the storefront, and the parking lot, that shall be appropriate for the normal lighting conditions of the area under surveillance. Cameras shall be angled so as to allow for the capture of facial recognition, clear and certain identification of any person entering or exiting the dispensary and the immediate surrounding area, and license plates of vehicles in the parking lot;

(4) 24-hour recordings from all video cameras available for immediate viewing by the Department upon request. Recordings shall not be destroyed or altered and shall be retained for 60 ~~at least 90~~ days. Recordings shall be retained as long as necessary if the dispensing organization is aware of the loss or theft of cannabis or a pending criminal, civil, or administrative investigation or legal proceeding for which the recording may contain relevant information;

(5) The ability to immediately produce a clear, color still photo from the surveillance video, either live or recorded;

(6) A date and time stamp embedded on all video surveillance recordings. The date and time shall be

synchronized and set correctly and shall not significantly obscure the picture;

(7) The ability to remain operational during a power outage and ensure all access doors are not solely controlled by an electronic access panel to ensure that locks are not released during a power outage;

(8) All video surveillance equipment shall allow for the exporting of still images in an industry standard image format, including .jpg, .bmp, and .gif. Exported video shall have the ability to be archived in a proprietary format that ensures authentication of the video and guarantees that no alteration of the recorded image has taken place. Exported video shall also have the ability to be saved in an industry standard file format that can be played on a standard computer operating system. All recordings shall be erased or destroyed before disposal;

(9) The video surveillance system shall be operational during a power outage with a 4-hour minimum battery backup;

(10) A video camera or cameras recording at each point-of-sale location allowing for the identification of the dispensing organization agent distributing the cannabis and any purchaser. The camera or cameras shall capture the sale, the individuals and the computer monitors used for the sale;

(11) A failure notification system that provides an audible and visual notification of any failure in the electronic video monitoring system; and

(12) All electronic video surveillance monitoring must record at least the equivalent of 8 frames per second and be available as recordings to the Department and the Illinois State Police 24 hours a day via a secure web-based portal with reverse functionality.

(j) The requirements contained in this Act are minimum requirements for operating a dispensing organization. The Department may establish additional requirements by rule.

(Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19; 102-538, eff. 8-20-21.)

(410 ILCS 705/15-135)

Sec. 15-135. Investigations.

(a) Dispensing organizations are subject to random and unannounced dispensary inspections and cannabis testing by the Department, the Department of Agriculture, the Department of Revenue, the Department of Public Health, the Illinois State Police, local law enforcement, local health officials, or as provided by rule. Inspections shall be:

(1) standard to each agency's requirements pursuant to this Act and any administrative rules; and

(2) conducted using standardized inspection protocols, including uniform inspection checklists and evaluation

criteria statewide.

Current inspection checklists shall be made available to licensees upon request. A written report summarizing the inspection shall be issued to the licensee within 30 calendar days of the inspection being completed. Any violation shall reference the specific provision violated in statute or administrative rule.

(b) The Department and its authorized representatives may enter any place, including a vehicle, in which cannabis is held, stored, dispensed, sold, produced, delivered, transported, manufactured, or disposed of and inspect, in a reasonable manner, the place and all pertinent equipment, containers and labeling, and all things including records, files, financial data, sales data, shipping data, pricing data, personnel data, research, papers, processes, controls, and facility, and inventory any stock of cannabis and obtain samples of any cannabis or cannabis-infused product, any labels or containers for cannabis, or paraphernalia.

(c) The Department may conduct an investigation of an applicant, application, dispensing organization, principal officer, dispensary agent, third party vendor, or any other party associated with a dispensing organization for an alleged violation of this Act or rules or to determine qualifications to be granted a registration by the Department.

(d) The Department may require an applicant or holder of any license issued pursuant to this Article to produce

documents, records, or any other material pertinent to the investigation of an application or alleged violations of this Act or rules. Failure to provide the required material may be grounds for denial or discipline.

(e) Every person charged with preparation, obtaining, or keeping records, logs, reports, or other documents in connection with this Act and rules and every person in charge, or having custody, of those documents shall, upon request by the Department, make the documents immediately available for inspection and copying by the Department, the Department's authorized representative, or others authorized by law to review the documents.

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

(410 ILCS 705/15-145)

Sec. 15-145. Grounds for discipline.

(a) The Department may deny issuance, refuse to renew or restore, or may reprimand, place on probation, suspend, revoke, or take other disciplinary or nondisciplinary action against any license or agent identification card or may impose a fine for any of the following:

(1) Material misstatement in furnishing information to the Department;

(2) Violations of this Act or rules;

(3) Obtaining an authorization or license by fraud or

misrepresentation;

(4) A pattern of conduct that demonstrates incompetence or that the applicant has engaged in conduct or actions that would constitute grounds for discipline under this Act;

(5) Aiding or assisting another person in violating any provision of this Act or rules;

(6) Failing to respond to a written request for information by the Department within 30 days;

(7) Engaging in unprofessional, dishonorable, or unethical conduct of a character likely to deceive, defraud, or harm the public;

(8) Adverse action by another United States jurisdiction or foreign nation;

(9) A finding by the Department that the licensee, after having his or her license placed on suspended or probationary status, has violated the terms of the suspension or probation;

(10) Conviction, entry of a plea of guilty, nolo contendere, or the equivalent in a State or federal court of a principal officer or agent-in-charge of a felony offense in accordance with Sections 2105-131, 2105-135, and 2105-205 of the Department of Professional Regulation Law of the Civil Administrative Code of Illinois;

(11) Excessive use of or addiction to alcohol, narcotics, stimulants, or any other chemical agent or

drug;

(12) A finding by the Department of a discrepancy in a Department audit of cannabis;

(13) A finding by the Department of a discrepancy in a Department audit of capital or funds;

(14) A finding by the Department of acceptance of cannabis from a source other than an Adult Use Cultivation Center, craft grower, infuser, or transporting organization licensed by the Department of Agriculture, or a dispensing organization licensed by the Department;

(15) An inability to operate using reasonable judgment, skill, or safety due to physical or mental illness or other impairment or disability, including, without limitation, deterioration through the aging process or loss of motor skills or mental incompetence;

(16) Failing to report to the Department within the time frames established, or if not identified, 14 days, of any adverse action taken against the dispensing organization or an agent by a licensing jurisdiction in any state or any territory of the United States or any foreign jurisdiction, any governmental agency, any law enforcement agency or any court defined in this Section;

(17) Any violation of the dispensing organization's policies and procedures submitted to the Department annually as a condition for licensure;

(18) Failure to inform the Department of any change of

address within 10 business days;

(19) Disclosing customer names, personal information, or protected health information in violation of any State or federal law;

(20) Operating a dispensary before obtaining a license from the Department;

(21) Performing duties authorized by this Act prior to receiving a license to perform such duties;

(22) Dispensing cannabis when prohibited by this Act or rules;

(23) Any fact or condition that, if it had existed at the time of the original application for the license, would have warranted the denial of the license;

(24) Permitting a person without a valid agent identification card to perform licensed activities under this Act;

(25) Failure to assign an agent-in-charge as required by this Article;

(26) Failure to provide the training required by paragraph (3) of subsection (i) of Section 15-40 within the provided timeframe;

(27) Personnel insufficient in number or unqualified in training or experience to properly operate the dispensary business;

(28) Any pattern of activity that causes a harmful impact on the community; ~~and~~

(29) Failing to prevent diversion, theft, or loss of cannabis; ~~.~~

(30) Engaging in a pattern of nonpayment or late payment for goods or services to a cannabis business establishment; or

(31) Engaging in predatory financial practices or financial collusion, including, but not limited to, bid-rigging and market allocation schemes.

(b) All fines and fees imposed under this Section shall be paid within 60 days after the effective date of the order imposing the fine or as otherwise specified in the order.

(c) A circuit court order establishing that an agent-in-charge or principal officer holding an agent identification card is subject to involuntary admission as that term is defined in Section 1-119 or 1-119.1 of the Mental Health and Developmental Disabilities Code shall operate as a suspension of that card.

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

(410 ILCS 705/20-15)

Sec. 20-15. Conditional Adult Use Cultivation Center application.

(a) If the Department of Agriculture makes available additional cultivation center licenses pursuant to Section 20-5, applicants for a Conditional Adult Use Cultivation Center License shall electronically submit the following in

such form as the Department of Agriculture may direct:

(1) the nonrefundable application fee set by rule by the Department of Agriculture, to be deposited into the Cannabis Regulation Fund;

(2) the legal name of the cultivation center;

(3) the proposed physical address of the cultivation center;

(4) the name, address, social security number, and date of birth of each principal officer and board member of the cultivation center; each principal officer and board member shall be at least 21 years of age;

(5) the details of any administrative or judicial proceeding in which any of the principal officers or board members of the cultivation center (i) pled guilty, were convicted, were fined, or had a registration or license suspended or revoked, or (ii) managed or served on the board of a business or non-profit organization that pled guilty, was convicted, was fined, or had a registration or license suspended or revoked;

(6) proposed operating bylaws that include procedures for the oversight of the cultivation center, including the development and implementation of a plant monitoring system, accurate recordkeeping, staffing plan, and security plan approved by the Illinois State Police that are in accordance with the rules issued by the Department of Agriculture under this Act. A physical inventory shall

be performed of all plants and cannabis on a weekly basis by the cultivation center;

(7) verification from the Illinois State Police that all background checks of the prospective principal officers, board members, and agents of the cannabis business establishment have been conducted;

(8) a copy of the current local zoning ordinance or permit and verification that the proposed cultivation center is in compliance with the local zoning rules and distance limitations established by the local jurisdiction;

(9) proposed employment practices, in which the applicant must demonstrate a plan of action to inform, hire, and educate minorities, women, veterans, and persons with disabilities, engage in fair labor practices, and provide worker protections;

(10) whether an applicant can demonstrate experience in or business practices that promote economic empowerment in Disproportionately Impacted Areas;

(11) experience with the cultivation of agricultural or horticultural products, operating an agriculturally related business, or operating a horticultural business;

(12) a description of the enclosed, locked facility where cannabis will be grown, harvested, manufactured, processed, packaged, or otherwise prepared for distribution to a dispensing organization;

(13) a survey of the enclosed, locked facility, including the space used for cultivation;

(14) cultivation, processing, inventory, and packaging plans;

(15) a description of the applicant's experience with agricultural cultivation techniques and industry standards;

(16) a list of any academic degrees, certifications, or relevant experience of all prospective principal officers, board members, and agents of the related business;

(17) the identity of every person having a financial or voting interest of 5% or greater in the cultivation center operation with respect to which the license is sought, whether a trust, corporation, partnership, limited liability company, or sole proprietorship, including the name and address of each person;

(18) a plan describing how the cultivation center will address each of the following:

(i) energy needs, including estimates of monthly electricity and gas usage, to what extent it will procure energy from a local utility or from on-site generation, and if it has or will adopt a sustainable energy use and energy conservation policy;

(ii) water needs, including estimated water draw and if it has or will adopt a sustainable water use and

water conservation policy; and

(iii) waste management, including if it has or will adopt a waste reduction policy;

(19) a diversity plan that includes a narrative of not more than 2,500 words that establishes a goal of diversity in ownership, management, employment, and contracting to ensure that diverse participants and groups are afforded equality of opportunity;

(20) any other information required by rule;

(21) a recycling plan:

(A) Purchaser packaging, including cartridges, shall be accepted by the applicant and recycled.

(B) Any recyclable waste generated by the cannabis cultivation facility shall be recycled per applicable State and local laws, ordinances, and rules.

(C) Any cannabis waste, liquid waste, or hazardous waste shall be disposed of in accordance with 8 Ill. Adm. Code 1000.460, except, to the greatest extent feasible, all cannabis plant waste will be rendered unusable by grinding and incorporating the cannabis plant waste with compostable mixed waste to be disposed of in accordance with 8 Ill. Adm. Code 1000.460(g)(1);

(22) commitment to comply with local waste provisions: a cultivation facility must remain in compliance with applicable State and federal environmental requirements,

including, but not limited to:

(A) storing, securing, and managing all recyclables and waste, including organic waste composed of or containing finished cannabis and cannabis products, in accordance with applicable State and local laws, ordinances, and rules; and

(B) disposing liquid waste containing cannabis or byproducts of cannabis processing in compliance with all applicable State and federal requirements, including, but not limited to, the cannabis cultivation facility's permits under Title X of the Environmental Protection Act; and

(23) a commitment to a technology standard for resource efficiency of the cultivation center facility.

(A) A cannabis cultivation facility commits to use resources efficiently, including energy and water. For the following, a cannabis cultivation facility commits to meet or exceed the technology standard identified in items (i), (ii), (iii), and (iv), which may be modified by rule:

(i) lighting systems, including light bulbs;

(ii) HVAC system;

(iii) water application system to the crop; and

(iv) filtration system for removing contaminants from wastewater.

(B) Lighting. The Lighting Power Densities (LPD) for cultivation space commits to not exceed an average of 36 watts per gross square foot of active and growing space canopy, or all installed lighting technology shall meet a photosynthetic photon efficacy (PPE) of no less than 2.2 micromoles per joule fixture and shall be featured on the DesignLights Consortium (DLC) Horticultural Specification Qualified Products List (QPL). In the event that DLC requirement for minimum efficacy exceeds 2.2 micromoles per joule fixture, that PPE shall become the new standard.

(C) HVAC.

(i) The ~~For cannabis grow operations with less than 6,000 square feet of canopy, the~~ licensee commits that all HVAC units will be high-efficiency ductless split HVAC units, or other more energy efficient equipment.

(ii) (Blank). ~~For cannabis grow operations with 6,000 square feet of canopy or more, the licensee commits that all HVAC units will be variable refrigerant flow HVAC units, or other more energy efficient equipment.~~

(D) Water application.

(i) The cannabis cultivation facility commits to use automated watering systems, including, but not limited to, drip irrigation and flood tables,

to irrigate cannabis crop.

(ii) The cannabis cultivation facility commits to measure runoff from watering events and report this volume in its water usage plan, and that on average, watering events shall have no more than 20% of runoff of water.

(E) Filtration. The cultivator commits that HVAC condensate, dehumidification water, excess runoff, and other wastewater produced by the cannabis cultivation facility shall be captured and filtered to the best of the facility's ability to achieve the quality needed to be reused in subsequent watering rounds.

(F) Reporting energy use and efficiency as required by rule.

(b) Applicants must submit all required information, including the information required in Section 20-10, to the Department of Agriculture. Failure by an applicant to submit all required information may result in the application being disqualified.

(c) If the Department of Agriculture receives an application with missing information, the Department of Agriculture may issue a deficiency notice to the applicant. The applicant shall have 10 calendar days from the date of the deficiency notice to resubmit the incomplete information. Applications that are still incomplete after this opportunity to cure will not be scored and will be disqualified.

(d) (Blank).

(e) A cultivation center that is awarded a Conditional Adult Use Cultivation Center License pursuant to the criteria in Section 20-20 shall not grow, purchase, possess, or sell cannabis or cannabis-infused products until the person has received an Adult Use Cultivation Center License issued by the Department of Agriculture pursuant to Section 20-21 of this Act.

(Source: P.A. 104-417, eff. 8-15-25.)

(410 ILCS 705/20-30)

Sec. 20-30. Cultivation center requirements; prohibitions.

(a) The operating documents of a cultivation center shall include procedures for the oversight of the cultivation center, a cannabis plant monitoring system including a physical inventory recorded weekly, accurate recordkeeping, and a staffing plan.

(b) A cultivation center shall implement a security plan reviewed by the Illinois State Police that includes, but is not limited to: facility access controls, perimeter intrusion detection systems, personnel identification systems, 24-hour surveillance system to monitor the interior and exterior of the cultivation center facility and accessibility to authorized law enforcement, the Department of Public Health where processing takes place, and the Department of Agriculture in real time.

(c) All cultivation of cannabis by a cultivation center must take place in an enclosed, locked facility at the physical address provided to the Department of Agriculture during the licensing process. The cultivation center location shall only be accessed by the agents working for the cultivation center, the Department of Agriculture staff performing inspections, the Department of Public Health staff performing inspections, local and State law enforcement or other emergency personnel, contractors working on jobs unrelated to cannabis, such as installing or maintaining security devices or performing electrical wiring, transporting organization agents as provided in this Act, individuals in a mentoring or educational program approved by the State, or other individuals as provided by rule.

(d) A cultivation center may not sell or distribute any cannabis or cannabis-infused products to any person other than a dispensing organization, craft grower, infuser organization, transporter, or as otherwise authorized by rule.

(e) A cultivation center may not either directly or indirectly discriminate in price between different dispensing organizations, craft growers, or infuser organizations that are purchasing a like grade, strain, brand, and quality of cannabis or cannabis-infused product. Nothing in this subsection (e) prevents a cultivation center from pricing cannabis differently based on differences in the cost of manufacturing or processing, the quantities sold, such as

volume discounts, or the way the products are delivered.

(f) All cannabis harvested by a cultivation center and intended for distribution to a dispensing organization must be entered into a data collection system, packaged and labeled under Section 55-21, and placed into a cannabis container for transport. All cannabis harvested by a cultivation center and intended for distribution to a craft grower or infuser organization must be packaged in a labeled cannabis container and entered into a data collection system before transport.

(g) Cultivation centers are subject to random inspections by the Department of Agriculture, the Department of Public Health, local safety or health inspectors, the Illinois State Police, or as provided by rule.

(h) A cultivation center agent shall notify local law enforcement, the Illinois State Police, and the Department of Agriculture within 24 hours of the discovery of any loss or theft. Notification shall be made by phone or in person, or by written or electronic communication.

(i) A cultivation center shall comply with all State and any applicable federal rules and regulations regarding the use of pesticides on cannabis plants.

(j) No person or entity shall hold any legal, equitable, ownership, or beneficial interest, directly or indirectly, of more than 3 cultivation centers licensed under this Article. Further, no person or entity that is employed by, an agent of, has a contract to receive payment in any form from a

cultivation center, is a principal officer of a cultivation center, or entity controlled by or affiliated with a principal officer of a cultivation center shall hold any legal, equitable, ownership, or beneficial interest, directly or indirectly, in a cultivation that would result in the person or entity owning or controlling in combination with any cultivation center, principal officer of a cultivation center, or entity controlled or affiliated with a principal officer of a cultivation center by which he, she, or it is employed, is an agent of, or participates in the management of, more than 3 cultivation center licenses.

(k) A cultivation center may not contain more than 210,000 square feet of canopy space for plants in the flowering stage for cultivation of adult use cannabis as provided in this Act.

(l) A cultivation center may process cannabis, cannabis concentrates, and cannabis-infused products.

(m) Beginning July 1, 2020, a cultivation center shall not transport cannabis or cannabis-infused products to a craft grower, dispensing organization, infuser organization, or laboratory licensed under this Act, unless it has obtained a transporting organization license.

(n) It is unlawful for any person having a cultivation center license or any officer, associate, member, representative, or agent of such licensee to offer or deliver money, or anything else of value, directly or indirectly to any person having an Early Approval Adult Use Dispensing

Organization License, a Conditional Adult Use Dispensing Organization License, an Adult Use Dispensing Organization License, or a medical cannabis dispensing organization license issued under the Compassionate Use of Medical Cannabis Program Act, or to any person connected with or in any way representing, or to any member of the family of, such person holding an Early Approval Adult Use Dispensing Organization License, a Conditional Adult Use Dispensing Organization License, an Adult Use Dispensing Organization License, or a medical cannabis dispensing organization license issued under the Compassionate Use of Medical Cannabis Program Act, or to any stockholders in any corporation engaged in the retail sale of cannabis, or to any officer, manager, agent, or representative of the Early Approval Adult Use Dispensing Organization License, a Conditional Adult Use Dispensing Organization License, an Adult Use Dispensing Organization License, or a medical cannabis dispensing organization license issued under the Compassionate Use of Medical Cannabis Program Act to obtain preferential placement within the dispensing organization, including, without limitation, on shelves and in display cases where purchasers can view products, or on the dispensing organization's website.

(o) A cultivation center must comply with any other requirements or prohibitions set by administrative rule of the Department of Agriculture.

(p) Cultivation centers shall retain 60 days of camera

storage in any location or otherwise provided by rule. The Department may require footage to be maintained for purposes of an investigation.

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

(410 ILCS 705/20-35)

Sec. 20-35. Cultivation center agent identification card.

(a) The Department of Agriculture shall:

(1) establish by rule the information required in an initial application or renewal application for an agent identification card submitted under this Act and the nonrefundable fee to accompany the initial application or renewal application;

(2) verify the information contained in an initial application or renewal application for an agent identification card submitted under this Act, and approve or deny an application within 30 days of receiving a completed initial application or renewal application and all supporting documentation required by rule;

(3) issue an agent identification card to a qualifying agent within 15 business days of approving the initial application or renewal application;

(4) enter the license number of the cultivation center where the agent works; and

(5) allow for an electronic initial application and renewal application process, and provide a confirmation by electronic or other methods that an application has been submitted. The Department of Agriculture may by rule require prospective agents to file their applications by electronic means and provide notices to the agents by electronic means.

(b) An agent must keep his or her identification card visible at all times when on the property of the cultivation center at which the agent is employed.

(c) The agent identification cards shall contain the following:

(1) the name of the cardholder;

(2) the date of issuance and expiration date of the identification card;

(3) a random 10-digit alphanumeric identification number containing at least 4 numbers and at least 4 letters that is unique to the holder;

(4) a photograph of the cardholder; and

(5) the legal name of the cultivation center employing the agent.

(d) An agent identification card shall be immediately returned to the cultivation center of the agent upon termination of his or her employment.

(e) Any agent identification card lost by a cultivation center agent shall be reported to the Illinois State Police

and the Department of Agriculture immediately upon discovery of the loss.

(f) The Department of Agriculture shall not issue an agent identification card if the applicant is delinquent in filing any required tax returns or paying any amounts owed to the State of Illinois.

(g) The Department and the Department of Financial and Professional Regulation may develop and implement an integrated system to issue an agent identification card that identifies a cultivation center agent licensed by the Department as well as any craft grower, transporter, dispensing organization, community college program, or infuser license or registration the agent may simultaneously hold.

(Source: P.A. 101-27, eff. 6-25-19; 102-538, eff. 8-20-21.)

(410 ILCS 705/20-45)

Sec. 20-45. Renewal of cultivation center licenses and agent identification cards.

(a) Licenses and identification cards issued under this Act shall be renewed annually. A cultivation center shall receive written or electronic notice 90 days before the expiration of its current license that the license will expire. The Department of Agriculture shall grant a renewal within 45 days of submission of a renewal application if:

(1) the cultivation center submits a renewal application and the required nonrefundable renewal fee of

$100,000, or another amount as the Department of Agriculture may set by rule after January 1, 2021, to be deposited into the Cannabis Regulation Fund.

(2) the Department of Agriculture has not suspended the license of the cultivation center or suspended or revoked the license for violating this Act or rules adopted under this Act;

(3) the cultivation center has continued to operate in accordance with all plans submitted as part of its application and approved by the Department of Agriculture or any amendments thereto that have been approved by the Department of Agriculture;

(4) the cultivation center has submitted an agent, employee, contracting, and subcontracting diversity report as required by the Department; and

(5) the cultivation center has submitted an environmental impact report.

(b) If a cultivation center fails to renew its license before expiration, it shall cease operations until its license is renewed.

(c) If a cultivation center agent fails to renew his or her identification card before its expiration, he or she shall cease to work as an agent of the cultivation center until his or her identification card is renewed.

(d) Any cultivation center that continues to operate, or any cultivation center agent who continues to work as an

agent, after the applicable license or identification card has expired without renewal is subject to the penalties provided under Section 45-5.

(e) The Department of Agriculture shall not renew a license or an agent identification card if the applicant is delinquent in filing any required tax returns or paying any amounts owed to the State of Illinois.

(Source: P.A. 101-27, eff. 6-25-19.)

(410 ILCS 705/25-35)

(Section scheduled to be repealed on July 1, 2026)

Sec. 25-35. Community College Cannabis Vocational Training Pilot Program faculty participant agent identification card.

(a) The Department shall:

(1) establish by rule the information required in an initial application or renewal application for an agent identification card submitted under this Article and the nonrefundable fee to accompany the initial application or renewal application;

(2) verify the information contained in an initial application or renewal application for an agent identification card submitted under this Article, and approve or deny an application within 30 days of receiving a completed initial application or renewal application and all supporting documentation required by rule;

(3) issue an agent identification card to a qualifying

agent within 15 business days of approving the initial application or renewal application;

(4) enter the license number of the community college where the agent works; and

(5) allow for an electronic initial application and renewal application process, and provide a confirmation by electronic or other methods that an application has been submitted. Each Department may by rule require prospective agents to file their applications by electronic means and to provide notices to the agents by electronic means.

(b) An agent must keep his or her identification card visible at all times when in the enclosed, locked facility, or facilities for which he or she is an agent.

(c) The agent identification cards shall contain the following:

(1) the name of the cardholder;

(2) the date of issuance and expiration date of the identification card;

(3) a random 10-digit alphanumeric identification number containing at least 4 numbers and at least 4 letters that is unique to the holder;

(4) a photograph of the cardholder; and

(5) the legal name of the community college employing the agent.

(d) An agent identification card shall be immediately returned to the community college of the agent upon

termination of his or her employment.

(e) Any agent identification card lost shall be reported to the Illinois State Police and the Department of Agriculture immediately upon discovery of the loss.

(f) An agent applicant may begin employment at a Community College Cannabis Vocational Training Pilot Program while the agent applicant's identification card application is pending. Upon approval, the Department shall issue the agent's identification card to the agent. If denied, the Community College Cannabis Vocational Training Pilot Program and the agent applicant shall be notified and the agent applicant must cease all activity at the Community College Cannabis Vocational Training Pilot Program immediately.

(g) The Department of Agriculture shall not issue an agent identification card if the applicant is delinquent in filing any required tax returns or paying any amounts owed to the State of Illinois.

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

(410 ILCS 705/25-45)

(Section scheduled to be repealed on July 1, 2026)

Sec. 25-45. Repeal. This Article is repealed on July 1, 2031 ~~2026~~.

(Source: P.A. 101-27, eff. 6-25-19.)

(410 ILCS 705/30-10)

Sec. 30-10. Application.

(a) When applying for a license, the applicant shall electronically submit the following in such form as the Department of Agriculture may direct:

(1) the nonrefundable application fee of $5,000 to be deposited into the Cannabis Regulation Fund, or another amount as the Department of Agriculture may set by rule after January 1, 2021;

(2) the legal name of the craft grower;

(3) the proposed physical address of the craft grower;

(4) the name, address, social security number, and date of birth of each principal officer and board member of the craft grower; each principal officer and board member shall be at least 21 years of age;

(5) the details of any administrative or judicial proceeding in which any of the principal officers or board members of the craft grower (i) pled guilty, were convicted, were fined, or had a registration or license suspended or revoked or (ii) managed or served on the board of a business or non-profit organization that pled guilty, was convicted, was fined, or had a registration or license suspended or revoked;

(6) proposed operating bylaws that include procedures for the oversight of the craft grower, including the development and implementation of a plant monitoring

system, accurate recordkeeping, staffing plan, and security plan approved by the Illinois State Police that are in accordance with the rules issued by the Department of Agriculture under this Act; a physical inventory shall be performed of all plants and on a weekly basis by the craft grower;

(7) verification from the Illinois State Police that all background checks of the prospective principal officers, board members, and agents of the cannabis business establishment have been conducted;

(8) a copy of the current local zoning ordinance or permit and verification that the proposed craft grower is in compliance with the local zoning rules and distance limitations established by the local jurisdiction;

(9) proposed employment practices, in which the applicant must demonstrate a plan of action to inform, hire, and educate minorities, women, veterans, and persons with disabilities, engage in fair labor practices, and provide worker protections;

(10) whether an applicant can demonstrate experience in or business practices that promote economic empowerment in Disproportionately Impacted Areas;

(11) experience with the cultivation of agricultural or horticultural products, operating an agriculturally related business, or operating a horticultural business;

(12) a description of the enclosed, locked facility

where cannabis will be grown, harvested, manufactured, packaged, or otherwise prepared for distribution to a dispensing organization or other cannabis business establishment;

(13) a survey of the enclosed, locked facility, including the space used for cultivation;

(14) cultivation, processing, inventory, and packaging plans;

(15) a description of the applicant's experience with agricultural cultivation techniques and industry standards;

(16) a list of any academic degrees, certifications, or relevant experience of all prospective principal officers, board members, and agents of the related business;

(17) the identity of every person having a financial or voting interest of 5% or greater in the craft grower operation, whether a trust, corporation, partnership, limited liability company, or sole proprietorship, including the name and address of each person;

(18) a plan describing how the craft grower will address each of the following:

(i) energy needs, including estimates of monthly electricity and gas usage, to what extent it will procure energy from a local utility or from on-site generation, and if it has or will adopt a sustainable

energy use and energy conservation policy;

(ii) water needs, including estimated water draw and if it has or will adopt a sustainable water use and water conservation policy; and

(iii) waste management, including if it has or will adopt a waste reduction policy;

(19) a recycling plan:

(A) Purchaser packaging, including cartridges, shall be accepted by the applicant and recycled.

(B) Any recyclable waste generated by the craft grower facility shall be recycled per applicable State and local laws, ordinances, and rules.

(C) Any cannabis waste, liquid waste, or hazardous waste shall be disposed of in accordance with 8 Ill. Adm. Code 1000.460, except, to the greatest extent feasible, all cannabis plant waste will be rendered unusable by grinding and incorporating the cannabis plant waste with compostable mixed waste to be disposed of in accordance with 8 Ill. Adm. Code 1000.460(g)(1);

(20) a commitment to comply with local waste provisions: a craft grower facility must remain in compliance with applicable State and federal environmental requirements, including, but not limited to:

(A) storing, securing, and managing all recyclables and waste, including organic waste

composed of or containing finished cannabis and cannabis products, in accordance with applicable State and local laws, ordinances, and rules; and

(B) disposing liquid waste containing cannabis or byproducts of cannabis processing in compliance with all applicable State and federal requirements, including, but not limited to, the cannabis cultivation facility's permits under Title X of the Environmental Protection Act;

(21) a commitment to a technology standard for resource efficiency of the craft grower facility.

(A) A craft grower facility commits to use resources efficiently, including energy and water. For the following, a craft grower ~~cannabis cultivation~~ facility commits to meet or exceed the technology standard identified in paragraphs (i), (ii), (iii), and (iv), which may be modified by rule:

(i) lighting systems, including light bulbs;

(ii) HVAC system;

(iii) water application system to the crop; and

(iv) filtration system for removing contaminants from wastewater.

(B) Lighting. The Lighting Power Densities (LPD) for cultivation space commits to not exceed an average of 36 watts per gross square foot of active and growing

space canopy, or all installed lighting technology shall meet a photosynthetic photon efficacy (PPE) of no less than 2.2 micromoles per joule fixture and shall be featured on the DesignLights Consortium (DLC) Horticultural Specification Qualified Products List (QPL). In the event that DLC requirement for minimum efficacy exceeds 2.2 micromoles per joule fixture, that PPE shall become the new standard.

(C) HVAC.

(i) The ~~For cannabis grow operations with less than 6,000 square feet of canopy, the~~ licensee commits that all HVAC units will be high-efficiency ductless split HVAC units, or other more energy efficient equipment.

(ii) (Blank). ~~For cannabis grow operations with 6,000 square feet of canopy or more, the licensee commits that all HVAC units will be variable refrigerant flow HVAC units, or other more energy efficient equipment.~~

(D) Water application.

(i) The craft grower facility commits to use automated watering systems, including, but not limited to, drip irrigation and flood tables, to irrigate cannabis crop.

(ii) The craft grower facility commits to measure runoff from watering events and report

this volume in its water usage plan, and that on average, watering events shall have no more than 20% of runoff of water.

(E) Filtration. The craft grower commits that HVAC condensate, dehumidification water, excess runoff, and other wastewater produced by the craft grower facility shall be captured and filtered to the best of the facility's ability to achieve the quality needed to be reused in subsequent watering rounds.

(F) Reporting energy use and efficiency as required by rule; and

(22) any other information required by rule.

(b) Applicants must submit all required information, including the information required in Section 30-15, to the Department of Agriculture. Failure by an applicant to submit all required information may result in the application being disqualified.

(c) If the Department of Agriculture receives an application with missing information, the Department of Agriculture may issue a deficiency notice to the applicant. The applicant shall have 10 calendar days from the date of the deficiency notice to resubmit the incomplete information. Applications that are still incomplete after this opportunity to cure will not be scored and will be disqualified.

(Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19; 102-538, eff. 8-20-21.)

(410 ILCS 705/30-30)

Sec. 30-30. Craft grower requirements; prohibitions.

(a) The operating documents of a craft grower shall include procedures for the oversight of the craft grower, a cannabis plant monitoring system including a physical inventory recorded weekly, accurate recordkeeping, and a staffing plan.

(b) A craft grower shall implement a security plan reviewed by the Illinois State Police that includes, but is not limited to: facility access controls, perimeter intrusion detection systems, personnel identification systems, and a 24-hour surveillance system to monitor the interior and exterior of the craft grower facility and that is accessible to authorized law enforcement and the Department of Agriculture in real time.

(c) All cultivation of cannabis by a craft grower must take place in an enclosed, locked facility at the physical address provided to the Department of Agriculture during the licensing process. The craft grower location shall only be accessed by the agents working for the craft grower, the Department of Agriculture staff performing inspections, the Department of Public Health staff performing inspections, State and local law enforcement or other emergency personnel, contractors working on jobs unrelated to cannabis, such as installing or maintaining security devices or performing

electrical wiring, transporting organization agents as provided in this Act, or participants in the incubator program, individuals in a mentoring or educational program approved by the State, or other individuals as provided by rule. However, if a craft grower shares a premises with an infuser or dispensing organization, agents from those other licensees may access the craft grower portion of the premises if that is the location of common bathrooms, lunchrooms, locker rooms, or other areas of the building where work or cultivation of cannabis is not performed. At no time may an infuser or dispensing organization agent perform work at a craft grower without being a registered agent of the craft grower.

(d) A craft grower may not sell or distribute any cannabis to any person other than a cultivation center, a craft grower, an infuser organization, a dispensing organization, or as otherwise authorized by rule.

(e) A craft grower may not be located in an area zoned for residential use.

(f) A craft grower may not either directly or indirectly discriminate in price between different cannabis business establishments that are purchasing a like grade, strain, brand, and quality of cannabis or cannabis-infused product. Nothing in this subsection (f) prevents a craft grower from pricing cannabis differently based on differences in the cost of manufacturing or processing, the quantities sold, such as

volume discounts, or the way the products are delivered.

(g) All cannabis harvested by a craft grower and intended for distribution to a dispensing organization must be entered into a data collection system, packaged and labeled under Section 55-21, and, if distribution is to a dispensing organization that does not share a premises with the dispensing organization receiving the cannabis, placed into a cannabis container for transport. All cannabis harvested by a craft grower and intended for distribution to a cultivation center, to an infuser organization, or to a craft grower with which it does not share a premises, must be packaged in a labeled cannabis container and entered into a data collection system before transport.

(h) Craft growers are subject to random inspections by the Department of Agriculture, local safety or health inspectors, the Illinois State Police, or as provided by rule.

(i) A craft grower agent shall notify local law enforcement, the Illinois State Police, and the Department of Agriculture within 24 hours of the discovery of any loss or theft. Notification shall be made by phone, in person, or written or electronic communication.

(j) A craft grower shall comply with all State and any applicable federal rules and regulations regarding the use of pesticides.

(k) A craft grower or craft grower agent shall not transport cannabis or cannabis-infused products to any other

cannabis business establishment without a transport organization license unless:

(i) If the craft grower is located in a county with a population of 3,000,000 or more, the cannabis business establishment receiving the cannabis is within 2,000 feet of the property line of the craft grower;

(ii) If the craft grower is located in a county with a population of more than 700,000 but fewer than 3,000,000, the cannabis business establishment receiving the cannabis is within 2 miles of the craft grower; or

(iii) If the craft grower is located in a county with a population of fewer than 700,000, the cannabis business establishment receiving the cannabis is within 15 miles of the craft grower.

(l) A craft grower may enter into a contract with a transporting organization to transport cannabis to a cultivation center, a craft grower, an infuser organization, a dispensing organization, or a laboratory.

(m) No person or entity shall hold any legal, equitable, ownership, or beneficial interest, directly or indirectly, of more than 3 craft grower licenses. Further, no person or entity that is employed by, an agent of, or has a contract to receive payment from or participate in the management of a craft grower, is a principal officer of a craft grower, or entity controlled by or affiliated with a principal officer of a craft grower shall hold any legal, equitable, ownership, or

beneficial interest, directly or indirectly, in a craft grower license that would result in the person or entity owning or controlling in combination with any craft grower, principal officer of a craft grower, or entity controlled or affiliated with a principal officer of a craft grower by which he, she, or it is employed, is an agent of, or participates in the management of more than 3 craft grower licenses.

(n) It is unlawful for any person having a craft grower license or any officer, associate, member, representative, or agent of the licensee to offer or deliver money, or anything else of value, directly or indirectly, to any person having an Early Approval Adult Use Dispensing Organization License, a Conditional Adult Use Dispensing Organization License, an Adult Use Dispensing Organization License, or a medical cannabis dispensing organization license issued under the Compassionate Use of Medical Cannabis Program Act, or to any person connected with or in any way representing, or to any member of the family of, the person holding an Early Approval Adult Use Dispensing Organization License, a Conditional Adult Use Dispensing Organization License, an Adult Use Dispensing Organization License, or a medical cannabis dispensing organization license issued under the Compassionate Use of Medical Cannabis Program Act, or to any stockholders in any corporation engaged in the retail sale of cannabis, or to any officer, manager, agent, or representative of the Early Approval Adult Use Dispensing Organization License, a

Conditional Adult Use Dispensing Organization License, an Adult Use Dispensing Organization License, or a medical cannabis dispensing organization license issued under the Compassionate Use of Medical Cannabis Program Act to obtain preferential placement within the dispensing organization, including, without limitation, on shelves and in display cases where purchasers can view products, or on the dispensing organization's website.

(o) A craft grower shall not be located within 1,500 feet of another craft grower or a cultivation center.

(p) A craft grower may process cannabis, cannabis concentrates, and cannabis-infused products.

(q) A craft grower must comply with any other requirements or prohibitions set by administrative rule of the Department of Agriculture.

(r) Craft growers shall retain 60 days of camera storage in any location or otherwise provided by rule. The Department may require footage to be maintained for purposes of an investigation.

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

(410 ILCS 705/30-35)

Sec. 30-35. Craft grower agent identification card.

(a) The Department of Agriculture shall:

(1) establish by rule the information required in an initial application or renewal application for an agent identification card submitted under this Act and the nonrefundable fee to accompany the initial application or renewal application;

(2) verify the information contained in an initial application or renewal application for an agent identification card submitted under this Act and approve or deny an application within 30 days of receiving a completed initial application or renewal application and all supporting documentation required by rule;

(3) issue an agent identification card to a qualifying agent within 15 business days of approving the initial application or renewal application;

(4) enter the license number of the craft grower where the agent works; and

(5) allow for an electronic initial application and renewal application process, and provide a confirmation by electronic or other methods that an application has been submitted. The Department of Agriculture may by rule require prospective agents to file their applications by electronic means and provide notices to the agents by electronic means.

(b) An agent must keep his or her identification card visible at all times when on the property of a cannabis business establishment, including the craft grower

organization for which he or she is an agent.

(c) The agent identification cards shall contain the following:

(1) the name of the cardholder;

(2) the date of issuance and expiration date of the identification card;

(3) a random 10-digit alphanumeric identification number containing at least 4 numbers and at least 4 letters that is unique to the holder;

(4) a photograph of the cardholder; and

(5) the legal name of the craft grower organization employing the agent.

(d) An agent identification card shall be immediately returned to the cannabis business establishment of the agent upon termination of his or her employment.

(e) Any agent identification card lost by a craft grower agent shall be reported to the Illinois State Police and the Department of Agriculture immediately upon discovery of the loss.

(f) The Department of Agriculture shall not issue an agent identification card if the applicant is delinquent in filing any required tax returns or paying any amounts owed to the State of Illinois.

(g) The Department and the Department of Financial and Professional Regulation may develop and implement an integrated system to issue an agent identification card that

identifies a craft grower agent licensed by the Department as well as any cultivator, dispensary, transporter, community college program, or infuser license or registration the agent may simultaneously hold.

(Source: P.A. 101-27, eff. 6-25-19; 102-538, eff. 8-20-21.)

(410 ILCS 705/30-45)

Sec. 30-45. Renewal of craft grower licenses and agent identification cards.

(a) Licenses and identification cards issued under this Act shall be renewed annually. Beginning January 1, 2027, all craft grower licenses are valid for 2 years upon the next renewal period. A craft grower shall receive written or electronic notice 90 days before the expiration of its current license that the license will expire. The Department of Agriculture shall grant a renewal within 45 days of submission of a renewal application if:

(1) the craft grower submits a renewal application and the required nonrefundable renewal fee of $40,000, or another amount as the Department of Agriculture may set by rule after January 1, 2021;

(2) the Department of Agriculture has not suspended the license of the craft grower or suspended or revoked the license for violating this Act or rules adopted under this Act;

(3) the craft grower has continued to operate in

accordance with all plans submitted as part of its application and approved by the Department of Agriculture or any amendments thereto that have been approved by the Department of Agriculture;

(4) the craft grower has submitted an agent, employee, contracting, and subcontracting diversity report as required by the Department; and

(5) the craft grower has submitted an environmental impact report.

(b) If a craft grower fails to renew its license before expiration, it shall cease operations until its license is renewed.

(c) If a craft grower agent fails to renew his or her identification card before its expiration, he or she shall cease to work as an agent of the craft grower organization until his or her identification card is renewed.

(d) Any craft grower that continues to operate, or any craft grower agent who continues to work as an agent, after the applicable license or identification card has expired without renewal is subject to the penalties provided under Section 45-5.

(e) All fees or fines collected from the renewal of a craft grower license shall be deposited into the Cannabis Regulation Fund.

(f) The Department of Agriculture shall not renew a license or an agent identification card if the applicant is

delinquent in filing any required tax returns or paying any amounts owed to the State of Illinois.

(Source: P.A. 101-27, eff. 6-25-19.)

(410 ILCS 705/35-5)

Sec. 35-5. Issuance of licenses.

(a) The Department of Agriculture shall issue up to 40 infuser licenses through a process provided for in this Article no later than July 1, 2020.

(b) The Department of Agriculture shall make the application for infuser licenses available on January 7, 2020, or if that date falls on a weekend or holiday, the business day immediately succeeding the weekend or holiday and every January 7 or succeeding business day thereafter, and shall receive such applications no later than March 15, 2020, or, if that date falls on a weekend or holiday, the business day immediately succeeding the weekend or holiday and every March 15 or succeeding business day thereafter.

(c) By December 21, 2021, the Department of Agriculture may issue up to 60 additional infuser licenses. Prior to issuing such licenses, the Department may adopt rules through emergency rulemaking in accordance with subsection (kk) of Section 5-45 of the Illinois Administrative Procedure Act, to modify or raise the number of infuser licenses and modify or change the licensing application process to reduce or eliminate barriers. The General Assembly finds that the

adoption of rules to regulate cannabis use is deemed an emergency and necessary for the public interest, safety, and welfare.

(c-5) By January 1, 2027, the Department of Agriculture shall issue up to 150 additional infuser licenses.

In determining whether to exercise the authority granted by this subsection, the Department of Agriculture must consider the following factors:

(1) the percentage of cannabis sales occurring in Illinois not in the regulated market using data from the Substance Abuse and Mental Health Services Administration, National Survey on Drug Use and Health, Illinois Behavioral Risk Factor Surveillance System, and tourism data from the Illinois Office of Tourism to ascertain total cannabis consumption in Illinois compared to the amount of sales in licensed dispensing organizations;

(2) whether there is an adequate supply of cannabis and cannabis-infused products to serve registered medical cannabis patients;

(3) whether there is an adequate supply of cannabis and cannabis-infused products to serve purchasers;

(4) whether there is an oversupply of cannabis in Illinois leading to trafficking of cannabis to any other state;

(5) population increases or shifts;

(6) changes to federal law;

(7) perceived security risks of increasing the number or location of infuser organizations;

(8) the past security records of infuser organizations;

(9) the Department of Agriculture's capacity to appropriately regulate additional licenses;

(10) (blank); and

(11) any other criteria the Department of Agriculture deems relevant.

(d) After January 1, 2022, the Department of Agriculture may by rule modify or raise the number of infuser licenses, and modify or change the licensing application process to reduce or eliminate barriers based on the criteria in subsection (c).

(e) Upon the completion of the disparity and availability study pertaining to infusers by the Cannabis Regulation Oversight Officer pursuant to subsection (e) of Section 5-45, the Department of Agriculture may modify or change the licensing application process to reduce or eliminate barriers and remedy evidence of discrimination identified in the study.

(Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19; 102-98, eff. 7-15-21.)

(410 ILCS 705/35-10)

Sec. 35-10. Application.

(a) In addition to any license awarded under subsection (a), (b), or (c) of Section 35-5, the Department of

Agriculture shall issue up to 100 licenses pursuant to subsection (c-5) of Section 35-5 by lot, pursuant to the application process adopted under this Section. In order to be eligible to be awarded an infuser license by lot under this Section, the applicant must qualify as a social equity applicant.

(a-1) ~~(a)~~ When applying for a license, the applicant shall electronically submit the following in such form as the Department of Agriculture may direct:

(1) the nonrefundable application fee of $5,000 or, after January 1, 2021, another amount as set by rule by the Department of Agriculture, to be deposited into the Cannabis Regulation Fund;

(2) the legal name of the infuser;

(3) the proposed physical address of the infuser;

(4) the name, address, social security number, and date of birth of each principal officer and board member of the infuser; each principal officer and board member shall be at least 21 years of age;

(5) the details of any administrative or judicial proceeding in which any of the principal officers or board members of the infuser (i) pled guilty, were convicted, fined, or had a registration or license suspended or revoked, or (ii) managed or served on the board of a business or non-profit organization that pled guilty, was convicted, fined, or had a registration or license

suspended or revoked;

(6) proposed operating bylaws that include procedures for the oversight of the infuser, including the development and implementation of a plant monitoring system, accurate recordkeeping, staffing plan, and security plan approved by the Illinois State Police that are in accordance with the rules issued by the Department of Agriculture under this Act; a physical inventory of all cannabis shall be performed on a weekly basis by the infuser;

(7) verification from the Illinois State Police that all background checks of the prospective principal officers, board members, and agents of the infuser organization have been conducted;

(8) a copy of the current local zoning ordinance and verification that the proposed infuser is in compliance with the local zoning rules and distance limitations established by the local jurisdiction;

(9) proposed employment practices, in which the applicant must demonstrate a plan of action to inform, hire, and educate minorities, women, veterans, and persons with disabilities, engage in fair labor practices, and provide worker protections;

(10) whether an applicant can demonstrate experience in or business practices that promote economic empowerment in Disproportionately Impacted Areas;

(11) experience with infusing products with cannabis concentrate or hemp;

(12) a description of the enclosed, locked facility where cannabis will be infused, packaged, or otherwise prepared for distribution to a dispensing organization or other infuser;

(13) processing, inventory, and packaging plans;

(14) a description of the applicant's experience with operating a commercial kitchen or laboratory preparing products for human consumption;

(15) a list of any academic degrees, certifications, or relevant experience of all prospective principal officers, board members, and agents of the related business;

(16) the identity of every person having a financial or voting interest of 5% or greater in the infuser operation with respect to which the license is sought, whether a trust, corporation, partnership, limited liability company, or sole proprietorship, including the name and address of each person;

(17) a plan describing how the infuser will address each of the following:

(i) energy needs, including estimates of monthly electricity and gas usage, to what extent it will procure energy from a local utility or from on-site generation, and if it has or will adopt a sustainable

energy use and energy conservation policy;

(ii) water needs, including estimated water draw, and if it has or will adopt a sustainable water use and water conservation policy; and

(iii) waste management, including if it has or will adopt a waste reduction policy;

(18) a recycling plan:

(A) a commitment that any recyclable waste generated by the infuser shall be recycled per applicable State and local laws, ordinances, and rules; and

(B) a commitment to comply with local waste provisions. An infuser commits to remain in compliance with applicable State and federal environmental requirements, including, but not limited to, storing, securing, and managing all recyclables and waste, including organic waste composed of or containing finished cannabis and cannabis products, in accordance with applicable State and local laws, ordinances, and rules; ~~and~~

(19) an acknowledgement that no applicant may be awarded more than 2 licenses under this Section; and

(20) ~~(19)~~ any other information required by rule.

(b) Applicants must submit all required information, including the information required in Section 35-15, to the Department of Agriculture. Failure by an applicant to submit

all required information may result in the application being disqualified.

(c) If the Department of Agriculture receives an application with missing information, the Department of Agriculture may issue a deficiency notice to the applicant. The applicant shall have 10 calendar days from the date of the deficiency notice to resubmit the incomplete information. Applications that are still incomplete after this opportunity to cure will not be scored and will be disqualified.

(Source: P.A. 101-27, eff. 6-25-19; 102-538, eff. 8-20-21.)

(410 ILCS 705/35-15)

Sec. 35-15. Issuing licenses.

(a) The Department of Agriculture shall by rule develop a system to score infuser applications to administratively rank applications based on the clarity, organization, and quality of the applicant's responses to required information. Applicants shall be awarded points based on the following categories:

(1) Suitability of the proposed facility;

(2) Suitability of the employee training plan;

(3) Security and recordkeeping plan;

(4) Infusing plan;

(5) Product safety and labeling plan;

(6) Business plan;

(6.5) Ability to demonstrate expertise in infusing

hemp or hemp concentrate into infused products, which shall constitute no less than 10% of total available points;

(7) The applicant's status as a Social Equity Applicant, which shall constitute no less than 20% of total available points;

(8) Labor and employment practices, which shall constitute no less than 2% of total available points;

(9) Environmental plan as described in paragraphs (17) and (18) of subsection (a-1) of Section 35-10;

(10) The applicant is 51% or more owned and controlled by an individual or individuals who have been an Illinois resident for the past 5 years as proved by tax records or 2 of the following:

(A) a signed lease agreement that includes the applicant's name;

(B) a property deed that includes the applicant's name;

(C) school records;

(D) a voter registration card;

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

(F) a paycheck stub;

(G) a utility bill; or

(H) any other proof of residency or other

information necessary to establish residence as provided by rule;

(11) The applicant is 51% or more controlled and owned by an individual or individuals who meet the qualifications of a veteran as defined by Section 45-57 of the Illinois Procurement Code;

(12) A diversity plan that includes a narrative of not more than 2,500 words that establishes a goal of diversity in ownership, management, employment, and contracting to ensure that diverse participants and groups are afforded equality of opportunity; and

(13) Any other criteria the Department of Agriculture may set by rule for points.

(b) The Department may also award up to 2 bonus points for the applicant's plan to engage with the community. The applicant may demonstrate a desire to engage with its community by participating in one or more of, but not limited to, the following actions: (i) establishment of an incubator program designed to increase participation in the cannabis industry by persons who would qualify as Social Equity Applicants; (ii) providing financial assistance to substance abuse treatment centers; (iii) educating children and teens about the potential harms of cannabis use; or (iv) other measures demonstrating a commitment to the applicant's community. Bonus points will only be awarded if the Department receives applications that receive an equal score.

(c) Should the applicant be awarded an infuser license, the information and plans that an applicant provided in its application, including any plans submitted for the acquiring of bonus points, becomes a mandatory condition of the permit. Any variation from or failure to perform such plans may result in discipline, including the revocation or nonrenewal of a license.

(d) Should the applicant be awarded an infuser organization license, it shall pay a fee of $5,000 prior to receiving the license, to be deposited into the Cannabis Regulation Fund. The Department of Agriculture may by rule adjust the fee in this Section after January 1, 2021.

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

(410 ILCS 705/35-25)

Sec. 35-25. Infuser organization requirements; prohibitions.

(a) The operating documents of an infuser shall include procedures for the oversight of the infuser, an inventory monitoring system including a physical inventory recorded weekly, accurate recordkeeping, and a staffing plan.

(b) An infuser shall implement a security plan reviewed by the Illinois State Police that includes, but is not limited to: facility access controls, perimeter intrusion detection systems, personnel identification systems, and a 24-hour surveillance system to monitor the interior and exterior of

the infuser facility and that is accessible to authorized law enforcement, the Department of Public Health, and the Department of Agriculture in real time.

(c) All processing of cannabis by an infuser must take place in an enclosed, locked facility at the physical address provided to the Department of Agriculture during the licensing process. The infuser location shall only be accessed by the agents working for the infuser, the Department of Agriculture staff performing inspections, the Department of Public Health staff performing inspections, State and local law enforcement or other emergency personnel, contractors working on jobs unrelated to cannabis, such as installing or maintaining security devices or performing electrical wiring, transporting organization agents as provided in this Act, participants in the incubator program, individuals in a mentoring or educational program approved by the State, local safety or health inspectors, or other individuals as provided by rule. However, if an infuser shares a premises with a craft grower or dispensing organization, agents from these other licensees may access the infuser portion of the premises if that is the location of common bathrooms, lunchrooms, locker rooms, or other areas of the building where processing of cannabis is not performed. At no time may a craft grower or dispensing organization agent perform work at an infuser without being a registered agent of the infuser.

(d) An infuser may not sell or distribute any cannabis to

any person other than a dispensing organization, or as otherwise authorized by rule.

(e) An infuser may not either directly or indirectly discriminate in price between different cannabis business establishments that are purchasing a like grade, strain, brand, and quality of cannabis or cannabis-infused product. Nothing in this subsection (e) prevents an infuser from pricing cannabis differently based on differences in the cost of manufacturing or processing, the quantities sold, such volume discounts, or the way the products are delivered.

(f) All cannabis infused by an infuser and intended for distribution to a dispensing organization must be entered into a data collection system, packaged and labeled under Section 55-21, and, if distribution is to a dispensing organization that does not share a premises with the infuser, placed into a cannabis container for transport. All cannabis produced by an infuser and intended for distribution to a cultivation center, infuser organization, or craft grower with which it does not share a premises, must be packaged in a labeled cannabis container and entered into a data collection system before transport.

(g) Infusers are subject to random inspections by the Department of Agriculture, the Department of Public Health, the Illinois State Police, local law enforcement, or as provided by rule.

(h) An infuser agent shall notify local law enforcement,

the Illinois State Police, and the Department of Agriculture within 24 hours of the discovery of any loss or theft. Notification shall be made by phone, in person, or by written or electronic communication.

(i) An infuser organization may not be located in an area zoned for residential use.

(j) An infuser or infuser agent shall not transport cannabis or cannabis-infused products to any other cannabis business establishment without a transport organization license unless:

(i) If the infuser is located in a county with a population of 3,000,000 or more, the cannabis business establishment receiving the cannabis or cannabis-infused product is within 2,000 feet of the property line of the infuser;

(ii) If the infuser is located in a county with a population of more than 700,000 but fewer than 3,000,000, the cannabis business establishment receiving the cannabis or cannabis-infused product is within 2 miles of the infuser; or

(iii) If the infuser is located in a county with a population of fewer than 700,000, the cannabis business establishment receiving the cannabis or cannabis-infused product is within 15 miles of the infuser.

(k) An infuser may enter into a contract with a transporting organization to transport cannabis to a

dispensing organization or a laboratory.

(l) An infuser organization may share premises with a craft grower or a dispensing organization, or both, provided each licensee stores currency and cannabis or cannabis-infused products in a separate secured vault to which the other licensee does not have access or all licensees sharing a vault share more than 50% of the same ownership.

(m) It is unlawful for any person or entity having an infuser organization license or any officer, associate, member, representative or agent of such licensee to offer or deliver money, or anything else of value, directly or indirectly to any person having an Early Approval Adult Use Dispensing Organization License, a Conditional Adult Use Dispensing Organization License, an Adult Use Dispensing Organization License, or a medical cannabis dispensing organization license issued under the Compassionate Use of Medical Cannabis Program Act, or to any person connected with or in any way representing, or to any member of the family of, such person holding an Early Approval Adult Use Dispensing Organization License, a Conditional Adult Use Dispensing Organization License, an Adult Use Dispensing Organization License, or a medical cannabis dispensing organization license issued under the Compassionate Use of Medical Cannabis Program Act, or to any stockholders in any corporation engaged in the retail sales of cannabis, or to any officer, manager, agent, or representative of the Early Approval Adult Use Dispensing

Organization License, a Conditional Adult Use Dispensing Organization License, an Adult Use Dispensing Organization License, or a medical cannabis dispensing organization license issued under the Compassionate Use of Medical Cannabis Program Act to obtain preferential placement within the dispensing organization, including, without limitation, on shelves and in display cases where purchasers can view products, or on the dispensing organization's website.

(n) At no time shall an infuser organization or an infuser agent perform the extraction of cannabis concentrate from cannabis flower, except if the infuser organization has also been issued a processor license under subsection (f) of Section 35-31.

(o) Infusing organizations shall retain 60 days of camera storage in any location or otherwise provided by rule. The Department may require footage to be maintained for purposes of an investigation.

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

(410 ILCS 705/35-30)

Sec. 35-30. Infuser agent identification card.

(a) The Department of Agriculture shall:

(1) establish by rule the information required in an initial application or renewal application for an agent

identification card submitted under this Act and the nonrefundable fee to accompany the initial application or renewal application;

(2) verify the information contained in an initial application or renewal application for an agent identification card submitted under this Act, and approve or deny an application within 30 days of receiving a completed initial application or renewal application and all supporting documentation required by rule;

(3) issue an agent identification card to a qualifying agent within 15 business days of approving the initial application or renewal application;

(4) enter the license number of the infuser where the agent works; and

(5) allow for an electronic initial application and renewal application process, and provide a confirmation by electronic or other methods that an application has been submitted. The Department of Agriculture may by rule require prospective agents to file their applications by electronic means and provide notices to the agents by electronic means.

(b) An agent must keep his or her identification card visible at all times when on the property of a cannabis business establishment including the cannabis business establishment for which he or she is an agent.

(c) The agent identification cards shall contain the

following:

(1) the name of the cardholder;

(2) the date of issuance and expiration date of the identification card;

(3) a random 10-digit alphanumeric identification number containing at least 4 numbers and at least 4 letters that is unique to the holder;

(4) a photograph of the cardholder; and

(5) the legal name of the infuser organization employing the agent.

(d) An agent identification card shall be immediately returned to the infuser organization of the agent upon termination of his or her employment.

(e) Any agent identification card lost by an infuser ~~a transporting~~ agent shall be reported to the Illinois State Police and the Department of Agriculture immediately upon discovery of the loss.

(f) An agent applicant may begin employment at an infuser organization while the agent applicant's identification card application is pending. Upon approval, the Department shall issue the agent's identification card to the agent. If denied, the infuser organization and the agent applicant shall be notified and the agent applicant must cease all activity at the infuser organization immediately.

(g) The Department of Agriculture shall not issue an agent identification card if the applicant is delinquent in filing

any required tax returns or paying any amounts owed to the State of Illinois.

(h) The Department and the Department of Financial and Professional Regulation may develop and implement an integrated system to issue an agent identification card that identifies an infuser agent licensed by the Department as well as any cultivation center, craft grower, dispensary, transporter, or community college program license or registration the agent may simultaneously hold.

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

(410 ILCS 705/35-40)

Sec. 35-40. Renewal of infuser organization licenses and agent identification cards.

(a) Licenses and identification cards issued under this Act shall be renewed annually. Beginning January 1, 2027, all infuser organization licenses are valid for 2 years upon the next renewal period. An infuser organization shall receive written or electronic notice 90 days before the expiration of its current license that the license will expire. The Department of Agriculture shall grant a renewal within 45 days of submission of a renewal application if:

(1) the infuser organization submits a renewal application and the required nonrefundable renewal fee of $20,000, or, after January 1, 2021, another amount set by

rule by the Department of Agriculture, to be deposited into the Cannabis Regulation Fund;

(2) the Department of Agriculture has not suspended or revoked the license of the infuser organization for violating this Act or rules adopted under this Act;

(3) the infuser organization has continued to operate in accordance with all plans submitted as part of its application and approved by the Department of Agriculture or any amendments thereto that have been approved by the Department of Agriculture;

(4) The infuser has submitted an agent, employee, contracting, and subcontracting diversity report as required by the Department; and

(5) The infuser has submitted an environmental impact report.

(b) If an infuser organization fails to renew its license before expiration, it shall cease operations until its license is renewed.

(c) If an infuser organization agent fails to renew his or her identification card before its expiration, he or she shall cease to work as an agent of the infuser organization until his or her identification card is renewed.

(d) Any infuser organization that continues to operate, or any infuser organization agent who continues to work as an agent, after the applicable license or identification card has expired without renewal is subject to the penalties provided

under Section 35-25.

(e) The Department shall not renew a license or an agent identification card if the applicant is delinquent in filing any required tax returns or paying any amounts owed to the State of Illinois.

(Source: P.A. 101-27, eff. 6-25-19.)

(410 ILCS 705/40-5)

Sec. 40-5. Issuance of licenses.

(a) The Department shall issue transporting licenses through a process provided for in this Article no later than July 1, 2020.

(b) The Department shall make the application for transporting organization licenses available on January 7, 2020 and shall receive such applications no later than March 15, 2020.

(c) Entities awarded a license under this Article shall not be required to pay any fee required under Section 40-10 of this Article, the nonrefundable renewal fee required under Section 40-40 of this Article, or any other license fee required under this Article or by rule from January 1, 2024 to January 1, 2028 ~~2027~~.

(d) From January 1, 2023 through January 1, 2028 ~~2027~~, the Department shall not make the application available for transporting organization licenses.

(e) Upon completion of the disparity and availability

study published by the Illinois Cannabis Regulation Oversight Officer under subsection (e) of Section 5-45, the Department may modify or change the licensing application process to reduce or eliminate barriers and remedy discrimination identified in the study. Beginning January 1, 2028 ~~2027~~, the Department of Agriculture shall make the applications available on every January 7 thereafter or, if that date falls on a weekend or holiday, the business day immediately succeeding the weekend or holiday and shall receive the applications no later than March 15 or the succeeding business day thereafter.

(Source: P.A. 103-578, eff. 12-8-23.)

(410 ILCS 705/40-25)

Sec. 40-25. Transporting organization requirements; prohibitions.

(a) The operating documents of a transporting organization shall include procedures for the oversight of the transporter, an inventory monitoring system including a physical inventory recorded weekly, accurate recordkeeping, and a staffing plan.

(b) A transporting organization may not transport cannabis or cannabis-infused products to any person other than a cultivation center, a craft grower, an infuser organization, a dispensing organization, a testing facility, transfer site, or as otherwise authorized by rule.

(c) All cannabis transported by a transporting

organization must be entered into a data collection system and placed into a cannabis container for transport.

(d) Transporters are subject to random inspections by the Department of Agriculture, the Department of Public Health, the Illinois State Police, or as provided by rule.

(e) A transporting organization agent shall notify local law enforcement, the Illinois State Police, and the Department of Agriculture within 24 hours of the discovery of any loss or theft. Notification shall be made by phone, in person, or by written or electronic communication.

(f) No person under the age of 21 years shall be in a commercial vehicle or trailer transporting cannabis goods.

(g) No person or individual who is not a transporting organization agent shall be in a vehicle while transporting cannabis goods.

(h) Transporters may not use commercial motor vehicles with a weight rating of over 10,001 pounds.

(i) It is unlawful for any person to offer or deliver money, or anything else of value, directly or indirectly, to any of the following persons to obtain preferential placement within the dispensing organization, including, without limitation, on shelves and in display cases where purchasers can view products, or on the dispensing organization's website:

(1) a person having a transporting organization license, or any officer, associate, member,

representative, or agent of the licensee;

(2) a person having an Early Applicant Adult Use Dispensing Organization License, an Adult Use Dispensing Organization License, or a medical cannabis dispensing organization license issued under the Compassionate Use of Medical Cannabis Program Act;

(3) a person connected with or in any way representing, or a member of the family of, a person holding an Early Applicant Adult Use Dispensing Organization License, an Adult Use Dispensing Organization License, or a medical cannabis dispensing organization license issued under the Compassionate Use of Medical Cannabis Program Act; or

(4) a stockholder, officer, manager, agent, or representative of a corporation engaged in the retail sale of cannabis, an Early Applicant Adult Use Dispensing Organization License, an Adult Use Dispensing Organization License, or a medical cannabis dispensing organization license issued under the Compassionate Use of Medical Cannabis Program Act.

(j) A transporting organization agent must keep his or her identification card visible at all times when on the property of a cannabis business establishment and during the transporting of cannabis when acting under his or her duties as a transportation organization agent. During these times, the transporting organization agent must also provide the

identification card upon request of any law enforcement officer engaged in his or her official duties.

(k) A copy of the transporting organization's registration and a manifest for the delivery shall be present in any vehicle transporting cannabis.

(l) Cannabis shall be transported so it is not visible or recognizable from outside the vehicle.

(m) A vehicle transporting cannabis must not bear any markings to indicate the vehicle contains cannabis or bear the name or logo of the cannabis business establishment.

(n) Cannabis must be transported in an enclosed, locked storage compartment that is secured or affixed to the vehicle.

(o) The Department of Agriculture may, by rule, impose any other requirements or prohibitions on the transportation of cannabis.

(p) A transporting organization may begin a delivery to a cannabis business establishment at any time during the day. A transporting organization may not be restricted from beginning a delivery based on a cannabis business establishment's listed business hours.

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

(410 ILCS 705/40-50 new)

Sec. 40-50. Transfer site storage endorsement.

(a) The Department of Agriculture shall establish a transfer site endorsement for licensed cannabis transporters that are not affiliated with a cultivation center, craft grower, or infuser. The endorsement shall authorize the transporter to own and operate one or more secure, approved cannabis transfer sites for the limited purpose of short-term storage and logistical consolidation of cannabis or cannabis-infused products.

(b) A transfer site storage endorsement may be used solely for:

(1) temporary storage of cannabis or cannabis-infused products for a period not to exceed 7 calendar days;

(2) consolidation or aggregation of cannabis or cannabis-infused products from multiple licensed cultivation centers, craft growers, infusers, or transporters into compliant outbound shipments; and

(3) secure handling of cannabis or cannabis-infused products rejected by a dispensing organization or other licensee, pending lawful return, redistribution, or other disposition as authorized by rule.

(c) All cannabis or cannabis-infused products received, stored, or dispatched at a transfer site shall remain subject to full seed-to-sale tracking requirements and shall be logged in the State's cannabis tracking system at receipt and dispatch.

(d) A transfer site storage endorsement does not authorize

retail sales, processing, repackaging, relabeling, or alteration of cannabis or cannabis-infused products.

(e) A transporter holding a transfer site endorsement may operate up to 5 transfer sites statewide, subject to geographic and population-based distribution criteria established by the Department by rule. In establishing such criteria, the Department shall consider county population, regional demographics, market access, and the prevention of excessive concentration in any single area of the State.

(f) A transfer site storage endorsement shall be limited to transporting organizations that do not have a principal officer that is also a principal officer of a cultivation center, craft grower, or infuser.

(g) Cannabis or cannabis-infused products from multiple licensed entities may be aggregated at a transfer site into consolidated outbound shipments, provided that all such activity complies with chain-of-custody, security, and tracking requirements and the products are placed in separate cannabis containers.

(h) Transfer sites shall meet the requirements of 8 Ill. Adm. Code 1300.596. Facilities with a transfer site storage endorsement shall contain a vault that meets the standards of 68 Ill. Adm. Code 1291.300(g) or as otherwise set by rule by the Department.

(410 ILCS 705/45-5)

Sec. 45-5. License suspension; revocation; other penalties.

(a) Notwithstanding any other criminal penalties related to the unlawful possession of cannabis, the Department of Financial and Professional Regulation and the Department of Agriculture may revoke, suspend, place on probation, reprimand, issue cease and desist orders, refuse to issue or renew a license, or take any other disciplinary or nondisciplinary action as each department may deem proper with regard to a cannabis business establishment or cannabis business establishment agent, including fines not to exceed:

(1) $50,000 for each violation of this Act or rules adopted under this Act by a cultivation center or cultivation center agent;

(2) $20,000 for each violation of this Act or rules adopted under this Act by a dispensing organization or dispensing organization agent;

(3) $15,000 for each violation of this Act or rules adopted under this Act by a craft grower or craft grower agent;

(4) $10,000 for each violation of this Act or rules adopted under this Act by an infuser organization or infuser organization agent; ~~and~~

(5) $10,000 for each violation of this Act or rules adopted under this Act by a transporting organization or transporting organization agent; and ~~.~~

(6) $15,000 for each violation of this Act or rules adopted under this Act by a cannabis testing facility.

(b) The Department of Financial and Professional Regulation and the Department of Agriculture, as the case may be, shall consider licensee cooperation in any agency or other investigation in its determination of penalties imposed under this Section.

(c) The procedures for disciplining a cannabis business establishment or cannabis business establishment agent and for administrative hearings shall be determined by rule, and shall provide for the review of final decisions under the Administrative Review Law.

(d) The Attorney General may also enforce a violation of Section 55-20, Section 55-21, and Section 15-155 as an unlawful practice under the Consumer Fraud and Deceptive Business Practices Act.

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

(410 ILCS 705/50-5)

Sec. 50-5. Laboratory testing.

(a) Notwithstanding any other provision of law, the following acts, when performed by a cannabis testing facility with a current, valid license ~~registration~~, or a person 21 years of age or older who is acting in his or her capacity as an owner, employee, or agent of a cannabis testing facility, are not unlawful and shall not be an offense under Illinois law

or be a basis for seizure or forfeiture of assets under Illinois law:

(1) possessing, repackaging, transporting, storing, or displaying cannabis or cannabis-infused products;

(2) receiving or transporting cannabis or cannabis-infused products from a cannabis business establishment, a community college licensed under the Community College Cannabis Vocational Training Pilot Program, or a person 21 years of age or older; and

(3) returning or transporting cannabis or cannabis-infused products to a cannabis business establishment, a community college licensed under the Community College Cannabis Vocational Training Pilot Program, or a person 21 years of age or older.

(b)(1) No laboratory shall handle, test, or analyze cannabis unless approved by the Department of Agriculture in accordance with this Section.

(2) No laboratory shall be approved to handle, test, or analyze cannabis unless the laboratory:

(A) <u>is licensed by the Department of Agriculture;</u>

<u>(A-5)</u> is accredited by a private laboratory accrediting organization;

(B) is independent from all other persons involved in the cannabis industry in Illinois and no person with a direct or indirect interest in the laboratory has a direct or indirect financial, management, or other interest in an

Illinois cultivation center, craft grower, dispensary, infuser, transporter, certifying physician, or any other entity in the State that may benefit from the production, manufacture, dispensing, sale, purchase, or use of cannabis; and

(C) has employed at least one person to oversee and be responsible for the laboratory testing who has earned, from a college or university accredited by a national or regional certifying authority, at least:

(i) a master's level degree in chemical or biological sciences and a minimum of 2 years' post-degree laboratory experience; or

(ii) a bachelor's degree in chemical or biological sciences and a minimum of 4 years' post-degree laboratory experience.

(3) Each independent testing laboratory that claims to be accredited must provide the Department of Agriculture with a copy of the most recent annual inspection report granting accreditation and every annual report thereafter.

(c) Immediately before manufacturing or natural processing of any cannabis or cannabis-infused product or packaging cannabis for sale to a dispensary, each batch shall be made available by the cultivation center, craft grower, or infuser for an employee of an approved laboratory to select a random sample, which shall be tested by the approved laboratory for:

(1) microbiological contaminants;

(2) mycotoxins;

(3) pesticide active ingredients;

(4) residual solvent; and

(5) an active ingredient analysis.

(d) The Department of Agriculture may select a random sample that shall, for the purposes of conducting an active ingredient analysis, be tested by the Department of Agriculture for verification of label information and any other testing deemed necessary by the Department.

(e) A laboratory shall immediately return or dispose of any cannabis upon the completion of any testing, use, or research. If cannabis is disposed of, it shall be done in compliance with Department of Agriculture rule.

(f) If a sample of cannabis does not pass the microbiological, mycotoxin, pesticide chemical residue, or solvent residue test, based on the standards established by the Department of Agriculture, the following shall apply:

(1) If the sample failed the pesticide chemical residue test, the entire batch from which the sample was taken shall, if applicable, be recalled as provided by rule.

(2) If the sample failed any other test, the batch may be used to make a CO_2-based or solvent based extract. After processing, the CO_2-based or solvent based extract must still pass all required tests.

(g) The Department of Agriculture shall establish, and,

from time to time, revise, standards for microbial, mycotoxin, pesticide residue, solvent residue, or other standards for the presence of possible contaminants, in addition to labeling requirements for contents and potency.

(h) The laboratory shall file with the Department of Agriculture an electronic copy of each laboratory test result for any batch that does not pass the microbiological, mycotoxin, or pesticide chemical residue test, at the same time that it transmits those results to the cultivation center. In addition, the laboratory shall maintain the laboratory test results for at least 5 years and make them available at the Department of Agriculture's request.

(i) A cultivation center, craft grower, and infuser shall provide to a dispensing organization the laboratory test results for each batch of cannabis product purchased by the dispensing organization, if sampled. Each dispensing organization must have those laboratory results available upon request to purchasers.

(j) The Department of Agriculture may adopt rules related to testing and licensing of laboratories in furtherance of this Act.

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

(410 ILCS 705/55-5)

Sec. 55-5. Preparation of cannabis-infused products.

(a) The Department of Agriculture may regulate the

production of cannabis-infused products by a cultivation center, a craft grower, an infuser organization, or a dispensing organization and establish rules related to refrigeration, hot-holding, and handling of cannabis-infused products. All cannabis-infused products shall meet the packaging and labeling requirements contained in Section 55-21.

(b) Cannabis-infused products for sale or distribution at a dispensing organization must be prepared by an approved agent of a cultivation center, craft grower, or infuser organization.

(c) A cultivation center, craft grower, or infuser organization that prepares cannabis-infused products for sale or distribution by a dispensing organization shall be under the operational supervision of a Department of Public Health certified food service sanitation manager.

(d) Dispensing organizations may not manufacture, process, or produce cannabis-infused products.

(e) The Department of Public Health shall adopt and enforce rules for the manufacture and processing of cannabis-infused products, and for that purpose it may at all times enter every building, room, basement, enclosure, or premises occupied or used, or suspected of being occupied or used, for the production, preparation, manufacture for sale, storage, sale, processing, distribution, or transportation of cannabis-infused products, and to inspect the premises

together with all utensils, fixtures, furniture, and machinery used for the preparation of these products.

(f) The Department of Agriculture shall by rule establish a maximum level of THC that may be contained in each serving of cannabis-infused product, and within the product package.

(g) If a local public health agency has a reasonable belief that a cannabis-infused product poses a public health hazard, it may refer the cultivation center, craft grower, or infuser that manufactured or processed the cannabis-infused product to the Department of Public Health. If the Department of Public Health finds that a cannabis-infused product poses a health hazard, it may bring an action for immediate injunctive relief to require that action be taken as the court may deem necessary to meet the hazard of the cultivation facility or seek other relief as provided by rule.

(Source: P.A. 101-27, eff. 6-25-19.)

(410 ILCS 705/55-21)

Sec. 55-21. Cannabis product packaging and labeling.

(a) Each cannabis product produced for sale shall be registered with the Department of Agriculture on forms provided by the Department of Agriculture. Each product registration shall include a label and the required registration fee at the rate established by the Department of Agriculture for a comparable medical cannabis product, or as established by rule. The registration fee is for the name of

the product offered for sale and one fee shall be sufficient for all package sizes.

(b) All harvested cannabis intended for distribution to a cannabis enterprise must be packaged in a sealed, labeled container.

(c) Any product containing cannabis shall be sold in a sealed, odor-proof, and child-resistant cannabis container consistent with current standards, including the Consumer Product Safety Commission standards referenced by the Poison Prevention Act unless the sale is between or among a craft grower, infuser, or cultivation center.

(d) All cannabis-infused products shall be individually wrapped or packaged at the original point of preparation. The packaging of the cannabis-infused product shall conform to the labeling requirements of the Illinois Food, Drug and Cosmetic Act, in addition to the other requirements set forth in this Section.

(e) Each cannabis product shall be labeled before sale and each label shall be securely affixed to the package and shall state in legible English and any languages required by the Department of Agriculture:

(1) the name and post office box of the registered cultivation center or craft grower where the item was manufactured;

(2) the common or usual name of the item and the registered name of the cannabis product that was

registered with the Department of Agriculture under subsection (a);

(3) a unique serial number that will match the product with a cultivation center or craft grower batch and lot number to facilitate any warnings or recalls the Department of Agriculture, cultivation center, or craft grower deems appropriate;

(4) the date of final testing and packaging, if sampled, and the identification of the independent testing laboratory;

(5) the date of harvest and "use by" date;

(6) the quantity (in ounces or grams) of cannabis contained in the product;

(7) a pass/fail rating based on the laboratory's microbiological, mycotoxins, and pesticide and solvent residue analyses, if sampled;

(8) content list.

(A) A list of the following, including the minimum and maximum percentage content by weight for subdivisions (e)(8)(A)(i) through (iv):

(i) delta-9-tetrahydrocannabinol (THC);

(ii) tetrahydrocannabinolic acid (THCA);

(iii) cannabidiol (CBD);

(iv) cannabidiolic acid (CBDA); and

(v) all other ingredients of the item, including any colors, artificial flavors, and

preservatives, listed in descending order by predominance of weight shown with common or usual names.

(B) The acceptable tolerances for the minimum percentage printed on the label for any of subdivisions (e)(8)(A)(i) through (iv) shall not be below 85% or above 115% of the labeled amount.

(f) Packaging must not contain information that:

(1) is false or misleading;

(2) promotes excessive consumption;

(3) depicts a person under 21 years of age consuming cannabis;

(4) includes the image of a cannabis leaf;

(5) includes any image designed or likely to appeal to minors, including cartoons, toys, animals, or children, or any other likeness to images, characters, or phrases that are popularly used to advertise to children, or any packaging or labeling that bears reasonable resemblance to any product available for consumption as a commercially available candy, or that promotes consumption of cannabis;

(6) contains any seal, flag, crest, coat of arms, or other insignia likely to mislead the purchaser to believe that the product has been endorsed, made, or used by the State of Illinois or any of its representatives except where authorized by this Act.

(g) Cannabis products produced by concentrating or

extracting ingredients from the cannabis plant shall contain the following information, where applicable:

(1) If solvents were used to create the concentrate or extract, a statement that discloses the type of extraction method, including any solvents or gases used to create the concentrate or extract; and

(2) Any other chemicals or compounds used to produce or were added to the concentrate or extract.

(h) All cannabis products must contain warning statements established for purchasers, of a size that is legible and readily visible to a consumer inspecting a package, which may not be covered or obscured in any way. The Department of Public Health shall define and update appropriate health warnings for packages including specific labeling or warning requirements for specific cannabis products.

(i) Unless modified by rule to strengthen or respond to new evidence and science, the following warnings shall apply to all cannabis products unless modified by rule: "This product contains cannabis and is intended for use by adults 21 and over. Its use can impair cognition and may be habit forming. This product should not be used by pregnant or breastfeeding women. It is unlawful to sell or provide this item to any individual, and it may not be transported outside the State of Illinois. It is illegal to operate a motor vehicle while under the influence of cannabis. Possession or use of this product may carry significant legal penalties in some

jurisdictions and under federal law.".

(j) Warnings for each of the following product types must be present on labels when offered for sale to a purchaser:

(1) Cannabis that may be smoked must contain a statement that "Smoking is hazardous to your health.".

(2) Cannabis-infused products (other than those intended for topical application) must contain a statement "CAUTION: This product contains cannabis, and intoxication following use may be delayed 2 or more hours. This product was produced in a facility that cultivates cannabis, and that may also process common food allergens.".

(3) Cannabis-infused products intended for topical application must contain a statement "DO NOT EAT" in bold, capital letters.

(k) Each cannabis-infused product intended for consumption must be individually packaged, must include the total milligram content of THC and CBD, and may not include more than a total of 100 milligrams of THC per package. A package may contain multiple servings of 10 milligrams of THC, indicated by scoring, wrapping, or by other indicators designating individual serving sizes. The Department of Agriculture may change the total amount of THC allowed for each package, or the total amount of THC allowed for each serving size, by rule.

(l) No individual other than the purchaser may alter or destroy any labeling affixed to the primary packaging of cannabis or cannabis-infused products.

(m) For each commercial weighing and measuring device used at a facility, the cultivation center or craft grower must:

(1) Ensure that the commercial device is licensed under the Weights and Measures Act and the associated administrative rules (8 Ill. Adm. Code 600);

(2) Maintain documentation of the licensure of the commercial device; and

(3) Provide a copy of the license of the commercial device to the Department of Agriculture for review upon request.

(n) It is the responsibility of the Department to ensure that packaging and labeling requirements, including product warnings, are enforced at all times for products provided to purchasers. Product registration requirements and container requirements may be modified by rule by the Department of Agriculture.

(o) Labeling under this Section, including warning labels, may be modified by rule by the Department of Agriculture.

(Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19; 102-98, eff. 7-15-21.)

(410 ILCS 705/55-22 new)

Sec. 55-22. Dispensing organization warning labels for medical cannabis.

(a) Prior to dispensing any cannabis, cannabis concentrate, or cannabis-infused products to a registered

qualifying patient, provisional patient, designated caregiver, or an Opioid Alternative Patient Program participant, a dispensing organization shall affix to the outside of the product in a clear and visible manner a warning label specifically targeted to medical patients.

(b) The warning label required under this Section shall not cover or restrict in any manner the requirements under Section 55-21 of this Act.

(c) The warning label required under this Section shall be the same as or substantially similar to any language required for the same or similar purpose under federal law or federal regulations.

(410 ILCS 705/55-30)

Sec. 55-30. Confidentiality.

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

(b) The following information received and records kept by

the Department of Agriculture, the Department of Public Health, the Illinois State Police, and the Department of Financial and Professional Regulation for purposes of administering this Article are subject to all applicable federal privacy laws, are confidential and exempt from disclosure under the Freedom of Information Act, except as provided in this Act, and not subject to disclosure to any individual or public or private entity, except to the Department of Financial and Professional Regulation, the Department of Agriculture, the Department of Public Health, the Department of Commerce and Economic Opportunity, the Office of the Executive Inspector General, and the Illinois State Police as necessary to perform official duties under this Article and to the Attorney General as necessary to enforce the provisions of this Act, and except as necessary to those involved in enforcing the State Officials and Employees Ethics Act. The following information received and kept by the Department of Financial and Professional Regulation or the Department of Agriculture may be disclosed to the Department of Public Health, the Department of Agriculture, the Department of Commerce and Economic Opportunity, the Department of Revenue, the Illinois State Police, the Office of the Executive Inspector General, or the Attorney General upon proper request:

(1) Applications and renewals, their contents, and supporting information submitted by or on behalf of

dispensing organizations, cannabis business establishments, or Community College Cannabis Vocational Program licensees, in compliance with this Article, including their physical addresses; however, this does not preclude the release of ownership information about cannabis business establishment licenses, or information submitted with an application required to be disclosed pursuant to subsection (f);

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

(3) Information otherwise exempt from disclosure by State or federal law; and.

(4) Information from 3 or fewer cannabis business establishments about plant, packaging, transfer, and sales information reported for purposes of the cannabis plant monitoring system; however, this does not preclude the release of such data aggregated to 4 or more businesses.

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

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

cannabis business establishment license shall be subject to disclosure.

(d) All information collected by the Department of Financial and Professional Regulation or the Department of Agriculture in the course of an examination, inspection, or investigation of a licensee or applicant, including, but not limited to, any complaint against a licensee or applicant filed with the Department of Financial and Professional Regulation or the Department of Agriculture and information collected to investigate any such complaint, shall be maintained for the confidential use of the Department of Financial and Professional Regulation or the Department of Agriculture and shall not be disclosed, except <u>to those involved in enforcing the State Officials and Employees Ethics Act and</u> as otherwise provided in this Act. A formal complaint against a licensee by the Department of Financial and Professional Regulation or the Department of Agriculture or any disciplinary order issued by the Department of Financial and Professional Regulation or the Department of Agriculture against a licensee or applicant shall be a public record, except as otherwise provided by law. Complaints from consumers or members of the general public received regarding a specific, named licensee or complaints regarding conduct by unlicensed entities shall be subject to disclosure under the Freedom of Information Act.

(e) The Department of Agriculture, the Illinois State

Police, and the Department of Financial and Professional Regulation shall not share or disclose any Illinois or national criminal history record information, or the nonexistence or lack of such information, to any person or entity not expressly authorized by this Act.

(f) Each Department responsible for licensure under this Act shall publish on the Department's website a list of the ownership information of cannabis business establishment licensees under the Department's jurisdiction. The list shall include, but is not limited to: the name of the person or entity holding each cannabis business establishment license; and the address at which the entity is operating under this Act. This list shall be published and updated monthly.

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

(410 ILCS 705/55-65)

Sec. 55-65. Financial institutions.

(a) A financial institution that provides financial services customarily provided by financial institutions to a cannabis business establishment authorized under this Act or the Compassionate Use of Medical Cannabis Program Act, or to a person that is affiliated with such cannabis business establishment, is exempt from any criminal law of this State as it relates to cannabis-related conduct authorized under

State law.

(b) Upon request of a financial institution, a cannabis business establishment or proposed cannabis business establishment may provide to the financial institution the following information:

(1) Whether a cannabis business establishment with which the financial institution is doing or is considering doing business holds a license under this Act or the Compassionate Use of Medical Cannabis Program Act;

(2) The name of any other business or individual affiliate with the cannabis business establishment;

(3) A copy of the application, and any supporting documentation submitted with the application, for a license or a permit submitted on behalf of the proposed cannabis business establishment;

(4) If applicable, data relating to sales and the volume of product sold by the cannabis business establishment;

(5) Any past or pending violation by the person of this Act, the Compassionate Use of Medical Cannabis Program Act, or the rules adopted under these Acts where applicable; and

(6) Any penalty imposed upon the person for violating this Act, the Compassionate Use of Medical Cannabis Program Act, or the rules adopted under these Acts.

(c) (Blank).

(d) (Blank).

(e) Information received by a financial institution under this Section is confidential. Except as otherwise required or permitted by this Act, State law or rule, or federal law or regulation, a financial institution may not make the information available to any person other than:

(1) the customer to whom the information applies;

(2) a trustee, conservator, guardian, personal representative, or agent of the customer to whom the information applies; a federal or State regulator when requested in connection with an examination of the financial institution or if otherwise necessary for complying with federal or State law;

(3) a federal or State regulator when requested in connection with an examination of the financial institution or if otherwise necessary for complying with federal or State law; ~~and~~

(4) a third party performing services for the financial institution, provided the third party is performing such services under a written agreement that expressly or by operation of law prohibits the third party's sharing and use of such confidential information for any purpose other than as provided in its agreement to provide services to the financial institution; and ~~.~~

(5) the Office of the Executive Inspector General pursuant to an investigation under the State Officials and

Employees Ethics Act.

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

(410 ILCS 705/55-85)

Sec. 55-85. Medical cannabis.

(a) Nothing in this Act shall be construed to limit any privileges or rights of a qualifying ~~medical cannabis~~ patient including minor patients, designated ~~primary~~ caregiver, medical cannabis cultivation center, provisional patient and Opioid Alternative Patient Program participant or medical cannabis dispensing organization under the Compassionate Use of Medical Cannabis Program Act, and where there is conflict between this Act and the Compassionate Use of Medical Cannabis Program Act as they relate to medical cannabis patients, the Compassionate Use of Medical Cannabis Program Act shall prevail.

(b) Dispensary locations that obtain an Early Approval Adult Use Dispensary Organization License or an Adult Use Dispensary Organization License in accordance with this Act at the same location as a medical cannabis dispensing organization registered under the Compassionate Use of Medical Cannabis Program Act shall maintain an inventory of medical cannabis and medical cannabis products on a monthly basis that is substantially similar in variety and quantity to the products offered at the dispensary during the 6-month period immediately before the effective date of this Act.

(c) Beginning June 30, 2020, the Department of Agriculture shall make a quarterly determination whether inventory requirements established for dispensaries in subsection (b) should be adjusted due to changing patient need.

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

(410 ILCS 705/60-10)

Sec. 60-10. Tax imposed.

(a) Beginning September 1, 2019, a tax is imposed upon the privilege of cultivating cannabis at the rate of 7% of the gross receipts from the first sale of cannabis by a cultivator. The sale of any product that contains any amount of cannabis or any derivative thereof is subject to the tax under this Section on the full selling price of the product. The Department may determine the selling price of the cannabis when the seller and purchaser are affiliated persons, when the sale and purchase of cannabis is not an arm's length transaction, or when cannabis is transferred by a craft grower to the craft grower's dispensing organization or infuser ~~or processing~~ organization and a value is not established for the cannabis. The value determined by the Department shall be commensurate with the actual price received for products of like quality, character, and use in the area. If there are no sales of cannabis of like quality, character, and use in the same area, then the Department shall establish a reasonable value based on sales of products of like quality, character,

and use in other areas of the State, taking into consideration any other relevant factors.

(b) The Cannabis Cultivation Privilege Tax imposed under this Article is solely the responsibility of the cultivator who makes the first sale and is not the responsibility of a subsequent purchaser, a dispensing organization, or an infuser. Persons subject to the tax imposed under this Article may, however, reimburse themselves for their tax liability hereunder by separately stating reimbursement for their tax liability as an additional charge.

(c) The tax imposed under this Article shall be in addition to all other occupation, privilege, or excise taxes imposed by the State of Illinois or by any unit of local government.

(Source: P.A. 101-27, eff. 6-25-19.)

(410 ILCS 705/65-5)

Sec. 65-5. Definitions. In this Article:

"Adjusted delta-9-tetrahydrocannabinol level" means, for a delta-9-tetrahydrocannabinol dominant product, the sum of the percentage of delta-9-tetrahydrocannabinol plus .877 multiplied by the percentage of tetrahydrocannabinolic acid.

"Cannabis" has the meaning given to that term in Article 1 of this Act, except that it does not include cannabis that is subject to tax under the Compassionate Use of Medical Cannabis Program Act.

"Cannabis-infused product" means a beverage, food, oils, ointments, tincture, topical formulation, or another product containing cannabis that is not intended to be smoked.

"Cannabis retailer" means a dispensing organization that sells cannabis for use and not for resale.

"Craft grower" has the meaning given to that term in Article 1 of this Act.

"Department" means the Department of Revenue.

"Director" means the Director of Revenue.

"Dispensing organization" or "dispensary" has the meaning given to that term in Article 1 of this Act.

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

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

"Purchase price" means the consideration paid for a purchase of cannabis, valued in money, whether received in money or otherwise, including cash, gift cards, credits, and property and shall be determined without any deduction on account of the cost of materials used, labor or service costs,

or any other expense whatsoever. However, "purchase price" does not include consideration paid for:

(1) any charge for a payment that is not honored by a financial institution;

(2) any finance or credit charge, penalty or charge for delayed payment, or discount for prompt payment; and

(3) any amounts added to a purchaser's bill because of charges made under the tax imposed by this Article, the Municipal Cannabis Retailers' Occupation Tax Law, the County Cannabis Retailers' Occupation Tax Law, the Retailers' Occupation Tax Act, the Use Tax Act, the Service Occupation Tax Act, the Service Use Tax Act, or any locally imposed occupation or use tax.

"Purchaser" means a person who acquires cannabis for a valuable consideration.

"Qualifying patient" or "qualified patient" means a person who has been diagnosed by a certifying health care professional as having a debilitating medical condition as defined under the Compassionate Use of Medical Cannabis Program Act.

"Taxpayer" means a cannabis retailer who is required to collect the tax imposed under this Article.

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

(410 ILCS 705/65-10)

Sec. 65-10. Tax imposed.

(a) Beginning January 1, 2020, a tax is imposed upon purchasers for the privilege of using cannabis, and not for the purpose of resale, at the following rates:

(1) Any cannabis, other than a cannabis-infused product, with an adjusted delta-9-tetrahydrocannabinol level at or below 35% shall be taxed at a rate of 10% of the purchase price;

(2) Any cannabis, other than a cannabis-infused product, with an adjusted delta-9-tetrahydrocannabinol level above 35% shall be taxed at a rate of 25% of the purchase price; and

(3) A cannabis-infused product shall be taxed at a rate of 20% of the purchase price.

(b) The purchase of any product that contains any amount of cannabis or any derivative thereof is subject to the tax under subsection (a) of this Section on the full purchase price of the product.

(c) The tax imposed under this Section is not imposed on cannabis that is subject to tax under the Compassionate Use of Medical Cannabis Program Act. The tax imposed by this Section is not imposed with respect to any transaction in interstate commerce, to the extent the transaction may not, under the Constitution and statutes of the United States, be made the subject of taxation by this State.

(d) The tax imposed under this Article shall be in addition to all other occupation, privilege, or excise taxes

imposed by the State of Illinois or by any municipal corporation or political subdivision thereof.

(e) The tax imposed under this Article shall not be imposed on any purchase by a purchaser if the cannabis retailer is prohibited by federal or State Constitution, treaty, convention, statute, or court decision from collecting the tax from the purchaser.

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

(410 ILCS 705/65-30)

Sec. 65-30. Return and payment of tax by cannabis retailer. Each cannabis retailer that is required or authorized to collect the tax imposed by this Article shall make a return to the Department, by electronic means, on or before the 20th day of each month for the preceding calendar month stating the following:

(1) the cannabis retailer's name;

(2) the address of the cannabis retailer's principal place of business and the address of the principal place of business (if that is a different address) from which the cannabis retailer <u>is</u> engaged in the business of selling cannabis subject to tax under this Article;

(3) the total purchase price received by the cannabis retailer for cannabis subject to tax under this Article;

(4) the amount of tax due at each rate;

(5) the signature of the cannabis retailer; and

(6) any other information as the Department may reasonably require.

All returns required to be filed and payments required to be made under this Article shall be by electronic means. Cannabis retailers who demonstrate hardship in paying electronically may petition the Department to waive the electronic payment requirement.

Any amount that is required to be shown or reported on any return or other document under this Article shall, if the amount is not a whole-dollar amount, be increased to the nearest whole-dollar amount if the fractional part of a dollar is $0.50 or more and decreased to the nearest whole-dollar amount if the fractional part of a dollar is less than $0.50. If a total amount of less than $1 is payable, refundable, or creditable, the amount shall be disregarded if it is less than $0.50 and shall be increased to $1 if it is $0.50 or more.

The cannabis retailer making the return provided for in this Section shall also pay to the Department, in accordance with this Section, the amount of tax imposed by this Article, less a discount of 1.75%, but not to exceed $1,000 per return period, which is allowed to reimburse the cannabis retailer for the expenses incurred in keeping records, collecting tax, preparing and filing returns, remitting the tax, and supplying data to the Department upon request. No discount may be claimed by a cannabis retailer on returns not timely filed and for taxes not timely remitted. No discount may be claimed by a

taxpayer for any return that is not filed electronically. No discount may be claimed by a taxpayer for any payment that is not made electronically, unless a waiver has been granted under this Section.

Notwithstanding any other provision of this Article concerning the time within which a cannabis retailer may file a return, any such cannabis retailer who ceases to engage in the kind of business that makes the person responsible for filing returns under this Article shall file a final return under this Article with the Department within one month after discontinuing the business.

Each cannabis retailer shall make estimated payments to the Department on or before the 7th, 15th, 22nd, and last day of the month during which tax liability to the Department is incurred. The payments shall be in an amount not less than the lower of either 22.5% of the cannabis retailer's actual tax liability for the month or 25% of the cannabis retailer's actual tax liability for the same calendar month of the preceding year. The amount of the quarter-monthly payments shall be credited against the final tax liability of the cannabis retailer's return for that month. If any such quarter-monthly payment is not paid at the time or in the amount required by this Section, then the cannabis retailer shall be liable for penalties and interest on the difference between the minimum amount due as a payment and the amount of the quarter-monthly payment actually and timely paid, except

insofar as the cannabis retailer has previously made payments for that month to the Department in excess of the minimum payments previously due as provided in this Section.

If any payment provided for in this Section exceeds the taxpayer's liabilities under this Article, as shown on an original monthly return, the Department shall, if requested by the taxpayer, issue to the taxpayer a credit memorandum no later than 30 days after the date of payment. The credit evidenced by the credit memorandum may be assigned by the taxpayer to a similar taxpayer under this Article, in accordance with reasonable rules to be prescribed by the Department. If no such request is made, the taxpayer may credit the excess payment against tax liability subsequently to be remitted to the Department under this Article, in accordance with reasonable rules prescribed by the Department. If the Department subsequently determines that all or any part of the credit taken was not actually due to the taxpayer, the taxpayer's discount shall be reduced, if necessary, to reflect the difference between the credit taken and that actually due, and that taxpayer shall be liable for penalties and interest on the difference. If a cannabis retailer fails to sign a return within 30 days after the proper notice and demand for signature by the Department is received by the cannabis retailer, the return shall be considered valid and any amount shown to be due on the return shall be deemed assessed.

(Source: P.A. 101-27, eff. 6-25-19.)

(410 ILCS 705/65-38)

Sec. 65-38. Violations and penalties.

(a) When the amount due is under $300, any retailer of cannabis who fails to file a return, willfully fails or refuses to make any payment to the Department of the tax imposed by this Article, or files a fraudulent return, or any officer or agent of a corporation engaged in the business of selling cannabis to purchasers located in this State who signs a fraudulent return filed on behalf of the corporation, or any accountant or other agent who knowingly enters false information on the return of any taxpayer under this Article is guilty of a Class 4 felony.

(b) When the amount due is $300 or more, any retailer of cannabis who fails to file a return, willfully fails or refuses to make any payment to the Department of the tax imposed by this Article, files, or causes to be filed, a fraudulent return, or any officer or agent of a corporation engaged in the business of selling cannabis to purchasers located in this State who files or causes to be filed or signs or causes to be signed a fraudulent return filed on behalf of the corporation, or any accountant or other agent who knowingly enters false information on the return of any taxpayer under this Article is guilty of a Class 3 felony.

(c) Any person who violates any provision of Section 65-20, or fails to keep books and records as required under

this Article~~, or willfully violates a rule of the Department for the administration and enforcement of this Article~~ is guilty of a Class 4 felony. A person commits a separate offense on each day that he or she engages in business in violation of Section 65-20 ~~or a rule of the Department for the administration and enforcement of this Article~~. If a person fails to produce the books and records for inspection by the Department upon request, a prima facie presumption shall arise that the person has failed to keep books and records as required under this Article. A person who is unable to rebut this presumption is in violation of this Article and is subject to the penalties provided in this Section.

(d) Any person who ~~violates any provision of Sections 65-20, fails to keep books and records as required under this Article, or~~ willfully violates a rule of the Department for the administration and enforcement of this Article, is guilty of a business offense and may be fined up to $5,000. ~~If a person fails to produce books and records for inspection by the Department upon request, a prima facie presumption shall arise that the person has failed to keep books and records as required under this Article. A person who is unable to rebut this presumption is in violation of this Article and is subject to the penalties provided in this Section.~~ A person commits a separate offense on each day that he or she engages in business in violation of a rule of the Department for the administration and enforcement of this Article ~~Section 65-20~~.

(e) Any taxpayer or agent of a taxpayer who with the intent to defraud purports to make a payment due to the Department by issuing or delivering a check or other order upon a real or fictitious depository for the payment of money, knowing that it will not be paid by the depository, is guilty of a deceptive practice in violation of Section 17-1 of the Criminal Code of 2012.

(f) Any person who fails to keep books and records or fails to produce books and records for inspection, as required by Section 65-36, is liable to pay to the Department, for deposit in the Tax Compliance and Administration Fund, a penalty of $1,000 for the first failure to keep books and records or failure to produce books and records for inspection, as required by Section 65-36, and $3,000 for each subsequent failure to keep books and records or failure to produce books and records for inspection, as required by Section 65-36.

(g) Any person who knowingly acts as a retailer of cannabis in this State without first having obtained a certificate of registration to do so in compliance with Section 65-20 of this Article shall be guilty of a Class 4 felony.

(h) A person commits the offense of tax evasion under this Article when he or she knowingly attempts in any manner to evade or defeat the tax imposed on him or her or on any other person, or the payment thereof, and he or she commits an affirmative act in furtherance of the evasion. As used in this

Section, "affirmative act in furtherance of the evasion" means an act designed in whole or in part to (i) conceal, misrepresent, falsify, or manipulate any material fact or (ii) tamper with or destroy documents or materials related to a person's tax liability under this Article. Two or more acts of sales tax evasion may be charged as a single count in any indictment, information, or complaint and the amount of tax deficiency may be aggregated for purposes of determining the amount of tax that is attempted to be or is evaded and the period between the first and last acts may be alleged as the date of the offense.

(1) When the amount of tax, the assessment or payment of which is attempted to be or is evaded is less than $500, a person is guilty of a Class 4 felony.

(2) When the amount of tax, the assessment or payment of which is attempted to be or is evaded is $500 or more but less than $10,000, a person is guilty of a Class 3 felony.

(3) When the amount of tax, the assessment or payment of which is attempted to be or is evaded is $10,000 or more but less than $100,000, a person is guilty of a Class 2 felony.

(4) When the amount of tax, the assessment or payment of which is attempted to be or is evaded is $100,000 or more, a person is guilty of a Class 1 felony.

Any person who knowingly sells, purchases, installs,

transfers, possesses, uses, or accesses any automated sales suppression device, zapper, or phantom-ware in this State is guilty of a Class 3 felony.

As used in this Section:

"Automated sales suppression device" or "zapper" means a software program that falsifies the electronic records of an electronic cash register or other point-of-sale system, including, but not limited to, transaction data and transaction reports. The term includes the software program, any device that carries the software program, or an Internet link to the software program.

"Phantom-ware" means a hidden programming option embedded in the operating system of an electronic cash register or hardwired into an electronic cash register that can be used to create a second set of records or that can eliminate or manipulate transaction records in an electronic cash register.

"Electronic cash register" means a device that keeps a register or supporting documents through the use of an electronic device or computer system designed to record transaction data for the purpose of computing, compiling, or processing retail sales transaction data in any manner.

"Transaction data" includes: items purchased by a purchaser; the price of each item; a taxability determination for each item; a segregated tax amount for each taxed item; the amount of cash or credit tendered; the net amount returned to the customer in change; the date and time of the purchase; the

name, address, and identification number of the vendor; and the receipt or invoice number of the transaction.

"Transaction report" means a report that documents, without limitation, the sales, taxes, or fees collected, media totals, and discount voids at an electronic cash register and that is printed on a cash register tape at the end of a day or shift, or a report that documents every action at an electronic cash register and is stored electronically.

A prosecution for any act in violation of this Section may be commenced at any time within 5 years of the commission of that act.

(i) The Department may adopt rules to administer the penalties under this Section.

(j) Any person whose principal place of business is in this State and who is charged with a violation under this Section shall be tried in the county where his or her principal place of business is located unless he or she asserts a right to be tried in another venue.

(k) Except as otherwise provided in subsection (h), a prosecution for a violation described in this Section may be commenced within 3 years after the commission of the act constituting the violation.

(Source: P.A. 101-27, eff. 6-25-19.)

(410 ILCS 705/65-42)

Sec. 65-42. Seizure and forfeiture. After seizing any

cannabis as provided in Section 65-41, the Department must hold a hearing and determine whether (i) the retailer was properly registered to sell the cannabis; (ii) the retailer possessed the cannabis in violation of this Act; (iii) the retailer possessed the cannabis in violation of any reasonable rule or regulation adopted by the Department for the enforcement of this Act; or (iv) the tax imposed by Article 60 had been paid on the cannabis at the time of its seizure by the Department. The Department is not required to hold such a hearing if a waiver and consent to forfeiture has been executed by the owner of the cannabis, if the owner is known, and by the person in whose possession the cannabis so taken was found, if that person is known and if that person is not the owner of said cannabis. The Department shall give not less than 20 days' notice of the time and place of the hearing to the owner of the cannabis, if the owner is known, and also to the person in whose possession the cannabis was found, if that person is known and if the person in possession is not the owner of the cannabis. If neither the owner nor the person in possession of the cannabis is known, the Department must cause publication of the time and place of the hearing to be made at least once in each week for 3 weeks successively in a newspaper of general circulation in the county where the hearing is to be held.

If, as the result of the hearing, the Department makes any of the findings listed in items (i) through (iv) ~~determines~~

~~that the retailer was not properly registered at the time the cannabis was seized~~, or upon receipt of a properly executed waiver and consent to forfeiture as provided in this Section, the Department must enter an order declaring the cannabis confiscated and forfeited to the State, to be held by the Department for disposal by it as provided in Section 65-43. The Department must give notice of the order to the owner of the cannabis, if the owner is known, and also to the person in whose possession the cannabis was found, if that person is known and if the person in possession is not the owner of the cannabis. If neither the owner nor the person in possession of the cannabis is known, the Department must cause publication of the order to be made at least once in each week for 3 weeks successively in a newspaper of general circulation in the county where the hearing was held.

(Source: P.A. 103-1001, eff. 8-9-24.)

(410 ILCS 705/20-50 rep.)

(410 ILCS 705/30-50 rep.)

Section 100. The Cannabis Regulation and Tax Act is amended by repealing Sections 20-50 and 30-50.

Section 105. The Industrial Hemp Act is amended by changing Section 5 as follows:

(505 ILCS 89/5)

Sec. 5. Definitions. In this Act:

"Department" means the Department of Agriculture.

"Director" means the Director of Agriculture.

"Hemp" ~~or "industrial hemp"~~ means the plant Cannabis sativa L. and any part of that plant, including the seeds thereof and all derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers, whether growing or not, with a total tetrahydrocannabinols concentration, including tetrahydrocannabinolic acid, of not more than 0.3% on a dry weight basis. "Hemp" does not include: ~~the plant Cannabis sativa L. and any part of that plant, whether growing or not, with a delta-9 tetrahydrocannabinol concentration of not more than 0.3 percent on a dry weight basis and includes any intermediate or finished product made or derived from industrial hemp.~~

(1) any viable seeds from a Cannabis sativa L. plant that exceeds a total tetrahydrocannabinols concentration, including tetrahydrocannabinolic acid, of 0.3% on a dry weight basis; or

(2) any intermediate hemp-derived cannabinoid products containing:

(A) cannabinoids that are not capable of being naturally produced by a Cannabis sativa L. plant;

(B) cannabinoids that:

(i) are capable of being naturally produced by a Cannabis sativa L. plant; and

(ii) were synthesized or manufactured outside the plant; or

(C) more than 0.3% combined total of:

(i) total tetrahydrocannabinols, including tetrahydrocannabinolic acid; and

(ii) any other cannabinoids that have similar effects, or are marketed to have similar effects, on humans or animals as a tetrahydrocannabinol, as determined by the United States Secretary of Health and Human Services; or

(3) any intermediate hemp-derived cannabinoid products that are marketed or sold as a final product or directly to an end consumer for personal or household use; or

(4) any final hemp-derived cannabinoid products containing:

(A) cannabinoids that are not capable of being naturally produced by a Cannabis sativa L. plant;

(B) cannabinoids that:

(i) are capable of being naturally produced by a Cannabis sativa L. plant; and

(ii) were synthesized or manufactured outside the plant; or

(C) greater than 0.4 milligrams combined total per container of:

(i) total tetrahydrocannabinols, including tetrahydrocannabinolic acid; and

(ii) any other cannabinoids that have similar effects, or are marketed to have similar effects, on humans or animals as a tetrahydrocannabinol, as determined by the United States Secretary of Health and Human Services.

"Hemp-derived cannabinoid product" means any intermediate or final product derived from hemp, other than industrial hemp, that:

(1) contains cannabinoids in any form; and

(2) is intended for human or animal use through any means of application or administration, such as inhalation, ingestion, or topical application.

"Hemp production plan" means a plan submitted by the Department to the Secretary of the United States Department of Agriculture pursuant to the federal Agriculture Improvement Act of 2018, Public Law 115-334, and consistent with the Domestic Hemp Production Program pursuant to 7 CFR Part 990 wherein the Department establishes its desire to have primary regulatory authority over the production of hemp.

"Industrial hemp" means hemp:

(1) grown for the use of the stalk of the plant, fiber produced from such a stalk, or any other non-cannabinoid derivative, mixture, preparation, or manufacture of such a stalk;

(2) grown for the use of the whole grain, oil, cake, nut, hull, or any other non-cannabinoid

compound, derivative, mixture, preparation, or manufacture of the seeds of such plant;

(3) grown for the purposes of producing microgreens or other edible hemp leaf products intended for human consumption that are derived from an immature hemp plant that is grown from seeds that do not exceed a total tetrahydrocannabinols concentration, including tetrahydrocannabinolic acid, of 0.3% on a dry weight basis;

(4) that is a plant that does not enter the stream of commerce and is intended to support hemp research at an institution of higher education, as defined in Section 101 of the federal Higher Education Act of 1965 (20 U.S.C. 1001), or an independent research institute; or

(5) grown for the use of a viable seed of the plant produced solely for the production or manufacture of any material described in paragraphs (1) through (4).

"Intermediate hemp-derived cannabinoid product" means a hemp-derived cannabinoid product that:

(1) is not yet in the final form or preparation marketed or intended to be used or consumed by a human or animal; or

(2) is a powder, liquid, tablet, oil, or other product form which is intended or marketed to be mixed, dissolved, formulated, or otherwise added to or prepared with or into

any other substance prior to administration or consumption.

"Land area" means a farm as defined in Section 1-60 of the Property Tax Code in this State or land or facilities under the control of an institution of higher education.

"Person" means any individual, partnership, firm, corporation, company, society, association, the State or any department, agency, or subdivision thereof, or any other entity.

"Process" means the conversion of raw industrial hemp plant material into a form that is presently legal to import from outside the United States under federal law.

"THC" means delta-9 tetrahydrocannabinol.

(Source: P.A. 102-690, eff. 12-17-21.)

Section 110. The Cannabis Control Act is amended by changing Sections 4 and 5 as follows:

(720 ILCS 550/4) (from Ch. 56 1/2, par. 704)

Sec. 4. Except as otherwise provided in the Cannabis Regulation and Tax Act and the Industrial Hemp Act, it is unlawful for any person knowingly to possess cannabis.

Any person who violates this Section with respect to:

(a) not more than 10 grams of any substance containing cannabis is guilty of a civil law violation punishable by a minimum fine of $100 and a maximum fine of $200. The

proceeds of the fine shall be payable to the clerk of the circuit court. Within 30 days after the deposit of the fine, the clerk shall distribute the proceeds of the fine as follows:

(1) $10 of the fine to the circuit clerk and $10 of the fine to the law enforcement agency that issued the citation; the proceeds of each $10 fine distributed to the circuit clerk and each $10 fine distributed to the law enforcement agency that issued the citation for the violation shall be used to defer the cost of automatic expungements under paragraph (2.5) of subsection (a) of Section 5.2 of the Criminal Identification Act;

(2) $15 to the county to fund drug addiction services;

(3) $10 to the Office of the State's Attorneys Appellate Prosecutor for use in training programs;

(4) $10 to the State's Attorney; and

(5) any remainder of the fine to the law enforcement agency that issued the citation for the violation.

With respect to funds designated for the Illinois State Police, the moneys shall be remitted by the circuit court clerk to the Illinois State Police within one month after receipt for deposit into the State Police Operations Assistance Fund. With respect to funds designated for the

Department of Natural Resources, the Department of Natural Resources shall deposit the moneys into the Conservation Police Operations Assistance Fund;

(b) more than 10 grams but not more than 60 ~~30~~ grams of any substance containing cannabis is guilty of a Class B misdemeanor;

(c) more than 60 ~~30~~ grams but not more than 100 grams of any substance containing cannabis is guilty of a Class A misdemeanor; provided, that if any offense under this subsection (c) is a subsequent offense, the offender shall be guilty of a Class 4 felony;

(d) more than 100 grams but not more than 500 grams of any substance containing cannabis is guilty of a Class 4 felony; provided that if any offense under this subsection (d) is a subsequent offense, the offender shall be guilty of a Class 3 felony;

(e) more than 500 grams but not more than 2,000 grams of any substance containing cannabis is guilty of a Class 3 felony;

(f) more than 2,000 grams but not more than 5,000 grams of any substance containing cannabis is guilty of a Class 2 felony;

(g) more than 5,000 grams of any substance containing cannabis is guilty of a Class 1 felony.

Fines and assessments, such as fees or administrative costs, authorized under this Section shall not be ordered or

imposed against a minor subject to Article III, IV, or V of the Juvenile Court Act of 1987, or a minor under the age of 18 transferred to adult court or excluded from juvenile court jurisdiction under Article V of the Juvenile Court Act of 1987, or the minor's parent, guardian, or legal custodian.

(Source: P.A. 102-538, eff. 8-20-21; 103-379, eff. 7-28-23.)

(720 ILCS 550/5) (from Ch. 56 1/2, par. 705)

Sec. 5. Except as otherwise provided in the Cannabis Regulation and Tax Act and the Industrial Hemp Act, it is unlawful for any person knowingly to manufacture, deliver, or possess with intent to deliver, or manufacture, cannabis. Any person who violates this Section with respect to:

(a) not more than 2.5 grams of any substance containing cannabis is guilty of a Class B misdemeanor;

(b) more than 2.5 grams but not more than 10 grams of any substance containing cannabis is guilty of a Class A misdemeanor;

(c) more than 10 grams but not more than 60 ~~30~~ grams of any substance containing cannabis is guilty of a Class 4 felony;

(d) more than 60 ~~30~~ grams but not more than 500 grams of any substance containing cannabis is guilty of a Class 3 felony for which a fine not to exceed $50,000 may be imposed;

(e) more than 500 grams but not more than 2,000 grams

of any substance containing cannabis is guilty of a Class 2 felony for which a fine not to exceed $100,000 may be imposed;

(f) more than 2,000 grams but not more than 5,000 grams of any substance containing cannabis is guilty of a Class 1 felony for which a fine not to exceed $150,000 may be imposed;

(g) more than 5,000 grams of any substance containing cannabis is guilty of a Class X felony for which a fine not to exceed $200,000 may be imposed.

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

Section 115. The Tobacco Accessories and Smoking Herbs Control Act is amended by changing Section 2 as follows:

(720 ILCS 685/2) (from Ch. 23, par. 2358-2)

Sec. 2. Purpose. The sale and possession of ~~marijuana, hashish,~~ cocaine, opium, and their derivatives~~,~~ is not only prohibited by Illinois Law, but the use of these substances has been deemed injurious to the health of the user.

It has further been determined by the Surgeon General of the United States that the use of tobacco is hazardous to human health.

The ready availability of smoking herbs to persons under 21 years of age could lead to the use of tobacco and illegal drugs.

It is in the best interests of the citizens of the State of Illinois to seek to prohibit the spread of illegal drugs, tobacco or smoking materials to persons under 21 years of age. The prohibition of the sale of tobacco and snuff accessories and smoking herbs to persons under 21 years of age would help to curb the usage of illegal drugs and tobacco products, among our youth.

(Source: P.A. 101-2, eff. 7-1-19.)

Section 995. No acceleration or delay. Where this Act makes changes in a statute that is represented in this Act by text that is not yet or no longer in effect (for example, a Section represented by multiple versions), the use of that text does not accelerate or delay the taking effect of (i) the changes made by this Act or (ii) provisions derived from any other Public Act.

Section 999. Effective date. This Act takes effect upon becoming law.

INDEX

Statutes amended in order of appearance

New Act	
20 ILCS 2105/2105-117	
20 ILCS 2630/5.2	
30 ILCS 105/5.916	
35 ILCS 105/3-5	
35 ILCS 110/3-5	
35 ILCS 115/3-5	
35 ILCS 120/2-5	
35 ILCS 120/11	from Ch. 120, par. 450
55 ILCS 5/5-1009	from Ch. 34, par. 5-1009
65 ILCS 5/8-11-6a	from Ch. 24, par. 8-11-6a
410 ILCS 130/7	
410 ILCS 130/10	
410 ILCS 130/15	
410 ILCS 130/25	
410 ILCS 130/30	
410 ILCS 130/35	
410 ILCS 130/57	
410 ILCS 130/60	
410 ILCS 130/62	
410 ILCS 130/70	
410 ILCS 130/75	
410 ILCS 130/85	

410 ILCS 130/100
410 ILCS 130/105
410 ILCS 130/115
410 ILCS 130/120
410 ILCS 130/130
410 ILCS 130/145
410 ILCS 130/150
410 ILCS 130/173
410 ILCS 130/195
410 ILCS 130/200
410 ILCS 130/210
410 ILCS 130/115.5 rep.
410 ILCS 705/1-10
410 ILCS 705/7-10
410 ILCS 705/7-15
410 ILCS 705/7-20
410 ILCS 705/10-10
410 ILCS 705/10-15
410 ILCS 705/15-7.5 new
410 ILCS 705/15-10
410 ILCS 705/15-15
410 ILCS 705/15-20
410 ILCS 705/15-24 new
410 ILCS 705/15-25
410 ILCS 705/15-35
410 ILCS 705/15-35.10

410 ILCS 705/15-36

410 ILCS 705/15-37 new

410 ILCS 705/15-40

410 ILCS 705/15-45

410 ILCS 705/15-70

410 ILCS 705/15-85

410 ILCS 705/15-100

410 ILCS 705/15-135

410 ILCS 705/15-145

410 ILCS 705/20-15

410 ILCS 705/20-30

410 ILCS 705/20-35

410 ILCS 705/20-45

410 ILCS 705/25-35

410 ILCS 705/25-45

410 ILCS 705/30-10

410 ILCS 705/30-30

410 ILCS 705/30-35

410 ILCS 705/30-45

410 ILCS 705/35-5

410 ILCS 705/35-10

410 ILCS 705/35-15

410 ILCS 705/35-25

410 ILCS 705/35-30

410 ILCS 705/35-40

410 ILCS 705/40-5

410 ILCS 705/40-25

410 ILCS 705/40-50 new

410 ILCS 705/45-5

410 ILCS 705/50-5

410 ILCS 705/55-5

410 ILCS 705/55-21

410 ILCS 705/55-22 new

410 ILCS 705/55-30

410 ILCS 705/55-65

410 ILCS 705/55-85

410 ILCS 705/60-10

410 ILCS 705/65-5

410 ILCS 705/65-10

410 ILCS 705/65-30

410 ILCS 705/65-38

410 ILCS 705/65-42

410 ILCS 705/20-50 rep.

410 ILCS 705/30-50 rep.

505 ILCS 89/5

720 ILCS 550/4 from Ch. 56 1/2, par. 704

720 ILCS 550/5 from Ch. 56 1/2, par. 705

720 ILCS 685/2 from Ch. 23, par. 2358-2