



Rep. La Shawn K. Ford

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1 AMENDMENT TO SENATE BILL 90

2 AMENDMENT NO. _____. Amend Senate Bill 90 by replacing
3 everything after the enacting clause with the following:

4 "Section 3. The Department of Professional Regulation Law
5 of the Civil Administrative Code of Illinois is amended by
6 changing Section 2105-117 as follows:

7 (20 ILCS 2105/2105-117)

8 Sec. 2105-117. Confidentiality. All information collected
9 by the Department in the course of an examination or
10 investigation of a licensee, registrant, or applicant,
11 including, but not limited to, any complaint against a
12 licensee or registrant filed with the Department and
13 information collected to investigate any such complaint, shall
14 be maintained for the confidential use of the Department and
15 shall not be disclosed. The Department may not disclose the
16 information to anyone other than law enforcement officials,

1 other regulatory agencies that have an appropriate regulatory
2 interest as determined by the Director, the Office of
3 Executive Inspector General, or a party presenting a lawful
4 subpoena to the Department. Information and documents
5 disclosed to a federal, State, county, or local law
6 enforcement agency, including the Executive Inspector General,
7 shall not be disclosed by the agency for any purpose to any
8 other agency or person, except as necessary to those involved
9 in enforcing the State Officials and Employees Ethics Act. A
10 formal complaint filed against a licensee or registrant by the
11 Department or any order issued by the Department against a
12 licensee, registrant, or applicant shall be a public record,
13 except as otherwise prohibited by law.

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

15 Section 5. The Illinois Procurement Code is amended by
16 changing Section 1-10 as follows:

17 (30 ILCS 500/1-10)

18 Sec. 1-10. Application.

19 (a) This Code applies only to procurements for which
20 bidders, offerors, potential contractors, or contractors were
21 first solicited on or after July 1, 1998. This Code shall not
22 be construed to affect or impair any contract, or any
23 provision of a contract, entered into based on a solicitation
24 prior to the implementation date of this Code as described in

1 Article 99, including, but not limited to, any covenant
2 entered into with respect to any revenue bonds or similar
3 instruments. All procurements for which contracts are
4 solicited between the effective date of Articles 50 and 99 and
5 July 1, 1998 shall be substantially in accordance with this
6 Code and its intent.

7 (b) This Code shall apply regardless of the source of the
8 funds with which the contracts are paid, including federal
9 assistance moneys. This Code shall not apply to:

10 (1) Contracts between the State and its political
11 subdivisions or other governments, or between State
12 governmental bodies, except as specifically provided in
13 this Code.

14 (2) Grants, except for the filing requirements of
15 Section 20-80.

16 (3) Purchase of care, except as provided in Section
17 5-30.6 of the Illinois Public Aid Code and this Section.

18 (4) Hiring of an individual as an employee and not as
19 an independent contractor, whether pursuant to an
20 employment code or policy or by contract directly with
21 that individual.

22 (5) Collective bargaining contracts.

23 (6) Purchase of real estate, except that notice of
24 this type of contract with a value of more than \$25,000
25 must be published in the Procurement Bulletin within 10
26 calendar days after the deed is recorded in the county of

1 jurisdiction. The notice shall identify the real estate
2 purchased, the names of all parties to the contract, the
3 value of the contract, and the effective date of the
4 contract.

5 (7) Contracts necessary to prepare for anticipated
6 litigation, enforcement actions, or investigations,
7 provided that the chief legal counsel to the Governor
8 shall give his or her prior approval when the procuring
9 agency is one subject to the jurisdiction of the Governor,
10 and provided that the chief legal counsel of any other
11 procuring entity subject to this Code shall give his or
12 her prior approval when the procuring entity is not one
13 subject to the jurisdiction of the Governor.

14 (8) (Blank).

15 (9) Procurement expenditures by the Illinois
16 Conservation Foundation when only private funds are used.

17 (10) (Blank).

18 (11) Public-private agreements entered into according
19 to the procurement requirements of Section 20 of the
20 Public-Private Partnerships for Transportation Act and
21 design-build agreements entered into according to the
22 procurement requirements of Section 25 of the
23 Public-Private Partnerships for Transportation Act.

24 (12) (A) Contracts for legal, financial, and other
25 professional and artistic services entered into by the
26 Illinois Finance Authority in which the State of Illinois

1 is not obligated. Such contracts shall be awarded through
2 a competitive process authorized by the members of the
3 Illinois Finance Authority and are subject to Sections
4 5-30, 20-160, 50-13, 50-20, 50-35, and 50-37 of this Code,
5 as well as the final approval by the members of the
6 Illinois Finance Authority of the terms of the contract.

7 (B) Contracts for legal and financial services entered
8 into by the Illinois Housing Development Authority in
9 connection with the issuance of bonds in which the State
10 of Illinois is not obligated. Such contracts shall be
11 awarded through a competitive process authorized by the
12 members of the Illinois Housing Development Authority and
13 are subject to Sections 5-30, 20-160, 50-13, 50-20, 50-35,
14 and 50-37 of this Code, as well as the final approval by
15 the members of the Illinois Housing Development Authority
16 of the terms of the contract.

17 (13) Contracts for services, commodities, and
18 equipment to support the delivery of timely forensic
19 science services in consultation with and subject to the
20 approval of the Chief Procurement Officer as provided in
21 subsection (d) of Section 5-4-3a of the Unified Code of
22 Corrections, except for the requirements of Sections
23 20-60, 20-65, 20-70, and 20-160 and Article 50 of this
24 Code; however, the Chief Procurement Officer may, in
25 writing with justification, waive any certification
26 required under Article 50 of this Code. For any contracts

1 for services which are currently provided by members of a
2 collective bargaining agreement, the applicable terms of
3 the collective bargaining agreement concerning
4 subcontracting shall be followed.

5 On and after January 1, 2019, this paragraph (13),
6 except for this sentence, is inoperative.

7 (14) Contracts for participation expenditures required
8 by a domestic or international trade show or exhibition of
9 an exhibitor, member, or sponsor.

10 (15) Contracts with a railroad or utility that
11 requires the State to reimburse the railroad or utilities
12 for the relocation of utilities for construction or other
13 public purpose. Contracts included within this paragraph
14 (15) shall include, but not be limited to, those
15 associated with: relocations, crossings, installations,
16 and maintenance. For the purposes of this paragraph (15),
17 "railroad" means any form of non-highway ground
18 transportation that runs on rails or electromagnetic
19 guideways and "utility" means: (1) public utilities as
20 defined in Section 3-105 of the Public Utilities Act, (2)
21 telecommunications carriers as defined in Section 13-202
22 of the Public Utilities Act, (3) electric cooperatives as
23 defined in Section 3.4 of the Electric Supplier Act, (4)
24 telephone or telecommunications cooperatives as defined in
25 Section 13-212 of the Public Utilities Act, (5) rural
26 water or waste water systems with 10,000 connections or

1 less, (6) a holder as defined in Section 21-201 of the
2 Public Utilities Act, and (7) municipalities owning or
3 operating utility systems consisting of public utilities
4 as that term is defined in Section 11-117-2 of the
5 Illinois Municipal Code.

6 (16) Procurement expenditures necessary for the
7 Department of Public Health to provide the delivery of
8 timely newborn screening services in accordance with the
9 Newborn Metabolic Screening Act.

10 (17) Procurement expenditures necessary for the
11 Department of Agriculture, the Department of Financial and
12 Professional Regulation, the Department of Human Services,
13 and the Department of Public Health to implement the
14 Compassionate Use of Medical Cannabis Program and Opioid
15 Alternative Pilot Program requirements and ensure access
16 to medical cannabis for patients with debilitating medical
17 conditions in accordance with the Compassionate Use of
18 Medical Cannabis Program Act.

19 (18) This Code does not apply to any procurements
20 necessary for the Department of Agriculture, the
21 Department of Financial and Professional Regulation, the
22 Department of Human Services, the Department of Commerce
23 and Economic Opportunity, and the Department of Public
24 Health to implement the Cannabis Regulation and Tax Act if
25 the applicable agency has made a good faith determination
26 that it is necessary and appropriate for the expenditure

1 to fall within this exemption and if the process is
2 conducted in a manner substantially in accordance with the
3 requirements of Sections 20-160, 25-60, 30-22, 50-5,
4 50-10, 50-10.5, 50-12, 50-13, 50-15, 50-20, 50-21, 50-35,
5 50-36, 50-37, 50-38, and 50-50 of this Code; however, for
6 Section 50-35, compliance applies only to contracts or
7 subcontracts over \$100,000. Notice of each contract
8 entered into under this paragraph (18) that is related to
9 the procurement of goods and services identified in
10 paragraph (1) through (9) of this subsection shall be
11 published in the Procurement Bulletin within 14 calendar
12 days after contract execution. The Chief Procurement
13 Officer shall prescribe the form and content of the
14 notice. Each agency shall provide the Chief Procurement
15 Officer, on a monthly basis, in the form and content
16 prescribed by the Chief Procurement Officer, a report of
17 contracts that are related to the procurement of goods and
18 services identified in this subsection. At a minimum, this
19 report shall include the name of the contractor, a
20 description of the supply or service provided, the total
21 amount of the contract, the term of the contract, and the
22 exception to this Code utilized. A copy of any or all of
23 these contracts shall be made available to the Chief
24 Procurement Officer immediately upon request. The Chief
25 Procurement Officer shall submit a report to the Governor
26 and General Assembly no later than November 1 of each year

1 that includes, at a minimum, an annual summary of the
2 monthly information reported to the Chief Procurement
3 Officer. This exemption becomes inoperative 9 ~~5~~ years
4 after June 25, 2019 (the effective date of Public Act
5 101-27).

6 (19) Acquisition of modifications or adjustments,
7 limited to assistive technology devices and assistive
8 technology services, adaptive equipment, repairs, and
9 replacement parts to provide reasonable accommodations (i)
10 that enable a qualified applicant with a disability to
11 complete the job application process and be considered for
12 the position such qualified applicant desires, (ii) that
13 modify or adjust the work environment to enable a
14 qualified current employee with a disability to perform
15 the essential functions of the position held by that
16 employee, (iii) to enable a qualified current employee
17 with a disability to enjoy equal benefits and privileges
18 of employment as are enjoyed by other similarly situated
19 employees without disabilities, and (iv) that allow a
20 customer, client, claimant, or member of the public
21 seeking State services full use and enjoyment of and
22 access to its programs, services, or benefits.

23 For purposes of this paragraph (19):

24 "Assistive technology devices" means any item, piece
25 of equipment, or product system, whether acquired
26 commercially off the shelf, modified, or customized, that

1 is used to increase, maintain, or improve functional
2 capabilities of individuals with disabilities.

3 "Assistive technology services" means any service that
4 directly assists an individual with a disability in
5 selection, acquisition, or use of an assistive technology
6 device.

7 "Qualified" has the same meaning and use as provided
8 under the federal Americans with Disabilities Act when
9 describing an individual with a disability.

10 (20) Procurement expenditures necessary for the
11 Illinois Commerce Commission to hire third-party
12 facilitators pursuant to Sections 16-105.17 and 16-108.18
13 of the Public Utilities Act or an ombudsman pursuant to
14 Section 16-107.5 of the Public Utilities Act, a
15 facilitator pursuant to Section 16-105.17 of the Public
16 Utilities Act, or a grid auditor pursuant to Section
17 16-105.10 of the Public Utilities Act.

18 (21) Procurement expenditures for the purchase,
19 renewal, and expansion of software, software licenses, or
20 software maintenance agreements that support the efforts
21 of the Illinois State Police to enforce, regulate, and
22 administer the Firearm Owners Identification Card Act, the
23 Firearm Concealed Carry Act, the Firearms Restraining
24 Order Act, the Firearm Dealer License Certification Act,
25 the Law Enforcement Agencies Data System (LEADS), the
26 Uniform Crime Reporting Act, the Criminal Identification

1 Act, the Illinois Uniform Conviction Information Act, and
2 the Gun Trafficking Information Act, or establish or
3 maintain record management systems necessary to conduct
4 human trafficking investigations or gun trafficking or
5 other stolen firearm investigations. This paragraph (21)
6 applies to contracts entered into on or after January 10,
7 2023 (the effective date of Public Act 102-1116) and the
8 renewal of contracts that are in effect on January 10,
9 2023 (the effective date of Public Act 102-1116).

10 (22) Contracts for project management services and
11 system integration services required for the completion of
12 the State's enterprise resource planning project. This
13 exemption becomes inoperative 5 years after June 7, 2023
14 (the effective date of the changes made to this Section by
15 Public Act 103-8). This paragraph (22) applies to
16 contracts entered into on or after June 7, 2023 (the
17 effective date of the changes made to this Section by
18 Public Act 103-8) and the renewal of contracts that are in
19 effect on June 7, 2023 (the effective date of the changes
20 made to this Section by Public Act 103-8).

21 (23) Procurements necessary for the Department of
22 Insurance to implement the Illinois Health Benefits
23 Exchange Law if the Department of Insurance has made a
24 good faith determination that it is necessary and
25 appropriate for the expenditure to fall within this
26 exemption. The procurement process shall be conducted in a

1 manner substantially in accordance with the requirements
2 of Sections 20-160 and 25-60 and Article 50 of this Code. A
3 copy of these contracts shall be made available to the
4 Chief Procurement Officer immediately upon request. This
5 paragraph is inoperative 5 years after June 27, 2023 (the
6 effective date of Public Act 103-103).

7 (24) Contracts for public education programming,
8 noncommercial sustaining announcements, public service
9 announcements, and public awareness and education
10 messaging with the nonprofit trade associations of the
11 providers of those services that inform the public on
12 immediate and ongoing health and safety risks and hazards.

13 (25) Procurements necessary for the Department of
14 Early Childhood to implement the Department of Early
15 Childhood Act if the Department has made a good faith
16 determination that it is necessary and appropriate for the
17 expenditure to fall within this exemption. This exemption
18 shall only be used for products and services procured
19 solely for use by the Department of Early Childhood. The
20 procurements may include those necessary to design and
21 build integrated, operational systems of programs and
22 services. The procurements may include, but are not
23 limited to, those necessary to align and update program
24 standards, integrate funding systems, design and establish
25 data and reporting systems, align and update models for
26 technical assistance and professional development, design

1 systems to manage grants and ensure compliance, design and
2 implement management and operational structures, and
3 establish new means of engaging with families, educators,
4 providers, and stakeholders. The procurement processes
5 shall be conducted in a manner substantially in accordance
6 with the requirements of Article 50 (ethics) and Sections
7 5-5 (Procurement Policy Board), 5-7 (Commission on Equity
8 and Inclusion), 20-80 (contract files), 20-120
9 (subcontractors), 20-155 (paperwork), 20-160
10 (ethics/campaign contribution prohibitions), 25-60
11 (prevailing wage), and 25-90 (prohibited and authorized
12 cybersecurity) of this Code. Beginning January 1, 2025,
13 the Department of Early Childhood shall provide a
14 quarterly report to the General Assembly detailing a list
15 of expenditures and contracts for which the Department
16 uses this exemption. This paragraph is inoperative on and
17 after July 1, 2027.

18 (26) ~~(25)~~ Procurements that are necessary for
19 increasing the recruitment and retention of State
20 employees, particularly minority candidates for
21 employment, including:

22 (A) procurements related to registration fees for
23 job fairs and other outreach and recruitment events;

24 (B) production of recruitment materials; and

25 (C) other services related to recruitment and
26 retention of State employees.

1 The exemption under this paragraph (26) ~~(25)~~ applies
2 only if the State agency has made a good faith
3 determination that it is necessary and appropriate for the
4 expenditure to fall within this paragraph (26) ~~(25)~~. The
5 procurement process under this paragraph (26) ~~(25)~~ shall
6 be conducted in a manner substantially in accordance with
7 the requirements of Sections 20-160 and 25-60 and Article
8 50 of this Code. A copy of these contracts shall be made
9 available to the Chief Procurement Officer immediately
10 upon request. Nothing in this paragraph (26) ~~(25)~~
11 authorizes the replacement or diminishment of State
12 responsibilities in hiring or the positions that
13 effectuate that hiring. This paragraph (26) ~~(25)~~ is
14 inoperative on and after June 30, 2029.

15 Notwithstanding any other provision of law, for contracts
16 with an annual value of more than \$100,000 entered into on or
17 after October 1, 2017 under an exemption provided in any
18 paragraph of this subsection (b), except paragraph (1), (2),
19 or (5), each State agency shall post to the appropriate
20 procurement bulletin the name of the contractor, a description
21 of the supply or service provided, the total amount of the
22 contract, the term of the contract, and the exception to the
23 Code utilized. The chief procurement officer shall submit a
24 report to the Governor and General Assembly no later than
25 November 1 of each year that shall include, at a minimum, an
26 annual summary of the monthly information reported to the

1 chief procurement officer.

2 (c) This Code does not apply to the electric power
3 procurement process provided for under Section 1-75 of the
4 Illinois Power Agency Act and Section 16-111.5 of the Public
5 Utilities Act. This Code does not apply to the procurement of
6 technical and policy experts pursuant to Section 1-129 of the
7 Illinois Power Agency Act.

8 (d) Except for Section 20-160 and Article 50 of this Code,
9 and as expressly required by Section 9.1 of the Illinois
10 Lottery Law, the provisions of this Code do not apply to the
11 procurement process provided for under Section 9.1 of the
12 Illinois Lottery Law.

13 (e) This Code does not apply to the process used by the
14 Capital Development Board to retain a person or entity to
15 assist the Capital Development Board with its duties related
16 to the determination of costs of a clean coal SNG brownfield
17 facility, as defined by Section 1-10 of the Illinois Power
18 Agency Act, as required in subsection (h-3) of Section 9-220
19 of the Public Utilities Act, including calculating the range
20 of capital costs, the range of operating and maintenance
21 costs, or the sequestration costs or monitoring the
22 construction of clean coal SNG brownfield facility for the
23 full duration of construction.

24 (f) (Blank).

25 (g) (Blank).

26 (h) This Code does not apply to the process to procure or

1 contracts entered into in accordance with Sections 11-5.2 and
2 11-5.3 of the Illinois Public Aid Code.

3 (i) Each chief procurement officer may access records
4 necessary to review whether a contract, purchase, or other
5 expenditure is or is not subject to the provisions of this
6 Code, unless such records would be subject to attorney-client
7 privilege.

8 (j) This Code does not apply to the process used by the
9 Capital Development Board to retain an artist or work or works
10 of art as required in Section 14 of the Capital Development
11 Board Act.

12 (k) This Code does not apply to the process to procure
13 contracts, or contracts entered into, by the State Board of
14 Elections or the State Electoral Board for hearing officers
15 appointed pursuant to the Election Code.

16 (l) This Code does not apply to the processes used by the
17 Illinois Student Assistance Commission to procure supplies and
18 services paid for from the private funds of the Illinois
19 Prepaid Tuition Fund. As used in this subsection (l), "private
20 funds" means funds derived from deposits paid into the
21 Illinois Prepaid Tuition Trust Fund and the earnings thereon.

22 (m) This Code shall apply regardless of the source of
23 funds with which contracts are paid, including federal
24 assistance moneys. Except as specifically provided in this
25 Code, this Code shall not apply to procurement expenditures
26 necessary for the Department of Public Health to conduct the

1 Healthy Illinois Survey in accordance with Section 2310-431 of
2 the Department of Public Health Powers and Duties Law of the
3 Civil Administrative Code of Illinois.

4 (Source: P.A. 102-175, eff. 7-29-21; 102-483, eff. 1-1-22;
5 102-558, eff. 8-20-21; 102-600, eff. 8-27-21; 102-662, eff.
6 9-15-21; 102-721, eff. 1-1-23; 102-813, eff. 5-13-22;
7 102-1116, eff. 1-10-23; 103-8, eff. 6-7-23; 103-103, eff.
8 6-27-23; 103-570, eff. 1-1-24; 103-580, eff. 12-8-23; 103-594,
9 eff. 6-25-24; 103-605, eff. 7-1-24; 103-865, eff. 1-1-25;
10 revised 11-26-24.)

11 Section 10. The Use Tax Act is amended by changing Section
12 3-10 as follows:

13 (35 ILCS 105/3-10) from Ch. 120, par. 439.33-10

14 Sec. 3-10. Rate of tax. Unless otherwise provided in this
15 Section, the tax imposed by this Act is at the rate of 6.25% of
16 either the selling price or the fair market value, if any, of
17 the tangible personal property, which, on and after January 1,
18 2025, includes leases of tangible personal property. In all
19 cases where property functionally used or consumed is the same
20 as the property that was purchased at retail, then the tax is
21 imposed on the selling price of the property. In all cases
22 where property functionally used or consumed is a by-product
23 or waste product that has been refined, manufactured, or
24 produced from property purchased at retail, then the tax is

1 imposed on the lower of the fair market value, if any, of the
2 specific property so used in this State or on the selling price
3 of the property purchased at retail. For purposes of this
4 Section "fair market value" means the price at which property
5 would change hands between a willing buyer and a willing
6 seller, neither being under any compulsion to buy or sell and
7 both having reasonable knowledge of the relevant facts. The
8 fair market value shall be established by Illinois sales by
9 the taxpayer of the same property as that functionally used or
10 consumed, or if there are no such sales by the taxpayer, then
11 comparable sales or purchases of property of like kind and
12 character in Illinois.

13 Beginning on July 1, 2000 and through December 31, 2000,
14 with respect to motor fuel, as defined in Section 1.1 of the
15 Motor Fuel Tax Law, and gasohol, as defined in Section 3-40 of
16 the Use Tax Act, the tax is imposed at the rate of 1.25%.

17 Beginning on August 6, 2010 through August 15, 2010, and
18 beginning again on August 5, 2022 through August 14, 2022,
19 with respect to sales tax holiday items as defined in Section
20 3-6 of this Act, the tax is imposed at the rate of 1.25%.

21 With respect to gasohol, the tax imposed by this Act
22 applies to (i) 70% of the proceeds of sales made on or after
23 January 1, 1990, and before July 1, 2003, (ii) 80% of the
24 proceeds of sales made on or after July 1, 2003 and on or
25 before July 1, 2017, (iii) 100% of the proceeds of sales made
26 after July 1, 2017 and prior to January 1, 2024, (iv) 90% of

1 the proceeds of sales made on or after January 1, 2024 and on
2 or before December 31, 2028, and (v) 100% of the proceeds of
3 sales made after December 31, 2028. If, at any time, however,
4 the tax under this Act on sales of gasohol is imposed at the
5 rate of 1.25%, then the tax imposed by this Act applies to 100%
6 of the proceeds of sales of gasohol made during that time.

7 With respect to mid-range ethanol blends, the tax imposed
8 by this Act applies to (i) 80% of the proceeds of sales made on
9 or after January 1, 2024 and on or before December 31, 2028 and
10 (ii) 100% of the proceeds of sales made thereafter. If, at any
11 time, however, the tax under this Act on sales of mid-range
12 ethanol blends is imposed at the rate of 1.25%, then the tax
13 imposed by this Act applies to 100% of the proceeds of sales of
14 mid-range ethanol blends made during that time.

15 With respect to majority blended ethanol fuel, the tax
16 imposed by this Act does not apply to the proceeds of sales
17 made on or after July 1, 2003 and on or before December 31,
18 2028 but applies to 100% of the proceeds of sales made
19 thereafter.

20 With respect to biodiesel blends with no less than 1% and
21 no more than 10% biodiesel, the tax imposed by this Act applies
22 to (i) 80% of the proceeds of sales made on or after July 1,
23 2003 and on or before December 31, 2018 and (ii) 100% of the
24 proceeds of sales made after December 31, 2018 and before
25 January 1, 2024. On and after January 1, 2024 and on or before
26 December 31, 2030, the taxation of biodiesel, renewable

1 diesel, and biodiesel blends shall be as provided in Section
2 3-5.1. If, at any time, however, the tax under this Act on
3 sales of biodiesel blends with no less than 1% and no more than
4 10% biodiesel is imposed at the rate of 1.25%, then the tax
5 imposed by this Act applies to 100% of the proceeds of sales of
6 biodiesel blends with no less than 1% and no more than 10%
7 biodiesel made during that time.

8 With respect to biodiesel and biodiesel blends with more
9 than 10% but no more than 99% biodiesel, the tax imposed by
10 this Act does not apply to the proceeds of sales made on or
11 after July 1, 2003 and on or before December 31, 2023. On and
12 after January 1, 2024 and on or before December 31, 2030, the
13 taxation of biodiesel, renewable diesel, and biodiesel blends
14 shall be as provided in Section 3-5.1.

15 Until July 1, 2022 and from July 1, 2023 through December
16 31, 2025, with respect to food for human consumption that is to
17 be consumed off the premises where it is sold (other than
18 alcoholic beverages, food consisting of or infused with adult
19 use cannabis, soft drinks, and food that has been prepared for
20 immediate consumption), the tax is imposed at the rate of 1%.
21 Beginning on July 1, 2022 and until July 1, 2023, with respect
22 to food for human consumption that is to be consumed off the
23 premises where it is sold (other than alcoholic beverages,
24 food consisting of or infused with adult use cannabis, soft
25 drinks, and food that has been prepared for immediate
26 consumption), the tax is imposed at the rate of 0%. On and

1 after January 1, 2026, food for human consumption that is to be
2 consumed off the premises where it is sold (other than
3 alcoholic beverages, food consisting of or infused with adult
4 use cannabis, soft drinks, candy, and food that has been
5 prepared for immediate consumption) is exempt from the tax
6 imposed by this Act.

7 With respect to prescription and nonprescription
8 medicines, drugs, medical appliances, products classified as
9 Class III medical devices by the United States Food and Drug
10 Administration that are used for cancer treatment pursuant to
11 a prescription, as well as any accessories and components
12 related to those devices, modifications to a motor vehicle for
13 the purpose of rendering it usable by a person with a
14 disability, and insulin, blood sugar testing materials,
15 syringes, and needles used by human diabetics, the tax is
16 imposed at the rate of 1%. For the purposes of this Section,
17 until September 1, 2009: the term "soft drinks" means any
18 complete, finished, ready-to-use, non-alcoholic drink, whether
19 carbonated or not, including, but not limited to, soda water,
20 cola, fruit juice, vegetable juice, carbonated water, and all
21 other preparations commonly known as soft drinks of whatever
22 kind or description that are contained in any closed or sealed
23 bottle, can, carton, or container, regardless of size; but
24 "soft drinks" does not include coffee, tea, non-carbonated
25 water, infant formula, milk or milk products as defined in the
26 Grade A Pasteurized Milk and Milk Products Act, or drinks

1 containing 50% or more natural fruit or vegetable juice.

2 Notwithstanding any other provisions of this Act,
3 beginning September 1, 2009, "soft drinks" means non-alcoholic
4 beverages that contain natural or artificial sweeteners. "Soft
5 drinks" does not include beverages that contain milk or milk
6 products, soy, rice or similar milk substitutes, or greater
7 than 50% of vegetable or fruit juice by volume.

8 Until August 1, 2009, and notwithstanding any other
9 provisions of this Act, "food for human consumption that is to
10 be consumed off the premises where it is sold" includes all
11 food sold through a vending machine, except soft drinks and
12 food products that are dispensed hot from a vending machine,
13 regardless of the location of the vending machine. Beginning
14 August 1, 2009, and notwithstanding any other provisions of
15 this Act, "food for human consumption that is to be consumed
16 off the premises where it is sold" includes all food sold
17 through a vending machine, except soft drinks, candy, and food
18 products that are dispensed hot from a vending machine,
19 regardless of the location of the vending machine.

20 Notwithstanding any other provisions of this Act,
21 beginning September 1, 2009, "food for human consumption that
22 is to be consumed off the premises where it is sold" does not
23 include candy. For purposes of this Section, "candy" means a
24 preparation of sugar, honey, or other natural or artificial
25 sweeteners in combination with chocolate, fruits, nuts or
26 other ingredients or flavorings in the form of bars, drops, or

1 pieces. "Candy" does not include any preparation that contains
2 flour or requires refrigeration.

3 Notwithstanding any other provisions of this Act,
4 beginning September 1, 2009, "nonprescription medicines and
5 drugs" does not include grooming and hygiene products. For
6 purposes of this Section, "grooming and hygiene products"
7 includes, but is not limited to, soaps and cleaning solutions,
8 shampoo, toothpaste, mouthwash, antiperspirants, and sun tan
9 lotions and screens, unless those products are available by
10 prescription only, regardless of whether the products meet the
11 definition of "over-the-counter-drugs". For the purposes of
12 this paragraph, "over-the-counter-drug" means a drug for human
13 use that contains a label that identifies the product as a drug
14 as required by 21 CFR 201.66. The "over-the-counter-drug"
15 label includes:

16 (A) a "Drug Facts" panel; or

17 (B) a statement of the "active ingredient(s)" with a
18 list of those ingredients contained in the compound,
19 substance or preparation.

20 Beginning on January 1, 2014 (the effective date of Public
21 Act 98-122), and through June 30, 2026, "prescription and
22 nonprescription medicines and drugs" includes medical cannabis
23 purchased from a registered dispensing organization under the
24 Compassionate Use of Medical Cannabis Program Act.

25 Beginning on July 1, 2026, "prescription and
26 nonprescription medicines and drugs" includes cannabis

1 purchased by a qualified registered patient, provisional
2 patient, designated caregiver, or Opioid Alternative Patient
3 Program participant as part of their adequate medical supply,
4 as these terms are defined under the Cannabis Regulation and
5 Tax Act, from a dispensing organization registered under the
6 Compassionate Use of Medical Cannabis Program Act or the
7 Cannabis Regulation and Tax Act.

8 As used in this Section through June 30, 2026, "adult use
9 cannabis" means cannabis subject to tax under the Cannabis
10 Cultivation Privilege Tax Law and the Cannabis Purchaser
11 Excise Tax Law and does not include cannabis subject to tax
12 under the Compassionate Use of Medical Cannabis Program Act.

13 Beginning July 1, 2026, as used in this Section, "adult
14 use cannabis" means cannabis subject to tax under the Cannabis
15 Cultivation Privilege Tax Law and the Cannabis Purchaser
16 Excise Tax Law and does not include cannabis purchased by a
17 qualified registered patient, provisional patient, designated
18 caregiver, or Opioid Alternative Patient Program participant
19 as part of their adequate medical supply.

20 If the property that is purchased at retail from a
21 retailer is acquired outside Illinois and used outside
22 Illinois before being brought to Illinois for use here and is
23 taxable under this Act, the "selling price" on which the tax is
24 computed shall be reduced by an amount that represents a
25 reasonable allowance for depreciation for the period of prior
26 out-of-state use. No depreciation is allowed in cases where

1 the tax under this Act is imposed on lease receipts.

2 (Source: P.A. 102-4, eff. 4-27-21; 102-700, Article 20,
3 Section 20-5, eff. 4-19-22; 102-700, Article 60, Section
4 60-15, eff. 4-19-22; 102-700, Article 65, Section 65-5, eff.
5 4-19-22; 103-9, eff. 6-7-23; 103-154, eff. 6-30-23; 103-592,
6 eff. 1-1-25; 103-781, eff. 8-5-24; revised 11-26-24.)

7 Section 15. The Service Use Tax Act is amended by changing
8 Section 3-10 as follows:

9 (35 ILCS 110/3-10) (from Ch. 120, par. 439.33-10)

10 Sec. 3-10. Rate of tax. Unless otherwise provided in this
11 Section, the tax imposed by this Act is at the rate of 6.25% of
12 the selling price of tangible personal property transferred,
13 including, on and after January 1, 2025, transferred by lease,
14 as an incident to the sale of service, but, for the purpose of
15 computing this tax, in no event shall the selling price be less
16 than the cost price of the property to the serviceman.

17 Beginning on July 1, 2000 and through December 31, 2000,
18 with respect to motor fuel, as defined in Section 1.1 of the
19 Motor Fuel Tax Law, and gasohol, as defined in Section 3-40 of
20 the Use Tax Act, the tax is imposed at the rate of 1.25%.

21 With respect to gasohol, as defined in the Use Tax Act, the
22 tax imposed by this Act applies to (i) 70% of the selling price
23 of property transferred as an incident to the sale of service
24 on or after January 1, 1990, and before July 1, 2003, (ii) 80%

1 of the selling price of property transferred as an incident to
2 the sale of service on or after July 1, 2003 and on or before
3 July 1, 2017, (iii) 100% of the selling price of property
4 transferred as an incident to the sale of service after July 1,
5 2017 and before January 1, 2024, (iv) 90% of the selling price
6 of property transferred as an incident to the sale of service
7 on or after January 1, 2024 and on or before December 31, 2028,
8 and (v) 100% of the selling price of property transferred as an
9 incident to the sale of service after December 31, 2028. If, at
10 any time, however, the tax under this Act on sales of gasohol,
11 as defined in the Use Tax Act, is imposed at the rate of 1.25%,
12 then the tax imposed by this Act applies to 100% of the
13 proceeds of sales of gasohol made during that time.

14 With respect to mid-range ethanol blends, as defined in
15 Section 3-44.3 of the Use Tax Act, the tax imposed by this Act
16 applies to (i) 80% of the selling price of property
17 transferred as an incident to the sale of service on or after
18 January 1, 2024 and on or before December 31, 2028 and (ii)
19 100% of the selling price of property transferred as an
20 incident to the sale of service after December 31, 2028. If, at
21 any time, however, the tax under this Act on sales of mid-range
22 ethanol blends is imposed at the rate of 1.25%, then the tax
23 imposed by this Act applies to 100% of the selling price of
24 mid-range ethanol blends transferred as an incident to the
25 sale of service during that time.

26 With respect to majority blended ethanol fuel, as defined

1 in the Use Tax Act, the tax imposed by this Act does not apply
2 to the selling price of property transferred as an incident to
3 the sale of service on or after July 1, 2003 and on or before
4 December 31, 2028 but applies to 100% of the selling price
5 thereafter.

6 With respect to biodiesel blends, as defined in the Use
7 Tax Act, with no less than 1% and no more than 10% biodiesel,
8 the tax imposed by this Act applies to (i) 80% of the selling
9 price of property transferred as an incident to the sale of
10 service on or after July 1, 2003 and on or before December 31,
11 2018 and (ii) 100% of the proceeds of the selling price after
12 December 31, 2018 and before January 1, 2024. On and after
13 January 1, 2024 and on or before December 31, 2030, the
14 taxation of biodiesel, renewable diesel, and biodiesel blends
15 shall be as provided in Section 3-5.1 of the Use Tax Act. If,
16 at any time, however, the tax under this Act on sales of
17 biodiesel blends, as defined in the Use Tax Act, with no less
18 than 1% and no more than 10% biodiesel is imposed at the rate
19 of 1.25%, then the tax imposed by this Act applies to 100% of
20 the proceeds of sales of biodiesel blends with no less than 1%
21 and no more than 10% biodiesel made during that time.

22 With respect to biodiesel, as defined in the Use Tax Act,
23 and biodiesel blends, as defined in the Use Tax Act, with more
24 than 10% but no more than 99% biodiesel, the tax imposed by
25 this Act does not apply to the proceeds of the selling price of
26 property transferred as an incident to the sale of service on

1 or after July 1, 2003 and on or before December 31, 2023. On
2 and after January 1, 2024 and on or before December 31, 2030,
3 the taxation of biodiesel, renewable diesel, and biodiesel
4 blends shall be as provided in Section 3-5.1 of the Use Tax
5 Act.

6 At the election of any registered serviceman made for each
7 fiscal year, sales of service in which the aggregate annual
8 cost price of tangible personal property transferred as an
9 incident to the sales of service is less than 35%, or 75% in
10 the case of servicemen transferring prescription drugs or
11 servicemen engaged in graphic arts production, of the
12 aggregate annual total gross receipts from all sales of
13 service, the tax imposed by this Act shall be based on the
14 serviceman's cost price of the tangible personal property
15 transferred as an incident to the sale of those services.

16 Until July 1, 2022 and from July 1, 2023 through December
17 31, 2025, the tax shall be imposed at the rate of 1% on food
18 prepared for immediate consumption and transferred incident to
19 a sale of service subject to this Act or the Service Occupation
20 Tax Act by an entity licensed under the Hospital Licensing
21 Act, the Nursing Home Care Act, the Assisted Living and Shared
22 Housing Act, the ID/DD Community Care Act, the MC/DD Act, the
23 Specialized Mental Health Rehabilitation Act of 2013, or the
24 Child Care Act of 1969, or an entity that holds a permit issued
25 pursuant to the Life Care Facilities Act. Until July 1, 2022
26 and from July 1, 2023 through December 31, 2025, the tax shall

1 also be imposed at the rate of 1% on food for human consumption
2 that is to be consumed off the premises where it is sold (other
3 than alcoholic beverages, food consisting of or infused with
4 adult use cannabis, soft drinks, and food that has been
5 prepared for immediate consumption and is not otherwise
6 included in this paragraph).

7 Beginning on July 1, 2022 and until July 1, 2023, the tax
8 shall be imposed at the rate of 0% on food prepared for
9 immediate consumption and transferred incident to a sale of
10 service subject to this Act or the Service Occupation Tax Act
11 by an entity licensed under the Hospital Licensing Act, the
12 Nursing Home Care Act, the Assisted Living and Shared Housing
13 Act, the ID/DD Community Care Act, the MC/DD Act, the
14 Specialized Mental Health Rehabilitation Act of 2013, or the
15 Child Care Act of 1969, or an entity that holds a permit issued
16 pursuant to the Life Care Facilities Act. Beginning on July 1,
17 2022 and until July 1, 2023, the tax shall also be imposed at
18 the rate of 0% on food for human consumption that is to be
19 consumed off the premises where it is sold (other than
20 alcoholic beverages, food consisting of or infused with adult
21 use cannabis, soft drinks, and food that has been prepared for
22 immediate consumption and is not otherwise included in this
23 paragraph).

24 On and ~~on~~ after January 1, 2026, food prepared for
25 immediate consumption and transferred incident to a sale of
26 service subject to this Act or the Service Occupation Tax Act

1 by an entity licensed under the Hospital Licensing Act, the
2 Nursing Home Care Act, the Assisted Living and Shared Housing
3 Act, the ID/DD Community Care Act, the MC/DD Act, the
4 Specialized Mental Health Rehabilitation Act of 2013, or the
5 Child Care Act of 1969, or by an entity that holds a permit
6 issued pursuant to the Life Care Facilities Act is exempt from
7 the tax under this Act. On and after January 1, 2026, food for
8 human consumption that is to be consumed off the premises
9 where it is sold (other than alcoholic beverages, food
10 consisting of or infused with adult use cannabis, soft drinks,
11 candy, and food that has been prepared for immediate
12 consumption and is not otherwise included in this paragraph)
13 is exempt from the tax under this Act.

14 The tax shall be imposed at the rate of 1% on prescription
15 and nonprescription medicines, drugs, medical appliances,
16 products classified as Class III medical devices by the United
17 States Food and Drug Administration that are used for cancer
18 treatment pursuant to a prescription, as well as any
19 accessories and components related to those devices,
20 modifications to a motor vehicle for the purpose of rendering
21 it usable by a person with a disability, and insulin, blood
22 sugar testing materials, syringes, and needles used by human
23 diabetics. For the purposes of this Section, until September
24 1, 2009: the term "soft drinks" means any complete, finished,
25 ready-to-use, non-alcoholic drink, whether carbonated or not,
26 including, but not limited to, soda water, cola, fruit juice,

1 vegetable juice, carbonated water, and all other preparations
2 commonly known as soft drinks of whatever kind or description
3 that are contained in any closed or sealed bottle, can,
4 carton, or container, regardless of size; but "soft drinks"
5 does not include coffee, tea, non-carbonated water, infant
6 formula, milk or milk products as defined in the Grade A
7 Pasteurized Milk and Milk Products Act, or drinks containing
8 50% or more natural fruit or vegetable juice.

9 Notwithstanding any other provisions of this Act,
10 beginning September 1, 2009, "soft drinks" means non-alcoholic
11 beverages that contain natural or artificial sweeteners. "Soft
12 drinks" does not include beverages that contain milk or milk
13 products, soy, rice or similar milk substitutes, or greater
14 than 50% of vegetable or fruit juice by volume.

15 Until August 1, 2009, and notwithstanding any other
16 provisions of this Act, "food for human consumption that is to
17 be consumed off the premises where it is sold" includes all
18 food sold through a vending machine, except soft drinks and
19 food products that are dispensed hot from a vending machine,
20 regardless of the location of the vending machine. Beginning
21 August 1, 2009, and notwithstanding any other provisions of
22 this Act, "food for human consumption that is to be consumed
23 off the premises where it is sold" includes all food sold
24 through a vending machine, except soft drinks, candy, and food
25 products that are dispensed hot from a vending machine,
26 regardless of the location of the vending machine.

1 Notwithstanding any other provisions of this Act,
2 beginning September 1, 2009, "food for human consumption that
3 is to be consumed off the premises where it is sold" does not
4 include candy. For purposes of this Section, "candy" means a
5 preparation of sugar, honey, or other natural or artificial
6 sweeteners in combination with chocolate, fruits, nuts or
7 other ingredients or flavorings in the form of bars, drops, or
8 pieces. "Candy" does not include any preparation that contains
9 flour or requires refrigeration.

10 Notwithstanding any other provisions of this Act,
11 beginning September 1, 2009, "nonprescription medicines and
12 drugs" does not include grooming and hygiene products. For
13 purposes of this Section, "grooming and hygiene products"
14 includes, but is not limited to, soaps and cleaning solutions,
15 shampoo, toothpaste, mouthwash, antiperspirants, and sun tan
16 lotions and screens, unless those products are available by
17 prescription only, regardless of whether the products meet the
18 definition of "over-the-counter-drugs". For the purposes of
19 this paragraph, "over-the-counter-drug" means a drug for human
20 use that contains a label that identifies the product as a drug
21 as required by 21 CFR 201.66. The "over-the-counter-drug"
22 label includes:

23 (A) a "Drug Facts" panel; or

24 (B) a statement of the "active ingredient(s)" with a
25 list of those ingredients contained in the compound,
26 substance or preparation.

1 Beginning on January 1, 2014 (the effective date of Public
2 Act 98-122), and through June 30, 2026, "prescription and
3 nonprescription medicines and drugs" includes medical cannabis
4 purchased from a registered dispensing organization under the
5 Compassionate Use of Medical Cannabis Program Act.

6 Beginning on July 1, 2026, "prescription and
7 nonprescription medicines and drugs" includes cannabis
8 purchased by a qualified registered patient, provisional
9 patient, designated caregiver, or Opioid Alternative Patient
10 Program participant as part of their adequate medical supply,
11 as these terms are defined under the Cannabis Regulation and
12 Tax Act, from a dispensing organization registered under the
13 Compassionate Use of Medical Cannabis Program Act or the
14 Cannabis Regulation and Tax Act.

15 As used in this Section, through June 30, 2026, "adult use
16 cannabis" means cannabis subject to tax under the Cannabis
17 Cultivation Privilege Tax Law and the Cannabis Purchaser
18 Excise Tax Law and does not include cannabis subject to tax
19 under the Compassionate Use of Medical Cannabis Program Act.

20 Beginning July 1, 2026, as used in this Section, "adult
21 use cannabis" means cannabis subject to tax under the Cannabis
22 Cultivation Privilege Tax Law and the Cannabis Purchaser
23 Excise Tax Law and does not include cannabis purchased by a
24 qualified registered patient, provisional patient, designated
25 caregiver, or Opioid Alternative Patient Program participant
26 as part of their adequate medical supply.

1 If the property that is acquired from a serviceman is
2 acquired outside Illinois and used outside Illinois before
3 being brought to Illinois for use here and is taxable under
4 this Act, the "selling price" on which the tax is computed
5 shall be reduced by an amount that represents a reasonable
6 allowance for depreciation for the period of prior
7 out-of-state use. No depreciation is allowed in cases where
8 the tax under this Act is imposed on lease receipts.

9 (Source: P.A. 102-4, eff. 4-27-21; 102-16, eff. 6-17-21;
10 102-700, Article 20, Section 20-10, eff. 4-19-22; 102-700,
11 Article 60, Section 60-20, eff. 4-19-22; 103-9, eff. 6-7-23;
12 103-154, eff. 6-30-23; 103-592, eff. 1-1-25; 103-781, eff.
13 8-5-24; revised 11-26-24.)

14 Section 20. The Service Occupation Tax Act is amended by
15 changing Section 3-10 as follows:

16 (35 ILCS 115/3-10) (from Ch. 120, par. 439.103-10)

17 Sec. 3-10. Rate of tax. Unless otherwise provided in this
18 Section, the tax imposed by this Act is at the rate of 6.25% of
19 the "selling price", as defined in Section 2 of the Service Use
20 Tax Act, of the tangible personal property, including, on and
21 after January 1, 2025, tangible personal property transferred
22 by lease. For the purpose of computing this tax, in no event
23 shall the "selling price" be less than the cost price to the
24 serviceman of the tangible personal property transferred. The

1 selling price of each item of tangible personal property
2 transferred as an incident of a sale of service may be shown as
3 a distinct and separate item on the serviceman's billing to
4 the service customer. If the selling price is not so shown, the
5 selling price of the tangible personal property is deemed to
6 be 50% of the serviceman's entire billing to the service
7 customer. When, however, a serviceman contracts to design,
8 develop, and produce special order machinery or equipment, the
9 tax imposed by this Act shall be based on the serviceman's cost
10 price of the tangible personal property transferred incident
11 to the completion of the contract.

12 Beginning on July 1, 2000 and through December 31, 2000,
13 with respect to motor fuel, as defined in Section 1.1 of the
14 Motor Fuel Tax Law, and gasohol, as defined in Section 3-40 of
15 the Use Tax Act, the tax is imposed at the rate of 1.25%.

16 With respect to gasohol, as defined in the Use Tax Act, the
17 tax imposed by this Act shall apply to (i) 70% of the cost
18 price of property transferred as an incident to the sale of
19 service on or after January 1, 1990, and before July 1, 2003,
20 (ii) 80% of the selling price of property transferred as an
21 incident to the sale of service on or after July 1, 2003 and on
22 or before July 1, 2017, (iii) 100% of the selling price of
23 property transferred as an incident to the sale of service
24 after July 1, 2017 and prior to January 1, 2024, (iv) 90% of
25 the selling price of property transferred as an incident to
26 the sale of service on or after January 1, 2024 and on or

1 before December 31, 2028, and (v) 100% of the selling price of
2 property transferred as an incident to the sale of service
3 after December 31, 2028. If, at any time, however, the tax
4 under this Act on sales of gasohol, as defined in the Use Tax
5 Act, is imposed at the rate of 1.25%, then the tax imposed by
6 this Act applies to 100% of the proceeds of sales of gasohol
7 made during that time.

8 With respect to mid-range ethanol blends, as defined in
9 Section 3-44.3 of the Use Tax Act, the tax imposed by this Act
10 applies to (i) 80% of the selling price of property
11 transferred as an incident to the sale of service on or after
12 January 1, 2024 and on or before December 31, 2028 and (ii)
13 100% of the selling price of property transferred as an
14 incident to the sale of service after December 31, 2028. If, at
15 any time, however, the tax under this Act on sales of mid-range
16 ethanol blends is imposed at the rate of 1.25%, then the tax
17 imposed by this Act applies to 100% of the selling price of
18 mid-range ethanol blends transferred as an incident to the
19 sale of service during that time.

20 With respect to majority blended ethanol fuel, as defined
21 in the Use Tax Act, the tax imposed by this Act does not apply
22 to the selling price of property transferred as an incident to
23 the sale of service on or after July 1, 2003 and on or before
24 December 31, 2028 but applies to 100% of the selling price
25 thereafter.

26 With respect to biodiesel blends, as defined in the Use

1 Tax Act, with no less than 1% and no more than 10% biodiesel,
2 the tax imposed by this Act applies to (i) 80% of the selling
3 price of property transferred as an incident to the sale of
4 service on or after July 1, 2003 and on or before December 31,
5 2018 and (ii) 100% of the proceeds of the selling price after
6 December 31, 2018 and before January 1, 2024. On and after
7 January 1, 2024 and on or before December 31, 2030, the
8 taxation of biodiesel, renewable diesel, and biodiesel blends
9 shall be as provided in Section 3-5.1 of the Use Tax Act. If,
10 at any time, however, the tax under this Act on sales of
11 biodiesel blends, as defined in the Use Tax Act, with no less
12 than 1% and no more than 10% biodiesel is imposed at the rate
13 of 1.25%, then the tax imposed by this Act applies to 100% of
14 the proceeds of sales of biodiesel blends with no less than 1%
15 and no more than 10% biodiesel made during that time.

16 With respect to biodiesel, as defined in the Use Tax Act,
17 and biodiesel blends, as defined in the Use Tax Act, with more
18 than 10% but no more than 99% biodiesel material, the tax
19 imposed by this Act does not apply to the proceeds of the
20 selling price of property transferred as an incident to the
21 sale of service on or after July 1, 2003 and on or before
22 December 31, 2023. On and after January 1, 2024 and on or
23 before December 31, 2030, the taxation of biodiesel, renewable
24 diesel, and biodiesel blends shall be as provided in Section
25 3-5.1 of the Use Tax Act.

26 At the election of any registered serviceman made for each

1 fiscal year, sales of service in which the aggregate annual
2 cost price of tangible personal property transferred as an
3 incident to the sales of service is less than 35%, or 75% in
4 the case of servicemen transferring prescription drugs or
5 servicemen engaged in graphic arts production, of the
6 aggregate annual total gross receipts from all sales of
7 service, the tax imposed by this Act shall be based on the
8 serviceman's cost price of the tangible personal property
9 transferred incident to the sale of those services.

10 Until July 1, 2022 and from July 1, 2023 through December
11 31, 2025, the tax shall be imposed at the rate of 1% on food
12 prepared for immediate consumption and transferred incident to
13 a sale of service subject to this Act or the Service Use Tax
14 Act by an entity licensed under the Hospital Licensing Act,
15 the Nursing Home Care Act, the Assisted Living and Shared
16 Housing Act, the ID/DD Community Care Act, the MC/DD Act, the
17 Specialized Mental Health Rehabilitation Act of 2013, or the
18 Child Care Act of 1969, or an entity that holds a permit issued
19 pursuant to the Life Care Facilities Act. Until July 1, 2022
20 and from July 1, 2023 through December 31, 2025, the tax shall
21 also be imposed at the rate of 1% on food for human consumption
22 that is to be consumed off the premises where it is sold (other
23 than alcoholic beverages, food consisting of or infused with
24 adult use cannabis, soft drinks, and food that has been
25 prepared for immediate consumption and is not otherwise
26 included in this paragraph).

1 Beginning on July 1, 2022 and until July 1, 2023, the tax
2 shall be imposed at the rate of 0% on food prepared for
3 immediate consumption and transferred incident to a sale of
4 service subject to this Act or the Service Use Tax Act by an
5 entity licensed under the Hospital Licensing Act, the Nursing
6 Home Care Act, the Assisted Living and Shared Housing Act, the
7 ID/DD Community Care Act, the MC/DD Act, the Specialized
8 Mental Health Rehabilitation Act of 2013, or the Child Care
9 Act of 1969, or an entity that holds a permit issued pursuant
10 to the Life Care Facilities Act. Beginning July 1, 2022 and
11 until July 1, 2023, the tax shall also be imposed at the rate
12 of 0% on food for human consumption that is to be consumed off
13 the premises where it is sold (other than alcoholic beverages,
14 food consisting of or infused with adult use cannabis, soft
15 drinks, and food that has been prepared for immediate
16 consumption and is not otherwise included in this paragraph).

17 On and after January 1, 2026, food prepared for immediate
18 consumption and transferred incident to a sale of service
19 subject to this Act or the Service Use Tax Act by an entity
20 licensed under the Hospital Licensing Act, the Nursing Home
21 Care Act, the Assisted Living and Shared Housing Act, the
22 ID/DD Community Care Act, the MC/DD Act, the Specialized
23 Mental Health Rehabilitation Act of 2013, or the Child Care
24 Act of 1969, or an entity that holds a permit issued pursuant
25 to the Life Care Facilities Act is exempt from the tax imposed
26 by this Act. On and after January 1, 2026, food for human

1 consumption that is to be consumed off the premises where it is
2 sold (other than alcoholic beverages, food consisting of or
3 infused with adult use cannabis, soft drinks, candy, and food
4 that has been prepared for immediate consumption and is not
5 otherwise included in this paragraph) is exempt from the tax
6 imposed by this Act.

7 The tax shall be imposed at the rate of 1% on prescription
8 and nonprescription medicines, drugs, medical appliances,
9 products classified as Class III medical devices by the United
10 States Food and Drug Administration that are used for cancer
11 treatment pursuant to a prescription, as well as any
12 accessories and components related to those devices,
13 modifications to a motor vehicle for the purpose of rendering
14 it usable by a person with a disability, and insulin, blood
15 sugar testing materials, syringes, and needles used by human
16 diabetics. For the purposes of this Section, until September
17 1, 2009: the term "soft drinks" means any complete, finished,
18 ready-to-use, non-alcoholic drink, whether carbonated or not,
19 including, but not limited to, soda water, cola, fruit juice,
20 vegetable juice, carbonated water, and all other preparations
21 commonly known as soft drinks of whatever kind or description
22 that are contained in any closed or sealed can, carton, or
23 container, regardless of size; but "soft drinks" does not
24 include coffee, tea, non-carbonated water, infant formula,
25 milk or milk products as defined in the Grade A Pasteurized
26 Milk and Milk Products Act, or drinks containing 50% or more

1 natural fruit or vegetable juice.

2 Notwithstanding any other provisions of this Act,
3 beginning September 1, 2009, "soft drinks" means non-alcoholic
4 beverages that contain natural or artificial sweeteners. "Soft
5 drinks" does not include beverages that contain milk or milk
6 products, soy, rice or similar milk substitutes, or greater
7 than 50% of vegetable or fruit juice by volume.

8 Until August 1, 2009, and notwithstanding any other
9 provisions of this Act, "food for human consumption that is to
10 be consumed off the premises where it is sold" includes all
11 food sold through a vending machine, except soft drinks and
12 food products that are dispensed hot from a vending machine,
13 regardless of the location of the vending machine. Beginning
14 August 1, 2009, and notwithstanding any other provisions of
15 this Act, "food for human consumption that is to be consumed
16 off the premises where it is sold" includes all food sold
17 through a vending machine, except soft drinks, candy, and food
18 products that are dispensed hot from a vending machine,
19 regardless of the location of the vending machine.

20 Notwithstanding any other provisions of this Act,
21 beginning September 1, 2009, "food for human consumption that
22 is to be consumed off the premises where it is sold" does not
23 include candy. For purposes of this Section, "candy" means a
24 preparation of sugar, honey, or other natural or artificial
25 sweeteners in combination with chocolate, fruits, nuts or
26 other ingredients or flavorings in the form of bars, drops, or

1 pieces. "Candy" does not include any preparation that contains
2 flour or requires refrigeration.

3 Notwithstanding any other provisions of this Act,
4 beginning September 1, 2009, "nonprescription medicines and
5 drugs" does not include grooming and hygiene products. For
6 purposes of this Section, "grooming and hygiene products"
7 includes, but is not limited to, soaps and cleaning solutions,
8 shampoo, toothpaste, mouthwash, antiperspirants, and sun tan
9 lotions and screens, unless those products are available by
10 prescription only, regardless of whether the products meet the
11 definition of "over-the-counter-drugs". For the purposes of
12 this paragraph, "over-the-counter-drug" means a drug for human
13 use that contains a label that identifies the product as a drug
14 as required by 21 CFR 201.66. The "over-the-counter-drug"
15 label includes:

16 (A) a "Drug Facts" panel; or

17 (B) a statement of the "active ingredient(s)" with a
18 list of those ingredients contained in the compound,
19 substance or preparation.

20 Beginning on January 1, 2014 and through June 30, 2026,
21 (the effective date of Public Act 98-122), "prescription and
22 nonprescription medicines and drugs" includes medical cannabis
23 purchased from a registered dispensing organization under the
24 Compassionate Use of Medical Cannabis Program Act.

25 Beginning on July 1, 2026, "prescription and
26 nonprescription medicines and drugs" includes cannabis

1 purchased by a qualified registered patient, provisional
2 patient, designated caregiver, or Opioid Alternative Patient
3 Program participant as part of their adequate medical supply,
4 as these terms are defined under the Cannabis Regulation and
5 Tax Act, from a dispensing organization registered under the
6 Compassionate Use of Medical Cannabis Program Act or the
7 Cannabis Regulation and Tax Act.

8 As used in this Section, and through June 30, 2026, "adult
9 use cannabis" means cannabis subject to tax under the Cannabis
10 Cultivation Privilege Tax Law and the Cannabis Purchaser
11 Excise Tax Law and does not include cannabis subject to tax
12 under the Compassionate Use of Medical Cannabis Program Act.

13 Beginning July 1, 2026, as used in this Section, "adult
14 use cannabis" means cannabis subject to tax under the Cannabis
15 Cultivation Privilege Tax Law and the Cannabis Purchaser
16 Excise Tax Law and does not include cannabis purchased by a
17 qualified registered patient, provisional patient, designated
18 caregiver, or Opioid Alternative Patient Program participant
19 as part of their adequate medical supply.

20 (Source: P.A. 102-4, eff. 4-27-21; 102-16, eff. 6-17-21;
21 102-700, Article 20, Section 20-15, eff. 4-19-22; 102-700,
22 Article 60, Section 60-25, eff. 4-19-22; 103-9, eff. 6-7-23;
23 103-154, eff. 6-30-23; 103-592, eff. 1-1-25; 103-781, eff.
24 8-5-24; revised 11-26-24.)

25 Section 25. The Retailers' Occupation Tax Act is amended

1 by changing Sections 2-10 and 11 as follows:

2 (35 ILCS 120/2-10) from Ch. 120, par. 441-10

3 Sec. 2-10. Rate of tax. Unless otherwise provided in this
4 Section, the tax imposed by this Act is at the rate of 6.25% of
5 gross receipts from sales, which, on and after January 1,
6 2025, includes leases, of tangible personal property made in
7 the course of business.

8 Beginning on July 1, 2000 and through December 31, 2000,
9 with respect to motor fuel, as defined in Section 1.1 of the
10 Motor Fuel Tax Law, and gasohol, as defined in Section 3-40 of
11 the Use Tax Act, the tax is imposed at the rate of 1.25%.

12 Beginning on August 6, 2010 through August 15, 2010, and
13 beginning again on August 5, 2022 through August 14, 2022,
14 with respect to sales tax holiday items as defined in Section
15 2-8 of this Act, the tax is imposed at the rate of 1.25%.

16 Within 14 days after July 1, 2000 (the effective date of
17 Public Act 91-872), each retailer of motor fuel and gasohol
18 shall cause the following notice to be posted in a prominently
19 visible place on each retail dispensing device that is used to
20 dispense motor fuel or gasohol in the State of Illinois: "As of
21 July 1, 2000, the State of Illinois has eliminated the State's
22 share of sales tax on motor fuel and gasohol through December
23 31, 2000. The price on this pump should reflect the
24 elimination of the tax." The notice shall be printed in bold
25 print on a sign that is no smaller than 4 inches by 8 inches.

1 The sign shall be clearly visible to customers. Any retailer
2 who fails to post or maintain a required sign through December
3 31, 2000 is guilty of a petty offense for which the fine shall
4 be \$500 per day per each retail premises where a violation
5 occurs.

6 With respect to gasohol, as defined in the Use Tax Act, the
7 tax imposed by this Act applies to (i) 70% of the proceeds of
8 sales made on or after January 1, 1990, and before July 1,
9 2003, (ii) 80% of the proceeds of sales made on or after July
10 1, 2003 and on or before July 1, 2017, (iii) 100% of the
11 proceeds of sales made after July 1, 2017 and prior to January
12 1, 2024, (iv) 90% of the proceeds of sales made on or after
13 January 1, 2024 and on or before December 31, 2028, and (v)
14 100% of the proceeds of sales made after December 31, 2028. If,
15 at any time, however, the tax under this Act on sales of
16 gasohol, as defined in the Use Tax Act, is imposed at the rate
17 of 1.25%, then the tax imposed by this Act applies to 100% of
18 the proceeds of sales of gasohol made during that time.

19 With respect to mid-range ethanol blends, as defined in
20 Section 3-44.3 of the Use Tax Act, the tax imposed by this Act
21 applies to (i) 80% of the proceeds of sales made on or after
22 January 1, 2024 and on or before December 31, 2028 and (ii)
23 100% of the proceeds of sales made after December 31, 2028. If,
24 at any time, however, the tax under this Act on sales of
25 mid-range ethanol blends is imposed at the rate of 1.25%, then
26 the tax imposed by this Act applies to 100% of the proceeds of

1 sales of mid-range ethanol blends made during that time.

2 With respect to majority blended ethanol fuel, as defined
3 in the Use Tax Act, the tax imposed by this Act does not apply
4 to the proceeds of sales made on or after July 1, 2003 and on
5 or before December 31, 2028 but applies to 100% of the proceeds
6 of sales made thereafter.

7 With respect to biodiesel blends, as defined in the Use
8 Tax Act, with no less than 1% and no more than 10% biodiesel,
9 the tax imposed by this Act applies to (i) 80% of the proceeds
10 of sales made on or after July 1, 2003 and on or before
11 December 31, 2018 and (ii) 100% of the proceeds of sales made
12 after December 31, 2018 and before January 1, 2024. On and
13 after January 1, 2024 and on or before December 31, 2030, the
14 taxation of biodiesel, renewable diesel, and biodiesel blends
15 shall be as provided in Section 3-5.1 of the Use Tax Act. If,
16 at any time, however, the tax under this Act on sales of
17 biodiesel blends, as defined in the Use Tax Act, with no less
18 than 1% and no more than 10% biodiesel is imposed at the rate
19 of 1.25%, then the tax imposed by this Act applies to 100% of
20 the proceeds of sales of biodiesel blends with no less than 1%
21 and no more than 10% biodiesel made during that time.

22 With respect to biodiesel, as defined in the Use Tax Act,
23 and biodiesel blends, as defined in the Use Tax Act, with more
24 than 10% but no more than 99% biodiesel, the tax imposed by
25 this Act does not apply to the proceeds of sales made on or
26 after July 1, 2003 and on or before December 31, 2023. On and

1 after January 1, 2024 and on or before December 31, 2030, the
2 taxation of biodiesel, renewable diesel, and biodiesel blends
3 shall be as provided in Section 3-5.1 of the Use Tax Act.

4 Until July 1, 2022 and from July 1, 2023 through December
5 31, 2025, with respect to food for human consumption that is to
6 be consumed off the premises where it is sold (other than
7 alcoholic beverages, food consisting of or infused with adult
8 use cannabis, soft drinks, and food that has been prepared for
9 immediate consumption), the tax is imposed at the rate of 1%.
10 Beginning July 1, 2022 and until July 1, 2023, with respect to
11 food for human consumption that is to be consumed off the
12 premises where it is sold (other than alcoholic beverages,
13 food consisting of or infused with adult use cannabis, soft
14 drinks, and food that has been prepared for immediate
15 consumption), the tax is imposed at the rate of 0%. On and
16 after January 1, 2026, food for human consumption that is to be
17 consumed off the premises where it is sold (other than
18 alcoholic beverages, food consisting of or infused with adult
19 use cannabis, soft drinks, candy, and food that has been
20 prepared for immediate consumption) is exempt from the tax
21 imposed by this Act.

22 With respect to prescription and nonprescription
23 medicines, drugs, medical appliances, products classified as
24 Class III medical devices by the United States Food and Drug
25 Administration that are used for cancer treatment pursuant to
26 a prescription, as well as any accessories and components

1 related to those devices, modifications to a motor vehicle for
2 the purpose of rendering it usable by a person with a
3 disability, and insulin, blood sugar testing materials,
4 syringes, and needles used by human diabetics, the tax is
5 imposed at the rate of 1%. For the purposes of this Section,
6 until September 1, 2009: the term "soft drinks" means any
7 complete, finished, ready-to-use, non-alcoholic drink, whether
8 carbonated or not, including, but not limited to, soda water,
9 cola, fruit juice, vegetable juice, carbonated water, and all
10 other preparations commonly known as soft drinks of whatever
11 kind or description that are contained in any closed or sealed
12 bottle, can, carton, or container, regardless of size; but
13 "soft drinks" does not include coffee, tea, non-carbonated
14 water, infant formula, milk or milk products as defined in the
15 Grade A Pasteurized Milk and Milk Products Act, or drinks
16 containing 50% or more natural fruit or vegetable juice.

17 Notwithstanding any other provisions of this Act,
18 beginning September 1, 2009, "soft drinks" means non-alcoholic
19 beverages that contain natural or artificial sweeteners. "Soft
20 drinks" does not include beverages that contain milk or milk
21 products, soy, rice or similar milk substitutes, or greater
22 than 50% of vegetable or fruit juice by volume.

23 Until August 1, 2009, and notwithstanding any other
24 provisions of this Act, "food for human consumption that is to
25 be consumed off the premises where it is sold" includes all
26 food sold through a vending machine, except soft drinks and

1 food products that are dispensed hot from a vending machine,
2 regardless of the location of the vending machine. Beginning
3 August 1, 2009, and notwithstanding any other provisions of
4 this Act, "food for human consumption that is to be consumed
5 off the premises where it is sold" includes all food sold
6 through a vending machine, except soft drinks, candy, and food
7 products that are dispensed hot from a vending machine,
8 regardless of the location of the vending machine.

9 Notwithstanding any other provisions of this Act,
10 beginning September 1, 2009, "food for human consumption that
11 is to be consumed off the premises where it is sold" does not
12 include candy. For purposes of this Section, "candy" means a
13 preparation of sugar, honey, or other natural or artificial
14 sweeteners in combination with chocolate, fruits, nuts or
15 other ingredients or flavorings in the form of bars, drops, or
16 pieces. "Candy" does not include any preparation that contains
17 flour or requires refrigeration.

18 Notwithstanding any other provisions of this Act,
19 beginning September 1, 2009, "nonprescription medicines and
20 drugs" does not include grooming and hygiene products. For
21 purposes of this Section, "grooming and hygiene products"
22 includes, but is not limited to, soaps and cleaning solutions,
23 shampoo, toothpaste, mouthwash, antiperspirants, and sun tan
24 lotions and screens, unless those products are available by
25 prescription only, regardless of whether the products meet the
26 definition of "over-the-counter-drugs". For the purposes of

1 this paragraph, "over-the-counter-drug" means a drug for human
2 use that contains a label that identifies the product as a drug
3 as required by 21 CFR 201.66. The "over-the-counter-drug"
4 label includes:

5 (A) a "Drug Facts" panel; or

6 (B) a statement of the "active ingredient(s)" with a
7 list of those ingredients contained in the compound,
8 substance or preparation.

9 Beginning on January 1, 2014 (the effective date of Public
10 Act 98-122), and through June 30, 2026, "prescription and
11 nonprescription medicines and drugs" includes medical cannabis
12 purchased from a registered dispensing organization under the
13 Compassionate Use of Medical Cannabis Program Act.

14 Beginning on July 1, 2026, "prescription and
15 nonprescription medicines and drugs" includes cannabis
16 purchased by a qualified registered patient, provisional
17 patient, designated caregiver, or Opioid Alternative Patient
18 Program participant as part of their adequate medical supply,
19 as these terms are defined under the Cannabis Regulation and
20 Tax Act, from a dispensing organization registered under the
21 Compassionate Use of Medical Cannabis Program Act or the
22 Cannabis Regulation and Tax Act.

23 As used in this Section, and through June 30, 2026, "adult
24 use cannabis" means cannabis subject to tax under the Cannabis
25 Cultivation Privilege Tax Law and the Cannabis Purchaser
26 Excise Tax Law and does not include cannabis subject to tax

1 under the Compassionate Use of Medical Cannabis Program Act.

2 Beginning July 1, 2026, as used in this Section, "adult
3 use cannabis" means cannabis subject to tax under the Cannabis
4 Cultivation Privilege Tax Law and the Cannabis Purchaser
5 Excise Tax Law and does not include cannabis purchased by a
6 qualified registered patient, provisional patient, designated
7 caregiver, or Opioid Alternative Patient Program participant
8 as part of their adequate medical supply.

9 (Source: P.A. 102-4, eff. 4-27-21; 102-700, Article 20,
10 Section 20-20, eff. 4-19-22; 102-700, Article 60, Section
11 60-30, eff. 4-19-22; 102-700, Article 65, Section 65-10, eff.
12 4-19-22; 103-9, eff. 6-7-23; 103-154, eff. 6-30-23; 103-592,
13 eff. 1-1-25; 103-781, eff. 8-5-24; revised 11-26-24.)

14 (35 ILCS 120/11) (from Ch. 120, par. 450)

15 Sec. 11. All information received by the Department from
16 returns filed under this Act, or from any investigation
17 conducted under this Act, shall be confidential, except for
18 official purposes, and any person, including a third party as
19 defined in the Local Government Revenue Recapture Act, who
20 divulges any such information in any manner, except in
21 accordance with a proper judicial order or as otherwise
22 provided by law, including the Local Government Revenue
23 Recapture Act, shall be guilty of a Class B misdemeanor with a
24 fine not to exceed \$7,500.

25 Nothing in this Act prevents the Director of Revenue from

1 publishing or making available to the public the names and
2 addresses of persons filing returns under this Act, or
3 reasonable statistics concerning the operation of the tax by
4 grouping the contents of returns so the information in any
5 individual return is not disclosed.

6 Nothing in this Act prevents the Director of Revenue from
7 divulging to the United States Government or the government of
8 any other state, or any officer or agency thereof, for
9 exclusively official purposes, information received by the
10 Department in administering this Act, provided that such other
11 governmental agency agrees to divulge requested tax
12 information to the Department.

13 The Department's furnishing of information derived from a
14 taxpayer's return or from an investigation conducted under
15 this Act to the surety on a taxpayer's bond that has been
16 furnished to the Department under this Act, either to provide
17 notice to such surety of its potential liability under the
18 bond or, in order to support the Department's demand for
19 payment from such surety under the bond, is an official
20 purpose within the meaning of this Section.

21 The furnishing upon request of information obtained by the
22 Department from returns filed under this Act or investigations
23 conducted under this Act to the Illinois Liquor Control
24 Commission for official use is deemed to be an official
25 purpose within the meaning of this Section.

26 Notice to a surety of potential liability shall not be

1 given unless the taxpayer has first been notified, not less
2 than 10 days prior thereto, of the Department's intent to so
3 notify the surety.

4 The furnishing upon request of the Auditor General, or his
5 authorized agents, for official use, of returns filed and
6 information related thereto under this Act is deemed to be an
7 official purpose within the meaning of this Section.

8 Where an appeal or a protest has been filed on behalf of a
9 taxpayer, the furnishing upon request of the attorney for the
10 taxpayer of returns filed by the taxpayer and information
11 related thereto under this Act is deemed to be an official
12 purpose within the meaning of this Section.

13 The furnishing of financial information to a municipality
14 or county, upon request of the chief executive officer
15 thereof, is an official purpose within the meaning of this
16 Section, provided the municipality or county agrees in writing
17 to the requirements of this Section. Information provided to
18 municipalities and counties under this paragraph shall be
19 limited to: (1) the business name; (2) the business address;
20 (3) the standard classification number assigned to the
21 business; (4) net revenue distributed to the requesting
22 municipality or county that is directly related to the
23 requesting municipality's or county's local share of the
24 proceeds under the Use Tax Act, the Service Use Tax Act, the
25 Service Occupation Tax Act, and the Retailers' Occupation Tax
26 Act distributed from the Local Government Tax Fund, and, if

1 applicable, any locally imposed retailers' occupation tax or
2 service occupation tax; and (5) a listing of all businesses
3 within the requesting municipality or county by account
4 identification number and address. On and after July 1, 2015,
5 the furnishing of financial information to municipalities and
6 counties under this paragraph may be by electronic means. If
7 the Department may furnish financial information to a
8 municipality or county under this paragraph, then the chief
9 executive officer of the municipality or county may, in turn,
10 provide that financial information to a third party pursuant
11 to the Local Government Revenue Recapture Act. However, the
12 third party shall agree in writing to the requirements of this
13 Section and meet the requirements of the Local Government
14 Revenue Recapture Act.

15 Information so provided shall be subject to all
16 confidentiality provisions of this Section. The written
17 agreement shall provide for reciprocity, limitations on
18 access, disclosure, and procedures for requesting information.
19 For the purposes of furnishing financial information to a
20 municipality or county under this Section, "chief executive
21 officer" means the mayor of a city, the village board
22 president of a village, the mayor or president of an
23 incorporated town, the county executive of a county that has
24 adopted the county executive form of government, the president
25 of the board of commissioners of Cook County, or the
26 chairperson of the county board or board of county

1 commissioners of any other county.

2 The Department may make available to the Board of Trustees
3 of any Metro East Mass Transit District information contained
4 on transaction reporting returns required to be filed under
5 Section 3 of this Act that report sales made within the
6 boundary of the taxing authority of that Metro East Mass
7 Transit District, as provided in Section 5.01 of the Local
8 Mass Transit District Act. The disclosure shall be made
9 pursuant to a written agreement between the Department and the
10 Board of Trustees of a Metro East Mass Transit District, which
11 is an official purpose within the meaning of this Section. The
12 written agreement between the Department and the Board of
13 Trustees of a Metro East Mass Transit District shall provide
14 for reciprocity, limitations on access, disclosure, and
15 procedures for requesting information. Information so provided
16 shall be subject to all confidentiality provisions of this
17 Section.

18 The Director may make available to any State agency,
19 including the Illinois Supreme Court, which licenses persons
20 to engage in any occupation, information that a person
21 licensed by such agency has failed to file returns under this
22 Act or pay the tax, penalty and interest shown therein, or has
23 failed to pay any final assessment of tax, penalty or interest
24 due under this Act. The Director may make available to any
25 State agency, including the Illinois Supreme Court,
26 information regarding whether a bidder, contractor, or an

1 affiliate of a bidder or contractor has failed to collect and
2 remit Illinois Use tax on sales into Illinois, or any tax under
3 this Act or pay the tax, penalty, and interest shown therein,
4 or has failed to pay any final assessment of tax, penalty, or
5 interest due under this Act, for the limited purpose of
6 enforcing bidder and contractor certifications. The Director
7 may make available to units of local government and school
8 districts that require bidder and contractor certifications,
9 as set forth in Sections 50-11 and 50-12 of the Illinois
10 Procurement Code, information regarding whether a bidder,
11 contractor, or an affiliate of a bidder or contractor has
12 failed to collect and remit Illinois Use tax on sales into
13 Illinois, file returns under this Act, or pay the tax,
14 penalty, and interest shown therein, or has failed to pay any
15 final assessment of tax, penalty, or interest due under this
16 Act, for the limited purpose of enforcing bidder and
17 contractor certifications. For purposes of this Section, the
18 term "affiliate" means any entity that (1) directly,
19 indirectly, or constructively controls another entity, (2) is
20 directly, indirectly, or constructively controlled by another
21 entity, or (3) is subject to the control of a common entity.
22 For purposes of this Section, an entity controls another
23 entity if it owns, directly or individually, more than 10% of
24 the voting securities of that entity. As used in this Section,
25 the term "voting security" means a security that (1) confers
26 upon the holder the right to vote for the election of members

1 of the board of directors or similar governing body of the
2 business or (2) is convertible into, or entitles the holder to
3 receive upon its exercise, a security that confers such a
4 right to vote. A general partnership interest is a voting
5 security.

6 The Director may make available to any State agency,
7 including the Illinois Supreme Court, units of local
8 government, and school districts, information regarding
9 whether a bidder or contractor is an affiliate of a person who
10 is not collecting and remitting Illinois Use taxes for the
11 limited purpose of enforcing bidder and contractor
12 certifications.

13 The Director may also make available to the Secretary of
14 State information that a limited liability company, which has
15 filed articles of organization with the Secretary of State, or
16 corporation which has been issued a certificate of
17 incorporation by the Secretary of State has failed to file
18 returns under this Act or pay the tax, penalty and interest
19 shown therein, or has failed to pay any final assessment of
20 tax, penalty or interest due under this Act. An assessment is
21 final when all proceedings in court for review of such
22 assessment have terminated or the time for the taking thereof
23 has expired without such proceedings being instituted.

24 It is an official purpose within the meaning of this
25 Section for the Department to publicly report the aggregate
26 amount of tax revenues from a given tax return type that the

1 Department allocates from a State fund or State trust fund to
2 each unit of local government, such as the amount of the
3 monthly allocation to each unit of local government of
4 Municipal Cannabis Retailers' Occupation Tax, County Cannabis
5 Retailers' Occupation Tax, or Business District Occupation
6 Tax, notwithstanding that some units of local government may
7 have as few as one retailer reporting revenues for a given tax
8 return type in any given reporting period.

9 The Director shall make available for public inspection in
10 the Department's principal office and for publication, at
11 cost, administrative decisions issued on or after January 1,
12 1995. These decisions are to be made available in a manner so
13 that the following taxpayer information is not disclosed:

14 (1) The names, addresses, and identification numbers
15 of the taxpayer, related entities, and employees.

16 (2) At the sole discretion of the Director, trade
17 secrets or other confidential information identified as
18 such by the taxpayer, no later than 30 days after receipt
19 of an administrative decision, by such means as the
20 Department shall provide by rule.

21 The Director shall determine the appropriate extent of the
22 deletions allowed in paragraph (2). In the event the taxpayer
23 does not submit deletions, the Director shall make only the
24 deletions specified in paragraph (1).

25 The Director shall make available for public inspection
26 and publication an administrative decision within 180 days

1 after the issuance of the administrative decision. The term
2 "administrative decision" has the same meaning as defined in
3 Section 3-101 of Article III of the Code of Civil Procedure.
4 Costs collected under this Section shall be paid into the Tax
5 Compliance and Administration Fund.

6 Nothing contained in this Act shall prevent the Director
7 from divulging information to any person pursuant to a request
8 or authorization made by the taxpayer or by an authorized
9 representative of the taxpayer.

10 The furnishing of information obtained by the Department
11 from returns filed under Public Act 101-10 to the Department
12 of Transportation for purposes of compliance with Public Act
13 101-10 regarding aviation fuel is deemed to be an official
14 purpose within the meaning of this Section.

15 The Director may make information available to the
16 Secretary of State for the purpose of administering Section
17 5-901 of the Illinois Vehicle Code.

18 (Source: P.A. 101-10, eff. 6-5-19; 101-628, eff. 6-1-20;
19 102-558, eff. 8-20-21; 102-941, eff. 7-1-22.)

20 Section 30. The Compassionate Use of Medical Cannabis
21 Program Act is amended by changing Sections 7, 7-15, 10, 15,
22 25, 30, 35, 57, 60, 62, 70, 75, 85, 90, 95, 100, 105, 110, 115,
23 120, 125, 130, 140, 145, 150, 180, 200, 205, and 210 as
24 follows:

1 (410 ILCS 130/7)

2 Sec. 7. Lawful user and lawful products. For the purposes
3 of this Act and to clarify the legislative findings on the
4 lawful use of cannabis:

5 (1) A cardholder under this Act shall not be
6 considered an unlawful user or addicted to narcotics
7 solely as a result of his or her qualifying patient,
8 provisional patient, or designated caregiver, or Opioid
9 Alternative Patient Program participant status.

10 (2) All ~~medical~~ cannabis products purchased by a
11 qualifying patient, provisional patient, designated
12 caregiver, or Opioid Alternative Patient Program
13 participant at a licensed dispensing organization shall be
14 lawful products ~~and a distinction shall be made between~~
15 ~~medical and non medical uses of cannabis as a result of~~
16 ~~the qualifying patient's cardholder status, provisional~~
17 ~~registration for qualifying patient cardholder status, or~~
18 ~~participation in the Opioid Alternative Pilot Program~~
19 ~~under the authorized use granted under State law.~~

20 (3) An individual with a provisional registration for
21 qualifying patient cardholder status, a qualifying patient
22 in the Compassionate Use of Medical Cannabis Program, or
23 an Opioid Alternative Patient ~~Pilot~~ Program participant
24 under Section 62 shall not be considered an unlawful user
25 or addicted to narcotics solely as a result of his or her
26 application to or participation in the program.

1 (Source: P.A. 100-1114, eff. 8-28-18; 101-363, eff. 8-9-19.)

2 (410 ILCS 130/10)

3 Sec. 10. Definitions. The following terms, as used in this
4 Act, shall have the meanings set forth in this Section:

5 (a) "Adequate medical supply" means:

6 (1) 2.5 ounces of usable cannabis during a period of
7 14 days and that is derived solely from an intrastate
8 source.

9 (2) Subject to the rules of the Department of Public
10 Health, a patient may apply for a waiver where a
11 certifying health care professional provides a substantial
12 medical basis in a signed, written statement asserting
13 that, based on the patient's medical history, in the
14 certifying health care professional's professional
15 judgment, 2.5 ounces is an insufficient adequate medical
16 supply for a 14-day period to properly alleviate the
17 patient's debilitating medical condition or symptoms
18 associated with the debilitating medical condition.

19 (3) This subsection may not be construed to authorize
20 the possession of more than 2.5 ounces at any time without
21 authority from the Department of Public Health.

22 (4) The pre-mixed weight of medical cannabis used in
23 making a cannabis-infused ~~cannabis-infused~~ product shall
24 apply toward the limit on the total amount of medical
25 cannabis a registered qualifying patient may possess at

1 any one time.

2 (a-5) "Advanced practice registered nurse" means a person
3 who is licensed under the Nurse Practice Act as an advanced
4 practice registered nurse and has a controlled substances
5 license under Article III of the Illinois Controlled
6 Substances Act.

7 (b) "Cannabis" has the same meaning given to that term in
8 Section 1-10 ~~3~~ of the Cannabis Regulation and Tax ~~Control~~ Act.

9 (b-5) "Cannabis business establishment" has the same
10 meaning given to that term in Section 1-10 of the Cannabis
11 Regulation and Tax Act.

12 (c) "Cannabis plant monitoring system" means a system that
13 includes, but is not limited to, testing and data collection
14 established and maintained by the registered cultivation
15 center and available to the Department for the purposes of
16 documenting each cannabis plant and for monitoring plant
17 development throughout the life cycle of a cannabis plant
18 cultivated for the intended use by a qualifying patient from
19 seed planting to final packaging.

20 (d) "Cardholder" means a qualifying patient, provisional
21 patient, or a designated caregiver who has been issued and
22 possesses a valid registry identification card by the
23 Department of Public Health.

24 (d-5) "Certifying health care professional" means a
25 physician, an advanced practice registered nurse, or a
26 physician assistant.

1 (e) "Cultivation center" means a facility operated by an
2 organization or business that is registered by the Department
3 of Agriculture to perform necessary activities to provide only
4 registered medical cannabis dispensing organizations with
5 usable medical cannabis. Beginning July 1, 2026, cultivation
6 centers registered under this Act are subject to regulation
7 exclusively as a cultivation center under the Cannabis
8 Regulation and Tax Act. Cultivation center registrations under
9 this Act shall not be renewed after July 1, 2026.

10 (f) "Cultivation center agent" means a principal officer,
11 board member, employee, or agent of a registered cultivation
12 center who is 21 years of age. This subsection becomes
13 inoperative on January 1, 2027 ~~or older and has not been~~
14 ~~convicted of an excluded offense.~~

15 (g) "Cultivation center agent identification card" means a
16 document issued by the Department of Agriculture that
17 identifies a person as a cultivation center agent. This
18 subsection (g) becomes inoperative on January 1, 2027.

19 (h) "Debilitating medical condition" means one or more of
20 the following:

21 (1) cancer, glaucoma, positive status for human
22 immunodeficiency virus, acquired immune deficiency
23 syndrome, hepatitis C, amyotrophic lateral sclerosis,
24 Crohn's disease (including, but not limited to, ulcerative
25 colitis), agitation of Alzheimer's disease,
26 cachexia/wasting syndrome, muscular dystrophy, severe

1 fibromyalgia, spinal cord disease, including but not
2 limited to arachnoiditis, Tarlov cysts, hydromyelia,
3 syringomyelia, Rheumatoid arthritis, fibrous dysplasia,
4 spinal cord injury, traumatic brain injury and
5 post-concussion syndrome, Multiple Sclerosis,
6 Arnold-Chiari malformation and Syringomyelia,
7 Spinocerebellar Ataxia (SCA), Parkinson's, Tourette's,
8 Myoclonus, Dystonia, Reflex Sympathetic Dystrophy, RSD
9 (Complex Regional Pain Syndromes Type I), Causalgia, CRPS
10 (Complex Regional Pain Syndromes Type II),
11 Neurofibromatosis, Chronic Inflammatory Demyelinating
12 Polyneuropathy, Sjogren's syndrome, Lupus, Interstitial
13 Cystitis, Myasthenia Gravis, Hydrocephalus, nail-patella
14 syndrome, residual limb pain, seizures (including those
15 characteristic of epilepsy), post-traumatic stress
16 disorder (PTSD), autism, chronic pain, irritable bowel
17 syndrome, migraines, osteoarthritis, anorexia nervosa,
18 Ehlers-Danlos Syndrome, Neuro-Behcet's Autoimmune
19 Disease, neuropathy, polycystic kidney disease, superior
20 canal dehiscence syndrome, endometriosis, ovarian cysts,
21 uterine fibroids, female orgasmic disorder, or the
22 treatment of these conditions;

23 (1.5) terminal illness with a diagnosis of 6 months or
24 less; if the terminal illness is not one of the qualifying
25 debilitating medical conditions, then the certifying
26 health care professional shall on the certification form

1 identify the cause of the terminal illness; or

2 (2) any other debilitating medical condition or its
3 treatment that is added by the Department of Public Health
4 by rule as provided in Section 45.

5 (i) "Designated caregiver" means a person who: (1) is at
6 least 21 years of age; (2) has agreed to assist with a
7 patient's medical use of cannabis; ~~(3) has not been convicted~~
8 ~~of an excluded offense;~~ and (3) (4) assists no more than one
9 registered qualifying patient with the patient's his or her
10 medical use of cannabis, except the parent or guardian of a
11 registered qualifying patient may assist each of their
12 children who are registered qualifying patients. Beginning
13 July 1, 2026, a designated caregiver registered under this Act
14 may perform the designated caregiver's duties at any
15 dispensary licensed by the Department of Financial and
16 Professional Regulation under the Cannabis Regulation and Tax
17 Act.

18 (j) "Dispensing organization agent identification card"
19 means a document issued by the Department of Financial and
20 Professional Regulation that identifies a person as a medical
21 cannabis dispensing organization agent. This subsection (j)
22 becomes inoperative on January 1, 2027.

23 (k) "Enclosed, locked facility" means a room, greenhouse,
24 building, or other enclosed area equipped with locks or other
25 security devices that permit access only by a cultivation
26 center's agents or a dispensing organization's agent working

1 for the registered cultivation center or the registered
2 dispensing organization to cultivate, store, and distribute
3 cannabis for registered qualifying patients. This subsection
4 (k) becomes inoperative on January 1, 2027.

5 (1) (Blank). ~~"Excluded offense" for cultivation center~~
6 ~~agents and dispensing organizations means:~~

7 ~~(1) a violent crime defined in Section 3 of the Rights~~
8 ~~of Crime Victims and Witnesses Act or a substantially~~
9 ~~similar offense that was classified as a felony in the~~
10 ~~jurisdiction where the person was convicted; or~~

11 ~~(2) a violation of a state or federal controlled~~
12 ~~substance law, the Cannabis Control Act, or the~~
13 ~~Methamphetamine Control and Community Protection Act that~~
14 ~~was classified as a felony in the jurisdiction where the~~
15 ~~person was convicted, except that the registering~~
16 ~~Department may waive this restriction if the person~~
17 ~~demonstrates to the registering Department's satisfaction~~
18 ~~that his or her conviction was for the possession,~~
19 ~~cultivation, transfer, or delivery of a reasonable amount~~
20 ~~of cannabis intended for medical use. This exception does~~
21 ~~not apply if the conviction was under state law and~~
22 ~~involved a violation of an existing medical cannabis law.~~

23 ~~For purposes of this subsection, the Department of Public~~
24 ~~Health shall determine by emergency rule within 30 days after~~
25 ~~the effective date of this amendatory Act of the 99th General~~
26 ~~Assembly what constitutes a "reasonable amount".~~

1 ~~(1-5) (Blank).~~

2 (1-10) "Illinois Cannabis Tracking System" means a
3 web-based system established and maintained by the Department
4 of Public Health that is available to the Department of
5 Agriculture, the Department of Financial and Professional
6 Regulation, the Illinois State Police, and registered medical
7 cannabis dispensing organizations on a 24-hour basis to upload
8 written certifications for Opioid Alternative Patient Pilot
9 Program participants, to verify Opioid Alternative Patient
10 ~~Pilot~~ Program participants, to verify Opioid Alternative
11 Patient Pilot Program participants' available cannabis
12 allotment ~~and assigned dispensary~~, and the tracking of the
13 date of sale, amount, and price of medical cannabis purchased
14 by an Opioid Alternative Patient Pilot Program participant.

15 (m) "Medical cannabis cultivation center registration"
16 means a registration issued by the Department of Agriculture.
17 This subsection (m) becomes inoperative on January 1, 2027.

18 (n) "Medical cannabis container" means a sealed,
19 traceable, food compliant, tamper resistant, tamper evident
20 container, or package used for the purpose of containment of
21 medical cannabis from a cultivation center to a dispensing
22 organization. This subsection (n) becomes inoperative on
23 January 1, 2027.

24 (o) "Medical cannabis dispensing organization", or
25 "dispensing organization", or "dispensary organization",
26 through June 30, 2026, means a facility operated by an

1 organization or business that is registered by the Department
2 of Financial and Professional Regulation to acquire medical
3 cannabis from a registered cultivation center for the purpose
4 of dispensing cannabis, paraphernalia, or related supplies and
5 educational materials to registered qualifying patients,
6 individuals with a provisional registration for qualifying
7 patient cardholder status, or an Opioid Alternative Patient
8 Pilot Program participant. Beginning July 1, 2026, medical
9 cannabis dispensing organizations licensed under this Act are
10 subject to regulation as a dispensary under the Cannabis
11 Regulation and Tax Act.

12 (p) "Medical cannabis dispensing organization agent" or
13 "dispensing organization agent" means a principal officer,
14 board member, employee, or agent of a registered medical
15 cannabis dispensing organization who is 21 years of age or
16 older and has not been convicted of an excluded offense.
17 Beginning July 1, 2026, medical cannabis dispensing
18 organization agents licensed under this Act are subject to
19 regulation as a dispensary organization agent under the
20 Cannabis Regulation and Tax Act.

21 (q) "Medical cannabis infused product" means food, oils,
22 ointments, or other products containing usable cannabis that
23 are not smoked.

24 (r) "Medical use" means the acquisition; administration;
25 delivery; possession; transfer; transportation; or use of
26 cannabis to treat or alleviate a registered qualifying

1 patient's debilitating medical condition or symptoms
2 associated with the patient's debilitating medical condition.

3 (r-5) "Opioid" means a narcotic drug or substance that is
4 a Schedule II controlled substance under paragraph (1), (2),
5 (3), or (5) of subsection (b) or under subsection (c) of
6 Section 206 of the Illinois Controlled Substances Act.

7 (r-10) "Opioid Alternative Patient ~~Pilot~~ Program
8 participant" means an individual who has received a valid
9 written certification to participate in the Opioid Alternative
10 Patient ~~Pilot~~ Program for a medical condition for which an
11 opioid has been or could be prescribed by a certifying health
12 care professional based on generally accepted standards of
13 care.

14 (s) "Physician" means a doctor of medicine or doctor of
15 osteopathy licensed under the Medical Practice Act of 1987 to
16 practice medicine and who has a controlled substances license
17 under Article III of the Illinois Controlled Substances Act.
18 It does not include a licensed practitioner under any other
19 Act including but not limited to the Illinois Dental Practice
20 Act.

21 (s-1) "Physician assistant" means a physician assistant
22 licensed under the Physician Assistant Practice Act of 1987
23 and who has a controlled substances license under Article III
24 of the Illinois Controlled Substances Act.

25 (s-5) "Provisional registration" means a document issued
26 by the Department of Public Health to a qualifying patient who

1 has submitted: (1) an online application and paid a fee to
2 participate in Compassionate Use of Medical Cannabis Program
3 pending approval or denial of the patient's application; or
4 (2) a completed application for terminal illness.

5 (s-10) "Provisional patient" means a qualifying patient
6 who has received a provisional registration from the
7 Department of Public Health.

8 (t) "Qualifying patient" or "registered qualifying
9 patient" means a person who has been diagnosed by a certifying
10 health care professional as having a debilitating medical
11 condition.

12 (u) "Registered" means licensed, permitted, or otherwise
13 certified by the Department of Agriculture, Department of
14 Public Health, or Department of Financial and Professional
15 Regulation.

16 (v) "Registry identification card" means a document issued
17 by the Department of Public Health that identifies a person as
18 a registered qualifying patient, provisional patient, or
19 registered designated caregiver.

20 (w) "Usable cannabis" means the seeds, leaves, buds, and
21 flowers of the cannabis plant and any mixture or preparation
22 thereof, but does not include the stalks, and roots of the
23 plant. It does not include the weight of any non-cannabis
24 ingredients combined with cannabis, such as ingredients added
25 to prepare a topical administration, food, or drink.

26 (x) "Verification system" means a Web-based system

1 established and maintained by the Department of Public Health
2 that is available to the Department of Agriculture, the
3 Department of Financial and Professional Regulation, law
4 enforcement personnel, and registered medical cannabis
5 dispensing organization agents on a 24-hour basis for the
6 verification of registry identification cards, the tracking of
7 delivery of medical cannabis to medical cannabis dispensing
8 organizations, and the tracking of the date of sale, amount,
9 and price of medical cannabis purchased by a registered
10 qualifying patient.

11 (y) "Written certification" means a document dated and
12 signed by a certifying health care professional, stating (1)
13 that the qualifying patient has a debilitating medical
14 condition and specifying the debilitating medical condition
15 the qualifying patient has; and (2) that (A) the certifying
16 health care professional is treating or managing treatment of
17 the patient's debilitating medical condition; or (B) an Opioid
18 Alternative Patient ~~Pilot~~ Program participant has a medical
19 condition for which opioids have been or could be prescribed.
20 A written certification shall be made only in the course of a
21 bona fide health care professional-patient relationship, after
22 the certifying health care professional has completed an
23 assessment of either a qualifying patient's medical history or
24 Opioid Alternative Patient ~~Pilot~~ Program participant, reviewed
25 relevant records related to the patient's debilitating
26 condition, and conducted a physical examination.

1 (z) "Bona fide health care professional-patient
2 relationship" means a relationship established at a hospital,
3 certifying health care professional's office, or other health
4 care facility in which the certifying health care professional
5 has an ongoing responsibility for the assessment, care, and
6 treatment of a patient's debilitating medical condition or a
7 symptom of the patient's debilitating medical condition.

8 A veteran who has received treatment at a VA hospital
9 shall be deemed to have a bona fide health care
10 professional-patient relationship with a VA certifying health
11 care professional if the patient has been seen for his or her
12 debilitating medical condition at the VA Hospital in
13 accordance with VA Hospital protocols.

14 A bona fide health care professional-patient relationship
15 under this subsection is a privileged communication within the
16 meaning of Section 8-802 of the Code of Civil Procedure.

17 (Source: P.A. 100-1114, eff. 8-28-18; 101-363, eff. 8-9-19.)

18 (410 ILCS 130/15)

19 Sec. 15. Authority.

20 (a) It is the duty of the Department of Public Health to
21 enforce the following provisions of this Act unless otherwise
22 provided for by this Act:

23 (1) establish and maintain a confidential registry of
24 qualifying patients authorized to engage in the medical
25 use of cannabis and their caregivers;

1 (2) distribute educational materials about the health
2 benefits and risks associated with the use of cannabis and
3 prescription medications;

4 (3) adopt rules to administer the patient and
5 caregiver registration program; and

6 (4) adopt rules establishing food handling
7 requirements for cannabis-infused products that are
8 prepared for human consumption.

9 (b) Through June 30, 2026, it ~~It~~ is the duty of the
10 Department of Agriculture to enforce the provisions of this
11 Act relating to the registration and oversight of cultivation
12 centers unless otherwise provided for in this Act.

13 (c) Through June 30, 2026, it ~~It~~ is the duty of the
14 Department of Financial and Professional Regulation to enforce
15 the provisions of this Act relating to the registration and
16 oversight of dispensing organizations unless otherwise
17 provided for in this Act.

18 (d) Through June 30, 2026, the ~~The~~ Department of Public
19 Health, the Department of Agriculture, or the Department of
20 Financial and Professional Regulation shall enter into
21 intergovernmental agreements, as necessary, to carry out the
22 provisions of this Act including, but not limited to, the
23 provisions relating to the registration and oversight of
24 cultivation centers, dispensing organizations, and qualifying
25 patients and caregivers. Beginning July 1, 2026, the
26 Department of Public Health may enter into intergovernmental

1 agreements, as necessary, to carry out the provisions of this
2 Act, including, but not limited to, the provisions relating to
3 qualifying patients and caregivers.

4 (e) The Department of Public Health, the Department of
5 Agriculture through July 1, 2026, or the Department of
6 Financial and Professional Regulation through June 30, 2026
7 may suspend, revoke, or impose other penalties upon a
8 registration for violations of this Act and any rules adopted
9 in accordance thereto. The suspension or revocation of, or
10 imposition of any other penalty upon, a registration is a
11 final Agency action, subject to judicial review. Jurisdiction
12 and venue for judicial review are vested in the Circuit Court.
13 (Source: P.A. 98-122, eff. 1-1-14; 98-1172, eff. 1-12-15;
14 99-519, eff. 6-30-16.)

15 (410 ILCS 130/25)

16 Sec. 25. Immunities and presumptions related to the
17 medical use of cannabis.

18 (a) A registered qualifying patient is not subject to
19 arrest, prosecution, or denial of any right or privilege,
20 including, but not limited to, civil penalty or disciplinary
21 action by an occupational or professional licensing board, for
22 the medical use of cannabis in accordance with this Act, if the
23 registered qualifying patient possesses an amount of cannabis
24 that does not exceed an adequate medical supply as defined in
25 subsection (a) of Section 10 of this Act of usable cannabis

1 and, where the registered qualifying patient is a licensed
2 professional, the use of cannabis does not impair that
3 licensed professional when he or she is engaged in the
4 practice of the profession for which he or she is licensed.

5 (b) A registered designated caregiver is not subject to
6 arrest, prosecution, or denial of any right or privilege,
7 including, but not limited to, civil penalty or disciplinary
8 action by an occupational or professional licensing board, for
9 acting in accordance with this Act to assist a registered
10 qualifying patient to whom he or she is connected through the
11 Department's registration process with the medical use of
12 cannabis if the designated caregiver possesses an amount of
13 cannabis that does not exceed an adequate medical supply as
14 defined in subsection (a) of Section 10 of this Act of usable
15 cannabis. A school nurse or school administrator is not
16 subject to arrest, prosecution, or denial of any right or
17 privilege, including, but not limited to, a civil penalty, for
18 acting in accordance with Section 22-33 of the School Code
19 relating to administering or assisting a student in
20 self-administering a medical cannabis infused product. The
21 total amount possessed between the qualifying patient and
22 caregiver shall not exceed the patient's adequate supply as
23 defined in subsection (a) of Section 10 of this Act.

24 (c) A registered qualifying patient, ~~or~~ registered
25 designated caregiver, or Opioid Alternative Patient Program
26 participant is not subject to arrest, prosecution, or denial

1 of any right or privilege, including, but not limited to,
2 civil penalty or disciplinary action by an occupational or
3 professional licensing board for possession of cannabis that
4 is incidental to medical use, but is not usable cannabis as
5 defined in this Act.

6 (d) (1) There is a rebuttable presumption that a registered
7 qualifying patient is engaged in, or a designated caregiver is
8 assisting with, the medical use of cannabis in accordance with
9 this Act if the qualifying patient or designated caregiver:

10 (A) is in possession of a valid registry
11 identification card; and

12 (B) is in possession of an amount of cannabis that
13 does not exceed the amount allowed under subsection (a) of
14 Section 10.

15 (2) The presumption may be rebutted by evidence that
16 conduct related to cannabis was not for the purpose of
17 treating or alleviating the qualifying patient's debilitating
18 medical condition or symptoms associated with the debilitating
19 medical condition in compliance with this Act.

20 (e) A certifying health care professional is not subject
21 to arrest, prosecution, or penalty in any manner, or denial of
22 any right or privilege, including, but not limited to, civil
23 penalty or disciplinary action by the Medical Disciplinary
24 Board or by any other occupational or professional licensing
25 board, solely for providing written certifications or for
26 otherwise stating that, in the certifying health care

1 professional's professional opinion, a patient is likely to
2 receive therapeutic or palliative benefit from the medical use
3 of cannabis to treat or alleviate the patient's debilitating
4 medical condition or symptoms associated with the debilitating
5 medical condition, provided that nothing shall prevent a
6 professional licensing or disciplinary board from sanctioning
7 a certifying health care professional for: (1) issuing a
8 written certification to a patient who is not under the
9 certifying health care professional's care for a debilitating
10 medical condition; or (2) failing to properly evaluate a
11 patient's medical condition or otherwise violating the
12 standard of care for evaluating medical conditions.

13 (f) No person may be subject to arrest, prosecution, or
14 denial of any right or privilege, including, but not limited
15 to, civil penalty or disciplinary action by an occupational or
16 professional licensing board, solely for: (1) selling cannabis
17 paraphernalia to a cardholder upon presentation of an
18 unexpired registry identification card in the recipient's name
19 or Opioid Alternative Patient Program participant upon
20 verification of certification, if employed and registered as a
21 dispensing agent by a registered dispensing organization; (2)
22 being in the presence or vicinity of the medical use of
23 cannabis as allowed under this Act; or (3) assisting a
24 registered qualifying patient with the act of administering
25 cannabis.

26 (g) A registered cultivation center is not subject to

1 prosecution; search or inspection, except by the Department of
2 Agriculture, Department of Public Health, or State or local
3 law enforcement under Section 130; seizure; or penalty in any
4 manner, or denial of any right or privilege, including, but
5 not limited to, civil penalty or disciplinary action by a
6 business licensing board or entity, for acting under this Act
7 and Department of Agriculture rules to: acquire, possess,
8 cultivate, manufacture, deliver, transfer, transport, supply,
9 or sell cannabis to registered dispensing organizations. This
10 subsection does not apply to events occurring on and after
11 July 1, 2026; however, the authority granted in this
12 subsection remains in force and effect for events occurring on
13 or before June 30, 2026.

14 (h) A registered cultivation center agent is not subject
15 to prosecution, search, or penalty in any manner, or denial of
16 any right or privilege, including, but not limited to, civil
17 penalty or disciplinary action by a business licensing board
18 or entity, for working or volunteering for a registered
19 cannabis cultivation center under this Act and Department of
20 Agriculture rules, including to perform the actions listed
21 under subsection (g). This subsection does not apply to events
22 occurring on and after July 1, 2026; however, the authority
23 granted in this subsection remains in force and effect for
24 events occurring on or before June 30, 2026.

25 (i) A registered dispensing organization is not subject to
26 prosecution; search or inspection, except by the Department of

1 Financial and Professional Regulation or State or local law
2 enforcement pursuant to Section 130; seizure; or penalty in
3 any manner, or denial of any right or privilege, including,
4 but not limited to, civil penalty or disciplinary action by a
5 business licensing board or entity, for acting under this Act
6 and Department of Financial and Professional Regulation rules
7 to: acquire, possess, or dispense cannabis, or related
8 supplies, and educational materials to registered qualifying
9 patients or registered designated caregivers on behalf of
10 registered qualifying patients. This subsection does not apply
11 to events occurring on and after July 1, 2026; however, the
12 authority granted in this subsection remains in force and
13 effect for events occurring on or before June 30, 2026.

14 (j) A registered dispensing organization agent is not
15 subject to prosecution, search, or penalty in any manner, or
16 denial of any right or privilege, including, but not limited
17 to, civil penalty or disciplinary action by a business
18 licensing board or entity, for working or volunteering for a
19 dispensing organization under this Act and Department of
20 Financial and Professional Regulation rules, including to
21 perform the actions listed under subsection (i). This
22 subsection does not apply to events occurring on and after
23 July 1, 2026; however, the authority granted in this
24 subsection remains in force and effect for events occurring on
25 or before June 30, 2026.

26 (k) Any cannabis, cannabis paraphernalia, illegal

1 property, or interest in legal property that is possessed,
2 owned, or used in connection with the medical use of cannabis
3 as allowed under this Act, or acts incidental to that use, may
4 not be seized or forfeited. This Act does not prevent the
5 seizure or forfeiture of cannabis exceeding the amounts
6 allowed under this Act or the Cannabis Regulation and Tax Act,
7 nor shall it prevent seizure or forfeiture if the basis for the
8 action is unrelated to the cannabis that is possessed,
9 manufactured, transferred, or used under this Act or the
10 Cannabis Regulation and Tax Act.

11 (l) Mere possession of, or application for, a registry
12 identification card or registration certificate does not
13 constitute probable cause or reasonable suspicion, nor shall
14 it be used as the sole basis to support the search of the
15 person, property, or home of the person possessing or applying
16 for the registry identification card. The possession of, or
17 application for, a registry identification card does not
18 preclude the existence of probable cause if probable cause
19 exists on other grounds.

20 (m) Nothing in this Act shall preclude local or State law
21 enforcement agencies from searching a registered cultivation
22 center where there is probable cause to believe that the
23 criminal laws of this State have been violated and the search
24 is conducted in conformity with the Illinois Constitution, the
25 Constitution of the United States, and all State statutes.

26 (n) Nothing in this Act shall preclude local or State law

1 enforcement agencies from searching a registered dispensing
2 organization where there is probable cause to believe that the
3 criminal laws of this State have been violated and the search
4 is conducted in conformity with the Illinois Constitution, the
5 Constitution of the United States, and all State statutes.

6 (o) No individual employed by the State of Illinois shall
7 be subject to criminal or civil penalties for taking any
8 action in accordance with the provisions of this Act, when the
9 actions are within the scope of his or her employment.
10 Representation and indemnification of State employees shall be
11 provided to State employees as set forth in Section 2 of the
12 State Employee Indemnification Act.

13 (p) No law enforcement or correctional agency, nor any
14 individual employed by a law enforcement or correctional
15 agency, shall be subject to criminal or civil liability,
16 except for willful and wanton misconduct, as a result of
17 taking any action within the scope of the official duties of
18 the agency or individual to prohibit or prevent the possession
19 or use of cannabis by a cardholder or Opioid Alternative
20 Patient Program participant incarcerated at a correctional
21 facility, jail, or municipal lockup facility, on parole or
22 mandatory supervised release, or otherwise under the lawful
23 jurisdiction of the agency or individual.

24 (Source: P.A. 101-363, eff. 8-19-19; 101-370, eff. 1-1-20;
25 102-558, eff. 8-20-21.)

1 (410 ILCS 130/30)

2 Sec. 30. Limitations and penalties.

3 (a) This Act does not permit any person to engage in, and
4 does not prevent the imposition of any civil, criminal, or
5 other penalties for engaging in, the following conduct:

6 (1) Undertaking any task under the influence of
7 cannabis, when doing so would constitute negligence,
8 professional malpractice, or professional misconduct;

9 (2) Possessing cannabis:

10 (A) except as provided under Section 22-33 of the
11 School Code, in a school bus;

12 (B) except as provided under Section 22-33 of the
13 School Code, on the grounds of any preschool or
14 primary or secondary school;

15 (C) in any correctional facility;

16 (D) in a vehicle under Section 11-502.1 of the
17 Illinois Vehicle Code;

18 (E) in a vehicle not open to the public unless the
19 medical cannabis is in a reasonably secured, sealed
20 container and reasonably inaccessible while the
21 vehicle is moving; or

22 (F) in a private residence that is used at any time
23 to provide licensed child care or other similar social
24 service care on the premises;

25 (3) Using cannabis:

26 (A) except as provided under Section 22-33 of the

1 School Code, in a school bus;

2 (B) except as provided under Section 22-33 of the
3 School Code, on the grounds of any preschool or
4 primary or secondary school;

5 (C) in any correctional facility;

6 (D) in any motor vehicle;

7 (E) in a private residence that is used at any time
8 to provide licensed child care or other similar social
9 service care on the premises;

10 (F) except as provided under Section 22-33 of the
11 School Code and Section 31 of this Act, in any public
12 place. "Public place" as used in this subsection means
13 any place where an individual could reasonably be
14 expected to be observed by others. A "public place"
15 includes all parts of buildings owned in whole or in
16 part, or leased, by the State or a local unit of
17 government. A "public place" does not include a
18 private residence unless the private residence is used
19 to provide licensed child care, foster care, or other
20 similar social service care on the premises. For
21 purposes of this subsection, a "public place" does not
22 include a health care facility. For purposes of this
23 Section, a "health care facility" includes, but is not
24 limited to, hospitals, nursing homes, hospice care
25 centers, and long-term care facilities;

26 (G) except as provided under Section 22-33 of the

1 School Code and Section 31 of this Act, knowingly in
2 close physical proximity to anyone under the age of 18
3 years of age;

4 (4) Smoking medical cannabis in any public place where
5 an individual could reasonably be expected to be observed
6 by others, in a health care facility, or any other place
7 where smoking is prohibited under the Smoke Free Illinois
8 Act;

9 (5) Operating, navigating, or being in actual physical
10 control of any motor vehicle, aircraft, or motorboat while
11 using or under the influence of cannabis in violation of
12 Sections 11-501 and 11-502.1 of the Illinois Vehicle Code;

13 (6) Using or possessing cannabis if that person does
14 not have a debilitating medical condition and is not a
15 registered qualifying patient or caregiver;

16 (7) Allowing any person who is not allowed to use
17 cannabis under this Act to use cannabis that a cardholder
18 is allowed to possess under this Act;

19 (8) Transferring cannabis to any person contrary to
20 the provisions of this Act;

21 (9) The use of medical cannabis by an active duty law
22 enforcement officer, correctional officer, correctional
23 probation officer, or firefighter; or

24 (10) The use of medical cannabis by a person who has a
25 school bus permit or a Commercial Driver's License.

26 (b) Nothing in this Act shall be construed to prevent the

1 arrest or prosecution of a registered qualifying patient for
2 reckless driving or driving under the influence of cannabis
3 where probable cause exists.

4 (c) Notwithstanding any other criminal penalties related
5 to the unlawful possession of cannabis, knowingly making a
6 misrepresentation to a law enforcement official of any fact or
7 circumstance relating to the medical use of cannabis to avoid
8 arrest or prosecution is a petty offense punishable by a fine
9 of up to \$1,000, which shall be in addition to any other
10 penalties that may apply for making a false statement or for
11 the use of cannabis other than use undertaken under this Act.

12 (d) Notwithstanding any other criminal penalties related
13 to the unlawful possession of cannabis, any person who makes a
14 misrepresentation of a medical condition to a certifying
15 health care professional or fraudulently provides material
16 misinformation to a certifying health care professional in
17 order to obtain a written certification is guilty of a petty
18 offense punishable by a fine of up to \$1,000.

19 (e) Any registered qualifying patient, provisional
20 patient, or designated ~~cardholder or registered~~ caregiver who
21 sells cannabis shall have his or her registry identification
22 card revoked and is subject to other penalties for the
23 unauthorized sale of cannabis.

24 (f) Any registered qualifying patient, provisional
25 patient, or Opioid Alternative Patient Program participant who
26 commits a violation of Section 11-502.1 of the Illinois

1 Vehicle Code or refuses a properly requested test related to
2 operating a motor vehicle while under the influence of
3 cannabis shall have his or her registry identification card
4 revoked.

5 (g) No registered qualifying patient, provisional patient,
6 ~~or~~ designated caregiver, or Opioid Alternative Patient Program
7 participant shall knowingly obtain, seek to obtain, or
8 possess, individually or collectively, an amount of usable
9 cannabis from a registered medical cannabis dispensing
10 organization that would cause him or her to exceed the
11 authorized adequate medical supply under subsection (a) of
12 Section 10.

13 (h) Nothing in this Act shall prevent a private business
14 from restricting or prohibiting the medical use of cannabis on
15 its property.

16 (i) Nothing in this Act shall prevent a university,
17 college, or other institution of post-secondary education from
18 restricting or prohibiting the use of medical cannabis on its
19 property.

20 (Source: P.A. 101-363, eff. 8-9-19; 102-67, eff. 7-9-21.)

21 (410 ILCS 130/35)

22 Sec. 35. Certifying health care professional requirements.

23 (a) A certifying health care professional who certifies a
24 debilitating medical condition for a qualifying patient shall
25 comply with all of the following requirements:

1 (1) The certifying health care professional shall be
2 currently licensed under the Medical Practice Act of 1987
3 to practice medicine in all its branches, the Nurse
4 Practice Act, or the Physician Assistant Practice Act of
5 1987, shall be in good standing, and must hold a
6 controlled substances license under Article III of the
7 Illinois Controlled Substances Act.

8 (2) A certifying health care professional certifying a
9 patient's condition shall comply with generally accepted
10 standards of medical practice, the provisions of the Act
11 under which he or she is licensed and all applicable
12 rules.

13 (3) The physical examination required by this Act may
14 ~~not~~ be performed by remote means, including telemedicine.

15 (4) The certifying health care professional shall
16 maintain a record-keeping system for all patients for whom
17 the certifying health care professional has certified the
18 patient's medical condition. These records shall be
19 accessible to and subject to review by the Department of
20 Public Health and the Department of Financial and
21 Professional Regulation upon request.

22 (b) A certifying health care professional may not:

23 (1) accept, solicit, or offer any form of remuneration
24 from or to a qualifying patient, provisional patient,
25 designated primary caregiver, Opioid Alternative Patient
26 Program participant, cultivation center, or dispensing

1 organization, including each principal officer, board
2 member, agent, and employee, to certify a patient, other
3 than accepting payment from a patient for the fee
4 associated with the required examination, except for the
5 limited purpose of performing a medical cannabis-related
6 research study;

7 (1.5) accept, solicit, or offer any form of
8 remuneration from or to a medical cannabis cultivation
9 center or dispensary organization for the purposes of
10 referring a patient to a specific dispensary organization;

11 (1.10) engage in any activity that is prohibited under
12 Section 22.2 of the Medical Practice Act of 1987,
13 regardless of whether the certifying health care
14 professional is a physician, advanced practice registered
15 nurse, or physician assistant;

16 (2) offer a discount of any other item of value to a
17 qualifying patient, provisional patient, designated
18 caregiver, or Opioid Alternative Patient Program
19 participant who uses or agrees to use a particular
20 designated ~~primary~~ caregiver or dispensing organization to
21 obtain medical cannabis;

22 (3) conduct a personal physical examination of a
23 patient for purposes of diagnosing a debilitating medical
24 condition at a location where medical cannabis is sold or
25 distributed or at the address of a principal officer,
26 agent, or employee or a medical cannabis organization;

1 (4) hold a direct or indirect economic interest in a
2 cultivation center or dispensing organization if he or she
3 recommends the use of medical cannabis to qualified
4 patients or is in a partnership or other fee or
5 profit-sharing relationship with a certifying health care
6 professional who recommends medical cannabis, except for
7 the limited purpose of performing a medical
8 cannabis-related research study;

9 (5) serve on the board of directors or as an employee
10 of a cultivation center or dispensing organization;

11 (6) refer patients to a cultivation center, a
12 dispensing organization, or a registered designated
13 caregiver; or

14 (7) advertise in a cultivation center or a dispensing
15 organization.

16 (c) The Department of Public Health may with reasonable
17 cause refer a certifying health care professional, who has
18 certified a debilitating medical condition of a patient, to
19 the Illinois Department of Financial and Professional
20 Regulation for potential violations of this Section.

21 (d) Any violation of this Section or any other provision
22 of this Act or rules adopted under this Act is a violation of
23 the certifying health care professional's licensure act.

24 (e) A certifying health care professional who certifies a
25 debilitating medical condition for a qualifying patient may
26 notify the Department of Public Health in writing: (1) if the

1 certifying health care professional has reason to believe
2 either that the registered qualifying patient has ceased to
3 suffer from a debilitating medical condition; (2) that the
4 bona fide health care professional-patient relationship has
5 terminated; or (3) that continued use of medical cannabis
6 would result in contraindication with the patient's other
7 medication. The registered qualifying patient's registry
8 identification card shall be revoked by the Department of
9 Public Health after receiving the certifying health care
10 professional's notification.

11 (f) Nothing in this Act shall preclude a certifying health
12 care professional from referring a patient for health
13 services, except when the referral is limited to certification
14 purposes only, under this Act.

15 (Source: P.A. 101-363, eff. 8-9-19; 102-558, eff. 8-20-21.)

16 (410 ILCS 130/57)

17 Sec. 57. Designated Caregivers ~~Qualifying patients~~.

18 (a) Qualifying patients or provisional patients that are
19 under the age of 18 years shall not be prohibited from
20 appointing up to 3 designated caregivers who meet the
21 definition of "designated caregiver" under Section 10 so long
22 as at least one designated caregiver is a biological parent or
23 legal guardian.

24 (b) Qualifying patients and provisional patients that are
25 18 years of age or older shall not be prohibited from

1 appointing up to 3 designated caregivers who meet the
2 definition of "designated caregiver" under Section 10.

3 (c) Beginning July 1, 2026, designated caregivers,
4 qualifying patients, provisional patients, or Opioid
5 Alternative Patient Program participants registered under this
6 Act may purchase an adequate medical supply at any dispensing
7 organization licensed by the Department of Financial and
8 Professional Regulation under the Cannabis Regulation and Tax
9 Act.

10 (Source: P.A. 101-363, eff. 8-9-19.)

11 (410 ILCS 130/60)

12 Sec. 60. Issuance of registry identification cards.

13 (a) Except as provided in subsection (b), the Department
14 of Public Health shall:

15 (1) verify the information contained in an application
16 or renewal for a registry identification card submitted
17 under this Act, and approve or deny an application or
18 renewal, within 90 days of receiving a completed
19 application or renewal application and all supporting
20 documentation specified in Section 55;

21 (2) issue registry identification cards to a
22 qualifying patient and his or her designated caregiver, if
23 any, within 15 business days of approving the application
24 or renewal; and

25 ~~(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

1 infused products and purchasing any usable cannabis.

2 (c) A veteran who has received treatment at a VA hospital
3 is deemed to have a bona fide health care professional-patient
4 relationship with a VA certifying health care professional if
5 the patient has been seen for his or her debilitating medical
6 condition at the VA hospital in accordance with VA hospital
7 protocols. All reasonable inferences regarding the existence
8 of a bona fide health care professional-patient relationship
9 shall be drawn in favor of an applicant who is a veteran and
10 has undergone treatment at a VA hospital.

11 (c-10) An individual who submits an application as someone
12 who is terminally ill shall have all fees waived. The
13 Department of Public Health shall within 30 days after this
14 amendatory Act of the 99th General Assembly adopt emergency
15 rules to expedite approval for terminally ill individuals.
16 These rules shall include, but not be limited to, rules that
17 provide that applications by individuals with terminal
18 illnesses shall be approved or denied within 14 days of their
19 submission.

20 (d) No later than 6 months after the effective date of this
21 amendatory Act of the 101st General Assembly, the Secretary of
22 State shall remove all existing notations on driving records
23 that the person is a registered qualifying patient or his or
24 her caregiver under this Act.

25 (e) Upon the approval of the registration and issuance of
26 a registry card under this Section, the Department of Public

1 Health shall electronically forward the registered qualifying
2 patient's identification card information to the Prescription
3 Monitoring Program established under the Illinois Controlled
4 Substances Act and certify that the individual is permitted to
5 engage in the medical use of cannabis. For the purposes of
6 patient care, the Prescription Monitoring Program shall make a
7 notation on the person's prescription record stating that the
8 person is a registered qualifying patient who is entitled to
9 the lawful medical use of cannabis. If the person no longer
10 holds a valid registry card, the Department of Public Health
11 shall notify the Prescription Monitoring Program and
12 Department of Human Services to remove the notation from the
13 person's record. The Department of Human Services and the
14 Prescription Monitoring Program shall establish a system by
15 which the information may be shared electronically. This
16 confidential list may not be combined or linked in any manner
17 with any other list or database except as provided in this
18 Section.

19 (f) (Blank).

20 (Source: P.A. 100-1114, eff. 8-28-18; 101-363, eff. 8-9-19;
21 101-593, eff. 12-4-19.)

22 (410 ILCS 130/62)

23 Sec. 62. Opioid Alternative Patient ~~Pilot~~ Program.

24 (a) The Department of Public Health shall establish the
25 Opioid Alternative Patient ~~Pilot~~ Program. Licensed dispensing

1 organizations shall allow persons with a written certification
2 from a certifying health care professional under Section 36 to
3 purchase medical cannabis upon enrollment in the Opioid
4 Alternative Patient ~~Pilot~~ Program. The Department of Public
5 Health shall adopt rules or establish procedures allowing
6 qualified veterans to participate in the Opioid Alternative
7 Patient ~~Pilot~~ Program. For a person to receive medical
8 cannabis under this Section, the person must present the
9 written certification along with a valid driver's license or
10 state identification card to the licensed dispensing
11 organization specified in his or her application. The
12 dispensing organization shall verify the person's status as an
13 Opioid Alternative Patient ~~Pilot~~ Program participant through
14 the Department of Public Health's online verification system.

15 (b) The Opioid Alternative Patient ~~Pilot~~ Program shall be
16 limited to participation by Illinois residents age 21 and
17 older.

18 (c) The Department of Financial and Professional
19 Regulation shall specify that all licensed dispensing
20 organizations participating in the Opioid Alternative Patient
21 ~~Pilot~~ Program use the Illinois Cannabis Tracking System. The
22 Department of Public Health shall establish and maintain the
23 Illinois Cannabis Tracking System. The Illinois Cannabis
24 Tracking System shall be used to collect information about all
25 persons participating in the Opioid Alternative Patient ~~Pilot~~
26 Program and shall be used to track the sale of medical cannabis

1 for verification purposes.

2 Each dispensing organization shall retain a copy of the
3 Opioid Alternative Patient ~~Pilot~~ Program certification and
4 other identifying information as required by the Department of
5 Financial and Professional Regulation, the Department of
6 Public Health, and the Illinois State Police in the Illinois
7 Cannabis Tracking System.

8 The Illinois Cannabis Tracking System shall be accessible
9 to the Department of Financial and Professional Regulation,
10 Department of Public Health, Department of Agriculture, and
11 the Illinois State Police.

12 The Department of Financial and Professional Regulation in
13 collaboration with the Department of Public Health shall
14 specify the data requirements for the Opioid Alternative
15 Patient ~~Pilot~~ Program by licensed dispensing organizations;
16 including, but not limited to, the participant's full legal
17 name, address, and date of birth, date on which the Opioid
18 Alternative Patient ~~Pilot~~ Program certification was issued,
19 length of the participation in the Program, including the
20 start and end date to purchase medical cannabis, name of the
21 issuing physician, copy of the participant's current driver's
22 license or State identification card, and phone number.

23 The Illinois Cannabis Tracking System shall provide
24 verification of a person's participation in the Opioid
25 Alternative Patient ~~Pilot~~ Program for law enforcement at any
26 time and on any day.

1 (d) The certification for Opioid Alternative Patient ~~Pilot~~
2 Program participant must be issued by a certifying health care
3 professional who is licensed to practice in Illinois under the
4 Medical Practice Act of 1987, the Nurse Practice Act, or the
5 Physician Assistant Practice Act of 1987 and who is in good
6 standing and holds a controlled substances license under
7 Article III of the Illinois Controlled Substances Act.

8 The certification for an Opioid Alternative Patient ~~Pilot~~
9 Program participant shall be written within 90 days before the
10 participant submits his or her certification to the dispensing
11 organization.

12 The written certification uploaded to the Illinois
13 Cannabis Tracking System shall be accessible to the Department
14 of Public Health.

15 (e) Upon verification of the individual's valid
16 certification and enrollment in the Illinois Cannabis Tracking
17 System, the dispensing organization may dispense the medical
18 cannabis, in amounts not exceeding 2.5 ounces of medical
19 cannabis per 14-day period to the participant at the
20 participant's specified dispensary for no more than 90 days.

21 An Opioid Alternative Patient ~~Pilot~~ Program participant
22 shall not be registered as a medical cannabis cardholder. The
23 dispensing organization shall verify that the person is not an
24 active registered qualifying patient prior to enrollment in
25 the Opioid Alternative Patient ~~Pilot~~ Program and each time
26 medical cannabis is dispensed.

1 Upon receipt of a written certification under the Opioid
2 Alternative Patient ~~Pilot~~ Program, the Department of Public
3 Health shall electronically forward the patient's
4 identification information to the Prescription Monitoring
5 Program established under the Illinois Controlled Substances
6 Act and certify that the individual is permitted to engage in
7 the medical use of cannabis. For the purposes of patient care,
8 the Prescription Monitoring Program shall make a notation on
9 the person's prescription record stating that the person has a
10 written certification under the Opioid Alternative Patient
11 ~~Pilot~~ Program and is a patient who is entitled to the lawful
12 medical use of cannabis. If the person is no longer authorized
13 to engage in the medical use of cannabis, the Department of
14 Public Health shall notify the Prescription Monitoring Program
15 and Department of Human Services to remove the notation from
16 the person's record. The Department of Human Services and the
17 Prescription Monitoring Program shall establish a system by
18 which the information may be shared electronically. This
19 confidential list may not be combined or linked in any manner
20 with any other list or database except as provided in this
21 Section.

22 (f) An Opioid Alternative Patient ~~Pilot~~ Program
23 participant shall not be considered a qualifying patient with
24 a debilitating medical condition under this Act and shall be
25 provided access to medical cannabis solely for the duration of
26 the participant's certification. Nothing in this Section shall

1 be construed to limit or prohibit an Opioid Alternative
2 Patient Pilot Program participant who has a debilitating
3 medical condition from applying to the Compassionate Use of
4 Medical Cannabis Program.

5 (g) A person with a provisional registration under Section
6 55 shall not be considered an Opioid Alternative Patient Pilot
7 Program participant.

8 (h) (Blank). ~~The Department of Financial and Professional~~
9 ~~Regulation and the Department of Public Health shall submit~~
10 ~~emergency rulemaking to implement the changes made by this~~
11 ~~amendatory Act of the 100th General Assembly by December 1,~~
12 ~~2018. The Department of Financial and Professional Regulation,~~
13 ~~the Department of Agriculture, the Department of Human~~
14 ~~Services, the Department of Public Health, and the Illinois~~
15 ~~State Police shall utilize emergency purchase authority for 12~~
16 ~~months after the effective date of this amendatory Act of the~~
17 ~~100th General Assembly for the purpose of implementing the~~
18 ~~changes made by this amendatory Act of the 100th General~~
19 ~~Assembly.~~

20 (i) Dispensing organizations are not authorized to
21 dispense medical cannabis to Opioid Alternative Patient Pilot
22 Program participants until administrative rules are approved
23 by the Joint Committee on Administrative Rules and go into
24 effect.

25 (j) (Blank). ~~The provisions of this Section are~~
26 ~~inoperative on and after July 1, 2025.~~

1 (Source: P.A. 101-363, eff. 8-9-19; 102-16, eff. 6-17-21.)

2 (410 ILCS 130/70)

3 Sec. 70. Registry identification cards.

4 (a) A registered qualifying patient or designated
5 caregiver must keep their registry identification card in his
6 or her possession at all times when engaging in the medical use
7 of cannabis.

8 (b) Registry identification cards shall contain the
9 following:

10 (1) the name of the cardholder;

11 (2) a designation of whether the cardholder is a
12 designated caregiver or qualifying patient;

13 (3) the date of issuance and expiration date of the
14 registry identification card;

15 (4) a random alphanumeric identification number that
16 is unique to the cardholder;

17 (5) if the cardholder is a designated caregiver, the
18 random alphanumeric identification number of the
19 registered qualifying patient the designated caregiver is
20 receiving the registry identification card to assist; and

21 (6) a photograph of the cardholder, if required by
22 Department of Public Health rules.

23 (c) To maintain a valid registration identification card,
24 a registered qualifying patient and designated caregiver must
25 annually resubmit, at least 45 days prior to the expiration

1 date stated on the registry identification card, a completed
2 renewal application, renewal fee, and accompanying
3 documentation as described in Department of Public Health
4 rules. The Department of Public Health shall send a
5 notification to a registered qualifying patient or registered
6 designated caregiver 90 days prior to the expiration of the
7 registered qualifying patient's or registered designated
8 caregiver's identification card. If the Department of Public
9 Health fails to grant or deny a renewal application received
10 in accordance with this Section, then the renewal is deemed
11 granted and the registered qualifying patient or registered
12 designated caregiver may continue to use the expired
13 identification card until the Department of Public Health
14 denies the renewal or issues a new identification card.

15 (d) Except as otherwise provided in this Section, the
16 expiration date is 3 years after the date of issuance.

17 (e) The Department of Public Health may electronically
18 store in the card any or all of the information listed in
19 subsection (b), along with the address and date of birth of the
20 cardholder ~~and the qualifying patient's designated dispensary~~
21 ~~organization~~, to allow it to be read by law enforcement
22 agents.

23 (Source: P.A. 98-122, eff. 1-1-14; 99-519, eff. 6-30-16.)

24 (410 ILCS 130/75)

25 Sec. 75. Notifications to Department of Public Health and

1 responses; civil penalty.

2 (a) The following notifications and Department of Public
3 Health responses are required:

4 (1) A registered qualifying patient shall notify the
5 Department of Public Health of any change in his or her
6 name or address, or if the registered qualifying patient
7 ceases to have his or her debilitating medical condition,
8 within 10 days of the change.

9 (2) A registered designated caregiver shall notify the
10 Department of Public Health of any change in his or her
11 name or address, or if the designated caregiver becomes
12 aware the registered qualifying patient passed away,
13 within 10 days of the change.

14 (3) Before a registered qualifying patient changes his
15 or her designated caregiver, the qualifying patient must
16 notify the Department of Public Health.

17 (4) If a cardholder loses his or her registry
18 identification card, he or she shall notify the Department
19 within 10 days of becoming aware the card has been lost.

20 (b) When a cardholder notifies the Department of Public
21 Health of items listed in subsection (a), but remains eligible
22 under this Act, the Department of Public Health shall issue
23 the cardholder a new registry identification card with a new
24 random alphanumeric identification number within 15 business
25 days of receiving the updated information and a fee as
26 specified in Department of Public Health rules. If the person

1 notifying the Department of Public Health is a registered
2 qualifying patient, the Department shall also issue his or her
3 registered designated caregiver, if any, a new registry
4 identification card within 15 business days of receiving the
5 updated information.

6 (c) If a registered qualifying patient ceases to be a
7 registered qualifying patient or changes his or her registered
8 designated caregiver, the Department of Public Health shall
9 promptly notify the designated caregiver. The registered
10 designated caregiver's protections under this Act as to that
11 qualifying patient shall expire 15 days after notification by
12 the Department.

13 (d) A cardholder who fails to make a notification to the
14 Department of Public Health that is required by this Section
15 is subject to a civil infraction, punishable by a penalty of no
16 more than \$150.

17 (e) (Blank). ~~A registered qualifying patient shall notify~~
18 ~~the Department of Public Health of any change to his or her~~
19 ~~designated registered dispensing organization. The Department~~
20 ~~of Public Health shall provide for immediate changes of a~~
21 ~~registered qualifying patient's designated registered~~
22 ~~dispensing organization. Registered dispensing organizations~~
23 ~~must comply with all requirements of this Act.~~

24 (f) If the registered qualifying patient's certifying
25 health care professional notifies the Department in writing
26 that either the registered qualifying patient has ceased to

1 suffer from a debilitating medical condition, that the bona
2 fide health care professional-patient relationship has
3 terminated, or that continued use of medical cannabis would
4 result in contraindication with the patient's other
5 medication, the card shall become null and void. However, the
6 registered qualifying patient shall have 15 days to destroy
7 his or her remaining medical cannabis and related
8 paraphernalia.

9 (Source: P.A. 101-363, eff. 8-9-19; 102-558, eff. 8-20-21.)

10 (410 ILCS 130/85)

11 Sec. 85. Issuance and denial of medical cannabis
12 cultivation permit.

13 (a) The Department of Agriculture may register up to 22
14 cultivation center registrations for operation. The Department
15 of Agriculture may not issue more than one registration per
16 each Illinois State Police District boundary as specified on
17 the date of January 1, 2013. The Department of Agriculture may
18 not issue less than the 22 registrations if there are
19 qualified applicants who have applied with the Department.

20 (b) The registrations shall be issued and renewed annually
21 as determined by administrative rule.

22 (c) The Department of Agriculture shall determine a
23 registration fee by rule.

24 (d) A cultivation center may only operate if it has been
25 issued a valid registration from the Department of

1 Agriculture. When applying for a cultivation center
2 registration, the applicant shall submit the following in
3 accordance with Department of Agriculture rules:

4 (1) the proposed legal name of the cultivation center;

5 (2) the proposed physical address of the cultivation
6 center and description of the enclosed, locked facility as
7 it applies to cultivation centers where medical cannabis
8 will be grown, harvested, manufactured, packaged, or
9 otherwise prepared for distribution to a dispensing
10 organization;

11 (3) the name, address, and date of birth of each
12 principal officer and board member of the cultivation
13 center, provided that all those individuals shall be at
14 least 21 years of age;

15 (4) any instance in which a business that any of the
16 prospective board members of the cultivation center had
17 managed or served on the board of the business and was
18 convicted, fined, censured, or had a registration or
19 license suspended or revoked in any administrative or
20 judicial proceeding;

21 (5) cultivation, inventory, and packaging plans;

22 (6) proposed operating by-laws that include procedures
23 for the oversight of the cultivation center, development
24 and implementation of a plant monitoring system, medical
25 cannabis container tracking system, accurate record
26 keeping, staffing plan, and security plan reviewed by the

1 Illinois State Police that are in accordance with the
2 rules issued by the Department of Agriculture under this
3 Act. A physical inventory shall be performed of all plants
4 and medical cannabis containers on a weekly basis;

5 (7) experience with agricultural cultivation
6 techniques and industry standards;

7 (8) any academic degrees, certifications, or relevant
8 experience with related businesses;

9 (9) the identity of every person, association, trust,
10 or corporation having any direct or indirect pecuniary
11 interest in the cultivation center operation with respect
12 to which the registration is sought. If the disclosed
13 entity is a trust, the application shall disclose the
14 names and addresses of the beneficiaries; if a
15 corporation, the names and addresses of all stockholders
16 and directors; if a partnership, the names and addresses
17 of all partners, both general and limited;

18 (10) verification from the Illinois State Police that
19 all background checks of the principal officer, board
20 members, and registered agents have been conducted ~~and~~
21 ~~those individuals have not been convicted of an excluded~~
22 ~~offense;~~

23 (11) provide a copy of the current local zoning
24 ordinance to the Department of Agriculture and verify that
25 proposed cultivation center is in compliance with the
26 local zoning rules issued in accordance with Section 140;

1 (12) an application fee set by the Department of
2 Agriculture by rule; and

3 (13) any other information required by Department of
4 Agriculture rules, including, but not limited to a
5 cultivation center applicant's experience with the
6 cultivation of agricultural or horticultural products,
7 operating an agriculturally related business, or operating
8 a horticultural business.

9 (e) An application for a cultivation center permit must be
10 denied if any of the following conditions are met:

11 (1) the applicant failed to submit the materials
12 required by this Section, including if the applicant's
13 plans do not satisfy the security, oversight, inventory,
14 or recordkeeping rules issued by the Department of
15 Agriculture;

16 (2) the applicant would not be in compliance with
17 local zoning rules issued in accordance with Section 140;

18 (3) (blank); ~~one or more of the prospective principal~~
19 ~~officers or board members has been convicted of an~~
20 ~~excluded offense;~~

21 (4) one or more of the prospective principal officers
22 or board members has served as a principal officer or
23 board member for a registered dispensing organization or
24 cultivation center that has had its registration revoked;
25 or

26 (5) one or more of the principal officers or board

1 members is under 21 years of age;

2 (6) (blank); ~~a principal officer or board member of~~
3 ~~the cultivation center has been convicted of a felony~~
4 ~~under the laws of this State, any other state, or the~~
5 ~~United States;~~

6 (7) (blank); ~~or a principal officer or board member of~~
7 ~~the cultivation center has been convicted of any violation~~
8 ~~of Article 28 of the Criminal Code of 2012, or~~
9 ~~substantially similar laws of any other jurisdiction; or~~

10 (8) the person has submitted an application for a
11 certificate under this Act which contains false
12 information.

13 (f) Beginning July 1, 2026, the Department shall cease to
14 issue or renew any medical cannabis cultivation permit.
15 Licenses that hold dual medical cannabis cultivation permits
16 and Adult use cultivation center licenses may continue all
17 operations with a valid cultivation center license issued
18 under the Cannabis Regulation and Tax Act.

19 (g) This Section is repealed on January 1, 2027.

20 (Source: P.A. 102-538, eff. 8-20-21.)

21 (410 ILCS 130/90)

22 Sec. 90. Renewal of cultivation center registrations.

23 (a) Registrations shall be renewed annually. The
24 registered cultivation center shall receive written notice 90
25 days prior to the expiration of its current registration that

1 the registration will expire. The Department of Agriculture
2 shall grant a renewal application within 45 days of its
3 submission if the following conditions are satisfied:

4 (1) the registered cultivation center submits a
5 renewal application and the required renewal fee
6 established by the Department of Agriculture by rule; and

7 (2) the Department of Agriculture has not suspended
8 the registration of the cultivation center or suspended or
9 revoked the registration for violation of this Act or
10 rules adopted under this Act.

11 (b) Beginning July 1, 2026, all cultivation center permits
12 issued under Section 85 shall be renewed in accordance with
13 Section 20-45 of the Cannabis Regulation and Tax Act and shall
14 be subject to the requirements and prohibitions of the
15 Cannabis Regulation and Tax Act.

16 (c) This Section is repealed on January 1, 2027.

17 (Source: P.A. 98-122, eff. 1-1-14.)

18 (410 ILCS 130/95)

19 Sec. 95. Background checks.

20 (a) The Department of Agriculture through the Illinois
21 State Police shall conduct a background check of the
22 prospective cultivation center agents. The Illinois State
23 Police shall charge a fee for conducting the criminal history
24 record check, which shall be deposited in the State Police
25 Services Fund and shall not exceed the actual cost of the

1 record check. In order to carry out this provision, each
2 person applying as a cultivation center agent shall submit a
3 full set of fingerprints to the Illinois State Police for the
4 purpose of obtaining a State and federal criminal records
5 check. These fingerprints shall be checked against the
6 fingerprint records now and hereafter, to the extent allowed
7 by law, filed in the Illinois State Police and Federal Bureau
8 of Investigation criminal history records databases. The
9 Illinois State Police shall furnish, following positive
10 identification, all Illinois conviction information to the
11 Department of Agriculture.

12 (b) When applying for the initial permit, the background
13 checks for the principal officer, board members, and
14 registered agents shall be completed prior to submitting the
15 application to the Department of Agriculture.

16 (c) This Section is repealed on January 1, 2027.

17 (Source: P.A. 102-538, eff. 8-20-21.)

18 (410 ILCS 130/100)

19 Sec. 100. Cultivation center agent identification card.

20 (a) The Department of Agriculture shall:

21 (1) verify the information contained in an application
22 or renewal for a cultivation center identification card
23 submitted under this Act, and approve or deny an
24 application or renewal, within 30 days of receiving a
25 completed application or renewal application and all

1 supporting documentation required by rule;

2 (2) issue a cultivation center agent identification
3 card to a qualifying agent within 15 business days of
4 approving the application or renewal;

5 (3) enter the registry identification number of the
6 cultivation center where the agent works; and

7 (4) allow for an electronic application process, and
8 provide a confirmation by electronic or other methods that
9 an application has been submitted.

10 (b) A cultivation center agent must keep his or her
11 identification card visible at all times when on the property
12 of a cultivation center and during the transportation of
13 medical cannabis to a registered dispensary organization.

14 (c) The cultivation center agent identification cards
15 shall contain the following:

16 (1) the name of the cardholder;

17 (2) the date of issuance and expiration date of
18 cultivation center agent identification cards;

19 (3) a random 10-digit alphanumeric identification
20 number containing at least 4 numbers and at least 4
21 letters that is unique to the holder; and

22 (4) a photograph of the cardholder.

23 (d) The cultivation center agent identification cards
24 shall be immediately returned to the cultivation center upon
25 termination of employment.

26 (e) Any card lost by a cultivation center agent shall be

1 reported to the Illinois State Police and the Department of
2 Agriculture immediately upon discovery of the loss.

3 (f) (Blank). ~~An applicant shall be denied a cultivation~~
4 ~~center agent identification card if he or she has been~~
5 ~~convicted of an excluded offense.~~

6 (g) An agent applicant may begin employment at a
7 cultivation center while the agent applicant's identification
8 card application is pending. Upon approval, the Department
9 shall issue the agent's identification card to the agent. If
10 denied, the cultivation center and the agent applicant shall
11 be notified and the agent applicant must cease all activity at
12 the cultivation center immediately.

13 (h) Beginning July 1, 2026, all cultivation center
14 identification cards and renewals shall be renewed in
15 accordance with Section 20-45 of the Cannabis Regulation and
16 Tax Act.

17 (i) This Section is repealed on January 1, 2027.
18 (Source: P.A. 102-98, eff. 7-15-21; 102-538, eff. 8-20-21;
19 102-813, eff. 5-13-22.)

20 (410 ILCS 130/105)

21 Sec. 105. Requirements; prohibitions; penalties for
22 cultivation centers.

23 (a) The operating documents of a registered cultivation
24 center shall include procedures for the oversight of the
25 cultivation center, a cannabis plant monitoring system

1 including a physical inventory recorded weekly, a cannabis
2 container system including a physical inventory recorded
3 weekly, accurate record keeping, and a staffing plan.

4 (b) A registered cultivation center shall implement a
5 security plan reviewed by the Illinois State Police and
6 including but not limited to: facility access controls,
7 perimeter intrusion detection systems, personnel
8 identification systems, 24-hour surveillance system to monitor
9 the interior and exterior of the registered cultivation center
10 facility and accessible to authorized law enforcement and the
11 Department of Agriculture in real-time.

12 (c) A registered cultivation center may not be located
13 within 2,500 feet of the property line of a pre-existing
14 public or private preschool or elementary or secondary school
15 or day care center, day care home, group day care home, part
16 day child care facility, or an area zoned for residential use.

17 (d) All cultivation of cannabis for distribution to a
18 registered dispensing organization must take place in an
19 enclosed, locked facility as it applies to cultivation centers
20 at the physical address provided to the Department of
21 Agriculture during the registration process. The cultivation
22 center location shall only be accessed by the cultivation
23 center agents working for the registered cultivation center,
24 Department of Agriculture staff performing inspections,
25 Department of Public Health staff performing inspections, law
26 enforcement or other emergency personnel, and contractors

1 working on jobs unrelated to medical cannabis, such as
2 installing or maintaining security devices or performing
3 electrical wiring.

4 (e) A cultivation center may not sell or distribute any
5 cannabis to any individual or entity other than another
6 cultivation center, a dispensing organization registered under
7 this Act, or a laboratory licensed by the Department of
8 Agriculture.

9 (f) All harvested cannabis intended for distribution to a
10 dispensing organization must be packaged in a labeled medical
11 cannabis container and entered into a data collection system.

12 (g) (Blank). ~~No person who has been convicted of an~~
13 ~~excluded offense may be a cultivation center agent.~~

14 (h) Registered cultivation centers are subject to random
15 inspection by the Illinois State Police.

16 (i) Registered cultivation centers are subject to random
17 inspections by the Department of Agriculture and the
18 Department of Public Health.

19 (j) A cultivation center agent shall notify local law
20 enforcement, the Illinois State Police, and the Department of
21 Agriculture within 24 hours of the discovery of any loss or
22 theft. Notification shall be made by phone or in-person, or by
23 written or electronic communication.

24 (k) A cultivation center shall comply with all State and
25 federal rules and regulations regarding the use of pesticides.

26 (l) This Section is repealed on January 1, 2027.

1 (Source: P.A. 101-363, eff. 8-9-19; 102-538, eff. 8-20-21.)

2 (410 ILCS 130/110)

3 Sec. 110. Suspension; revocation; other penalties for
4 cultivation centers and agents. Notwithstanding any other
5 criminal penalties related to the unlawful possession of
6 cannabis, the Department of Agriculture may revoke, suspend,
7 place on probation, reprimand, issue cease and desist orders,
8 refuse to issue or renew a registration, or take any other
9 disciplinary or non-disciplinary action as the Department of
10 Agriculture may deem proper with regard to a registered
11 cultivation center or cultivation center agent, including
12 imposing fines not to exceed \$50,000 for each violation, for
13 any violations of this Act and rules adopted under this Act.
14 The procedures for disciplining a registered cultivation
15 center or cultivation center agent and for administrative
16 hearings shall be determined by rule. All final administrative
17 decisions of the Department of Agriculture are subject to
18 judicial review under the Administrative Review Law and its
19 rules. The term "administrative decision" is defined as in
20 Section 3-101 of the Code of Civil Procedure. This Section is
21 repealed on January 1, 2027.

22 (Source: P.A. 98-122, eff. 1-1-14; 98-1172, eff. 1-12-15.)

23 (410 ILCS 130/115)

24 Sec. 115. Registration of dispensing organizations.

1 (a) The Department of Financial and Professional
2 Regulation may issue up to 60 dispensing organization
3 registrations for operation. The Department of Financial and
4 Professional Regulation may not issue less than the 60
5 registrations if there are qualified applicants who have
6 applied with the Department of Financial and Professional
7 Regulation. The organizations shall be geographically
8 dispersed throughout the State to allow all registered
9 qualifying patients reasonable proximity and access to a
10 dispensing organization.

11 (a-5) The Department of Financial and Professional
12 Regulation shall adopt rules to create a registration process
13 for Social Equity Justice Involved Applicants and Qualifying
14 Applicants, a streamlined application, and a Social Equity
15 Justice Involved Medical Lottery under Section 115.5 to issue
16 the remaining available 5 dispensing organization
17 registrations for operation. For purposes of this Section:

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

22 (1) meets at least one of the following criteria:

23 (A) the area has a poverty rate of at least 20%
24 according to the latest federal decennial census; or

25 (B) 75% or more of the children in the area
26 participate in the federal free lunch program

1 according to reported statistics from the State Board
2 of Education; or

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

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

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

16 "Qualifying Applicant" means an applicant that: (i)
17 submitted an application pursuant to Section 15-30 of the
18 Cannabis Regulation and Tax Act that received at least 85% of
19 250 application points available under Section 15-30 of the
20 Cannabis Regulation and Tax Act as the applicant's final
21 score; (ii) received points at the conclusion of the scoring
22 process for meeting the definition of a "Social Equity
23 Applicant" as set forth under the Cannabis Regulation and Tax
24 Act; and (iii) is an applicant that did not receive a
25 Conditional Adult Use Dispensing Organization License through
26 a Qualifying Applicant Lottery pursuant to Section 15-35 of

1 the Cannabis Regulation and Tax Act or any Tied Applicant
2 Lottery conducted under the Cannabis Regulation and Tax Act.

3 "Social Equity Justice Involved Applicant" means an
4 applicant that is an Illinois resident and one of the
5 following:

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

10 (2) an applicant with at least 51% of ownership and
11 control by one or more individuals who have been arrested
12 for, convicted of, or adjudicated delinquent for any
13 offense that is eligible for expungement under subsection
14 (i) of Section 5.2 of the Criminal Identification Act; or

15 (3) an applicant with at least 51% ownership and
16 control by one or more members of an impacted family.

17 (b) A dispensing organization may only operate if it has
18 been issued a registration from the Department of Financial
19 and Professional Regulation. The Department of Financial and
20 Professional Regulation shall adopt rules establishing the
21 procedures for applicants for dispensing organizations.

22 (c) When applying for a dispensing organization
23 registration, the applicant shall submit, at a minimum, the
24 following in accordance with Department of Financial and
25 Professional Regulation rules:

26 (1) a non-refundable application fee established by

1 rule;

2 (2) the proposed legal name of the dispensing
3 organization;

4 (3) the proposed physical address of the dispensing
5 organization;

6 (4) the name, address, and date of birth of each
7 principal officer and board member of the dispensing
8 organization, provided that all those individuals shall be
9 at least 21 years of age;

10 (5) (blank);

11 (6) (blank); and

12 (7) (blank).

13 (d) The Department of Financial and Professional
14 Regulation shall conduct a background check of the prospective
15 dispensing organization agents in order to carry out this
16 Section. The Department of State Police shall charge a fee for
17 conducting the criminal history record check, which shall be
18 deposited in the State Police Services Fund and shall not
19 exceed the actual cost of the record check. Each person
20 applying as a dispensing organization agent shall submit a
21 full set of fingerprints to the Department of State Police for
22 the purpose of obtaining a State and federal criminal records
23 check. These fingerprints shall be checked against the
24 fingerprint records now and hereafter, to the extent allowed
25 by law, filed in the Department of State Police and Federal
26 Bureau of Investigation criminal history records databases.

1 The Department of State Police shall furnish, following
2 positive identification, all Illinois conviction information
3 to the Department of Financial and Professional Regulation.

4 (e) A dispensing organization must pay a registration fee
5 set by the Department of Financial and Professional
6 Regulation.

7 (f) An application for a medical cannabis dispensing
8 organization registration must be denied if any of the
9 following conditions are met:

10 (1) the applicant failed to submit the materials
11 required by this Section, including if the applicant's
12 plans do not satisfy the security, oversight, or
13 recordkeeping rules issued by the Department of Financial
14 and Professional Regulation;

15 (2) the applicant would not be in compliance with
16 local zoning rules issued in accordance with Section 140;

17 (3) the applicant does not meet the requirements of
18 Section 130;

19 (4) one or more of the prospective principal officers
20 or board members has been convicted of an excluded
21 offense;

22 (5) one or more of the prospective principal officers
23 or board members has served as a principal officer or
24 board member for a registered medical cannabis dispensing
25 organization that has had its registration revoked; and

26 (6) one or more of the principal officers or board

1 members is under 21 years of age.

2 (g) This Section is repealed on January 1, 2027.

3 (Source: P.A. 101-363, eff. 8-9-19; 102-98, eff. 7-15-21.)

4 (410 ILCS 130/120)

5 Sec. 120. Dispensing organization agent identification
6 card.

7 (a) The Department of Financial and Professional
8 Regulation shall:

9 (1) verify the information contained in an application
10 or renewal for a dispensing organization agent
11 identification card submitted under this Act, and approve
12 or deny an application or renewal, within 30 days of
13 receiving a completed application or renewal application
14 and all supporting documentation required by rule;

15 (2) issue a dispensing organization agent
16 identification card to a qualifying agent within 15
17 business days of approving the application or renewal;

18 (3) enter the registry identification number of the
19 dispensing organization where the agent works; and

20 (4) allow for an electronic application process, and
21 provide a confirmation by electronic or other methods that
22 an application has been submitted.

23 (b) A dispensing agent must keep his or her identification
24 card visible at all times when on the property of a dispensing
25 organization.

1 (c) The dispensing organization agent identification cards
2 shall contain the following:

3 (1) the name of the cardholder;

4 (2) the date of issuance and expiration date of the
5 dispensing organization agent identification cards;

6 (3) a random 10 digit alphanumeric identification
7 number containing at least 4 numbers and at least 4
8 letters; that is unique to the holder; and

9 (4) a photograph of the cardholder.

10 (d) The dispensing organization agent identification cards
11 shall be immediately returned to the dispensing organization
12 upon termination of employment.

13 (e) Any card lost by a dispensing organization agent shall
14 be reported to the Illinois State Police and the Department of
15 Financial and Professional Regulation immediately upon
16 discovery of the loss.

17 (f) Agent renewal on and after July 1, 2026 shall be in
18 accordance with Section 15-40 of the Cannabis Regulation Tax
19 Act ~~An applicant shall be denied a dispensing organization~~
20 ~~agent identification card if he or she has been convicted of an~~
21 ~~excluded offense.~~

22 (g) This Section is repealed on January 1, 2027.

23 (Source: P.A. 98-122, eff. 1-1-14; 98-1172, eff. 1-12-15.)

24 (410 ILCS 130/125)

25 Sec. 125. Medical cannabis dispensing organization

1 certification renewal.

2 (a) The registered dispensing organization shall receive
3 written notice 90 days prior to the expiration of its current
4 registration that the registration will expire. The Department
5 of Financial and Professional Regulation shall grant a renewal
6 application within 45 days of its submission if the following
7 conditions are satisfied:

8 (1) the registered dispensing organization submits a
9 renewal application and the required renewal fee
10 established by the Department of Financial and
11 Professional Regulation rules; and

12 (2) the Department of Financial and Professional
13 Regulation has not suspended the registered dispensing
14 organization or suspended or revoked the registration for
15 violation of this Act or rules adopted under this Act.

16 (b) If a dispensing organization fails to renew its
17 registration prior to expiration, the dispensing organization
18 shall cease operations until registration is renewed.

19 (c) If a dispensing organization agent fails to renew his
20 or her registration prior to its expiration, he or she shall
21 cease to work or volunteer at a dispensing organization until
22 his or her registration is renewed.

23 (d) Any dispensing organization that continues to operate
24 or dispensing agent that continues to work or volunteer at a
25 dispensing organization that fails to renew its registration
26 shall be subject to penalty as provided in Section 130.

1 (e) A dispensing organization licensed under this Act
2 shall renew its license in accordance with Section 15-45 of
3 the Cannabis Regulation Tax Act on and after July 1, 2026.

4 (f) This Section is repealed on January 1, 2027.

5 (Source: P.A. 98-122, eff. 1-1-14.)

6 (410 ILCS 130/130)

7 Sec. 130. Requirements; prohibitions; penalties;
8 dispensing organizations.

9 (a) The Department of Financial and Professional
10 Regulation shall implement the provisions of this Section by
11 rule.

12 (b) A dispensing organization shall maintain operating
13 documents which shall include procedures for the oversight of
14 the registered dispensing organization and procedures to
15 ensure accurate recordkeeping.

16 (c) A dispensing organization shall implement appropriate
17 security measures, as provided by rule, to deter and prevent
18 the theft of cannabis and unauthorized entrance into areas
19 containing cannabis.

20 (d) A dispensing organization may not be located within
21 1,000 feet of the property line of a pre-existing public or
22 private preschool or elementary or secondary school or day
23 care center, day care home, group day care home, or part day
24 child care facility. A registered dispensing organization may
25 not be located in a house, apartment, condominium, or an area

1 zoned for residential use. This subsection shall not apply to
2 any dispensing organizations registered on or after July 1,
3 2019.

4 (e) A dispensing organization is prohibited from acquiring
5 cannabis from anyone other than a cultivation center, craft
6 grower, infuser organization ~~processing organization~~, another
7 dispensing organization, or transporting organization licensed
8 or registered under this Act or the Cannabis Regulation and
9 Tax Act. A dispensing organization is prohibited from
10 obtaining cannabis from outside the State of Illinois.

11 (f) A registered dispensing organization is prohibited
12 from dispensing cannabis for any purpose except to assist
13 registered qualifying patients with the medical use of
14 cannabis directly or through the qualifying patients'
15 designated caregivers.

16 (g) The area in a dispensing organization where medical
17 cannabis is stored can only be accessed by dispensing
18 organization agents working for the dispensing organization,
19 Department of Financial and Professional Regulation staff
20 performing inspections, law enforcement or other emergency
21 personnel, and contractors working on jobs unrelated to
22 medical cannabis, such as installing or maintaining security
23 devices or performing electrical wiring.

24 (h) A dispensing organization may not dispense more than
25 2.5 ounces of cannabis to a registered qualifying patient,
26 directly or via a designated caregiver, in any 14-day period

1 unless the qualifying patient has a Department of Public
2 Health-approved quantity waiver. Any Department of Public
3 Health-approved quantity waiver process must be made available
4 to qualified veterans.

5 (i) Except as provided in subsection (i-5), before medical
6 cannabis may be dispensed to a designated caregiver or a
7 registered qualifying patient, a dispensing organization agent
8 must determine that the individual is a current cardholder in
9 the verification system and must verify each of the following:

10 (1) that the registry identification card presented to
11 the registered dispensing organization is valid;

12 (2) that the person presenting the card is the person
13 identified on the registry identification card presented
14 to the dispensing organization agent;

15 (3) (blank); and

16 (4) that the registered qualifying patient has not
17 exceeded his or her adequate supply.

18 (i-5) A dispensing organization may dispense medical
19 cannabis to an Opioid Alternative Patient ~~Pilot~~ Program
20 participant under Section 62 and to a person presenting proof
21 of provisional registration under Section 55. Before
22 dispensing medical cannabis, the dispensing organization shall
23 comply with the requirements of Section 62 or Section 55,
24 whichever is applicable, and verify the following:

25 (1) that the written certification presented to the
26 registered dispensing organization is valid and an

1 original document;

2 (2) that the person presenting the written
3 certification is the person identified on the written
4 certification; and

5 (3) that the participant has not exceeded his or her
6 adequate supply.

7 (j) Dispensing organizations shall ensure compliance with
8 this limitation by maintaining internal, confidential records
9 that include records specifying how much medical cannabis is
10 dispensed to the registered qualifying patient and whether it
11 was dispensed directly to the registered qualifying patient or
12 to the designated caregiver. Each entry must include the date
13 and time the cannabis was dispensed. Additional recordkeeping
14 requirements may be set by rule.

15 (k) The health care professional-patient privilege as set
16 forth by Section 8-802 of the Code of Civil Procedure shall
17 apply between a qualifying patient and a registered dispensing
18 organization and its agents with respect to communications and
19 records concerning qualifying patients' debilitating
20 conditions.

21 (l) A dispensing organization may not permit any person to
22 consume cannabis on the property of a medical cannabis
23 organization.

24 (m) A dispensing organization may not share office space
25 with or refer patients to a certifying health care
26 professional.

1 (n) Notwithstanding any other criminal penalties related
2 to the unlawful possession of cannabis, the Department of
3 Financial and Professional Regulation may revoke, suspend,
4 place on probation, reprimand, refuse to issue or renew, or
5 take any other disciplinary or non-disciplinary action as the
6 Department of Financial and Professional Regulation may deem
7 proper with regard to the registration of any person issued
8 under this Act to operate a dispensing organization or act as a
9 dispensing organization agent, including imposing fines not to
10 exceed \$10,000 for each violation, for any violations of this
11 Act and rules adopted in accordance with this Act. The
12 procedures for disciplining a registered dispensing
13 organization shall be determined by rule. All final
14 administrative decisions of the Department of Financial and
15 Professional Regulation are subject to judicial review under
16 the Administrative Review Law and its rules. The term
17 "administrative decision" is defined as in Section 3-101 of
18 the Code of Civil Procedure.

19 (o) Dispensing organizations are subject to random
20 inspection and cannabis testing by the Department of Financial
21 and Professional Regulation, the Illinois State Police, the
22 Department of Revenue, the Department of Public Health, the
23 Department of Agriculture, or as provided by rule.

24 (p) The Department of Financial and Professional
25 Regulation shall adopt rules permitting returns, and potential
26 refunds, for damaged or inadequate products.

1 (q) The Department of Financial and Professional
2 Regulation may issue nondisciplinary citations for minor
3 violations which may be accompanied by a civil penalty not to
4 exceed \$10,000 per violation. The penalty shall be a civil
5 penalty or other condition as established by rule. The
6 citation shall be issued to the licensee and shall contain the
7 licensee's name, address, and license number, a brief factual
8 statement, the Sections of the law or rule allegedly violated,
9 and the civil penalty, if any, imposed. The citation must
10 clearly state that the licensee may choose, in lieu of
11 accepting the citation, to request a hearing. If the licensee
12 does not dispute the matter in the citation with the
13 Department of Financial and Professional Regulation within 30
14 days after the citation is served, then the citation shall
15 become final and shall not be subject to appeal.

16 (r) This Section is repealed on January 1, 2027.

17 (Source: P.A. 101-363, eff. 8-9-19; 102-98, eff. 7-15-21.)

18 (410 ILCS 130/140)

19 Sec. 140. Local ordinances. A unit of local government may
20 enact reasonable zoning ordinances or resolutions, not in
21 conflict with this Act or with Department of Agriculture or
22 Department of Financial and Professional Regulation rules,
23 regulating registered medical cannabis cultivation center or
24 medical cannabis dispensing organizations. No unit of local
25 government, including a home rule unit, or school district may

1 regulate registered medical cannabis organizations other than
2 as provided in this Act and may not unreasonably prohibit the
3 cultivation, dispensing, and use of medical cannabis
4 authorized by this Act. This Section is a denial and
5 limitation under subsection (i) of Section 6 of Article VII of
6 the Illinois Constitution on the concurrent exercise by home
7 rule units of powers and functions exercised by the State.

8 This Section is repealed on January 1, 2027.

9 (Source: P.A. 98-122, eff. 1-1-14; 98-1172, eff. 1-12-15.)

10 (410 ILCS 130/145)

11 Sec. 145. Confidentiality.

12 (a) The following information received and records kept by
13 the Department of Public Health, Department of Financial and
14 Professional Regulation, Department of Agriculture, Department
15 of Commerce and Economic Opportunity, Office of Executive
16 Inspector General, or Illinois State Police for purposes of
17 administering this Act are subject to all applicable federal
18 privacy laws, confidential, and exempt from the Freedom of
19 Information Act, and not subject to disclosure to any
20 individual or public or private entity, except as necessary
21 for authorized employees of those authorized agencies to
22 perform official duties under this Act and except as necessary
23 to those involved in enforcing the State Officials and
24 Employees Ethics Act, and the following information received
25 and records kept by Department of Public Health, Department of

1 Agriculture, Department of Commerce and Economic Opportunity,
2 Department of Financial and Professional Regulation, Office of
3 Executive Inspector General, and Illinois State Police,
4 excluding any existing or non-existing Illinois or national
5 criminal history record information as defined in subsection
6 (d), may be disclosed to each other upon request:

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

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

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

21 (4) Any dispensing information required to be kept
22 under Section 135, Section 150, or Department of Public
23 Health, Department of Agriculture, or Department of
24 Financial and Professional Regulation rules shall identify
25 cardholders and registered cultivation centers by their
26 registry identification numbers and medical cannabis

1 dispensing organizations by their registration number and
2 not contain names or other personally identifying
3 information.

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

7 (b) Nothing in this Section precludes the following:

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

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

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

25 (B) issued a written certification to a person who
26 was not under the certifying health care

1 professional's care for the debilitating medical
2 condition; or

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

6 (3) The Department of Public Health, Department of
7 Agriculture, and Department of Financial and Professional
8 Regulation may notify State or local law enforcement about
9 apparent criminal violations of this Act if the employee
10 who suspects the offense has conferred with his or her
11 supervisor and both agree that circumstances exist that
12 warrant reporting.

13 (4) Medical cannabis cultivation center agents and
14 medical cannabis dispensing organizations may notify the
15 Department of Public Health, Department of Financial and
16 Professional Regulation, or Department of Agriculture of a
17 suspected violation or attempted violation of this Act or
18 the rules issued under it.

19 (5) Each Department may verify registry identification
20 cards under Section 150.

21 (6) The submission of the report to the General
22 Assembly under Section 160.

23 (b-5) Each Department responsible for licensure under this
24 Act shall publish on the Department's website a list of the
25 ownership information of cannabis business establishment
26 licensees under the Department's jurisdiction. The list shall

1 include, but shall not be limited to, the name of the person or
2 entity holding each cannabis business establishment license
3 and the address at which the entity is operating under this
4 Act. This list shall be published and updated monthly.

5 (c) Except for any ownership information released pursuant
6 to subsection (b-5) or as otherwise authorized or required by
7 law, it is a Class B misdemeanor with a \$1,000 fine for any
8 person, including an employee or official of the Department of
9 Public Health, Department of Financial and Professional
10 Regulation, or Department of Agriculture or another State
11 agency or local government, to breach the confidentiality of
12 information obtained under this Act.

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

22 (e) Notwithstanding any other provision of this Section,
23 the Department of Financial and Professional Regulation and
24 the Department of Agriculture may share with the Department of
25 Commerce and Economic Opportunity any licensee information
26 necessary to support the administration of social equity

1 programming.

2 (Source: P.A. 101-363, eff. 8-9-19; 102-98, eff. 7-15-21;
3 102-538, eff. 8-20-21; 102-813, eff. 5-13-22.)

4 (410 ILCS 130/150)

5 Sec. 150. Registry identification and registration
6 certificate verification.

7 (a) The Department of Public Health shall maintain a
8 confidential list of the persons to whom the Department of
9 Public Health has issued registry identification cards and
10 their addresses, phone numbers, and registry identification
11 numbers. This confidential list may not be combined or linked
12 in any manner with any other list or database except as
13 provided in this Section.

14 (b) Within 180 days of the effective date of this Act, the
15 Department of Public Health, Department of Financial and
16 Professional Regulation, and Department of Agriculture shall
17 together establish a computerized database or verification
18 system. The database or verification system must allow law
19 enforcement personnel and medical cannabis dispensary
20 organization agents to determine whether or not the
21 identification number corresponds with a current, valid
22 registry identification card. The system shall only disclose
23 whether the identification card is valid, whether the
24 cardholder is a registered qualifying patient, provisional
25 patient, or ~~a registered~~ designated caregiver, ~~the registry~~

1 ~~identification number of the registered medical cannabis~~
2 ~~dispensing organization designated to serve the registered~~
3 ~~qualifying patient who holds the card,~~ and the registry
4 identification number of the patient who is assisted by a
5 registered designated caregiver who holds the card. The
6 Department of Public Health, the Department of Agriculture,
7 the Illinois State Police, and the Department of Financial and
8 Professional Regulation shall not share or disclose any
9 existing or non-existing Illinois or national criminal history
10 record information. Notwithstanding any other requirements
11 established by this subsection, the Department of Public
12 Health shall issue registry cards to qualifying patients, the
13 Department of Financial and Professional Regulation may issue
14 registration cards to medical cannabis dispensing
15 organizations for the period during which the database is
16 being established, and the Department of Agriculture may issue
17 registration to medical cannabis cultivation organizations for
18 the period during which the database is being established.

19 (c) For the purposes of this Section, "any existing or
20 non-existing Illinois or national criminal history record
21 information" means any Illinois or national criminal history
22 record information, including but not limited to the lack of
23 or non-existence of these records.

24 (Source: P.A. 102-538, eff. 8-20-21.)

1 Sec. 180. Destruction of medical cannabis.

2 (a) All cannabis byproduct, scrap, and harvested cannabis
3 not intended for distribution to a medical cannabis
4 organization must be destroyed and disposed of pursuant to
5 State law. Documentation of destruction and disposal shall be
6 retained at the cultivation center for a period of not less
7 than 5 years.

8 (b) A cultivation center shall prior to the destruction,
9 notify the Department of Agriculture and the Illinois State
10 Police.

11 (c) The cultivation center shall keep record of the date
12 of destruction and how much was destroyed.

13 (d) A dispensary organization shall destroy all cannabis,
14 including cannabis-infused products, that are not sold to
15 registered qualifying patients. Documentation of destruction
16 and disposal shall be retained at the dispensary organization
17 for a period of not less than 5 years.

18 (e) A dispensary organization shall prior to the
19 destruction, notify the Department of Financial and
20 Professional Regulation and the Illinois State Police.

21 (f) This Section is repealed on January 1, 2027.

22 (Source: P.A. 102-538, eff. 8-20-21.)

23 (410 ILCS 130/200)

24 Sec. 200. Tax imposed.

25 (a) Beginning on January 1, 2014 and through December 31,

1 ~~2025 the effective date of this Act,~~ a tax is imposed upon the
2 privilege of cultivating medical cannabis at a rate of 7% of
3 the sales price per ounce. Beginning January 1, 2026, a tax is
4 imposed on the privilege of cultivating medical cannabis at
5 the rate of 7% of the gross receipts from the first sale of
6 medical cannabis by a cultivator. The sale of any product that
7 contains any amount of medical cannabis or any derivative
8 thereof is subject to the tax under this Section on the full
9 selling price of the product. The Department may determine the
10 selling price of the medical cannabis when the seller and
11 purchaser are affiliated persons or when the sale and purchase
12 of medical cannabis is not an arm's length transaction, and a
13 value is not established for the medical cannabis. The value
14 determined by the Department shall be commensurate with the
15 actual price received for products of like quality, character,
16 and use in the area. If there are no sales of medical cannabis
17 of like quality, character, and use in the area, then the
18 Department shall establish a reasonable value based on sales
19 of products of like quality, character, and use in the other
20 areas of the State, taking into consideration any other
21 relevant factors. Beginning July 1, 2026, the privilege of
22 cultivating cannabis shall be subject to the tax imposed under
23 Section 60-10 of the Cannabis Regulation and Tax Act. Through
24 June 30, 2026 the ~~The~~ proceeds from this tax shall be deposited
25 into the Compassionate Use of Medical Cannabis Fund created
26 under the Compassionate Use of Medical Cannabis Program Act.

1 This tax shall be paid by a cultivation center and is not the
2 responsibility of a dispensing organization or a qualifying
3 patient.

4 (b) The tax imposed under this Act shall be in addition to
5 all other occupation or privilege taxes imposed by the State
6 of Illinois or by any municipal corporation or political
7 subdivision thereof.

8 (Source: P.A. 101-363, eff. 8-9-19.)

9 (410 ILCS 130/205)

10 Sec. 205. Department enforcement.

11 (a) Every person subject to the tax under this Law shall
12 apply to the Department (upon a form prescribed and furnished
13 by the Department) for a certificate of registration under
14 this Law. Application for a certificate of registration shall
15 be made to the Department upon forms furnished by the
16 Department. The certificate of registration which is issued by
17 the Department to a retailer under the Retailers' Occupation
18 Tax Act shall permit the taxpayer to engage in a business which
19 is taxable under this Law without registering separately with
20 the Department. Beginning July 1, 2026, a person licensed as a
21 cultivation center or dispensing organization under the
22 Cannabis Regulation and Tax Act shall be deemed to be
23 sufficiently licensed under this Law by virtue of his or her
24 being properly licensed under the Cannabis Regulation and Tax
25 Act.

1 (b) The Department shall have full power to administer and
2 enforce this Law, to collect all taxes and penalties due
3 hereunder, to dispose of taxes and penalties so collected in
4 the manner hereinafter provided, and to determine all rights
5 to credit memoranda, arising on account of the erroneous
6 payment of tax or penalty hereunder. In the administration of,
7 and compliance with, this Law, the Department and persons who
8 are subject to this Law shall have the same rights, remedies,
9 privileges, immunities, powers and duties, and be subject to
10 the same conditions, restrictions, limitations, penalties and
11 definitions of terms, and employ the same modes of procedure,
12 as are prescribed in Sections 1, 1a, 2 through 2-65 (in respect
13 to all provisions therein other than the State rate of tax),
14 2a, 2b, 2c, 3 (except provisions relating to transaction
15 returns and quarter monthly payments, and except for
16 provisions that are inconsistent with this Law), 4, 5, 5a, 5b,
17 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11,
18 11a, 12 and 13 of the Retailers' Occupation Tax Act and Section
19 3-7 of the Uniform Penalty and Interest Act as fully as if
20 those provisions were set forth herein.

21 (Source: P.A. 98-122, eff. 1-1-14.)

22 (410 ILCS 130/210)

23 Sec. 210. Returns.

24 (a) This subsection (a) applies to returns due on or
25 before the effective date of this amendatory Act of the 101st

1 General Assembly. On or before the twentieth day of each
2 calendar month, every person subject to the tax imposed under
3 this Law during the preceding calendar month shall file a
4 return with the Department, stating:

5 (1) The name of the taxpayer;

6 (2) The number of ounces of medical cannabis sold to a
7 dispensing organization or a registered qualifying patient
8 during the preceding calendar month;

9 (3) The amount of tax due;

10 (4) The signature of the taxpayer; and

11 (5) Such other reasonable information as the
12 Department may require.

13 If a taxpayer fails to sign a return within 30 days after
14 the proper notice and demand for signature by the Department,
15 the return shall be considered valid and any amount shown to be
16 due on the return shall be deemed assessed.

17 The taxpayer shall remit the amount of the tax due to the
18 Department at the time the taxpayer files his or her return.

19 (b) Beginning on the effective date of this amendatory Act
20 of the 101st General Assembly, Section 60-20 ~~65-20~~ of the
21 Cannabis Regulation and Tax Act shall apply to returns filed
22 and taxes paid under this Act to the same extent as if those
23 provisions were set forth in full in this Section.

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

1 (410 ILCS 130/115.5 rep.)

2 (410 ILCS 130/135 rep.)

3 (410 ILCS 130/162 rep.)

4 Section 45. The Compassionate Use of Medical Cannabis
5 Program Act is amended by repealing Sections 80, 115.5, 135,
6 and 162.

7 Section 50. The Cannabis Regulation and Tax Act is amended
8 by changing Sections 1-10, 5-10, 5-15, 7-10, 7-15, 7-20,
9 10-10, 10-15, 15-10, 15-15, 15-20, 15-25, 15-35, 15-35.10,
10 15-36, 15-40, 15-45, 15-65, 15-70, 15-75, 15-85, 15-100,
11 15-135, 15-145, 25-35, 30-10, 30-30, 30-35, 30-45, 35-25,
12 35-30, 35-40, 40-25, 40-30, 45-5, 50-5, 55-5, 55-10, 55-30,
13 55-65, 55-85, 60-5, 60-10, 65-5, 65-10, 65-30, 65-38, 65-42,
14 and the heading of Article 20 and Sections 20-10, 20-15,
15 20-20, 20-21, 20-30, 20-35 and 20-45 and by adding Sections
16 15-13, 15-17, 15-23, 15-24, and 40-31 as follows:

17 (410 ILCS 705/1-10)

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

19 "Adequate medical supply" means:

20 (1) 2.5 ounces of usable cannabis during a period of
21 14 days and that is derived solely from an intrastate
22 source.

23 (2) Subject to the rules of the Department of Public
24 Health, a patient may apply for a waiver where a

1 certifying health care professional provides a substantial
2 medical basis in a signed, written statement asserting
3 that, based on the patient's medical history, in the
4 certifying health care professional's professional
5 judgment, 2.5 ounces is an insufficient adequate medical
6 supply for a 14-day period to properly alleviate the
7 patient's debilitating medical condition or symptoms
8 associated with the debilitating medical condition.

9 (3) This subsection may not be construed to authorize
10 the possession of more than 2.5 ounces at any time without
11 authority from the Department of Public Health.

12 (4) The pre-mixed weight of medical cannabis used in
13 making a cannabis-infused product shall apply toward the
14 limit on the total amount of medical cannabis a registered
15 qualifying patient may possess at any one time.

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

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

25 "Advertise" means to engage in promotional activities
26 including, but not limited to: newspaper, radio, Internet and

1 electronic media, and television advertising; the distribution
2 of fliers and circulars; billboard advertising; and the
3 display of window and interior signs. "Advertise" does not
4 mean exterior signage displaying only the name of the licensed
5 cannabis business establishment.

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

9 "BLS Region" means a region in Illinois used by the United
10 States Bureau of Labor Statistics to gather and categorize
11 certain employment and wage data. The 17 such regions in
12 Illinois are: Bloomington, Cape Girardeau, Carbondale-Marion,
13 Champaign-Urbana, Chicago-Naperville-Elgin, Danville,
14 Davenport-Moline-Rock Island, Decatur, Kankakee, Peoria,
15 Rockford, St. Louis, Springfield, Northwest Illinois
16 nonmetropolitan area, West Central Illinois nonmetropolitan
17 area, East Central Illinois nonmetropolitan area, and South
18 Illinois nonmetropolitan area.

19 "By lot" means a randomized method of choosing between 2
20 or more Eligible Tied Applicants or 2 or more Qualifying
21 Applicants.

22 "Cannabis" means marijuana, hashish, and other substances
23 that are identified as including any parts of the plant
24 Cannabis sativa and including derivatives or subspecies, such
25 as indica, of all strains of cannabis, whether growing or not;
26 the seeds thereof, the resin extracted from any part of the

1 plant; and any compound, manufacture, salt, derivative,
2 mixture, or preparation of the plant, its seeds, or resin,
3 including tetrahydrocannabinol (THC) and all other naturally
4 produced cannabinol derivatives, whether produced directly or
5 indirectly by extraction; however, "cannabis" does not include
6 the mature stalks of the plant, fiber produced from the
7 stalks, oil or cake made from the seeds of the plant, any other
8 compound, manufacture, salt, derivative, mixture, or
9 preparation of the mature stalks (except the resin extracted
10 from it), fiber, oil or cake, or the sterilized seed of the
11 plant that is incapable of germination. "Cannabis" does not
12 include industrial hemp as defined and authorized under the
13 Industrial Hemp Act. "Cannabis" also means cannabis flower,
14 concentrate, and cannabis-infused products.

15 "Cannabis business establishment" means a cultivation
16 center, craft grower, ~~processing organization,~~ infuser
17 organization, dispensing organization, or transporting
18 organization.

19 "Cannabis concentrate" means a product derived from
20 cannabis that is produced by extracting cannabinoids,
21 including tetrahydrocannabinol (THC), from the plant through
22 the use of propylene glycol, glycerin, butter, olive oil, or
23 other typical cooking fats; water, ice, or dry ice; or butane,
24 propane, CO₂, ethanol, or isopropanol and with the intended
25 use of smoking or making a cannabis-infused product. The use
26 of any other solvent is expressly prohibited unless and until

1 it is approved by the Department of Agriculture.

2 "Cannabis container" means a sealed or resealable,
3 traceable, container, or package used for the purpose of
4 containment of cannabis or cannabis-infused product during
5 transportation.

6 "Cannabis flower" means marijuana, hashish, and other
7 substances that are identified as including any parts of the
8 plant Cannabis sativa and including derivatives or subspecies,
9 such as indica, of all strains of cannabis; including raw
10 kief, leaves, and buds, but not resin that has been extracted
11 from any part of such plant; nor any compound, manufacture,
12 salt, derivative, mixture, or preparation of such plant, its
13 seeds, or resin.

14 "Cannabis-infused product" means a beverage, food, oil,
15 ointment, tincture, topical formulation, or another product
16 containing cannabis or cannabis concentrate that is not
17 intended to be smoked.

18 "Cannabis paraphernalia" means equipment, products, or
19 materials intended to be used for planting, propagating,
20 cultivating, growing, harvesting, manufacturing, producing,
21 processing, preparing, testing, analyzing, packaging,
22 repackaging, storing, containing, concealing, ingesting, or
23 otherwise introducing cannabis into the human body.

24 "Cannabis plant monitoring system" or "plant monitoring
25 system" means a system that includes, but is not limited to,
26 testing and data collection established and maintained by the

1 cultivation center, craft grower, or infuser ~~processing~~
2 organization and that is available to the Department of
3 Revenue, the Department of Agriculture, the Department of
4 Financial and Professional Regulation, and the Illinois State
5 Police for the purposes of documenting each cannabis plant and
6 monitoring plant development throughout the life cycle of a
7 cannabis plant cultivated for the intended use by a customer
8 from seed planting to final packaging.

9 "Cannabis testing facility" means an entity registered by
10 the Department of Agriculture to test cannabis for potency and
11 contaminants.

12 "Clone" means a plant section from a female cannabis plant
13 not yet rootbound, growing in a water solution or other
14 propagation matrix, that is capable of developing into a new
15 plant.

16 "Community College Cannabis Vocational Training Pilot
17 Program faculty participant" means a person who is 21 years of
18 age or older, licensed by the Department of Agriculture, and
19 is employed or contracted by an Illinois community college to
20 provide student instruction using cannabis plants at an
21 Illinois Community College.

22 "Community College Cannabis Vocational Training Pilot
23 Program faculty participant Agent Identification Card" means a
24 document issued by the Department of Agriculture that
25 identifies a person as a Community College Cannabis Vocational
26 Training Pilot Program faculty participant.

1 "Conditional Adult Use Dispensing Organization License"
2 means a contingent license awarded to applicants for an Adult
3 Use Dispensing Organization License that reserves the right to
4 an Adult Use Dispensing Organization License if the applicant
5 meets certain conditions described in this Act, but does not
6 entitle the recipient to begin purchasing or selling cannabis
7 or cannabis-infused products.

8 "Conditional ~~Adult Use~~ Cultivation Center License" means a
9 license awarded to top-scoring applicants for a ~~an Adult Use~~
10 Cultivation Center License that reserves the right to a ~~an~~
11 ~~Adult Use~~ Cultivation Center License if the applicant meets
12 certain conditions as determined by the Department of
13 Agriculture by rule, but does not entitle the recipient to
14 begin growing, processing, or selling cannabis or
15 cannabis-infused products.

16 "Craft grower" means a facility operated by an
17 organization or business that is licensed by the Department of
18 Agriculture to cultivate, dry, cure, and package cannabis and
19 perform other necessary activities to make cannabis available
20 for sale at a dispensing organization or use at an infuser ~~a~~
21 ~~processing~~ organization. A craft grower may contain up to
22 14,000 ~~5,000~~ square feet of canopy space on its premises for
23 plants in the flowering state. ~~The Department of Agriculture~~
24 ~~may authorize an increase or decrease of flowering stage~~
25 ~~cultivation space in increments of 3,000 square feet by rule~~
26 ~~based on market need, craft grower capacity, and the~~

1 ~~licensee's history of compliance or noncompliance, with a~~
2 ~~maximum space of 14,000 square feet for cultivating plants in~~
3 ~~the flowering stage,~~ which must be cultivated in all stages of
4 growth in an enclosed and secure area. A craft grower may share
5 premises with an infuser ~~a processing~~ organization or a
6 dispensing organization, or both, provided each licensee
7 stores currency and cannabis or cannabis-infused products in a
8 separate secured vault to which the other licensee does not
9 have access or all licensees sharing a vault share more than
10 50% of the same ownership.

11 "Craft grower agent" means a principal officer, board
12 member, employee, or other agent of a craft grower who is 21
13 years of age or older.

14 "Craft Grower Agent Identification Card" means a document
15 issued by the Department of Agriculture that identifies a
16 person as a craft grower agent.

17 "Cultivation center" means a facility operated by an
18 organization or business that is licensed by the Department of
19 Agriculture to cultivate, process, transport (unless otherwise
20 limited by this Act), and perform other necessary activities
21 to provide cannabis and cannabis-infused products to cannabis
22 business establishments. As used in this Act, "cultivation
23 center" includes any cultivation center which prior to July 1,
24 2026, was a cultivation center as defined in the Compassionate
25 Use of Medical Cannabis Program Act.

26 "Cultivation center agent" means a principal officer,

1 board member, employee, or other agent of a cultivation center
2 who is 21 years of age or older.

3 "Cultivation Center Agent Identification Card" means a
4 document issued by the Department of Agriculture that
5 identifies a person as a cultivation center agent.

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

7 "Designated caregiver" means a person who assists no more
8 than one registered qualifying patient with the patient's
9 medical use of cannabis, except the parent or legal guardian
10 of a registered qualifying patient may assist each of their
11 children who are registered qualifying patients.

12 ~~"Dispensary" means a facility operated by a dispensing~~
13 ~~organization at which activities licensed by this Act may~~
14 ~~occur.~~

15 "Dispensary Applicant" means the Proposed Dispensing
16 Organization Name as stated on an application for a
17 Conditional Adult Use Dispensing Organization License.

18 "Dispensing organization" or "dispensary" means a facility
19 operated by an organization or business that is licensed by
20 the Department of Financial and Professional Regulation to
21 acquire cannabis from a cultivation center, craft grower, or
22 infuser processing organization licensed by the Department of
23 Agriculture, or another dispensary licensed by the Department
24 of Financial and Professional Regulation, for the purpose of
25 selling or dispensing cannabis, cannabis-infused products,
26 cannabis seeds, paraphernalia, or related supplies under this

1 Act to purchasers or to qualified registered medical cannabis
2 patients and caregivers. As used in this Act, "dispensing
3 organization" includes any dispensary which, prior to July 1,
4 2026, was a ~~a~~ registered medical cannabis organization as
5 defined in the Compassionate Use of Medical Cannabis Program
6 Act or its successor Act or that ~~has~~ obtained an Early Approval
7 Adult Use Dispensing Organization License or Early Approval
8 Adult Use Dispensing Organization License at a Secondary Site
9 under this Act.

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

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

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

21 (1) meets at least one of the following criteria:

22 (A) the area has a poverty rate of at least 20%
23 according to the latest federal decennial census; or

24 (B) 75% or more of the children in the area
25 participate in the federal free lunch program
26 according to reported statistics from the State Board

1 of Education; or

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

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

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

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

24 "Early Approval Adult Use Dispensing Organization License"
25 means a license that permits a medical cannabis dispensing
26 organization licensed under the Compassionate Use of Medical

1 Cannabis Program Act as of the effective date of this Act to
2 begin selling cannabis or cannabis-infused product to
3 purchasers as permitted by this Act as of January 1, 2020.

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

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

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

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

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

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

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

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

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

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

1 from the moment the light deprivation began through the
2 remainder of the marijuana plant growth cycle.

3 "Individual" means a natural person.

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

9 "Infuser organization agent" means a principal officer,
10 board member, employee, or other agent of an infuser
11 organization.

12 "Infuser organization agent identification card" means a
13 document issued by the Department of Agriculture that
14 identifies a person as an infuser organization agent.

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

19 "Labor peace agreement" means an agreement between a
20 cannabis business establishment and any labor organization
21 recognized under the National Labor Relations Act, referred to
22 in this Act as a bona fide labor organization, that prohibits
23 labor organizations and members from engaging in picketing,
24 work stoppages, boycotts, and any other economic interference
25 with the cannabis business establishment. This agreement means
26 that the cannabis business establishment has agreed not to

1 disrupt efforts by the bona fide labor organization to
2 communicate with, and attempt to organize and represent, the
3 cannabis business establishment's employees. The agreement
4 shall provide a bona fide labor organization access at
5 reasonable times to areas in which the cannabis business
6 establishment's employees work, for the purpose of meeting
7 with employees to discuss their right to representation,
8 employment rights under State law, and terms and conditions of
9 employment. This type of agreement shall not mandate a
10 particular method of election or certification of the bona
11 fide labor organization.

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

25 "Member of an impacted family" means an individual who has
26 a parent, legal guardian, child, spouse, or dependent, or was

1 a dependent of an individual who, prior to the effective date
2 of this Act, was arrested for, convicted of, or adjudicated
3 delinquent for any offense that is eligible for expungement
4 under this Act.

5 "Mother plant" means a cannabis plant that is cultivated
6 or maintained for the purpose of generating clones, and that
7 will not be used to produce plant material for sale to an
8 infuser or dispensing organization.

9 "Opioid Alternative Patient Program participant" means an
10 individual who has received a valid written certification to
11 participate in the Opioid Alternative Patient Program for a
12 medical condition for which an opioid has been or could be
13 prescribed by a certifying health care professional based on
14 generally accepted standards of care.

15 "Ordinary public view" means within the sight line with
16 normal visual range of a person, unassisted by visual aids,
17 from a public street or sidewalk adjacent to real property, or
18 from within an adjacent property.

19 "Ownership and control" means ownership of at least 51% of
20 the business, including corporate stock if a corporation, and
21 control over the management and day-to-day operations of the
22 business and an interest in the capital, assets, and profits
23 and losses of the business proportionate to percentage of
24 ownership.

25 "Person" means a natural individual, firm, partnership,
26 association, joint stock company, joint venture, public or

1 private corporation, limited liability company, or a receiver,
2 executor, trustee, guardian, or other representative appointed
3 by order of any court.

4 "Possession limit" means the amount of cannabis under
5 Section 10-10 that may be possessed at any one time by a person
6 21 years of age or older or who is a registered qualifying
7 medical cannabis patient, ~~or~~ caregiver, or Opioid Alternative
8 Patient Program participant under the Compassionate Use of
9 Medical Cannabis Program Act.

10 "Principal officer" includes a cannabis business
11 establishment applicant or licensed cannabis business
12 establishment's board member, owner with more than 1% interest
13 of the total cannabis business establishment or more than 5%
14 interest of the total cannabis business establishment of a
15 publicly traded company, president, vice president, secretary,
16 treasurer, partner, officer, member, manager member, or person
17 with a profit sharing, financial interest, or revenue sharing
18 arrangement. The definition includes a person with authority
19 to control the cannabis business establishment, a person who
20 assumes responsibility for the debts of the cannabis business
21 establishment and who is further defined in this Act.

22 "Primary residence" means a dwelling where a person
23 usually stays or stays more often than other locations. It may
24 be determined by, without limitation, presence, tax filings;
25 address on an Illinois driver's license, an Illinois
26 Identification Card, or an Illinois Person with a Disability

1 Identification Card; or voter registration. No person may have
2 more than one primary residence.

3 "Provisional patient" means a qualifying patient who has
4 received a provisional registration from the Department of
5 Public Health.

6 "Processor license" means a license issued to an infuser
7 organization that is licensed by the Department of Agriculture
8 under subsection (f) of Section 35-31 to extract raw materials
9 from cannabis flower.

10 ~~"Processing organization" or "processor" means a facility~~
11 ~~operated by an organization or business that is licensed by~~
12 ~~the Department of Agriculture to either extract constituent~~
13 ~~chemicals or compounds to produce cannabis concentrate or~~
14 ~~incorporate cannabis or cannabis concentrate into a product~~
15 ~~formulation to produce a cannabis product.~~

16 ~~"Processing organization agent" means a principal officer,~~
17 ~~board member, employee, or agent of a processing organization.~~

18 ~~"Processing organization agent identification card" means~~
19 ~~a document issued by the Department of Agriculture that~~
20 ~~identifies a person as a processing organization agent.~~

21 "Purchaser" means a person 21 years of age or older who
22 acquires cannabis for a valuable consideration. "Purchaser"
23 does not include a cardholder under the Compassionate Use of
24 Medical Cannabis Program Act.

25 "Qualifying Applicant" means an applicant that submitted
26 an application pursuant to Section 15-30 that received at

1 least 85% of 250 application points available under Section
2 15-30 as the applicant's final score and meets the definition
3 of "Social Equity Applicant" as set forth under this Section.

4 "Qualifying patient" or "qualified patient" means a person
5 who has been diagnosed by a certifying health care
6 professional as having a debilitating medical condition as
7 defined under the Compassionate Use of Medical Cannabis
8 Program Act.

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

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

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

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

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

26 (3) school records;

1 (4) a voter registration card;

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

5 (6) a paycheck stub;

6 (7) a utility bill;

7 (8) tax records; or

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

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

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

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

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

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

23 (ii) is a member of an impacted family;

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

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

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

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

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

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

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

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

12 "Transporter transfer site" means a physical facility
13 approved by the Department of Agriculture to be operated by a
14 transporting organization where the transporting organization
15 may transfer product from one vehicle to another. The
16 Department may allow for onsite storage of cannabis product by
17 rule.

18 "Transporting organization" or "transporter" means an
19 organization or business that is licensed by the Department of
20 Agriculture to transport cannabis or cannabis-infused product
21 on behalf of a cannabis business establishment or a community
22 college licensed under the Community College Cannabis
23 Vocational Training Pilot Program.

24 "Transporting organization agent" means a principal
25 officer, board member, employee, or agent of a transporting
26 organization.

1 "Transporting organization agent identification card"
2 means a document issued by the Department of Agriculture that
3 identifies a person as a transporting organization agent.

4 "Unit of local government" means any county, city,
5 village, or incorporated town.

6 "Vegetative stage" means the stage of cultivation in which
7 a cannabis plant is propagated to produce additional cannabis
8 plants or reach a sufficient size for production. This
9 includes seedlings, clones, mothers, and other immature
10 cannabis plants as follows:

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

16 (2) any cannabis plant that is cultivated solely for
17 the purpose of propagating clones and is never used to
18 produce cannabis.

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

22 (410 ILCS 705/5-10)

23 Sec. 5-10. Department of Agriculture.

24 (a) The Department of Agriculture shall administer and
25 enforce provisions of this Act relating to the oversight and

1 registration of cultivation centers, craft growers, infuser
2 organizations, and transporting organizations and agents,
3 including the issuance of identification cards and
4 establishing limits on potency or serving size for cannabis or
5 cannabis products. The Department of Agriculture may suspend
6 or revoke the license of, or impose other penalties upon
7 cultivation centers, craft growers, infuser organizations,
8 transporting organizations, and their principal officers,
9 Agents-in-Charge, and agents for violations of this Act and
10 any rules adopted under this Act.

11 (b) The Department of Agriculture may establish, by rule,
12 market protections that protect against unfair business
13 practices, including, but not limited to, price-fixing, bid
14 rigging, boycotts, agreements to not compete, exclusive
15 wholesale arrangements for cannabis concentrate, cannabis
16 flower, cannabis-infused products, and any product that is
17 licensed under this Act to ensure all license types have equal
18 access to the market without unfair competition.

19 (Source: P.A. 101-27, eff. 6-25-19.)

20 (410 ILCS 705/5-15)

21 Sec. 5-15. Department of Financial and Professional
22 Regulation.

23 (a) The Department of Financial and Professional
24 Regulation shall enforce the provisions of this Act relating
25 to the oversight and registration of dispensing organizations

1 and agents, including the issuance of identification cards for
2 dispensing organization agents. The Department of Financial
3 and Professional Regulation may suspend or revoke the license
4 of, or otherwise discipline dispensing organizations,
5 principal officers, agents-in-charge, and agents for
6 violations of this Act and any rules adopted under this Act.

7 (b) The Department of Financial and Professional
8 Regulation may establish, by rule, market protections that
9 protect against unfair business practices, including, but not
10 limited to, price-fixing, bid rigging, boycotts, agreements to
11 not compete, exclusive wholesale arrangements for cannabis
12 concentrate, cannabis flower, cannabis-infused products, and
13 any product that is licensed under this Act to ensure all
14 license types have equal access to the market without unfair
15 competition.

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

17 (410 ILCS 705/7-10)

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

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

24 (1) to provide low-interest rate loans to Qualified
25 Social Equity Applicants and Social Equity Lottery

1 Licensees to pay for ordinary and necessary expenses to
2 start and operate a cannabis business establishment
3 permitted by this Act;

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

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

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

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

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

1 establishments;

2 (6.5) to enter into financial intermediary agreements
3 to facilitate lending to or investment in Qualified Social
4 Equity Applicants, Social Equity Lottery Licensees, or
5 their subsidiaries or affiliates, to ensure the
6 availability of facilities necessary to operate a cannabis
7 business establishment;

8 (7) (blank); and

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

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

18 (c) (Blank).

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

25 (d) Notwithstanding any other law to the contrary, the
26 Cannabis Business Development Fund is not subject to sweeps,

1 administrative charge-backs, or any other fiscal or budgetary
2 maneuver that would in any way transfer any amounts from the
3 Cannabis Business Development Fund into any other fund of the
4 State.

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

6 (410 ILCS 705/7-15)

7 Sec. 7-15. Loans, financial assistance, and grants to
8 Qualified Social Equity Applicants and Social Equity Lottery
9 Licensees.

10 (a) The Department of Commerce and Economic Opportunity
11 shall establish grant, ~~and~~ loan, and financial assistance
12 programs, subject to appropriations from the Cannabis Business
13 Development Fund, for the purposes of providing financial
14 assistance, loans, grants, and technical assistance to
15 Qualified Social Equity Applicants and Social Equity Lottery
16 Licensees.

17 (b) The Department of Commerce and Economic Opportunity
18 has the power to:

19 (1) provide Cannabis Social Equity loans, financial
20 assistance, and grants from appropriations from the
21 Cannabis Business Development Fund to assist Qualified
22 Social Equity Applicants and Social Equity Lottery
23 Licensees in gaining entry to, and successfully operating
24 in, the State's regulated cannabis marketplace;

25 (2) enter into agreements that set forth terms and

1 conditions of the financial assistance, accept funds or
2 grants, and engage in cooperation with private entities
3 and agencies of State or local government to carry out the
4 purposes of this Section;

5 (3) fix, determine, charge, and collect any premiums,
6 fees, charges, costs and expenses, including application
7 fees, commitment fees, program fees, financing charges, or
8 publication fees in connection with its activities under
9 this Section;

10 (4) coordinate assistance under the financial
11 assistance ~~these loan~~ programs with activities of the
12 Illinois Department of Financial and Professional
13 Regulation, the Illinois Department of Agriculture, and
14 other agencies as needed to maximize the effectiveness and
15 efficiency of this Act;

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

18 (6) take whatever actions are necessary or appropriate
19 to protect the State's interest in the event of
20 bankruptcy, default, foreclosure, or noncompliance with
21 the terms and conditions of financial assistance provided
22 under this Section, including the ability to recapture
23 funds if the recipient is found to be noncompliant with
24 the terms and conditions of the financial assistance
25 agreement;

26 (6.5) enter into financial intermediary agreements to

1 facilitate lending to or investment in Qualified Social
2 Equity Applicants, Social Equity Lottery Licensees, or
3 their subsidiaries or affiliates, to ensure the
4 availability of facilities necessary to operate a cannabis
5 business establishment;

6 (7) establish application, notification, contract, and
7 other forms, procedures, or rules deemed necessary and
8 appropriate; and

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

11 (c) Loans made under this Section:

12 (1) shall only be made if, in the Department's
13 judgment, the project furthers the goals set forth in this
14 Act; ~~and~~

15 (2) shall be in such principal amount and form and
16 contain such terms and provisions with respect to
17 security, insurance, reporting, delinquency charges,
18 default remedies, forgiveness, and other matters as the
19 Department shall determine appropriate to protect the
20 public interest and to be consistent with the purposes of
21 this Section. The terms and provisions may be less than
22 required for similar loans not covered by this Section;
23 and-

24 (3) may be distributed by lot if the Department
25 determines that the amount of funding available is
26 insufficient to provide an adequate amount of funding for

1 all of the applicants eligible to receive a loan. The
2 Department may determine the number of loans available
3 based on the amount of funding available and communicate
4 the number of loans available on the loan application. The
5 Department may use competitive criteria to establish which
6 applicants are eligible to receive a grant, loan, or
7 financial assistance.

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

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

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

5 (1) the number of persons or businesses receiving
6 financial assistance under this Section;

7 (2) the amount in financial assistance awarded in the
8 aggregate, in addition to the amount of loans made that
9 are outstanding and the amount of grants awarded;

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

12 (4) if applicable, the number of new jobs and other
13 forms of economic output created as a result of the
14 financial assistance.

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

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

20 (410 ILCS 705/7-20)

21 Sec. 7-20. Fee waivers.

22 (a) For Social Equity Applicants, the Department of
23 Financial and Professional Regulation and the Department of
24 Agriculture shall waive 50% of any nonrefundable license
25 application fees, any nonrefundable fees associated with

1 purchasing a license to operate a cannabis business
2 establishment, and any surety bond or other financial
3 requirements, provided a Social Equity Applicant meets the
4 following qualifications at the time the payment is due:

5 (1) the applicant, including all individuals and
6 entities with 10% or greater ownership and all parent
7 companies, subsidiaries, and affiliates, has less than a
8 total of \$750,000 of gross income in the previous calendar
9 year; and

10 (2) the applicant, including all individuals and
11 entities with 10% or greater ownership and all parent
12 companies, subsidiaries, and affiliates, has no more than
13 2 other licenses for cannabis business establishments in
14 the State of Illinois.

15 (b) The Department of Financial and Professional
16 Regulation and the Department of Agriculture may require
17 Social Equity Applicants to attest that they meet the
18 requirements for a fee waiver as provided in subsection (a)
19 and to provide evidence of annual total income in the previous
20 calendar year.

21 (c) If the Department of Financial and Professional
22 Regulation or the Department of Agriculture determines that an
23 applicant who applied as a Social Equity Applicant is not
24 eligible for such status, the applicant shall be provided an
25 additional 10 days to provide alternative evidence that he or
26 she qualifies as a Social Equity Applicant. Alternatively, the

1 applicant may pay the remainder of the waived fee and be
2 considered as a non-Social Equity Applicant. If the applicant
3 cannot do either, then the Departments may keep the initial
4 application fee and the application shall not be graded.

5 (d) The Department of Agriculture may provide hardship
6 waivers for craft grower and infuser license and renewal fees
7 due to the Department after July 1, 2025 pursuant to the
8 provisions below:

9 (1) The craft grower or infuser organization attests
10 that the craft grower or infuser organization or applicant
11 for renewal, including all individuals and entities with
12 10% or greater ownership and all parent companies,
13 subsidiaries, and affiliates, have no more than 2 other
14 licenses for cannabis business establishments in the
15 State.

16 (2) For craft grower and infuser organizations that
17 have a total of \$50,000 or less of reported gross income
18 for the prior fiscal year, the Department may waive the
19 full license or renewal fee. The craft grower or infuser
20 organization shall verify its income to the Department.

21 (3) For craft grower and infuser organizations that
22 have a gross income of between \$50,001 and \$750,000, the
23 Department may waive 50% of the full license or renewal
24 fee. The craft grower or infuser organization shall verify
25 its income to the Department.

26 (Source: P.A. 101-27, eff. 6-25-19.)

1 (410 ILCS 705/10-10)

2 Sec. 10-10. Possession limit.

3 (a) Except if otherwise authorized by this Act, for a
4 person who is 21 years of age or older and a resident of this
5 State, the possession limit is as follows:

6 (1) 30 grams of cannabis flower;

7 (2) no more than 500 milligrams of THC contained in
8 cannabis-infused product;

9 (3) 5 grams of cannabis concentrate; and

10 (4) for registered qualifying patients, any cannabis
11 produced by cannabis plants grown under subsection (b) of
12 Section 10-5, provided any amount of cannabis produced in
13 excess of 30 grams of raw cannabis or its equivalent must
14 remain secured within the residence or residential
15 property in which it was grown.

16 (b) For a person who is 21 years of age or older and who is
17 not a resident of this State, the possession limit is:

18 (1) 15 grams of cannabis flower;

19 (2) 2.5 grams of cannabis concentrate; and

20 (3) 250 milligrams of THC contained in a
21 cannabis-infused product.

22 (c) The possession limits found in subsections (a) and (b)
23 of this Section are to be considered cumulative.

24 (d) No person shall knowingly obtain, seek to obtain, or
25 possess an amount of cannabis from a dispensing organization

1 or craft grower that would cause him or her to exceed the
2 possession limit under this Section, including cannabis that
3 is cultivated by a person under this Act or obtained as a
4 qualified registered medical patient, provisional patient,
5 designated caregiver, or Opioid Alternative Patient Program
6 participant.

7 (d-1) No qualified registered patient, provisional
8 patient, designated caregiver, or Opioid Alternative Patient
9 Program participant shall knowingly obtain, seek to obtain, or
10 possess, individually or collectively, an amount that would
11 cause the individual to exceed their adequate medical supply
12 under the Compassionate Use of Medical Cannabis Program Act.

13 (e) Cannabis and cannabis-derived substances regulated
14 under the Industrial Hemp Act are not covered by this Act.

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

16 (410 ILCS 705/10-15)

17 Sec. 10-15. Persons under 21 years of age.

18 (a) Nothing in this Act is intended to permit the transfer
19 of cannabis, with or without remuneration, to a person under
20 21 years of age, or to allow a person under 21 years of age to
21 purchase, possess, use, process, transport, grow, or consume
22 cannabis except where authorized by this Act, the
23 Compassionate Use of Medical Cannabis Program Act or ~~by~~ the
24 Community College Cannabis Vocational Pilot Program.

25 (b) Notwithstanding any other provisions of law

1 authorizing ~~the~~ possession of ~~medical~~ cannabis or
2 cannabis-infused products by a qualified registered medical
3 patient, provisional patient, designated caregiver, or Opioid
4 Alternative Patient Program participant, nothing in this Act
5 authorizes a person who is under 21 years of age to possess
6 cannabis. A person under 21 years of age with cannabis in his
7 or her possession is guilty of a civil law violation as
8 outlined in paragraph (a) of Section 4 of the Cannabis Control
9 Act.

10 (c) If the person under the age of 21 was in a motor
11 vehicle at the time of the offense, the Secretary of State may
12 suspend or revoke the driving privileges of any person for a
13 violation of this Section under Section 6-206 of the Illinois
14 Vehicle Code and the rules adopted under it.

15 (d) It is unlawful for any parent or guardian to knowingly
16 permit his or her residence, any other private property under
17 his or her control, or any vehicle, conveyance, or watercraft
18 under his or her control to be used by an invitee of the
19 parent's child or the guardian's ward, if the invitee is under
20 the age of 21, in a manner that constitutes a violation of this
21 Section. A parent or guardian is deemed to have knowingly
22 permitted his or her residence, any other private property
23 under his or her control, or any vehicle, conveyance, or
24 watercraft under his or her control to be used in violation of
25 this Section if he or she knowingly authorizes or permits
26 consumption of cannabis by underage invitees. Any person who

1 violates this subsection (d) is guilty of a Class A
2 misdemeanor and the person's sentence shall include, but shall
3 not be limited to, a fine of not less than \$500. If a violation
4 of this subsection (d) directly or indirectly results in great
5 bodily harm or death to any person, the person violating this
6 subsection is guilty of a Class 4 felony. In this subsection
7 (d), where the residence or other property has an owner and a
8 tenant or lessee, the trier of fact may infer that the
9 residence or other property is occupied only by the tenant or
10 lessee.

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

12 (410 ILCS 705/15-10)

13 Sec. 15-10. Medical cannabis dispensing organization
14 exemption. This Article does not apply to medical cannabis
15 dispensing organizations registered under the Compassionate
16 Use of Medical Cannabis ~~Pilot~~ Program Act, except where
17 otherwise specified. This Section is repealed on July 1, 2026.

18 (Source: P.A. 101-27, eff. 6-25-19.)

19 (410 ILCS 705/15-13 new)

20 Sec. 15-13. Adult Use and medical cannabis dispensing
21 organization license merger; medical patient prioritization.

22 (a) Beginning July 1, 2026, all medical cannabis
23 dispensing organizations registered under the Compassionate
24 Use of Medical Cannabis Program Act and that have received an

1 Early Approval Adult Use Dispensing Organization License shall
2 be deemed to be an adult use dispensing organization licensed
3 pursuant to Section 15-36 of this Act. In addition to selling
4 cannabis and cannabis-infused products to persons 21 years of
5 age or older, beginning July 1, 2026, but no later than October
6 1, 2026, all dispensing organizations licensed pursuant to
7 Section 15-36 of this Act shall also offer services to
8 registered qualifying patients, provisional patients,
9 designated caregivers, and Opioid Alternative Patient Program
10 participants.

11 (b) Beginning July 1, 2026, all dispensing organization
12 agents registered under the Compassionate Use of Medical
13 Cannabis Program Act shall be deemed to be a dispensing
14 organization agent as that term is defined in this Act. All
15 dispensing organization agents registered under the
16 Compassionate Use of Medical Cannabis Program Act shall have
17 the same rights, privileges, duties, and responsibilities of
18 dispensing organization agents licensed under this Act. All
19 dispensing organization agents shall be subject to this Act
20 and any administrative rules adopted under this Act.

21 (c) On and after July 1, 2026, any dispensing organization
22 previously registered as an Early Approval Adult Use
23 Dispensing Organization License or an Early Approval Adult Use
24 Dispensing Organization at a secondary site shall renew
25 pursuant to Section 15-45 of this Act. The Department shall
26 prorate any dispensing organization previously registered as

1 an Early Approval Adult Use Dispensing Organization License or
2 an Early Approval Adult Use Dispensing Organization at a
3 secondary site's first renewal fee due under Section 15-45.

4 (d) By October 1, 2026, all dispensing organizations shall
5 pay a one-time fee of \$10,000 to be deposited into the
6 Compassionate Use of Medical Cannabis Fund. After this
7 one-time fee, all dispensing organizations shall renew
8 pursuant to the provisions of Section 15-45. The Department
9 may approve payment plans that extend beyond October 1, 2026
10 for the fee paid under this subsection if the first payment
11 under the payment plan is remitted by October 1, 2026.

12 (e) All dispensing organizations must maintain an adequate
13 supply of cannabis and cannabis-infused products for purchase
14 by qualifying patients, designated caregivers, provisional
15 patients, and Opioid Alternative Patient Program participants.
16 For the purposes of this subsection, the Department may
17 promulgate administrative rules establishing what constitutes
18 an adequate supply and how dispensing organizations may cure
19 any adequate supply shortages.

20 (f) If there is a shortage of cannabis or cannabis-infused
21 products, a dispensing organization shall prioritize serving
22 qualifying patients, designated caregivers, provisional
23 patients, and Opioid Alternative Patient Program participants
24 before serving purchasers.

25 (g) Beginning July 1, 2026, cannabis and cannabis-infused
26 products purchased from a dispensing organization by a

1 qualified patient, provisional patient, designated caregiver,
2 or Opioid Alternative Patient Program participant are not
3 subject to tax under Section 65-10 of this Act.

4 (410 ILCS 705/15-15)

5 Sec. 15-15. Early Approval Adult Use Dispensing
6 Organization License.

7 (a) Any medical cannabis dispensing organization holding a
8 valid registration under the Compassionate Use of Medical
9 Cannabis Program Act as of the effective date of this Act may,
10 within 60 days of the effective date of this Act, apply to the
11 Department for an Early Approval Adult Use Dispensing
12 Organization License to serve purchasers at any medical
13 cannabis dispensing location in operation on the effective
14 date of this Act, pursuant to this Section.

15 (b) A medical cannabis dispensing organization seeking
16 issuance of an Early Approval Adult Use Dispensing
17 Organization License to serve purchasers at any medical
18 cannabis dispensing location in operation as of the effective
19 date of this Act shall submit an application on forms provided
20 by the Department. The application must be submitted by the
21 same person or entity that holds the medical cannabis
22 dispensing organization registration and include the
23 following:

24 (1) Payment of a nonrefundable fee of \$30,000 to be
25 deposited into the Cannabis Regulation Fund;

1 (2) Proof of registration as a medical cannabis
2 dispensing organization that is in good standing;

3 (3) Certification that the applicant will comply with
4 the requirements contained in the Compassionate Use of
5 Medical Cannabis Program Act except as provided in this
6 Act;

7 (4) The legal name of the dispensing organization;

8 (5) The physical address of the dispensing
9 organization;

10 (6) The name, address, social security number, and
11 date of birth of each principal officer and board member
12 of the dispensing organization, each of whom must be at
13 least 21 years of age;

14 (7) A nonrefundable Cannabis Business Development Fee
15 equal to 3% of the dispensing organization's total sales
16 between June 1, 2018 to June 1, 2019, or \$100,000,
17 whichever is less, to be deposited into the Cannabis
18 Business Development Fund; and

19 (8) Identification of one of the following Social
20 Equity Inclusion Plans to be completed by March 31, 2021:

21 (A) Make a contribution of 3% of total sales from
22 June 1, 2018 to June 1, 2019, or \$100,000, whichever is
23 less, to the Cannabis Business Development Fund. This
24 is in addition to the fee required by item (7) of this
25 subsection (b);

26 (B) Make a grant of 3% of total sales from June 1,

1 2018 to June 1, 2019, or \$100,000, whichever is less,
2 to a cannabis industry training or education program
3 at an Illinois community college as defined in the
4 Public Community College Act;

5 (C) Make a donation of \$100,000 or more to a
6 program that provides job training services to persons
7 recently incarcerated or that operates in a
8 Disproportionately Impacted Area;

9 (D) Participate as a host in a cannabis business
10 establishment incubator program approved by the
11 Department of Commerce and Economic Opportunity, and
12 in which an Early Approval Adult Use Dispensing
13 Organization License holder agrees to provide a loan
14 of at least \$100,000 and mentorship to incubate, for
15 at least a year, a Social Equity Applicant intending
16 to seek a license or a licensee that qualifies as a
17 Social Equity Applicant. As used in this Section,
18 "incubate" means providing direct financial assistance
19 and training necessary to engage in licensed cannabis
20 industry activity similar to that of the host
21 licensee. The Early Approval Adult Use Dispensing
22 Organization License holder or the same entity holding
23 any other licenses issued pursuant to this Act shall
24 not take an ownership stake of greater than 10% in any
25 business receiving incubation services to comply with
26 this subsection. If an Early Approval Adult Use

1 Dispensing Organization License holder fails to find a
2 business to incubate to comply with this subsection
3 before its Early Approval Adult Use Dispensing
4 Organization License expires, it may opt to meet the
5 requirement of this subsection by completing another
6 item from this subsection; or

7 (E) Participate in a sponsorship program for at
8 least 2 years approved by the Department of Commerce
9 and Economic Opportunity in which an Early Approval
10 Adult Use Dispensing Organization License holder
11 agrees to provide an interest-free loan of at least
12 \$200,000 to a Social Equity Applicant. The sponsor
13 shall not take an ownership stake in any cannabis
14 business establishment receiving sponsorship services
15 to comply with this subsection.

16 (b-5) Beginning 90 days after the effective date of this
17 amendatory Act of the 102nd General Assembly, an Early
18 Approval Adult Use Dispensing Organization licensee whose
19 license was issued pursuant to this Section may apply to
20 relocate within the same geographic district where its
21 existing associated medical cannabis dispensing organization
22 dispensary licensed under the Compassionate Use of Medical
23 Cannabis Act is authorized to operate. A request to relocate
24 under this subsection is subject to approval by the
25 Department. An Early Approval Adult Use Dispensing
26 Organization's application to relocate its license under this

1 subsection shall be deemed approved 30 days following the
2 submission of a complete application to relocate, unless
3 sooner approved or denied in writing by the Department. If an
4 application to relocate is denied, the Department shall
5 provide, in writing, the specific reason for denial.

6 An Early Approval Adult Use Dispensing Organization may
7 request to relocate under this subsection if:

8 (1) its existing location is within the boundaries of
9 a unit of local government that prohibits the sale of
10 adult use cannabis; or

11 (2) the Early Approval Adult Use Dispensing
12 Organization has obtained the approval of the municipality
13 or, if outside the boundaries of a municipality in an
14 unincorporated area of the county, the approval of the
15 county where the existing license is located to move to
16 another location within that unit of local government.

17 At no time may an Early Approval Adult Use Dispensing
18 Organization dispensary licensed under this Section operate in
19 a separate facility from its associated medical cannabis
20 dispensing organization dispensary licensed under the
21 Compassionate Use of Medical Cannabis Act. The relocation of
22 an Early Approval Adult Use Dispensing Organization License
23 under this subsection shall be subject to Sections 55-25 and
24 55-28 of this Act.

25 (c) The license fee required by paragraph (1) of
26 subsection (b) of this Section shall be in addition to any

1 license fee required for the renewal of a registered medical
2 cannabis dispensing organization license.

3 (d) Applicants must submit all required information,
4 including the requirements in subsection (b) of this Section,
5 to the Department. Failure by an applicant to submit all
6 required information may result in the application being
7 disqualified.

8 (e) If the Department receives an application that fails
9 to provide the required elements contained in subsection (b),
10 the Department shall issue a deficiency notice to the
11 applicant. The applicant shall have 10 calendar days from the
12 date of the deficiency notice to submit complete information.
13 Applications that are still incomplete after this opportunity
14 to cure may be disqualified.

15 (f) If an applicant meets all the requirements of
16 subsection (b) of this Section, the Department shall issue the
17 Early Approval Adult Use Dispensing Organization License
18 within 14 days of receiving a completed application unless:

19 (1) The licensee or a principal officer is delinquent
20 in filing any required tax returns or paying any amounts
21 owed to the State of Illinois;

22 (2) The Secretary of Financial and Professional
23 Regulation determines there is reason, based on documented
24 compliance violations, the licensee is not entitled to an
25 Early Approval Adult Use Dispensing Organization License;
26 or

1 (3) Any principal officer fails to register and remain
2 in compliance with this Act or the Compassionate Use of
3 Medical Cannabis Program Act.

4 (g) A registered medical cannabis dispensing organization
5 that obtains an Early Approval Adult Use Dispensing
6 Organization License may begin selling cannabis,
7 cannabis-infused products, paraphernalia, and related items to
8 purchasers under the rules of this Act no sooner than January
9 1, 2020.

10 (h) A dispensing organization holding a medical cannabis
11 dispensing organization license issued under the Compassionate
12 Use of Medical Cannabis Program Act must maintain an adequate
13 supply of cannabis and cannabis-infused products for purchase
14 by qualifying patients, caregivers, provisional patients, and
15 Opioid Alternative Patient ~~Pilot~~ Program participants. For the
16 purposes of this subsection, "adequate supply" means a monthly
17 inventory level that is comparable in type and quantity to
18 those medical cannabis products provided to patients and
19 caregivers on an average monthly basis for the 6 months before
20 the effective date of this Act.

21 (i) If there is a shortage of cannabis or cannabis-infused
22 products, a dispensing organization holding both a dispensing
23 organization license under the Compassionate Use of Medical
24 Cannabis Program Act and this Act shall prioritize serving
25 qualifying patients, caregivers, provisional patients, and
26 Opioid Alternative Patient ~~Pilot~~ Program participants before

1 serving purchasers.

2 (j) Notwithstanding any law or rule to the contrary, a
3 person that holds a medical cannabis dispensing organization
4 license issued under the Compassionate Use of Medical Cannabis
5 Program Act and an Early Approval Adult Use Dispensing
6 Organization License may permit purchasers into a limited
7 access area as that term is defined in administrative rules
8 made under the authority in the Compassionate Use of Medical
9 Cannabis Program Act.

10 (k) An Early Approval Adult Use Dispensing Organization
11 License is valid until March 31, 2021. A dispensing
12 organization that obtains an Early Approval Adult Use
13 Dispensing Organization License shall receive written or
14 electronic notice 90 days before the expiration of the license
15 that the license will expire, and that informs the license
16 holder that it may apply to renew its Early Approval Adult Use
17 Dispensing Organization License on forms provided by the
18 Department. The Department shall renew the Early Approval
19 Adult Use Dispensing Organization License within 60 days of
20 the renewal application being deemed complete if:

21 (1) the dispensing organization submits an application
22 and the required nonrefundable renewal fee of \$30,000, to
23 be deposited into the Cannabis Regulation Fund;

24 (2) the Department has not suspended or permanently
25 revoked the Early Approval Adult Use Dispensing
26 Organization License or a medical cannabis dispensing

1 organization license on the same premises for violations
2 of this Act, the Compassionate Use of Medical Cannabis
3 Program Act, or rules adopted pursuant to those Acts;

4 (3) the dispensing organization has completed a Social
5 Equity Inclusion Plan as provided by parts (A), (B), and
6 (C) of paragraph (8) of subsection (b) of this Section or
7 has made substantial progress toward completing a Social
8 Equity Inclusion Plan as provided by parts (D) and (E) of
9 paragraph (8) of subsection (b) of this Section; and

10 (4) the dispensing organization is in compliance with
11 this Act and rules.

12 (1) The Early Approval Adult Use Dispensing Organization
13 License renewed pursuant to subsection (k) of this Section
14 shall expire March 31, 2022. The Early Approval Adult Use
15 Dispensing Organization Licensee shall receive written or
16 electronic notice 90 days before the expiration of the license
17 that the license will expire, and that informs the license
18 holder that it may apply for an Adult Use Dispensing
19 Organization License on forms provided by the Department. The
20 Department shall grant an Adult Use Dispensing Organization
21 License within 60 days of an application being deemed complete
22 if the applicant has met all of the criteria in Section 15-36.

23 (m) If a dispensing organization fails to submit an
24 application for renewal of an Early Approval Adult Use
25 Dispensing Organization License or for an Adult Use Dispensing
26 Organization License before the expiration dates provided in

1 subsections (k) and (l) of this Section, the dispensing
2 organization shall cease serving purchasers and cease all
3 operations until it receives a renewal or an Adult Use
4 Dispensing Organization License, as the case may be.

5 (n) A dispensing organization agent who holds a valid
6 dispensing organization agent identification card issued under
7 the Compassionate Use of Medical Cannabis Program Act and is
8 an officer, director, manager, or employee of the dispensing
9 organization licensed under this Section may engage in all
10 activities authorized by this Article to be performed by a
11 dispensing organization agent.

12 (o) If the Department suspends, permanently revokes, or
13 otherwise disciplines the Early Approval Adult Use Dispensing
14 Organization License of a dispensing organization that also
15 holds a medical cannabis dispensing organization license
16 issued under the Compassionate Use of Medical Cannabis Program
17 Act, the Department may consider the suspension, permanent
18 revocation, or other discipline of the medical cannabis
19 dispensing organization license.

20 (p) All fees collected pursuant to this Section shall be
21 deposited into the Cannabis Regulation Fund, unless otherwise
22 specified.

23 (q) On and after July 1, 2026, all dispensaries which were
24 previously issued an Early Approval Adult Use Dispensing
25 Organization License pursuant to this Section shall be deemed
26 to be a dispensary pursuant to Section 15-36 of this Act.

1 (r) This Section is repealed on January 1, 2027.

2 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19;
3 102-98, eff. 7-15-21.)

4 (410 ILCS 705/15-17 new)

5 Sec. 15-17. Early Approval Adult Use Dispensing
6 Organization License merger with Adult Use Dispensing
7 Organization License.

8 (a) On and after July 1, 2026, all dispensing
9 organizations previously registered as an Early Approval Adult
10 Use Dispensing Organization License shall be a dispensing
11 organization or a dispensary under this Act and shall be an
12 Adult Use Dispensing Organization License holder under Section
13 15-36 of this Act.

14 (b) The BLS Region in which the dispensing organization
15 licensee's Early Approval Adult Use Dispensing Organization
16 License was originally issued shall be considered the
17 licensee's BLS Region. The dispensing organization shall
18 remain in that BLS Region even if the license or licensee
19 changes its ownership, is sold, is relocated under Section
20 15-24 of this Act, or receives authorization under subsection
21 (e-5) of Section 15-25.

22 (410 ILCS 705/15-20)

23 Sec. 15-20. Early Approval Adult Use Dispensing
24 Organization License; secondary site.

1 (a) Any medical cannabis dispensing organization holding a
2 valid registration under the Compassionate Use of Medical
3 Cannabis Program Act as of the effective date of this Act may,
4 within 60 days of the effective date of this Act, apply to the
5 Department for an Early Approval Adult Use Dispensing
6 Organization License to operate a dispensing organization to
7 serve purchasers at a secondary site not within 1,500 feet of
8 another medical cannabis dispensing organization or adult use
9 dispensing organization. The Early Approval Adult Use
10 Dispensing Organization secondary site shall be within any BLS
11 Region that shares territory with the dispensing organization
12 district to which the medical cannabis dispensing organization
13 is assigned under the administrative rules for dispensing
14 organizations under the Compassionate Use of Medical Cannabis
15 Program Act.

16 (a-5) If, within 360 days of the effective date of this
17 Act, a dispensing organization is unable to find a location
18 within the BLS Regions prescribed in subsection (a) of this
19 Section in which to operate an Early Approval Adult Use
20 Dispensing Organization at a secondary site because no
21 jurisdiction within the prescribed area allows the operation
22 of an Adult Use ~~Cannabis~~ Dispensing Organization, the
23 Department of Financial and Professional Regulation may waive
24 the geographic restrictions of subsection (a) of this Section
25 and specify another BLS Region into which the dispensary may
26 be placed.

1 (b) (Blank).

2 (c) A medical cannabis dispensing organization seeking
3 issuance of an Early Approval Adult Use Dispensing
4 Organization License at a secondary site to serve purchasers
5 at a secondary site as prescribed in subsection (a) of this
6 Section shall submit an application on forms provided by the
7 Department. The application must meet or include the following
8 qualifications:

9 (1) a payment of a nonrefundable application fee of
10 \$30,000;

11 (2) proof of registration as a medical cannabis
12 dispensing organization that is in good standing;

13 (3) submission of the application by the same person
14 or entity that holds the medical cannabis dispensing
15 organization registration;

16 (4) the legal name of the medical cannabis dispensing
17 organization;

18 (5) the physical address of the medical cannabis
19 dispensing organization and the proposed physical address
20 of the secondary site;

21 (6) a copy of the current local zoning ordinance
22 Sections relevant to dispensary operations and
23 documentation of the approval, the conditional approval or
24 the status of a request for zoning approval from the local
25 zoning office that the proposed dispensary location is in
26 compliance with the local zoning rules;

1 (7) a plot plan of the dispensary drawn to scale. The
2 applicant shall submit general specifications of the
3 building exterior and interior layout;

4 (8) a statement that the dispensing organization
5 agrees to respond to the Department's supplemental
6 requests for information;

7 (9) for the building or land to be used as the proposed
8 dispensary:

9 (A) if the property is not owned by the applicant,
10 a written statement from the property owner and
11 landlord, if any, certifying consent that the
12 applicant may operate a dispensary on the premises; or

13 (B) if the property is owned by the applicant,
14 confirmation of ownership;

15 (10) a copy of the proposed operating bylaws;

16 (11) a copy of the proposed business plan that
17 complies with the requirements in this Act, including, at
18 a minimum, the following:

19 (A) a description of services to be offered; and

20 (B) a description of the process of dispensing
21 cannabis;

22 (12) a copy of the proposed security plan that
23 complies with the requirements in this Article, including:

24 (A) a description of the delivery process by which
25 cannabis will be received from a transporting
26 organization, including receipt of manifests and

1 protocols that will be used to avoid diversion, theft,
2 or loss at the dispensary acceptance point; and

3 (B) the process or controls that will be
4 implemented to monitor the dispensary, secure the
5 premises, agents, patients, and currency, and prevent
6 the diversion, theft, or loss of cannabis; and

7 (C) the process to ensure that access to the
8 restricted access areas is restricted to, registered
9 agents, service professionals, transporting
10 organization agents, Department inspectors, and
11 security personnel;

12 (13) a proposed inventory control plan that complies
13 with this Section;

14 (14) the name, address, social security number, and
15 date of birth of each principal officer and board member
16 of the dispensing organization; each of those individuals
17 shall be at least 21 years of age;

18 (15) a nonrefundable Cannabis Business Development Fee
19 equal to \$200,000, to be deposited into the Cannabis
20 Business Development Fund; and

21 (16) a commitment to completing one of the following
22 Social Equity Inclusion Plans in subsection (d).

23 (d) Before receiving an Early Approval Adult Use
24 Dispensing Organization License at a secondary site, a
25 dispensing organization shall indicate the Social Equity
26 Inclusion Plan that the applicant plans to achieve before the

1 expiration of the Early Approval Adult Use Dispensing
2 Organization License from the list below:

3 (1) make a contribution of 3% of total sales from June
4 1, 2018 to June 1, 2019, or \$100,000, whichever is less, to
5 the Cannabis Business Development Fund. This is in
6 addition to the fee required by paragraph (16) of
7 subsection (c) of this Section;

8 (2) make a grant of 3% of total sales from June 1, 2018
9 to June 1, 2019, or \$100,000, whichever is less, to a
10 cannabis industry training or education program at an
11 Illinois community college as defined in the Public
12 Community College Act;

13 (3) make a donation of \$100,000 or more to a program
14 that provides job training services to persons recently
15 incarcerated or that operates in a Disproportionately
16 Impacted Area;

17 (4) participate as a host in a cannabis business
18 establishment incubator program approved by the Department
19 of Commerce and Economic Opportunity, and in which an
20 Early Approval Adult Use Dispensing Organization License
21 at a secondary site holder agrees to provide a loan of at
22 least \$100,000 and mentorship to incubate, for at least a
23 year, a Social Equity Applicant intending to seek a
24 license or a licensee that qualifies as a Social Equity
25 Applicant. In this paragraph (4), "incubate" means
26 providing direct financial assistance and training

1 necessary to engage in licensed cannabis industry activity
2 similar to that of the host licensee. The Early Approval
3 Adult Use Dispensing Organization License holder or the
4 same entity holding any other licenses issued under this
5 Act shall not take an ownership stake of greater than 10%
6 in any business receiving incubation services to comply
7 with this subsection. If an Early Approval Adult Use
8 Dispensing Organization License at a secondary site holder
9 fails to find a business to incubate in order to comply
10 with this subsection before its Early Approval Adult Use
11 Dispensing Organization License at a secondary site
12 expires, it may opt to meet the requirement of this
13 subsection by completing another item from this subsection
14 before the expiration of its Early Approval Adult Use
15 Dispensing Organization License at a secondary site to
16 avoid a penalty; or

17 (5) participate in a sponsorship program for at least
18 2 years approved by the Department of Commerce and
19 Economic Opportunity in which an Early Approval Adult Use
20 Dispensing Organization License at a secondary site holder
21 agrees to provide an interest-free loan of at least
22 \$200,000 to a Social Equity Applicant. The sponsor shall
23 not take an ownership stake of greater than 10% in any
24 business receiving sponsorship services to comply with
25 this subsection.

26 (e) The license fee required by paragraph (1) of

1 subsection (c) of this Section is in addition to any license
2 fee required for the renewal of a registered medical cannabis
3 dispensing organization license.

4 (f) Applicants must submit all required information,
5 including the requirements in subsection (c) of this Section,
6 to the Department. Failure by an applicant to submit all
7 required information may result in the application being
8 disqualified. Principal officers shall not be required to
9 submit to the fingerprint and background check requirements of
10 Section 5-20.

11 (g) If the Department receives an application that fails
12 to provide the required elements contained in subsection (c),
13 the Department shall issue a deficiency notice to the
14 applicant. The applicant shall have 10 calendar days from the
15 date of the deficiency notice to submit complete information.
16 Applications that are still incomplete after this opportunity
17 to cure may be disqualified.

18 (h) Once all required information and documents have been
19 submitted, the Department will review the application. The
20 Department may request revisions and retains final approval
21 over dispensary features. Once the application is complete and
22 meets the Department's approval, the Department shall
23 conditionally approve the license. Final approval is
24 contingent on the build-out and Department inspection.

25 (i) Upon submission of the Early Approval Adult Use
26 Dispensing Organization at a secondary site application, the

1 applicant shall request an inspection and the Department may
2 inspect the Early Approval Adult Use Dispensing Organization's
3 secondary site to confirm compliance with the application and
4 this Act.

5 (j) The Department shall only issue an Early Approval
6 Adult Use Dispensing Organization License at a secondary site
7 after the completion of a successful inspection.

8 (k) If an applicant passes the inspection under this
9 Section, the Department shall issue the Early Approval Adult
10 Use Dispensing Organization License at a secondary site within
11 10 business days unless:

12 (1) the ~~The~~ licensee, any principal officer or board
13 member of the licensee, or any person having a financial
14 or voting interest of 5% or greater in the licensee is
15 delinquent in filing any required tax returns or paying
16 any amounts owed to the State of Illinois; or

17 (2) the ~~The~~ Secretary of Financial and Professional
18 Regulation determines there is reason, based on documented
19 compliance violations, the licensee is not entitled to an
20 Early Approval Adult Use Dispensing Organization License
21 at its secondary site.

22 (l) Once the Department has issued a license, the
23 dispensing organization shall notify the Department of the
24 proposed opening date.

25 (m) A registered medical cannabis dispensing organization
26 that obtains an Early Approval Adult Use Dispensing

1 Organization License at a secondary site may begin selling
2 cannabis, cannabis-infused products, paraphernalia, and
3 related items to purchasers under the rules of this Act no
4 sooner than January 1, 2020.

5 (n) If there is a shortage of cannabis or cannabis-infused
6 products, a dispensing organization holding both a dispensing
7 organization license under the Compassionate Use of Medical
8 Cannabis Program Act and this Article shall prioritize serving
9 qualifying patients and caregivers before serving purchasers.

10 (o) An Early Approval Adult Use Dispensing Organization
11 License at a secondary site is valid until March 31, 2021. A
12 dispensing organization that obtains an Early Approval Adult
13 Use Dispensing Organization License at a secondary site shall
14 receive written or electronic notice 90 days before the
15 expiration of the license that the license will expire, and
16 inform the license holder that it may renew its Early Approval
17 Adult Use Dispensing Organization License at a secondary site.
18 The Department shall renew an Early Approval Adult Use
19 Dispensing Organization License at a secondary site within 60
20 days of submission of the renewal application being deemed
21 complete if:

22 (1) the dispensing organization submits an application
23 and the required nonrefundable renewal fee of \$30,000, to
24 be deposited into the Cannabis Regulation Fund;

25 (2) the Department has not suspended or permanently
26 revoked the Early Approval Adult Use Dispensing

1 Organization License or a medical cannabis dispensing
2 organization license held by the same person or entity for
3 violating this Act or rules adopted under this Act or the
4 Compassionate Use of Medical Cannabis Program Act or rules
5 adopted under that Act; and

6 (3) the dispensing organization has completed a Social
7 Equity Inclusion Plan provided by paragraph (1), (2), or
8 (3) of subsection (d) of this Section or has made
9 substantial progress toward completing a Social Equity
10 Inclusion Plan provided by paragraph (4) or (5) of
11 subsection (d) of this Section.

12 (p) The Early Approval Adult Use Dispensing Organization
13 Licensee at a secondary site renewed pursuant to subsection
14 (o) shall receive written or electronic notice 90 days before
15 the expiration of the license that the license will expire,
16 and that informs the license holder that it may apply for an
17 Adult Use Dispensing Organization License on forms provided by
18 the Department. The Department shall grant an Adult Use
19 Dispensing Organization License within 60 days of an
20 application being deemed complete if the applicant has meet
21 all of the criteria in Section 15-36.

22 (q) If a dispensing organization fails to submit an
23 application for renewal of an Early Approval Adult Use
24 Dispensing Organization License or for an Adult Use Dispensing
25 Organization License before the expiration dates provided in
26 subsections (o) and (p) of this Section, the dispensing

1 organization shall cease serving purchasers until it receives
2 a renewal or an Adult Use Dispensing Organization License.

3 (r) A dispensing organization agent who holds a valid
4 dispensing organization agent identification card issued under
5 the Compassionate Use of Medical Cannabis Program Act and is
6 an officer, director, manager, or employee of the dispensing
7 organization licensed under this Section may engage in all
8 activities authorized by this Article to be performed by a
9 dispensing organization agent.

10 (s) If the Department suspends, permanently revokes, or
11 otherwise disciplines the Early Approval Adult Use Dispensing
12 Organization License of a dispensing organization that also
13 holds a medical cannabis dispensing organization license
14 issued under the Compassionate Use of Medical Cannabis Program
15 Act, the Department may consider the suspension, permanent
16 revocation, or other discipline as grounds to take
17 disciplinary action against the medical cannabis dispensing
18 organization.

19 (t) All fees collected pursuant to this Section shall be
20 deposited into the Cannabis Regulation Fund, unless otherwise
21 specified.

22 (u) On and after July 1, 2026, all dispensaries that were
23 previously issued an Early Approval Adult Use Dispensing
24 Organization at a secondary site license pursuant to this
25 Section shall be deemed to be a dispensary pursuant to Section
26 15-36 of this Act.

1 (v) This Section is repealed on January 1, 2027.

2 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19;
3 revised 7-19-24.)

4 (410 ILCS 705/15-23 new)

5 Sec. 15-23. Early Approval Adult Use Dispensing
6 Organization at a secondary site license merger with Adult Use
7 Dispensing Organization license.

8 (a) On and after July 1, 2026, all dispensing
9 organizations previously registered as an Early Approval Adult
10 Use Dispensing Organization at a secondary site license shall
11 be a dispensing organization or a dispensary under this Act
12 and shall be an Adult Use Dispensing Organization License
13 holder under Section 15-36 of this Act.

14 (b) The BLS Region in which the dispensing organization
15 licensee's Early Approval Adult Use Dispensing Organization at
16 a secondary site license was originally issued shall be
17 considered the licensee's BLS Region. The dispensing
18 organization shall remain in that BLS Region even if the
19 license or licensee changes its ownership, is sold, is
20 relocated under Section 15-24 of this Act, or receives
21 authorization under subsection (e-5) of Section 15-25.

22 (410 ILCS 705/15-24 new)

23 Sec. 15-24. Adult Use Dispensing Organization Licensee
24 relocation.

1 (a) An Adult Use Dispensing Organization licensee may
2 apply to relocate within the Licensee's specific BLS Region
3 consistent with this Section. A request to relocate under this
4 Section is subject to approval by the Department. An Adult Use
5 Dispensing Organization's application to relocate its license
6 under this Section shall be considered to be approved 30 days
7 following the submission of a complete application to
8 relocate, unless the request is sooner approved or denied in
9 writing by the Department. If an application to relocate is
10 denied, the Department shall provide, in writing, the specific
11 reason for denial. An Adult Use Dispensing Organization may
12 request to relocate under this Section only if:

13 (1) the Adult Use Dispensing Organization's existing
14 location is within the boundaries of a unit of local
15 government that prohibits the sale of adult use cannabis;

16 (2) the Adult Use Dispensing Organization has obtained
17 the zoning approval of a new location by the municipality
18 it currently operates in if the new location is within
19 that same municipality, or if outside the boundaries of a
20 municipality in an unincorporated area of the county, the
21 zoning approval of a new location by the county where it
22 currently operates in if the new location is within the
23 same county, to move to a different location within that
24 unit of local government; or

25 (3) the Adult Use Dispensing Organization has obtained
26 the approval, as evidenced by a letter of intent or full

1 zoning approval, to operate within the boundaries of a new
2 unit of local government, so long as the new unit of local
3 government is within the dispensing organization's
4 specific BLS Region.

5 (b) The relocation of an Adult Use Dispensing Organization
6 Licensee under this Section shall be subject to Sections 55-25
7 and 55-28.

8 (410 ILCS 705/15-25)

9 Sec. 15-25. Awarding of Conditional Adult Use Dispensing
10 Organization Licenses prior to January 1, 2021.

11 (a) The Department shall issue up to 75 Conditional Adult
12 Use Dispensing Organization Licenses before May 1, 2020.

13 (b) The Department shall make the application for a
14 Conditional Adult Use Dispensing Organization License
15 available no later than October 1, 2019 and shall accept
16 applications no later than January 1, 2020.

17 (c) To ensure the geographic dispersion of Conditional
18 Adult Use Dispensing Organization License holders, the
19 following number of licenses shall be awarded in each BLS
20 Region as determined by each region's percentage of the
21 State's population:

22 (1) Bloomington: 1

23 (2) Cape Girardeau: 1

24 (3) Carbondale-Marion: 1

25 (4) Champaign-Urbana: 1

- 1 (5) Chicago-Naperville-Elgin: 47
- 2 (6) Danville: 1
- 3 (7) Davenport-Moline-Rock Island: 1
- 4 (8) Decatur: 1
- 5 (9) Kankakee: 1
- 6 (10) Peoria: 3
- 7 (11) Rockford: 2
- 8 (12) St. Louis: 4
- 9 (13) Springfield: 1
- 10 (14) Northwest Illinois nonmetropolitan: 3
- 11 (15) West Central Illinois nonmetropolitan: 3
- 12 (16) East Central Illinois nonmetropolitan: 2
- 13 (17) South Illinois nonmetropolitan: 2

14 (d) An applicant seeking issuance of a Conditional Adult
15 Use Dispensing Organization License shall submit an
16 application on forms provided by the Department. An applicant
17 must meet the following requirements:

18 (1) Payment of a nonrefundable application fee of
19 \$5,000 for each license for which the applicant is
20 applying, which shall be deposited into the Cannabis
21 Regulation Fund;

22 (2) Certification that the applicant will comply with
23 the requirements contained in this Act;

24 (3) The legal name of the proposed dispensing
25 organization;

26 (4) A statement that the dispensing organization

1 agrees to respond to the Department's supplemental
2 requests for information;

3 (5) From each principal officer, a statement
4 indicating whether that person:

5 (A) has previously held or currently holds an
6 ownership interest in a cannabis business
7 establishment in Illinois; or

8 (B) has held an ownership interest in a dispensing
9 organization or its equivalent in another state or
10 territory of the United States that had the dispensing
11 organization registration or license suspended,
12 revoked, placed on probationary status, or subjected
13 to other disciplinary action;

14 (6) Disclosure of whether any principal officer has
15 ever filed for bankruptcy or defaulted on spousal support
16 or child support obligation;

17 (7) A resume for each principal officer, including
18 whether that person has an academic degree, certification,
19 or relevant experience with a cannabis business
20 establishment or in a related industry;

21 (8) A description of the training and education that
22 will be provided to dispensing organization agents;

23 (9) A copy of the proposed operating bylaws;

24 (10) A copy of the proposed business plan that
25 complies with the requirements in this Act, including, at
26 a minimum, the following:

1 (A) A description of services to be offered; and

2 (B) A description of the process of dispensing
3 cannabis;

4 (11) A copy of the proposed security plan that
5 complies with the requirements in this Article, including:

6 (A) The process or controls that will be
7 implemented to monitor the dispensary, secure the
8 premises, agents, and currency, and prevent the
9 diversion, theft, or loss of cannabis; and

10 (B) The process to ensure that access to the
11 restricted access areas is restricted to, registered
12 agents, service professionals, transporting
13 organization agents, Department inspectors, and
14 security personnel;

15 (12) A proposed inventory control plan that complies
16 with this Section;

17 (13) A proposed floor plan, a square footage estimate,
18 and a description of proposed security devices, including,
19 without limitation, cameras, motion detectors, servers,
20 video storage capabilities, and alarm service providers;

21 (14) The name, address, social security number, and
22 date of birth of each principal officer and board member
23 of the dispensing organization; each of those individuals
24 shall be at least 21 years of age;

25 (15) Evidence of the applicant's status as a Social
26 Equity Applicant, if applicable, and whether a Social

1 Equity Applicant plans to apply for a loan or grant issued
2 by the Department of Commerce and Economic Opportunity;

3 (16) The address, telephone number, and email address
4 of the applicant's principal place of business, if
5 applicable. A post office box is not permitted;

6 (17) Written summaries of any information regarding
7 instances in which a business or not-for-profit that a
8 prospective board member previously managed or served on
9 were fined or censured, or any instances in which a
10 business or not-for-profit that a prospective board member
11 previously managed or served on had its registration
12 suspended or revoked in any administrative or judicial
13 proceeding;

14 (18) A plan for community engagement;

15 (19) Procedures to ensure accurate recordkeeping and
16 security measures that are in accordance with this Article
17 and Department rules;

18 (20) The estimated volume of cannabis it plans to
19 store at the dispensary;

20 (21) A description of the features that will provide
21 accessibility to purchasers as required by the Americans
22 with Disabilities Act;

23 (22) A detailed description of air treatment systems
24 that will be installed to reduce odors;

25 (23) A reasonable assurance that the issuance of a
26 license will not have a detrimental impact on the

1 community in which the applicant wishes to locate;

2 (24) The dated signature of each principal officer;

3 (25) A description of the enclosed, locked facility
4 where cannabis will be stored by the dispensing
5 organization;

6 (26) Signed statements from each dispensing
7 organization agent stating that he or she will not divert
8 cannabis;

9 (27) The number of licenses it is applying for in each
10 BLS Region;

11 (28) A diversity plan that includes a narrative of at
12 least 2,500 words that establishes a goal of diversity in
13 ownership, management, employment, and contracting to
14 ensure that diverse participants and groups are afforded
15 equality of opportunity;

16 (29) A contract with a private security contractor
17 agency that is licensed under Section 10-5 of the Private
18 Detective, Private Alarm, Private Security, Fingerprint
19 Vendor, and Locksmith Act of 2004 in order for the
20 dispensary to have adequate security at its facility; and

21 (30) Other information deemed necessary by the
22 Illinois Cannabis Regulation Oversight Officer to conduct
23 the disparity and availability study referenced in
24 subsection (e) of Section 5-45.

25 (e) An applicant who receives a Conditional Adult Use
26 Dispensing Organization License under this Section has 180

1 days from the date of award to identify a physical location for
2 the dispensing organization retail storefront. The applicant
3 shall provide evidence that the location is not within 1,500
4 feet of an existing dispensing organization, unless the
5 applicant is a Social Equity Applicant or Social Equity
6 Justice Involved Applicant located or seeking to locate within
7 1,500 feet of a dispensing organization licensed under Section
8 15-15 or Section 15-20. If an applicant is unable to find a
9 suitable physical address in the opinion of the Department
10 within 180 days of the issuance of the Conditional Adult Use
11 Dispensing Organization License, the Department may extend the
12 period for finding a physical address an additional 540 days
13 if the Conditional Adult Use Dispensing Organization License
14 holder demonstrates concrete attempts to secure a location and
15 a hardship. If the Department denies the extension or the
16 Conditional Adult Use Dispensing Organization License holder
17 is unable to either find a location within 720 days of being
18 awarded a conditional license and become operational within
19 180 days thereafter, or become operational within 720 days of
20 being awarded a conditional license, the Department may,
21 considering the totality of the circumstances, rescind the
22 conditional license. If the conditional license holder does
23 not become operational within 365 days after having found a
24 location, the Department may mandate a date by which the
25 conditional license holder shall become operational prior to
26 the Department rescinding the conditional license. If the

1 Department rescinds ~~shall rescind~~ the conditional license it
2 may ~~and~~ award it to the next highest scoring applicant in the
3 BLS Region for which the license was assigned, provided the
4 applicant receiving the license: (i) confirms a continued
5 interest in operating a dispensing organization; (ii) can
6 provide evidence that the applicant continues to meet all
7 requirements for holding a Conditional Adult Use Dispensing
8 Organization License set forth in this Act; and (iii) has not
9 otherwise become ineligible to be awarded a dispensing
10 organization license. If the new awardee is unable to accept
11 the Conditional Adult Use Dispensing Organization License, the
12 Department may issue ~~shall award~~ the Conditional Adult Use
13 Dispensing Organization License to the next highest scoring
14 applicant in the same manner. The new awardee shall be subject
15 to the same required deadlines as provided in this subsection.

16 (e-5) If, within 720 days of being awarded a Conditional
17 Adult Use Dispensing Organization License, a dispensing
18 organization is unable to find a location within the BLS
19 Region in which it was awarded a Conditional Adult Use
20 Dispensing Organization License because no jurisdiction within
21 the BLS Region allows for the operation of an Adult Use
22 Dispensing Organization, the Department of Financial and
23 Professional Regulation may authorize the Conditional Adult
24 Use Dispensing Organization License holder to transfer its
25 license to a BLS Region specified by the Department.

26 (f) A dispensing organization that is awarded a

1 Conditional Adult Use Dispensing Organization License pursuant
2 to the criteria in Section 15-30 shall not purchase, possess,
3 sell, or dispense cannabis or cannabis-infused products until
4 the person has received an Adult Use Dispensing Organization
5 License issued by the Department pursuant to Section 15-36 of
6 this Act.

7 (g) The Department shall conduct a background check of the
8 prospective organization agents in order to carry out this
9 Article. The Illinois State Police shall charge the applicant
10 a fee for conducting the criminal history record check, which
11 shall be deposited into the State Police Services Fund and
12 shall not exceed the actual cost of the record check. Each
13 person applying as a dispensing organization agent shall
14 submit a full set of fingerprints to the Illinois State Police
15 for the purpose of obtaining a State and federal criminal
16 records check. These fingerprints shall be checked against the
17 fingerprint records now and hereafter, to the extent allowed
18 by law, filed in the Illinois State Police and Federal Bureau
19 of Identification criminal history records databases. The
20 Illinois State Police shall furnish, following positive
21 identification, all Illinois conviction information to the
22 Department.

23 (Source: P.A. 102-98, eff. 7-15-21; 102-538, eff. 8-20-21;
24 102-813, eff. 5-13-22; 103-8, eff. 6-7-23.)

1 Sec. 15-35. Qualifying Applicant Lottery for Conditional
2 Adult Use Dispensing Organization Licenses.

3 (a) In addition to any of the licenses issued under
4 Section 15-15, Section 15-20, Section 15-25, Section 15-30.20,
5 or Section 15-35.10 of this Act, within 10 business days after
6 the resulting final scores for all scored applications
7 pursuant to Sections 15-25 and 15-30 are released, the
8 Department shall issue up to 55 Conditional Adult Use
9 Dispensing Organization Licenses by lot, pursuant to the
10 application process adopted under this Section. In order to be
11 eligible to be awarded a Conditional Adult Use Dispensing
12 Organization License by lot under this Section, a Dispensary
13 Applicant must be a Qualifying Applicant.

14 The licenses issued under this Section shall be awarded in
15 each BLS Region in the following amounts:

- 16 (1) Bloomington: 1.
17 (2) Cape Girardeau: 1.
18 (3) Carbondale-Marion: 1.
19 (4) Champaign-Urbana: 1.
20 (5) Chicago-Naperville-Elgin: 36.
21 (6) Danville: 1.
22 (7) Davenport-Moline-Rock Island: 1.
23 (8) Decatur: 1.
24 (9) Kankakee: 1.
25 (10) Peoria: 2.
26 (11) Rockford: 1.

1 (12) St. Louis: 3.

2 (13) Springfield: 1.

3 (14) Northwest Illinois nonmetropolitan: 1.

4 (15) West Central Illinois nonmetropolitan: 1.

5 (16) East Central Illinois nonmetropolitan: 1.

6 (17) South Illinois nonmetropolitan: 1.

7 (a-5) Prior to issuing licenses under subsection (a), the
8 Department may adopt rules through emergency rulemaking in
9 accordance with subsection (kk) of Section 5-45 of the
10 Illinois Administrative Procedure Act. The General Assembly
11 finds that the adoption of rules to regulate cannabis use is
12 deemed an emergency and necessary for the public interest,
13 safety, and welfare.

14 (b) The Department shall distribute the available licenses
15 established under this Section subject to the following:

16 (1) The drawing by lot for all available licenses
17 issued under this Section shall occur on the same day when
18 practicable.

19 (2) Within each BLS Region, the first Qualifying
20 Applicant drawn will have the first right to an available
21 license. The second Qualifying Applicant drawn will have
22 the second right to an available license. The same pattern
23 will continue for each subsequent Qualifying Applicant
24 drawn.

25 (3) The process for distributing available licenses
26 under this Section shall be recorded by the Department in

1 a format selected by the Department.

2 (4) A Dispensary Applicant is prohibited from becoming
3 a Qualifying Applicant if a principal officer resigns
4 after the resulting final scores for all scored
5 applications pursuant to Sections 15-25 and 15-30 are
6 released.

7 (5) No Qualifying Applicant may be awarded more than 2
8 Conditional Adult Use Dispensing Organization Licenses at
9 the conclusion of a lottery conducted under this Section.

10 (6) No individual may be listed as a principal officer
11 of more than 2 Conditional Adult Use Dispensing
12 Organization Licenses awarded under this Section.

13 (7) If, upon being selected for an available license
14 established under this Section, a Qualifying Applicant
15 exceeds the limits under paragraph (5) or (6), the
16 Qualifying Applicant must choose which license to abandon
17 and notify the Department in writing within 5 business
18 days. If the Qualifying Applicant does not notify the
19 Department as required, the Department shall refuse to
20 issue the Qualifying Applicant all available licenses
21 established under this Section obtained by lot in all BLS
22 Regions.

23 (8) If, upon being selected for an available license
24 established under this Section, a Qualifying Applicant has
25 a principal officer who is a principal officer in more
26 than 10 Early Approval Adult Use Dispensing Organization

1 Licenses, Conditional Adult Use Dispensing Organization
2 Licenses, Adult Use Dispensing Organization Licenses, or
3 any combination thereof, the licensees and the Qualifying
4 Applicant listing that principal officer must choose which
5 license to abandon pursuant to subsection (d) of Section
6 15-36 and notify the Department in writing within 5
7 business days. If the Qualifying Applicant or licensees do
8 not notify the Department as required, the Department
9 shall refuse to issue the Qualifying Applicant all
10 available licenses established under this Section obtained
11 by lot in all BLS Regions.

12 (9) All available licenses that have been abandoned
13 under paragraph (7) or (8) shall be distributed to the
14 next Qualifying Applicant drawn by lot.

15 Any and all rights conferred or obtained under this
16 Section shall be limited to the provisions of this Section.

17 (c) An applicant who receives a Conditional Adult Use
18 Dispensing Organization License under this Section has 180
19 days from the date it is awarded to identify a physical
20 location for the dispensing organization's retail storefront.
21 The applicant shall provide evidence that the location is not
22 within 1,500 feet of an existing dispensing organization,
23 unless the applicant is a Social Equity Applicant or Social
24 Equity Justice Involved Applicant located or seeking to locate
25 within 1,500 feet of a dispensing organization licensed under
26 Section 15-15 or Section 15-20. If an applicant is unable to

1 find a suitable physical address in the opinion of the
2 Department within 180 days from the issuance of the
3 Conditional Adult Use Dispensing Organization License, the
4 Department may extend the period for finding a physical
5 address an additional 540 days if the Conditional Adult Use
6 Dispensing Organization License holder demonstrates a concrete
7 attempt to secure a location and a hardship. If the Department
8 denies the extension or the Conditional Adult Use Dispensing
9 Organization License holder is unable to either find a
10 location within 720 days of being awarded a conditional
11 license and become operational within 180 days thereafter, or
12 become operational within 720 days of being awarded a
13 Conditional Adult Use Dispensing Organization License, the
14 Department may, considering the totality of the circumstances,
15 rescind the conditional license. If the conditional license
16 holder does not become operational within 365 days after
17 having found a location, the Department may mandate a date by
18 which the conditional license holder shall become operational
19 prior to the Department rescinding the conditional license. If
20 ~~under this Section,~~ the Department rescinds ~~shall rescind~~ the
21 Conditional Adult Use Dispensing Organization License it may
22 issue ~~and award~~ it pursuant to subsection (b), provided the
23 applicant receiving the Conditional Adult Use Dispensing
24 Organization License: (i) confirms a continued interest in
25 operating a dispensing organization; (ii) can provide evidence
26 that the applicant continues to meet all requirements for

1 holding a Conditional Adult Use Dispensing Organization
2 License set forth in this Act; and (iii) has not otherwise
3 become ineligible to be awarded a Conditional Adult Use
4 Dispensing Organization License. If the new awardee is unable
5 to accept the Conditional Adult Use Dispensing Organization
6 License, the Department may issue ~~shall award~~ the Conditional
7 Adult Use Dispensing Organization License pursuant to
8 subsection (b). The new awardee shall be subject to the same
9 required deadlines as provided in this subsection.

10 (d) If, within 720 days of being awarded a Conditional
11 Adult Use Dispensing Organization License, a dispensing
12 organization is unable to find a location within the BLS
13 Region in which it was awarded a Conditional Adult Use
14 Dispensing Organization License because no jurisdiction within
15 the BLS Region allows for the operation of an Adult Use
16 Dispensing Organization, the Department may authorize the
17 Conditional Adult Use Dispensing Organization License holder
18 to transfer its Conditional Adult Use Dispensing Organization
19 License to a BLS Region specified by the Department.

20 (e) A dispensing organization that is awarded a
21 Conditional Adult Use Dispensing Organization License under
22 this Section shall not purchase, possess, sell, or dispense
23 cannabis or cannabis-infused products until the dispensing
24 organization has received an Adult Use Dispensing Organization
25 License issued by the Department pursuant to Section 15-36.

26 (f) The Department shall conduct a background check of the

1 prospective dispensing organization agents in order to carry
2 out this Article. The Illinois State Police shall charge the
3 applicant a fee for conducting the criminal history record
4 check, which shall be deposited into the State Police Services
5 Fund and shall not exceed the actual cost of the record check.
6 Each person applying as a dispensing organization agent shall
7 submit a full set of fingerprints to the Illinois State Police
8 for the purpose of obtaining a State and federal criminal
9 records check. These fingerprints shall be checked against the
10 fingerprint records now and hereafter, to the extent allowed
11 by law, filed with the Illinois State Police and the Federal
12 Bureau of Investigation criminal history records databases.
13 The Illinois State Police shall furnish, following positive
14 identification, all Illinois conviction information to the
15 Department.

16 (g) The Department may verify information contained in
17 each application and accompanying documentation to assess the
18 applicant's veracity and fitness to operate a dispensing
19 organization.

20 (h) The Department may, in its discretion, refuse to issue
21 authorization to an applicant who meets any of the following
22 criteria:

23 (1) An applicant who is unqualified to perform the
24 duties required of the applicant.

25 (2) An applicant who fails to disclose or states
26 falsely any information called for in the application.

1 (3) An applicant who has been found guilty of a
2 violation of this Act, who has had any disciplinary order
3 entered against the applicant by the Department, who has
4 entered into a disciplinary or nondisciplinary agreement
5 with the Department, whose medical cannabis dispensing
6 organization, medical cannabis cultivation organization,
7 Early Approval Adult Use Dispensing Organization License,
8 Early Approval Adult Use Dispensing Organization License
9 at a secondary site, Early Approval Cultivation Center
10 License, Conditional Adult Use Dispensing Organization
11 License, or Adult Use Dispensing Organization License was
12 suspended, restricted, revoked, or denied for just cause,
13 or whose cannabis business establishment license was
14 suspended, restricted, revoked, or denied in any other
15 state.

16 (4) An applicant who has engaged in a pattern or
17 practice of unfair or illegal practices, methods, or
18 activities in the conduct of owning a cannabis business
19 establishment or other business.

20 (i) The Department shall deny issuance of a license under
21 this Section if any principal officer, board member, or person
22 having a financial or voting interest of 5% or greater in the
23 licensee is delinquent in filing any required tax return or
24 paying any amount owed to the State of Illinois.

25 (j) The Department shall verify an applicant's compliance
26 with the requirements of this Article and rules adopted under

1 this Article before issuing a Conditional Adult Use Dispensing
2 Organization License under this Section.

3 (k) If an applicant is awarded a Conditional Adult Use
4 Dispensing Organization License under this Section, the
5 information and plans provided in the application, including
6 any plans submitted for bonus points, shall become a condition
7 of the Conditional Adult Use Dispensing Organization License
8 and any Adult Use Dispensing Organization License issued to
9 the holder of the Conditional Adult Use Dispensing
10 Organization License, except as otherwise provided by this Act
11 or by rule. A dispensing organization has a duty to disclose
12 any material changes to the application. The Department shall
13 review all material changes disclosed by the dispensing
14 organization and may reevaluate its prior decision regarding
15 the awarding of a Conditional Adult Use Dispensing
16 Organization License, including, but not limited to,
17 suspending or permanently revoking a Conditional Adult Use
18 Dispensing Organization License. Failure to comply with the
19 conditions or requirements in the application may subject the
20 dispensing organization to discipline up to and including
21 suspension or permanent revocation of its authorization or
22 Conditional Adult Use Dispensing Organization License by the
23 Department.

24 (l) If an applicant has not begun operating as a
25 dispensing organization within one year after the issuance of
26 the Conditional Adult Use Dispensing Organization License

1 under this Section, the Department may permanently revoke the
2 Conditional Adult Use Dispensing Organization License and
3 award it to the next highest scoring applicant in the BLS
4 Region if a suitable applicant indicates a continued interest
5 in the Conditional Adult Use Dispensing Organization License
6 or may begin a new selection process to award a Conditional
7 Adult Use Dispensing Organization License.

8 (Source: P.A. 102-98, eff. 7-15-21; 103-8, eff. 6-7-23.)

9 (410 ILCS 705/15-35.10)

10 Sec. 15-35.10. Social Equity Justice Involved Lottery for
11 Conditional Adult Use Dispensing Organization Licenses.

12 (a) In addition to any of the licenses issued under
13 Section 15-15, Section 15-20, Section 15-25, Section 15-30.20,
14 or Section 15-35, within 10 business days after the resulting
15 final scores for all scored applications pursuant to Sections
16 15-25 and 15-30 are released, the Department shall issue up to
17 55 Conditional Adult Use Dispensing Organization Licenses by
18 lot, pursuant to the application process adopted under this
19 Section. In order to be eligible to be awarded a Conditional
20 Adult Use Dispensing Organization License by lot, a Dispensary
21 Applicant must be a Qualifying Social Equity Justice Involved
22 Applicant.

23 The licenses issued under this Section shall be awarded in
24 each BLS Region in the following amounts:

25 (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

1 established under this Section shall occur on the same day
2 when practicable.

3 (2) Within each BLS Region, the first Qualifying
4 Social Equity Justice Involved Applicant drawn will have
5 the first right to an available license. The second
6 Qualifying Social Equity Justice Involved Applicant drawn
7 will have the second right to an available license. The
8 same pattern will continue for each subsequent applicant
9 drawn.

10 (3) The process for distributing available licenses
11 under this Section shall be recorded by the Department in
12 a format selected by the Department.

13 (4) A Dispensary Applicant is prohibited from becoming
14 a Qualifying Social Equity Justice Involved Applicant if a
15 principal officer resigns after the resulting final scores
16 for all scored applications pursuant to Sections 15-25 and
17 15-30 are released.

18 (5) No Qualifying Social Equity Justice Involved
19 Applicant may be awarded more than 2 Conditional Adult Use
20 Dispensing Organization Licenses at the conclusion of a
21 lottery conducted under this Section.

22 (6) No individual may be listed as a principal officer
23 of more than 2 Conditional Adult Use Dispensing
24 Organization Licenses awarded under this Section.

25 (7) If, upon being selected for an available license
26 established under this Section, a Qualifying Social Equity

1 Justice Involved Applicant exceeds the limits under
2 paragraph (5) or (6), the Qualifying Social Equity Justice
3 Involved Applicant must choose which license to abandon
4 and notify the Department in writing within 5 business
5 days on forms prescribed by the Department. If the
6 Qualifying Social Equity Justice Involved Applicant does
7 not notify the Department as required, the Department
8 shall refuse to issue the Qualifying Social Equity Justice
9 Involved Applicant all available licenses established
10 under this Section obtained by lot in all BLS Regions.

11 (8) If, upon being selected for an available license
12 established under this Section, a Qualifying Social Equity
13 Justice Involved Applicant has a principal officer who is
14 a principal officer in more than 10 Early Approval Adult
15 Use Dispensing Organization Licenses, Conditional Adult
16 Use Dispensing Organization Licenses, Adult Use Dispensing
17 Organization Licenses, or any combination thereof, the
18 licensees and the Qualifying Social Equity Justice
19 Involved Applicant listing that principal officer must
20 choose which license to abandon pursuant to subsection (d)
21 of Section 15-36 and notify the Department in writing
22 within 5 business days on forms prescribed by the
23 Department. If the Dispensary Applicant or licensees do
24 not notify the Department as required, the Department
25 shall refuse to issue the Qualifying Social Equity Justice
26 Involved Applicant all available licenses established

1 under this Section obtained by lot in all BLS Regions.

2 (9) All available licenses that have been abandoned
3 under paragraph (7) or (8) shall be distributed to the
4 next Qualifying Social Equity Justice Involved Applicant
5 drawn by lot.

6 Any and all rights conferred or obtained under this
7 subsection shall be limited to the provisions of this
8 subsection.

9 (c) An applicant who receives a Conditional Adult Use
10 Dispensing Organization License under this Section has 180
11 days from the date of the award to identify a physical location
12 for the dispensing organization's retail storefront. The
13 applicant shall provide evidence that the location is not
14 within 1,500 feet of an existing dispensing organization,
15 unless the applicant is a Social Equity Applicant or Social
16 Equity Justice Involved Applicant located or seeking to locate
17 within 1,500 feet of a dispensing organization licensed under
18 Section 15-15 or Section 15-20. If an applicant is unable to
19 find a suitable physical address in the opinion of the
20 Department within 180 days from the issuance of the
21 Conditional Adult Use Dispensing Organization License, the
22 Department may extend the period for finding a physical
23 address an additional 540 days if the Conditional Adult Use
24 Dispensing Organization License holder demonstrates a concrete
25 attempt to secure a location and a hardship. If the Department
26 denies the extension or the Conditional Adult Use Dispensing

1 Organization License holder is unable to either find a
2 location within 720 days of being awarded a conditional
3 license and become operational within 180 days thereafter, or
4 become operational within 720 days of being awarded a
5 Conditional Adult Use Dispensing Organization License, the
6 Department may, considering the totality of the circumstances,
7 rescind the conditional license. If the conditional license
8 holder does not become operational within 365 days after
9 having found a location, the Department may mandate a date by
10 which the conditional license holder shall become operational
11 prior to the Department rescinding the conditional license. If
12 ~~under this Section,~~ the Department rescinds ~~shall rescind~~ the
13 Conditional Adult Use Dispensing Organization License it may
14 issue ~~and award~~ it pursuant to subsection (b) and notify the
15 new awardee at the email address provided in the awardee's
16 application, provided the applicant receiving the Conditional
17 Adult Use Dispensing Organization License: (i) confirms a
18 continued interest in operating a dispensing organization;
19 (ii) can provide evidence that the applicant continues to meet
20 all requirements for holding a Conditional Adult Use
21 Dispensing Organization License set forth in this Act; and
22 (iii) has not otherwise become ineligible to be awarded a
23 Conditional Adult Use Dispensing Organization License. If the
24 new awardee is unable to accept the Conditional Adult Use
25 Dispensing Organization License, the Department may issue
26 ~~shall award~~ the Conditional Adult Use Dispensing Organization

1 License pursuant to subsection (b). The new awardee shall be
2 subject to the same required deadlines as provided in this
3 subsection.

4 (d) If, within 720 ~~180~~ days of being awarded a Conditional
5 Adult Use Dispensing Organization License, a dispensing
6 organization is unable to find a location within the BLS
7 Region in which it was awarded a Conditional Adult Use
8 Dispensing Organization License under this Section because no
9 jurisdiction within the BLS Region allows for the operation of
10 an Adult Use Dispensing Organization, the Department may
11 authorize the Conditional Adult Use Dispensing Organization
12 License holder to transfer its Conditional Adult Use
13 Dispensing Organization License to a BLS Region specified by
14 the Department.

15 (e) A dispensing organization that is awarded a
16 Conditional Adult Use Dispensing Organization License under
17 this Section shall not purchase, possess, sell, or dispense
18 cannabis or cannabis-infused products until the dispensing
19 organization has received an Adult Use Dispensing Organization
20 License issued by the Department pursuant to Section 15-36.

21 (f) The Department shall conduct a background check of the
22 prospective dispensing organization agents in order to carry
23 out this Article. The Illinois State Police shall charge the
24 applicant a fee for conducting the criminal history record
25 check, which shall be deposited into the State Police Services
26 Fund and shall not exceed the actual cost of the record check.

1 Each person applying as a dispensing organization agent shall
2 submit a full set of fingerprints to the Illinois State Police
3 for the purpose of obtaining a State and federal criminal
4 records check. These fingerprints shall be checked against the
5 fingerprint records now and hereafter, to the extent allowed
6 by law, filed with the Illinois State Police and the Federal
7 Bureau of Investigation criminal history records databases.
8 The Illinois State Police shall furnish, following positive
9 identification, all Illinois conviction information to the
10 Department.

11 (g) The Department may verify information contained in
12 each application and accompanying documentation to assess the
13 applicant's veracity and fitness to operate a dispensing
14 organization.

15 (h) The Department may, in its discretion, refuse to issue
16 an authorization to an applicant who meets any of the
17 following criteria:

18 (1) An applicant who is unqualified to perform the
19 duties required of the applicant.

20 (2) An applicant who fails to disclose or states
21 falsely any information called for in the application.

22 (3) An applicant who has been found guilty of a
23 violation of this Act, who has had any disciplinary order
24 entered against the applicant by the Department, who has
25 entered into a disciplinary or nondisciplinary agreement
26 with the Department, whose medical cannabis dispensing

1 organization, medical cannabis cultivation organization,
2 Early Approval Adult Use Dispensing Organization License,
3 Early Approval Adult Use Dispensing Organization License
4 at a secondary site, Early Approval Cultivation Center
5 License, Conditional Adult Use Dispensing Organization
6 License, or Adult Use Dispensing Organization License was
7 suspended, restricted, revoked, or denied for just cause,
8 or whose cannabis business establishment license was
9 suspended, restricted, revoked, or denied in any other
10 state.

11 (4) An applicant who has engaged in a pattern or
12 practice of unfair or illegal practices, methods, or
13 activities in the conduct of owning a cannabis business
14 establishment or other business.

15 (i) The Department shall deny the license if any principal
16 officer, board member, or person having a financial or voting
17 interest of 5% or greater in the licensee is delinquent in
18 filing any required tax return or paying any amount owed to the
19 State of Illinois.

20 (j) The Department shall verify an applicant's compliance
21 with the requirements of this Article and rules adopted under
22 this Article before issuing a Conditional Adult Use Dispensing
23 Organization License.

24 (k) If an applicant is awarded a Conditional Adult Use
25 Dispensing Organization License under this Section, the
26 information and plans provided in the application, including

1 any plans submitted for bonus points, shall become a condition
2 of the Conditional Adult Use Dispensing Organization License
3 and any Adult Use Dispensing Organization License issued to
4 the holder of the Conditional Adult Use Dispensing
5 Organization License, except as otherwise provided by this Act
6 or by rule. Dispensing organizations have a duty to disclose
7 any material changes to the application. The Department shall
8 review all material changes disclosed by the dispensing
9 organization and may reevaluate its prior decision regarding
10 the awarding of a Conditional Adult Use Dispensing
11 Organization License, including, but not limited to,
12 suspending or permanently revoking a Conditional Adult Use
13 Dispensing Organization License. Failure to comply with the
14 conditions or requirements in the application may subject the
15 dispensing organization to discipline up to and including
16 suspension or permanent revocation of its authorization or
17 Conditional Adult Use Dispensing Organization License by the
18 Department.

19 (1) If an applicant has not begun operating as a
20 dispensing organization within one year after the issuance of
21 the Conditional Adult Use Dispensing Organization License
22 under this Section, the Department may permanently revoke the
23 Conditional Adult Use Dispensing Organization License and
24 award it to the next highest scoring applicant in the BLS
25 Region if a suitable applicant indicates a continued interest
26 in the Conditional Adult Use Dispensing Organization License

1 or may begin a new selection process to award a Conditional
2 Adult Use Dispensing Organization License.

3 (Source: P.A. 102-98, eff. 7-15-21; 103-8, eff. 6-7-23.)

4 (410 ILCS 705/15-36)

5 Sec. 15-36. Adult Use Dispensing Organization License.

6 (a) A person is only eligible to receive or hold an Adult
7 Use Dispensing Organization License if the person has been
8 issued ~~awarded~~ a Conditional Adult Use Dispensing Organization
9 License pursuant to this Act or its administrative rules, was
10 issued an Early Approval Adult Use Dispensing Organization
11 License, an Early Approval Adult Use Dispensing Organization
12 License at a Secondary Site, or was a registered medical
13 dispensing organization as defined under the Compassionate Use
14 of Medical Cannabis Act ~~or has renewed its license pursuant to~~
15 ~~subsection (k) of Section 15-15 or subsection (p) of Section~~
16 ~~15-20.~~

17 (a-5) Beginning July 1, 2026, all dispensing organizations
18 registered under the Compassionate Use of Medical Cannabis
19 Program Act and Sections 15-15 and 15-20 of this Act shall be a
20 dispensing organization or a dispensary as those terms are
21 defined in this Act and shall be an Adult Use Dispensing
22 Organization License holder under this Section. Beginning July
23 1, 2026, all dispensing organizations registered under the
24 Compassionate Use of Medical Cannabis Program Act and Sections
25 15-15 and 15-20 of this Act shall have the same rights,

1 privileges, duties, and responsibilities of dispensing
2 organizations licensed pursuant to this Section and shall be
3 subject to any administrative rules adopted under this Act.

4 (a-10) In addition to selling cannabis and
5 cannabis-infused products to persons 21 years of age or older,
6 beginning July 1, 2026, but no later than October 1, 2026, all
7 dispensing organizations licensed pursuant to this Act shall
8 also offer cannabis and cannabis-infused products for sale to
9 registered qualifying patients, provisional patients,
10 designated caregivers, and Opioid Alternative Patient Program
11 participants.

12 (a-15) By October 1, 2026, all dispensing organizations
13 licensed under Section 15-36 shall pay the fee under
14 subsection (d) of Section 15-13 of this Act or shall have
15 entered into an approved payment plan with the Department to
16 pay the fee.

17 (b) The Department shall not issue an Adult Use Dispensing
18 Organization License until:

19 (1) the Department has inspected the dispensary site
20 and proposed operations and verified that they are in
21 compliance with this Act and local zoning laws;

22 (2) the Conditional Adult Use Dispensing Organization
23 License holder has paid a license fee of \$70,000 ~~\$60,000~~
24 or a prorated amount accounting for the difference of time
25 between when the Adult Use Dispensing Organization License
26 is issued and March 31 of the next even-numbered year;

1 \$60,000 (or the proportional prorated amount paid) of the
2 fee shall be remitted into the Cannabis Regulation Fund,
3 and \$10,000 (or the proportional prorated amount paid) of
4 the fee shall be remitted into the Compassionate Use of
5 Medical Cannabis Fund; and

6 (3) the Conditional Adult Use Dispensing Organization
7 License holder has met all the requirements in this Act
8 and rules.

9 (c) No person or entity shall hold any legal, equitable,
10 ownership, or beneficial interest, directly or indirectly, of
11 more than 10 dispensing organizations licensed under this
12 Article. Further, no person or entity that is:

13 (1) employed by, is an agent of, or participates in
14 the management of a dispensing organization or registered
15 medical cannabis dispensing organization;

16 (2) a principal officer of a dispensing organization
17 or registered medical cannabis dispensing organization; or

18 (3) an entity controlled by or affiliated with a
19 principal officer of a dispensing organization or
20 registered medical cannabis dispensing organization;

21 shall hold any legal, equitable, ownership, or beneficial
22 interest, directly or indirectly, in a dispensing organization
23 that would result in such person or entity owning or
24 participating in the management of more than 10 Early Approval
25 Adult Use Dispensing Organization Licenses, Early Approval
26 Adult Use Dispensing Organization Licenses at a secondary

1 site, Conditional Adult Use Dispensing Organization Licenses,
2 or Adult Use Dispensing Organization Licenses. For the purpose
3 of this subsection, participating in management may include,
4 without limitation, controlling decisions regarding staffing,
5 pricing, purchasing, marketing, store design, hiring, and
6 website design.

7 (d) The Department shall deny an application if granting
8 that application would result in a person or entity obtaining
9 direct or indirect financial interest in more than 10 Early
10 Approval Adult Use Dispensing Organization Licenses,
11 Conditional Adult Use Dispensing Organization Licenses, Adult
12 Use Dispensing Organization Licenses, or any combination
13 thereof. If a person or entity is awarded a Conditional Adult
14 Use Dispensing Organization License that would cause the
15 person or entity to be in violation of this subsection, he,
16 she, or it shall choose which license application it wants to
17 abandon and such licenses shall become available to the next
18 qualified applicant in the region in which the abandoned
19 license was awarded.

20 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19;
21 revised 7-19-24.)

22 (410 ILCS 705/15-40)

23 Sec. 15-40. Dispensing organization agent identification
24 card; agent training.

25 (a) The Department shall:

1 (1) verify the information contained in an application
2 or renewal for a dispensing organization agent
3 identification card submitted under this Article, and
4 approve or deny an application or renewal, within 30 days
5 of receiving a completed application or renewal
6 application and all supporting documentation required by
7 rule;

8 (2) issue a dispensing organization agent
9 identification card to a qualifying agent within 15
10 business days of approving the application or renewal;

11 (3) enter the registry identification number of the
12 dispensing organization where the agent works;

13 (4) within one year from the effective date of this
14 Act, allow for an electronic application process and
15 provide a confirmation by electronic or other methods that
16 an application has been submitted; and

17 (5) collect a \$100 nonrefundable fee from the
18 applicant to be deposited into the Cannabis Regulation
19 Fund.

20 (b) A dispensing organization agent must keep his or her
21 identification card visible at all times when in the
22 dispensary.

23 (c) The dispensing organization agent identification cards
24 shall contain the following:

25 (1) the name of the cardholder;

26 (2) the date of issuance and expiration date of the

1 dispensing organization agent identification cards;

2 (3) a random 10-digit alphanumeric identification
3 number containing at least 4 numbers and at least 4
4 letters that is unique to the cardholder; and

5 (4) a photograph of the cardholder.

6 (d) The dispensing organization agent identification cards
7 shall be immediately returned to the dispensing organization
8 upon termination of employment.

9 (e) The Department shall not issue an agent identification
10 card if the applicant is delinquent in filing any required tax
11 returns or paying any amounts owed to the State of Illinois.

12 (f) Any card lost by a dispensing organization agent shall
13 be reported to the Illinois State Police and the Department
14 immediately upon discovery of the loss.

15 (g) An applicant shall be denied a dispensing organization
16 agent identification card renewal if he or she fails to
17 complete the training provided for in this Section.

18 (h) A dispensing organization agent shall only be required
19 to hold one card for the same employer regardless of what type
20 of dispensing organization license the employer holds.

21 (i) Cannabis retail sales training requirements.

22 (1) Within 90 days of September 1, 2019, or 90 days of
23 employment, whichever is later, all owners, managers,
24 employees, and agents involved in the handling or sale of
25 cannabis or cannabis-infused product employed by an adult
26 use dispensing organization or medical cannabis dispensing

1 organization as defined in Section 10 of the Compassionate
2 Use of Medical Cannabis Program Act shall attend and
3 successfully complete a Responsible Vendor Program.

4 (2) Each owner, manager, employee, and agent of an
5 adult use dispensing organization or medical cannabis
6 dispensing organization shall successfully complete the
7 program annually.

8 (3) Responsible Vendor Program Training modules shall
9 include at least 2 hours of instruction time approved by
10 the Department including:

11 (i) Health and safety concerns of cannabis use,
12 including the responsible use of cannabis, its
13 physical effects, onset of physiological effects,
14 recognizing signs of impairment, and appropriate
15 responses in the event of overconsumption.

16 (ii) Training on laws and regulations on driving
17 while under the influence and operating a watercraft
18 or snowmobile while under the influence.

19 (iii) Sales to minors prohibition. Training shall
20 cover all relevant Illinois laws and rules.

21 (iv) Quantity limitations on sales to purchasers.
22 Training shall cover all relevant Illinois laws and
23 rules.

24 (v) Acceptable forms of identification. Training
25 shall include:

26 (I) How to check identification; and

1 (II) Common mistakes made in verification;

2 (vi) Safe storage of cannabis;

3 (vii) Compliance with all inventory tracking
4 system regulations;

5 (viii) Waste handling, management, and disposal;

6 (ix) Health and safety standards;

7 (x) Maintenance of records;

8 (xi) Security and surveillance requirements;

9 (xii) Permitting inspections by State and local
10 licensing and enforcement authorities;

11 (xiii) Privacy issues, including, but not limited
12 to, the safe storage and handling of confidential
13 information such as qualifying patient information;

14 (xiv) Packaging and labeling requirement for sales
15 to purchasers; ~~and~~

16 (xv) Prioritizing the needs of a qualifying
17 patient, provisional patient, designated caregiver, or
18 Opioid Alternative Patient Program participant; and

19 (xvi) Other areas as determined by rule.

20 (j) Blank.

21 (k) Upon the successful completion of the Responsible
22 Vendor Program, the provider shall deliver proof of completion
23 either through mail or electronic communication to the
24 dispensing organization, which shall retain a copy of the
25 certificate.

26 (l) The license of a dispensing organization or medical

1 cannabis dispensing organization whose owners, managers,
2 employees, or agents fail to comply with this Section may be
3 suspended or permanently revoked under Section 15-145 or may
4 face other disciplinary action.

5 (m) The regulation of dispensing organization and medical
6 cannabis dispensing employer and employee training is an
7 exclusive function of the State, and regulation by a unit of
8 local government, including a home rule unit, is prohibited.
9 This subsection (m) is a denial and limitation of home rule
10 powers and functions under subsection (h) of Section 6 of
11 Article VII of the Illinois Constitution.

12 (n) Persons seeking Department approval to offer the
13 training required by paragraph (3) of subsection (i) may apply
14 for such approval between August 1 and August 15 of each
15 odd-numbered year in a manner prescribed by the Department.

16 (o) Persons seeking Department approval to offer the
17 training required by paragraph (3) of subsection (i) shall
18 submit a nonrefundable application fee of \$2,000 to be
19 deposited into the Cannabis Regulation Fund or a fee as may be
20 set by rule. Any changes made to the training module shall be
21 approved by the Department.

22 (p) The Department shall not unreasonably deny approval of
23 a training module that meets all the requirements of paragraph
24 (3) of subsection (i). A denial of approval shall include a
25 detailed description of the reasons for the denial.

26 (q) Any person approved to provide the training required

1 by paragraph (3) of subsection (i) shall submit an application
2 for re-approval between August 1 and August 15 of each
3 odd-numbered year and include a nonrefundable application fee
4 of \$2,000 to be deposited into the Cannabis Regulation Fund or
5 a fee as may be set by rule.

6 (r) All persons applying to become or renewing their
7 registrations to be agents, including agents-in-charge and
8 principal officers, shall disclose any disciplinary action
9 taken against them that may have occurred in Illinois, another
10 state, or another country in relation to their employment at a
11 cannabis business establishment or at any cannabis cultivation
12 center, ~~processor~~, infuser, dispensary, or other cannabis
13 business establishment.

14 (s) An agent applicant may begin employment at a
15 dispensing organization while the agent applicant's
16 identification card application is pending. Upon approval, the
17 Department shall issue the agent's identification card to the
18 agent. If denied, the dispensing organization and the agent
19 applicant shall be notified and the agent applicant must cease
20 all activity at the dispensing organization immediately.

21 (t) The Department and the Department of Agriculture may
22 develop and implement an integrated system to issue an agent
23 identification card which identifies a dispensary agent
24 licensed by the Department as well as any cultivator, craft
25 grower, transporter, community college program or infuser
26 license or registration the agent may simultaneously hold.

1 (u) Beginning July 1, 2026, all dispensing organization
2 agents registered under the Compassionate Use of Medical
3 Cannabis Program Act shall, subject to the agent being in good
4 standing with all licensing requirements, be deemed to be an
5 agent under this Act. The Department shall issue all agents
6 previously registered as an agent under the Compassionate Use
7 of Medical Cannabis Program Act a new license number at the
8 time of their first renewal on or after July 1, 2026.

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

12 (410 ILCS 705/15-45)

13 Sec. 15-45. Renewal.

14 (a) Adult Use Dispensing Organization Licenses shall
15 expire on March 31 of even-numbered years.

16 (b) Agent identification cards shall expire one year from
17 the date they are issued.

18 (c) Licensees and dispensing agents shall submit a renewal
19 application as provided by the Department and pay the required
20 renewal fee. The Department shall require an agent, employee,
21 contracting, and subcontracting diversity report and an
22 environmental impact report with its renewal application. No
23 license or agent identification card shall be renewed if it is
24 currently under revocation or suspension for violation of this
25 Article or any rules that may be adopted under this Article or

1 the licensee, principal officer, board member, person having a
2 financial or voting interest of 5% or greater in the licensee,
3 or agent is delinquent in filing any required tax returns or
4 paying any amounts owed to the State of Illinois.

5 (d) Renewal fees are:

6 (1) For a dispensing organization, \$60,000, to be
7 deposited into the Cannabis Regulation Fund; and \$10,000
8 to be deposited into Compassionate Use of Medical Cannabis
9 Fund.

10 (2) For an agent identification card, \$100, to be
11 deposited into the Cannabis Regulation Fund.

12 (e) If a dispensing organization fails to renew its
13 license before expiration, the dispensing organization shall
14 cease operations until the license is renewed.

15 (f) If a dispensing organization agent fails to renew his
16 or her registration before its expiration, he or she shall
17 cease to perform duties authorized by this Article at a
18 dispensing organization until his or her registration is
19 renewed.

20 (g) Any dispensing organization that continues to operate
21 or dispensing agent that continues to perform duties
22 authorized by this Article at a dispensing organization that
23 fails to renew its license is subject to penalty as provided in
24 this Article, or any rules that may be adopted pursuant to this
25 Article.

26 (h) The Department shall not renew a license if the

1 applicant is delinquent in filing any required tax returns or
2 paying any amounts owed to the State of Illinois. The
3 Department shall not renew a dispensing agent identification
4 card if the applicant is delinquent in filing any required tax
5 returns or paying any amounts owed to the State of Illinois.

6 (Source: P.A. 101-27, eff. 6-25-19.)

7 (410 ILCS 705/15-65)

8 Sec. 15-65. Administration.

9 (a) A dispensing organization shall establish, maintain,
10 and comply with written policies and procedures as submitted
11 in the Business, Financial and Operating plan as required in
12 this Article or by rules established by the Department, and
13 approved by the Department, for the security, storage,
14 inventory, and distribution of cannabis. These policies and
15 procedures shall include methods for identifying, recording,
16 and reporting diversion, theft, or loss, and for correcting
17 errors and inaccuracies in inventories. At a minimum,
18 dispensing organizations shall ensure the written policies and
19 procedures provide for the following:

20 (1) Mandatory and voluntary recalls of cannabis
21 products. The policies shall be adequate to deal with
22 recalls due to any action initiated at the request of the
23 Department and any voluntary action by the dispensing
24 organization to remove defective or potentially defective
25 cannabis from the market or any action undertaken to

1 promote public health and safety, including:

2 (i) A mechanism reasonably calculated to contact
3 purchasers who have, or likely have, obtained the
4 product from the dispensary, including information on
5 the policy for return of the recalled product;

6 (ii) A mechanism to identify and contact the ~~adult~~
7 ~~use~~ cultivation center, craft grower, or infuser that
8 manufactured the cannabis;

9 (iii) Policies for communicating with the
10 Department, the Department of Agriculture, and the
11 Department of Public Health within 24 hours of
12 discovering defective or potentially defective
13 cannabis; and

14 (iv) Policies for destruction of any recalled
15 cannabis product;

16 (2) Responses to local, State, or national
17 emergencies, including natural disasters, that affect the
18 security or operation of a dispensary;

19 (3) Segregation and destruction of outdated, damaged,
20 deteriorated, misbranded, or adulterated cannabis. This
21 procedure shall provide for written documentation of the
22 cannabis disposition;

23 (4) Ensure the oldest stock of a cannabis product is
24 distributed first. The procedure may permit deviation from
25 this requirement, if such deviation is temporary and
26 appropriate;

1 (5) Training of dispensing organization agents in the
2 provisions of this Act and rules, to effectively operate
3 the point-of-sale system and the State's verification
4 system, proper inventory handling and tracking, specific
5 uses of cannabis or cannabis-infused products, instruction
6 regarding regulatory inspection preparedness and law
7 enforcement interaction, awareness of the legal
8 requirements for maintaining status as an agent, and other
9 topics as specified by the dispensing organization or the
10 Department. The dispensing organization shall maintain
11 evidence of all training provided to each agent in its
12 files that is subject to inspection and audit by the
13 Department. The dispensing organization shall ensure
14 agents receive a minimum of 8 hours of training subject to
15 the requirements in subsection (i) of Section 15-40
16 annually, unless otherwise approved by the Department;

17 (6) Maintenance of business records consistent with
18 industry standards, including bylaws, consents, manual or
19 computerized records of assets and liabilities, audits,
20 monetary transactions, journals, ledgers, and supporting
21 documents, including agreements, checks, invoices,
22 receipts, and vouchers. Records shall be maintained in a
23 manner consistent with this Act and shall be retained for
24 5 years;

25 (7) Inventory control, including:

26 (i) Tracking purchases and denials of sale;

1 (ii) Disposal of unusable or damaged cannabis as
2 required by this Act and rules; and

3 (8) Purchaser education and support, including:

4 (i) Whether possession of cannabis is illegal
5 under federal law;

6 (ii) Current educational information issued by the
7 Department of Public Health about the health risks
8 associated with the use or abuse of cannabis;

9 (iii) Information about possible side effects;

10 (iv) Prohibition on smoking cannabis in public
11 places; and

12 (v) Offering any other appropriate purchaser
13 education or support materials.

14 (b) Blank.

15 (c) A dispensing organization shall maintain copies of the
16 policies and procedures on the dispensary premises and provide
17 copies to the Department upon request. The dispensing
18 organization shall review the dispensing organization policies
19 and procedures at least once every 12 months from the issue
20 date of the license and update as needed due to changes in
21 industry standards or as requested by the Department.

22 (d) A dispensing organization shall ensure that each
23 principal officer and each dispensing organization agent has a
24 current agent identification card in the agent's immediate
25 possession when the agent is at the dispensary.

26 (e) A dispensing organization shall provide prompt written

1 notice to the Department, including the date of the event,
2 when a dispensing organization agent no longer is employed by
3 the dispensing organization.

4 (f) A dispensing organization shall promptly document and
5 report any loss or theft of cannabis from the dispensary to the
6 Illinois State Police and the Department. It is the duty of any
7 dispensing organization agent who becomes aware of the loss or
8 theft to report it as provided in this Article.

9 (g) A dispensing organization shall post the following
10 information in a conspicuous location in an area of the
11 dispensary accessible to consumers:

- 12 (1) The dispensing organization's license;
13 (2) The hours of operation.

14 (h) Signage that shall be posted inside the premises.

15 (1) All dispensing organizations must display a
16 placard that states the following: "Cannabis consumption
17 can impair cognition and driving, is for adult use only,
18 may be habit forming, and should not be used by pregnant or
19 breastfeeding women."

20 (2) Any dispensing organization that sells edible
21 cannabis-infused products must display a placard that
22 states the following:

23 (A) "Edible cannabis-infused products were
24 produced in a kitchen that may also process common
25 food allergens."; and

26 (B) "The effects of cannabis products can vary

1 from person to person, and it can take as long as two
2 hours to feel the effects of some cannabis-infused
3 products. Carefully review the portion size
4 information and warnings contained on the product
5 packaging before consuming.".

6 (3) All of the required signage in this subsection (h)
7 shall be no smaller than 24 inches tall by 36 inches wide,
8 with typed letters no smaller than 2 inches. The signage
9 shall be clearly visible and readable by customers. The
10 signage shall be placed in the area where cannabis and
11 cannabis-infused products are sold and may be translated
12 into additional languages as needed. The Department may
13 require a dispensary to display the required signage in a
14 different language, other than English, if the Secretary
15 deems it necessary.

16 (i) A dispensing organization shall prominently post
17 notices inside the dispensing organization that state
18 activities that are strictly prohibited and punishable by law,
19 including, but not limited to:

20 (1) no minors permitted on the premises unless the
21 minor is a minor qualifying patient under the
22 Compassionate Use of Medical Cannabis Program Act;

23 (2) distribution to persons under the age of 21 is
24 prohibited;

25 (3) transportation of cannabis or cannabis products
26 across state lines is prohibited.

1 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19;
2 102-538, eff. 8-20-21.)

3 (410 ILCS 705/15-70)

4 Sec. 15-70. Operational requirements; prohibitions.

5 (a) A dispensing organization shall operate in accordance
6 with the representations made in its application and license
7 materials. It shall be in compliance with this Act and rules.

8 (b) Beginning July 1, 2026, but no later than October 1,
9 2026, all dispensaries shall have a patient prioritization
10 plan demonstrating that the dispensary is prioritizing
11 qualifying patients, provisional patients, designated
12 caregivers, and Opioid Alternative Patient Program
13 participants. Prioritization may include, but is not limited
14 to, the following: a dedicated service line for patients or
15 caregivers; a dedicated time of the day for patients or
16 caregivers, so long as the dispensary remains open at all
17 other hours of operation to serve patients and caregivers; and
18 a dedicated register for patients or caregivers ~~A dispensing~~
19 ~~organization must include the legal name of the dispensary on~~
20 ~~the packaging of any cannabis product it sells.~~

21 (c) All cannabis, cannabis-infused products, and cannabis
22 seeds must be obtained from an Illinois registered adult use
23 cultivation center, craft grower, infuser, or another
24 dispensary.

25 (c-5) A dispensing organization may sell cannabis and

1 cannabis-infused products purchased from any cultivation
2 center, craft grower, infuser, or other dispensary to persons
3 over 21 years of age and to qualifying patients, designated
4 caregivers, provisional patients, and Opioid Alternative
5 Patient Program participants.

6 (d) Dispensing organizations are prohibited from selling
7 any product containing alcohol except tinctures, which must be
8 limited to containers that are no larger than 100 milliliters.

9 (e) A dispensing organization shall inspect and count
10 product received from a transporting organization, ~~adult-use~~
11 cultivation center, craft grower, infuser organization, or
12 other dispensing organization before dispensing it.

13 (f) A dispensing organization may only accept cannabis
14 deliveries into a restricted access area. Deliveries may not
15 be accepted through the public or limited access areas unless
16 otherwise approved by the Department.

17 (g) A dispensing organization shall maintain compliance
18 with State and local building, fire, and zoning requirements
19 or regulations.

20 (h) A dispensing organization shall submit a list to the
21 Department of the names of all service professionals that will
22 work at the dispensary. The list shall include a description
23 of the type of business or service provided. Changes to the
24 service professional list shall be promptly provided. No
25 service professional shall work in the dispensary until the
26 name is provided to the Department on the service professional

1 list.

2 (i) A dispensing organization's license allows for a
3 dispensary to be operated only at a single location.

4 (j) All dispensaries' hours of operation may be A
5 ~~dispensary may operate~~ between 6 a.m. and 10 p.m. local time.

6 (k) A dispensing organization must keep all lighting
7 outside and inside the dispensary in good working order and
8 wattage sufficient for security cameras.

9 (l) A dispensing organization must keep all air treatment
10 systems that will be installed to reduce odors in good working
11 order.

12 (m) A dispensing organization must contract with a private
13 security contractor that is licensed under Section 10-5 of the
14 Private Detective, Private Alarm, Private Security,
15 Fingerprint Vendor, and Locksmith Act of 2004 to provide
16 on-site security at all hours of the dispensary's operation.

17 (n) A dispensing organization shall ensure that any
18 building or equipment used by a dispensing organization for
19 the storage or sale of cannabis is maintained in a clean and
20 sanitary condition.

21 (o) The dispensary shall be free from infestation by
22 insects, rodents, or pests.

23 (p) A dispensing organization shall not:

24 (1) Produce or manufacture cannabis;

25 (2) Accept a cannabis product from a ~~an adult use~~
26 cultivation center, craft grower, infuser, dispensing

1 organization, or transporting organization unless it is
2 pre-packaged and labeled in accordance with this Act and
3 any rules that may be adopted pursuant to this Act;

4 (3) Obtain cannabis or cannabis-infused products from
5 outside the State of Illinois;

6 (4) Sell cannabis or cannabis-infused products to a
7 purchaser unless the purchaser has been verified to be 21
8 years of age or older, or beginning July 1, 2026, the
9 person is verified to be a qualifying patient, provisional
10 patient, designated caregiver, or Opioid Alternative
11 Patient Program participant ~~the dispensing organization is~~
12 ~~licensed under the Compassionate Use of Medical Cannabis~~
13 ~~Program Act, and the individual is registered under the~~
14 ~~Compassionate Use of Medical Cannabis Program or the~~
15 ~~purchaser has been verified to be 21 years of age or older;~~

16 (5) Enter into an exclusive agreement with any adult
17 use cultivation center, craft grower, or infuser.
18 Dispensaries shall provide consumers an assortment of
19 products from various cannabis business establishment
20 licensees such that the inventory available for sale at
21 any dispensary from any single cultivation center, craft
22 grower, ~~processor,~~ transporter, or infuser entity shall
23 not be more than 40% of the total inventory available for
24 sale. For the purpose of this subsection, a cultivation
25 center, craft grower, ~~processor,~~ or infuser shall be
26 considered part of the same entity if the licensees share

1 at least one principal officer. The Department may request
2 that a dispensary diversify its products as needed or
3 otherwise discipline a dispensing organization for
4 violating this requirement;

5 (6) Refuse to conduct business with an adult use
6 cultivation center, craft grower, transporting
7 organization, or infuser that has the ability to properly
8 deliver the product and is permitted by the Department of
9 Agriculture, on the same terms as other ~~adult-use~~
10 cultivation centers, craft growers, infusers, or
11 transporters with whom it is dealing;

12 (7) (Blank); ~~Operate drive-through windows;~~

13 (8) Allow for the dispensing of cannabis or
14 cannabis-infused products in vending machines;

15 (9) Transport cannabis to residences or transport
16 cannabis to other locations where purchasers may be for
17 delivery, except for the limited circumstances provided in
18 paragraph (5.5) of subsection (c) of Section 15-100;

19 (10) Enter into agreements to allow persons who are
20 not dispensing organization agents to deliver cannabis or
21 to transport cannabis to purchasers;

22 (11) Operate a dispensary if its video surveillance
23 equipment is inoperative;

24 (12) Operate a dispensary if the point-of-sale
25 equipment is inoperative;

26 (13) Operate a dispensary if the State's cannabis

1 electronic verification system is inoperative;

2 (14) Have fewer than 2 people working at the
3 dispensary at any time while the dispensary is open;

4 (15) Be located within 1,500 feet of the property line
5 of a pre-existing dispensing organization, unless the
6 applicant is a Social Equity Applicant or Social Equity
7 Justice Involved Applicant located or seeking to locate
8 within 1,500 feet of a dispensing organization licensed
9 under Section 15-15 or Section 15-20;

10 (16) Sell clones or any other live plant material;

11 (17) Sell cannabis, cannabis concentrate, or
12 cannabis-infused products in combination or bundled with
13 each other or any other items for one price, and each item
14 of cannabis, concentrate, or cannabis-infused product must
15 be separately identified by quantity and price on the
16 receipt;

17 (18) Have a certifying health care professional
18 on-site at the dispensary, make referrals to a certifying
19 health care professional, include links to a certifying
20 health care professional on the dispensary's website, or
21 otherwise direct patients to a certifying health care
22 professional;

23 (19) Beginning July 1, 2026, fail to prioritize
24 qualifying patients, provisional patients, designated
25 caregivers, and Opioid Alternative Patient Program
26 participants; or

1 (20) Violate any other requirements or prohibitions
2 set by Department rules.

3 (q) It is unlawful for any person having an Early Approval
4 Adult Use ~~Cannabis~~ Dispensing Organization License, a
5 Conditional Adult Use ~~Cannabis~~ Dispensing Organization
6 License, an Adult Use Dispensing Organization License, or a
7 medical cannabis dispensing organization license issued under
8 the Compassionate Use of Medical Cannabis Program Act or any
9 officer, associate, member, representative, or agent of such
10 licensee to accept, receive, or borrow money or anything else
11 of value or accept or receive credit (other than merchandising
12 credit in the ordinary course of business for a period not to
13 exceed 30 days) directly or indirectly from any ~~adult-use~~
14 cultivation center, craft grower, infuser, or transporting
15 organization in exchange for preferential placement on the
16 dispensing organization's shelves, display cases, or website.
17 This includes anything received or borrowed or from any
18 stockholders, officers, agents, or persons connected with ~~a an~~
19 ~~adult-use~~ cultivation center, craft grower, infuser, or
20 transporting organization.

21 (r) It is unlawful for any person having an Early Approval
22 Adult Use ~~Cannabis~~ Dispensing Organization License, a
23 Conditional Adult Use ~~Cannabis~~ Dispensing Organization
24 License, an Adult Use Dispensing Organization License, or a
25 medical cannabis dispensing organization license issued under
26 the Compassionate Use of Medical Cannabis Program to enter

1 into any contract with any person licensed to cultivate,
2 process, or transport cannabis whereby such dispensing
3 organization agrees not to sell any cannabis cultivated,
4 processed, transported, manufactured, or distributed by any
5 other cultivator, transporter, or infuser, and any provision
6 in any contract violative of this Section shall render the
7 whole of such contract void and no action shall be brought
8 thereon in any court.

9 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19;
10 102-98, eff. 7-15-21; revised 7-23-24.)

11 (410 ILCS 705/15-75)

12 Sec. 15-75. Inventory control system.

13 (a) A dispensing organization agent-in-charge shall have
14 primary oversight of the dispensing organization's cannabis
15 inventory verification system, and its point-of-sale system.
16 The inventory point-of-sale system shall be real-time,
17 web-based, and accessible by the Department at any time. The
18 point-of-sale system shall track, at a minimum the date of
19 sale, amount, price, and currency.

20 (b) A dispensing organization shall establish an account
21 with the State's verification system that documents:

22 (1) Each sales transaction at the time of sale and
23 each day's beginning inventory, acquisitions, sales,
24 disposal, and ending inventory.

25 (2) Acquisition of cannabis and cannabis-infused

1 products from a licensed ~~adult-use~~ cultivation center,
2 craft grower, infuser, or transporter, including:

3 (i) A description of the products, including the
4 quantity, strain, variety, and batch number of each
5 product received;

6 (ii) The name and registry identification number
7 of the licensed ~~adult-use~~ cultivation center, craft
8 grower, or infuser providing the cannabis and
9 cannabis-infused products;

10 (iii) The name and registry identification number
11 of the licensed ~~adult-use~~ cultivation center, craft
12 grower, infuser, or transporting agent delivering the
13 cannabis;

14 (iv) The name and registry identification number
15 of the dispensing organization agent receiving the
16 cannabis; and

17 (v) The date of acquisition.

18 (3) The disposal of cannabis, including:

19 (i) A description of the products, including the
20 quantity, strain, variety, batch number, and reason
21 for the cannabis being disposed;

22 (ii) The method of disposal; and

23 (iii) The date and time of disposal.

24 (c) Upon cannabis delivery, a dispensing organization
25 shall confirm the product's name, strain name, weight, and
26 identification number on the manifest matches the information

1 on the cannabis product label and package. The product name
2 listed and the weight listed in the State's verification
3 system shall match the product packaging.

4 (d) The agent-in-charge shall conduct daily inventory
5 reconciliation documenting and balancing cannabis inventory by
6 confirming the State's verification system matches the
7 dispensing organization's point-of-sale system and the amount
8 of physical product at the dispensary.

9 (1) A dispensing organization must receive Department
10 approval before completing an inventory adjustment. It
11 shall provide a detailed reason for the adjustment.
12 Inventory adjustment documentation shall be kept at the
13 dispensary for 2 years from the date performed.

14 (2) If the dispensing organization identifies an
15 imbalance in the amount of cannabis after the daily
16 inventory reconciliation due to mistake, the dispensing
17 organization shall determine how the imbalance occurred
18 and immediately upon discovery take and document
19 corrective action. If the dispensing organization cannot
20 identify the reason for the mistake within 2 calendar days
21 after first discovery, it shall inform the Department
22 immediately in writing of the imbalance and the corrective
23 action taken to date. The dispensing organization shall
24 work diligently to determine the reason for the mistake.

25 (3) If the dispensing organization identifies an
26 imbalance in the amount of cannabis after the daily

1 inventory reconciliation or through other means due to
2 theft, criminal activity, or suspected criminal activity,
3 the dispensing organization shall immediately determine
4 how the reduction occurred and take and document
5 corrective action. Within 24 hours after the first
6 discovery of the reduction due to theft, criminal
7 activity, or suspected criminal activity, the dispensing
8 organization shall inform the Department and the Illinois
9 State Police in writing.

10 (4) The dispensing organization shall file an annual
11 compilation report with the Department, including a
12 financial statement that shall include, but not be limited
13 to, an income statement, balance sheet, profit and loss
14 statement, statement of cash flow, wholesale cost and
15 sales, and any other documentation requested by the
16 Department in writing. The financial statement shall
17 include any other information the Department deems
18 necessary in order to effectively administer this Act and
19 all rules, orders, and final decisions promulgated under
20 this Act. Statements required by this Section shall be
21 filed with the Department within 60 days after the end of
22 the calendar year. The compilation report shall include a
23 letter authored by a licensed certified public accountant
24 that it has been reviewed and is accurate based on the
25 information provided. The dispensing organization,
26 financial statement, and accompanying documents are not

1 required to be audited unless specifically requested by
2 the Department.

3 (e) A dispensing organization shall:

4 (1) Maintain the documentation required in this
5 Section in a secure locked location at the dispensing
6 organization for 5 years from the date on the document;

7 (2) Provide any documentation required to be
8 maintained in this Section to the Department for review
9 upon request; and

10 (3) If maintaining a bank account, retain for a period
11 of 5 years a record of each deposit or withdrawal from the
12 account.

13 (f) If a dispensing organization chooses to have a return
14 policy for cannabis and cannabis products, the dispensing
15 organization shall seek prior approval from the Department.

16 (g) Beginning July 1, 2026, all dispensing organizations
17 shall maintain internal, confidential records that record a
18 registered qualifying patient, provisional patient, designated
19 caregiver, or Opioid Alternative Patient Program participant's
20 transactions for the patient's adequate medical supply and
21 whether it was dispensed directly to the patient or to the
22 designated caregiver. Each entry must include the amount and
23 the date and time the cannabis was dispensed. Additional
24 recordkeeping requirements may be set by rule.

25 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19;
26 102-538, eff. 8-20-21.)

1 (410 ILCS 705/15-85)

2 Sec. 15-85. Dispensing cannabis.

3 (a) Before a dispensing organization agent dispenses
4 cannabis to a purchaser, the agent shall:

5 (1) Verify the age of the purchaser by checking a
6 government-issued identification card by use of an
7 electronic reader or electronic scanning device to scan a
8 purchaser's government-issued identification, if
9 applicable, to determine the purchaser's age and the
10 validity of the identification;

11 (2) Verify the validity of the government-issued
12 identification card by use of an electronic reader or
13 electronic scanning device to scan a purchaser's
14 government-issued identification, if applicable, to
15 determine the purchaser's age and the validity of the
16 identification;

17 (3) Offer any appropriate purchaser education or
18 support materials;

19 (3-5) Verify the qualifying patient, provisional
20 patient, designated caregiver, or Opioid Alternative
21 Patient Program participant's registration card, if
22 purchasing as a patient or caregiver;

23 (4) Enter the following information into the State's
24 cannabis electronic verification system:

25 (i) The dispensing organization agent's

1 identification number, or if the agent's card
2 application is pending the Department's approval, a
3 temporary and unique identifier until the agent's card
4 application is approved or denied by the Department;

5 (ii) The dispensing organization's identification
6 number;

7 (iii) The amount, type (including strain, if
8 applicable) of cannabis or cannabis-infused product
9 dispensed;

10 (iv) The date and time the cannabis was dispensed.

11 (b) A dispensing organization shall refuse to sell
12 cannabis or cannabis-infused products to any person unless the
13 person produces a valid identification showing that the person
14 is 21 years of age or older or a qualifying patient,
15 provisional patient, designated caregivers, or Opioid
16 Alternative Patient Program participants registered under the
17 Compassionate Use of Medical Cannabis Program Act. ~~A medical~~
18 ~~cannabis dispensing organization may sell cannabis or~~
19 ~~cannabis infused products to a person who is under 21 years of~~
20 ~~age if the sale complies with the provisions of the~~
21 ~~Compassionate Use of Medical Cannabis Program Act and rules.~~

22 (c) For the purposes of this Section, valid identification
23 must:

24 (1) Be valid and unexpired;

25 (2) Contain a photograph and the date of birth of the
26 person.

1 (d) A dispensing organization shall not dispense to a
2 registered qualifying patient, provisional patient, or a
3 designated caregiver, an amount exceeding the patient's
4 adequate medical supply unless the qualifying patient has a
5 Department of Public Health-approved quantity waiver.

6 (e) Notwithstanding any other provision of law, a
7 dispensing organization may offer pickup or drive-through
8 locations for cannabis or cannabis-infused products to
9 purchasers over 21 years of age, qualifying patients,
10 provisional patients, and designated caregivers in accordance
11 with Section 15-100 of this Act.

12 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19;
13 102-98, eff. 7-15-21.)

14 (410 ILCS 705/15-100)

15 Sec. 15-100. Security.

16 (a) A dispensing organization shall implement security
17 measures to deter and prevent entry into and theft of cannabis
18 or currency.

19 (b) A dispensing organization shall submit any changes to
20 the floor plan or security plan to the Department for
21 pre-approval. All cannabis shall be maintained and stored in a
22 restricted access area during construction.

23 (c) The dispensing organization shall implement security
24 measures to protect the premises, purchasers, and dispensing
25 organization agents including, but not limited to the

1 following:

2 (1) Establish a locked door or barrier between the
3 facility's entrance and the limited access area;

4 (2) Prevent individuals from remaining on the premises
5 if they are not engaging in activity permitted by this Act
6 or rules;

7 (3) Develop a policy that addresses the maximum
8 capacity and purchaser flow in the waiting rooms and
9 limited access areas;

10 (4) Dispose of cannabis in accordance with this Act
11 and rules;

12 (5) During hours of operation, store ~~and dispense~~ all
13 cannabis in ~~from~~ the restricted access area. ~~During~~
14 ~~operational hours, cannabis shall be stored~~ in an enclosed
15 locked room or cabinet and accessible only to specifically
16 authorized dispensing organization agents;

17 (5.5) During hours of operation, dispense all cannabis
18 from the restricted access area, including a drive-through
19 window, or from a pickup location in close proximity to
20 the restricted access area. Orders in the pickup or
21 drive-through location may only be placed by the purchaser
22 or patient in advance, and the dispensing organization
23 shall, prior to dispensing the cannabis, confirm that the
24 purchaser, registered qualifying patient, provisional
25 patient, designated caregiver, or Opioid Alternative
26 Patient Program participant is in compliance with Section

1 15-85 of this Act. As used in this paragraph, "pickup
2 location in close proximity" means an area contiguous to
3 the real property of the dispensary, such as a sidewalk or
4 parking lot;

5 (6) When the dispensary is closed, store all cannabis
6 and currency in a reinforced vault room in the restricted
7 access area and in a manner as to prevent diversion,
8 theft, or loss;

9 (7) Keep the reinforced vault room and any other
10 equipment or cannabis storage areas securely locked and
11 protected from unauthorized entry;

12 (8) Keep an electronic daily log of dispensing
13 organization agents with access to the reinforced vault
14 room and knowledge of the access code or combination;

15 (9) Keep all locks and security equipment in good
16 working order;

17 (10) Maintain an operational security and alarm system
18 at all times;

19 (11) Prohibit keys, if applicable, from being left in
20 the locks, or stored or placed in a location accessible to
21 persons other than specifically authorized personnel;

22 (12) Prohibit accessibility of security measures,
23 including combination numbers, passwords, or electronic or
24 biometric security systems to persons other than
25 specifically authorized dispensing organization agents;

26 (13) Ensure that the dispensary interior and exterior

1 premises are sufficiently lit to facilitate surveillance;

2 (14) Ensure that trees, bushes, and other foliage
3 outside of the dispensary premises do not allow for a
4 person or persons to conceal themselves from sight;

5 (15) Develop emergency policies and procedures for
6 securing all product and currency following any instance
7 of diversion, theft, or loss of cannabis, and conduct an
8 assessment to determine whether additional safeguards are
9 necessary; ~~and~~

10 (16) Develop sufficient additional safeguards in
11 response to any special security concerns, or as required
12 by the Department; and

13 (17) Maintain a security and safe storage plan for
14 qualifying patient information. The health care
15 professional-patient privilege as set forth by Section
16 8-802 of the Code of Civil Procedure shall apply between a
17 qualifying patient, provisional patient, Opioid
18 Alternative Patient Program participant, and a dispensing
19 organization and its agents with respect to communications
20 and records concerning patients' debilitating conditions.

21 (d) The Department may request or approve alternative
22 security provisions that it determines are an adequate
23 substitute for a security requirement specified in this
24 Article. Any additional protections may be considered by the
25 Department in evaluating overall security measures.

26 (e) A dispensing organization may share premises with a

1 craft grower or an infuser organization, or both, provided
2 each licensee stores currency and cannabis or cannabis-infused
3 products in a separate secured vault to which the other
4 licensee does not have access or all licensees sharing a vault
5 share more than 50% of the same ownership.

6 (f) A dispensing organization shall provide additional
7 security as needed and in a manner appropriate for the
8 community where it operates.

9 (g) Restricted access areas.

10 (1) All restricted access areas must be identified by
11 the posting of a sign that is a minimum of 12 inches by 12
12 inches and that states "Do Not Enter - Restricted Access
13 Area - Authorized Personnel Only" in lettering no smaller
14 than one inch in height.

15 (2) All restricted access areas shall be clearly
16 described in the floor plan of the premises, in the form
17 and manner determined by the Department, reflecting walls,
18 partitions, counters, and all areas of entry and exit. The
19 floor plan shall show all storage, disposal, and retail
20 sales areas.

21 (3) All restricted access areas must be secure, with
22 locking devices that prevent access from the limited
23 access areas.

24 (h) Security and alarm.

25 (1) A dispensing organization shall have an adequate
26 security plan and security system to prevent and detect

1 diversion, theft, or loss of cannabis, currency, or
2 unauthorized intrusion using commercial grade equipment
3 installed by an Illinois licensed private alarm contractor
4 or private alarm contractor agency that shall, at a
5 minimum, include:

6 (i) A perimeter alarm on all entry points and
7 glass break protection on perimeter windows;

8 (ii) Security shatterproof tinted film on exterior
9 windows;

10 (iii) A failure notification system that provides
11 an audible, text, or visual notification of any
12 failure in the surveillance system, including, but not
13 limited to, panic buttons, alarms, and video
14 monitoring system. The failure notification system
15 shall provide an alert to designated dispensing
16 organization agents within 5 minutes after the
17 failure, either by telephone or text message;

18 (iv) A duress alarm, panic button, and alarm, or
19 holdup alarm and after-hours intrusion detection alarm
20 that by design and purpose will directly or indirectly
21 notify, by the most efficient means, the Public Safety
22 Answering Point for the law enforcement agency having
23 primary jurisdiction;

24 (v) Security equipment to deter and prevent
25 unauthorized entrance into the dispensary, including
26 electronic door locks on the limited and restricted

1 access areas that include devices or a series of
2 devices to detect unauthorized intrusion that may
3 include a signal system interconnected with a radio
4 frequency method, cellular, private radio signals or
5 other mechanical or electronic device.

6 (2) All security system equipment and recordings shall
7 be maintained in good working order, in a secure location
8 so as to prevent theft, loss, destruction, or alterations.

9 (3) Access to surveillance monitoring recording
10 equipment shall be limited to persons who are essential to
11 surveillance operations, law enforcement authorities
12 acting within their jurisdiction, security system service
13 personnel, and the Department. A current list of
14 authorized dispensing organization agents and service
15 personnel that have access to the surveillance equipment
16 must be available to the Department upon request.

17 (4) All security equipment shall be inspected and
18 tested at regular intervals, not to exceed one month from
19 the previous inspection, and tested to ensure the systems
20 remain functional.

21 (5) The security system shall provide protection
22 against theft and diversion that is facilitated or hidden
23 by tampering with computers or electronic records.

24 (6) The dispensary shall ensure all access doors are
25 not solely controlled by an electronic access panel to
26 ensure that locks are not released during a power outage.

1 (i) To monitor the dispensary, the dispensing organization
2 shall incorporate continuous electronic video monitoring
3 including the following:

4 (1) All monitors must be 19 inches or greater;

5 (2) Unobstructed video surveillance of all enclosed
6 dispensary areas, unless prohibited by law, including all
7 points of entry and exit that shall be appropriate for the
8 normal lighting conditions of the area under surveillance.
9 The cameras shall be directed so all areas are captured,
10 including, but not limited to, safes, vaults, sales areas,
11 and areas where cannabis is stored, handled, dispensed, or
12 destroyed. Cameras shall be angled to allow for facial
13 recognition, the capture of clear and certain
14 identification of any person entering or exiting the
15 dispensary area and in lighting sufficient during all
16 times of night or day;

17 (3) Unobstructed video surveillance of outside areas,
18 the storefront, and the parking lot, that shall be
19 appropriate for the normal lighting conditions of the area
20 under surveillance. Cameras shall be angled so as to allow
21 for the capture of facial recognition, clear and certain
22 identification of any person entering or exiting the
23 dispensary and the immediate surrounding area, and license
24 plates of vehicles in the parking lot;

25 (4) 24-hour recordings from all video cameras
26 available for immediate viewing by the Department upon

1 request. Recordings shall not be destroyed or altered and
2 shall be retained for at least 90 days. Recordings shall
3 be retained as long as necessary if the dispensing
4 organization is aware of the loss or theft of cannabis or a
5 pending criminal, civil, or administrative investigation
6 or legal proceeding for which the recording may contain
7 relevant information;

8 (5) The ability to immediately produce a clear, color
9 still photo from the surveillance video, either live or
10 recorded;

11 (6) A date and time stamp embedded on all video
12 surveillance recordings. The date and time shall be
13 synchronized and set correctly and shall not significantly
14 obscure the picture;

15 (7) The ability to remain operational during a power
16 outage and ensure all access doors are not solely
17 controlled by an electronic access panel to ensure that
18 locks are not released during a power outage;

19 (8) All video surveillance equipment shall allow for
20 the exporting of still images in an industry standard
21 image format, including .jpg, .bmp, and .gif. Exported
22 video shall have the ability to be archived in a
23 proprietary format that ensures authentication of the
24 video and guarantees that no alteration of the recorded
25 image has taken place. Exported video shall also have the
26 ability to be saved in an industry standard file format

1 that can be played on a standard computer operating
2 system. All recordings shall be erased or destroyed before
3 disposal;

4 (9) The video surveillance system shall be operational
5 during a power outage with a 4-hour minimum battery
6 backup;

7 (10) A video camera or cameras recording at each
8 point-of-sale location allowing for the identification of
9 the dispensing organization agent distributing the
10 cannabis and any purchaser. The camera or cameras shall
11 capture the sale, the individuals and the computer
12 monitors used for the sale;

13 (11) A failure notification system that provides an
14 audible and visual notification of any failure in the
15 electronic video monitoring system; and

16 (12) All electronic video surveillance monitoring must
17 record at least the equivalent of 8 frames per second and
18 be available as recordings to the Department and the
19 Illinois State Police 24 hours a day via a secure
20 web-based portal with reverse functionality.

21 (j) The requirements contained in this Act are minimum
22 requirements for operating a dispensing organization. The
23 Department may establish additional requirements by rule.

24 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19;
25 102-538, eff. 8-20-21.)

1 (410 ILCS 705/15-135)

2 Sec. 15-135. Investigations.

3 (a) Dispensing organizations are subject to random and
4 unannounced dispensary inspections and cannabis testing by the
5 Department, the Department of Agriculture, the Department of
6 Revenue, the Department of Public Health, the Illinois State
7 Police, local law enforcement, local health officials, or as
8 provided by rule.

9 (b) The Department and its authorized representatives may
10 enter any place, including a vehicle, in which cannabis is
11 held, stored, dispensed, sold, produced, delivered,
12 transported, manufactured, or disposed of and inspect, in a
13 reasonable manner, the place and all pertinent equipment,
14 containers and labeling, and all things including records,
15 files, financial data, sales data, shipping data, pricing
16 data, personnel data, research, papers, processes, controls,
17 and facility, and inventory any stock of cannabis and obtain
18 samples of any cannabis or cannabis-infused product, any
19 labels or containers for cannabis, or paraphernalia.

20 (c) The Department may conduct an investigation of an
21 applicant, application, dispensing organization, principal
22 officer, dispensary agent, third party vendor, or any other
23 party associated with a dispensing organization for an alleged
24 violation of this Act or rules or to determine qualifications
25 to be granted a registration by the Department.

26 (d) The Department may require an applicant or holder of

1 any license issued pursuant to this Article to produce
2 documents, records, or any other material pertinent to the
3 investigation of an application or alleged violations of this
4 Act or rules. Failure to provide the required material may be
5 grounds for denial or discipline.

6 (e) Every person charged with preparation, obtaining, or
7 keeping records, logs, reports, or other documents in
8 connection with this Act and rules and every person in charge,
9 or having custody, of those documents shall, upon request by
10 the Department, make the documents immediately available for
11 inspection and copying by the Department, the Department's
12 authorized representative, or others authorized by law to
13 review the documents.

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

16 (410 ILCS 705/15-145)

17 Sec. 15-145. Grounds for discipline.

18 (a) The Department may deny issuance, refuse to renew or
19 restore, or may reprimand, place on probation, suspend,
20 revoke, or take other disciplinary or nondisciplinary action
21 against any license or agent identification card or may impose
22 a fine for any of the following:

23 (1) Material misstatement in furnishing information to
24 the Department;

25 (2) Violations of this Act or rules;

1 (3) Obtaining an authorization or license by fraud or
2 misrepresentation;

3 (4) A pattern of conduct that demonstrates
4 incompetence or that the applicant has engaged in conduct
5 or actions that would constitute grounds for discipline
6 under this Act;

7 (5) Aiding or assisting another person in violating
8 any provision of this Act or rules;

9 (6) Failing to respond to a written request for
10 information by the Department within 30 days;

11 (7) Engaging in unprofessional, dishonorable, or
12 unethical conduct of a character likely to deceive,
13 defraud, or harm the public;

14 (8) Adverse action by another United States
15 jurisdiction or foreign nation;

16 (9) A finding by the Department that the licensee,
17 after having his or her license placed on suspended or
18 probationary status, has violated the terms of the
19 suspension or probation;

20 (10) Conviction, entry of a plea of guilty, nolo
21 contendere, or the equivalent in a State or federal court
22 of a principal officer or agent-in-charge of a felony
23 offense in accordance with Sections 2105-131, 2105-135,
24 and 2105-205 of the Department of Professional Regulation
25 Law of the Civil Administrative Code of Illinois;

26 (11) Excessive use of or addiction to alcohol,

1 narcotics, stimulants, or any other chemical agent or
2 drug;

3 (12) A finding by the Department of a discrepancy in a
4 Department audit of cannabis;

5 (13) A finding by the Department of a discrepancy in a
6 Department audit of capital or funds;

7 (14) A finding by the Department of acceptance of
8 cannabis from a source other than a cultivation center ~~an~~
9 ~~Adult Use Cultivation Center~~, craft grower, infuser, or
10 transporting organization licensed by the Department of
11 Agriculture, or a dispensing organization licensed by the
12 Department;

13 (15) An inability to operate using reasonable
14 judgment, skill, or safety due to physical or mental
15 illness or other impairment or disability, including,
16 without limitation, deterioration through the aging
17 process or loss of motor skills or mental incompetence;

18 (16) Failing to report to the Department within the
19 time frames established, or if not identified, 14 days, of
20 any adverse action taken against the dispensing
21 organization or an agent by a licensing jurisdiction in
22 any state or any territory of the United States or any
23 foreign jurisdiction, any governmental agency, any law
24 enforcement agency or any court defined in this Section;

25 (17) Any violation of the dispensing organization's
26 policies and procedures submitted to the Department

1 annually as a condition for licensure;

2 (18) Failure to inform the Department of any change of
3 address within 10 business days;

4 (19) Disclosing customer names, personal information,
5 or protected health information in violation of any State
6 or federal law;

7 (20) Operating a dispensary before obtaining a license
8 from the Department;

9 (21) Performing duties authorized by this Act prior to
10 receiving a license to perform such duties;

11 (22) Dispensing cannabis when prohibited by this Act
12 or rules;

13 (23) Any fact or condition that, if it had existed at
14 the time of the original application for the license,
15 would have warranted the denial of the license;

16 (24) Permitting a person without a valid agent
17 identification card to perform licensed activities under
18 this Act;

19 (25) Failure to assign an agent-in-charge as required
20 by this Article;

21 (26) Failure to provide the training required by
22 paragraph (3) of subsection (i) of Section 15-40 within
23 the provided timeframe;

24 (27) Personnel insufficient in number or unqualified
25 in training or experience to properly operate the
26 dispensary business;

1 (28) Any pattern of activity that causes a harmful
2 impact on the community; ~~and~~

3 (29) Failing to prevent diversion, theft, or loss of
4 cannabis; ~~and-~~

5 (30) Engaging in a pattern of nonpayment or late
6 payment for goods or services to a cannabis business
7 establishment.

8 (b) All fines and fees imposed under this Section shall be
9 paid within 60 days after the effective date of the order
10 imposing the fine or as otherwise specified in the order.

11 (c) A circuit court order establishing that an
12 agent-in-charge or principal officer holding an agent
13 identification card is subject to involuntary admission as
14 that term is defined in Section 1-119 or 1-119.1 of the Mental
15 Health and Developmental Disabilities Code shall operate as a
16 suspension of that card.

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

18 (410 ILCS 705/Art. 20 heading)

19 Article 20.

20 ~~Adult Use~~ Cultivation Centers

21 (Source: P.A. 101-27, eff. 6-25-19.)

22 (410 ILCS 705/20-10)

23 Sec. 20-10. Early Approval of Adult Use Cultivation Center
24 License.

1 (a) Any medical cannabis cultivation center registered and
2 in good standing under the Compassionate Use of Medical
3 Cannabis Program Act as of the effective date of this Act may,
4 within 60 days of the effective date of this Act but no later
5 than 180 days from the effective date of this Act, apply to the
6 Department of Agriculture for an Early Approval Adult Use
7 Cultivation Center License to produce cannabis and
8 cannabis-infused products at its existing facilities as of the
9 effective date of this Act.

10 (b) A medical cannabis cultivation center seeking issuance
11 of an Early Approval Adult Use Cultivation Center License
12 shall submit an application on forms provided by the
13 Department of Agriculture. The application must meet or
14 include the following qualifications:

15 (1) Payment of a nonrefundable application fee of
16 \$100,000 to be deposited into the Cannabis Regulation
17 Fund;

18 (2) Proof of registration as a medical cannabis
19 cultivation center that is in good standing;

20 (3) Submission of the application by the same person
21 or entity that holds the medical cannabis cultivation
22 center registration;

23 (4) Certification that the applicant will comply with
24 the requirements of Section 20-30;

25 (5) The legal name of the cultivation center;

26 (6) The physical address of the cultivation center;

1 (7) The name, address, social security number, and
2 date of birth of each principal officer and board member
3 of the cultivation center; each of those individuals shall
4 be at least 21 years of age;

5 (8) A nonrefundable Cannabis Business Development Fee
6 equal to 5% of the cultivation center's total sales
7 between June 1, 2018 to June 1, 2019 or \$750,000,
8 whichever is less, but at not less than \$250,000, to be
9 deposited into the Cannabis Business Development Fund; and

10 (9) A commitment to completing one of the following
11 Social Equity Inclusion Plans provided for in this
12 subsection (b) before the expiration of the Early Approval
13 Adult Use Cultivation Center License:

14 (A) A contribution of 5% of the cultivation
15 center's total sales from June 1, 2018 to June 1, 2019,
16 or \$100,000, whichever is less, to one of the
17 following:

18 (i) the Cannabis Business Development Fund.
19 This is in addition to the fee required by item (8)
20 of this subsection (b);

21 (ii) a cannabis industry training or education
22 program at an Illinois community college as
23 defined in the Public Community College Act;

24 (iii) a program that provides job training
25 services to persons recently incarcerated or that
26 operates in a Disproportionately Impacted Area.

1 (B) Participate as a host in a cannabis business
2 incubator program for at least one year approved by
3 the Department of Commerce and Economic Opportunity,
4 and in which an Early Approval Adult Use Cultivation
5 Center License holder agrees to provide a loan of at
6 least \$100,000 and mentorship to incubate, for at
7 least a year, a Social Equity Applicant intending to
8 seek a license or a licensee that qualifies as a Social
9 Equity Applicant. As used in this Section, "incubate"
10 means providing direct financial assistance and
11 training necessary to engage in licensed cannabis
12 industry activity similar to that of the host
13 licensee. The Early Approval Adult Use Cultivation
14 Center License holder or the same entity holding any
15 other licenses issued pursuant to this Act shall not
16 take an ownership stake of greater than 10% in any
17 business receiving incubation services to comply with
18 this subsection. If an Early Approval Adult Use
19 Cultivation Center License holder fails to find a
20 business to incubate to comply with this subsection
21 before its Early Approval Adult Use Cultivation Center
22 License expires, it may opt to meet the requirement of
23 this subsection by completing another item from this
24 subsection prior to the expiration of its Early
25 Approval Adult Use Cultivation Center License to avoid
26 a penalty.

1 (c) An Early Approval Adult Use Cultivation Center License
2 is valid until March 31, 2021. A cultivation center that
3 obtains an Early Approval Adult Use Cultivation Center License
4 shall receive written or electronic notice 90 days before the
5 expiration of the license that the license will expire, and
6 inform the license holder that it may renew its Early Approval
7 Adult Use Cultivation Center License. The Department of
8 Agriculture shall grant a renewal of an Early Approval Adult
9 Use Cultivation Center License within 60 days of submission of
10 an application if:

11 (1) the cultivation center submits an application and
12 the required renewal fee of \$100,000 for an Early Approval
13 Adult Use Cultivation Center License;

14 (2) the Department of Agriculture has not suspended
15 the license of the cultivation center or suspended or
16 revoked the license for violating this Act or rules
17 adopted under this Act; and

18 (3) the cultivation center has completed a Social
19 Equity Inclusion Plan as required by item (9) of
20 subsection (b) of this Section.

21 (c-5) The Early Approval Adult Use Cultivation Center
22 License renewed pursuant to subsection (c) of this Section
23 shall expire March 31, 2022. The Early Approval Adult Use
24 Cultivation Center Licensee shall receive written or
25 electronic notice 90 days before the expiration of the license
26 that the license will expire, and inform the license holder

1 that it may apply for a ~~an Adult Use~~ Cultivation Center
2 License. The Department of Agriculture shall grant a
3 Cultivation Center ~~an Adult Use Dispensing Organization~~
4 License within 60 days of an application being deemed complete
5 if the applicant meets all of the criteria in Section 20-21.

6 (d) The license fee required by paragraph (1) of
7 subsection (c) of this Section shall be in addition to any
8 license fee required for the renewal of a registered medical
9 cannabis cultivation center license that expires during the
10 effective period of the Early Approval Adult Use Cultivation
11 Center License.

12 (e) Applicants must submit all required information,
13 including the requirements in subsection (b) of this Section,
14 to the Department of Agriculture. Failure by an applicant to
15 submit all required information may result in the application
16 being disqualified.

17 (f) If the Department of Agriculture receives an
18 application with missing information, the Department may issue
19 a deficiency notice to the applicant. The applicant shall have
20 10 calendar days from the date of the deficiency notice to
21 submit complete information. Applications that are still
22 incomplete after this opportunity to cure may be disqualified.

23 (g) If an applicant meets all the requirements of
24 subsection (b) of this Section, the Department of Agriculture
25 shall issue the Early Approval Adult Use Cultivation Center
26 License within 14 days of receiving the application unless:

1 (1) The licensee; principal officer, board member, or
2 person having a financial or voting interest of 5% or
3 greater in the licensee; or agent is delinquent in filing
4 any required tax returns or paying any amounts owed to the
5 State of Illinois;

6 (2) The Director of Agriculture determines there is
7 reason, based on an inordinate number of documented
8 compliance violations, the licensee is not entitled to an
9 Early Approval Adult Use Cultivation Center License; or

10 (3) The licensee fails to commit to the Social Equity
11 Inclusion Plan.

12 (h) A cultivation center may begin producing cannabis and
13 cannabis-infused products once the Early Approval Adult Use
14 Cultivation Center License is approved. A cultivation center
15 that obtains an Early Approval Adult Use Cultivation Center
16 License may begin selling cannabis and cannabis-infused
17 products on December 1, 2019.

18 (i) An Early Approval Adult Use Cultivation Center License
19 holder must continue to produce and provide an adequate supply
20 of cannabis and cannabis-infused products for purchase by
21 qualifying patients and caregivers. For the purposes of this
22 subsection, "adequate supply" means a monthly production level
23 that is comparable in type and quantity to those medical
24 cannabis products produced for patients and caregivers on an
25 average monthly basis for the 6 months before the effective
26 date of this Act.

1 (j) If there is a shortage of cannabis or cannabis-infused
2 products, a license holder shall prioritize patients
3 registered under the Compassionate Use of Medical Cannabis
4 Program Act over adult use purchasers.

5 (k) If an Early Approval Adult Use Cultivation Center
6 licensee fails to submit an application for a ~~an Adult Use~~
7 Cultivation Center License before the expiration of the Early
8 Approval Adult Use Cultivation Center License pursuant to
9 subsection (c-5) of this Section, the cultivation center shall
10 cease all ~~adult use~~ cultivation until it receives a ~~an Adult~~
11 ~~Use~~ Cultivation Center License.

12 (l) A cultivation center agent who holds a valid
13 cultivation center agent identification card issued under the
14 Compassionate Use of Medical Cannabis Program Act and is an
15 officer, director, manager, or employee of the cultivation
16 center licensed under this Section may engage in all
17 activities authorized by this Article to be performed by a
18 cultivation center agent.

19 (m) If the Department of Agriculture suspends or revokes
20 the Early Approval Adult Use Cultivation Center License of a
21 cultivation center that also holds a medical cannabis
22 cultivation center license issued under the Compassionate Use
23 of Medical Cannabis Program Act, the Department of Agriculture
24 may suspend or revoke the medical cannabis cultivation center
25 license concurrently with the Early Approval Adult Use
26 Cultivation Center License.

1 (n) All fees or fines collected from an Early Approval
2 Adult Use Cultivation Center License holder as a result of a
3 disciplinary action in the enforcement of this Act shall be
4 deposited into the Cannabis Regulation Fund.

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

6 (410 ILCS 705/20-15)

7 Sec. 20-15. Conditional ~~Adult-Use~~ Cultivation Center
8 application.

9 (a) If the Department of Agriculture makes available
10 additional cultivation center licenses pursuant to Section
11 20-5, applicants for a Conditional ~~Adult-Use~~ Cultivation
12 Center License shall electronically submit the following in
13 such form as the Department of Agriculture may direct:

14 (1) the nonrefundable application fee set by rule by
15 the Department of Agriculture, to be deposited into the
16 Cannabis Regulation Fund;

17 (2) the legal name of the cultivation center;

18 (3) the proposed physical address of the cultivation
19 center;

20 (4) the name, address, social security number, and
21 date of birth of each principal officer and board member
22 of the cultivation center; each principal officer and
23 board member shall be at least 21 years of age;

24 (5) the details of any administrative or judicial
25 proceeding in which any of the principal officers or board

1 members of the cultivation center (i) pled guilty, were
2 convicted, were fined, or had a registration or license
3 suspended or revoked, or (ii) managed or served on the
4 board of a business or non-profit organization that pled
5 guilty, was convicted, was fined, or had a registration or
6 license suspended or revoked;

7 (6) proposed operating bylaws that include procedures
8 for the oversight of the cultivation center, including the
9 development and implementation of a plant monitoring
10 system, accurate recordkeeping, staffing plan, and
11 security plan approved by the Illinois State Police that
12 are in accordance with the rules issued by the Department
13 of Agriculture under this Act. A physical inventory shall
14 be performed of all plants and cannabis on a weekly basis
15 by the cultivation center;

16 (7) verification from the Illinois State Police that
17 all background checks of the prospective principal
18 officers, board members, and agents of the cannabis
19 business establishment have been conducted;

20 (8) a copy of the current local zoning ordinance or
21 permit and verification that the proposed cultivation
22 center is in compliance with the local zoning rules and
23 distance limitations established by the local
24 jurisdiction;

25 (9) proposed employment practices, in which the
26 applicant must demonstrate a plan of action to inform,

1 hire, and educate minorities, women, veterans, and persons
2 with disabilities, engage in fair labor practices, and
3 provide worker protections;

4 (10) whether an applicant can demonstrate experience
5 in or business practices that promote economic empowerment
6 in Disproportionately Impacted Areas;

7 (11) experience with the cultivation of agricultural
8 or horticultural products, operating an agriculturally
9 related business, or operating a horticultural business;

10 (12) a description of the enclosed, locked facility
11 where cannabis will be grown, harvested, manufactured,
12 processed, packaged, or otherwise prepared for
13 distribution to a dispensing organization;

14 (13) a survey of the enclosed, locked facility,
15 including the space used for cultivation;

16 (14) cultivation, processing, inventory, and packaging
17 plans;

18 (15) a description of the applicant's experience with
19 agricultural cultivation techniques and industry
20 standards;

21 (16) a list of any academic degrees, certifications,
22 or relevant experience of all prospective principal
23 officers, board members, and agents of the related
24 business;

25 (17) the identity of every person having a financial
26 or voting interest of 5% or greater in the cultivation

1 center operation with respect to which the license is
2 sought, whether a trust, corporation, partnership, limited
3 liability company, or sole proprietorship, including the
4 name and address of each person;

5 (18) a plan describing how the cultivation center will
6 address each of the following:

7 (i) energy needs, including estimates of monthly
8 electricity and gas usage, to what extent it will
9 procure energy from a local utility or from on-site
10 generation, and if it has or will adopt a sustainable
11 energy use and energy conservation policy;

12 (ii) water needs, including estimated water draw
13 and if it has or will adopt a sustainable water use and
14 water conservation policy; and

15 (iii) waste management, including if it has or
16 will adopt a waste reduction policy;

17 (19) a diversity plan that includes a narrative of not
18 more than 2,500 words that establishes a goal of diversity
19 in ownership, management, employment, and contracting to
20 ensure that diverse participants and groups are afforded
21 equality of opportunity;

22 (20) any other information required by rule;

23 (21) a recycling plan:

24 (A) Purchaser packaging, including cartridges,
25 shall be accepted by the applicant and recycled.

26 (B) Any recyclable waste generated by the cannabis

1 cultivation facility shall be recycled per applicable
2 State and local laws, ordinances, and rules.

3 (C) Any cannabis waste, liquid waste, or hazardous
4 waste shall be disposed of in accordance with 8 Ill.
5 Adm. Code 1000.460, except, to the greatest extent
6 feasible, all cannabis plant waste will be rendered
7 unusable by grinding and incorporating the cannabis
8 plant waste with compostable mixed waste to be
9 disposed of in accordance with 8 Ill. Adm. Code
10 1000.460(g)(1);

11 (22) commitment to comply with local waste provisions:
12 a cultivation facility must remain in compliance with
13 applicable State and federal environmental requirements,
14 including, but not limited to:

15 (A) storing, securing, and managing all
16 recyclables and waste, including organic waste
17 composed of or containing finished cannabis and
18 cannabis products, in accordance with applicable State
19 and local laws, ordinances, and rules; and

20 (B) disposing liquid waste containing cannabis or
21 byproducts of cannabis processing in compliance with
22 all applicable State and federal requirements,
23 including, but not limited to, the cannabis
24 cultivation facility's permits under Title X of the
25 Environmental Protection Act; and

26 (23) a commitment to a technology standard for

1 resource efficiency of the cultivation center facility.

2 (A) A cannabis cultivation facility commits to use
3 resources efficiently, including energy and water. For
4 the following, a cannabis cultivation facility commits
5 to meet or exceed the technology standard identified
6 in items (i), (ii), (iii), and (iv), which may be
7 modified by rule:

8 (i) lighting systems, including light bulbs;

9 (ii) HVAC system;

10 (iii) water application system to the crop;

11 and

12 (iv) filtration system for removing
13 contaminants from wastewater.

14 (B) Lighting. The Lighting Power Densities (LPD)
15 for cultivation space commits to not exceed an average
16 of 36 watts per gross square foot of active and growing
17 space canopy, or all installed lighting technology
18 shall meet a photosynthetic photon efficacy (PPE) of
19 no less than 2.2 micromoles per joule fixture and
20 shall be featured on the DesignLights Consortium (DLC)
21 Horticultural Specification Qualified Products List
22 (QPL). In the event that DLC requirement for minimum
23 efficacy exceeds 2.2 micromoles per joule fixture,
24 that PPE shall become the new standard.

25 (C) HVAC.

26 ~~The (i) For cannabis grow operations with less~~

1 ~~than 6,000 square feet of canopy, the licensee~~
2 commits that all HVAC units will be
3 high-efficiency ductless split HVAC units, or
4 other more energy efficient equipment.

5 ~~(ii) For cannabis grow operations with 6,000~~
6 ~~square feet of canopy or more, the licensee~~
7 ~~commits that all HVAC units will be variable~~
8 ~~refrigerant flow HVAC units, or other more energy~~
9 ~~efficient equipment.~~

10 (D) Water application.

11 (i) The cannabis cultivation facility commits
12 to use automated watering systems, including, but
13 not limited to, drip irrigation and flood tables,
14 to irrigate cannabis crop.

15 (ii) The cannabis cultivation facility commits
16 to measure runoff from watering events and report
17 this volume in its water usage plan, and that on
18 average, watering events shall have no more than
19 20% of runoff of water.

20 (E) Filtration. The cultivator commits that HVAC
21 condensate, dehumidification water, excess runoff, and
22 other wastewater produced by the cannabis cultivation
23 facility shall be captured and filtered to the best of
24 the facility's ability to achieve the quality needed
25 to be reused in subsequent watering rounds.

26 (F) Reporting energy use and efficiency as

1 required by rule.

2 (b) Applicants must submit all required information,
3 including the information required in Section 20-10, to the
4 Department of Agriculture. Failure by an applicant to submit
5 all required information may result in the application being
6 disqualified.

7 (c) If the Department of Agriculture receives an
8 application with missing information, the Department of
9 Agriculture may issue a deficiency notice to the applicant.
10 The applicant shall have 10 calendar days from the date of the
11 deficiency notice to resubmit the incomplete information.
12 Applications that are still incomplete after this opportunity
13 to cure will not be scored and will be disqualified.

14 (d) (Blank).

15 (e) A cultivation center that is awarded a Conditional
16 Adult Use Cultivation Center License pursuant to the criteria
17 in Section 20-20 shall not grow, purchase, possess, or sell
18 cannabis or cannabis-infused products until the person has
19 received an Adult Use Cultivation Center License issued by the
20 Department of Agriculture pursuant to Section 20-21 of this
21 Act.

22 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19;
23 102-538, eff. 8-20-21; revised 7-23-24.)

24 (410 ILCS 705/20-20)

25 Sec. 20-20. Conditional Cultivation Center ~~Adult Use~~

1 License scoring applications.

2 (a) The Department of Agriculture shall by rule develop a
3 system to score cultivation center applications to
4 administratively rank applications based on the clarity,
5 organization, and quality of the applicant's responses to
6 required information. Applicants shall be awarded points based
7 on the following categories:

8 (1) Suitability of the proposed facility;

9 (2) Suitability of employee training plan;

10 (3) Security and recordkeeping;

11 (4) Cultivation plan;

12 (5) Product safety and labeling plan;

13 (6) Business plan;

14 (7) The applicant's status as a Social Equity
15 Applicant, which shall constitute no less than 20% of
16 total available points;

17 (8) Labor and employment practices, which shall
18 constitute no less than 2% of total available points;

19 (9) Environmental plan as described in paragraphs
20 (18), (21), (22), and (23) of subsection (a) of Section
21 20-15;

22 (10) The applicant is 51% or more owned and controlled
23 by an individual or individuals who have been an Illinois
24 resident for the past 5 years as proved by tax records or 2
25 of the following:

26 (A) a signed lease agreement that includes the

1 applicant's name;

2 (B) a property deed that includes the applicant's
3 name;

4 (C) school records;

5 (D) a voter registration card;

6 (E) an Illinois driver's license, an Illinois
7 Identification Card, or an Illinois Person with a
8 Disability Identification Card;

9 (F) a paycheck stub;

10 (G) a utility bill; or

11 (H) any other proof of residency or other
12 information necessary to establish residence as
13 provided by rule;

14 (11) The applicant is 51% or more controlled and owned
15 by an individual or individuals who meet the
16 qualifications of a veteran as defined by Section 45-57 of
17 the Illinois Procurement Code;

18 (12) a diversity plan that includes a narrative of not
19 more than 2,500 words that establishes a goal of diversity
20 in ownership, management, employment, and contracting to
21 ensure that diverse participants and groups are afforded
22 equality of opportunity; and

23 (13) Any other criteria the Department of Agriculture
24 may set by rule for points.

25 (b) The Department may also award bonus points for the
26 applicant's plan to engage with the community. Bonus points

1 will only be awarded if the Department receives applications
2 that receive an equal score for a particular region.

3 (c) Should the applicant be awarded a cultivation center
4 license, the information and plans that an applicant provided
5 in its application, including any plans submitted for the
6 acquiring of bonus points, becomes a mandatory condition of
7 the permit. Any variation from or failure to perform such
8 plans may result in discipline, including the revocation or
9 nonrenewal of a license.

10 (d) Should the applicant be awarded a cultivation center
11 license, it shall pay a fee of \$100,000 prior to receiving the
12 license, to be deposited into the Cannabis Regulation Fund.
13 The Department of Agriculture may by rule adjust the fee in
14 this Section after January 1, 2021.

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

16 (410 ILCS 705/20-21)

17 Sec. 20-21. ~~Adult Use~~ Cultivation Center License.

18 (a) A person or entity is only eligible to receive a ~~an~~
19 ~~Adult Use~~ Cultivation Center License if the person or entity
20 has first been awarded a Conditional ~~Adult Use~~ Cultivation
21 Center License pursuant to this Act or the person or entity has
22 renewed its Early Approval Cultivation Center License pursuant
23 to subsection (c) of Section 20-10.

24 (b) The Department of Agriculture shall not issue a ~~an~~
25 ~~Adult Use~~ Cultivation Center License until:

1 (1) the Department of Agriculture has inspected the
2 cultivation center site and proposed operations and
3 verified that they are in compliance with this Act and
4 local zoning laws;

5 (2) the Conditional ~~Adult Use~~ Cultivation Center
6 License holder has paid a registration fee of \$100,000 or
7 a prorated amount accounting for the difference of time
8 between when the ~~Adult Use~~ Cultivation Center License is
9 issued and March 31 of the next even-numbered year; and

10 (3) The Conditional ~~Adult Use~~ Cultivation Center
11 License holder has met all the requirements in the Act and
12 rules.

13 (c) Notwithstanding any other provision of law, on and
14 after July 1, 2026, the Department shall cease to issue or
15 renew any medical cannabis cultivation permit issued under the
16 Compassionate Use of Medical Cannabis Act. Licensees that hold
17 dual Medical Cannabis Cultivation Permits and Adult Use
18 Cultivation Center Licenses may continue all operations with a
19 valid Cultivation Center License issued under this Act that is
20 in good standing.

21 (1) The Department shall create a process for licenses
22 to transition to sole operation as Cultivation Centers;
23 including refund or proration of medical cultivation
24 center permit fees.

25 (2) Any statements or plans submitted as part of an
26 initial application for a medical cannabis cultivation

1 permit as well as all subsequent modifications and
2 alterations shall remain a mandatory condition of the
3 cultivation center license.

4 (3) Cultivation Centers shall not relocate except
5 within the same Illinois State Police District boundary as
6 specified on the date of January 1, 2013 in which the
7 initial Medical Cannabis Cultivation Permit was initially
8 issued.

9 (Source: P.A. 101-27, eff. 6-25-19.)

10 (410 ILCS 705/20-30)

11 Sec. 20-30. Cultivation center requirements; prohibitions.

12 (a) The operating documents of a cultivation center shall
13 include procedures for the oversight of the cultivation
14 center, a cannabis plant monitoring system including a
15 physical inventory recorded weekly, accurate recordkeeping,
16 and a staffing plan.

17 (b) A cultivation center shall implement a security plan
18 reviewed by the Illinois State Police that includes, but is
19 not limited to: facility access controls, perimeter intrusion
20 detection systems, personnel identification systems, 24-hour
21 surveillance system to monitor the interior and exterior of
22 the cultivation center facility and accessibility to
23 authorized law enforcement, the Department of Public Health
24 where processing takes place, and the Department of
25 Agriculture in real time.

1 (c) All cultivation of cannabis by a cultivation center
2 must take place in an enclosed, locked facility at the
3 physical address provided to the Department of Agriculture
4 during the licensing process. The cultivation center location
5 shall only be accessed by the agents working for the
6 cultivation center, the Department of Agriculture staff
7 performing inspections, the Department of Public Health staff
8 performing inspections, local and State law enforcement or
9 other emergency personnel, contractors working on jobs
10 unrelated to cannabis, such as installing or maintaining
11 security devices or performing electrical wiring, transporting
12 organization agents as provided in this Act, individuals in a
13 mentoring or educational program approved by the State, or
14 other individuals as provided by rule.

15 (d) A cultivation center may not sell or distribute any
16 cannabis or cannabis-infused products to any person other than
17 a dispensing organization, craft grower, infuser organization,
18 transporter, or as otherwise authorized by rule.

19 (e) A cultivation center may not either directly or
20 indirectly discriminate in price between different dispensing
21 organizations, craft growers, or infuser organizations that
22 are purchasing a like grade, strain, brand, and quality of
23 cannabis or cannabis-infused product. Nothing in this
24 subsection (e) prevents a cultivation center from pricing
25 cannabis differently based on differences in the cost of
26 manufacturing or processing, the quantities sold, such as

1 volume discounts, or the way the products are delivered.

2 (f) All cannabis harvested by a cultivation center and
3 intended for distribution to a dispensing organization must be
4 entered into a data collection system, packaged and labeled
5 under Section 55-21, and placed into a cannabis container for
6 transport. All cannabis harvested by a cultivation center and
7 intended for distribution to a craft grower or infuser
8 organization must be packaged in a labeled cannabis container
9 and entered into a data collection system before transport.

10 (g) Cultivation centers are subject to random inspections
11 by the Department of Agriculture, the Department of Public
12 Health, local safety or health inspectors, the Illinois State
13 Police, or as provided by rule.

14 (h) A cultivation center agent shall notify local law
15 enforcement, the Illinois State Police, and the Department of
16 Agriculture within 24 hours of the discovery of any loss or
17 theft. Notification shall be made by phone or in person, or by
18 written or electronic communication.

19 (i) A cultivation center shall comply with all State and
20 any applicable federal rules and regulations regarding the use
21 of pesticides on cannabis plants.

22 (j) No person or entity shall hold any legal, equitable,
23 ownership, or beneficial interest, directly or indirectly, of
24 more than 3 cultivation centers licensed under this Article.
25 Further, no person or entity that is employed by, an agent of,
26 has a contract to receive payment in any form from a

1 cultivation center, is a principal officer of a cultivation
2 center, or entity controlled by or affiliated with a principal
3 officer of a cultivation shall hold any legal, equitable,
4 ownership, or beneficial interest, directly or indirectly, in
5 a cultivation that would result in the person or entity owning
6 or controlling in combination with any cultivation center,
7 principal officer of a cultivation center, or entity
8 controlled or affiliated with a principal officer of a
9 cultivation center by which he, she, or it is employed, is an
10 agent of, or participates in the management of, more than 3
11 cultivation center licenses.

12 (k) A cultivation center may not contain more than 210,000
13 square feet of canopy space for plants in the flowering stage
14 for cultivation of adult use cannabis as provided in this Act.

15 (l) A cultivation center may process cannabis, cannabis
16 concentrates, and cannabis-infused products.

17 (m) Beginning July 1, 2020, a cultivation center shall not
18 transport cannabis or cannabis-infused products to a craft
19 grower, dispensing organization, infuser organization, or
20 laboratory licensed under this Act, unless it has obtained a
21 transporting organization license.

22 (n) It is unlawful for any person having a cultivation
23 center license or any officer, associate, member,
24 representative, or agent of such licensee to offer or deliver
25 money, or anything else of value, directly or indirectly to
26 any person having an Early Approval Adult Use Dispensing

1 Organization License, a Conditional Adult Use Dispensing
2 Organization License, an Adult Use Dispensing Organization
3 License, or a medical cannabis dispensing organization license
4 issued under the Compassionate Use of Medical Cannabis Program
5 Act, or to any person connected with or in any way
6 representing, or to any member of the family of, such person
7 holding an Early Approval Adult Use Dispensing Organization
8 License, a Conditional Adult Use Dispensing Organization
9 License, an Adult Use Dispensing Organization License, or a
10 medical cannabis dispensing organization license issued under
11 the Compassionate Use of Medical Cannabis Program Act, or to
12 any stockholders in any corporation engaged in the retail sale
13 of cannabis, or to any officer, manager, agent, or
14 representative of the Early Approval Adult Use Dispensing
15 Organization License, a Conditional Adult Use Dispensing
16 Organization License, an Adult Use Dispensing Organization
17 License, or a medical cannabis dispensing organization license
18 issued under the Compassionate Use of Medical Cannabis Program
19 Act to obtain preferential placement within the dispensing
20 organization, including, without limitation, on shelves and in
21 display cases where purchasers can view products, or on the
22 dispensing organization's website.

23 (o) A cultivation center must comply with any other
24 requirements or prohibitions set by administrative rule of the
25 Department of Agriculture.

26 (p) A cultivation center may not be located within 2,500

1 feet of the property line of a pre-existing public or private
2 preschool or elementary or secondary school or day care
3 center, day care home, group day care home, part day child care
4 facility, or an area zoned for residential use.

5 (g) Upon approval of the Department through an application
6 for alteration, cultivation centers shall retain 90 days of
7 camera storage in any location. The Department may require
8 footage be maintained for purposes of an investigation.

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

12 (410 ILCS 705/20-35)

13 Sec. 20-35. Cultivation center agent identification card.

14 (a) The Department of Agriculture shall:

15 (1) establish by rule the information required in an
16 initial application or renewal application for an agent
17 identification card submitted under this Act and the
18 nonrefundable fee to accompany the initial application or
19 renewal application;

20 (2) verify the information contained in an initial
21 application or renewal application for an agent
22 identification card submitted under this Act, and approve
23 or deny an application within 30 days of receiving a
24 completed initial application or renewal application and
25 all supporting documentation required by rule;

1 (3) issue an agent identification card to a qualifying
2 agent within 15 business days of approving the initial
3 application or renewal application;

4 (4) enter the license number of the cultivation center
5 where the agent works; and

6 (5) allow for an electronic initial application and
7 renewal application process, and provide a confirmation by
8 electronic or other methods that an application has been
9 submitted. The Department of Agriculture may by rule
10 require prospective agents to file their applications by
11 electronic means and provide notices to the agents by
12 electronic means.

13 (b) An agent must keep his or her identification card
14 visible at all times when on the property of the cultivation
15 center at which the agent is employed.

16 (c) The agent identification cards shall contain the
17 following:

18 (1) the name of the cardholder;

19 (2) the date of issuance and expiration date of the
20 identification card;

21 (3) a random 10-digit alphanumeric identification
22 number containing at least 4 numbers and at least 4
23 letters that is unique to the holder;

24 (4) a photograph of the cardholder; and

25 (5) the legal name of the cultivation center employing
26 the agent.

1 (d) An agent identification card shall be immediately
2 returned to the cultivation center of the agent upon
3 termination of his or her employment.

4 (e) Any agent identification card lost by a cultivation
5 center agent shall be reported to the Illinois State Police
6 and the Department of Agriculture immediately upon discovery
7 of the loss.

8 (f) The Department of Agriculture shall not issue an agent
9 identification card if the applicant is delinquent in filing
10 any required tax returns or paying any amounts owed to the
11 State of Illinois.

12 (g) The Department and the Department of Financial and
13 Professional Regulation may develop and implement an
14 integrated system to issue an agent identification card which
15 identifies a cultivation center agent licensed by the
16 Department as well as any craft grower, transporter,
17 dispensing organization, community college program, or infuser
18 license or registration the agent may simultaneously hold.

19 (Source: P.A. 101-27, eff. 6-25-19; 102-538, eff. 8-20-21.)

20 (410 ILCS 705/20-45)

21 Sec. 20-45. Renewal of cultivation center licenses and
22 agent identification cards.

23 (a) Licenses and identification cards issued under this
24 Act shall be renewed annually. A cultivation center shall
25 receive written or electronic notice 90 days before the

1 expiration of its current license that the license will
2 expire. The Department of Agriculture shall grant a renewal
3 within 45 days of submission of a renewal application if:

4 (1) the cultivation center submits a renewal
5 application and the required nonrefundable renewal fee of
6 \$100,000, or another amount as the Department of
7 Agriculture may set by rule after January 1, 2021, to be
8 deposited into the Cannabis Regulation Fund. On or after
9 July 1, 2026 the Cultivation Center license renewal fee
10 shall be \$200,000 to be deposited into the Cannabis
11 Regulation Fund. For the 2027 renewal cycle the Department
12 may set up a process to refund or prorate renewal fees.

13 (2) the Department of Agriculture has not suspended
14 the license of the cultivation center or suspended or
15 revoked the license for violating this Act or rules
16 adopted under this Act;

17 (3) the cultivation center has continued to operate in
18 accordance with all plans submitted as part of its
19 application and approved by the Department of Agriculture
20 or any amendments thereto that have been approved by the
21 Department of Agriculture;

22 (4) the cultivation center has submitted an agent,
23 employee, contracting, and subcontracting diversity report
24 as required by the Department; and

25 (5) the cultivation center has submitted an
26 environmental impact report.

1 (b) If a cultivation center fails to renew its license
2 before expiration, it shall cease operations until its license
3 is renewed.

4 (c) If a cultivation center agent fails to renew his or her
5 identification card before its expiration, he or she shall
6 cease to work as an agent of the cultivation center until his
7 or her identification card is renewed.

8 (d) Any cultivation center that continues to operate, or
9 any cultivation center agent who continues to work as an
10 agent, after the applicable license or identification card has
11 expired without renewal is subject to the penalties provided
12 under Section 45-5.

13 (e) The Department of Agriculture shall not renew a
14 license or an agent identification card if the applicant is
15 delinquent in filing any required tax returns or paying any
16 amounts owed to the State of Illinois

17 (Source: P.A. 101-27, eff. 6-25-19.)

18 (410 ILCS 705/25-35)

19 (Section scheduled to be repealed on July 1, 2026)

20 Sec. 25-35. Community College Cannabis Vocational Training
21 Pilot Program faculty participant agent identification card.

22 (a) The Department shall:

23 (1) establish by rule the information required in an
24 initial application or renewal application for an agent
25 identification card submitted under this Article and the

1 nonrefundable fee to accompany the initial application or
2 renewal application;

3 (2) verify the information contained in an initial
4 application or renewal application for an agent
5 identification card submitted under this Article, and
6 approve or deny an application within 30 days of receiving
7 a completed initial application or renewal application and
8 all supporting documentation required by rule;

9 (3) issue an agent identification card to a qualifying
10 agent within 15 business days of approving the initial
11 application or renewal application;

12 (4) enter the license number of the community college
13 where the agent works; and

14 (5) allow for an electronic initial application and
15 renewal application process, and provide a confirmation by
16 electronic or other methods that an application has been
17 submitted. Each Department may by rule require prospective
18 agents to file their applications by electronic means and
19 to provide notices to the agents by electronic means.

20 (b) An agent must keep his or her identification card
21 visible at all times when in the enclosed, locked facility, or
22 facilities for which he or she is an agent.

23 (c) The agent identification cards shall contain the
24 following:

25 (1) the name of the cardholder;

26 (2) the date of issuance and expiration date of the

1 identification card;

2 (3) a random 10-digit alphanumeric identification
3 number containing at least 4 numbers and at least 4
4 letters that is unique to the holder;

5 (4) a photograph of the cardholder; and

6 (5) the legal name of the community college employing
7 the agent.

8 (d) An agent identification card shall be immediately
9 returned to the community college of the agent upon
10 termination of his or her employment.

11 (e) Any agent identification card lost shall be reported
12 to the Illinois State Police and the Department of Agriculture
13 immediately upon discovery of the loss.

14 (f) An agent applicant may begin employment at a Community
15 College Cannabis Vocational Training Pilot Program while the
16 agent applicant's identification card application is pending.
17 Upon approval, the Department shall issue the agent's
18 identification card to the agent. If denied, the Community
19 College Cannabis Vocational Training Pilot Program and the
20 agent applicant shall be notified and the agent applicant must
21 cease all activity at the Community College Cannabis
22 Vocational Training Pilot Program immediately.

23 (g) The Department of Agriculture shall not issue an agent
24 identification card if the applicant is delinquent in filing
25 any required tax returns or paying any amounts owed to the
26 State of Illinois.

1 (Source: P.A. 101-27, eff. 6-25-19; 102-98, eff. 7-15-21;
2 102-538, eff. 8-20-21; 102-813, eff. 5-13-22.)

3 (410 ILCS 705/30-10)

4 Sec. 30-10. Application.

5 (a) When applying for a license, the applicant shall
6 electronically submit the following in such form as the
7 Department of Agriculture may direct:

8 (1) the nonrefundable application fee of \$5,000 to be
9 deposited into the Cannabis Regulation Fund, or another
10 amount as the Department of Agriculture may set by rule
11 after January 1, 2021;

12 (2) the legal name of the craft grower;

13 (3) the proposed physical address of the craft grower;

14 (4) the name, address, social security number, and
15 date of birth of each principal officer and board member
16 of the craft grower; each principal officer and board
17 member shall be at least 21 years of age;

18 (5) the details of any administrative or judicial
19 proceeding in which any of the principal officers or board
20 members of the craft grower (i) pled guilty, were
21 convicted, were fined, or had a registration or license
22 suspended or revoked or (ii) managed or served on the
23 board of a business or non-profit organization that pled
24 guilty, was convicted, was fined, or had a registration or
25 license suspended or revoked;

1 (6) proposed operating bylaws that include procedures
2 for the oversight of the craft grower, including the
3 development and implementation of a plant monitoring
4 system, accurate recordkeeping, staffing plan, and
5 security plan approved by the Illinois State Police that
6 are in accordance with the rules issued by the Department
7 of Agriculture under this Act; a physical inventory shall
8 be performed of all plants and on a weekly basis by the
9 craft grower;

10 (7) verification from the Illinois State Police that
11 all background checks of the prospective principal
12 officers, board members, and agents of the cannabis
13 business establishment have been conducted;

14 (8) a copy of the current local zoning ordinance or
15 permit and verification that the proposed craft grower is
16 in compliance with the local zoning rules and distance
17 limitations established by the local jurisdiction;

18 (9) proposed employment practices, in which the
19 applicant must demonstrate a plan of action to inform,
20 hire, and educate minorities, women, veterans, and persons
21 with disabilities, engage in fair labor practices, and
22 provide worker protections;

23 (10) whether an applicant can demonstrate experience
24 in or business practices that promote economic empowerment
25 in Disproportionately Impacted Areas;

26 (11) experience with the cultivation of agricultural

1 or horticultural products, operating an agriculturally
2 related business, or operating a horticultural business;

3 (12) a description of the enclosed, locked facility
4 where cannabis will be grown, harvested, manufactured,
5 packaged, or otherwise prepared for distribution to a
6 dispensing organization or other cannabis business
7 establishment;

8 (13) a survey of the enclosed, locked facility,
9 including the space used for cultivation;

10 (14) cultivation, processing, inventory, and packaging
11 plans;

12 (15) a description of the applicant's experience with
13 agricultural cultivation techniques and industry
14 standards;

15 (16) a list of any academic degrees, certifications,
16 or relevant experience of all prospective principal
17 officers, board members, and agents of the related
18 business;

19 (17) the identity of every person having a financial
20 or voting interest of 5% or greater in the craft grower
21 operation, whether a trust, corporation, partnership,
22 limited liability company, or sole proprietorship,
23 including the name and address of each person;

24 (18) a plan describing how the craft grower will
25 address each of the following:

26 (i) energy needs, including estimates of monthly

1 electricity and gas usage, to what extent it will
2 procure energy from a local utility or from on-site
3 generation, and if it has or will adopt a sustainable
4 energy use and energy conservation policy;

5 (ii) water needs, including estimated water draw
6 and if it has or will adopt a sustainable water use and
7 water conservation policy; and

8 (iii) waste management, including if it has or
9 will adopt a waste reduction policy;

10 (19) a recycling plan:

11 (A) Purchaser packaging, including cartridges,
12 shall be accepted by the applicant and recycled.

13 (B) Any recyclable waste generated by the craft
14 grower facility shall be recycled per applicable State
15 and local laws, ordinances, and rules.

16 (C) Any cannabis waste, liquid waste, or hazardous
17 waste shall be disposed of in accordance with 8 Ill.
18 Adm. Code 1000.460, except, to the greatest extent
19 feasible, all cannabis plant waste will be rendered
20 unusable by grinding and incorporating the cannabis
21 plant waste with compostable mixed waste to be
22 disposed of in accordance with 8 Ill. Adm. Code
23 1000.460(g)(1);

24 (20) a commitment to comply with local waste
25 provisions: a craft grower facility must remain in
26 compliance with applicable State and federal environmental

1 requirements, including, but not limited to:

2 (A) storing, securing, and managing all
3 recyclables and waste, including organic waste
4 composed of or containing finished cannabis and
5 cannabis products, in accordance with applicable State
6 and local laws, ordinances, and rules; and

7 (B) disposing liquid waste containing cannabis or
8 byproducts of cannabis processing in compliance with
9 all applicable State and federal requirements,
10 including, but not limited to, the cannabis
11 cultivation facility's permits under Title X of the
12 Environmental Protection Act;

13 (21) a commitment to a technology standard for
14 resource efficiency of the craft grower facility.

15 (A) A craft grower facility commits to use
16 resources efficiently, including energy and water. For
17 the following, a cannabis cultivation facility commits
18 to meet or exceed the technology standard identified
19 in paragraphs (i), (ii), (iii), and (iv), which may be
20 modified by rule:

21 (i) lighting systems, including light bulbs;

22 (ii) HVAC system;

23 (iii) water application system to the crop;

24 and

25 (iv) filtration system for removing
26 contaminants from wastewater.

1 (B) Lighting. The Lighting Power Densities (LPD)
2 for cultivation space commits to not exceed an average
3 of 36 watts per gross square foot of active and growing
4 space canopy, or all installed lighting technology
5 shall meet a photosynthetic photon efficacy (PPE) of
6 no less than 2.2 micromoles per joule fixture and
7 shall be featured on the DesignLights Consortium (DLC)
8 Horticultural Specification Qualified Products List
9 (QPL). In the event that DLC requirement for minimum
10 efficacy exceeds 2.2 micromoles per joule fixture,
11 that PPE shall become the new standard.

12 (C) HVAC.

13 (i) ~~The For cannabis grow operations with less~~
14 ~~than 6,000 square feet of canopy, the licensee~~
15 commits that all HVAC units will be
16 high-efficiency ductless split HVAC units, or
17 other more energy efficient equipment.

18 (ii) ~~(Blank). For cannabis grow operations~~
19 ~~with 6,000 square feet of canopy or more, the~~
20 ~~licensee commits that all HVAC units will be~~
21 ~~variable refrigerant flow HVAC units, or other~~
22 ~~more energy efficient equipment.~~

23 (D) Water application.

24 (i) The craft grower facility commits to use
25 automated watering systems, including, but not
26 limited to, drip irrigation and flood tables, to

1 irrigate cannabis crop.

2 (ii) The craft grower facility commits to
3 measure runoff from watering events and report
4 this volume in its water usage plan, and that on
5 average, watering events shall have no more than
6 20% of runoff of water.

7 (E) Filtration. The craft grower commits that HVAC
8 condensate, dehumidification water, excess runoff, and
9 other wastewater produced by the craft grower facility
10 shall be captured and filtered to the best of the
11 facility's ability to achieve the quality needed to be
12 reused in subsequent watering rounds.

13 (F) Reporting energy use and efficiency as
14 required by rule; and

15 (22) any other information required by rule.

16 (b) Applicants must submit all required information,
17 including the information required in Section 30-15, to the
18 Department of Agriculture. Failure by an applicant to submit
19 all required information may result in the application being
20 disqualified.

21 (c) If the Department of Agriculture receives an
22 application with missing information, the Department of
23 Agriculture may issue a deficiency notice to the applicant.
24 The applicant shall have 10 calendar days from the date of the
25 deficiency notice to resubmit the incomplete information.
26 Applications that are still incomplete after this opportunity

1 to cure will not be scored and will be disqualified.

2 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19;
3 102-538, eff. 8-20-21.)

4 (410 ILCS 705/30-30)

5 Sec. 30-30. Craft grower requirements; prohibitions.

6 (a) The operating documents of a craft grower shall
7 include procedures for the oversight of the craft grower, a
8 cannabis plant monitoring system including a physical
9 inventory recorded weekly, accurate recordkeeping, and a
10 staffing plan.

11 (b) A craft grower shall implement a security plan
12 reviewed by the Illinois State Police that includes, but is
13 not limited to: facility access controls, perimeter intrusion
14 detection systems, personnel identification systems, and a
15 24-hour surveillance system to monitor the interior and
16 exterior of the craft grower facility and that is accessible
17 to authorized law enforcement and the Department of
18 Agriculture in real time.

19 (c) All cultivation of cannabis by a craft grower must
20 take place in an enclosed, locked facility at the physical
21 address provided to the Department of Agriculture during the
22 licensing process. The craft grower location shall only be
23 accessed by the agents working for the craft grower, the
24 Department of Agriculture staff performing inspections, the
25 Department of Public Health staff performing inspections,

1 State and local law enforcement or other emergency personnel,
2 contractors working on jobs unrelated to cannabis, such as
3 installing or maintaining security devices or performing
4 electrical wiring, transporting organization agents as
5 provided in this Act, or participants in the incubator
6 program, individuals in a mentoring or educational program
7 approved by the State, or other individuals as provided by
8 rule. However, if a craft grower shares a premises with an
9 infuser or dispensing organization, agents from those other
10 licensees may access the craft grower portion of the premises
11 if that is the location of common bathrooms, lunchrooms,
12 locker rooms, or other areas of the building where work or
13 cultivation of cannabis is not performed. At no time may an
14 infuser or dispensing organization agent perform work at a
15 craft grower without being a registered agent of the craft
16 grower.

17 (d) A craft grower may not sell or distribute any cannabis
18 to any person other than a cultivation center, a craft grower,
19 an infuser organization, a dispensing organization, or as
20 otherwise authorized by rule.

21 (e) A craft grower may not be located in an area zoned for
22 residential use.

23 (f) A craft grower may not either directly or indirectly
24 discriminate in price between different cannabis business
25 establishments that are purchasing a like grade, strain,
26 brand, and quality of cannabis or cannabis-infused product.

1 Nothing in this subsection (f) prevents a craft grower from
2 pricing cannabis differently based on differences in the cost
3 of manufacturing or processing, the quantities sold, such as
4 volume discounts, or the way the products are delivered.

5 (g) All cannabis harvested by a craft grower and intended
6 for distribution to a dispensing organization must be entered
7 into a data collection system, packaged and labeled under
8 Section 55-21, and, if distribution is to a dispensing
9 organization that does not share a premises with the
10 dispensing organization receiving the cannabis, placed into a
11 cannabis container for transport. All cannabis harvested by a
12 craft grower and intended for distribution to a cultivation
13 center, to an infuser organization, or to a craft grower with
14 which it does not share a premises, must be packaged in a
15 labeled cannabis container and entered into a data collection
16 system before transport.

17 (h) Craft growers are subject to random inspections by the
18 Department of Agriculture, local safety or health inspectors,
19 the Illinois State Police, or as provided by rule.

20 (i) A craft grower agent shall notify local law
21 enforcement, the Illinois State Police, and the Department of
22 Agriculture within 24 hours of the discovery of any loss or
23 theft. Notification shall be made by phone, in person, or
24 written or electronic communication.

25 (j) A craft grower shall comply with all State and any
26 applicable federal rules and regulations regarding the use of

1 pesticides.

2 (k) A craft grower or craft grower agent shall not
3 transport cannabis or cannabis-infused products to any other
4 cannabis business establishment without a transport
5 organization license unless:

6 (i) If the craft grower is located in a county with a
7 population of 3,000,000 or more, the cannabis business
8 establishment receiving the cannabis is within 2,000 feet
9 of the property line of the craft grower;

10 (ii) If the craft grower is located in a county with a
11 population of more than 700,000 but fewer than 3,000,000,
12 the cannabis business establishment receiving the cannabis
13 is within 2 miles of the craft grower; or

14 (iii) If the craft grower is located in a county with a
15 population of fewer than 700,000, the cannabis business
16 establishment receiving the cannabis is within 15 miles of
17 the craft grower.

18 (l) A craft grower may enter into a contract with a
19 transporting organization to transport cannabis to a
20 cultivation center, a craft grower, an infuser organization, a
21 dispensing organization, or a laboratory.

22 (m) No person or entity shall hold any legal, equitable,
23 ownership, or beneficial interest, directly or indirectly, of
24 more than 3 craft grower licenses. Further, no person or
25 entity that is employed by, an agent of, or has a contract to
26 receive payment from or participate in the management of a

1 craft grower, is a principal officer of a craft grower, or
2 entity controlled by or affiliated with a principal officer of
3 a craft grower shall hold any legal, equitable, ownership, or
4 beneficial interest, directly or indirectly, in a craft grower
5 license that would result in the person or entity owning or
6 controlling in combination with any craft grower, principal
7 officer of a craft grower, or entity controlled or affiliated
8 with a principal officer of a craft grower by which he, she, or
9 it is employed, is an agent of, or participates in the
10 management of more than 3 craft grower licenses.

11 (n) It is unlawful for any person having a craft grower
12 license or any officer, associate, member, representative, or
13 agent of the licensee to offer or deliver money, or anything
14 else of value, directly or indirectly, to any person having an
15 Early Approval Adult Use Dispensing Organization License, a
16 Conditional Adult Use Dispensing Organization License, an
17 Adult Use Dispensing Organization License, or a medical
18 cannabis dispensing organization license issued under the
19 Compassionate Use of Medical Cannabis Program Act, or to any
20 person connected with or in any way representing, or to any
21 member of the family of, the person holding an Early Approval
22 Adult Use Dispensing Organization License, a Conditional Adult
23 Use Dispensing Organization License, an Adult Use Dispensing
24 Organization License, or a medical cannabis dispensing
25 organization license issued under the Compassionate Use of
26 Medical Cannabis Program Act, or to any stockholders in any

1 corporation engaged in the retail sale of cannabis, or to any
2 officer, manager, agent, or representative of the Early
3 Approval Adult Use Dispensing Organization License, a
4 Conditional Adult Use Dispensing Organization License, an
5 Adult Use Dispensing Organization License, or a medical
6 cannabis dispensing organization license issued under the
7 Compassionate Use of Medical Cannabis Program Act to obtain
8 preferential placement within the dispensing organization,
9 including, without limitation, on shelves and in display cases
10 where purchasers can view products, or on the dispensing
11 organization's website.

12 (o) A craft grower shall not be located within 1,500 feet
13 of another craft grower or a cultivation center.

14 (p) A craft grower may process cannabis, cannabis
15 concentrates, and cannabis-infused products.

16 (q) A craft grower must comply with any other requirements
17 or prohibitions set by administrative rule of the Department
18 of Agriculture.

19 (r) Upon approval of the Department through an application
20 for alteration, craft growers shall retain 90 days of camera
21 storage in any location. The Department may require footage be
22 maintained for purposes of an investigation.

23 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19;
24 102-98, eff. 7-15-21; 102-538, eff. 8-20-21; 102-813, eff.
25 5-13-22.)

1 (410 ILCS 705/30-35)

2 Sec. 30-35. Craft grower agent identification card.

3 (a) The Department of Agriculture shall:

4 (1) establish by rule the information required in an
5 initial application or renewal application for an agent
6 identification card submitted under this Act and the
7 nonrefundable fee to accompany the initial application or
8 renewal application;

9 (2) verify the information contained in an initial
10 application or renewal application for an agent
11 identification card submitted under this Act and approve
12 or deny an application within 30 days of receiving a
13 completed initial application or renewal application and
14 all supporting documentation required by rule;

15 (3) issue an agent identification card to a qualifying
16 agent within 15 business days of approving the initial
17 application or renewal application;

18 (4) enter the license number of the craft grower where
19 the agent works; and

20 (5) allow for an electronic initial application and
21 renewal application process, and provide a confirmation by
22 electronic or other methods that an application has been
23 submitted. The Department of Agriculture may by rule
24 require prospective agents to file their applications by
25 electronic means and provide notices to the agents by
26 electronic means.

1 (b) An agent must keep his or her identification card
2 visible at all times when on the property of a cannabis
3 business establishment, including the craft grower
4 organization for which he or she is an agent.

5 (c) The agent identification cards shall contain the
6 following:

7 (1) the name of the cardholder;

8 (2) the date of issuance and expiration date of the
9 identification card;

10 (3) a random 10-digit alphanumeric identification
11 number containing at least 4 numbers and at least 4
12 letters that is unique to the holder;

13 (4) a photograph of the cardholder; and

14 (5) the legal name of the craft grower organization
15 employing the agent.

16 (d) An agent identification card shall be immediately
17 returned to the cannabis business establishment of the agent
18 upon termination of his or her employment.

19 (e) Any agent identification card lost by a craft grower
20 agent shall be reported to the Illinois State Police and the
21 Department of Agriculture immediately upon discovery of the
22 loss.

23 (f) The Department of Agriculture shall not issue an agent
24 identification card if the applicant is delinquent in filing
25 any required tax returns or paying any amounts owed to the
26 State of Illinois.

1 (g) The Department and the Department of Financial and
2 Professional Regulation may develop and implement an
3 integrated system to issue an agent identification card that
4 identifies a craft grower agent licensed by the Department as
5 well as any cultivator, dispensary, transporter, community
6 college program, or infuser license or registration the agent
7 may simultaneously hold.

8 (Source: P.A. 101-27, eff. 6-25-19; 102-538, eff. 8-20-21.)

9 (410 ILCS 705/30-45)

10 Sec. 30-45. Renewal of craft grower licenses and agent
11 identification cards.

12 (a) Licenses and identification cards issued under this
13 Act shall be renewed annually. Effective July 1, 2026 all
14 craft grower licenses are valid for 2 years upon the next
15 renewal period. A craft grower shall receive written or
16 electronic notice 90 days before the expiration of its current
17 license that the license will expire. The Department of
18 Agriculture shall grant a renewal within 45 days of submission
19 of a renewal application if:

20 (1) the craft grower submits a renewal application and
21 the required nonrefundable renewal fee of \$40,000, or
22 another amount as the Department of Agriculture may set by
23 rule after January 1, 2021;

24 (2) the Department of Agriculture has not suspended
25 the license of the craft grower or suspended or revoked

1 the license for violating this Act or rules adopted under
2 this Act;

3 (3) the craft grower has continued to operate in
4 accordance with all plans submitted as part of its
5 application and approved by the Department of Agriculture
6 or any amendments thereto that have been approved by the
7 Department of Agriculture;

8 (4) the craft grower has submitted an agent, employee,
9 contracting, and subcontracting diversity report as
10 required by the Department; and

11 (5) the craft grower has submitted an environmental
12 impact report.

13 (b) If a craft grower fails to renew its license before
14 expiration, it shall cease operations until its license is
15 renewed.

16 (c) If a craft grower agent fails to renew his or her
17 identification card before its expiration, he or she shall
18 cease to work as an agent of the craft grower organization
19 until his or her identification card is renewed.

20 (d) Any craft grower that continues to operate, or any
21 craft grower agent who continues to work as an agent, after the
22 applicable license or identification card has expired without
23 renewal is subject to the penalties provided under Section
24 45-5.

25 (e) All fees or fines collected from the renewal of a craft
26 grower license shall be deposited into the Cannabis Regulation

1 Fund.

2 (f) The Department of Agriculture shall not renew a
3 license or an agent identification card if the applicant is
4 delinquent in filing any required tax returns or paying any
5 amounts owed to the State of Illinois

6 (Source: P.A. 101-27, eff. 6-25-19.)

7 (410 ILCS 705/35-25)

8 Sec. 35-25. Infuser organization requirements;
9 prohibitions.

10 (a) The operating documents of an infuser shall include
11 procedures for the oversight of the infuser, an inventory
12 monitoring system including a physical inventory recorded
13 weekly, accurate recordkeeping, and a staffing plan.

14 (b) An infuser shall implement a security plan reviewed by
15 the Illinois State Police that includes, but is not limited
16 to: facility access controls, perimeter intrusion detection
17 systems, personnel identification systems, and a 24-hour
18 surveillance system to monitor the interior and exterior of
19 the infuser facility and that is accessible to authorized law
20 enforcement, the Department of Public Health, and the
21 Department of Agriculture in real time.

22 (c) All processing of cannabis by an infuser must take
23 place in an enclosed, locked facility at the physical address
24 provided to the Department of Agriculture during the licensing
25 process. The infuser location shall only be accessed by the

1 agents working for the infuser, the Department of Agriculture
2 staff performing inspections, the Department of Public Health
3 staff performing inspections, State and local law enforcement
4 or other emergency personnel, contractors working on jobs
5 unrelated to cannabis, such as installing or maintaining
6 security devices or performing electrical wiring, transporting
7 organization agents as provided in this Act, participants in
8 the incubator program, individuals in a mentoring or
9 educational program approved by the State, local safety or
10 health inspectors, or other individuals as provided by rule.
11 However, if an infuser shares a premises with a craft grower or
12 dispensing organization, agents from these other licensees may
13 access the infuser portion of the premises if that is the
14 location of common bathrooms, lunchrooms, locker rooms, or
15 other areas of the building where processing of cannabis is
16 not performed. At no time may a craft grower or dispensing
17 organization agent perform work at an infuser without being a
18 registered agent of the infuser.

19 (d) An infuser may not sell or distribute any cannabis to
20 any person other than a dispensing organization, or as
21 otherwise authorized by rule.

22 (e) An infuser may not either directly or indirectly
23 discriminate in price between different cannabis business
24 establishments that are purchasing a like grade, strain,
25 brand, and quality of cannabis or cannabis-infused product.
26 Nothing in this subsection (e) prevents an infuser from

1 pricing cannabis differently based on differences in the cost
2 of manufacturing or processing, the quantities sold, such
3 volume discounts, or the way the products are delivered.

4 (f) All cannabis infused by an infuser and intended for
5 distribution to a dispensing organization must be entered into
6 a data collection system, packaged and labeled under Section
7 55-21, and, if distribution is to a dispensing organization
8 that does not share a premises with the infuser, placed into a
9 cannabis container for transport. All cannabis produced by an
10 infuser and intended for distribution to a cultivation center,
11 infuser organization, or craft grower with which it does not
12 share a premises, must be packaged in a labeled cannabis
13 container and entered into a data collection system before
14 transport.

15 (g) Infusers are subject to random inspections by the
16 Department of Agriculture, the Department of Public Health,
17 the Illinois State Police, local law enforcement, or as
18 provided by rule.

19 (h) An infuser agent shall notify local law enforcement,
20 the Illinois State Police, and the Department of Agriculture
21 within 24 hours of the discovery of any loss or theft.
22 Notification shall be made by phone, in person, or by written
23 or electronic communication.

24 (i) An infuser organization may not be located in an area
25 zoned for residential use.

26 (j) An infuser or infuser agent shall not transport

1 cannabis or cannabis-infused products to any other cannabis
2 business establishment without a transport organization
3 license unless:

4 (i) If the infuser is located in a county with a
5 population of 3,000,000 or more, the cannabis business
6 establishment receiving the cannabis or cannabis-infused
7 product is within 2,000 feet of the property line of the
8 infuser;

9 (ii) If the infuser is located in a county with a
10 population of more than 700,000 but fewer than 3,000,000,
11 the cannabis business establishment receiving the cannabis
12 or cannabis-infused product is within 2 miles of the
13 infuser; or

14 (iii) If the infuser is located in a county with a
15 population of fewer than 700,000, the cannabis business
16 establishment receiving the cannabis or cannabis-infused
17 product is within 15 miles of the infuser.

18 (k) An infuser may enter into a contract with a
19 transporting organization to transport cannabis to a
20 dispensing organization or a laboratory.

21 (l) An infuser organization may share premises with a
22 craft grower or a dispensing organization, or both, provided
23 each licensee stores currency and cannabis or cannabis-infused
24 products in a separate secured vault to which the other
25 licensee does not have access or all licensees sharing a vault
26 share more than 50% of the same ownership.

1 (m) It is unlawful for any person or entity having an
2 infuser organization license or any officer, associate,
3 member, representative or agent of such licensee to offer or
4 deliver money, or anything else of value, directly or
5 indirectly to any person having an Early Approval Adult Use
6 Dispensing Organization License, a Conditional Adult Use
7 Dispensing Organization License, an Adult Use Dispensing
8 Organization License, or a medical cannabis dispensing
9 organization license issued under the Compassionate Use of
10 Medical Cannabis Program Act, or to any person connected with
11 or in any way representing, or to any member of the family of,
12 such person holding an Early Approval Adult Use Dispensing
13 Organization License, a Conditional Adult Use Dispensing
14 Organization License, an Adult Use Dispensing Organization
15 License, or a medical cannabis dispensing organization license
16 issued under the Compassionate Use of Medical Cannabis Program
17 Act, or to any stockholders in any corporation engaged the
18 retail sales of cannabis, or to any officer, manager, agent,
19 or representative of the Early Approval Adult Use Dispensing
20 Organization License, a Conditional Adult Use Dispensing
21 Organization License, an Adult Use Dispensing Organization
22 License, or a medical cannabis dispensing organization license
23 issued under the Compassionate Use of Medical Cannabis Program
24 Act to obtain preferential placement within the dispensing
25 organization, including, without limitation, on shelves and in
26 display cases where purchasers can view products, or on the

1 dispensing organization's website.

2 (n) At no time shall an infuser organization or an infuser
3 agent perform the extraction of cannabis concentrate from
4 cannabis flower, except if the infuser organization has also
5 been issued a processor license under Section 35-31(f).

6 (o) Upon approval of the Department through an application
7 for alteration, infusing organizations shall retain 90 days of
8 camera storage in any location. The Department may require
9 footage be maintained for purposes of an investigation.

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

13 (410 ILCS 705/35-30)

14 Sec. 35-30. Infuser agent identification card.

15 (a) The Department of Agriculture shall:

16 (1) establish by rule the information required in an
17 initial application or renewal application for an agent
18 identification card submitted under this Act and the
19 nonrefundable fee to accompany the initial application or
20 renewal application;

21 (2) verify the information contained in an initial
22 application or renewal application for an agent
23 identification card submitted under this Act, and approve
24 or deny an application within 30 days of receiving a
25 completed initial application or renewal application and

1 all supporting documentation required by rule;

2 (3) issue an agent identification card to a qualifying
3 agent within 15 business days of approving the initial
4 application or renewal application;

5 (4) enter the license number of the infuser where the
6 agent works; and

7 (5) allow for an electronic initial application and
8 renewal application process, and provide a confirmation by
9 electronic or other methods that an application has been
10 submitted. The Department of Agriculture may by rule
11 require prospective agents to file their applications by
12 electronic means and provide notices to the agents by
13 electronic means.

14 (b) An agent must keep his or her identification card
15 visible at all times when on the property of a cannabis
16 business establishment including the cannabis business
17 establishment for which he or she is an agent.

18 (c) The agent identification cards shall contain the
19 following:

20 (1) the name of the cardholder;

21 (2) the date of issuance and expiration date of the
22 identification card;

23 (3) a random 10-digit alphanumeric identification
24 number containing at least 4 numbers and at least 4
25 letters that is unique to the holder;

26 (4) a photograph of the cardholder; and

1 (5) the legal name of the infuser organization
2 employing the agent.

3 (d) An agent identification card shall be immediately
4 returned to the infuser organization of the agent upon
5 termination of his or her employment.

6 (e) Any agent identification card lost by a transporting
7 agent shall be reported to the Illinois State Police and the
8 Department of Agriculture immediately upon discovery of the
9 loss.

10 (f) An agent applicant may begin employment at an infuser
11 organization while the agent applicant's identification card
12 application is pending. Upon approval, the Department shall
13 issue the agent's identification card to the agent. If denied,
14 the infuser organization and the agent applicant shall be
15 notified and the agent applicant must cease all activity at
16 the infuser organization immediately.

17 (g) The Department of Agriculture shall not issue an agent
18 identification card if the applicant is delinquent in filing
19 any required tax returns or paying any amounts owed to the
20 State of Illinois.

21 (h) The Department and the Department of Financial and
22 Professional Regulation may develop and implement an
23 integrated system to issue an agent identification card that
24 identifies an infuser agent licensed by the Department as well
25 as any cultivation center, craft grower, dispensary,
26 transporter, or community college program, or registration the

1 agent may simultaneously hold.

2 (Source: P.A. 101-27, eff. 6-25-19; 102-98, eff. 7-15-21;
3 102-538, eff. 8-20-21; 102-813, eff. 5-13-22.)

4 (410 ILCS 705/35-40)

5 Sec. 35-40. Renewal of infuser organization licenses and
6 agent identification cards.

7 (a) Licenses and identification cards issued under this
8 Act shall be renewed annually. Effective July 1, 2026 all
9 infuser organization licenses are valid for two years upon the
10 next renewal period. An infuser organization shall receive
11 written or electronic notice 90 days before the expiration of
12 its current license that the license will expire. The
13 Department of Agriculture shall grant a renewal within 45 days
14 of submission of a renewal application if:

15 (1) the infuser organization submits a renewal
16 application and the required nonrefundable renewal fee of
17 \$20,000, or, after January 1, 2021, another amount set by
18 rule by the Department of Agriculture, to be deposited
19 into the Cannabis Regulation Fund;

20 (2) the Department of Agriculture has not suspended or
21 revoked the license of the infuser organization for
22 violating this Act or rules adopted under this Act;

23 (3) the infuser organization has continued to operate
24 in accordance with all plans submitted as part of its
25 application and approved by the Department of Agriculture

1 or any amendments thereto that have been approved by the
2 Department of Agriculture;

3 (4) The infuser has submitted an agent, employee,
4 contracting, and subcontracting diversity report as
5 required by the Department; and

6 (5) The infuser has submitted an environmental impact
7 report.

8 (b) If an infuser organization fails to renew its license
9 before expiration, it shall cease operations until its license
10 is renewed.

11 (c) If an infuser organization agent fails to renew his or
12 her identification card before its expiration, he or she shall
13 cease to work as an agent of the infuser organization until his
14 or her identification card is renewed.

15 (d) Any infuser organization that continues to operate, or
16 any infuser organization agent who continues to work as an
17 agent, after the applicable license or identification card has
18 expired without renewal is subject to the penalties provided
19 under Section 35-25.

20 (e) The Department shall not renew a license or an agent
21 identification card if the applicant is delinquent in filing
22 any required tax returns or paying any amounts owed to the
23 State of Illinois.

24 (Source: P.A. 101-27, eff. 6-25-19.)

1 Sec. 40-25. Transporting organization requirements;
2 prohibitions.

3 (a) The operating documents of a transporting organization
4 shall include procedures for the oversight of the transporter,
5 an inventory monitoring system including a physical inventory
6 recorded weekly, accurate recordkeeping, and a staffing plan.

7 (b) A transporting organization may not transport cannabis
8 or cannabis-infused products to any person other than a
9 cultivation center, a craft grower, an infuser organization, a
10 dispensing organization, a testing facility, transfer site, or
11 as otherwise authorized by rule.

12 (c) All cannabis transported by a transporting
13 organization must be entered into a data collection system and
14 placed into a cannabis container for transport.

15 (d) Transporters are subject to random inspections by the
16 Department of Agriculture, the Department of Public Health,
17 the Illinois State Police, or as provided by rule.

18 (e) A transporting organization agent shall notify local
19 law enforcement, the Illinois State Police, and the Department
20 of Agriculture within 24 hours of the discovery of any loss or
21 theft. Notification shall be made by phone, in person, or by
22 written or electronic communication.

23 (f) No person under the age of 21 years shall be in a
24 commercial vehicle or trailer transporting cannabis goods.

25 (g) No person or individual who is not a transporting
26 organization agent shall be in a vehicle while transporting

1 cannabis goods.

2 (h) Transporters may not use commercial motor vehicles
3 with a weight rating of over 10,001 pounds.

4 (i) It is unlawful for any person to offer or deliver
5 money, or anything else of value, directly or indirectly, to
6 any of the following persons to obtain preferential placement
7 within the dispensing organization, including, without
8 limitation, on shelves and in display cases where purchasers
9 can view products, or on the dispensing organization's
10 website:

11 (1) a person having a transporting organization
12 license, or any officer, associate, member,
13 representative, or agent of the licensee;

14 (2) a person having an Early Applicant Adult Use
15 Dispensing Organization License, an Adult Use Dispensing
16 Organization License, or a medical cannabis dispensing
17 organization license issued under the Compassionate Use of
18 Medical Cannabis Program Act;

19 (3) a person connected with or in any way
20 representing, or a member of the family of, a person
21 holding an Early Applicant Adult Use Dispensing
22 Organization License, an Adult Use Dispensing Organization
23 License, or a medical cannabis dispensing organization
24 license issued under the Compassionate Use of Medical
25 Cannabis Program Act; or

26 (4) a stockholder, officer, manager, agent, or

1 representative of a corporation engaged in the retail sale
2 of cannabis, an Early Applicant Adult Use Dispensing
3 Organization License, an Adult Use Dispensing Organization
4 License, or a medical cannabis dispensing organization
5 license issued under the Compassionate Use of Medical
6 Cannabis Program Act.

7 (j) A transporting organization agent must keep his or her
8 identification card visible at all times when on the property
9 of a cannabis business establishment and during the
10 transporting of cannabis when acting under his or her duties
11 as a transportation organization agent. During these times,
12 the transporting organization agent must also provide the
13 identification card upon request of any law enforcement
14 officer engaged in his or her official duties.

15 (k) A copy of the transporting organization's registration
16 and a manifest for the delivery shall be present in any vehicle
17 transporting cannabis.

18 (l) Cannabis shall be transported so it is not visible or
19 recognizable from outside the vehicle.

20 (m) A vehicle transporting cannabis must not bear any
21 markings to indicate the vehicle contains cannabis or bear the
22 name or logo of the cannabis business establishment.

23 (n) Cannabis must be transported in an enclosed, locked
24 storage compartment that is secured or affixed to the vehicle.

25 (o) The Department of Agriculture may, by rule, impose any
26 other requirements or prohibitions on the transportation of

1 cannabis.

2 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19;
3 102-98, eff. 7-15-21; 102-538, eff. 8-20-21; 102-813, eff.
4 5-13-22.)

5 (410 ILCS 705/40-31 new)

6 Sec. 40-31. Transporter transfer site.

7 (a) Transporting organizations may, but are not required
8 to, operate a transfer site.

9 (b) Plans for a transfer site must be submitted and
10 approved by the Department through an application for
11 modification of the license.

12 (c) A transfer site shall be an enclosed facility such as a
13 garage or loading bay with physical walls and ceiling and
14 large enough to fit 2 vehicles.

15 (d) All transfers of cannabis product at a transporter
16 physical location shall be documented in the cannabis plant
17 monitoring system.

18 (e) A transfer site shall be a separate facility from
19 other cannabis business establishments. A transfer site may be
20 adjacent to another cannabis business establishment.

21 (f) Transporter physical locations shall be equipped with
22 cameras and be required to operate and maintain in good
23 working order a 24-hour 7-days a week closed circuit
24 television surveillance system. The electronic security system
25 shall be available 24 hours per day 7 days per week to the

1 Department and the Illinois State Police via a secure
2 web-based portal with forward and backward playback abilities.

3 (g) The Department may by rule establish standards and
4 requirements for the storage of cannabis product. Transporters
5 are not permitted to store cannabis products at a transfer
6 site until authorized by rule.

7 (h) The Department and the Department of Financial and
8 Professional Regulation may develop and implement an
9 integrated system to issue an agent identification card that
10 identifies a transporter agent licensed by the Department as
11 well as any cultivation center, craft grower, dispensary,
12 infuser, or community college program, or registration the
13 agent may simultaneously hold.

14 (410 ILCS 705/45-5)

15 Sec. 45-5. License suspension; revocation; other
16 penalties.

17 (a) Notwithstanding any other criminal penalties related
18 to the unlawful possession of cannabis, the Department of
19 Financial and Professional Regulation and the Department of
20 Agriculture may revoke, suspend, place on probation,
21 reprimand, issue cease and desist orders, refuse to issue or
22 renew a license, or take any other disciplinary or
23 nondisciplinary action as each department may deem proper with
24 regard to a cannabis business establishment or cannabis
25 business establishment agent, including fines not to exceed:

1 (1) \$50,000 for each violation of this Act or rules
2 adopted under this Act by a cultivation center or
3 cultivation center agent;

4 (2) \$20,000 for each violation of this Act or rules
5 adopted under this Act by a dispensing organization or
6 dispensing organization agent;

7 (3) \$15,000 for each violation of this Act or rules
8 adopted under this Act by a craft grower or craft grower
9 agent;

10 (4) \$10,000 for each violation of this Act or rules
11 adopted under this Act by an infuser organization or
12 infuser organization agent; and

13 (5) \$10,000 for each violation of this Act or rules
14 adopted under this Act by a transporting organization or
15 transporting organization agent.

16 (6) \$15,000 for each violation of this Act or rules
17 adopted under this Act by a cannabis testing facility.

18 (b) The Department of Financial and Professional
19 Regulation and the Department of Agriculture, as the case may
20 be, shall consider licensee cooperation in any agency or other
21 investigation in its determination of penalties imposed under
22 this Section.

23 (c) The procedures for disciplining a cannabis business
24 establishment or cannabis business establishment agent and for
25 administrative hearings shall be determined by rule, and shall
26 provide for the review of final decisions under the

1 Administrative Review Law.

2 (d) The Attorney General may also enforce a violation of
3 Section 55-20, Section 55-21, and Section 15-155 as an
4 unlawful practice under the Consumer Fraud and Deceptive
5 Business Practices Act.

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

7 (410 ILCS 705/50-5)

8 Sec. 50-5. Laboratory testing.

9 (a) Notwithstanding any other provision of law, the
10 following acts, when performed by a cannabis testing facility
11 with a current, valid license ~~registration~~, or a person 21
12 years of age or older who is acting in his or her capacity as
13 an owner, employee, or agent of a cannabis testing facility,
14 are not unlawful and shall not be an offense under Illinois law
15 or be a basis for seizure or forfeiture of assets under
16 Illinois law:

17 (1) possessing, repackaging, transporting, storing, or
18 displaying cannabis or cannabis-infused products;

19 (2) receiving or transporting cannabis or
20 cannabis-infused products from a cannabis business
21 establishment, a community college licensed under the
22 Community College Cannabis Vocational Training Pilot
23 Program, or a person 21 years of age or older; and

24 (3) returning or transporting cannabis or
25 cannabis-infused products to a cannabis business

1 establishment, a community college licensed under the
2 Community College Cannabis Vocational Training Pilot
3 Program, or a person 21 years of age or older.

4 (b)(1) No laboratory shall handle, test, or analyze
5 cannabis unless approved by the Department of Agriculture in
6 accordance with this Section.

7 (2) No laboratory shall be approved to handle, test, or
8 analyze cannabis unless the laboratory:

9 (A) is licensed by the Department of Agriculture;

10 (A-5) is accredited by a private laboratory
11 accrediting organization;

12 (B) is independent from all other persons involved in
13 the cannabis industry in Illinois and no person with a
14 direct or indirect interest in the laboratory has a direct
15 or indirect financial, management, or other interest in an
16 Illinois cultivation center, craft grower, dispensary,
17 infuser, transporter, certifying physician, or any other
18 entity in the State that may benefit from the production,
19 manufacture, dispensing, sale, purchase, or use of
20 cannabis; and

21 (C) has employed at least one person to oversee and be
22 responsible for the laboratory testing who has earned,
23 from a college or university accredited by a national or
24 regional certifying authority, at least:

25 (i) a master's level degree in chemical or
26 biological sciences and a minimum of 2 years'

1 post-degree laboratory experience; or

2 (ii) a bachelor's degree in chemical or biological
3 sciences and a minimum of 4 years' post-degree
4 laboratory experience.

5 (3) Each independent testing laboratory that claims to be
6 accredited must provide the Department of Agriculture with a
7 copy of the most recent annual inspection report granting
8 accreditation and every annual report thereafter.

9 (c) Immediately before manufacturing or natural processing
10 of any cannabis or cannabis-infused product or packaging
11 cannabis for sale to a dispensary, each batch shall be made
12 available by the cultivation center, craft grower, or infuser
13 for an employee of an approved laboratory to select a random
14 sample, which shall be tested by the approved laboratory for:

15 (1) microbiological contaminants;

16 (2) mycotoxins;

17 (3) pesticide active ingredients;

18 (4) residual solvent; and

19 (5) an active ingredient analysis.

20 (d) The Department of Agriculture may select a random
21 sample that shall, for the purposes of conducting an active
22 ingredient analysis, be tested by the Department of
23 Agriculture for verification of label information and any
24 other testing deemed necessary by the Department.

25 (e) A laboratory shall immediately return or dispose of
26 any cannabis upon the completion of any testing, use, or

1 research. If cannabis is disposed of, it shall be done in
2 compliance with Department of Agriculture rule.

3 (f) If a sample of cannabis does not pass the
4 microbiological, mycotoxin, pesticide chemical residue, or
5 solvent residue test, based on the standards established by
6 the Department of Agriculture, the following shall apply:

7 (1) If the sample failed the pesticide chemical
8 residue test, the entire batch from which the sample was
9 taken shall, if applicable, be recalled as provided by
10 rule.

11 (2) If the sample failed any other test, the batch may
12 be used to make a CO₂-based or solvent based extract. After
13 processing, the CO₂-based or solvent based extract must
14 still pass all required tests.

15 (g) The Department of Agriculture shall establish
16 standards for microbial, mycotoxin, pesticide residue, solvent
17 residue, or other standards for the presence of possible
18 contaminants, in addition to labeling requirements for
19 contents and potency.

20 (h) The laboratory shall file with the Department of
21 Agriculture an electronic copy of each laboratory test result
22 for any batch that does not pass the microbiological,
23 mycotoxin, or pesticide chemical residue test, at the same
24 time that it transmits those results to the cultivation
25 center. In addition, the laboratory shall maintain the
26 laboratory test results for at least 5 years and make them

1 available at the Department of Agriculture's request.

2 (i) A cultivation center, craft grower, and infuser shall
3 provide to a dispensing organization the laboratory test
4 results for each batch of cannabis product purchased by the
5 dispensing organization, if sampled. Each dispensing
6 organization must have those laboratory results available upon
7 request to purchasers.

8 (j) The Department of Agriculture may adopt rules related
9 to testing and licensing of laboratories in furtherance of
10 this Act.

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

12 (410 ILCS 705/55-5)

13 Sec. 55-5. Preparation of cannabis-infused products.

14 (a) The Department of Agriculture may regulate the
15 production of cannabis-infused products by a cultivation
16 center, a craft grower, an infuser organization, or a
17 dispensing organization and establish rules related to
18 refrigeration, hot-holding, and handling of cannabis-infused
19 products. All cannabis-infused products shall meet the
20 packaging and labeling requirements contained in Section
21 55-21.

22 (b) Cannabis-infused products for sale or distribution at
23 a dispensing organization must be prepared by an approved
24 agent of a cultivation center, craft grower, or infuser
25 organization.

1 (c) A cultivation center, craft grower, or infuser
2 organization that prepares cannabis-infused products for sale
3 or distribution by a dispensing organization shall be under
4 the operational supervision of a Department of Public Health
5 certified food service sanitation manager.

6 (d) Dispensing organizations may not manufacture, process,
7 or produce cannabis-infused products.

8 (e) The Department of Public Health shall adopt and
9 enforce rules for the manufacture and processing of
10 cannabis-infused products, and for that purpose it may at all
11 times enter every building, room, basement, enclosure, or
12 premises occupied or used, or suspected of being occupied or
13 used, for the production, preparation, manufacture for sale,
14 storage, sale, processing, distribution, or transportation of
15 cannabis-infused products, and to inspect the premises
16 together with all utensils, fixtures, furniture, and machinery
17 used for the preparation of these products.

18 (f) The Department of Agriculture shall by rule establish
19 a maximum level of THC that may be contained in each serving of
20 cannabis-infused product, and within the product package.

21 (g) If a local public health agency has a reasonable
22 belief that a cannabis-infused product poses a public health
23 hazard, it may refer the cultivation center, craft grower, or
24 infuser that manufactured or processed the cannabis-infused
25 product to the Department of Public Health. If the Department
26 of Public Health finds that a cannabis-infused product poses a

1 health hazard, it may bring an action for immediate injunctive
2 relief to require that action be taken as the court may deem
3 necessary to meet the hazard of the cultivation facility or
4 seek other relief as provided by rule.

5 (Source: P.A. 101-27, eff. 6-25-19.)

6 (410 ILCS 705/55-10)

7 Sec. 55-10. Maintenance of inventory. Through June 30,
8 2026, all ~~All~~ dispensing organizations authorized to serve
9 ~~both~~ registered qualifying patients, ~~and~~ caregivers, ~~and~~
10 purchasers, and Opioid Alternative Patient Program
11 participants are required to report which cannabis and
12 cannabis-infused products are purchased for sale under the
13 Compassionate Use of Medical Cannabis Program Act, and which
14 cannabis and cannabis-infused products are purchased under
15 this Act. Nothing in this Section prohibits a registered
16 qualifying patient under the Compassionate Use of Medical
17 Cannabis Program Act from purchasing cannabis as a purchaser
18 under this Act.

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

20 (410 ILCS 705/55-30)

21 Sec. 55-30. Confidentiality.

22 (a) Information provided by the cannabis business
23 establishment licensees or applicants to the Department of
24 Agriculture, the Department of Public Health, the Department

1 of Financial and Professional Regulation, the Department of
2 Commerce and Economic Opportunity, or other agency shall be
3 limited to information necessary for the purposes of
4 administering this Act. The information is subject to the
5 provisions and limitations contained in the Freedom of
6 Information Act and may be disclosed in accordance with
7 Section 55-65.

8 (b) The following information received and records kept by
9 the Department of Agriculture, the Department of Public
10 Health, the Illinois State Police, and the Department of
11 Financial and Professional Regulation for purposes of
12 administering this Article are subject to all applicable
13 federal privacy laws, are confidential and exempt from
14 disclosure under the Freedom of Information Act, except as
15 provided in this Act, and not subject to disclosure to any
16 individual or public or private entity, except to the
17 Department of Financial and Professional Regulation, the
18 Department of Agriculture, the Department of Public Health,
19 the Department of Commerce and Economic Opportunity, the
20 Office of Executive Inspector General, and the Illinois State
21 Police as necessary to perform official duties under this
22 Article and to the Attorney General as necessary to enforce
23 the provisions of this Act, and except as necessary to those
24 involved in enforcing the State Officials and Employees Ethics
25 Act. The following information received and kept by the
26 Department of Financial and Professional Regulation or the

1 Department of Agriculture may be disclosed to the Department
2 of Public Health, the Department of Agriculture, the
3 Department of Revenue, the Department of Commerce and Economic
4 Opportunity, the Department of Revenue, the Illinois State
5 Police, the Office of Executive Inspector General, or the
6 Attorney General upon proper request:

7 (1) Applications and renewals, their contents, and
8 supporting information submitted by or on behalf of
9 dispensing organizations, cannabis business
10 establishments, or Community College Cannabis Vocational
11 Program licensees, in compliance with this Article,
12 including their physical addresses; however, this does not
13 preclude the release of ownership information about
14 cannabis business establishment licenses, or information
15 submitted with an application required to be disclosed
16 pursuant to subsection (f);

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

19 (3) Information otherwise exempt from disclosure by
20 State or federal law.

21 Illinois or national criminal history record information,
22 or the nonexistence or lack of such information, may not be
23 disclosed by the Department of Financial and Professional
24 Regulation or the Department of Agriculture, except as
25 necessary to the Attorney General to enforce this Act.

26 (c) The name and address of a dispensing organization

1 licensed under this Act shall be subject to disclosure under
2 the Freedom of Information Act. The name and cannabis business
3 establishment address of the person or entity holding each
4 cannabis business establishment license shall be subject to
5 disclosure.

6 (d) All information collected by the Department of
7 Financial and Professional Regulation or the Department of
8 Agriculture in the course of an examination, inspection, or
9 investigation of a licensee or applicant, including, but not
10 limited to, any complaint against a licensee or applicant
11 filed with the Department of Financial and Professional
12 Regulation or the Department of Agriculture and information
13 collected to investigate any such complaint, shall be
14 maintained for the confidential use of the Department of
15 Financial and Professional Regulation or the Department of
16 Agriculture and shall not be disclosed, except to those
17 involved in enforcing the State Officials and Employees Ethics
18 Act and as otherwise provided in this Act. A formal complaint
19 against a licensee by the Department of Financial and
20 Professional Regulation or the Department of Agriculture or
21 any disciplinary order issued by the Department of Financial
22 and Professional Regulation or the Department of Agriculture
23 against a licensee or applicant shall be a public record,
24 except as otherwise provided by law. Complaints from consumers
25 or members of the general public received regarding a
26 specific, named licensee or complaints regarding conduct by

1 unlicensed entities shall be subject to disclosure under the
2 Freedom of Information Act.

3 (e) The Department of Agriculture, the Illinois State
4 Police, and the Department of Financial and Professional
5 Regulation shall not share or disclose any Illinois or
6 national criminal history record information, or the
7 nonexistence or lack of such information, to any person or
8 entity not expressly authorized by this Act.

9 (f) Each Department responsible for licensure under this
10 Act shall publish on the Department's website a list of the
11 ownership information of cannabis business establishment
12 licensees under the Department's jurisdiction. The list shall
13 include, but is not limited to: the name of the person or
14 entity holding each cannabis business establishment license;
15 and the address at which the entity is operating under this
16 Act. This list shall be published and updated monthly.

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

23 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19;
24 102-98, eff. 7-15-21; 102-538, eff. 8-20-21; 102-813, eff.
25 5-13-22.)

1 (410 ILCS 705/55-65)

2 Sec. 55-65. Financial institutions.

3 (a) A financial institution that provides financial
4 services customarily provided by financial institutions to a
5 cannabis business establishment authorized under this Act or
6 the Compassionate Use of Medical Cannabis Program Act, or to a
7 person that is affiliated with such cannabis business
8 establishment, is exempt from any criminal law of this State
9 as it relates to cannabis-related conduct authorized under
10 State law.

11 (b) Upon request of a financial institution, a cannabis
12 business establishment or proposed cannabis business
13 establishment may provide to the financial institution the
14 following information:

15 (1) Whether a cannabis business establishment with
16 which the financial institution is doing or is considering
17 doing business holds a license under this Act or the
18 Compassionate Use of Medical Cannabis Program Act;

19 (2) The name of any other business or individual
20 affiliate with the cannabis business establishment;

21 (3) A copy of the application, and any supporting
22 documentation submitted with the application, for a
23 license or a permit submitted on behalf of the proposed
24 cannabis business establishment;

25 (4) If applicable, data relating to sales and the
26 volume of product sold by the cannabis business

1 establishment;

2 (5) Any past or pending violation by the person of
3 this Act, the Compassionate Use of Medical Cannabis
4 Program Act, or the rules adopted under these Acts where
5 applicable; and

6 (6) Any penalty imposed upon the person for violating
7 this Act, the Compassionate Use of Medical Cannabis
8 Program Act, or the rules adopted under these Acts.

9 (c) (Blank).

10 (d) (Blank).

11 (e) Information received by a financial institution under
12 this Section is confidential. Except as otherwise required or
13 permitted by this Act, State law or rule, or federal law or
14 regulation, a financial institution may not make the
15 information available to any person other than:

16 (1) the customer to whom the information applies;

17 (2) a trustee, conservator, guardian, personal
18 representative, or agent of the customer to whom the
19 information applies; a federal or State regulator when
20 requested in connection with an examination of the
21 financial institution or if otherwise necessary for
22 complying with federal or State law;

23 (3) a federal or State regulator when requested in
24 connection with an examination of the financial
25 institution or if otherwise necessary for complying with
26 federal or State law; ~~and~~

1 (4) a third party performing services for the
2 financial institution, provided the third party is
3 performing such services under a written agreement that
4 expressly or by operation of law prohibits the third
5 party's sharing and use of such confidential information
6 for any purpose other than as provided in its agreement to
7 provide services to the financial institution; and -

8 (5) the Office of Executive Inspector General pursuant
9 to an investigation under the State Officials and
10 Employees Ethics Act.

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

12 (410 ILCS 705/55-85)

13 Sec. 55-85. Medical cannabis.

14 ~~(a)~~ Nothing in this Act shall be construed to limit any
15 privileges or rights of a qualifying ~~medical cannabis~~ patient
16 including minor patients, designated ~~primary~~ caregiver,
17 medical cannabis cultivation center, provisional patient and
18 Opioid Alternative Patient Program participant or medical
19 cannabis dispensing organization under the Compassionate Use
20 of Medical Cannabis Program Act, and where there is conflict
21 between this Act and the Compassionate Use of Medical Cannabis
22 Program Act as they relate to medical cannabis patients, the
23 Compassionate Use of Medical Cannabis Program Act shall
24 prevail.

25 ~~(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 705/60-5)

Sec. 60-5. Definitions. In this Article:

"Cannabis" has the meaning given to that term in Article 1 of this Act, except that, through June 30, 2026, it does not include cannabis that is subject to tax under the Compassionate Use of Medical Cannabis Program Act.

"Craft grower" has the meaning given to that term in Article 1 of this Act.

"Cultivation center" has the meaning given to that term in Article 1 of this Act. On and after July 1, 2026, "cultivation center" includes any cultivation center which, prior to July

1 1, 2026, was a cultivation center as defined in the
2 Compassionate Use of Medical Cannabis Program Act.

3 "Cultivator" or "taxpayer" means a cultivation center or
4 craft grower who is subject to tax under this Article. On and
5 after July 1, 2026, "cultivator" includes any cultivator
6 which, prior to July 1, 2026, was a cultivator as defined under
7 the Compassionate Use of Medical Cannabis Program Act.

8 "Department" means the Department of Revenue.

9 "Director" means the Director of Revenue.

10 "Dispensing organization" or "dispensary" has the meaning
11 given to that term in Article 1 of this Act.

12 "Gross receipts" from the sales of cannabis by a
13 cultivator means the total selling price or the amount of such
14 sales, as defined in this Article. In the case of charges and
15 time sales, the amount thereof shall be included only when
16 payments are received by the cultivator.

17 "Person" means a natural individual, firm, partnership,
18 association, joint stock company, joint adventure, public or
19 private corporation, limited liability company, or a receiver,
20 executor, trustee, guardian, or other representative appointed
21 by order of any court.

22 "Infuser" means "infuser organization" or "infuser" as
23 defined in Article 1 of this Act.

24 "Selling price" or "amount of sale" means the
25 consideration for a sale valued in money whether received in
26 money or otherwise, including cash, credits, property, and

1 services, and shall be determined without any deduction on
2 account of the cost of the property sold, the cost of materials
3 used, labor or service cost, or any other expense whatsoever,
4 but does not include separately stated charges identified on
5 the invoice by cultivators to reimburse themselves for their
6 tax liability under this Article.

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

8 (410 ILCS 705/60-10)

9 Sec. 60-10. Tax imposed.

10 (a) Beginning September 1, 2019, a tax is imposed upon the
11 privilege of cultivating cannabis at the rate of 7% of the
12 gross receipts from the first sale of cannabis by a
13 cultivator. The sale of any product that contains any amount
14 of cannabis or any derivative thereof is subject to the tax
15 under this Section on the full selling price of the product.
16 The Department may determine the selling price of the cannabis
17 when the seller and purchaser are affiliated persons, when the
18 sale and purchase of cannabis is not an arm's length
19 transaction, or when cannabis is transferred by a craft grower
20 to the craft grower's dispensing organization or infuser ~~or~~
21 ~~processing~~ organization and a value is not established for the
22 cannabis. The value determined by the Department shall be
23 commensurate with the actual price received for products of
24 like quality, character, and use in the area. If there are no
25 sales of cannabis of like quality, character, and use in the

1 same area, then the Department shall establish a reasonable
2 value based on sales of products of like quality, character,
3 and use in other areas of the State, taking into consideration
4 any other relevant factors.

5 (b) The Cannabis Cultivation Privilege Tax imposed under
6 this Article is solely the responsibility of the cultivator
7 who makes the first sale and is not the responsibility of a
8 subsequent purchaser, a dispensing organization, or an
9 infuser. Persons subject to the tax imposed under this Article
10 may, however, reimburse themselves for their tax liability
11 hereunder by separately stating reimbursement for their tax
12 liability as an additional charge.

13 (c) The tax imposed under this Article shall be in
14 addition to all other occupation, privilege, or excise taxes
15 imposed by the State of Illinois or by any unit of local
16 government.

17 (Source: P.A. 101-27, eff. 6-25-19.)

18 (410 ILCS 705/65-5)

19 Sec. 65-5. Definitions. In this Article:

20 "Adjusted delta-9-tetrahydrocannabinol level" means, for a
21 delta-9-tetrahydrocannabinol dominant product, the sum of the
22 percentage of delta-9-tetrahydrocannabinol plus .877
23 multiplied by the percentage of tetrahydrocannabinolic acid.

24 "Cannabis" has the meaning given to that term in Article 1
25 of this Act, except that through June 30, 2026, it does not

1 include cannabis that is subject to tax under the
2 Compassionate Use of Medical Cannabis Program Act.

3 "Cannabis-infused product" means beverage food, oils,
4 ointments, tincture, topical formulation, or another product
5 containing cannabis that is not intended to be smoked.

6 "Cannabis retailer" means a dispensing organization that
7 sells cannabis for use and not for resale.

8 "Craft grower" has the meaning given to that term in
9 Article 1 of this Act.

10 "Department" means the Department of Revenue.

11 "Director" means the Director of Revenue.

12 "Dispensing organization" or "dispensary" has the meaning
13 given to that term in Article 1 of this Act.

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

19 "Infuser organization" or "infuser" means a facility
20 operated by an organization or business that is licensed by
21 the Department of Agriculture to directly incorporate cannabis
22 or cannabis concentrate into a product formulation to produce
23 a cannabis-infused product.

24 "Purchase price" means the consideration paid for a
25 purchase of cannabis, valued in money, whether received in
26 money or otherwise, including cash, gift cards, credits, and

1 property and shall be determined without any deduction on
2 account of the cost of materials used, labor or service costs,
3 or any other expense whatsoever. However, "purchase price"
4 does not include consideration paid for:

5 (1) any charge for a payment that is not honored by a
6 financial institution;

7 (2) any finance or credit charge, penalty or charge
8 for delayed payment, or discount for prompt payment; and

9 (3) any amounts added to a purchaser's bill because of
10 charges made under the tax imposed by this Article, the
11 Municipal Cannabis Retailers' Occupation Tax Law, the
12 County Cannabis Retailers' Occupation Tax Law, the
13 Retailers' Occupation Tax Act, the Use Tax Act, the
14 Service Occupation Tax Act, the Service Use Tax Act, or
15 any locally imposed occupation or use tax.

16 "Purchaser" means a person who acquires cannabis for a
17 valuable consideration.

18 "Qualifying patient" or "qualified patient" means a person
19 who has been diagnosed by a certifying health care
20 professional as having a debilitating medical condition as
21 defined under the Compassionate Use of Medical Cannabis
22 Program Act.

23 "Taxpayer" means a cannabis retailer who is required to
24 collect the tax imposed under this Article.

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

1 (410 ILCS 705/65-10)

2 Sec. 65-10. Tax imposed.

3 (a) Beginning January 1, 2020, a tax is imposed upon
4 purchasers for the privilege of using cannabis, and not for
5 the purpose of resale, at the following rates:

6 (1) Any cannabis, other than a cannabis-infused
7 product, with an adjusted delta-9-tetrahydrocannabinol
8 level at or below 35% shall be taxed at a rate of 10% of
9 the purchase price;

10 (2) Any cannabis, other than a cannabis-infused
11 product, with an adjusted delta-9-tetrahydrocannabinol
12 level above 35% shall be taxed at a rate of 25% of the
13 purchase price; and

14 (3) A cannabis-infused product shall be taxed at a
15 rate of 20% of the purchase price.

16 (b) The purchase of any product that contains any amount
17 of cannabis or any derivative thereof is subject to the tax
18 under subsection (a) of this Section on the full purchase
19 price of the product.

20 (c) Through June 30, 2026, the ~~The~~ tax imposed under this
21 Section is not imposed on cannabis that is subject to tax under
22 the Compassionate Use of Medical Cannabis Program Act. The tax
23 imposed by this Section is not imposed with respect to any
24 transaction in interstate commerce, to the extent the
25 transaction may not, under the Constitution and statutes of
26 the United States, be made the subject of taxation by this

1 State. Beginning July 1, 2026, the tax imposed under this
2 Article shall not be imposed on cannabis or cannabis-infused
3 products purchased by a qualified patient, designated
4 caregiver, Opioid Alternative Patient Program participant, or
5 provisional patient when purchasing cannabis or
6 cannabis-infused products under this Act as part of their
7 adequate medical supply as these terms are defined under
8 Section 1-10 of this Act.

9 (d) The tax imposed under this Article shall be in
10 addition to all other occupation, privilege, or excise taxes
11 imposed by the State of Illinois or by any municipal
12 corporation or political subdivision thereof.

13 (e) The tax imposed under this Article shall not be
14 imposed on any purchase by a purchaser if the cannabis
15 retailer is prohibited by federal or State Constitution,
16 treaty, convention, statute, or court decision from collecting
17 the tax from the purchaser.

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

19 (410 ILCS 705/65-30)

20 Sec. 65-30. Return and payment of tax by cannabis
21 retailer. Each cannabis retailer that is required or
22 authorized to collect the tax imposed by this Article shall
23 make a return to the Department, by electronic means, on or
24 before the 20th day of each month for the preceding calendar
25 month stating the following:

1 (1) the cannabis retailer's name;

2 (2) the address of the cannabis retailer's principal
3 place of business and the address of the principal place
4 of business (if that is a different address) from which
5 the cannabis retailer is engaged in the business of
6 selling cannabis subject to tax under this Article;

7 (3) the total purchase price received by the cannabis
8 retailer for cannabis subject to tax under this Article;

9 (4) the amount of tax due at each rate;

10 (5) the signature of the cannabis retailer; and

11 (6) any other information as the Department may
12 reasonably require.

13 All returns required to be filed and payments required to
14 be made under this Article shall be by electronic means.
15 Cannabis retailers who demonstrate hardship in paying
16 electronically may petition the Department to waive the
17 electronic payment requirement.

18 Any amount that is required to be shown or reported on any
19 return or other document under this Article shall, if the
20 amount is not a whole-dollar amount, be increased to the
21 nearest whole-dollar amount if the fractional part of a dollar
22 is \$0.50 or more and decreased to the nearest whole-dollar
23 amount if the fractional part of a dollar is less than \$0.50.
24 If a total amount of less than \$1 is payable, refundable, or
25 creditable, the amount shall be disregarded if it is less than
26 \$0.50 and shall be increased to \$1 if it is \$0.50 or more.

1 The cannabis retailer making the return provided for in
2 this Section shall also pay to the Department, in accordance
3 with this Section, the amount of tax imposed by this Article,
4 less a discount of 1.75%, but not to exceed \$1,000 per return
5 period, which is allowed to reimburse the cannabis retailer
6 for the expenses incurred in keeping records, collecting tax,
7 preparing and filing returns, remitting the tax, and supplying
8 data to the Department upon request. No discount may be
9 claimed by a cannabis retailer on returns not timely filed and
10 for taxes not timely remitted. No discount may be claimed by a
11 taxpayer for any return that is not filed electronically. No
12 discount may be claimed by a taxpayer for any payment that is
13 not made electronically, unless a waiver has been granted
14 under this Section.

15 Notwithstanding any other provision of this Article
16 concerning the time within which a cannabis retailer may file
17 a return, any such cannabis retailer who ceases to engage in
18 the kind of business that makes the person responsible for
19 filing returns under this Article shall file a final return
20 under this Article with the Department within one month after
21 discontinuing the business.

22 Each cannabis retailer shall make estimated payments to
23 the Department on or before the 7th, 15th, 22nd, and last day
24 of the month during which tax liability to the Department is
25 incurred. The payments shall be in an amount not less than the
26 lower of either 22.5% of the cannabis retailer's actual tax

1 liability for the month or 25% of the cannabis retailer's
2 actual tax liability for the same calendar month of the
3 preceding year. The amount of the quarter-monthly payments
4 shall be credited against the final tax liability of the
5 cannabis retailer's return for that month. If any such
6 quarter-monthly payment is not paid at the time or in the
7 amount required by this Section, then the cannabis retailer
8 shall be liable for penalties and interest on the difference
9 between the minimum amount due as a payment and the amount of
10 the quarter-monthly payment actually and timely paid, except
11 insofar as the cannabis retailer has previously made payments
12 for that month to the Department in excess of the minimum
13 payments previously due as provided in this Section.

14 If any payment provided for in this Section exceeds the
15 taxpayer's liabilities under this Article, as shown on an
16 original monthly return, the Department shall, if requested by
17 the taxpayer, issue to the taxpayer a credit memorandum no
18 later than 30 days after the date of payment. The credit
19 evidenced by the credit memorandum may be assigned by the
20 taxpayer to a similar taxpayer under this Article, in
21 accordance with reasonable rules to be prescribed by the
22 Department. If no such request is made, the taxpayer may
23 credit the excess payment against tax liability subsequently
24 to be remitted to the Department under this Article, in
25 accordance with reasonable rules prescribed by the Department.
26 If the Department subsequently determines that all or any part

1 of the credit taken was not actually due to the taxpayer, the
2 taxpayer's discount shall be reduced, if necessary, to reflect
3 the difference between the credit taken and that actually due,
4 and that taxpayer shall be liable for penalties and interest
5 on the difference. If a cannabis retailer fails to sign a
6 return within 30 days after the proper notice and demand for
7 signature by the Department is received by the cannabis
8 retailer, the return shall be considered valid and any amount
9 shown to be due on the return shall be deemed assessed.

10 (Source: P.A. 101-27, eff. 6-25-19.)

11 (410 ILCS 705/65-38)

12 Sec. 65-38. Violations and penalties.

13 (a) When the amount due is under \$300, any retailer of
14 cannabis who fails to file a return, willfully fails or
15 refuses to make any payment to the Department of the tax
16 imposed by this Article, or files a fraudulent return, or any
17 officer or agent of a corporation engaged in the business of
18 selling cannabis to purchasers located in this State who signs
19 a fraudulent return filed on behalf of the corporation, or any
20 accountant or other agent who knowingly enters false
21 information on the return of any taxpayer under this Article
22 is guilty of a Class 4 felony.

23 (b) When the amount due is \$300 or more, any retailer of
24 cannabis who fails to file a return, willfully fails or
25 refuses to make any payment to the Department of the tax

1 imposed by this Article, files, or causes to be filed, a
2 fraudulent return, or any officer or agent of a corporation
3 engaged in the business of selling cannabis to purchasers
4 located in this State who files or causes to be filed or signs
5 or causes to be signed a fraudulent return filed on behalf of
6 the corporation, or any accountant or other agent who
7 knowingly enters false information on the return of any
8 taxpayer under this Article is guilty of a Class 3 felony.

9 (c) Any person who violates any provision of Section
10 65-20, or fails to keep books and records as required under
11 this Article, ~~or willfully violates a rule of the Department~~
12 ~~for the administration and enforcement of this Article~~ is
13 guilty of a Class 4 felony. A person commits a separate offense
14 on each day that he or she engages in business in violation of
15 Section 65-20 ~~or a rule of the Department for the~~
16 ~~administration and enforcement of this Article~~. If a person
17 fails to produce the books and records for inspection by the
18 Department upon request, a prima facie presumption shall arise
19 that the person has failed to keep books and records as
20 required under this Article. A person who is unable to rebut
21 this presumption is in violation of this Article and is
22 subject to the penalties provided in this Section.

23 (d) Any person who ~~violates any provision of Sections~~
24 ~~65-20, fails to keep books and records as required under this~~
25 ~~Article, or~~ willfully violates a rule of the Department for
26 the administration and enforcement of this Article, is guilty

1 of a business offense and may be fined up to \$5,000. ~~If a~~
2 ~~person fails to produce books and records for inspection by~~
3 ~~the Department upon request, a prima facie presumption shall~~
4 ~~arise that the person has failed to keep books and records as~~
5 ~~required under this Article. A person who is unable to rebut~~
6 ~~this presumption is in violation of this Article and is~~
7 ~~subject to the penalties provided in this Section.~~ A person
8 commits a separate offense on each day that he or she engages
9 in business in violation of a rule of the Department for the
10 administration and enforcement of this Article ~~Section 65-20.~~

11 (e) Any taxpayer or agent of a taxpayer who with the intent
12 to defraud purports to make a payment due to the Department by
13 issuing or delivering a check or other order upon a real or
14 fictitious depository for the payment of money, knowing that
15 it will not be paid by the depository, is guilty of a deceptive
16 practice in violation of Section 17-1 of the Criminal Code of
17 2012.

18 (f) Any person who fails to keep books and records or fails
19 to produce books and records for inspection, as required by
20 Section 65-36, is liable to pay to the Department, for deposit
21 in the Tax Compliance and Administration Fund, a penalty of
22 \$1,000 for the first failure to keep books and records or
23 failure to produce books and records for inspection, as
24 required by Section 65-36, and \$3,000 for each subsequent
25 failure to keep books and records or failure to produce books
26 and records for inspection, as required by Section 65-36.

1 (g) Any person who knowingly acts as a retailer of
2 cannabis in this State without first having obtained a
3 certificate of registration to do so in compliance with
4 Section 65-20 of this Article shall be guilty of a Class 4
5 felony.

6 (h) A person commits the offense of tax evasion under this
7 Article when he or she knowingly attempts in any manner to
8 evade or defeat the tax imposed on him or her or on any other
9 person, or the payment thereof, and he or she commits an
10 affirmative act in furtherance of the evasion. As used in this
11 Section, "affirmative act in furtherance of the evasion" means
12 an act designed in whole or in part to (i) conceal,
13 misrepresent, falsify, or manipulate any material fact or (ii)
14 tamper with or destroy documents or materials related to a
15 person's tax liability under this Article. Two or more acts of
16 sales tax evasion may be charged as a single count in any
17 indictment, information, or complaint and the amount of tax
18 deficiency may be aggregated for purposes of determining the
19 amount of tax that is attempted to be or is evaded and the
20 period between the first and last acts may be alleged as the
21 date of the offense.

22 (1) When the amount of tax, the assessment or payment
23 of which is attempted to be or is evaded is less than \$500,
24 a person is guilty of a Class 4 felony.

25 (2) When the amount of tax, the assessment or payment
26 of which is attempted to be or is evaded is \$500 or more

1 but less than \$10,000, a person is guilty of a Class 3
2 felony.

3 (3) When the amount of tax, the assessment or payment
4 of which is attempted to be or is evaded is \$10,000 or more
5 but less than \$100,000, a person is guilty of a Class 2
6 felony.

7 (4) When the amount of tax, the assessment or payment
8 of which is attempted to be or is evaded is \$100,000 or
9 more, a person is guilty of a Class 1 felony.

10 Any person who knowingly sells, purchases, installs,
11 transfers, possesses, uses, or accesses any automated sales
12 suppression device, zapper, or phantom-ware in this State is
13 guilty of a Class 3 felony.

14 As used in this Section:

15 "Automated sales suppression device" or "zapper" means a
16 software program that falsifies the electronic records of an
17 electronic cash register or other point-of-sale system,
18 including, but not limited to, transaction data and
19 transaction reports. The term includes the software program,
20 any device that carries the software program, or an Internet
21 link to the software program.

22 "Phantom-ware" means a hidden programming option embedded
23 in the operating system of an electronic cash register or
24 hardwired into an electronic cash register that can be used to
25 create a second set of records or that can eliminate or
26 manipulate transaction records in an electronic cash register.

1 "Electronic cash register" means a device that keeps a
2 register or supporting documents through the use of an
3 electronic device or computer system designed to record
4 transaction data for the purpose of computing, compiling, or
5 processing retail sales transaction data in any manner.

6 "Transaction data" includes: items purchased by a
7 purchaser; the price of each item; a taxability determination
8 for each item; a segregated tax amount for each taxed item; the
9 amount of cash or credit tendered; the net amount returned to
10 the customer in change; the date and time of the purchase; the
11 name, address, and identification number of the vendor; and
12 the receipt or invoice number of the transaction.

13 "Transaction report" means a report that documents,
14 without limitation, the sales, taxes, or fees collected, media
15 totals, and discount voids at an electronic cash register and
16 that is printed on a cash register tape at the end of a day or
17 shift, or a report that documents every action at an
18 electronic cash register and is stored electronically.

19 A prosecution for any act in violation of this Section may
20 be commenced at any time within 5 years of the commission of
21 that act.

22 (i) The Department may adopt rules to administer the
23 penalties under this Section.

24 (j) Any person whose principal place of business is in
25 this State and who is charged with a violation under this
26 Section shall be tried in the county where his or her principal

1 place of business is located unless he or she asserts a right
2 to be tried in another venue.

3 (k) Except as otherwise provided in subsection (h), a
4 prosecution for a violation described in this Section may be
5 commenced within 3 years after the commission of the act
6 constituting the violation.

7 (Source: P.A. 101-27, eff. 6-25-19.)

8 (410 ILCS 705/65-42)

9 Sec. 65-42. Seizure and forfeiture. After seizing any
10 cannabis as provided in Section 65-41, the Department must
11 hold a hearing and determine whether (i) the retailer was
12 properly registered to sell the cannabis; (ii) the retailer
13 possessed the cannabis in violation of this Act; (iii) the
14 retailer possessed the cannabis in violation of any reasonable
15 rule or regulation adopted by the Department for the
16 enforcement of this Act; or (iv) the tax imposed by Article 60
17 had been paid on the cannabis at the time of its seizure by the
18 Department. The Department is not required to hold such a
19 hearing if a waiver and consent to forfeiture has been
20 executed by the owner of the cannabis, if the owner is known,
21 and by the person in whose possession the cannabis so taken was
22 found, if that person is known and if that person is not the
23 owner of said cannabis. The Department shall give not less
24 than 20 days' notice of the time and place of the hearing to
25 the owner of the cannabis, if the owner is known, and also to

1 the person in whose possession the cannabis was found, if that
2 person is known and if the person in possession is not the
3 owner of the cannabis. If neither the owner nor the person in
4 possession of the cannabis is known, the Department must cause
5 publication of the time and place of the hearing to be made at
6 least once in each week for 3 weeks successively in a newspaper
7 of general circulation in the county where the hearing is to be
8 held.

9 If, as the result of the hearing, the Department makes any
10 of the findings listed in (i) through (iv) above ~~determines~~
11 ~~that the retailer was not properly registered at the time the~~
12 ~~cannabis was seized~~, or upon receipt of a properly executed
13 waiver and consent to forfeiture as provided in this Section,
14 the Department must enter an order declaring the cannabis
15 confiscated and forfeited to the State, to be held by the
16 Department for disposal by it as provided in Section 65-43.
17 The Department must give notice of the order to the owner of
18 the cannabis, if the owner is known, and also to the person in
19 whose possession the cannabis was found, if that person is
20 known and if the person in possession is not the owner of the
21 cannabis. If neither the owner nor the person in possession of
22 the cannabis is known, the Department must cause publication
23 of the order to be made at least once in each week for 3 weeks
24 successively in a newspaper of general circulation in the
25 county where the hearing was held.

26 (Source: P.A. 103-1001, eff. 8-9-24.)

1 (410 ILCS 705/20-50 rep.)

2 (410 ILCS 705/30-50 rep.)

3 Section 55. The Cannabis Regulation and Tax Act is amended
4 by repealing Sections 20-50 and 30-50.

5 Section 60. The Tobacco Accessories and Smoking Herbs
6 Control Act is amended by changing Section 2 as follows:

7 (720 ILCS 685/2) (from Ch. 23, par. 2358-2)

8 Sec. 2. Purpose. The sale and possession of ~~marijuana,~~
9 ~~hashish,~~ cocaine, opium, and their derivatives, is not only
10 prohibited by Illinois Law, but the use of these substances
11 has been deemed injurious to the health of the user.

12 It has further been determined by the Surgeon General of
13 the United States that the use of tobacco is hazardous to human
14 health.

15 The ready availability of smoking herbs to persons under
16 21 years of age could lead to the use of tobacco and illegal
17 drugs.

18 It is in the best interests of the citizens of the State of
19 Illinois to seek to prohibit the spread of illegal drugs,
20 tobacco or smoking materials to persons under 21 years of age.
21 The prohibition of the sale of tobacco and snuff accessories
22 and smoking herbs to persons under 21 years of age would help
23 to curb the usage of illegal drugs and tobacco products, among

1 our youth.

2 (Source: P.A. 101-2, eff. 7-1-19.)

3 Section 99. Effective date. This Act takes effect upon
4 becoming law.".