**Section 1000.110 Permits − Selection Criteria**

a) Each application shall address all criteria and measures as set forth in this Part. The failure by an applicant to address all of the required criteria and measures will result in the application being denied.

b) The required criteria and measures shall include the following, with each criteria accounting for up to the indicated maximum number of the total points available for each criteria:

1) Suitability of the Proposed Facility (150 points):

A) Measure 1: The applicant demonstrates that the proposed facility is suitable for effective and safe cultivation of medical cannabis, sufficient in size, power allocation, air exchange and air flow, interior layout, lighting, and sufficient both in the interior and exterior to handle the bulk agricultural production of medical cannabis, cannabis-infused products, product handling, storage, trimming, packaging, loading and shipping. The loading/unloading of medical cannabis in the transport motor vehicle for shipping shall be in an enclosed, secure area out of public sight.

B) Measure 2: The applicant demonstrates the ability to continue to meet qualifying patient demand by expanding the cultivation facility in a quick and efficient manner with minimal impact on the environment and the surrounding community.

C) Measure 3: The applicant provides an employee handbook that will provide employees with a working guide to the understanding of the day-to-day administration of personnel policies and practices.

2) Proposed Staffing Plan and Knowledge of Illinois Law and Rules Relating to Medical Cannabis (100 points):

A) Measure 1: The applicant fully describes a staffing plan that will provide and ensure adequate staffing and experience for all accessible business hours, safe production, sanitation, adequate security and theft prevention; and

B) Measure 2: The applicant provides an Operations and Management Practices Plan that demonstrates compliance with this Part and the Act.

3) Security Plan (200 points):

A) Measure 1: The applicant's security plan demonstrates its ability to prevent the theft or diversion of medical cannabis and how the plan will assist with ISP, Department, and local law enforcement. Specifically, it shall evidence compliance with all items in Sections 1000.440, 1000.445 and 1000.450.

B) Measure 2: The applicant demonstrates that its plan for record keeping, tracking and monitoring inventory, quality control and security and other policies and procedures will discourage unlawful activity. It also describes the applicant's plan to coordinate with and dispose of unused or surplus medical cannabis through ISP and the Department.

C) Measure 3: The applicant's security plan shall describe the enclosed, locked facility that will be used to secure or store medical cannabis, its security measures, including when the location is closed for business, and the steps taken to ensure that medical cannabis is not visible to the public.

D) Measure 4: The applicant describes its transportation plan regarding procedures for safely and securely delivering medical cannabis to registered dispensaries.

4) Cultivation Plan (300 points):

A) Measure 1: The applicant shall describe its plan to provide a steady, uninterrupted supply of medical cannabis to registered dispensaries.

B) Measure 2: The applicant demonstrates knowledge of cultivation methods to be used in the cultivation of cannabis. The applicant shall describe the various strains to be cultivated and its experience, if applicable, with growing those strains or comparable agricultural products.

C) Measure 3: The applicant demonstrates the steps that will be taken to ensure the quality, including the purity and consistency, of the medical cannabis to be provided to dispensaries.

5) Product Safety and Labeling Plan (150 points):

A) Measure 1: The applicant shall describe its plan for providing safe and accurate packaging and labeling of medical cannabis.

B) Measure 2: The applicant shall describe its plan for testing medical cannabis and ensuring that all medical cannabis is free of contaminants, including but not limited to pesticides, microbiological, and residual solvent. If applicable, the applicant shall provide quality history records showing specific testing results from laboratory testing conducted on the applicant's cannabis products.

C) Measure 3: The applicant shall describe its plan for establishing a recall of the applicant's products in the event that they are shown by testing or other means to be, or potentially to be, defective or have a reasonable probability that their use or exposure to will cause serious adverse health consequences. At a minimum, the plan should include the method of: identification of the products involved; notification to the dispensary organization or others to whom the product was sold or otherwise distributed; and how the products will be disposed of if returned to or retrieved by the applicant.

6) Applicant's Business Plan and Services to be Offered (100 points):

A) Measure 1: The applicant shall provide a business plan that describes how the cultivation center plans to operate on a long-term basis. This shall include the applicant providing a detailed description about the amount and source of the equity and debt commitment for the proposed cultivation center that demonstrates the immediate and long-term financial feasibility of the proposed financing plan, the relative availability of funds for capital and operating needs, and the financial capability to undertake the project.

B) Measure 2: The applicant or its officers, board members, or incorporators demonstrates experience in business management and/or having medical industry, agricultural or horticultural experience and the extent of their involvement in or ability to influence the day-to-day operations of the facility.

C) Measure 3: The business plan demonstrates a start-up timetable that provides an estimated time from permit approval of the cultivation center to full operation, and the assumptions used for the basis of those estimates.

c) The Department shall award bonus points for preferred but not required initiatives in the following categories based on the applicant's ability to meet or exceed minimum requirements, with each initiative accounting for up to a maximum of 20 points each, for a maximum total of 160 bonus:

1) Labor and Employment Practices: The applicant may describe any plans it has to:

A) Provide a safe, healthy and economically beneficial working environment for its employees, including, but not limited to, its plans regarding workplace safety and environmental standards, codes of conduct, healthcare benefits, educational benefits, retirement benefits, and wage standards.

B) Recruit and/or hire minorities, women, veterans, disabled persons and Illinois residents.

2) Research Plan: The applicant may provide the Department with a detailed proposal to conduct, or facilitate, a scientific study or studies related to the medicinal use of cannabis. To the extent it has been determined, the applicant may include in its proposal, a detailed description of:

A) The methodology of the study;

B) The issues to be studied;

C) The methods that will be used to identify and select study participants;

D) The identity of all persons or organizations that will be worked with in connection with the study, including the role of each;

E) The duration of the study; and

F) The intended use of the study results.

3) Community Benefits Plan: The applicant may provide the Department with a detailed description of any plans the applicant has to give back to the local community if awarded a cultivation center permit.

4) Substance Abuse Prevention Plan: The applicant may provide a detailed description of any plans it will undertake, if awarded a cultivation center permit, to combat substance abuse in Illinois, including the extent to which the applicant will partner, or otherwise work with existing substance abuse programs.

5) Local Community/Neighborhood Report: The applicant may provide comments, concerns or support regarding the potential impact of the proposed location to the local community and neighborhood. This may include the local community's concerns or support regarding the proposed location's proximity to substance abuse treatment centers, day care centers, schools and halfway houses.

6) Environmental Plan: The applicant may demonstrate an environmental plan of action to minimize the carbon footprint, environmental impact, and resource needs for the production of medical cannabis. The applicant may describe any plans for the use of alternative energy, the treatment of waste water and runoff, and scrubbing or treatment of exchanged air.

7) Verification of Minority Owned, Female Owned, Veteran Owned, or Disabled Person Owned Business: The Minority, Female, Veteran, or Disabled Person applicant must own at least 51 percent of the entity applying for registration. The percentage totals may include any combination of these types of businesses. The Minority, Female, Veteran, or Disabled Person applicant must also share in control of management and day-to-day operations of the permitted facility. Documentation must be submitted at the time of application that demonstrates the respective status of the applicant, including, but not limited to, certification under the Business Enterprise for Minorities, Females, and Persons with Disabilities Act [30 ILCS 575] for minority, female or disabled person applicants, or a DD214 for veteran applicants. For purposes of this subsection (c)(7), minority, female, and disabled shall have the meanings ascribed in Section 2 of the Business Enterprise for Minorities, Females, and Persons with Disabilities Act [30 ILCS 575/2].

8) Verification that the applicant's principal place of business is headquartered in Illinois. The names, addresses and verification of the applicant's proposed agents that reside in Illinois. The applicant may also provide a plan for generating Illinois-based jobs and economic development.

d) Should the applicant be awarded a permit, the information and plan that an applicant provided in its application becomes a mandatory condition of the permit. If a permittee fails to comply with standard and special conditions of the permit, the Department may assess a penalty or seek suspension or revocation of the permit pursuant to Section 1000.700.

e) The Department may issue a cultivation center permit with conditions addressing weaker areas of the cultivation center's application that shall be addressed and corrected in the manner and timeframe set forth in the permit.

f) There shall not be more than one permit issued per each of the 22 ISP District boundaries as specified on January 1, 2013.

1) A permit shall be issued to the qualified applicant receiving at least the minimum required score in each category and the highest total score overall as compared to the other applicants within the applicable district.

2) ISP District Chicago (District C) incorporates ISP Districts 3 and 4. Therefore, the Department shall issue two separate permits for ISP District C.

g) In the event that two or more qualified applicants for a cultivation center permit receive the same total score, the Department shall select the applicant that received the highest score in the cultivation plan category. In the event that the same two applicants received the same score in the cultivation plan category, the Department shall select the applicant that received the highest score in the security plan category.

1) If a tie score still remains, the tied applicants will be interviewed by an unbiased panel selected by the Department.

2) The panel will judge the overall applications and suitability, sustainability and likelihood of success of the applicants and award the permit accordingly.

h) In the event that there are no qualified applicants in a particular District, the applicant with the highest total score will meet with an unbiased panel selected by the Department to determine whether the applicant may be able to cure any deficiencies in the application to become qualified. If the applicant is unable to cure the deficiencies, the panel will meet with the applicant with the next highest score to determine whether it may be able to cure any deficiencies in its application to become qualified. If that applicant is unable to cure the deficiencies, and there are no qualified applicants in that particular District, the application process will be reopened. All applicants will be required to submit a new fee and application for that District.

i) If no qualified applicants are found during the process described in subsections (g) and (h), or if an applicant that is issued a conditional permit fails to fulfill the conditions of the conditional permit, or if no permit is issued or active in a particular District for any other reason, the Department shall announce another period to submit an application for that District. The application period shall be for 30 calendar days from the date specified in the announcement.

j) The Department may verify information contained in each application and accompanying documentation to assess the applicant's character and fitness to operate a cultivation center. Notwithstanding an applicant satisfying the foregoing selection criteria, the Department may, in its discretion, refuse to issue a permit if it is not satisfied that an applicant, or any one required to be identified in the application by Section 1000.100, is a person of good character, honesty and integrity, and is not:

1) A person whose background, including criminal charges, reputation and association, is injurious to the health, safety, morals, good order and general welfare of the People of the State of Illinois;

2) A person whose background, criminal record, reputation, habits, social or business associations adversely affect public confidence and trust in the medical cannabis industry or poses a threat to the public interests of the State or to the security and integrity of the medical cannabis industry;

3) A person who creates or enhances the dangers of unlawful practices, methods and activities in the medical cannabis industry, including, but limited to, product diversion;

4) A person who presents questionable business practices and financial arrangements incidental to the medical cannabis industry;

5) A person who associates with, either socially or in business affairs, or employs persons of notorious or unsavory reputation or who have extensive police records, or who have failed to cooperate with any officially constituted investigatory or administrative body; or

6) A person who has had a cannabis dispensary or cultivation center license revoked, suspended or sanctioned in any other jurisdiction.

(Source: Amended at 39 Ill. Reg. 5363, effective March 25, 2015)