**Section 1291.10 Definitions**

Terms not defined in this Section shall have the same meaning as in the Cannabis Regulation and Tax Act [410 ILCS 705]. Nothing in this Part is intended to confer a property or other right, duty, privilege or interest entitling an applicant to an administrative hearing upon denial of a dispensing organization application. The denial of a dispensing organization application does not preclude judicial review of the denial. The following definitions are applicable for purposes of this Part:

"Act" means the Cannabis Regulation and Tax Act [410 ILCS 705].

"Address of record" means the address recorded by the Department in the applicant’s application file maintained by the Department.

*"Adult Use Dispensing Organization License" means a license issued by the Department of Financial and Professional Regulation that permits a person to act as a dispensing organization under* the *Act and any administrative rule made in furtherance of* the *Act.* (Section 1-10 of the Act).

"Affiliate" means a person who directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, that person.

"Affiliated entity" means any business entity that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, the person.

"Agent-in-charge" or "AIC" means a person licensed by the Department in charge of managing the dispensing organization.

"Applicant" means any person or entity who is applying to the Department for a Conditional Adult Use Dispensing Organization License, Adult Use Dispensing Organization License or an agent, agent-in-charge, or principal officer identification card issued under the Act or this Part, or to be approved as a Responsible Vendor Provider under the Act or this Part.

*"Application points" means the number of points a dispensary applicant receives on an application for a Conditional Adult Use Dispensing Organization License.* (Section 1-10 of the Act)

"Approved Vendor List" means a list of service professionals approved by the Department to work or perform services at a specific dispensing organization.

"Assign" or "Assignment" means granting an allocation of ownership interest or control in a dispensing organization to an existing principal officer or to a non-licensed third party.

*"BLS region" means a region in Illinois used by the United States Bureau of Labor Statistics to gather and categorize certain employment and wage data. The 17 regions in Illinois are:*

*Bloomington* (DeWitt County; McLean County)*,*

*Cape Girardeau* (Alexander County)*,*

*Carbondale-Marion* (Jackson County; Williamson County)*,*

*Champaign-Urbana* (Champaign County; Ford County; Piatt County)*,*

*Chicago-Naperville-Elgin* (Cook County; DeKalb County; DuPage County; Grundy County; Kane County; Kendall County; Lake County; McHenry Count; Will County)*,*

*Danville* (Vermilion County)*,*

*Davenport-Moline-Rock Island* (Henry County; Mercer County; Rock Island County)*,*

*Decatur* (Macon County)*,*

*Kankakee* (Kankakee County)*,*

*Peoria* (Marshall County; Peoria County; Stark County; Tazewell County; Woodford County)*,*

*Rockford* (Boone County; Winnebago County)*,*

*St. Louis* (Bond County; Calhoun County; Clinton County; Jersey County; Madison County; Macoupin County; Monroe County; St. Clair County)*,*

*Springfield* (Menard County; Sangamon County)*,*

*Northwest Illinois nonmetropolitan area* (Bureau County; Carroll County; Jo Daviess County; LaSalle County; Lee County; Ogle County; Putnam County; Stephenson County; Whiteside County)*,*

*West Central Illinois nonmetropolitan area* (Adams County; Brown County; Cass County; Christian County; Fulton County; Greene County; Hancock County; Henderson County; Knox County; Livingston County; Logan County; Mason County; McDonough County; Montgomery County; Morgan County; Moultrie County; Pike County; Schuyler County; Scott County; Shelby County; Warren County)*,*

*East Central Illinois nonmetropolitan area* (Clark County; Clay County; Coles County; Crawford County; Cumberland County; Douglas County; Edgard County; Effingham County; Fayette County; Iroquois County; Jasper County; Lawrence County; Marion County; Richland County)*, and*

*South Illinois nonmetropolitan area* (Edwards County; Franklin County; Gallatin County; Hamilton County; Hardin County; Jefferson County; Johnson County; Massac County; Perry County; Pope County; Pulaski County; Randolph County; Saline County; Union County; Wabash County; Wayne County; White County)*.* (Section 1-10 of the Act)

"Bulk cannabis inventory" means cannabis and cannabis-infused products stored in the reinforced vault in clear, heat-sealed or taped shrink wrap bags or sheeting that is labeled with the date the inventory is sealed, the last four digits of the batch number, the number of items contained within the wrapping, and the date the inventory was last counted. Bulk cannabis inventory is included in the dispensing organization's total inventory available for sale.

"Buyer" means a prospective or current dispensing organization intending to buy or receive the license or licenses of a seller in accordance with the change of ownership parameters of this Part.

"By lot" means a randomized method of choosing between two or more applicants.

*"Cannabis" means marijuana, hashish, and other substances that are identified as including any parts of the plant Cannabis sativa and including:*

*derivatives or subspecies, such as indica, of all strains of cannabis, whether growing or not;*

*the seeds thereof, the resin extracted from any part of the plant; and*

*any compound, manufacture, salt, derivative, mixture or preparation of the plant, its seeds, or resin, including tetrahydrocannabinol (THC) and all other naturally produced cannabinol derivatives, whether produced directly or indirectly by extraction.*

*"Cannabis" does not include*:

*the mature stalks of the plant*;

*fiber produced from the stalks*, *oil or cake made from the seeds of the plant;*

*any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted from it), fiber, oil or cake, or the sterilized seed of the plant that is incapable of germination;*

*industrial hemp as defined and authorized under the Industrial Hemp Act* [505 ILCS 89].

*"Cannabis"* does include *cannabis flower, concentrate, and cannabis-infused products*. (Section 1-10 of the Act)

*"Cannabis business establishment" means a cultivation center, craft grower, processing organization, infuser organization, dispensing organization, or transporting organization.* (Section 1-10 of the Act)

*"Cannabis flower" means marijuana, hashish, and other substances that are:*

*identified as including any parts of the plant cannabis sativa and including derivatives or subspecies, such as indica, of all strains of cannabis; and*

*raw kief, leaves, and buds*. (Section 1-10 of the Act)

"Cannabis flower" does not include *resin that has been extracted from any part of a plant, nor any compound, manufacture, salt, derivative, mixture, or preparation of* a *plant, its seeds, or resin.* (Section 1-10 of the Act)

*"Cannabis-Infused product" means a beverage, food, oil, ointment, tincture, topical formulation, or another product containing cannabis or cannabis concentrate that is not intended to be smoked.* (Section 1-10 of the Act)

"Collateral" means pledging a license and/or any current ownership interest, such as a dispensing organization license or a principal officer's license, ownership, or interest, in the licenses, ownership, or interest as security against an existing or prospective debt.

*"Conditional Adult Use Dispensing Organization License"* or "conditional license" *means a contingent license awarded to applicants for an Adult Use Dispensing Organization License that reserves the right to an Adult Use Dispensing Organization License if the applicant meets certain conditions described in* the *Act but does not entitle the recipient to begin purchasing or selling cannabis or cannabis-infused products.* (Section 1-10 of the Act)

"Conditional License Phase" or "Conditional Phase" means the period after which an entity is issued a Conditional Adult Use Dispensing Organization License prior to the issuance of any associated Adult Use Dispensing Organization License as described in Sections 15-25(e), 15-35(c); and 15-35.10(c) of the Act.

"Consultant or Conditional Management Service Agreement" or "CMSA" means any agreement, contract, arrangement, or other type of formal understanding between a conditional licensee or dispensing organization and a management services contractor, where the contractor provides professional staffing, administrative, operational, advisory, management, or other general consulting services to the conditional licensee or dispensing organization in exchange for remuneration.

"Department" means the Department of Financial and Professional Regulation.

"Director" means the Director of the Division of Professional Regulation within the Department.

*"Dispensary Applicant" means the proposed dispensing organization name as stated on an application for a Conditional Adult Use Dispensing Organization License.* (Section 1-10 of the Act).

"Dispense" means to interpret, verify computer entry of, select the cannabis or cannabis-infused product for, prepare and/or hand-deliver cannabis or cannabis-infused product to a purchaser, registered medical patient or caregiver.

*"Dispensing organization" means a facility operated by an organization or business that is licensed by the Department to acquire cannabis from a cultivation center, craft grower, processing organization, or another dispensary for the purpose of selling or dispensing cannabis, cannabis-infused products, cannabis seeds, paraphernalia, or related supplies under* the *Act to purchasers or to qualified registered medical cannabis patients and caregivers. As used in this* Part*, “dispensing organization” includes a registered medical cannabis organization as defined in the Compassionate Use of Medical Cannabis Program Act* [410 ILCS 130] *or its successor Act that has obtained an Early Approval Adult Use Dispensing Organization License*. (Section 1-10 of the Act)

"Dispensing organization agent ID card" or "agent ID card" means a document issued by the Department that identifies a person as a dispensing organization agent, agent-in-charge, or principal officer.

"DOA" means the Illinois Department of Agriculture.

*"Early Approval Adult Use Dispensing Organization at a Secondary Site"* or "secondary site" *means a license that permits a medical cannabis dispensing organization licensed under the Compassionate Use of Medical Cannabis Program Act as of* June 25, 2019 *to begin selling cannabis or cannabis-infused product to purchasers as permitted by* the *Act on January 1, 2020 at a different dispensary location from its existing registered medical dispensary location.* (Section 1-10 of the Act)

*"Early Approval Adult Use Dispensing Organization License"* or "Same-Site Licensee" *means a license that permits a medical cannabis dispensing organization licensed under the Compassionate Use of Medical Cannabis Program Act as of* June 25, 2019 *to begin selling cannabis or cannabis-infused product to purchasers as permitted by* the *Act as of January 1, 2020.* (Section 1-10 of the Act)

"Eligible applicant" means a tied applicant eligible to participate in the process by which a remaining available license is distributed by lot.

"Firearm injury" means a gunshot wound or penetrating injury from a weapon that uses a powder charge to fire a projectile. Weapons that use a power charge include handguns, rifles, and shotguns. Injuries from air- and gas-powered guns, BB guns, and pellet guns are not considered firearm injuries as these types of guns do not use a powder charge to fire a projectile.

"Financial Interest" means any actual or future right to ownership, investment or compensation arrangement, either directly or indirectly, through business, investment, spouse, parent or child, in the dispensing organization. Financial interest does not include ownership of investment securities in a publicly-held corporation that is traded on a national securities exchange or over-the-counter market in the United States, provided the investment securities held by the person and the person's spouse, parent or child, in the aggregate, do not exceed 5% ownership in the dispensing organization.

"HIPAA" means the Health Insurance Portability and Accountability Act of 1996 (P.L. 104-191) and the HIPAA Privacy Rule as found at 45 CFR 164.

"Individual" means a natural person.

"ISP" means the Illinois State Police.

"Laboratory" means an independent laboratory located in Illinois and approved by DOA to have custody and use of controlled substances for scientific and medical purposes and for purposes of instruction, research or analysis.

*"Limited access area" means a room or other area under the control of a cannabis dispensing organization licensed under this Act and upon the licensed premises where cannabis sales occur with access limited to purchasers, dispensing organization owners and other dispensing organization agents, or service professionals conducting business with the dispensing organization, or, if sales to registered qualifying patients, caregivers, provisional patients, and Opioid Alternative Pilot Program participants licensed pursuant to the Compassionate Use of Medical Cannabis Program Act are also permitted at the dispensary, registered qualifying patients, caregivers, provisional patients, and Opioid Alternative Pilot Program participants.* (Section 1-10 of the Act)

*"Member of an impacted family"*, "family member", or "impacted family member" *means an individual who has a parent, legal guardian, child, spouse, or dependent, or was a dependent of an individual who, prior to* June 25, 2019, *was arrested or convicted of, or adjudicated delinquent for any offense that is eligible for expungement under* the *Act.* (Section 1-10 of the Act)

"Management Services Agreement" means any agreement, contract, arrangement, or other type of formal understanding between a management services contractor and a dispensing organization where the management services contractor and a dispensing organization where the management services contractor provides professional staffing, such as, administrative, operational, advisory, consulting or management services to a dispensing organization.

"Management Services Contractor" means a third-party vendor-contractor entity that provides professional staffing, administrative, operational, advisory, consulting or management services to a dispensing organization.

"Notify" means to send via regular United States mail or email.

"Onsite Consumption Lounge" means an establishment connected to a licensed early approval adult use dispensing organization at a secondary site or a licensed adult use dispensing organization in which cannabis or cannabis-infused product is heated, burned, smoked, or consumed under section 55-25 of the Act.

*"Ownership and control" means ownership of at least 51% of the business, including corporate stock if a corporation, and control over the management and day-to-day operations of the business and an interest in the capital assets, and profits and losses of the business proportionate to percentage of ownership.* (Section 1-10 of the Act)

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

*"Principal officer" includes a cannabis business establishment applicant or licensed cannabis business establishment's board member, owner with more than 1% interest of the total cannabis business establishment or more than 5% interest of the total cannabis business establishment of a publicly traded company, president, vice president, secretary, treasurer, partner, officer, member, manager member, or person with a profit sharing, financial interest, or revenue sharing arrangement. This definition includes a person with authority to control the cannabis business establishment* or *a person who assumes responsibility for the debts of the cannabis business establishment.* (Section 1-10 of the Act)

"Point of Sale System" means a computer system capable of completing cannabis purchases, tracking cannabis inventory, and communicating cannabis inventory to the State Verification System.

"Reinforced vault" means a room built to the specifications listed in Section 1291.300(g).

"Remaining available license" means a license in a BLS region that has not been awarded by the Department at the conclusion of the scoring process period. There may be more than one remaining available license in a BLS region. For example, if four licenses are available in a BLS region and the five highest scoring dispensary applicants receive scores of 245, 240, 235, 235, and 235 points, the applicants receiving 245 and 240 application points will be awarded licenses and the three applicants receiving 235 points may become eligible applicants. Likewise, if one license is available in a BLS region and there are five dispensary applicants with the highest score, all five dispensary applicants may become eligible applicants.

"Responsible Vendor Program" or "Program" means a training course or module offered by an approved Responsible Vendor Provider that provides at least two hours of class instruction on topics outlined in Section 1291.110.

"Responsible Vendor Provider" or "Provider" means a person or entity approved by the Department to offer a responsible vendor program and issue certifications pursuant to Section 15-40(k) of the Act.

"Responsible Vendor Trainer" or "Trainer" means an individual who is employed or contracted by a responsible vendor provider to provide the instruction for a responsible vendor program.

"Restricted access area" means a building, room or other contiguous area under control of the dispensing organization and upon the registered premises with access limited to dispensary agents only, where cannabis is stored, packaged, sold or processed for sale.

"Scoring process period" is the period of time between the conclusion of the submission period for a conditional license application and when the Department publishes the names of tied applicants that may become eligible applicants.

"Secretary" means the Secretary of the Department of Financial and Professional Regulation.

"Seller" means a dispensing organization that intends to change its ownership or sell or transfer its license or licenses.

"Service professional" means a person who must be present at the dispensary to perform work, including but not limited to those installing or maintaining security devices, delivering cannabis, providing construction services, and auditing or accounting services, etc. It also means a person who is a prospective buyer or investor in a license who has been approved in a form or manner prescribed by the Department.

"State verification system" means a web-based system established and maintained by the State of Illinois that is available to the Department, DOA, ISP, and dispensing organizations for the tracking of the date of sale, amount, and price of cannabis purchased by purchasers.

*"Tied applicant" means an application submitted by a dispensary applicant pursuant to Section 15-30* of the Act *that received the same number of application points under Section 15-30* of the Act *as the dispensary applicant's final score as one or more top-scoring applications in the same BLS region and would have been awarded a license but for the one or more other top-scoring applications that received the same number of application points. Each application for which a dispensary applicant was required to pay a required application fee for the application period ending January 2, 2020 shall be considered an application of a separate tied applicant.* (Section 1-10 of the Act)

"Top participant" means an applicant drawn by lot in a winning slot such that it has the opportunity to be issued a conditional license.

"Victim" means

a person injured as a result of a firearm injury perpetrated or attempted against them;

the spouse, parent, or child of a person killed or injured as a result of a firearm injury perpetrated or attempted against the person, or anyone living in the household of a person killed or injured in a relationship that is substantially similar to that of a parent, spouse, or child;

a person injured while attempting to assist a person against whom a firearm injury is being perpetrated or attempted, if that attempt of assistance would be expected of a reasonable person under the circumstances;

a person injured while assisting a law enforcement official apprehend a person who has perpetrated a firearm injury or prevent the perpetration of any such crime if that assistance was in response to the express request of the law enforcement official; or

a person who personally witnessed a firearm injury.

The victim must not be the offender in the criminal act and must not have provoked or incited the crime.

(Source: Amended at 48 Ill. Reg. 13377, effective August 20, 2024)