

1 AN ACT concerning regulation.

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

4 Section 1. The Illinois Administrative Procedure Act is
5 amended by changing Section 5-45 as follows:

6 (5 ILCS 100/5-45) (from Ch. 127, par. 1005-45)

7 Sec. 5-45. Emergency rulemaking.

8 (a) "Emergency" means the existence of any situation that
9 any agency finds reasonably constitutes a threat to the public
10 interest, safety, or welfare.

11 (b) If any agency finds that an emergency exists that
12 requires adoption of a rule upon fewer days than is required by
13 Section 5-40 and states in writing its reasons for that
14 finding, the agency may adopt an emergency rule without prior
15 notice or hearing upon filing a notice of emergency rulemaking
16 with the Secretary of State under Section 5-70. The notice
17 shall include the text of the emergency rule and shall be
18 published in the Illinois Register. Consent orders or other
19 court orders adopting settlements negotiated by an agency may
20 be adopted under this Section. Subject to applicable
21 constitutional or statutory provisions, an emergency rule
22 becomes effective immediately upon filing under Section 5-65
23 or at a stated date less than 10 days thereafter. The agency's

1 finding and a statement of the specific reasons for the
2 finding shall be filed with the rule. The agency shall take
3 reasonable and appropriate measures to make emergency rules
4 known to the persons who may be affected by them.

5 (c) An emergency rule may be effective for a period of not
6 longer than 150 days, but the agency's authority to adopt an
7 identical rule under Section 5-40 is not precluded. No
8 emergency rule may be adopted more than once in any 24-month
9 period, except that this limitation on the number of emergency
10 rules that may be adopted in a 24-month period does not apply
11 to (i) emergency rules that make additions to and deletions
12 from the Drug Manual under Section 5-5.16 of the Illinois
13 Public Aid Code or the generic drug formulary under Section
14 3.14 of the Illinois Food, Drug and Cosmetic Act, (ii)
15 emergency rules adopted by the Pollution Control Board before
16 July 1, 1997 to implement portions of the Livestock Management
17 Facilities Act, (iii) emergency rules adopted by the Illinois
18 Department of Public Health under subsections (a) through (i)
19 of Section 2 of the Department of Public Health Act when
20 necessary to protect the public's health, (iv) emergency rules
21 adopted pursuant to subsection (n) of this Section, (v)
22 emergency rules adopted pursuant to subsection (o) of this
23 Section, or (vi) emergency rules adopted pursuant to
24 subsection (c-5) of this Section. Two or more emergency rules
25 having substantially the same purpose and effect shall be
26 deemed to be a single rule for purposes of this Section.

1 (c-5) To facilitate the maintenance of the program of
2 group health benefits provided to annuitants, survivors, and
3 retired employees under the State Employees Group Insurance
4 Act of 1971, rules to alter the contributions to be paid by the
5 State, annuitants, survivors, retired employees, or any
6 combination of those entities, for that program of group
7 health benefits, shall be adopted as emergency rules. The
8 adoption of those rules shall be considered an emergency and
9 necessary for the public interest, safety, and welfare.

10 (d) In order to provide for the expeditious and timely
11 implementation of the State's fiscal year 1999 budget,
12 emergency rules to implement any provision of Public Act
13 90-587 or 90-588 or any other budget initiative for fiscal
14 year 1999 may be adopted in accordance with this Section by the
15 agency charged with administering that provision or
16 initiative, except that the 24-month limitation on the
17 adoption of emergency rules and the provisions of Sections
18 5-115 and 5-125 do not apply to rules adopted under this
19 subsection (d). The adoption of emergency rules authorized by
20 this subsection (d) shall be deemed to be necessary for the
21 public interest, safety, and welfare.

22 (e) In order to provide for the expeditious and timely
23 implementation of the State's fiscal year 2000 budget,
24 emergency rules to implement any provision of Public Act 91-24
25 or any other budget initiative for fiscal year 2000 may be
26 adopted in accordance with this Section by the agency charged

1 with administering that provision or initiative, except that
2 the 24-month limitation on the adoption of emergency rules and
3 the provisions of Sections 5-115 and 5-125 do not apply to
4 rules adopted under this subsection (e). The adoption of
5 emergency rules authorized by this subsection (e) shall be
6 deemed to be necessary for the public interest, safety, and
7 welfare.

8 (f) In order to provide for the expeditious and timely
9 implementation of the State's fiscal year 2001 budget,
10 emergency rules to implement any provision of Public Act
11 91-712 or any other budget initiative for fiscal year 2001 may
12 be adopted in accordance with this Section by the agency
13 charged with administering that provision or initiative,
14 except that the 24-month limitation on the adoption of
15 emergency rules and the provisions of Sections 5-115 and 5-125
16 do not apply to rules adopted under this subsection (f). The
17 adoption of emergency rules authorized by this subsection (f)
18 shall be deemed to be necessary for the public interest,
19 safety, and welfare.

20 (g) In order to provide for the expeditious and timely
21 implementation of the State's fiscal year 2002 budget,
22 emergency rules to implement any provision of Public Act 92-10
23 or any other budget initiative for fiscal year 2002 may be
24 adopted in accordance with this Section by the agency charged
25 with administering that provision or initiative, except that
26 the 24-month limitation on the adoption of emergency rules and

1 the provisions of Sections 5-115 and 5-125 do not apply to
2 rules adopted under this subsection (g). The adoption of
3 emergency rules authorized by this subsection (g) shall be
4 deemed to be necessary for the public interest, safety, and
5 welfare.

6 (h) In order to provide for the expeditious and timely
7 implementation of the State's fiscal year 2003 budget,
8 emergency rules to implement any provision of Public Act
9 92-597 or any other budget initiative for fiscal year 2003 may
10 be adopted in accordance with this Section by the agency
11 charged with administering that provision or initiative,
12 except that the 24-month limitation on the adoption of
13 emergency rules and the provisions of Sections 5-115 and 5-125
14 do not apply to rules adopted under this subsection (h). The
15 adoption of emergency rules authorized by this subsection (h)
16 shall be deemed to be necessary for the public interest,
17 safety, and welfare.

18 (i) In order to provide for the expeditious and timely
19 implementation of the State's fiscal year 2004 budget,
20 emergency rules to implement any provision of Public Act 93-20
21 or any other budget initiative for fiscal year 2004 may be
22 adopted in accordance with this Section by the agency charged
23 with administering that provision or initiative, except that
24 the 24-month limitation on the adoption of emergency rules and
25 the provisions of Sections 5-115 and 5-125 do not apply to
26 rules adopted under this subsection (i). The adoption of

1 emergency rules authorized by this subsection (i) shall be
2 deemed to be necessary for the public interest, safety, and
3 welfare.

4 (j) In order to provide for the expeditious and timely
5 implementation of the provisions of the State's fiscal year
6 2005 budget as provided under the Fiscal Year 2005 Budget
7 Implementation (Human Services) Act, emergency rules to
8 implement any provision of the Fiscal Year 2005 Budget
9 Implementation (Human Services) Act may be adopted in
10 accordance with this Section by the agency charged with
11 administering that provision, except that the 24-month
12 limitation on the adoption of emergency rules and the
13 provisions of Sections 5-115 and 5-125 do not apply to rules
14 adopted under this subsection (j). The Department of Public
15 Aid may also adopt rules under this subsection (j) necessary
16 to administer the Illinois Public Aid Code and the Children's
17 Health Insurance Program Act. The adoption of emergency rules
18 authorized by this subsection (j) shall be deemed to be
19 necessary for the public interest, safety, and welfare.

20 (k) In order to provide for the expeditious and timely
21 implementation of the provisions of the State's fiscal year
22 2006 budget, emergency rules to implement any provision of
23 Public Act 94-48 or any other budget initiative for fiscal
24 year 2006 may be adopted in accordance with this Section by the
25 agency charged with administering that provision or
26 initiative, except that the 24-month limitation on the

1 adoption of emergency rules and the provisions of Sections
2 5-115 and 5-125 do not apply to rules adopted under this
3 subsection (k). The Department of Healthcare and Family
4 Services may also adopt rules under this subsection (k)
5 necessary to administer the Illinois Public Aid Code, the
6 Senior Citizens and Persons with Disabilities Property Tax
7 Relief Act, the Senior Citizens and Disabled Persons
8 Prescription Drug Discount Program Act (now the Illinois
9 Prescription Drug Discount Program Act), and the Children's
10 Health Insurance Program Act. The adoption of emergency rules
11 authorized by this subsection (k) shall be deemed to be
12 necessary for the public interest, safety, and welfare.

13 (l) In order to provide for the expeditious and timely
14 implementation of the provisions of the State's fiscal year
15 2007 budget, the Department of Healthcare and Family Services
16 may adopt emergency rules during fiscal year 2007, including
17 rules effective July 1, 2007, in accordance with this
18 subsection to the extent necessary to administer the
19 Department's responsibilities with respect to amendments to
20 the State plans and Illinois waivers approved by the federal
21 Centers for Medicare and Medicaid Services necessitated by the
22 requirements of Title XIX and Title XXI of the federal Social
23 Security Act. The adoption of emergency rules authorized by
24 this subsection (l) shall be deemed to be necessary for the
25 public interest, safety, and welfare.

26 (m) In order to provide for the expeditious and timely

1 implementation of the provisions of the State's fiscal year
2 2008 budget, the Department of Healthcare and Family Services
3 may adopt emergency rules during fiscal year 2008, including
4 rules effective July 1, 2008, in accordance with this
5 subsection to the extent necessary to administer the
6 Department's responsibilities with respect to amendments to
7 the State plans and Illinois waivers approved by the federal
8 Centers for Medicare and Medicaid Services necessitated by the
9 requirements of Title XIX and Title XXI of the federal Social
10 Security Act. The adoption of emergency rules authorized by
11 this subsection (m) shall be deemed to be necessary for the
12 public interest, safety, and welfare.

13 (n) In order to provide for the expeditious and timely
14 implementation of the provisions of the State's fiscal year
15 2010 budget, emergency rules to implement any provision of
16 Public Act 96-45 or any other budget initiative authorized by
17 the 96th General Assembly for fiscal year 2010 may be adopted
18 in accordance with this Section by the agency charged with
19 administering that provision or initiative. The adoption of
20 emergency rules authorized by this subsection (n) shall be
21 deemed to be necessary for the public interest, safety, and
22 welfare. The rulemaking authority granted in this subsection
23 (n) shall apply only to rules promulgated during Fiscal Year
24 2010.

25 (o) In order to provide for the expeditious and timely
26 implementation of the provisions of the State's fiscal year

1 2011 budget, emergency rules to implement any provision of
2 Public Act 96-958 or any other budget initiative authorized by
3 the 96th General Assembly for fiscal year 2011 may be adopted
4 in accordance with this Section by the agency charged with
5 administering that provision or initiative. The adoption of
6 emergency rules authorized by this subsection (o) is deemed to
7 be necessary for the public interest, safety, and welfare. The
8 rulemaking authority granted in this subsection (o) applies
9 only to rules promulgated on or after July 1, 2010 (the
10 effective date of Public Act 96-958) through June 30, 2011.

11 (p) In order to provide for the expeditious and timely
12 implementation of the provisions of Public Act 97-689,
13 emergency rules to implement any provision of Public Act
14 97-689 may be adopted in accordance with this subsection (p)
15 by the agency charged with administering that provision or
16 initiative. The 150-day limitation of the effective period of
17 emergency rules does not apply to rules adopted under this
18 subsection (p), and the effective period may continue through
19 June 30, 2013. The 24-month limitation on the adoption of
20 emergency rules does not apply to rules adopted under this
21 subsection (p). The adoption of emergency rules authorized by
22 this subsection (p) is deemed to be necessary for the public
23 interest, safety, and welfare.

24 (q) In order to provide for the expeditious and timely
25 implementation of the provisions of Articles 7, 8, 9, 11, and
26 12 of Public Act 98-104, emergency rules to implement any

1 provision of Articles 7, 8, 9, 11, and 12 of Public Act 98-104
2 may be adopted in accordance with this subsection (q) by the
3 agency charged with administering that provision or
4 initiative. The 24-month limitation on the adoption of
5 emergency rules does not apply to rules adopted under this
6 subsection (q). The adoption of emergency rules authorized by
7 this subsection (q) is deemed to be necessary for the public
8 interest, safety, and welfare.

9 (r) In order to provide for the expeditious and timely
10 implementation of the provisions of Public Act 98-651,
11 emergency rules to implement Public Act 98-651 may be adopted
12 in accordance with this subsection (r) by the Department of
13 Healthcare and Family Services. The 24-month limitation on the
14 adoption of emergency rules does not apply to rules adopted
15 under this subsection (r). The adoption of emergency rules
16 authorized by this subsection (r) is deemed to be necessary
17 for the public interest, safety, and welfare.

18 (s) In order to provide for the expeditious and timely
19 implementation of the provisions of Sections 5-5b.1 and 5A-2
20 of the Illinois Public Aid Code, emergency rules to implement
21 any provision of Section 5-5b.1 or Section 5A-2 of the
22 Illinois Public Aid Code may be adopted in accordance with
23 this subsection (s) by the Department of Healthcare and Family
24 Services. The rulemaking authority granted in this subsection
25 (s) shall apply only to those rules adopted prior to July 1,
26 2015. Notwithstanding any other provision of this Section, any

1 emergency rule adopted under this subsection (s) shall only
2 apply to payments made for State fiscal year 2015. The
3 adoption of emergency rules authorized by this subsection (s)
4 is deemed to be necessary for the public interest, safety, and
5 welfare.

6 (t) In order to provide for the expeditious and timely
7 implementation of the provisions of Article II of Public Act
8 99-6, emergency rules to implement the changes made by Article
9 II of Public Act 99-6 to the Emergency Telephone System Act may
10 be adopted in accordance with this subsection (t) by the
11 Department of State Police. The rulemaking authority granted
12 in this subsection (t) shall apply only to those rules adopted
13 prior to July 1, 2016. The 24-month limitation on the adoption
14 of emergency rules does not apply to rules adopted under this
15 subsection (t). The adoption of emergency rules authorized by
16 this subsection (t) is deemed to be necessary for the public
17 interest, safety, and welfare.

18 (u) In order to provide for the expeditious and timely
19 implementation of the provisions of the Burn Victims Relief
20 Act, emergency rules to implement any provision of the Act may
21 be adopted in accordance with this subsection (u) by the
22 Department of Insurance. The rulemaking authority granted in
23 this subsection (u) shall apply only to those rules adopted
24 prior to December 31, 2015. The adoption of emergency rules
25 authorized by this subsection (u) is deemed to be necessary
26 for the public interest, safety, and welfare.

1 (v) In order to provide for the expeditious and timely
2 implementation of the provisions of Public Act 99-516,
3 emergency rules to implement Public Act 99-516 may be adopted
4 in accordance with this subsection (v) by the Department of
5 Healthcare and Family Services. The 24-month limitation on the
6 adoption of emergency rules does not apply to rules adopted
7 under this subsection (v). The adoption of emergency rules
8 authorized by this subsection (v) is deemed to be necessary
9 for the public interest, safety, and welfare.

10 (w) In order to provide for the expeditious and timely
11 implementation of the provisions of Public Act 99-796,
12 emergency rules to implement the changes made by Public Act
13 99-796 may be adopted in accordance with this subsection (w)
14 by the Adjutant General. The adoption of emergency rules
15 authorized by this subsection (w) is deemed to be necessary
16 for the public interest, safety, and welfare.

17 (x) In order to provide for the expeditious and timely
18 implementation of the provisions of Public Act 99-906,
19 emergency rules to implement subsection (i) of Section
20 16-115D, subsection (g) of Section 16-128A, and subsection (a)
21 of Section 16-128B of the Public Utilities Act may be adopted
22 in accordance with this subsection (x) by the Illinois
23 Commerce Commission. The rulemaking authority granted in this
24 subsection (x) shall apply only to those rules adopted within
25 180 days after June 1, 2017 (the effective date of Public Act
26 99-906). The adoption of emergency rules authorized by this

1 subsection (x) is deemed to be necessary for the public
2 interest, safety, and welfare.

3 (y) In order to provide for the expeditious and timely
4 implementation of the provisions of Public Act 100-23,
5 emergency rules to implement the changes made by Public Act
6 100-23 to Section 4.02 of the Illinois Act on the Aging,
7 Sections 5.5.4 and 5-5.4i of the Illinois Public Aid Code,
8 Section 55-30 of the Alcoholism and Other Drug Abuse and
9 Dependency Act, and Sections 74 and 75 of the Mental Health and
10 Developmental Disabilities Administrative Act may be adopted
11 in accordance with this subsection (y) by the respective
12 Department. The adoption of emergency rules authorized by this
13 subsection (y) is deemed to be necessary for the public
14 interest, safety, and welfare.

15 (z) In order to provide for the expeditious and timely
16 implementation of the provisions of Public Act 100-554,
17 emergency rules to implement the changes made by Public Act
18 100-554 to Section 4.7 of the Lobbyist Registration Act may be
19 adopted in accordance with this subsection (z) by the
20 Secretary of State. The adoption of emergency rules authorized
21 by this subsection (z) is deemed to be necessary for the public
22 interest, safety, and welfare.

23 (aa) In order to provide for the expeditious and timely
24 initial implementation of the changes made to Articles 5, 5A,
25 12, and 14 of the Illinois Public Aid Code under the provisions
26 of Public Act 100-581, the Department of Healthcare and Family

1 Services may adopt emergency rules in accordance with this
2 subsection (aa). The 24-month limitation on the adoption of
3 emergency rules does not apply to rules to initially implement
4 the changes made to Articles 5, 5A, 12, and 14 of the Illinois
5 Public Aid Code adopted under this subsection (aa). The
6 adoption of emergency rules authorized by this subsection (aa)
7 is deemed to be necessary for the public interest, safety, and
8 welfare.

9 (bb) In order to provide for the expeditious and timely
10 implementation of the provisions of Public Act 100-587,
11 emergency rules to implement the changes made by Public Act
12 100-587 to Section 4.02 of the Illinois Act on the Aging,
13 Sections 5.5.4 and 5-5.4i of the Illinois Public Aid Code,
14 subsection (b) of Section 55-30 of the Alcoholism and Other
15 Drug Abuse and Dependency Act, Section 5-104 of the
16 Specialized Mental Health Rehabilitation Act of 2013, and
17 Section 75 and subsection (b) of Section 74 of the Mental
18 Health and Developmental Disabilities Administrative Act may
19 be adopted in accordance with this subsection (bb) by the
20 respective Department. The adoption of emergency rules
21 authorized by this subsection (bb) is deemed to be necessary
22 for the public interest, safety, and welfare.

23 (cc) In order to provide for the expeditious and timely
24 implementation of the provisions of Public Act 100-587,
25 emergency rules may be adopted in accordance with this
26 subsection (cc) to implement the changes made by Public Act

1 100-587 to: Sections 14-147.5 and 14-147.6 of the Illinois
2 Pension Code by the Board created under Article 14 of the Code;
3 Sections 15-185.5 and 15-185.6 of the Illinois Pension Code by
4 the Board created under Article 15 of the Code; and Sections
5 16-190.5 and 16-190.6 of the Illinois Pension Code by the
6 Board created under Article 16 of the Code. The adoption of
7 emergency rules authorized by this subsection (cc) is deemed
8 to be necessary for the public interest, safety, and welfare.

9 (dd) In order to provide for the expeditious and timely
10 implementation of the provisions of Public Act 100-864,
11 emergency rules to implement the changes made by Public Act
12 100-864 to Section 3.35 of the Newborn Metabolic Screening Act
13 may be adopted in accordance with this subsection (dd) by the
14 Secretary of State. The adoption of emergency rules authorized
15 by this subsection (dd) is deemed to be necessary for the
16 public interest, safety, and welfare.

17 (ee) In order to provide for the expeditious and timely
18 implementation of the provisions of Public Act 100-1172,
19 emergency rules implementing the Illinois Underground Natural
20 Gas Storage Safety Act may be adopted in accordance with this
21 subsection by the Department of Natural Resources. The
22 adoption of emergency rules authorized by this subsection is
23 deemed to be necessary for the public interest, safety, and
24 welfare.

25 (ff) In order to provide for the expeditious and timely
26 initial implementation of the changes made to Articles 5A and

1 14 of the Illinois Public Aid Code under the provisions of
2 Public Act 100-1181, the Department of Healthcare and Family
3 Services may on a one-time-only basis adopt emergency rules in
4 accordance with this subsection (ff). The 24-month limitation
5 on the adoption of emergency rules does not apply to rules to
6 initially implement the changes made to Articles 5A and 14 of
7 the Illinois Public Aid Code adopted under this subsection
8 (ff). The adoption of emergency rules authorized by this
9 subsection (ff) is deemed to be necessary for the public
10 interest, safety, and welfare.

11 (gg) In order to provide for the expeditious and timely
12 implementation of the provisions of Public Act 101-1,
13 emergency rules may be adopted by the Department of Labor in
14 accordance with this subsection (gg) to implement the changes
15 made by Public Act 101-1 to the Minimum Wage Law. The adoption
16 of emergency rules authorized by this subsection (gg) is
17 deemed to be necessary for the public interest, safety, and
18 welfare.

19 (hh) In order to provide for the expeditious and timely
20 implementation of the provisions of Public Act 101-10,
21 emergency rules may be adopted in accordance with this
22 subsection (hh) to implement the changes made by Public Act
23 101-10 to subsection (j) of Section 5-5.2 of the Illinois
24 Public Aid Code. The adoption of emergency rules authorized by
25 this subsection (hh) is deemed to be necessary for the public
26 interest, safety, and welfare.

1 (ii) In order to provide for the expeditious and timely
2 implementation of the provisions of Public Act 101-10,
3 emergency rules to implement the changes made by Public Act
4 101-10 to Sections 5-5.4 and 5-5.4i of the Illinois Public Aid
5 Code may be adopted in accordance with this subsection (ii) by
6 the Department of Public Health. The adoption of emergency
7 rules authorized by this subsection (ii) is deemed to be
8 necessary for the public interest, safety, and welfare.

9 (jj) In order to provide for the expeditious and timely
10 implementation of the provisions of Public Act 101-10,
11 emergency rules to implement the changes made by Public Act
12 101-10 to Section 74 of the Mental Health and Developmental
13 Disabilities Administrative Act may be adopted in accordance
14 with this subsection (jj) by the Department of Human Services.
15 The adoption of emergency rules authorized by this subsection
16 (jj) is deemed to be necessary for the public interest,
17 safety, and welfare.

18 (kk) In order to provide for the expeditious and timely
19 implementation of the Cannabis Regulation and Tax Act, ~~and~~
20 Public Act 101-27, and this amendatory Act of the 102nd
21 General Assembly, the Department of Revenue, the Department of
22 Public Health, the Department of Agriculture, the Department
23 of State Police, and the Department of Financial and
24 Professional Regulation may adopt emergency rules in
25 accordance with this subsection (kk). The rulemaking authority
26 granted in this subsection (kk) shall apply only to rules

1 adopted before December 31, 2021. Notwithstanding the
2 provisions of subsection (c), emergency rules adopted under
3 this subsection (kk) shall be effective for 180 days. The
4 adoption of emergency rules authorized by this subsection (kk)
5 is deemed to be necessary for the public interest, safety, and
6 welfare.

7 (ll) In order to provide for the expeditious and timely
8 implementation of the provisions of the Leveling the Playing
9 Field for Illinois Retail Act, emergency rules may be adopted
10 in accordance with this subsection (ll) to implement the
11 changes made by the Leveling the Playing Field for Illinois
12 Retail Act. The adoption of emergency rules authorized by this
13 subsection (ll) is deemed to be necessary for the public
14 interest, safety, and welfare.

15 (mm) In order to provide for the expeditious and timely
16 implementation of the provisions of Section 25-70 of the
17 Sports Wagering Act, emergency rules to implement Section
18 25-70 of the Sports Wagering Act may be adopted in accordance
19 with this subsection (mm) by the Department of the Lottery as
20 provided in the Sports Wagering Act. The adoption of emergency
21 rules authorized by this subsection (mm) is deemed to be
22 necessary for the public interest, safety, and welfare.

23 (nn) In order to provide for the expeditious and timely
24 implementation of the Sports Wagering Act, emergency rules to
25 implement the Sports Wagering Act may be adopted in accordance
26 with this subsection (nn) by the Illinois Gaming Board. The

1 adoption of emergency rules authorized by this subsection (nn)
2 is deemed to be necessary for the public interest, safety, and
3 welfare.

4 (oo) In order to provide for the expeditious and timely
5 implementation of the provisions of subsection (c) of Section
6 20 of the Video Gaming Act, emergency rules to implement the
7 provisions of subsection (c) of Section 20 of the Video Gaming
8 Act may be adopted in accordance with this subsection (oo) by
9 the Illinois Gaming Board. The adoption of emergency rules
10 authorized by this subsection (oo) is deemed to be necessary
11 for the public interest, safety, and welfare.

12 (pp) In order to provide for the expeditious and timely
13 implementation of the provisions of Section 50 of the Sexual
14 Assault Evidence Submission Act, emergency rules to implement
15 Section 50 of the Sexual Assault Evidence Submission Act may
16 be adopted in accordance with this subsection (pp) by the
17 Department of State Police. The adoption of emergency rules
18 authorized by this subsection (pp) is deemed to be necessary
19 for the public interest, safety, and welfare.

20 (qq) In order to provide for the expeditious and timely
21 implementation of the provisions of the Illinois Works Jobs
22 Program Act, emergency rules may be adopted in accordance with
23 this subsection (qq) to implement the Illinois Works Jobs
24 Program Act. The adoption of emergency rules authorized by
25 this subsection (qq) is deemed to be necessary for the public
26 interest, safety, and welfare.

1 (Source: P.A. 100-23, eff. 7-6-17; 100-554, eff. 11-16-17;
2 100-581, eff. 3-12-18; 100-587, Article 95, Section 95-5, eff.
3 6-4-18; 100-587, Article 110, Section 110-5, eff. 6-4-18;
4 100-864, eff. 8-14-18; 100-1172, eff. 1-4-19; 100-1181, eff.
5 3-8-19; 101-1, eff. 2-19-19; 101-10, Article 20, Section 20-5,
6 eff. 6-5-19; 101-10, Article 35, Section 35-5, eff. 6-5-19;
7 101-27, eff. 6-25-19; 101-31, Article 15, Section 15-5, eff.
8 6-28-19; 101-31, Article 25, Section 25-900, eff. 6-28-19;
9 101-31, Article 35, Section 35-3, eff. 6-28-19; 101-377, eff.
10 8-16-19; 101-601, eff. 12-10-19.)

11 Section 5. The Compassionate Use of Medical Cannabis
12 Program Act is amended by changing Sections 55, 100, 115, 130,
13 and 145 and by adding Sections 115.5 and 162 as follows:

14 (410 ILCS 130/55)

15 Sec. 55. Registration of qualifying patients and
16 designated caregivers.

17 (a) The Department of Public Health shall issue registry
18 identification cards to qualifying patients and designated
19 caregivers who submit a completed application, and at minimum,
20 the following, in accordance with Department of Public Health
21 rules:

22 (1) A written certification, on a form developed by
23 the Department of Public Health consistent with Section 36
24 and issued by a certifying health care professional,

1 within 90 days immediately preceding the date of an
2 application and submitted by the qualifying patient or his
3 or her designated caregiver;

4 (2) upon the execution of applicable privacy waivers,
5 the patient's medical documentation related to his or her
6 debilitating condition and any other information that may
7 be reasonably required by the Department of Public Health
8 to confirm that the certifying health care professional
9 and patient have a bona fide health care
10 professional-patient relationship, that the qualifying
11 patient is in the certifying health care professional's
12 care for his or her debilitating medical condition, and to
13 substantiate the patient's diagnosis;

14 (3) the application or renewal fee as set by rule;

15 (4) the name, address, date of birth, and social
16 security number of the qualifying patient, except that if
17 the applicant is homeless no address is required;

18 (5) the name, address, and telephone number of the
19 qualifying patient's certifying health care professional;

20 (6) the name, address, and date of birth of the
21 designated caregiver, if any, chosen by the qualifying
22 patient;

23 (7) (blank) ~~the name of the registered medical~~
24 ~~cannabis dispensing organization the qualifying patient~~
25 ~~designates;~~

26 (8) signed statements from the patient and designated

1 caregiver asserting that they will not divert medical
2 cannabis; and

3 (9) (blank).

4 (b) Notwithstanding any other provision of this Act, a
5 person provided a written certification for a debilitating
6 medical condition who has submitted a completed online
7 application to the Department of Public Health shall receive a
8 provisional registration and be entitled to purchase medical
9 cannabis from a ~~specified~~ licensed dispensing organization for
10 a period of 90 days or until his or her application has been
11 denied or he or she receives a registry identification card,
12 whichever is earlier. However, a person may obtain an
13 additional provisional registration after the expiration of 90
14 days after the date of application if the Department of Public
15 Health does not provide the individual with a registry
16 identification card or deny the individual's application
17 within those 90 days.

18 The provisional registration may not be extended if the
19 individual does not respond to the Department of Public
20 Health's request for additional information or corrections to
21 required application documentation.

22 In order for a person to receive medical cannabis under
23 this subsection, a person must present his or her provisional
24 registration along with a valid driver's license or State
25 identification card to the licensed dispensing organization
26 ~~specified in his or her application.~~ The dispensing

1 organization shall verify the person's provisional
2 registration through the Department of Public Health's online
3 verification system.

4 Upon verification of the provided documents, the
5 dispensing organization shall dispense no more than 2.5 ounces
6 of medical cannabis during a 14-day period to the person for a
7 period of 90 days, until his or her application has been
8 denied, or until he or she receives a registry identification
9 card from the Department of Public Health, whichever is
10 earlier.

11 Persons with provisional registrations must keep their
12 provisional registration in his or her possession at all times
13 when transporting or engaging in the medical use of cannabis.

14 (c) No person or business shall charge a fee for
15 assistance in the preparation, compilation, or submission of
16 an application to the Compassionate Use of Medical Cannabis
17 Program or the Opioid Alternative Pilot Program. A violation
18 of this subsection is a Class C misdemeanor, for which
19 restitution to the applicant and a fine of up to \$1,500 may be
20 imposed. All fines shall be deposited into the Compassionate
21 Use of Medical Cannabis Fund after restitution has been made
22 to the applicant. The Department of Public Health shall refer
23 individuals making complaints against a person or business
24 under this Section to the Illinois State Police, who shall
25 enforce violations of this provision. All application forms
26 issued by the Department shall state that no person or

1 business may charge a fee for assistance in the preparation,
2 compilation, or submission of an application to the
3 Compassionate Use of Medical Cannabis Program or the Opioid
4 Alternative Pilot Program.

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

6 (410 ILCS 130/100)

7 Sec. 100. Cultivation center agent identification card.

8 (a) The Department of Agriculture shall:

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

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

18 (3) enter the registry identification number of the
19 cultivation center 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 cultivation center agent must keep his or her
24 identification card visible at all times when on the property
25 of a cultivation center and during the transportation of

1 medical cannabis to a registered dispensary organization.

2 (c) The cultivation center agent identification cards
3 shall contain the following:

4 (1) the name of the cardholder;

5 (2) the date of issuance and expiration date of
6 cultivation center agent identification cards;

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

10 (4) a photograph of the cardholder.

11 (d) The cultivation center agent identification cards
12 shall be immediately returned to the cultivation center upon
13 termination of employment.

14 (e) Any card lost by a cultivation center agent shall be
15 reported to the State Police and the Department of Agriculture
16 immediately upon discovery of the loss.

17 (f) An applicant shall be denied a cultivation center
18 agent identification card if he or she has been convicted of an
19 excluded offense.

20 (g) An agent applicant may begin employment at a
21 cultivation center while the agent applicant's identification
22 card application is pending. Upon approval, the Department
23 shall issue the agent's identification card to the agent. If
24 denied, the cultivation center and the agent applicant shall
25 be notified and the agent applicant must cease all activity at
26 the cultivation center immediately.

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

2 (410 ILCS 130/115)

3 Sec. 115. Registration of dispensing organizations.

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

14 (a-5) ~~The For any dispensing organization registered on or~~
15 ~~after July 1, 2019, the~~ Department of Financial and
16 Professional Regulation shall adopt rules to create a
17 registration process for Social Equity Justice Involved
18 Applicants and Qualifying Applicants, a streamlined
19 application, and a Social Equity Justice Involved Medical
20 Lottery under Section 115.5 to issue the remaining available 5
21 dispensing organization registrations for operation ~~award not~~
22 ~~less than 20% of all available points to applicants that~~
23 ~~qualify as Social Equity Applicants.~~ For purposes of this
24 Section:

25 "Disproportionately Impacted Area" means a census tract or

1 comparable geographic area that satisfies the following
2 criteria as determined by the Department of Commerce and
3 Economic Opportunity, that:

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

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

7 (B) 75% or more of the children in the area
8 participate in the federal free lunch program
9 according to reported statistics from the State Board
10 of Education; or

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

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

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

24 "Qualifying Applicant" means an applicant that: (i)
25 submitted an application pursuant to Section 15-30 of the
26 Cannabis Regulation and Tax Act that received at least 85% of

1 250 application points available under Section 15-30 of the
2 Cannabis Regulation and Tax Act as the applicant's final
3 score; (ii) received points at the conclusion of the scoring
4 process for meeting the definition of a "Social Equity
5 Applicant" as set forth under the Cannabis Regulation and Tax
6 Act; and (iii) is an applicant that did not receive a
7 Conditional Adult Use Dispensing Organization License through
8 a Qualifying Applicant Lottery pursuant to Section 15-35 of
9 the Cannabis Regulation and Tax Act or any Tied Applicant
10 Lottery conducted under the Cannabis Regulation and Tax Act.

11 "Social Equity Justice Involved Applicant" means an
12 applicant that is an Illinois resident and one of the
13 following 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% of ownership and
19 control by one or more individuals who have been arrested
20 for, convicted of, or adjudicated delinquent for any
21 offense that is eligible for expungement under subsection
22 (i) of Section 5.2 of the Criminal Identification Act ~~or~~
23 ~~member of an impacted family; or~~

24 (3) an applicant with at least 51% ownership and
25 control by one or more members of an impacted family. ~~for~~
26 ~~applicants with a minimum of 10 full time employees, an~~

1 ~~applicant with at least 51% of current employees who:~~

2 ~~(A) currently reside in a Disproportionately~~
3 ~~Impacted Area; or~~

4 ~~(B) have been arrested for, convicted of, or~~
5 ~~adjudicated delinquent for any offense that is~~
6 ~~eligible for expungement or member of an impacted~~
7 ~~family.~~

8 (b) A dispensing organization may only operate if it has
9 been issued a registration from the Department of Financial
10 and Professional Regulation. The Department of Financial and
11 Professional Regulation shall adopt rules establishing the
12 procedures for applicants for dispensing organizations.

13 (c) When applying for a dispensing organization
14 registration, the applicant shall submit, at a minimum, the
15 following in accordance with Department of Financial and
16 Professional Regulation rules:

17 (1) a non-refundable application fee established by
18 rule;

19 (2) the proposed legal name of the dispensing
20 organization;

21 (3) the proposed physical address of the dispensing
22 organization;

23 (4) the name, address, and date of birth of each
24 principal officer and board member of the dispensing
25 organization, provided that all those individuals shall be
26 at least 21 years of age;

1 (5) (blank) ~~information, in writing, regarding any~~
2 ~~instances in which a business or not for profit that any~~
3 ~~of the prospective board members managed or served on the~~
4 ~~board was convicted, fined, censured, or had a~~
5 ~~registration suspended or revoked in any administrative or~~
6 ~~judicial proceeding;~~

7 (6) (blank) ~~proposed operating by laws that include~~
8 ~~procedures for the oversight of the medical cannabis~~
9 ~~dispensing organization and procedures to ensure accurate~~
10 ~~record keeping and security measures that are in~~
11 ~~accordance with the rules applied by the Department of~~
12 ~~Financial and Professional Regulation under this Act. The~~
13 ~~by-laws shall include a description of the enclosed,~~
14 ~~locked facility where medical cannabis will be stored by~~
15 ~~the dispensing organization; and~~

16 (7) (blank) ~~signed statements from each dispensing~~
17 ~~organization agent stating that they will not divert~~
18 ~~medical cannabis.~~

19 (d) The Department of Financial and Professional
20 Regulation shall conduct a background check of the prospective
21 dispensing organization agents in order to carry out this
22 Section. The Department of State Police shall charge a fee for
23 conducting the criminal history record check, which shall be
24 deposited in the State Police Services Fund and shall not
25 exceed the actual cost of the record check. Each person
26 applying as a dispensing organization agent shall submit a

1 full set of fingerprints to the Department of State Police for
2 the purpose of obtaining a State and federal criminal records
3 check. These fingerprints shall be checked against the
4 fingerprint records now and hereafter, to the extent allowed
5 by law, filed in the Department of State Police and Federal
6 Bureau of Investigation criminal history records databases.
7 The Department of State Police shall furnish, following
8 positive identification, all Illinois conviction information
9 to the Department of Financial and Professional Regulation.

10 (e) A dispensing organization must pay a registration fee
11 set by the Department of Financial and Professional
12 Regulation.

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

16 (1) the applicant failed to submit the materials
17 required by this Section, including if the applicant's
18 plans do not satisfy the security, oversight, or
19 recordkeeping rules issued by the Department of Financial
20 and Professional Regulation;

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

23 (3) the applicant does not meet the requirements of
24 Section 130;

25 (4) one or more of the prospective principal officers
26 or board members has been convicted of an excluded

1 offense;

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

6 (6) one or more of the principal officers or board
7 members is under 21 years of age.

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

9 (410 ILCS 130/115.5 new)

10 Sec. 115.5. Social Equity Justice Involved Medical
11 Lottery.

12 (a) In this Section:

13 "By lot" has the same meaning as defined in Section 1-10 of
14 the Cannabis Regulation and Tax Act.

15 "Qualifying Applicant" has the same meaning as defined in
16 subsection (a-5) of Section 115.

17 "Social Equity Justice Involved Applicant" has the same
18 meaning as defined in subsection (a-5) of Section 115.

19 "Social Equity Justice Involved Medical Lottery" means the
20 process of issuing 5 available medical cannabis dispensing
21 organization registrations by lot, conducted by the Department
22 of Financial and Professional Regulation, for applicants who
23 are either: (i) Social Equity Justice Involved Applicants; or
24 (ii) Qualifying Applicants.

25 (b) The Department of Financial and Professional

1 Regulation shall conduct a Social Equity Justice Involved
2 Medical Lottery to award up to 5 medical cannabis dispensing
3 organization registrations by lot in accordance with Section
4 115.

5 (c) The Department of Financial and Professional
6 Regulation shall adopt rules through emergency rulemaking in
7 accordance with subsection (kk) of Section 5-45 of the
8 Illinois Administrative Procedure Act to create a registration
9 process, a streamlined application, an application fee not to
10 exceed \$5,000 for purposes of this Section, and limits on the
11 number of entries into the Social Equity Justice Involved
12 Medical Lottery, as well as any other measures to reduce
13 barriers to enter the cannabis industry. The General Assembly
14 finds that the adoption of rules to regulate cannabis use is
15 deemed an emergency and necessary for the public interest,
16 safety, and welfare.

17 (d) Social Equity Justice Involved Applicants awarded a
18 registration under subsection (a-5) of Section 115 are
19 eligible to serve purchasers at the same site and a secondary
20 site under the Cannabis Regulation and Tax Act, subject to
21 application and inspection processes established by the
22 Department. The licenses issued under this Section shall be
23 valid for 2 years after the date of issuance and shall renew in
24 the manner proscribed by the Department.

25 (e) No applicant may be awarded more than one medical
26 cannabis dispensing organization registration at the

1 conclusion of the lottery conducted under this Section.

2 (f) No individual may be listed as a principal officer of
3 more than one medical cannabis dispensing organization
4 registration awarded under this Section.

5 (410 ILCS 130/130)

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

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

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

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

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

1 any dispensing organizations registered on or after July 1,
2 2019.

3 (e) A dispensing organization is prohibited from acquiring
4 cannabis from anyone other than a cultivation center, craft
5 grower, processing organization, another dispensing
6 organization, or transporting organization licensed or
7 registered under this Act or the Cannabis Regulation and Tax
8 Act ~~registered cultivation center~~. A dispensing organization
9 is prohibited from obtaining cannabis from outside the State
10 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 ~~that the dispensing organization is~~
16 ~~the designated dispensing organization for the registered~~
17 ~~qualifying patient who is obtaining the cannabis directly~~
18 ~~or via his or her designated caregiver; and~~

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

21 (i-5) A dispensing organization may dispense medical
22 cannabis to an Opioid Alternative Pilot Program participant
23 under Section 62 and to a person presenting proof of
24 provisional registration under Section 55. Before dispensing
25 medical cannabis, the dispensing organization shall comply
26 with the requirements of Section 62 or Section 55, whichever

1 is applicable, and verify the following:

2 (1) that the written certification presented to the
3 registered dispensing organization is valid and an
4 original document;

5 (2) that the person presenting the written
6 certification is the person identified on the written
7 certification; and

8 (3) that the participant has not exceeded his or her
9 adequate supply.

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

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

24 (l) A dispensing organization may not permit any person to
25 consume cannabis on the property of a medical cannabis
26 organization.

1 (m) A dispensing organization may not share office space
2 with or refer patients to a certifying health care
3 professional.

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

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

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

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

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

20 (410 ILCS 130/145)

21 Sec. 145. Confidentiality.

22 (a) The following information received and records kept by
23 the Department of Public Health, Department of Financial and
24 Professional Regulation, Department of Agriculture, or
25 Department of State Police for purposes of administering this

1 Act are subject to all applicable federal privacy laws,
2 confidential, and exempt from the Freedom of Information Act,
3 and not subject to disclosure to any individual or public or
4 private entity, except as necessary for authorized employees
5 of those authorized agencies to perform official duties under
6 this Act and the following information received and records
7 kept by Department of Public Health, Department of
8 Agriculture, Department of Financial and Professional
9 Regulation, and Department of State Police, excluding any
10 existing or non-existing Illinois or national criminal history
11 record information as defined in subsection (d), may be
12 disclosed to each other upon request:

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

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

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

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

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

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

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

22 (2) If the employee conferred with his or her
23 supervisor and both agree that circumstances exist that
24 warrant reporting, Department of Public Health employees
25 may notify the Department of Financial and Professional
26 Regulation if there is reasonable cause to believe a

1 certifying health care professional:

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

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

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

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

19 (4) Medical cannabis cultivation center agents and
20 medical cannabis dispensing organizations may notify the
21 Department of Public Health, Department of Financial and
22 Professional Regulation, or Department of Agriculture of a
23 suspected violation or attempted violation of this Act or
24 the rules issued under it.

25 (5) Each Department may verify registry identification
26 cards under Section 150.

1 (6) The submission of the report to the General
2 Assembly under Section 160.

3 (b-5) Each Department responsible for licensure under this
4 Act shall publish on the Department's website a list of the
5 ownership information of cannabis business establishment
6 licensees under the Department's jurisdiction. The list shall
7 include, but shall not be limited to, the name of the person or
8 entity holding each cannabis business establishment license
9 and the address at which the entity is operating under this
10 Act. This list shall be published and updated monthly.

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

19 (d) The Department of Public Health, the Department of
20 Agriculture, the Department of State Police, and the
21 Department of Financial and Professional Regulation shall not
22 share or disclose any existing or non-existing Illinois or
23 national criminal history record information. For the purposes
24 of this Section, "any existing or non-existing Illinois or
25 national criminal history record information" means any
26 Illinois or national criminal history record information,

1 including but not limited to the lack of or non-existence of
2 these records.

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

4 (410 ILCS 130/162 new)

5 Sec. 162. Market research study. The Illinois Cannabis
6 Regulation Oversight Officer shall conduct a market research
7 study on or before January 1, 2022. The study shall evaluate
8 the ownership demographics of licensees and applicants for
9 licenses under this Act.

10 Section 10. The Cannabis Regulation and Tax Act is amended
11 by changing Sections 1-10, 5-45, 7-30, 10-35, 10-40, 15-15,
12 15-25, 15-30, 15-35, 15-40, 15-70, 15-85, 15-135, 20-30, 25-5,
13 25-30, 25-35, 30-5, 30-30, 35-5, 35-25, 35-30, 40-25, 40-30,
14 55-21, 55-28, and 55-30 and by adding Sections 15-30.20,
15 15-35.10, 15-35.20, 20-55, 30-55, 35-45, and 40-45 as follows:

16 (410 ILCS 705/1-10)

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

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

22 "Adult Use Dispensing Organization License" means a
23 license issued by the Department of Financial and Professional

1 Regulation that permits a person to act as a dispensing
2 organization under this Act and any administrative rule made
3 in furtherance of this Act.

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

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

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

24 "By lot" means a randomized method of choosing between 2
25 or more Eligible Tied Applicants or 2 or more Qualifying
26 Applicants.

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

20 "Cannabis business establishment" means a cultivation
21 center, craft grower, processing organization, infuser
22 organization, dispensing organization, or transporting
23 organization.

24 "Cannabis concentrate" means a product derived from
25 cannabis that is produced by extracting cannabinoids,
26 including tetrahydrocannabinol (THC), from the plant through

1 the use of propylene glycol, glycerin, butter, olive oil or
2 other typical cooking fats; water, ice, or dry ice; or butane,
3 propane, CO₂, ethanol, or isopropanol and with the intended
4 use of smoking or making a cannabis-infused product. The use
5 of any other solvent is expressly prohibited unless and until
6 it is approved by the Department of Agriculture.

7 "Cannabis container" means a sealed or resealable,
8 traceable, container, or package used for the purpose of
9 containment of cannabis or cannabis-infused product during
10 transportation.

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

19 "Cannabis-infused product" means a beverage, food, oil,
20 ointment, tincture, topical formulation, or another product
21 containing cannabis or cannabis concentrate that is not
22 intended to be smoked.

23 "Cannabis paraphernalia" means equipment, products, or
24 materials intended to be used for planting, propagating,
25 cultivating, growing, harvesting, manufacturing, producing,
26 processing, preparing, testing, analyzing, packaging,

1 repackaging, storing, containing, concealing, ingesting, or
2 otherwise introducing cannabis into the human body.

3 "Cannabis plant monitoring system" or "plant monitoring
4 system" means a system that includes, but is not limited to,
5 testing and data collection established and maintained by the
6 cultivation center, craft grower, or processing organization
7 and that is available to the Department of Revenue, the
8 Department of Agriculture, the Department of Financial and
9 Professional Regulation, and the Department of State Police
10 for the purposes of documenting each cannabis plant and
11 monitoring plant development throughout the life cycle of a
12 cannabis plant cultivated for the intended use by a customer
13 from seed planting to final packaging.

14 "Cannabis testing facility" means an entity registered by
15 the Department of Agriculture to test cannabis for potency and
16 contaminants.

17 "Clone" means a plant section from a female cannabis plant
18 not yet rootbound, growing in a water solution or other
19 propagation matrix, that is capable of developing into a new
20 plant.

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

1 "Community College Cannabis Vocational Training Pilot
2 Program faculty participant Agent Identification Card" means a
3 document issued by the Department of Agriculture that
4 identifies a person as Community College Cannabis Vocational
5 Training Pilot Program faculty participant.

6 "Conditional Adult Use Dispensing Organization License"
7 means a contingent license awarded to ~~top-scoring~~ applicants
8 for an Adult Use Dispensing Organization License that reserves
9 the right to an Adult Use Dispensing Organization License if
10 the applicant meets certain conditions described in this Act,
11 but does not entitle the recipient to begin purchasing or
12 selling cannabis or cannabis-infused products.

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

20 "Craft grower" means a facility operated by an
21 organization or business that is licensed by the Department of
22 Agriculture to cultivate, dry, cure, and package cannabis and
23 perform other necessary activities to make cannabis available
24 for sale at a dispensing organization or use at a processing
25 organization. A craft grower may contain up to 5,000 square
26 feet of canopy space on its premises for plants in the

1 flowering state. The Department of Agriculture may authorize
2 an increase or decrease of flowering stage cultivation space
3 in increments of 3,000 square feet by rule based on market
4 need, craft grower capacity, and the licensee's history of
5 compliance or noncompliance, with a maximum space of 14,000
6 square feet for cultivating plants in the flowering stage,
7 which must be cultivated in all stages of growth in an enclosed
8 and secure area. A craft grower may share premises with a
9 processing organization or a dispensing organization, or both,
10 provided each licensee stores currency and cannabis or
11 cannabis-infused products in a separate secured vault to which
12 the other licensee does not have access or all licensees
13 sharing a vault share more than 50% of the same ownership.

14 "Craft grower agent" means a principal officer, board
15 member, employee, or other agent of a craft grower who is 21
16 years of age or older.

17 "Craft Grower Agent Identification Card" means a document
18 issued by the Department of Agriculture that identifies a
19 person as a craft grower agent.

20 "Cultivation center" means a facility operated by an
21 organization or business that is licensed by the Department of
22 Agriculture to cultivate, process, transport (unless otherwise
23 limited by this Act), and perform other necessary activities
24 to provide cannabis and cannabis-infused products to cannabis
25 business establishments.

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 "Dispensary" means a facility operated by a dispensing
8 organization at which activities licensed by this Act may
9 occur.

10 "Dispensary Applicant" means the Proposed Dispensing
11 Organization Name as stated on an application for a
12 Conditional Adult Use Dispensing Organization License.

13 "Dispensing organization" means a facility operated by an
14 organization or business that is licensed by the Department of
15 Financial and Professional Regulation to acquire cannabis from
16 a cultivation center, craft grower, processing organization,
17 or another dispensary for the purpose of selling or dispensing
18 cannabis, cannabis-infused products, cannabis seeds,
19 paraphernalia, or related supplies under this Act to
20 purchasers or to qualified registered medical cannabis
21 patients and caregivers. As used in this Act, "dispensing
22 organization" includes a registered medical cannabis
23 organization as defined in the Compassionate Use of Medical
24 Cannabis Program Act or its successor Act that has obtained an
25 Early Approval Adult Use Dispensing Organization License.

26 "Dispensing organization agent" means a principal officer,

1 employee, or agent of a dispensing organization who is 21
2 years of age or older.

3 "Dispensing organization agent identification card" means
4 a document issued by the Department of Financial and
5 Professional Regulation that identifies a person as a
6 dispensing organization agent.

7 "Disproportionately Impacted Area" means a census tract or
8 comparable geographic area that satisfies the following
9 criteria as determined by the Department of Commerce and
10 Economic Opportunity, that:

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

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

14 (B) 75% or more of the children in the area
15 participate in the federal free lunch program
16 according to reported statistics from the State Board
17 of Education; or

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

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

1 application; and

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

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

14 "Early Approval Adult Use Dispensing Organization License"
15 means a license that permits a medical cannabis dispensing
16 organization licensed under the Compassionate Use of Medical
17 Cannabis Program Act as of the effective date of this Act to
18 begin selling cannabis or cannabis-infused product to
19 purchasers as permitted by this Act as of January 1, 2020.

20 "Early Approval Adult Use Dispensing Organization at a
21 secondary site" means a license that permits a medical
22 cannabis dispensing organization licensed under the
23 Compassionate Use of Medical Cannabis Program Act as of the
24 effective date of this Act to begin selling cannabis or
25 cannabis-infused product to purchasers as permitted by this
26 Act on January 1, 2020 at a different dispensary location from

1 its existing registered medical dispensary location.

2 "Eligible Tied Applicant" means a Tied Applicant that is
3 eligible to participate in the process by which a remaining
4 available license is distributed by lot pursuant to a Tied
5 Applicant Lottery.

6 "Enclosed, locked facility" means a room, greenhouse,
7 building, or other enclosed area equipped with locks or other
8 security devices that permit access only by cannabis business
9 establishment agents working for the licensed cannabis
10 business establishment or acting pursuant to this Act to
11 cultivate, process, store, or distribute cannabis.

12 "Enclosed, locked space" means a closet, room, greenhouse,
13 building or other enclosed area equipped with locks or other
14 security devices that permit access only by authorized
15 individuals under this Act. "Enclosed, locked space" may
16 include:

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

24 (2) a structure, such as a shed or greenhouse, that
25 lies on the same plot of land as a residential building
26 that (i) includes sleeping quarters and indoor plumbing

1 and (ii) is used as a primary residence by the person
2 cultivating 5 or fewer cannabis plants that are more than
3 5 inches tall, such as a shed or greenhouse. The structure
4 must remain locked when it is unoccupied by people.

5 "Financial institution" has the same meaning as "financial
6 organization" as defined in Section 1501 of the Illinois
7 Income Tax Act, and also includes the holding companies,
8 subsidiaries, and affiliates of such financial organizations.

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

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

14 (2) if the cannabis plant is in an area that has been
15 intentionally deprived of light for a period of time
16 intended to produce flower buds and induce maturation,
17 from the moment the light deprivation began through the
18 remainder of the marijuana plant growth cycle.

19 "Individual" means a natural person.

20 "Infuser organization" or "infuser" means a facility
21 operated by an organization or business that is licensed by
22 the Department of Agriculture to directly incorporate cannabis
23 or cannabis concentrate into a product formulation to produce
24 a cannabis-infused product.

25 "Kief" means the resinous crystal-like trichomes that are
26 found on cannabis and that are accumulated, resulting in a

1 higher concentration of cannabinoids, untreated by heat or
2 pressure, or extracted using a solvent.

3 "Labor peace agreement" means an agreement between a
4 cannabis business establishment and any labor organization
5 recognized under the National Labor Relations Act, referred to
6 in this Act as a bona fide labor organization, that prohibits
7 labor organizations and members from engaging in picketing,
8 work stoppages, boycotts, and any other economic interference
9 with the cannabis business establishment. This agreement means
10 that the cannabis business establishment has agreed not to
11 disrupt efforts by the bona fide labor organization to
12 communicate with, and attempt to organize and represent, the
13 cannabis business establishment's employees. The agreement
14 shall provide a bona fide labor organization access at
15 reasonable times to areas in which the cannabis business
16 establishment's employees work, for the purpose of meeting
17 with employees to discuss their right to representation,
18 employment rights under State law, and terms and conditions of
19 employment. This type of agreement shall not mandate a
20 particular method of election or certification of the bona
21 fide labor organization.

22 "Limited access area" means a room or other area under the
23 control of a cannabis dispensing organization licensed under
24 this Act and upon the licensed premises where cannabis sales
25 occur with access limited to purchasers, dispensing
26 organization owners and other dispensing organization agents,

1 or service professionals conducting business with the
2 dispensing organization, or, if sales to registered qualifying
3 patients, caregivers, provisional patients, and Opioid
4 Alternative Pilot Program participants licensed pursuant to
5 the Compassionate Use of Medical Cannabis Program Act are also
6 permitted at the dispensary, registered qualifying patients,
7 caregivers, provisional patients, and Opioid Alternative Pilot
8 Program participants.

9 "Member of an impacted family" means an individual who has
10 a parent, legal guardian, child, spouse, or dependent, or was
11 a dependent of an individual who, prior to the effective date
12 of this Act, was arrested for, convicted of, or adjudicated
13 delinquent for any offense that is eligible for expungement
14 under this Act.

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

19 "Ordinary public view" means within the sight line with
20 normal visual range of a person, unassisted by visual aids,
21 from a public street or sidewalk adjacent to real property, or
22 from within an adjacent property.

23 "Ownership and control" means ownership of at least 51% of
24 the business, including corporate stock if a corporation, and
25 control over the management and day-to-day operations of the
26 business and an interest in the capital, assets, and profits

1 and losses of the business proportionate to percentage of
2 ownership.

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

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

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

25 "Primary residence" means a dwelling where a person
26 usually stays or stays more often than other locations. It may

1 be determined by, without limitation, presence, tax filings;
2 address on an Illinois driver's license, an Illinois
3 Identification Card, or an Illinois Person with a Disability
4 Identification Card; or voter registration. No person may have
5 more than one primary residence.

6 "Processing organization" or "processor" means a facility
7 operated by an organization or business that is licensed by
8 the Department of Agriculture to either extract constituent
9 chemicals or compounds to produce cannabis concentrate or
10 incorporate cannabis or cannabis concentrate into a product
11 formulation to produce a cannabis product.

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

14 "Processing organization agent identification card" means
15 a document issued by the Department of Agriculture that
16 identifies a person as a processing organization agent.

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

21 "Qualifying Applicant" means an applicant that submitted
22 an application pursuant to Section 15-30 that received at
23 least 85% of 250 application points available under Section
24 15-30 as the applicant's final score and meets the definition
25 of "Social Equity Applicant" as set forth under this Section.

26 "Qualifying Social Equity Justice Involved Applicant"

1 means an applicant that submitted an application pursuant to
2 Section 15-30 that received at least 85% of 250 application
3 points available under Section 15-30 as the applicant's final
4 score and meets the criteria of either paragraph (1) or (2) of
5 the definition of "Social Equity Applicant" as set forth under
6 this Section.

7 "Qualified Social Equity Applicant" means a Social Equity
8 Applicant who has been awarded a conditional license under
9 this Act to operate a cannabis business establishment.

10 "Resided" means an individual's primary residence was
11 located within the relevant geographic area as established by
12 2 of the following:

13 (1) a signed lease agreement that includes the
14 applicant's name;

15 (2) a property deed that includes the applicant's
16 name;

17 (3) school records;

18 (4) a voter registration card;

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

22 (6) a paycheck stub;

23 (7) a utility bill;

24 (8) tax records; or

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

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

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

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

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

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

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

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

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

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

24 Nothing in this Act shall be construed to preempt or limit
25 the duties of any employer under the Job Opportunities for
26 Qualified Applicants Act. Nothing in this Act shall permit an

1 employer to require an employee to disclose sealed or expunged
2 offenses, unless otherwise required by law.

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

14 "Tied Applicant Lottery" means the process established
15 under 68 Ill. Adm. Code 1291.50 for awarding Conditional Adult
16 Use Dispensing Organization Licenses pursuant to Sections
17 15-25 and 15-30 among Eligible Tied Applicants.

18 "Tincture" means a cannabis-infused solution, typically
19 comprised of alcohol, glycerin, or vegetable oils, derived
20 either directly from the cannabis plant or from a processed
21 cannabis extract. A tincture is not an alcoholic liquor as
22 defined in the Liquor Control Act of 1934. A tincture shall
23 include a calibrated dropper or other similar device capable
24 of accurately measuring servings.

25 "Transporting organization" or "transporter" means an
26 organization or business that is licensed by the Department of

1 Agriculture to transport cannabis or cannabis-infused product
2 on behalf of a cannabis business establishment or a community
3 college licensed under the Community College Cannabis
4 Vocational Training Pilot Program.

5 "Transporting organization agent" means a principal
6 officer, board member, employee, or agent of a transporting
7 organization.

8 "Transporting organization agent identification card"
9 means a document issued by the Department of Agriculture that
10 identifies a person as a transporting organization agent.

11 "Unit of local government" means any county, city,
12 village, or incorporated town.

13 "Vegetative stage" means the stage of cultivation in which
14 a cannabis plant is propagated to produce additional cannabis
15 plants or reach a sufficient size for production. This
16 includes seedlings, clones, mothers, and other immature
17 cannabis plants as follows:

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

23 (2) any cannabis plant that is cultivated solely for
24 the purpose of propagating clones and is never used to
25 produce cannabis.

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

1 (410 ILCS 705/5-45)

2 Sec. 5-45. Illinois Cannabis Regulation Oversight Officer.

3 (a) The position of Illinois Cannabis Regulation Oversight
4 Officer is created within the Department of Financial and
5 Professional Regulation under the Secretary of Financial and
6 Professional Regulation. The Cannabis Regulation Oversight
7 Officer serves a coordinating role among State agencies
8 regarding this Act and the Compassionate Use of Medical
9 Cannabis Program Act. The Illinois Cannabis Regulation
10 Oversight Officer shall be appointed by the Governor with the
11 advice and consent of the Senate. The term of office of the
12 Officer shall expire on the third Monday of January in
13 odd-numbered years provided that he or she shall hold office
14 until a successor is appointed and qualified. In case of
15 vacancy in office during the recess of the Senate, the
16 Governor shall make a temporary appointment until the next
17 meeting of the Senate, when the Governor shall nominate some
18 person to fill the office, and any person so nominated who is
19 confirmed by the Senate shall hold office during the remainder
20 of the term and until his or her successor is appointed and
21 qualified.

22 (b) The Illinois Cannabis Regulation Oversight Officer has
23 the authority to ~~may~~:

24 (1) maintain a staff;

25 (2) make recommendations for administrative and

1 ~~statutory policy, statute, and rule~~ changes;

2 (3) collect data both in Illinois and outside Illinois
3 regarding the regulation of cannabis;

4 (4) compile or assist in the compilation of any
5 reports required by this Act;

6 (5) ensure the coordination of efforts between various
7 State agencies involved in regulating and taxing the sale
8 of cannabis in Illinois; and

9 (6) encourage, promote, suggest, and report best
10 practices for ensuring diversity in the cannabis industry
11 in Illinois.

12 (c) The Illinois Cannabis Regulation Oversight Officer and
13 the Officer's staff shall not:

14 (1) participate in the issuance or award of any
15 cannabis business establishment license ~~licensing or the~~
16 ~~making of awards~~; or

17 (2) participate in discipline related to any cannabis
18 business establishment ~~any adjudicative decision making~~
19 ~~process involving licensing or licensee discipline~~.

20 The Illinois Cannabis Regulation Officer is not prohibited
21 from coordinating with and making recommendations to agencies
22 regarding licensing and disciplinary policies and procedures.

23 (d) Any funding required for the Illinois Cannabis
24 Regulation Oversight Officer, its staff, or its activities
25 shall be drawn from the Cannabis Regulation Fund.

26 (e) The Illinois Cannabis Regulation Oversight Officer

1 shall commission and publish one or more disparity and
2 availability studies that ~~a disparity and availability study~~
3 ~~by March 1, 2021 that:~~ (1) evaluates whether there exists
4 discrimination in the State's cannabis industry; and (2) if
5 so, evaluates the impact of such discrimination on the State
6 and includes recommendations to the Department of Financial
7 and Professional Regulation and the Department of Agriculture
8 for reducing or eliminating any identified barriers to entry
9 in the cannabis market. Such disparity and availability
10 studies shall examine each license type issued pursuant to
11 Sections 15-25, 15-30.1, or 15-35.20, subsection (a) of
12 Section 30-5, or subsection (a) of Section 35-5, and shall be
13 initiated within 180 days from the issuance of the first of
14 each license authorized by those Sections. The results of each
15 disparity and availability study shall be reported to the
16 General Assembly and the Governor no later than 12 months
17 after the commission of each study.

18 The Illinois Cannabis Regulation Oversight Officer shall
19 forward a copy of its findings and recommendations to the
20 Department of Financial and Professional Regulation, the
21 Department of Agriculture, the Department of Commerce and
22 Economic Opportunity, the General Assembly, and the Governor.

23 (f) The Illinois Cannabis Regulation Oversight Officer may
24 compile, collect, or otherwise gather data necessary for the
25 administration of this Act and to carry out the Officer's duty
26 relating to the recommendation of policy changes. The Illinois

1 Cannabis Regulation Oversight Officer may direct the
2 Department of Agriculture, Department of Financial and
3 Professional Regulation, Department of Public Health,
4 Department of Human Services, and Department of Commerce and
5 Economic Opportunity to assist in the compilation, collection,
6 and data gathering authorized pursuant to this subsection. The
7 Illinois Cannabis Regulation Oversight Officer shall compile
8 all of the data into a single report and submit the report to
9 the Governor and the General Assembly and publish the report
10 on its website.

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

12 (410 ILCS 705/7-30)

13 Sec. 7-30. Reporting. By January 1, 2021, and on January 1
14 of every year thereafter, or upon request by the Illinois
15 Cannabis Regulation Oversight Officer, each cannabis business
16 establishment licensed under this Act and the Compassionate
17 Use of Medical Cannabis Program Act shall report to the
18 Illinois Cannabis Regulation Oversight Officer, on a form to
19 be provided by the Illinois Cannabis Regulation Oversight
20 Officer, information that will allow it to assess the extent
21 of diversity in the medical and adult use cannabis industry
22 and methods for reducing or eliminating any identified
23 barriers to entry, including access to capital. Failure of a
24 cannabis business establishment to respond to the request of
25 the Cannabis Regulation Oversight Officer to complete the

1 form, report, and any other request for information may be
2 grounds for disciplinary action by the Department of Financial
3 and Professional Regulation or the Department of Agriculture.

4 The information to be collected shall be designed to identify
5 the following:

6 (1) the number and percentage of licenses provided to
7 Social Equity Applicants and to businesses owned by
8 minorities, women, veterans, and people with disabilities;

9 (2) the total number and percentage of employees in
10 the cannabis industry who meet the criteria in (3)(i) or
11 (3)(ii) in the definition of Social Equity Applicant or
12 who are minorities, women, veterans, or people with
13 disabilities;

14 (3) the total number and percentage of contractors and
15 subcontractors in the cannabis industry that meet the
16 definition of a Social Equity Applicant or who are owned
17 by minorities, women, veterans, or people with
18 disabilities, if known to the cannabis business
19 establishment; and

20 (4) recommendations on reducing or eliminating any
21 identified barriers to entry, including access to capital,
22 in the cannabis industry.

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

24 (410 ILCS 705/10-35)

25 Sec. 10-35. Limitations and penalties.

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

4 (1) undertaking any task under the influence of
5 cannabis when doing so would constitute negligence,
6 professional malpractice, or professional misconduct;

7 (2) possessing cannabis:

8 (A) in a school bus, unless permitted for a
9 qualifying patient or caregiver pursuant to the
10 Compassionate Use of Medical Cannabis Program Act;

11 (B) on the grounds of any preschool or primary or
12 secondary school, unless permitted for a qualifying
13 patient or caregiver pursuant to the Compassionate Use
14 of Medical Cannabis Program Act;

15 (C) in any correctional facility;

16 (D) in a vehicle not open to the public unless the
17 cannabis is in a reasonably secured, sealed or
18 resealable container and reasonably inaccessible while
19 the vehicle is moving; or

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

23 (3) using cannabis:

24 (A) in a school bus, unless permitted for a
25 qualifying patient or caregiver pursuant to the
26 Compassionate Use of Medical Cannabis Program Act;

1 (B) on the grounds of any preschool or primary or
2 secondary school, unless permitted for a qualifying
3 patient or caregiver pursuant to the Compassionate Use
4 of Medical Cannabis Program Act;

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) in any public place; or

11 (G) knowingly in close physical proximity to
12 anyone under 21 years of age who is not a registered
13 medical cannabis patient under the Compassionate Use
14 of Medical Cannabis Program Act;

15 (4) smoking cannabis in any place where smoking is
16 prohibited under the Smoke Free Illinois Act;

17 (5) operating, navigating, or being in actual physical
18 control of any motor vehicle, aircraft, watercraft, or
19 snowmobile while using or under the influence of cannabis
20 in violation of Section 11-501 or 11-502.1 of the Illinois
21 Vehicle Code, Section 5-16 of the Boat Registration and
22 Safety Act, or Section 5-7 of the Snowmobile Registration
23 and Safety Act;

24 (6) facilitating the use of cannabis by any person who
25 is not allowed to use cannabis under this Act or the
26 Compassionate Use of Medical Cannabis Program Act;

1 (7) transferring cannabis to any person contrary to
2 this Act or the Compassionate Use of Medical Cannabis
3 Program Act;

4 (8) the use of cannabis by a law enforcement officer,
5 corrections officer, probation officer, or firefighter
6 while on duty; nothing in this Act prevents a public
7 employer of law enforcement officers, corrections
8 officers, probation officers, paramedics, or firefighters
9 from prohibiting or taking disciplinary action for the
10 consumption, possession, sales, purchase, or delivery of
11 cannabis or cannabis-infused substances while on or off
12 duty, unless provided for in the employer's policies.
13 However, an employer may not take adverse employment
14 action against an employee based solely on the lawful
15 possession or consumption of cannabis or cannabis-infused
16 substances by members of the employee's household. To the
17 extent that this Section conflicts with any applicable
18 collective bargaining agreement, the provisions of the
19 collective bargaining agreement shall prevail. Further,
20 nothing in this Act shall be construed to limit in any way
21 the right to collectively bargain over the subject matters
22 contained in this Act; or

23 (9) the use of cannabis by a person who has a school
24 bus permit or a Commercial Driver's License while on duty.

25 As used in this Section, "public place" means any place
26 where a person could reasonably be expected to be observed by

1 others. "Public place" includes all parts of buildings owned
2 in whole or in part, or leased, by the State or a unit of local
3 government. "Public place" includes all areas in a park,
4 recreation area, wildlife area, or playground owned in whole
5 or in part, leased, or managed by the State or a unit of local
6 government. "Public place" does not include a private
7 residence unless the private residence is used to provide
8 licensed child care, foster care, or other similar social
9 service care on the premises.

10 (b) Nothing in this Act shall be construed to prevent the
11 arrest or prosecution of a person for reckless driving or
12 driving under the influence of cannabis, operating a
13 watercraft under the influence of cannabis, or operating a
14 snowmobile under the influence of cannabis if probable cause
15 exists.

16 (c) Nothing in this Act shall prevent a private business
17 from restricting or prohibiting the use of cannabis on its
18 property, including areas where motor vehicles are parked.

19 (d) Nothing in this Act shall require an individual or
20 business entity to violate the provisions of federal law,
21 including colleges or universities that must abide by the
22 Drug-Free Schools and Communities Act Amendments of 1989, that
23 require campuses to be drug free.

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

1 Sec. 10-40. Restore, Reinvest, and Renew Program.

2 (a) The General Assembly finds that in order to address
3 the disparities described below, aggressive approaches and
4 targeted resources to support local design and control of
5 community-based responses to these outcomes are required. To
6 carry out this intent, the Restore, Reinvest, and Renew (R3)
7 Program is created for the following purposes:

8 (1) to directly address the impact of economic
9 disinvestment, violence, and the historical overuse of
10 criminal justice responses to community and individual
11 needs by providing resources to support local design and
12 control of community-based responses to these impacts;

13 (2) to substantially reduce both the total amount of
14 gun violence and concentrated poverty in this State;

15 (3) to protect communities from gun violence through
16 targeted investments and intervention programs, including
17 economic growth and improving family violence prevention,
18 community trauma treatment rates, gun injury victim
19 services, and public health prevention activities;

20 (4) to promote employment infrastructure and capacity
21 building related to the social determinants of health in
22 the eligible community areas.

23 (b) In this Section, "Authority" means the Illinois
24 Criminal Justice Information Authority in coordination with
25 the Justice, Equity, and Opportunity Initiative of the
26 Lieutenant Governor's Office.

1 (c) Eligibility of R3 Areas. Within 180 days after the
2 effective date of this Act, the Authority shall identify as
3 eligible, areas in this State by way of historically
4 recognized geographic boundaries, to be designated by the
5 Restore, Reinvest, and Renew Program Board as R3 Areas and
6 therefore eligible to apply for R3 funding. Local groups
7 within R3 Areas will be eligible to apply for State funding
8 through the Restore, Reinvest, and Renew Program Board.
9 Qualifications for designation as an R3 Area are as follows:

10 (1) Based on an analysis of data, communities in this
11 State that are high need, underserved, disproportionately
12 impacted by historical economic disinvestment, and ravaged
13 by violence as indicated by the highest rates of gun
14 injury, unemployment, child poverty rates, and commitments
15 to and returns from the Illinois Department of
16 Corrections.

17 (2) The Authority shall send to the Legislative Audit
18 Commission and make publicly available its analysis and
19 identification of eligible R3 Areas and shall recalculate
20 the eligibility data every 4 years. On an annual basis,
21 the Authority shall analyze data and indicate if data
22 covering any R3 Area or portion of an Area has, for 4
23 consecutive years, substantially deviated from the average
24 of statewide data on which the original calculation was
25 made to determine the Areas, including disinvestment,
26 violence, gun injury, unemployment, child poverty rates,

1 or commitments to or returns from the Illinois Department
2 of Corrections.

3 (d) The Restore, Reinvest, and Renew Program Board shall
4 encourage collaborative partnerships within each R3 Area to
5 minimize multiple partnerships per Area.

6 (e) The Restore, Reinvest, and Renew Program Board is
7 created and shall reflect the diversity of the State of
8 Illinois, including geographic, racial, and ethnic diversity.
9 Using the data provided by the Authority, the Restore,
10 Reinvest, and Renew Program Board shall be responsible for
11 designating the R3 Area boundaries and for the selection and
12 oversight of R3 Area grantees. The Restore, Reinvest, and
13 Renew Program Board ex officio members shall, within 4 months
14 after the effective date of this Act, convene the Board to
15 appoint a full Restore, Reinvest, and Renew Program Board and
16 oversee, provide guidance to, and develop an administrative
17 structure for the R3 Program.

18 (1) The ex officio members are:

19 (A) The Lieutenant Governor, or his or her
20 designee, who shall serve as chair.

21 (B) The Attorney General, or his or her
22 designee.

23 (C) The Director of Commerce and Economic
24 Opportunity, or his or her designee.

25 (D) The Director of Public Health, or his or
26 her designee.

1 (E) The Director of Corrections, or his or her
2 designee.

3 (F) The Director of Juvenile Justice, or his
4 or her designee.

5 (G) The Director of Children and Family
6 Services, or his or her designee.

7 (H) The Executive Director of the Illinois
8 Criminal Justice Information Authority, or his or
9 her designee.

10 (I) The Director of Employment Security, or
11 his or her designee.

12 (J) The Secretary of Human Services, or his or
13 her designee.

14 (K) A member of the Senate, designated by the
15 President of the Senate.

16 (L) A member of the House of Representatives,
17 designated by the Speaker of the House of
18 Representatives.

19 (M) A member of the Senate, designated by the
20 Minority Leader of the Senate.

21 (N) A member of the House of Representatives,
22 designated by the Minority Leader of the House of
23 Representatives.

24 (2) Within 90 days after the R3 Areas have been
25 designated by the Restore, Reinvest, and Renew Program
26 Board, the following members shall be appointed to the

1 Board by the R3 board chair:

2 (A) Eight public officials of municipal geographic
3 jurisdictions in the State that include an R3 Area, or
4 their designees;

5 (B) Four community-based providers or community
6 development organization representatives who provide
7 services to treat violence and address the social
8 determinants of health, or promote community
9 investment, including, but not limited to, services
10 such as job placement and training, educational
11 services, workforce development programming, and
12 wealth building. The community-based organization
13 representatives shall work primarily in jurisdictions
14 that include an R3 Area and no more than 2
15 representatives shall work primarily in Cook County.
16 At least one of the community-based providers shall
17 have expertise in providing services to an immigrant
18 population;

19 (C) Two experts in the field of violence
20 reduction;

21 (D) One male who has previously been incarcerated
22 and is over the age of 24 at the time of appointment;

23 (E) One female who has previously been
24 incarcerated and is over the age of 24 at the time of
25 appointment;

26 (F) Two individuals who have previously been

1 incarcerated and are between the ages of 17 and 24 at
2 the time of appointment; ~~and-~~

3 (G) Eight individuals who live or work in an R3
4 Area.

5 As used in this paragraph (2), "an individual who has
6 been previously incarcerated" means a person who has been
7 convicted of or pled guilty to one or more felonies, who
8 was sentenced to a term of imprisonment, and who has
9 completed his or her sentence. Board members shall serve
10 without compensation and may be reimbursed for reasonable
11 expenses incurred in the performance of their duties from
12 funds appropriated for that purpose. Once all its members
13 have been appointed as outlined in items (A) through (F)
14 of this paragraph (2), the Board may exercise any power,
15 perform any function, take any action, or do anything in
16 furtherance of its purposes and goals upon the appointment
17 of a quorum of its members. The Board terms of the non-ex
18 officio and General Assembly Board members shall end 4
19 years from the date of appointment. The R3 board chair may
20 remove an individual appointed to the Board who does not
21 regularly attend Board meetings, based on criteria
22 approved by the Board.

23 (f) Within 12 months after the effective date of this Act,
24 the Board shall:

25 (1) develop a process to solicit applications from
26 eligible R3 Areas;

1 (2) develop a standard template for both planning and
2 implementation activities to be submitted by R3 Areas to
3 the State;

4 (3) identify resources sufficient to support the full
5 administration and evaluation of the R3 Program, including
6 building and sustaining core program capacity at the
7 community and State levels;

8 (4) review R3 Area grant applications and proposed
9 agreements and approve the distribution of resources;

10 (5) develop a performance measurement system that
11 focuses on positive outcomes;

12 (6) develop a process to support ongoing monitoring
13 and evaluation of R3 programs; and

14 (7) deliver an annual report to the General Assembly
15 and to the Governor to be posted on the Governor's Office
16 and General Assembly websites and provide to the public an
17 annual report on its progress.

18 (g) R3 Area grants.

19 (1) Grant funds shall be awarded by the Illinois
20 Criminal Justice Information Authority, in coordination
21 with the R3 board, based on the likelihood that the plan
22 will achieve the outcomes outlined in subsection (a) and
23 consistent with the requirements of the Grant
24 Accountability and Transparency Act. The R3 Program shall
25 also facilitate the provision of training and technical
26 assistance for capacity building within and among R3

1 Areas.

2 (2) R3 Program Board grants shall be used to address
3 economic development, violence prevention services,
4 re-entry services, youth development, and civil legal aid.

5 (3) The Restore, Reinvest, and Renew Program Board and
6 the R3 Area grantees shall, within a period of no more than
7 120 days from the completion of planning activities
8 described in this Section, finalize an agreement on the
9 plan for implementation. Implementation activities may:

10 (A) have a basis in evidence or best practice
11 research or have evaluations demonstrating the
12 capacity to address the purpose of the program in
13 subsection (a);

14 (B) collect data from the inception of planning
15 activities through implementation, with data
16 collection technical assistance when needed, including
17 cost data and data related to identified meaningful
18 short-term, mid-term, and long-term goals and metrics;

19 (C) report data to the Restore, Reinvest, and
20 Renew Program Board biannually; and

21 (D) report information as requested by the R3
22 Program Board.

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

24 (410 ILCS 705/15-15)

25 Sec. 15-15. Early Approval Adult Use Dispensing

1 Organization License.

2 (a) Any medical cannabis dispensing organization holding a
3 valid registration under the Compassionate Use of Medical
4 Cannabis Program Act as of the effective date of this Act may,
5 within 60 days of the effective date of this Act, apply to the
6 Department for an Early Approval Adult Use Dispensing
7 Organization License to serve purchasers at any medical
8 cannabis dispensing location in operation on the effective
9 date of this Act, pursuant to this Section.

10 (b) A medical cannabis dispensing organization seeking
11 issuance of an Early Approval Adult Use Dispensing
12 Organization License to serve purchasers at any medical
13 cannabis dispensing location in operation as of the effective
14 date of this Act shall submit an application on forms provided
15 by the Department. The application must be submitted by the
16 same person or entity that holds the medical cannabis
17 dispensing organization registration and include the
18 following:

19 (1) Payment of a nonrefundable fee of \$30,000 to be
20 deposited into the Cannabis Regulation Fund;

21 (2) Proof of registration as a medical cannabis
22 dispensing organization that is in good standing;

23 (3) Certification that the applicant will comply with
24 the requirements contained in the Compassionate Use of
25 Medical Cannabis Program Act except as provided in this
26 Act;

- 1 (4) The legal name of the dispensing organization;
- 2 (5) The physical address of the dispensing
3 organization;
- 4 (6) The name, address, social security number, and
5 date of birth of each principal officer and board member
6 of the dispensing organization, each of whom must be at
7 least 21 years of age;
- 8 (7) A nonrefundable Cannabis Business Development Fee
9 equal to 3% of the dispensing organization's total sales
10 between June 1, 2018 to June 1, 2019, or \$100,000,
11 whichever is less, to be deposited into the Cannabis
12 Business Development Fund; and
- 13 (8) Identification of one of the following Social
14 Equity Inclusion Plans to be completed by March 31, 2021:
- 15 (A) Make a contribution of 3% of total sales from
16 June 1, 2018 to June 1, 2019, or \$100,000, whichever is
17 less, to the Cannabis Business Development Fund. This
18 is in addition to the fee required by item (7) of this
19 subsection (b);
- 20 (B) Make a grant of 3% of total sales from June 1,
21 2018 to June 1, 2019, or \$100,000, whichever is less,
22 to a cannabis industry training or education program
23 at an Illinois community college as defined in the
24 Public Community College Act;
- 25 (C) Make a donation of \$100,000 or more to a
26 program that provides job training services to persons

1 recently incarcerated or that operates in a
2 Disproportionately Impacted Area;

3 (D) Participate as a host in a cannabis business
4 establishment incubator program approved by the
5 Department of Commerce and Economic Opportunity, and
6 in which an Early Approval Adult Use Dispensing
7 Organization License holder agrees to provide a loan
8 of at least \$100,000 and mentorship to incubate, for
9 at least a year, a Social Equity Applicant intending
10 to seek a license or a licensee that qualifies as a
11 Social Equity Applicant. As used in this Section,
12 "incubate" means providing direct financial assistance
13 and training necessary to engage in licensed cannabis
14 industry activity similar to that of the host
15 licensee. The Early Approval Adult Use Dispensing
16 Organization License holder or the same entity holding
17 any other licenses issued pursuant to this Act shall
18 not take an ownership stake of greater than 10% in any
19 business receiving incubation services to comply with
20 this subsection. If an Early Approval Adult Use
21 Dispensing Organization License holder fails to find a
22 business to incubate to comply with this subsection
23 before its Early Approval Adult Use Dispensing
24 Organization License expires, it may opt to meet the
25 requirement of this subsection by completing another
26 item from this subsection; or

1 (E) Participate in a sponsorship program for at
2 least 2 years approved by the Department of Commerce
3 and Economic Opportunity in which an Early Approval
4 Adult Use Dispensing Organization License holder
5 agrees to provide an interest-free loan of at least
6 \$200,000 to a Social Equity Applicant. The sponsor
7 shall not take an ownership stake in any cannabis
8 business establishment receiving sponsorship services
9 to comply with this subsection.

10 (b-5) Beginning 90 days after the effective date of this
11 amendatory Act of the 102nd General Assembly, an Early
12 Approval Adult Use Dispensing Organization licensee whose
13 license was issued pursuant to this Section may apply to
14 relocate within the same geographic district where its
15 existing associated medical cannabis dispensing organization
16 dispensary licensed under the Compassionate Use of Medical
17 Cannabis Act is authorized to operate. A request to relocate
18 under this subsection is subject to approval by the
19 Department. An Early Approval Adult Use Dispensing
20 Organization's application to relocate its license under this
21 subsection shall be deemed approved 30 days following the
22 submission of a complete application to relocate, unless
23 sooner approved or denied in writing by the Department. If an
24 application to relocate is denied, the Department shall
25 provide, in writing, the specific reason for denial.

26 An Early Approval Adult Use Dispensing Organization may

1 request to relocate under this subsection if:

2 (1) its existing location is within the boundaries of
3 a unit of local government that prohibits the sale of
4 adult use cannabis; or

5 (2) the Early Approval Adult Use Dispensing
6 Organization has obtained the approval of the municipality
7 or, if outside the boundaries of a municipality in an
8 unincorporated area of the county, the approval of the
9 county where the existing license is located to move to
10 another location within that unit of local government.

11 At no time may an Early Approval Adult Use Dispensing
12 Organization dispensary licensed under this Section operate in
13 a separate facility from its associated medical cannabis
14 dispensing organization dispensary licensed under the
15 Compassionate Use of Medical Cannabis Act. The relocation of
16 an Early Approval Adult Use Dispensing Organization License
17 under this subsection shall be subject to Sections 55-25 and
18 55-28 of this Act.

19 (c) The license fee required by paragraph (1) of
20 subsection (b) of this Section shall be in addition to any
21 license fee required for the renewal of a registered medical
22 cannabis dispensing organization license.

23 (d) Applicants must submit all required information,
24 including the requirements in subsection (b) of this Section,
25 to the Department. Failure by an applicant to submit all
26 required information may result in the application being

1 disqualified.

2 (e) If the Department receives an application that fails
3 to provide the required elements contained in subsection (b),
4 the Department shall issue a deficiency notice to the
5 applicant. The applicant shall have 10 calendar days from the
6 date of the deficiency notice to submit complete information.
7 Applications that are still incomplete after this opportunity
8 to cure may be disqualified.

9 (f) If an applicant meets all the requirements of
10 subsection (b) of this Section, the Department shall issue the
11 Early Approval Adult Use Dispensing Organization License
12 within 14 days of receiving a completed application unless:

13 (1) The licensee or a principal officer is delinquent
14 in filing any required tax returns or paying any amounts
15 owed to the State of Illinois;

16 (2) The Secretary of Financial and Professional
17 Regulation determines there is reason, based on documented
18 compliance violations, the licensee is not entitled to an
19 Early Approval Adult Use Dispensing Organization License;
20 or

21 (3) Any principal officer fails to register and remain
22 in compliance with this Act or the Compassionate Use of
23 Medical Cannabis Program Act.

24 (g) A registered medical cannabis dispensing organization
25 that obtains an Early Approval Adult Use Dispensing
26 Organization License may begin selling cannabis,

1 cannabis-infused products, paraphernalia, and related items to
2 purchasers under the rules of this Act no sooner than January
3 1, 2020.

4 (h) A dispensing organization holding a medical cannabis
5 dispensing organization license issued under the Compassionate
6 Use of Medical Cannabis Program Act must maintain an adequate
7 supply of cannabis and cannabis-infused products for purchase
8 by qualifying patients, caregivers, provisional patients, and
9 Opioid Alternative Pilot Program participants. For the
10 purposes of this subsection, "adequate supply" means a monthly
11 inventory level that is comparable in type and quantity to
12 those medical cannabis products provided to patients and
13 caregivers on an average monthly basis for the 6 months before
14 the effective date of this Act.

15 (i) If there is a shortage of cannabis or cannabis-infused
16 products, a dispensing organization holding both a dispensing
17 organization license under the Compassionate Use of Medical
18 Cannabis Program Act and this Act shall prioritize serving
19 qualifying patients, caregivers, provisional patients, and
20 Opioid Alternative Pilot Program participants before serving
21 purchasers.

22 (j) Notwithstanding any law or rule to the contrary, a
23 person that holds a medical cannabis dispensing organization
24 license issued under the Compassionate Use of Medical Cannabis
25 Program Act and an Early Approval Adult Use Dispensing
26 Organization License may permit purchasers into a limited

1 access area as that term is defined in administrative rules
2 made under the authority in the Compassionate Use of Medical
3 Cannabis Program Act.

4 (k) An Early Approval Adult Use Dispensing Organization
5 License is valid until March 31, 2021. A dispensing
6 organization that obtains an Early Approval Adult Use
7 Dispensing Organization License shall receive written or
8 electronic notice 90 days before the expiration of the license
9 that the license will expire, and that informs the license
10 holder that it may apply to renew its Early Approval Adult Use
11 Dispensing Organization License on forms provided by the
12 Department. The Department shall renew the Early Approval
13 Adult Use Dispensing Organization License within 60 days of
14 the renewal application being deemed complete if:

15 (1) the dispensing organization submits an application
16 and the required nonrefundable renewal fee of \$30,000, to
17 be deposited into the Cannabis Regulation Fund;

18 (2) the Department has not suspended or permanently
19 revoked the Early Approval Adult Use Dispensing
20 Organization License or a medical cannabis dispensing
21 organization license on the same premises for violations
22 of this Act, the Compassionate Use of Medical Cannabis
23 Program Act, or rules adopted pursuant to those Acts;

24 (3) the dispensing organization has completed a Social
25 Equity Inclusion Plan as provided by parts (A), (B), and
26 (C) of paragraph (8) of subsection (b) of this Section or

1 has made substantial progress toward completing a Social
2 Equity Inclusion Plan as provided by parts (D) and (E) of
3 paragraph (8) of subsection (b) of this Section; and

4 (4) the dispensing organization is in compliance with
5 this Act and rules.

6 (1) The Early Approval Adult Use Dispensing Organization
7 License renewed pursuant to subsection (k) of this Section
8 shall expire March 31, 2022. The Early Approval Adult Use
9 Dispensing Organization Licensee shall receive written or
10 electronic notice 90 days before the expiration of the license
11 that the license will expire, and that informs the license
12 holder that it may apply for an Adult Use Dispensing
13 Organization License on forms provided by the Department. The
14 Department shall grant an Adult Use Dispensing Organization
15 License within 60 days of an application being deemed complete
16 if the applicant has met all of the criteria in Section 15-36.

17 (m) If a dispensing organization fails to submit an
18 application for renewal of an Early Approval Adult Use
19 Dispensing Organization License or for an Adult Use Dispensing
20 Organization License before the expiration dates provided in
21 subsections (k) and (l) of this Section, the dispensing
22 organization shall cease serving purchasers and cease all
23 operations until it receives a renewal or an Adult Use
24 Dispensing Organization License, as the case may be.

25 (n) A dispensing organization agent who holds a valid
26 dispensing organization agent identification card issued under

1 the Compassionate Use of Medical Cannabis Program Act and is
2 an officer, director, manager, or employee of the dispensing
3 organization licensed under this Section may engage in all
4 activities authorized by this Article to be performed by a
5 dispensing organization agent.

6 (o) If the Department suspends, permanently revokes, or
7 otherwise disciplines the Early Approval Adult Use Dispensing
8 Organization License of a dispensing organization that also
9 holds a medical cannabis dispensing organization license
10 issued under the Compassionate Use of Medical Cannabis Program
11 Act, the Department may consider the suspension, permanent
12 revocation, or other discipline of the medical cannabis
13 dispensing organization license.

14 (p) All fees collected pursuant to this Section shall be
15 deposited into the Cannabis Regulation Fund, unless otherwise
16 specified.

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

18 (410 ILCS 705/15-25)

19 Sec. 15-25. Awarding of Conditional Adult Use Dispensing
20 Organization Licenses prior to January 1, 2021.

21 (a) The Department shall issue up to 75 Conditional Adult
22 Use Dispensing Organization Licenses before May 1, 2020.

23 (b) The Department shall make the application for a
24 Conditional Adult Use Dispensing Organization License
25 available no later than October 1, 2019 and shall accept

1 applications no later than January 1, 2020.

2 (c) To ensure the geographic dispersion of Conditional
3 Adult Use Dispensing Organization License holders, the
4 following number of licenses shall be awarded in each BLS
5 Region as determined by each region's percentage of the
6 State's population:

7 (1) Bloomington: 1

8 (2) Cape Girardeau: 1

9 (3) Carbondale-Marion: 1

10 (4) Champaign-Urbana: 1

11 (5) Chicago-Naperville-Elgin: 47

12 (6) Danville: 1

13 (7) Davenport-Moline-Rock Island: 1

14 (8) Decatur: 1

15 (9) Kankakee: 1

16 (10) Peoria: 3

17 (11) Rockford: 2

18 (12) St. Louis: 4

19 (13) Springfield: 1

20 (14) Northwest Illinois nonmetropolitan: 3

21 (15) West Central Illinois nonmetropolitan: 3

22 (16) East Central Illinois nonmetropolitan: 2

23 (17) South Illinois nonmetropolitan: 2

24 (d) An applicant seeking issuance of a Conditional Adult
25 Use Dispensing Organization License shall submit an
26 application on forms provided by the Department. An applicant

1 must meet the following requirements:

2 (1) Payment of a nonrefundable application fee of
3 \$5,000 for each license for which the applicant is
4 applying, which shall be deposited into the Cannabis
5 Regulation Fund;

6 (2) Certification that the applicant will comply with
7 the requirements contained in this Act;

8 (3) The legal name of the proposed dispensing
9 organization;

10 (4) A statement that the dispensing organization
11 agrees to respond to the Department's supplemental
12 requests for information;

13 (5) From each principal officer, a statement
14 indicating whether that person:

15 (A) has previously held or currently holds an
16 ownership interest in a cannabis business
17 establishment in Illinois; or

18 (B) has held an ownership interest in a dispensing
19 organization or its equivalent in another state or
20 territory of the United States that had the dispensing
21 organization registration or license suspended,
22 revoked, placed on probationary status, or subjected
23 to other disciplinary action;

24 (6) Disclosure of whether any principal officer has
25 ever filed for bankruptcy or defaulted on spousal support
26 or child support obligation;

1 (7) A resume for each principal officer, including
2 whether that person has an academic degree, certification,
3 or relevant experience with a cannabis business
4 establishment or in a related industry;

5 (8) A description of the training and education that
6 will be provided to dispensing organization agents;

7 (9) A copy of the proposed operating bylaws;

8 (10) A copy of the proposed business plan that
9 complies with the requirements in this Act, including, at
10 a minimum, the following:

11 (A) A description of services to be offered; and

12 (B) A description of the process of dispensing
13 cannabis;

14 (11) A copy of the proposed security plan that
15 complies with the requirements in this Article, including:

16 (A) The process or controls that will be
17 implemented to monitor the dispensary, secure the
18 premises, agents, and currency, and prevent the
19 diversion, theft, or loss of cannabis; and

20 (B) The process to ensure that access to the
21 restricted access areas is restricted to, registered
22 agents, service professionals, transporting
23 organization agents, Department inspectors, and
24 security personnel;

25 (12) A proposed inventory control plan that complies
26 with this Section;

1 (13) A proposed floor plan, a square footage estimate,
2 and a description of proposed security devices, including,
3 without limitation, cameras, motion detectors, servers,
4 video storage capabilities, and alarm service providers;

5 (14) The name, address, social security number, and
6 date of birth of each principal officer and board member
7 of the dispensing organization; each of those individuals
8 shall be at least 21 years of age;

9 (15) Evidence of the applicant's status as a Social
10 Equity Applicant, if applicable, and whether a Social
11 Equity Applicant plans to apply for a loan or grant issued
12 by the Department of Commerce and Economic Opportunity;

13 (16) The address, telephone number, and email address
14 of the applicant's principal place of business, if
15 applicable. A post office box is not permitted;

16 (17) Written summaries of any information regarding
17 instances in which a business or not-for-profit that a
18 prospective board member previously managed or served on
19 were fined or censured, or any instances in which a
20 business or not-for-profit that a prospective board member
21 previously managed or served on had its registration
22 suspended or revoked in any administrative or judicial
23 proceeding;

24 (18) A plan for community engagement;

25 (19) Procedures to ensure accurate recordkeeping and
26 security measures that are in accordance with this Article

1 and Department rules;

2 (20) The estimated volume of cannabis it plans to
3 store at the dispensary;

4 (21) A description of the features that will provide
5 accessibility to purchasers as required by the Americans
6 with Disabilities Act;

7 (22) A detailed description of air treatment systems
8 that will be installed to reduce odors;

9 (23) A reasonable assurance that the issuance of a
10 license will not have a detrimental impact on the
11 community in which the applicant wishes to locate;

12 (24) The dated signature of each principal officer;

13 (25) A description of the enclosed, locked facility
14 where cannabis will be stored by the dispensing
15 organization;

16 (26) Signed statements from each dispensing
17 organization agent stating that he or she will not divert
18 cannabis;

19 (27) The number of licenses it is applying for in each
20 BLS Region;

21 (28) A diversity plan that includes a narrative of at
22 least 2,500 words that establishes a goal of diversity in
23 ownership, management, employment, and contracting to
24 ensure that diverse participants and groups are afforded
25 equality of opportunity;

26 (29) A contract with a private security contractor

1 agency that is licensed under Section 10-5 of the Private
2 Detective, Private Alarm, Private Security, Fingerprint
3 Vendor, and Locksmith Act of 2004 in order for the
4 dispensary to have adequate security at its facility; and

5 (30) Other information deemed necessary by the
6 Illinois Cannabis Regulation Oversight Officer to conduct
7 the disparity and availability study referenced in
8 subsection (e) of Section 5-45.

9 (e) An applicant who receives a Conditional Adult Use
10 Dispensing Organization License under this Section has 180
11 days from the date of award to identify a physical location for
12 the dispensing organization retail storefront. ~~Before a~~
13 ~~conditional licensee receives an authorization to build out~~
14 ~~the dispensing organization from the Department, the~~
15 ~~Department shall inspect the physical space selected by the~~
16 ~~conditional licensee. The Department shall verify the site is~~
17 ~~suitable for public access, the layout promotes the safe~~
18 ~~dispensing of cannabis, the location is sufficient in size,~~
19 ~~power allocation, lighting, parking, handicapped accessible~~
20 ~~parking spaces, accessible entry and exits as required by the~~
21 ~~Americans with Disabilities Act, product handling, and~~
22 ~~storage. The applicant shall also provide a statement of~~
23 ~~reasonable assurance that the issuance of a license will not~~
24 ~~have a detrimental impact on the community.~~ The applicant
25 shall ~~also~~ provide evidence that the location is not within
26 1,500 feet of an existing dispensing organization, unless the

1 applicant is a Social Equity Applicant or Social Equity
2 Justice Involved Applicant located or seeking to locate within
3 1,500 feet of a dispensing organization licensed under Section
4 15-15 or Section 15-20. If an applicant is unable to find a
5 suitable physical address in the opinion of the Department
6 within 180 days of the issuance of the Conditional Adult Use
7 Dispensing Organization License, the Department may extend the
8 period for finding a physical address another 180 days if the
9 Conditional Adult Use Dispensing Organization License holder
10 demonstrates concrete attempts to secure a location and a
11 hardship. If the Department denies the extension or the
12 Conditional Adult Use Dispensing Organization License holder
13 is unable to find a location or become operational within 360
14 days of being awarded a conditional license, the Department
15 shall rescind the conditional license and award it to the next
16 highest scoring applicant in the BLS Region for which the
17 license was assigned, provided the applicant receiving the
18 license: (i) confirms a continued interest in operating a
19 dispensing organization; (ii) can provide evidence that the
20 applicant continues to meet all requirements for holding a
21 Conditional Adult Use Dispensing Organization License set
22 forth in this Act; and (iii) has not otherwise become
23 ineligible to be awarded a dispensing organization license. If
24 the new awardee is unable to accept the Conditional Adult Use
25 Dispensing Organization License, the Department shall award
26 the Conditional Adult Use Dispensing Organization License to

1 the next highest scoring applicant in the same manner. The new
2 awardee shall be subject to the same required deadlines as
3 provided in this subsection.

4 (e-5) If, within 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 because no jurisdiction within
9 the BLS Region allows for the operation of an Adult Use
10 Dispensing Organization, the Department of Financial and
11 Professional Regulation may authorize the Conditional Adult
12 Use Dispensing Organization License holder to transfer its
13 license to a BLS Region specified by the Department.

14 (f) A dispensing organization that is awarded a
15 Conditional Adult Use Dispensing Organization License pursuant
16 to the criteria in Section 15-30 shall not purchase, possess,
17 sell, or dispense cannabis or cannabis-infused products until
18 the person has received an Adult Use Dispensing Organization
19 License issued by the Department pursuant to Section 15-36 of
20 this Act.

21 (g) The Department shall conduct a background check of the
22 prospective organization agents in order to carry out this
23 Article. The Department of 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 Department of State
3 Police for the purpose of obtaining a State and federal
4 criminal records check. These fingerprints shall be checked
5 against the fingerprint records now and hereafter, to the
6 extent allowed by law, filed in the Department of State Police
7 and Federal Bureau of Identification criminal history records
8 databases. The Department of State Police shall furnish,
9 following positive identification, all Illinois conviction
10 information to the Department.

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

12 (410 ILCS 705/15-30)

13 Sec. 15-30. Selection criteria for conditional licenses
14 awarded under Section 15-25.

15 (a) Applicants for a Conditional Adult Use Dispensing
16 Organization License must submit all required information,
17 including the information required in Section 15-25, to the
18 Department. Failure by an applicant to submit all required
19 information may result in the application being disqualified.

20 (b) If the Department receives an application that fails
21 to provide the required elements contained in this Section,
22 the Department shall issue a deficiency notice to the
23 applicant. The applicant shall have 10 calendar days from the
24 date of the deficiency notice to resubmit the incomplete
25 information. Applications that are still incomplete after this

1 opportunity to cure will not be scored and will be
2 disqualified.

3 (c) The Department will award up to 250 points to complete
4 applications based on the sufficiency of the applicant's
5 responses to required information. Applicants will be awarded
6 points based on a determination that the application
7 satisfactorily includes the following elements:

8 (1) Suitability of Employee Training Plan (15 points).

9 The plan includes an employee training plan that
10 demonstrates that employees will understand the rules
11 and laws to be followed by dispensary employees, have
12 knowledge of any security measures and operating
13 procedures of the dispensary, and are able to advise
14 purchasers on how to safely consume cannabis and use
15 individual products offered by the dispensary.

16 (2) Security and Recordkeeping (65 points).

17 (A) The security plan accounts for the prevention
18 of the theft or diversion of cannabis. The security
19 plan demonstrates safety procedures for dispensing
20 organization agents and purchasers, and safe delivery
21 and storage of cannabis and currency. It demonstrates
22 compliance with all security requirements in this Act
23 and rules.

24 (B) A plan for recordkeeping, tracking, and
25 monitoring inventory, quality control, and other
26 policies and procedures that will promote standard

1 recordkeeping and discourage unlawful activity. This
2 plan includes the applicant's strategy to communicate
3 with the Department and the Department of State Police
4 on the destruction and disposal of cannabis. The plan
5 must also demonstrate compliance with this Act and
6 rules.

7 (C) The security plan shall also detail which
8 private security contractor licensed under Section
9 10-5 of the Private Detective, Private Alarm, Private
10 Security, Fingerprint Vendor, and Locksmith Act of
11 2004 the dispensary will contract with in order to
12 provide adequate security at its facility.

13 (3) Applicant's Business Plan, Financials, Operating
14 and Floor Plan (65 points).

15 (A) The business plan shall describe, at a
16 minimum, how the dispensing organization will be
17 managed on a long-term basis. This shall include a
18 description of the dispensing organization's
19 point-of-sale system, purchases and denials of sale,
20 confidentiality, and products and services to be
21 offered. It will demonstrate compliance with this Act
22 and rules.

23 (B) The operating plan shall include, at a
24 minimum, best practices for day-to-day dispensary
25 operation and staffing. The operating plan may also
26 include information about employment practices,

1 including information about the percentage of
2 full-time employees who will be provided a living
3 wage.

4 (C) The proposed floor plan is suitable for public
5 access, the layout promotes safe dispensing of
6 cannabis, is compliant with the Americans with
7 Disabilities Act and the Environmental Barriers Act,
8 and facilitates safe product handling and storage.

9 (4) Knowledge and Experience (30 points).

10 (A) The applicant's principal officers must
11 demonstrate experience and qualifications in business
12 management or experience with the cannabis industry.
13 This includes ensuring optimal safety and accuracy in
14 the dispensing and sale of cannabis.

15 (B) The applicant's principal officers must
16 demonstrate knowledge of various cannabis product
17 strains or varieties and describe the types and
18 quantities of products planned to be sold. This
19 includes confirmation of whether the dispensing
20 organization plans to sell cannabis paraphernalia or
21 edibles.

22 (C) Knowledge and experience may be demonstrated
23 through experience in other comparable industries that
24 reflect on the applicant's ability to operate a
25 cannabis business establishment.

26 (5) Status as a Social Equity Applicant (50 points).

1 The applicant meets the qualifications for a
2 Social Equity Applicant as set forth in this Act.

3 (6) Labor and employment practices (5 points): The
4 applicant may describe plans to provide a safe, healthy,
5 and economically beneficial working environment for its
6 agents, including, but not limited to, codes of conduct,
7 health care benefits, educational benefits, retirement
8 benefits, living wage standards, and entering a labor
9 peace agreement with employees.

10 (7) Environmental Plan (5 points): The applicant may
11 demonstrate an environmental plan of action to minimize
12 the carbon footprint, environmental impact, and resource
13 needs for the dispensary, which may include, without
14 limitation, recycling cannabis product packaging.

15 (8) Illinois owner (5 points): The applicant is 51% or
16 more owned and controlled by an Illinois resident, who can
17 prove residency in each of the past 5 years with tax
18 records or 2 of the following:

19 (A) a signed lease agreement that includes the
20 applicant's name;

21 (B) a property deed that includes the applicant's
22 name;

23 (C) school records;

24 (D) a voter registration card;

25 (E) an Illinois driver's license, an Illinois
26 Identification Card, or an Illinois Person with a

1 Disability Identification Card;
2 (F) a paycheck stub;
3 (G) a utility bill; or
4 (H) any other proof of residency or other
5 information necessary to establish residence as
6 provided by rule.

7 (9) Status as veteran (5 points): The applicant is 51%
8 or more controlled and owned by an individual or
9 individuals who meet the qualifications of a veteran as
10 defined by Section 45-57 of the Illinois Procurement Code.

11 (10) A diversity plan (5 points): that includes a
12 narrative of not more than 2,500 words that establishes a
13 goal of diversity in ownership, management, employment,
14 and contracting to ensure that diverse participants and
15 groups are afforded equality of opportunity.

16 (d) The Department may also award up to 2 bonus points for
17 a plan to engage with the community. The applicant may
18 demonstrate a desire to engage with its community by
19 participating in one or more of, but not limited to, the
20 following actions: (i) establishment of an incubator program
21 designed to increase participation in the cannabis industry by
22 persons who would qualify as Social Equity Applicants; (ii)
23 providing financial assistance to substance abuse treatment
24 centers; (iii) educating children and teens about the
25 potential harms of cannabis use; or (iv) other measures
26 demonstrating a commitment to the applicant's community. Bonus

1 points will only be awarded if the Department receives
2 applications that receive an equal score for a particular
3 region.

4 (e) The Department may verify information contained in
5 each application and accompanying documentation to assess the
6 applicant's veracity and fitness to operate a dispensing
7 organization.

8 (f) The Department may, in its discretion, refuse to issue
9 an authorization to any applicant:

10 (1) Who is unqualified to perform the duties required
11 of the applicant;

12 (2) Who fails to disclose or states falsely any
13 information called for in the application;

14 (3) Who has been found guilty of a violation of this
15 Act, who has had any disciplinary order entered against it
16 by the Department, who has entered into a disciplinary or
17 nondisciplinary agreement with the Department, or whose
18 medical cannabis dispensing organization, medical cannabis
19 cultivation organization, or Early Approval Adult Use
20 Dispensing Organization License, or Early Approval Adult
21 Use Dispensing Organization License at a secondary site,
22 or Early Approval Cultivation Center License was
23 suspended, restricted, revoked, or denied for just cause,
24 or the applicant's cannabis business establishment license
25 was suspended, restricted, revoked, or denied in any other
26 state; or

1 (4) Who has engaged in a pattern or practice of unfair
2 or illegal practices, methods, or activities in the
3 conduct of owning a cannabis business establishment or
4 other business.

5 (g) The Department shall deny the license if any principal
6 officer, board member, or person having a financial or voting
7 interest of 5% or greater in the licensee is delinquent in
8 filing any required tax returns or paying any amounts owed to
9 the State of Illinois.

10 (h) The Department shall verify an applicant's compliance
11 with the requirements of this Article and rules before issuing
12 a dispensing organization license.

13 (i) Should the applicant be awarded a license, the
14 information and plans provided in the application, including
15 any plans submitted for bonus points, shall become a condition
16 of the Conditional Adult Use Dispensing Organization Licenses
17 and any Adult Use Dispensing Organization License issued to
18 the holder of the Conditional Adult Use Dispensing
19 Organization License, except as otherwise provided by this Act
20 or rule. Dispensing organizations have a duty to disclose any
21 material changes to the application. The Department shall
22 review all material changes disclosed by the dispensing
23 organization, and may re-evaluate its prior decision regarding
24 the awarding of a license, including, but not limited to,
25 suspending or permanently revoking a license. Failure to
26 comply with the conditions or requirements in the application

1 may subject the dispensing organization to discipline, up to
2 and including suspension or permanent revocation of its
3 authorization or license by the Department.

4 (j) If an applicant has not begun operating as a
5 dispensing organization within one year of the issuance of the
6 Conditional Adult Use Dispensing Organization License, the
7 Department may permanently revoke the Conditional Adult Use
8 Dispensing Organization License and award it to the next
9 highest scoring applicant in the BLS Region if a suitable
10 applicant indicates a continued interest in the license or
11 begin a new selection process to award a Conditional Adult Use
12 Dispensing Organization License.

13 (k) The Department shall deny an application if granting
14 that application would result in a single person or entity
15 having a direct or indirect financial interest in more than 10
16 Early Approval Adult Use Dispensing Organization Licenses,
17 Conditional Adult Use Dispensing Organization Licenses, or
18 Adult Use Dispensing Organization Licenses. Any entity that is
19 awarded a license that results in a single person or entity
20 having a direct or indirect financial interest in more than 10
21 licenses shall forfeit the most recently issued license and
22 suffer a penalty to be determined by the Department, unless
23 the entity declines the license at the time it is awarded.

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

1 Sec. 15-30.20. Tied Applicant Lottery; additional
2 requirements; timing.

3 (a) If awarding a license in a Tied Applicant Lottery
4 would result in a Tied Applicant possessing more than 10 Early
5 Approval Adult Use Dispensing Organization Licenses, Early
6 Approval Adult Use Dispensing Organization Licenses at a
7 secondary site, Conditional Adult Use Dispensing Organization
8 Licenses, Adult Use Dispensing Organization Licenses, or any
9 combination thereof, the Tied Applicant must choose which
10 license to abandon pursuant to subsection (d) of Section 15-36
11 and notify the Department in writing within 5 business days
12 after the date that the Tied Applicant Lottery is conducted.

13 (b) The Department shall publish the certified results of
14 a Tied Applicant Lottery within 2 business days after the Tied
15 Applicant Lottery is conducted.

16 (410 ILCS 705/15-35)

17 Sec. 15-35. Qualifying Applicant Lottery for Conditional
18 Adult Use Dispensing Organization Licenses ~~License~~ ~~after~~
19 ~~January 1, 2021.~~

20 (a) In addition to any of the licenses issued under
21 Section ~~in Sections~~ 15-15, Section 15-20, ~~or~~ Section 15-25,
22 Section 15-30.20, or Section 15-35.10 of this Act, within 10
23 business days after the resulting final scores for all scored
24 applications pursuant to Sections 15-25 and 15-30 are
25 released, by December 21, 2021, the Department shall issue up

1 to 55 ~~110~~ Conditional Adult Use Dispensing Organization
2 Licenses by lot, pursuant to the application process adopted
3 under this Section. In order to be eligible to be awarded a
4 Conditional Adult Use Dispensing Organization License by lot
5 under this Section, a Dispensary Applicant must be a
6 Qualifying Applicant.

7 The licenses issued under this Section shall be awarded in
8 each BLS Region in the following amounts:

9 (1) Bloomington: 1.

10 (2) Cape Girardeau: 1.

11 (3) Carbondale-Marion: 1.

12 (4) Champaign-Urbana: 1.

13 (5) Chicago-Naperville-Elgin: 36.

14 (6) Danville: 1.

15 (7) Davenport-Moline-Rock Island: 1.

16 (8) Decatur: 1.

17 (9) Kankakee: 1.

18 (10) Peoria: 2.

19 (11) Rockford: 1.

20 (12) St. Louis: 3.

21 (13) Springfield: 1.

22 (14) Northwest Illinois nonmetropolitan: 1.

23 (15) West Central Illinois nonmetropolitan: 1.

24 (16) East Central Illinois nonmetropolitan: 1.

25 (17) South Illinois nonmetropolitan: 1.

26 (a-5) Prior to issuing such licenses under subsection (a),

1 the Department may adopt rules through emergency rulemaking in
2 accordance with subsection (kk) ~~(gg)~~ of Section 5-45 of the
3 Illinois Administrative Procedure Act. The General Assembly
4 finds that the adoption of rules to regulate cannabis use is
5 deemed an emergency and necessary for the public interest,
6 safety, and welfare. ~~Such rules may:~~

7 ~~(1) Modify or change the BLS Regions as they apply to~~
8 ~~this Article or modify or raise the number of Adult~~
9 ~~Conditional Use Dispensing Organization Licenses assigned~~
10 ~~to each region based on the following factors:~~

11 ~~(A) Purchaser wait times;~~

12 ~~(B) Travel time to the nearest dispensary for~~
13 ~~potential purchasers;~~

14 ~~(C) Percentage of cannabis sales occurring in~~
15 ~~Illinois not in the regulated market using data from~~
16 ~~the Substance Abuse and Mental Health Services~~
17 ~~Administration, National Survey on Drug Use and~~
18 ~~Health, Illinois Behavioral Risk Factor Surveillance~~
19 ~~System, and tourism data from the Illinois Office of~~
20 ~~Tourism to ascertain total cannabis consumption in~~
21 ~~Illinois compared to the amount of sales in licensed~~
22 ~~dispensing organizations;~~

23 ~~(D) Whether there is an adequate supply of~~
24 ~~cannabis and cannabis-infused products to serve~~
25 ~~registered medical cannabis patients;~~

26 ~~(E) Population increases or shifts;~~

1 ~~(F) Density of dispensing organizations in a~~
2 ~~region;~~

3 ~~(G) The Department's capacity to appropriately~~
4 ~~regulate additional licenses;~~

5 ~~(H) The findings and recommendations from the~~
6 ~~disparity and availability study commissioned by the~~
7 ~~Illinois Cannabis Regulation Oversight Officer in~~
8 ~~subsection (c) of Section 5-45 to reduce or eliminate~~
9 ~~any identified barriers to entry in the cannabis~~
10 ~~industry; and~~

11 ~~(I) Any other criteria the Department deems~~
12 ~~relevant.~~

13 ~~(2) Modify or change the licensing application process~~
14 ~~to reduce or eliminate the barriers identified in the~~
15 ~~disparity and availability study commissioned by the~~
16 ~~Illinois Cannabis Regulation Oversight Officer and make~~
17 ~~modifications to remedy evidence of discrimination.~~

18 (b) The Department shall distribute the available licenses
19 established under this Section subject to the following: After
20 January 1, 2022, the Department may by rule modify or raise the
21 number of Adult Use Dispensing Organization Licenses assigned
22 to each region, and modify or change the licensing application
23 process to reduce or eliminate barriers based on the criteria
24 in subsection (a). At no time shall the Department issue more
25 than 500 Adult Use Dispensing Organization Licenses.

26 (1) The drawing by lot for all available licenses

1 issued under this Section shall occur on the same day when
2 practicable.

3 (2) Within each BLS Region, the first Qualifying
4 Applicant drawn will have the first right to an available
5 license. The second Qualifying Applicant drawn will have
6 the second right to an available license. The same pattern
7 will continue for each subsequent Qualifying Applicant
8 drawn.

9 (3) The process for distributing available licenses
10 under this Section shall be recorded by the Department in
11 a format selected by the Department.

12 (4) A Dispensary Applicant is prohibited from becoming
13 a Qualifying Applicant if a principal officer resigns
14 after the resulting final scores for all scored
15 applications pursuant to Sections 15-25 and 15-30 are
16 released.

17 (5) No Qualifying Applicant may be awarded more than 2
18 Conditional Adult Use Dispensing Organization Licenses at
19 the conclusion of a lottery conducted under this Section.

20 (6) No individual may be listed as a principal officer
21 of more than 2 Conditional Adult Use Dispensing
22 Organization Licenses awarded under this Section.

23 (7) If, upon being selected for an available license
24 established under this Section, a Qualifying Applicant
25 exceeds the limits under paragraph (5) or (6), the
26 Qualifying Applicant must choose which license to abandon

1 and notify the Department in writing within 5 business
2 days. If the Qualifying Applicant does not notify the
3 Department as required, the Department shall refuse to
4 issue the Qualifying Applicant all available licenses
5 established under this Section obtained by lot in all BLS
6 Regions.

7 (8) If, upon being selected for an available license
8 established under this Section, a Qualifying Applicant has
9 a principal officer who is a principal officer in more
10 than 10 Early Approval Adult Use Dispensing Organization
11 Licenses, Conditional Adult Use Dispensing Organization
12 Licenses, Adult Use Dispensing Organization Licenses, or
13 any combination thereof, the licensees and the Qualifying
14 Applicant listing that principal officer must choose which
15 license to abandon pursuant to subsection (d) of Section
16 15-36 and notify the Department in writing within 5
17 business days. If the Qualifying Applicant or licensees do
18 not notify the Department as required, the Department
19 shall refuse to issue the Qualifying Applicant all
20 available licenses established under this Section obtained
21 by lot in all BLS Regions.

22 (9) All available licenses that have been abandoned
23 under paragraph (7) or (8) shall be distributed to the
24 next Qualifying Applicant drawn by lot.

25 Any and all rights conferred or obtained under this
26 Section shall be limited to the provisions of this Section.

1 (c) An applicant who receives a Conditional Adult Use
2 Dispensing Organization License under this Section has 180
3 days from the date it is awarded to identify a physical
4 location for the dispensing organization's retail storefront.
5 The applicant shall provide evidence that the location is not
6 within 1,500 feet of an existing dispensing organization,
7 unless the applicant is a Social Equity Applicant or Social
8 Equity Justice Involved Applicant located or seeking to locate
9 within 1,500 feet of a dispensing organization licensed under
10 Section 15-15 or Section 15-20. If an applicant is unable to
11 find a suitable physical address in the opinion of the
12 Department within 180 days from the issuance of the
13 Conditional Adult Use Dispensing Organization License, the
14 Department may extend the period for finding a physical
15 address another 180 days if the Conditional Adult Use
16 Dispensing Organization License holder demonstrates a concrete
17 attempt to secure a location and a hardship. If the Department
18 denies the extension or the Conditional Adult Use Dispensing
19 Organization License holder is unable to find a location or
20 become operational within 360 days of being awarded a
21 Conditional Adult Use Dispensing Organization License under
22 this Section, the Department shall rescind the Conditional
23 Adult Use Dispensing Organization License and award it
24 pursuant to subsection (b), provided the applicant receiving
25 the Conditional Adult Use Dispensing Organization License: (i)
26 confirms a continued interest in operating a dispensing

1 organization; (ii) can provide evidence that the applicant
2 continues to meet all requirements for holding a Conditional
3 Adult Use Dispensing Organization License set forth in this
4 Act; and (iii) has not otherwise become ineligible to be
5 awarded a Conditional Adult Use Dispensing Organization
6 License. If the new awardee is unable to accept the
7 Conditional Adult Use Dispensing Organization License, the
8 Department shall award the Conditional Adult Use Dispensing
9 Organization License pursuant to subsection (b). The new
10 awardee shall be subject to the same required deadlines as
11 provided in this subsection.

12 (d) If, within 180 days of being awarded a Conditional
13 Adult Use Dispensing Organization License, a dispensing
14 organization is unable to find a location within the BLS
15 Region in which it was awarded a Conditional Adult Use
16 Dispensing Organization License because no jurisdiction within
17 the BLS Region allows for the operation of an Adult Use
18 Dispensing Organization, the Department may authorize the
19 Conditional Adult Use Dispensing Organization License holder
20 to transfer its Conditional Adult Use Dispensing Organization
21 License to a BLS Region specified by the Department.

22 (e) A dispensing organization that is awarded a
23 Conditional Adult Use Dispensing Organization License under
24 this Section shall not purchase, possess, sell, or dispense
25 cannabis or cannabis-infused products until the dispensing
26 organization has received an Adult Use Dispensing Organization

1 License issued by the Department pursuant to Section 15-36.

2 (f) The Department shall conduct a background check of the
3 prospective dispensing organization agents in order to carry
4 out this Article. The Illinois State Police shall charge the
5 applicant a fee for conducting the criminal history record
6 check, which shall be deposited into the State Police Services
7 Fund and shall not exceed the actual cost of the record check.
8 Each person applying as a dispensing organization agent shall
9 submit a full set of fingerprints to the Illinois State Police
10 for the purpose of obtaining a State and federal criminal
11 records check. These fingerprints shall be checked against the
12 fingerprint records now and hereafter, to the extent allowed
13 by law, filed with the Illinois State Police and the Federal
14 Bureau of Investigation criminal history records databases.
15 The Illinois State Police shall furnish, following positive
16 identification, all Illinois conviction information to the
17 Department.

18 (g) The Department may verify information contained in
19 each application and accompanying documentation to assess the
20 applicant's veracity and fitness to operate a dispensing
21 organization.

22 (h) The Department may, in its discretion, refuse to issue
23 authorization to an applicant who meets any of the following
24 criteria:

25 (1) An applicant who is unqualified to perform the
26 duties required of the applicant.

1 (2) An applicant who fails to disclose or states
2 falsely any information called for in the application.

3 (3) An applicant who has been found guilty of a
4 violation of this Act, who has had any disciplinary order
5 entered against the applicant by the Department, who has
6 entered into a disciplinary or nondisciplinary agreement
7 with the Department, whose medical cannabis dispensing
8 organization, medical cannabis cultivation organization,
9 Early Approval Adult Use Dispensing Organization License,
10 Early Approval Adult Use Dispensing Organization License
11 at a secondary site, Early Approval Cultivation Center
12 License, Conditional Adult Use Dispensing Organization
13 License, or Adult Use Dispensing Organization License was
14 suspended, restricted, revoked, or denied for just cause,
15 or whose cannabis business establishment license was
16 suspended, restricted, revoked, or denied in any other
17 state.

18 (4) An applicant who has engaged in a pattern or
19 practice of unfair or illegal practices, methods, or
20 activities in the conduct of owning a cannabis business
21 establishment or other business.

22 (i) The Department shall deny issuance of a license under
23 this Section if any principal officer, board member, or person
24 having a financial or voting interest of 5% or greater in the
25 licensee is delinquent in filing any required tax return or
26 paying any amount owed to the State of Illinois.

1 (j) The Department shall verify an applicant's compliance
2 with the requirements of this Article and rules adopted under
3 this Article before issuing a Conditional Adult Use Dispensing
4 Organization License under this Section.

5 (k) If an applicant is awarded a Conditional Adult Use
6 Dispensing Organization License under this Section, the
7 information and plans provided in the application, including
8 any plans submitted for bonus points, shall become a condition
9 of the Conditional Adult Use Dispensing Organization License
10 and any Adult Use Dispensing Organization License issued to
11 the holder of the Conditional Adult Use Dispensing
12 Organization License, except as otherwise provided by this Act
13 or by rule. A dispensing organization has a duty to disclose
14 any material changes to the application. The Department shall
15 review all material changes disclosed by the dispensing
16 organization and may reevaluate its prior decision regarding
17 the awarding of a Conditional Adult Use Dispensing
18 Organization License, including, but not limited to,
19 suspending or permanently revoking a Conditional Adult Use
20 Dispensing Organization License. Failure to comply with the
21 conditions or requirements in the application may subject the
22 dispensing organization to discipline up to and including
23 suspension or permanent revocation of its authorization or
24 Conditional Adult Use Dispensing Organization License by the
25 Department.

26 (l) If an applicant has not begun operating as a

1 dispensing organization within one year after the issuance of
2 the Conditional Adult Use Dispensing Organization License
3 under this Section, the Department may permanently revoke the
4 Conditional Adult Use Dispensing Organization License and
5 award it to the next highest scoring applicant in the BLS
6 Region if a suitable applicant indicates a continued interest
7 in the Conditional Adult Use Dispensing Organization License
8 or may begin a new selection process to award a Conditional
9 Adult Use Dispensing Organization License.

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

11 (410 ILCS 705/15-35.10 new)

12 Sec. 15-35.10. Social Equity Justice Involved Lottery for
13 Conditional Adult Use Dispensing Organization Licenses.

14 (a) In addition to any of the licenses issued under
15 Section 15-15, Section 15-20, Section 15-25, Section 15-30.20,
16 or Section 15-35, within 10 business days after the resulting
17 final scores for all scored applications pursuant to Sections
18 15-25 and 15-30 are released, the Department shall issue up to
19 55 Conditional Adult Use Dispensing Organization Licenses by
20 lot, pursuant to the application process adopted under this
21 Section. In order to be eligible to be awarded a Conditional
22 Adult Use Dispensing Organization License by lot, a Dispensary
23 Applicant must be a Qualifying Social Equity Justice Involved
24 Applicant.

25 The licenses issued under this Section shall be awarded in

1 each BLS Region in the following amounts:

2 (1) Bloomington: 1.

3 (2) Cape Girardeau: 1.

4 (3) Carbondale-Marion: 1.

5 (4) Champaign-Urbana: 1.

6 (5) Chicago-Naperville-Elgin: 36.

7 (6) Danville: 1.

8 (7) Davenport-Moline-Rock Island: 1.

9 (8) Decatur: 1.

10 (9) Kankakee: 1.

11 (10) Peoria: 2.

12 (11) Rockford: 1.

13 (12) St. Louis: 3.

14 (13) Springfield: 1.

15 (14) Northwest Illinois nonmetropolitan: 1.

16 (15) West Central Illinois nonmetropolitan: 1.

17 (16) East Central Illinois nonmetropolitan: 1.

18 (17) South Illinois nonmetropolitan: 1.

19 (a-5) Prior to issuing licenses under subsection (a), the
20 Department may adopt rules through emergency rulemaking in
21 accordance with subsection (kk) of Section 5-45 of the
22 Illinois Administrative Procedure Act. The General Assembly
23 finds that the adoption of rules to regulate cannabis use is
24 deemed an emergency and necessary for the public interest,
25 safety, and welfare.

26 (b) The Department shall distribute the available licenses

1 established under this Section subject to the following:

2 (1) The drawing by lot for all available licenses
3 established under this Section shall occur on the same day
4 when practicable.

5 (2) Within each BLS Region, the first Qualifying
6 Social Equity Justice Involved Applicant drawn will have
7 the first right to an available license. The second
8 Qualifying Social Equity Justice Involved Applicant drawn
9 will have the second right to an available license. The
10 same pattern will continue for each subsequent applicant
11 drawn.

12 (3) The process for distributing available licenses
13 under this Section shall be recorded by the Department in
14 a format selected by the Department.

15 (4) A Dispensary Applicant is prohibited from becoming
16 a Qualifying Social Equity Justice Involved Applicant if a
17 principal officer resigns after the resulting final scores
18 for all scored applications pursuant to Sections 15-25 and
19 15-30 are released.

20 (5) No Qualifying Social Equity Justice Involved
21 Applicant may be awarded more than 2 Conditional Adult Use
22 Dispensing Organization Licenses at the conclusion of a
23 lottery conducted under this Section.

24 (6) No individual may be listed as a principal officer
25 of more than 2 Conditional Adult Use Dispensing
26 Organization Licenses awarded under this Section.

1 (7) If, upon being selected for an available license
2 established under this Section, a Qualifying Social Equity
3 Justice Involved Applicant exceeds the limits under
4 paragraph (5) or (6), the Qualifying Social Equity Justice
5 Involved Applicant must choose which license to abandon
6 and notify the Department in writing within 5 business
7 days on forms prescribed by the Department. If the
8 Qualifying Social Equity Justice Involved Applicant does
9 not notify the Department as required, the Department
10 shall refuse to issue the Qualifying Social Equity Justice
11 Involved Applicant all available licenses established
12 under this Section obtained by lot in all BLS Regions.

13 (8) If, upon being selected for an available license
14 established under this Section, a Qualifying Social Equity
15 Justice Involved Applicant has a principal officer who is
16 a principal officer in more than 10 Early Approval Adult
17 Use Dispensing Organization Licenses, Conditional Adult
18 Use Dispensing Organization Licenses, Adult Use Dispensing
19 Organization Licenses, or any combination thereof, the
20 licensees and the Qualifying Social Equity Justice
21 Involved Applicant listing that principal officer must
22 choose which license to abandon pursuant to subsection (d)
23 of Section 15-36 and notify the Department in writing
24 within 5 business days on forms prescribed by the
25 Department. If the Dispensary Applicant or licensees do
26 not notify the Department as required, the Department

1 shall refuse to issue the Qualifying Social Equity Justice
2 Involved Applicant all available licenses established
3 under this Section obtained by lot in all BLS Regions.

4 (9) All available licenses that have been abandoned
5 under paragraph (7) or (8) shall be distributed to the
6 next Qualifying Social Equity Justice Involved Applicant
7 drawn by lot.

8 Any and all rights conferred or obtained under this
9 subsection shall be limited to the provisions of this
10 subsection.

11 (c) An applicant who receives a Conditional Adult Use
12 Dispensing Organization License under this Section has 180
13 days from the date of the award to identify a physical location
14 for the dispensing organization's retail storefront. The
15 applicant shall provide evidence that the location is not
16 within 1,500 feet of an existing dispensing organization,
17 unless the applicant is a Social Equity Applicant or Social
18 Equity Justice Involved Applicant located or seeking to locate
19 within 1,500 feet of a dispensing organization licensed under
20 Section 15-15 or Section 15-20. If an applicant is unable to
21 find a suitable physical address in the opinion of the
22 Department within 180 days from the issuance of the
23 Conditional Adult Use Dispensing Organization License, the
24 Department may extend the period for finding a physical
25 address another 180 days if the Conditional Adult Use
26 Dispensing Organization License holder demonstrates a concrete

1 attempt to secure a location and a hardship. If the Department
2 denies the extension or the Conditional Adult Use Dispensing
3 Organization License holder is unable to find a location or
4 become operational within 360 days of being awarded a
5 Conditional Adult Use Dispensing Organization License under
6 this Section, the Department shall rescind the Conditional
7 Adult Use Dispensing Organization License and award it
8 pursuant to subsection (b) and notify the new awardee at the
9 email address provided in the awardee's application, provided
10 the applicant receiving the Conditional Adult Use Dispensing
11 Organization License: (i) confirms a continued interest in
12 operating a dispensing organization; (ii) can provide evidence
13 that the applicant continues to meet all requirements for
14 holding a Conditional Adult Use Dispensing Organization
15 License set forth in this Act; and (iii) has not otherwise
16 become ineligible to be awarded a Conditional Adult Use
17 Dispensing Organization License. If the new awardee is unable
18 to accept the Conditional Adult Use Dispensing Organization
19 License, the Department shall award the Conditional Adult Use
20 Dispensing Organization License pursuant to subsection (b).
21 The new awardee shall be subject to the same required
22 deadlines as provided in this subsection.

23 (d) If, within 180 days of being awarded a Conditional
24 Adult Use Dispensing Organization License, a dispensing
25 organization is unable to find a location within the BLS
26 Region in which it was awarded a Conditional Adult Use

1 Dispensing Organization License under this Section because no
2 jurisdiction within the BLS Region allows for the operation of
3 an Adult Use Dispensing Organization, the Department may
4 authorize the Conditional Adult Use Dispensing Organization
5 License holder to transfer its Conditional Adult Use
6 Dispensing Organization License to a BLS Region specified by
7 the Department.

8 (e) A dispensing organization that is awarded a
9 Conditional Adult Use Dispensing Organization License under
10 this Section shall not purchase, possess, sell, or dispense
11 cannabis or cannabis-infused products until the dispensing
12 organization has received an Adult Use Dispensing Organization
13 License issued by the Department pursuant to Section 15-36.

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

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

4 (g) The Department may verify information contained in
5 each application and accompanying documentation to assess the
6 applicant's veracity and fitness to operate a dispensing
7 organization.

8 (h) The Department may, in its discretion, refuse to issue
9 an authorization to an applicant who meets any of the
10 following criteria:

11 (1) An applicant who is unqualified to perform the
12 duties required of the applicant.

13 (2) An applicant who fails to disclose or states
14 falsely any information called for in the application.

15 (3) An applicant who has been found guilty of a
16 violation of this Act, who has had any disciplinary order
17 entered against the applicant by the Department, who has
18 entered into a disciplinary or nondisciplinary agreement
19 with the Department, whose medical cannabis dispensing
20 organization, medical cannabis cultivation organization,
21 Early Approval Adult Use Dispensing Organization License,
22 Early Approval Adult Use Dispensing Organization License
23 at a secondary site, Early Approval Cultivation Center
24 License, Conditional Adult Use Dispensing Organization
25 License, or Adult Use Dispensing Organization License was
26 suspended, restricted, revoked, or denied for just cause,

1 or whose cannabis business establishment license was
2 suspended, restricted, revoked, or denied in any other
3 state.

4 (4) An applicant who has engaged in a pattern or
5 practice of unfair or illegal practices, methods, or
6 activities in the conduct of owning a cannabis business
7 establishment or other business.

8 (i) The Department shall deny the license if any principal
9 officer, board member, or person having a financial or voting
10 interest of 5% or greater in the licensee is delinquent in
11 filing any required tax return or paying any amount owed to the
12 State of Illinois.

13 (j) The Department shall verify an applicant's compliance
14 with the requirements of this Article and rules adopted under
15 this Article before issuing a Conditional Adult Use Dispensing
16 Organization License.

17 (k) If an applicant is awarded a Conditional Adult Use
18 Dispensing Organization License under this Section, the
19 information and plans provided in the application, including
20 any plans submitted for bonus points, shall become a condition
21 of the Conditional Adult Use Dispensing Organization License
22 and any Adult Use Dispensing Organization License issued to
23 the holder of the Conditional Adult Use Dispensing
24 Organization License, except as otherwise provided by this Act
25 or by rule. Dispensing organizations have a duty to disclose
26 any material changes to the application. The Department shall

1 review all material changes disclosed by the dispensing
2 organization and may reevaluate its prior decision regarding
3 the awarding of a Conditional Adult Use Dispensing
4 Organization License, including, but not limited to,
5 suspending or permanently revoking a Conditional Adult Use
6 Dispensing Organization License. Failure to comply with the
7 conditions or requirements in the application may subject the
8 dispensing organization to discipline up to and including
9 suspension or permanent revocation of its authorization or
10 Conditional Adult Use Dispensing Organization License by the
11 Department.

12 (1) If an applicant has not begun operating as a
13 dispensing organization within one year after the issuance of
14 the Conditional Adult Use Dispensing Organization License
15 under this Section, the Department may permanently revoke the
16 Conditional Adult Use Dispensing Organization License and
17 award it to the next highest scoring applicant in the BLS
18 Region if a suitable applicant indicates a continued interest
19 in the Conditional Adult Use Dispensing Organization License
20 or may begin a new selection process to award a Conditional
21 Adult Use Dispensing Organization License.

22 (410 ILCS 705/15-35.20 new)

23 Sec. 15-35.20. Conditional Adult Use Dispensing
24 Organization Licenses on or after January 1, 2022.

25 (a) In addition to any of the licenses issued under

1 Section 15-15, Section 15-20, Section 15-25, Section 15-35, or
2 Section 15-35.10, by January 1, 2022, the Department may
3 publish an application to issue additional Conditional Adult
4 Use Dispensing Organization Licenses, pursuant to the
5 application process adopted under this Section. The Department
6 may adopt rules to issue any Conditional Adult Use Dispensing
7 Organization Licenses under this Section. Such rules may:

8 (1) Modify or change the BLS Regions as they apply to
9 this Article or modify or raise the number of Adult
10 Conditional Use Dispensing Organization Licenses assigned
11 to each BLS Region based on the following factors:

12 (A) Purchaser wait times.

13 (B) Travel time to the nearest dispensary for
14 potential purchasers.

15 (C) Percentage of cannabis sales occurring in
16 Illinois not in the regulated market using data from
17 the Substance Abuse and Mental Health Services
18 Administration, National Survey on Drug Use and
19 Health, Illinois Behavioral Risk Factor Surveillance
20 System, and tourism data from the Illinois Office of
21 Tourism to ascertain total cannabis consumption in
22 Illinois compared to the amount of sales in licensed
23 dispensing organizations.

24 (D) Whether there is an adequate supply of
25 cannabis and cannabis-infused products to serve
26 registered medical cannabis patients.

1 (E) Population increases or shifts.

2 (F) Density of dispensing organizations in a
3 region.

4 (G) The Department's capacity to appropriately
5 regulate additional licenses.

6 (H) The findings and recommendations from the
7 disparity and availability study commissioned by the
8 Illinois Cannabis Regulation Oversight Officer in
9 subsection (e) of Section 5-45 to reduce or eliminate
10 any identified barriers to entry in the cannabis
11 industry.

12 (I) Any other criteria the Department deems
13 relevant.

14 (2) Modify or change the licensing application process
15 to reduce or eliminate the barriers identified in the
16 disparity and availability study commissioned by the
17 Illinois Cannabis Regulation Oversight Officer and make
18 modifications to remedy evidence of discrimination.

19 (b) At no time shall the Department issue more than 500
20 Adult Use Dispensing Organization Licenses.

21 (c) The Department shall issue at least 50 additional
22 Conditional Adult Use Dispensing Organization Licenses on or
23 before December 21, 2022.

24 (410 ILCS 705/15-40)

25 Sec. 15-40. Dispensing organization agent identification

1 card; agent training.

2 (a) The Department shall:

3 (1) verify the information contained in an application
4 or renewal for a dispensing organization agent
5 identification card submitted under this Article, and
6 approve or deny an application or renewal, within 30 days
7 of receiving a completed application or renewal
8 application and all supporting documentation required by
9 rule;

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

13 (3) enter the registry identification number of the
14 dispensing organization where the agent works;

15 (4) within one year from the effective date of this
16 Act, allow for an electronic application process and
17 provide a confirmation by electronic or other methods that
18 an application has been submitted; and

19 (5) collect a \$100 nonrefundable fee from the
20 applicant to be deposited into the Cannabis Regulation
21 Fund.

22 (b) A dispensing organization agent must keep his or her
23 identification card visible at all times when in the
24 dispensary.

25 (c) The dispensing organization agent identification cards
26 shall contain the following:

- 1 (1) the name of the cardholder;
- 2 (2) the date of issuance and expiration date of the
3 dispensing organization agent identification cards;
- 4 (3) a random 10-digit alphanumeric identification
5 number containing at least 4 numbers and at least 4
6 letters that is unique to the cardholder; and
- 7 (4) a photograph of the cardholder.

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

11 (e) The Department shall not issue an agent identification
12 card if the applicant is delinquent in filing any required tax
13 returns or paying any amounts owed to the State of Illinois.

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

17 (g) An applicant shall be denied a dispensing organization
18 agent identification card renewal if he or she fails to
19 complete the training provided for in this Section.

20 (h) A dispensing organization agent shall only be required
21 to hold one card for the same employer regardless of what type
22 of dispensing organization license the employer holds.

23 (i) Cannabis retail sales training requirements.

24 (1) Within 90 days of September 1, 2019, or 90 days of
25 employment, whichever is later, all owners, managers,
26 employees, and agents involved in the handling or sale of

1 cannabis or cannabis-infused product employed by an adult
2 use dispensing organization or medical cannabis dispensing
3 organization as defined in Section 10 of the Compassionate
4 Use of Medical Cannabis Program Act shall attend and
5 successfully complete a Responsible Vendor Program.

6 (2) Each owner, manager, employee, and agent of an
7 adult use dispensing organization or medical cannabis
8 dispensing organization shall successfully complete the
9 program annually.

10 (3) Responsible Vendor Program Training modules shall
11 include at least 2 hours of instruction time approved by
12 the Department including:

13 (i) Health and safety concerns of cannabis use,
14 including the responsible use of cannabis, its
15 physical effects, onset of physiological effects,
16 recognizing signs of impairment, and appropriate
17 responses in the event of overconsumption.

18 (ii) Training on laws and regulations on driving
19 while under the influence and operating a watercraft
20 or snowmobile while under the influence.

21 (iii) Sales to minors prohibition. Training shall
22 cover all relevant Illinois laws and rules.

23 (iv) Quantity limitations on sales to purchasers.
24 Training shall cover all relevant Illinois laws and
25 rules.

26 (v) Acceptable forms of identification. Training

1 shall include:

2 (I) How to check identification; and

3 (II) Common mistakes made in verification;

4 (vi) Safe storage of cannabis;

5 (vii) Compliance with all inventory tracking
6 system regulations;

7 (viii) Waste handling, management, and disposal;

8 (ix) Health and safety standards;

9 (x) Maintenance of records;

10 (xi) Security and surveillance requirements;

11 (xii) Permitting inspections by State and local
12 licensing and enforcement authorities;

13 (xiii) Privacy issues;

14 (xiv) Packaging and labeling requirement for sales
15 to purchasers; and

16 (xv) Other areas as determined by rule.

17 (j) Blank.

18 (k) Upon the successful completion of the Responsible
19 Vendor Program, the provider shall deliver proof of completion
20 either through mail or electronic communication to the
21 dispensing organization, which shall retain a copy of the
22 certificate.

23 (l) The license of a dispensing organization or medical
24 cannabis dispensing organization whose owners, managers,
25 employees, or agents fail to comply with this Section may be
26 suspended or permanently revoked under Section 15-145 or may

1 face other disciplinary action.

2 (m) The regulation of dispensing organization and medical
3 cannabis dispensing employer and employee training is an
4 exclusive function of the State, and regulation by a unit of
5 local government, including a home rule unit, is prohibited.
6 This subsection (m) is a denial and limitation of home rule
7 powers and functions under subsection (h) of Section 6 of
8 Article VII of the Illinois Constitution.

9 (n) Persons seeking Department approval to offer the
10 training required by paragraph (3) of subsection (i) may apply
11 for such approval between August 1 and August 15 of each
12 odd-numbered year in a manner prescribed by the Department.

13 (o) Persons seeking Department approval to offer the
14 training required by paragraph (3) of subsection (i) shall
15 submit a nonrefundable application fee of \$2,000 to be
16 deposited into the Cannabis Regulation Fund or a fee as may be
17 set by rule. Any changes made to the training module shall be
18 approved by the Department.

19 (p) The Department shall not unreasonably deny approval of
20 a training module that meets all the requirements of paragraph
21 (3) of subsection (i). A denial of approval shall include a
22 detailed description of the reasons for the denial.

23 (q) Any person approved to provide the training required
24 by paragraph (3) of subsection (i) shall submit an application
25 for re-approval between August 1 and August 15 of each
26 odd-numbered year and include a nonrefundable application fee

1 of \$2,000 to be deposited into the Cannabis Regulation Fund or
2 a fee as may be set by rule.

3 (r) All persons applying to become or renewing their
4 registrations to be agents, including agents-in-charge and
5 principal officers, shall disclose any disciplinary action
6 taken against them that may have occurred in Illinois, another
7 state, or another country in relation to their employment at a
8 cannabis business establishment or at any cannabis cultivation
9 center, processor, infuser, dispensary, or other cannabis
10 business establishment.

11 (s) An agent applicant may begin employment at a
12 dispensing organization while the agent applicant's
13 identification card application is pending. Upon approval, the
14 Department shall issue the agent's identification card to the
15 agent. If denied, the dispensing organization and the agent
16 applicant shall be notified and the agent applicant must cease
17 all activity at the dispensing organization immediately.

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

19 (410 ILCS 705/15-70)

20 Sec. 15-70. Operational requirements; prohibitions.

21 (a) A dispensing organization shall operate in accordance
22 with the representations made in its application and license
23 materials. It shall be in compliance with this Act and rules.

24 (b) A dispensing organization must include the legal name
25 of the dispensary on the packaging of any cannabis product it

1 sells.

2 (c) All cannabis, cannabis-infused products, and cannabis
3 seeds must be obtained from an Illinois registered adult use
4 cultivation center, craft grower, infuser, or another
5 dispensary.

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) A dispensary may operate between 6 a.m. and 10 p.m.
5 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 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 dispensing organization is licensed
8 under the Compassionate Use of Medical Cannabis Program
9 Act, and the individual is registered under the
10 Compassionate Use of Medical Cannabis Program or the
11 purchaser has been verified to be 21 years of age or older;

12 (5) Enter into an exclusive agreement with any adult
13 use cultivation center, craft grower, or infuser.
14 Dispensaries shall provide consumers an assortment of
15 products from various cannabis business establishment
16 licensees such that the inventory available for sale at
17 any dispensary from any single cultivation center, craft
18 grower, processor, transporter, or infuser entity shall
19 not be more than 40% of the total inventory available for
20 sale. For the purpose of this subsection, a cultivation
21 center, craft grower, processor, or infuser shall be
22 considered part of the same entity if the licensees share
23 at least one principal officer. The Department may request
24 that a dispensary diversify its products as needed or
25 otherwise discipline a dispensing organization for
26 violating this requirement;

1 (6) Refuse to conduct business with an adult use
2 cultivation center, craft grower, transporting
3 organization, or infuser that has the ability to properly
4 deliver the product and is permitted by the Department of
5 Agriculture, on the same terms as other adult use
6 cultivation centers, craft growers, infusers, or
7 transporters with whom it is dealing;

8 (7) Operate drive-through windows;

9 (8) Allow for the dispensing of cannabis or
10 cannabis-infused products in vending machines;

11 (9) Transport cannabis to residences or other
12 locations where purchasers may be for delivery;

13 (10) Enter into agreements to allow persons who are
14 not dispensing organization agents to deliver cannabis or
15 to transport cannabis to purchasers;

16 (11) Operate a dispensary if its video surveillance
17 equipment is inoperative;

18 (12) Operate a dispensary if the point-of-sale
19 equipment is inoperative;

20 (13) Operate a dispensary if the State's cannabis
21 electronic verification system is inoperative;

22 (14) Have fewer than 2 people working at the
23 dispensary at any time while the dispensary is open;

24 (15) Be located within 1,500 feet of the property line
25 of a pre-existing dispensing organization, unless the
26 applicant is a Social Equity Applicant or Social Equity

1 Justice Involved Applicant located or seeking to locate
2 within 1,500 feet of a dispensing organization licensed
3 under Section 15-15 or Section 15-20;

4 (16) Sell clones or any other live plant material;

5 (17) Sell cannabis, cannabis concentrate, or
6 cannabis-infused products in combination or bundled with
7 each other or any other items for one price, and each item
8 of cannabis, concentrate, or cannabis-infused product must
9 be separately identified by quantity and price on the
10 receipt;

11 (18) Violate any other requirements or prohibitions
12 set by Department rules.

13 (q) It is unlawful for any person having an Early Approval
14 Adult Use Cannabis Dispensing Organization License, a
15 Conditional Adult Use Cannabis Dispensing Organization, an
16 Adult Use Dispensing Organization License, or a medical
17 cannabis dispensing organization license issued under the
18 Compassionate Use of Medical Cannabis Program Act or any
19 officer, associate, member, representative, or agent of such
20 licensee to accept, receive, or borrow money or anything else
21 of value or accept or receive credit (other than merchandising
22 credit in the ordinary course of business for a period not to
23 exceed 30 days) directly or indirectly from any adult use
24 cultivation center, craft grower, infuser, or transporting
25 organization in exchange for preferential placement on the
26 dispensing organization's shelves, display cases, or website.

1 This includes anything received or borrowed or from any
2 stockholders, officers, agents, or persons connected with an
3 adult use cultivation center, craft grower, infuser, or
4 transporting organization.

5 (r) It is unlawful for any person having an Early Approval
6 Adult Use Cannabis Dispensing Organization License, a
7 Conditional Adult Use Cannabis Dispensing Organization, an
8 Adult Use Dispensing Organization License, or a medical
9 cannabis dispensing organization license issued under the
10 Compassionate Use of Medical Cannabis Program to enter into
11 any contract with any person licensed to cultivate, process,
12 or transport cannabis whereby such dispensing organization
13 agrees not to sell any cannabis cultivated, processed,
14 transported, manufactured, or distributed by any other
15 cultivator, transporter, or infuser, and any provision in any
16 contract violative of this Section shall render the whole of
17 such contract void and no action shall be brought thereon in
18 any court.

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

20 (410 ILCS 705/15-85)

21 Sec. 15-85. Dispensing cannabis.

22 (a) Before a dispensing organization agent dispenses
23 cannabis to a purchaser, the agent shall:

24 (1) Verify the age of the purchaser by checking a
25 government-issued identification card by use of an

1 electronic reader or electronic scanning device to scan a
2 purchaser's government-issued identification, if
3 applicable, to determine the purchaser's age and the
4 validity of the identification;

5 (2) Verify the validity of the government-issued
6 identification card by use of an electronic reader or
7 electronic scanning device to scan a purchaser's
8 government-issued identification, if applicable, to
9 determine the purchaser's age and the validity of the
10 identification;

11 (3) Offer any appropriate purchaser education or
12 support materials;

13 (4) Enter the following information into the State's
14 cannabis electronic verification system:

15 (i) The dispensing organization agent's
16 identification number, or if the agent's card
17 application is pending the Department's approval, a
18 temporary and unique identifier until the agent's card
19 application is approved or denied by the Department;

20 (ii) The dispensing organization's identification
21 number;

22 (iii) The amount, type (including strain, if
23 applicable) of cannabis or cannabis-infused product
24 dispensed;

25 (iv) The date and time the cannabis was dispensed.

26 (b) A dispensing organization shall refuse to sell

1 cannabis or cannabis-infused products to any person unless the
2 person produces a valid identification showing that the person
3 is 21 years of age or older. A medical cannabis dispensing
4 organization may sell cannabis or cannabis-infused products to
5 a person who is under 21 years of age if the sale complies with
6 the provisions of the Compassionate Use of Medical Cannabis
7 Program Act and rules.

8 (c) For the purposes of this Section, valid identification
9 must:

10 (1) Be valid and unexpired;

11 (2) Contain a photograph and the date of birth of the
12 person.

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

14 (410 ILCS 705/15-135)

15 Sec. 15-135. Investigations.

16 (a) Dispensing organizations are subject to random and
17 unannounced dispensary inspections and cannabis testing by the
18 Department, the Department of State Police, ~~and~~ local law
19 enforcement, or as provided by rule.

20 (b) The Department and its authorized representatives may
21 enter any place, including a vehicle, in which cannabis is
22 held, stored, dispensed, sold, produced, delivered,
23 transported, manufactured, or disposed of and inspect, in a
24 reasonable manner, the place and all pertinent equipment,
25 containers and labeling, and all things including records,

1 files, financial data, sales data, shipping data, pricing
2 data, personnel data, research, papers, processes, controls,
3 and facility, and inventory any stock of cannabis and obtain
4 samples of any cannabis or cannabis-infused product, any
5 labels or containers for cannabis, or paraphernalia.

6 (c) The Department may conduct an investigation of an
7 applicant, application, dispensing organization, principal
8 officer, dispensary agent, third party vendor, or any other
9 party associated with a dispensing organization for an alleged
10 violation of this Act or rules or to determine qualifications
11 to be granted a registration by the Department.

12 (d) The Department may require an applicant or holder of
13 any license issued pursuant to this Article to produce
14 documents, records, or any other material pertinent to the
15 investigation of an application or alleged violations of this
16 Act or rules. Failure to provide the required material may be
17 grounds for denial or discipline.

18 (e) Every person charged with preparation, obtaining, or
19 keeping records, logs, reports, or other documents in
20 connection with this Act and rules and every person in charge,
21 or having custody, of those documents shall, upon request by
22 the Department, make the documents immediately available for
23 inspection and copying by the Department, the Department's
24 authorized representative, or others authorized by law to
25 review the documents.

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

1 (410 ILCS 705/20-30)

2 Sec. 20-30. Cultivation center requirements; prohibitions.

3 (a) The operating documents of a cultivation center shall
4 include procedures for the oversight of the cultivation center
5 a cannabis plant monitoring system including a physical
6 inventory recorded weekly, accurate recordkeeping, and a
7 staffing plan.

8 (b) A cultivation center shall implement a security plan
9 reviewed by the Department of State Police that includes, but
10 is not limited to: facility access controls, perimeter
11 intrusion detection systems, personnel identification systems,
12 24-hour surveillance system to monitor the interior and
13 exterior of the cultivation center facility and accessibility
14 to authorized law enforcement, the Department of Public Health
15 where processing takes place, and the Department of
16 Agriculture in real time.

17 (c) All cultivation of cannabis by a cultivation center
18 must take place in an enclosed, locked facility at the
19 physical address provided to the Department of Agriculture
20 during the licensing process. The cultivation center location
21 shall only be accessed by the agents working for the
22 cultivation center, the Department of Agriculture staff
23 performing inspections, the Department of Public Health staff
24 performing inspections, local and State law enforcement or
25 other emergency personnel, contractors working on jobs

1 unrelated to cannabis, such as installing or maintaining
2 security devices or performing electrical wiring, transporting
3 organization agents as provided in this Act, individuals in a
4 mentoring or educational program approved by the State, or
5 other individuals as provided by rule.

6 (d) A cultivation center may not sell or distribute any
7 cannabis or cannabis-infused products to any person other than
8 a dispensing organization, craft grower, infuser organization,
9 transporter, or as otherwise authorized by rule.

10 (e) A cultivation center may not either directly or
11 indirectly discriminate in price between different dispensing
12 organizations, craft growers, or infuser organizations that
13 are purchasing a like grade, strain, brand, and quality of
14 cannabis or cannabis-infused product. Nothing in this
15 subsection (e) prevents a cultivation centers from pricing
16 cannabis differently based on differences in the cost of
17 manufacturing or processing, the quantities sold, such as
18 volume discounts, or the way the products are delivered.

19 (f) All cannabis harvested by a cultivation center and
20 intended for distribution to a dispensing organization must be
21 entered into a data collection system, packaged and labeled
22 under Section 55-21, and placed into a cannabis container for
23 transport. All cannabis harvested by a cultivation center and
24 intended for distribution to a craft grower or infuser
25 organization must be packaged in a labeled cannabis container
26 and entered into a data collection system before transport.

1 (g) Cultivation centers are subject to random inspections
2 by the Department of Agriculture, the Department of Public
3 Health, local safety or health inspectors, ~~and~~ the Department
4 of State Police, or as provided by rule.

5 (h) A cultivation center agent shall notify local law
6 enforcement, the Department of State Police, and the
7 Department of Agriculture within 24 hours of the discovery of
8 any loss or theft. Notification shall be made by phone or in
9 person, or by written or electronic communication.

10 (i) A cultivation center shall comply with all State and
11 any applicable federal rules and regulations regarding the use
12 of pesticides on cannabis plants.

13 (j) No person or entity shall hold any legal, equitable,
14 ownership, or beneficial interest, directly or indirectly, of
15 more than 3 cultivation centers licensed under this Article.
16 Further, no person or entity that is employed by, an agent of,
17 has a contract to receive payment in any form from a
18 cultivation center, is a principal officer of a cultivation
19 center, or entity controlled by or affiliated with a principal
20 officer of a cultivation shall hold any legal, equitable,
21 ownership, or beneficial interest, directly or indirectly, in
22 a cultivation that would result in the person or entity owning
23 or controlling in combination with any cultivation center,
24 principal officer of a cultivation center, or entity
25 controlled or affiliated with a principal officer of a
26 cultivation center by which he, she, or it is employed, is an

1 agent of, or participates in the management of, more than 3
2 cultivation center licenses.

3 (k) A cultivation center may not contain more than 210,000
4 square feet of canopy space for plants in the flowering stage
5 for cultivation of adult use cannabis as provided in this Act.

6 (l) A cultivation center may process cannabis, cannabis
7 concentrates, and cannabis-infused products.

8 (m) Beginning July 1, 2020, a cultivation center shall not
9 transport cannabis or cannabis-infused products to a craft
10 grower, dispensing organization, infuser organization, or
11 laboratory licensed under this Act, unless it has obtained a
12 transporting organization license.

13 (n) It is unlawful for any person having a cultivation
14 center license or any officer, associate, member,
15 representative, or agent of such licensee to offer or deliver
16 money, or anything else of value, directly or indirectly to
17 any person having an Early Approval Adult Use Dispensing
18 Organization License, a Conditional Adult Use Dispensing
19 Organization License, an Adult Use Dispensing Organization
20 License, or a medical cannabis dispensing organization license
21 issued under the Compassionate Use of Medical Cannabis Program
22 Act, or to any person connected with or in any way
23 representing, or to any member of the family of, such person
24 holding an Early Approval Adult Use Dispensing Organization
25 License, a Conditional Adult Use Dispensing Organization
26 License, an Adult Use Dispensing Organization License, or a

1 medical cannabis dispensing organization license issued under
2 the Compassionate Use of Medical Cannabis Program Act, or to
3 any stockholders in any corporation engaged in the retail sale
4 of cannabis, or to any officer, manager, agent, or
5 representative of the Early Approval Adult Use Dispensing
6 Organization License, a Conditional Adult Use Dispensing
7 Organization License, an Adult Use Dispensing Organization
8 License, or a medical cannabis dispensing organization license
9 issued under the Compassionate Use of Medical Cannabis Program
10 Act to obtain preferential placement within the dispensing
11 organization, including, without limitation, on shelves and in
12 display cases where purchasers can view products, or on the
13 dispensing organization's website.

14 (o) A cultivation center must comply with any other
15 requirements or prohibitions set by administrative rule of the
16 Department of Agriculture.

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

18 (410 ILCS 705/20-55 new)

19 Sec. 20-55. Disclosure of ownership and control.

20 (a) Each Adult Use Cultivation Center applicant and
21 license holder shall file and maintain a Table of
22 Organization, Ownership, and Control with the Department. The
23 Table of Organization, Ownership, and Control shall contain
24 the information required by this Section in sufficient detail
25 to identify all owners, directors, and principal officers, and

1 the title of each principal officer or business entity that,
2 through direct or indirect means, manages, owns, or controls
3 the applicant or license holder.

4 (b) The Table of Organization, Ownership, and Control
5 shall identify the following information:

6 (1) The management structure, ownership, and control
7 of the applicant or license holder including the name of
8 each principal officer or business entity, the office or
9 position held, and the percentage ownership interest, if
10 any. If the business entity has a parent company, the name
11 of each owner, board member, and officer of the parent
12 company and his or her percentage ownership interest in
13 the parent company and the Adult Use Cultivation Center.

14 (2) If the applicant or licensee is a business entity
15 with publicly traded stock, the identification of
16 ownership shall be provided as required in subsection (c).

17 (c) If a business entity identified in subsection (b) is a
18 publicly traded company, the following information shall be
19 provided in the Table of Organization, Ownership, and Control:

20 (1) The name and percentage of ownership interest of
21 each individual or business entity with ownership of more
22 than 5% of the voting shares of the entity, to the extent
23 such information is known or contained in 13D or 13G
24 Securities and Exchange Commission filings.

25 (2) To the extent known, the names and percentage of
26 interest of ownership of persons who are relatives of one

1 another and who together exercise control over or own more
2 than 10% of the voting shares of the entity.

3 (d) An Adult Use Cultivation Center with a parent company
4 or companies, or partially owned or controlled by another
5 entity must disclose to the Department the relationship and
6 all owners, board members, officers, or individuals with
7 control or management of those entities. An Adult Use
8 Cultivation Center shall not shield its ownership or control
9 from the Department.

10 (e) All principal officers must submit a complete online
11 application with the Department within 14 days of the Adult
12 Use Cultivation Center being licensed by the Department or
13 within 14 days of Department notice of approval as a new
14 principal officer.

15 (f) A principal officer may not allow his or her
16 registration to expire.

17 (g) An Adult Use Cultivation Center separating with a
18 principal officer must do so under this Act. The principal
19 officer must communicate the separation to the Department
20 within 5 business days.

21 (h) A principal officer not in compliance with the
22 requirements of this Act shall be removed from his or her
23 position with the Adult Use Cultivation Center or shall
24 otherwise terminate his or her affiliation. Failure to do so
25 may subject the Adult Use Cultivation Center to discipline,
26 suspension, or revocation of its license by the Department.

1 (i) It is the responsibility of the Adult Use Cultivation
2 Center and its principal officers to promptly notify the
3 Department of any change of the principal place of business
4 address, hours of operation, change in ownership or control,
5 or a change of the Adult Use Cultivation Center's primary or
6 secondary contact information. Any changes must be made to the
7 Department in writing.

8 (410 ILCS 705/25-5)

9 (Section scheduled to be repealed on July 1, 2026)

10 Sec. 25-5. Administration.

11 (a) The Department shall establish and administer the
12 Program in coordination with the Illinois Community College
13 Board. The Department may issue ~~up to 8~~ Program licenses to
14 applicants that meet the requirements outlined in this Article
15 ~~by September 1, 2020.~~

16 (b) Beginning with the 2021-2022 academic year, and
17 subject to subsection (h) of Section 2-12 of the Public
18 Community College Act, community colleges awarded Program
19 licenses may offer qualifying students a Career in Cannabis
20 Certificate, which includes, but is not limited to, courses
21 that allow participating students to work with, study, and
22 grow live cannabis plants so as to prepare students for a
23 career in the legal cannabis industry, and to instruct
24 participating students on the best business practices,
25 professional responsibility, and legal compliance of the

1 cannabis business industry.

2 (c) The Board may issue rules pertaining to the provisions
3 in this Act.

4 (d) Notwithstanding any other provision of this Act,
5 students shall be at least 18 years old in order to enroll in a
6 licensee's Career in Cannabis Certificate's prescribed course
7 of study.

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

9 (410 ILCS 705/25-30)

10 (Section scheduled to be repealed on July 1, 2026)

11 Sec. 25-30. Inspection rights.

12 (a) A licensee's enclosed, locked facilities are subject
13 to random inspections by the Department, ~~and~~ the Department of
14 State Police, or as provided by rule.

15 (b) Nothing in this Section shall be construed to give the
16 Department, ~~or~~ the Department of State Police, or any other
17 entity identified by rule under subsection (a) a right of
18 inspection or access to any location on the licensee's
19 premises beyond the facilities licensed under this Article.

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

21 (410 ILCS 705/25-35)

22 (Section scheduled to be repealed on July 1, 2026)

23 Sec. 25-35. Community College Cannabis Vocational Training
24 Pilot Program faculty participant agent identification card.

1 (a) The Department shall:

2 (1) establish by rule the information required in an
3 initial application or renewal application for an agent
4 identification card submitted under this Article and the
5 nonrefundable fee to accompany the initial application or
6 renewal application;

7 (2) verify the information contained in an initial
8 application or renewal application for an agent
9 identification card submitted under this Article, and
10 approve or deny an application within 30 days of receiving
11 a completed initial application or renewal application and
12 all supporting documentation required by rule;

13 (3) issue an agent identification card to a qualifying
14 agent within 15 business days of approving the initial
15 application or renewal application;

16 (4) enter the license number of the community college
17 where the agent works; and

18 (5) allow for an electronic initial application and
19 renewal application process, and provide a confirmation by
20 electronic or other methods that an application has been
21 submitted. Each Department may by rule require prospective
22 agents to file their applications by electronic means and
23 to provide notices to the agents by electronic means.

24 (b) An agent must keep his or her identification card
25 visible at all times when in the enclosed, locked facility, or
26 facilities for which he or she is an agent.

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

3 (1) the name of the cardholder;

4 (2) the date of issuance and expiration date of the
5 identification card;

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;

9 (4) a photograph of the cardholder; and

10 (5) the legal name of the community college employing
11 the agent.

12 (d) An agent identification card shall be immediately
13 returned to the community college of the agent upon
14 termination of his or her employment.

15 (e) Any agent identification card lost shall be reported
16 to the Department of State Police and the Department of
17 Agriculture immediately upon discovery of the loss.

18 (f) An agent applicant may begin employment at a Community
19 College Cannabis Vocational Training Pilot Program while the
20 agent applicant's identification card application is pending.
21 Upon approval, the Department shall issue the agent's
22 identification card to the agent. If denied, the Community
23 College Cannabis Vocational Training Pilot Program and the
24 agent applicant shall be notified and the agent applicant must
25 cease all activity at the Community College Cannabis
26 Vocational Training Pilot Program immediately.

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

2 (410 ILCS 705/30-5)

3 Sec. 30-5. Issuance of licenses.

4 (a) The Department of Agriculture shall issue up to 40
5 craft grower licenses by July 1, 2020. Any person or entity
6 awarded a license pursuant to this subsection shall only hold
7 one craft grower license and may not sell that license until
8 after December 21, 2021.

9 (b) By December 21, 2021, the Department of Agriculture
10 shall issue up to 60 additional craft grower licenses. Any
11 person or entity awarded a license pursuant to this subsection
12 shall not hold more than 2 craft grower licenses. The person or
13 entity awarded a license pursuant to this subsection or
14 subsection (a) of this Section may sell its craft grower
15 license subject to the restrictions of this Act or as
16 determined by administrative rule. Prior to issuing such
17 licenses, the Department may adopt rules through emergency
18 rulemaking in accordance with subsection (kk) ~~(gg)~~ of Section
19 5-45 of the Illinois Administrative Procedure Act, to modify
20 or raise the number of craft grower licenses and modify or
21 change the licensing application process ~~to reduce or~~
22 ~~eliminate barriers~~. The General Assembly finds that the
23 adoption of rules to regulate cannabis use is deemed an
24 emergency and necessary for the public interest, safety, and
25 welfare. In determining whether to exercise the authority

1 granted by this subsection, the Department of Agriculture must
2 consider the following factors:

3 (1) the percentage of cannabis sales occurring in
4 Illinois not in the regulated market using data from the
5 Substance Abuse and Mental Health Services Administration,
6 National Survey on Drug Use and Health, Illinois
7 Behavioral Risk Factor Surveillance System, and tourism
8 data from the Illinois Office of Tourism to ascertain
9 total cannabis consumption in Illinois compared to the
10 amount of sales in licensed dispensing organizations;

11 (2) whether there is an adequate supply of cannabis
12 and cannabis-infused products to serve registered medical
13 cannabis patients;

14 (3) whether there is an adequate supply of cannabis
15 and cannabis-infused products to serve purchasers;

16 (4) whether there is an oversupply of cannabis in
17 Illinois leading to trafficking of cannabis to states
18 where the sale of cannabis is not permitted by law;

19 (5) population increases or shifts;

20 (6) the density of craft growers in any area of the
21 State;

22 (7) perceived security risks of increasing the number
23 or location of craft growers;

24 (8) the past safety record of craft growers;

25 (9) the Department of Agriculture's capacity to
26 appropriately regulate additional licensees;

1 (10) (blank) ~~the findings and recommendations from the~~
2 ~~disparity and availability study commissioned by the~~
3 ~~Illinois Cannabis Regulation Oversight Officer to reduce~~
4 ~~or eliminate any identified barriers to entry in the~~
5 ~~cannabis industry; and~~

6 (11) any other criteria the Department of Agriculture
7 deems relevant.

8 (c) After January 1, 2022, the Department of Agriculture
9 may by rule modify or raise the number of craft grower licenses
10 and modify or change the licensing application process ~~to~~
11 ~~reduce or eliminate barriers based on the criteria in~~
12 ~~subsection (b)~~. At no time may the number of craft grower
13 licenses exceed 150. Any person or entity awarded a license
14 pursuant to this subsection shall not hold more than 3 craft
15 grower licenses. A person or entity awarded a license pursuant
16 to this subsection or subsection (a) or subsection (b) of this
17 Section may sell its craft grower license or licenses subject
18 to the restrictions of this Act or as determined by
19 administrative rule.

20 (d) Upon the completion of the disparity and availability
21 study pertaining to craft growers by the Cannabis Regulation
22 Oversight Officer pursuant to subsection (e) of Section 5-45,
23 the Department may modify or change the licensing application
24 process to reduce or eliminate barriers from and remedy
25 evidence of discrimination identified in the disparity and
26 availability study.

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

2 (410 ILCS 705/30-30)

3 Sec. 30-30. Craft grower requirements; prohibitions.

4 (a) The operating documents of a craft grower shall
5 include procedures for the oversight of the craft grower, a
6 cannabis plant monitoring system including a physical
7 inventory recorded weekly, accurate recordkeeping, and a
8 staffing plan.

9 (b) A craft grower shall implement a security plan
10 reviewed by the Department of State Police that includes, but
11 is not limited to: facility access controls, perimeter
12 intrusion detection systems, personnel identification systems,
13 and a 24-hour surveillance system to monitor the interior and
14 exterior of the craft grower facility and that is accessible
15 to authorized law enforcement and the Department of
16 Agriculture in real time.

17 (c) All cultivation of cannabis by a craft grower must
18 take place in an enclosed, locked facility at the physical
19 address provided to the Department of Agriculture during the
20 licensing process. The craft grower location shall only be
21 accessed by the agents working for the craft grower, the
22 Department of Agriculture staff performing inspections, the
23 Department of Public Health staff performing inspections,
24 State and local law enforcement or other emergency personnel,
25 contractors working on jobs unrelated to cannabis, such as

1 installing or maintaining security devices or performing
2 electrical wiring, transporting organization agents as
3 provided in this Act, or participants in the incubator
4 program, individuals in a mentoring or educational program
5 approved by the State, or other individuals as provided by
6 rule. However, if a craft grower shares a premises with an
7 infuser or dispensing organization, agents from those other
8 licensees may access the craft grower portion of the premises
9 if that is the location of common bathrooms, lunchrooms,
10 locker rooms, or other areas of the building where work or
11 cultivation of cannabis is not performed. At no time may an
12 infuser or dispensing organization agent perform work at a
13 craft grower without being a registered agent of the craft
14 grower.

15 (d) A craft grower may not sell or distribute any cannabis
16 to any person other than a cultivation center, a craft grower,
17 an infuser organization, a dispensing organization, or as
18 otherwise authorized by rule.

19 (e) A craft grower may not be located in an area zoned for
20 residential use.

21 (f) A craft grower may not either directly or indirectly
22 discriminate in price between different cannabis business
23 establishments that are purchasing a like grade, strain,
24 brand, and quality of cannabis or cannabis-infused product.
25 Nothing in this subsection (f) prevents a craft grower from
26 pricing cannabis differently based on differences in the cost

1 of manufacturing or processing, the quantities sold, such as
2 volume discounts, or the way the products are delivered.

3 (g) All cannabis harvested by a craft grower and intended
4 for distribution to a dispensing organization must be entered
5 into a data collection system, packaged and labeled under
6 Section 55-21, and, if distribution is to a dispensing
7 organization that does not share a premises with the
8 dispensing organization receiving the cannabis, placed into a
9 cannabis container for transport. All cannabis harvested by a
10 craft grower and intended for distribution to a cultivation
11 center, to an infuser organization, or to a craft grower with
12 which it does not share a premises, must be packaged in a
13 labeled cannabis container and entered into a data collection
14 system before transport.

15 (h) Craft growers are subject to random inspections by the
16 Department of Agriculture, local safety or health inspectors,
17 ~~and~~ the Department of State Police, or as provided by rule.

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

23 (j) A craft grower shall comply with all State and any
24 applicable federal rules and regulations regarding the use of
25 pesticides.

26 (k) A craft grower or craft grower agent shall not

1 transport cannabis or cannabis-infused products to any other
2 cannabis business establishment without a transport
3 organization license unless:

4 (i) If the craft grower is located in a county with a
5 population of 3,000,000 or more, the cannabis business
6 establishment receiving the cannabis is within 2,000 feet
7 of the property line of the craft grower;

8 (ii) If the craft grower is located in a county with a
9 population of more than 700,000 but fewer than 3,000,000,
10 the cannabis business establishment receiving the cannabis
11 is within 2 miles of the craft grower; or

12 (iii) If the craft grower is located in a county with a
13 population of fewer than 700,000, the cannabis business
14 establishment receiving the cannabis is within 15 miles of
15 the craft grower.

16 (l) A craft grower may enter into a contract with a
17 transporting organization to transport cannabis to a
18 cultivation center, a craft grower, an infuser organization, a
19 dispensing organization, or a laboratory.

20 (m) No person or entity shall hold any legal, equitable,
21 ownership, or beneficial interest, directly or indirectly, of
22 more than 3 craft grower licenses. Further, no person or
23 entity that is employed by, an agent of, or has a contract to
24 receive payment from or participate in the management of a
25 craft grower, is a principal officer of a craft grower, or
26 entity controlled by or affiliated with a principal officer of

1 a craft grower shall hold any legal, equitable, ownership, or
2 beneficial interest, directly or indirectly, in a craft grower
3 license that would result in the person or entity owning or
4 controlling in combination with any craft grower, principal
5 officer of a craft grower, or entity controlled or affiliated
6 with a principal officer of a craft grower by which he, she, or
7 it is employed, is an agent of, or participates in the
8 management of more than 3 craft grower licenses.

9 (n) It is unlawful for any person having a craft grower
10 license or any officer, associate, member, representative, or
11 agent of the licensee to offer or deliver money, or anything
12 else of value, directly or indirectly, to any person having an
13 Early Approval Adult Use Dispensing Organization License, a
14 Conditional Adult Use Dispensing Organization License, an
15 Adult Use Dispensing Organization License, or a medical
16 cannabis dispensing organization license issued under the
17 Compassionate Use of Medical Cannabis Program Act, or to any
18 person connected with or in any way representing, or to any
19 member of the family of, the person holding an Early Approval
20 Adult Use Dispensing Organization License, a Conditional Adult
21 Use Dispensing Organization License, an Adult Use Dispensing
22 Organization License, or a medical cannabis dispensing
23 organization license issued under the Compassionate Use of
24 Medical Cannabis Program Act, or to any stockholders in any
25 corporation engaged in the retail sale of cannabis, or to any
26 officer, manager, agent, or representative of the Early

1 Approval Adult Use Dispensing Organization License, a
2 Conditional Adult Use Dispensing Organization License, an
3 Adult Use Dispensing Organization License, or a medical
4 cannabis dispensing organization license issued under the
5 Compassionate Use of Medical Cannabis Program Act to obtain
6 preferential placement within the dispensing organization,
7 including, without limitation, on shelves and in display cases
8 where purchasers can view products, or on the dispensing
9 organization's website.

10 (o) A craft grower shall not be located within 1,500 feet
11 of another craft grower or a cultivation center.

12 (p) A craft grower may process cannabis, cannabis
13 concentrates, and cannabis-infused products.

14 (q) A craft grower must comply with any other requirements
15 or prohibitions set by administrative rule of the Department
16 of Agriculture.

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

18 (410 ILCS 705/30-55 new)

19 Sec. 30-55. Disclosure of ownership and control.

20 (a) Each craft grower applicant and licensee shall file
21 and maintain a Table of Organization, Ownership, and Control
22 with the Department. The Table of Organization, Ownership, and
23 Control shall contain the information required by this Section
24 in sufficient detail to identify all owners, directors, and
25 principal officers, and the title of each principal officer or

1 business entity that, through direct or indirect means,
2 manages, owns, or controls the applicant or licensee.

3 (b) The Table of Organization, Ownership and Control shall
4 identify the following information:

5 (1) The management structure, ownership, and control
6 of the applicant or license holder including the name of
7 each principal officer or business entity, the office or
8 position held, and the percentage ownership interest, if
9 any. If the business entity has a parent company, the name
10 of each owner, board member, and officer of the parent
11 company and his or her percentage ownership interest in
12 the parent company and the craft grower.

13 (2) If the applicant or licensee is a business entity
14 with publicly traded stock, the identification of
15 ownership shall be provided as required in subsection (c).

16 (c) If a business entity identified in subsection (b) is a
17 publicly traded company, the following information shall be
18 provided in the Table of Organization, Ownership, and Control:

19 (1) The name and percentage of ownership interest of
20 each individual or business entity with ownership of more
21 than 5% of the voting shares of the entity, to the extent
22 such information is known or contained in 13D or 13G
23 Securities and Exchange Commission filings.

24 (2) To the extent known, the names and percentage of
25 interest of ownership of persons who are relatives of one
26 another and who together exercise control over or own more

1 than 10% of the voting shares of the entity.

2 (d) A craft grower with a parent company or companies, or
3 partially owned or controlled by another entity must disclose
4 to the Department the relationship and all owners, board
5 members, officers, or individuals with control or management
6 of those entities. A craft grower shall not shield its
7 ownership or control from the Department.

8 (e) All principal officers must submit a complete online
9 application with the Department within 14 days of the craft
10 grower being licensed by the Department or within 14 days of
11 Department notice of approval as a new principal officer.

12 (f) A principal officer may not allow his or her
13 registration to expire.

14 (g) A craft grower separating with a principal officer
15 must do so under this Act. The principal officer must
16 communicate the separation to the Department within 5 business
17 days.

18 (h) A principal officer not in compliance with the
19 requirements of this Act shall be removed from his or her
20 position with the craft grower or shall otherwise terminate
21 his or her affiliation. Failure to do so may subject the craft
22 grower to discipline, suspension, or revocation of its license
23 by the Department.

24 (i) It is the responsibility of the craft grower and its
25 principal officers to promptly notify the Department of any
26 change of the principal place of business address, hours of

1 operation, change in ownership or control, or a change of the
2 craft grower's primary or secondary contact information. Any
3 changes must be made to the Department in writing.

4 (410 ILCS 705/35-5)

5 Sec. 35-5. Issuance of licenses.

6 (a) The Department of Agriculture shall issue up to 40
7 infuser licenses through a process provided for in this
8 Article no later than July 1, 2020.

9 (b) The Department of Agriculture shall make the
10 application for infuser licenses available on January 7, 2020,
11 or if that date falls on a weekend or holiday, the business day
12 immediately succeeding the weekend or holiday and every
13 January 7 or succeeding business day thereafter, and shall
14 receive such applications no later than March 15, 2020, or, if
15 that date falls on a weekend or holiday, the business day
16 immediately succeeding the weekend or holiday and every March
17 15 or succeeding business day thereafter.

18 (c) By December 21, 2021, the Department of Agriculture
19 may issue up to 60 additional infuser licenses. Prior to
20 issuing such licenses, the Department may adopt rules through
21 emergency rulemaking in accordance with subsection (kk) ~~(gg)~~
22 of Section 5-45 of the Illinois Administrative Procedure Act,
23 to modify or raise the number of infuser licenses and modify or
24 change the licensing application process to reduce or
25 eliminate barriers. The General Assembly finds that the

1 adoption of rules to regulate cannabis use is deemed an
2 emergency and necessary for the public interest, safety, and
3 welfare.

4 In determining whether to exercise the authority granted
5 by this subsection, the Department of Agriculture must
6 consider the following factors:

7 (1) the percentage of cannabis sales occurring in
8 Illinois not in the regulated market using data from the
9 Substance Abuse and Mental Health Services Administration,
10 National Survey on Drug Use and Health, Illinois
11 Behavioral Risk Factor Surveillance System, and tourism
12 data from the Illinois Office of Tourism to ascertain
13 total cannabis consumption in Illinois compared to the
14 amount of sales in licensed dispensing organizations;

15 (2) whether there is an adequate supply of cannabis
16 and cannabis-infused products to serve registered medical
17 cannabis patients;

18 (3) whether there is an adequate supply of cannabis
19 and cannabis-infused products to serve purchasers;

20 (4) whether there is an oversupply of cannabis in
21 Illinois leading to trafficking of cannabis to any other
22 state;

23 (5) population increases or shifts;

24 (6) changes to federal law;

25 (7) perceived security risks of increasing the number
26 or location of infuser organizations;

1 (8) the past security records of infuser
2 organizations;

3 (9) the Department of Agriculture's capacity to
4 appropriately regulate additional licenses;

5 (10) (blank) ~~the findings and recommendations from the~~
6 ~~disparity and availability study commissioned by the~~
7 ~~Illinois Cannabis Regulation Oversight Officer to reduce~~
8 ~~or eliminate any identified barriers to entry in the~~
9 ~~cannabis industry; and~~

10 (11) any other criteria the Department of Agriculture
11 deems relevant.

12 (d) After January 1, 2022, the Department of Agriculture
13 may by rule modify or raise the number of infuser licenses, and
14 modify or change the licensing application process to reduce
15 or eliminate barriers based on the criteria in subsection (c).

16 (e) Upon the completion of the disparity and availability
17 study pertaining to infusers by the Cannabis Regulation
18 Oversight Officer pursuant to subsection (e) of Section 5-45,
19 the Department of Agriculture may modify or change the
20 licensing application process to reduce or eliminate barriers
21 and remedy evidence of discrimination identified in the study.

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

23 (410 ILCS 705/35-25)

24 Sec. 35-25. Infuser organization requirements;
25 prohibitions.

1 (a) The operating documents of an infuser shall include
2 procedures for the oversight of the infuser, an inventory
3 monitoring system including a physical inventory recorded
4 weekly, accurate recordkeeping, and a staffing plan.

5 (b) An infuser shall implement a security plan reviewed by
6 the Department of State Police that includes, but is not
7 limited to: facility access controls, perimeter intrusion
8 detection systems, personnel identification systems, and a
9 24-hour surveillance system to monitor the interior and
10 exterior of the infuser facility and that is accessible to
11 authorized law enforcement, the Department of Public Health,
12 and the Department of Agriculture in real time.

13 (c) All processing of cannabis by an infuser must take
14 place in an enclosed, locked facility at the physical address
15 provided to the Department of Agriculture during the licensing
16 process. The infuser location shall only be accessed by the
17 agents working for the infuser, the Department of Agriculture
18 staff performing inspections, the Department of Public Health
19 staff performing inspections, State and local law enforcement
20 or other emergency personnel, contractors working on jobs
21 unrelated to cannabis, such as installing or maintaining
22 security devices or performing electrical wiring, transporting
23 organization agents as provided in this Act, participants in
24 the incubator program, individuals in a mentoring or
25 educational program approved by the State, local safety or
26 health inspectors, or other individuals as provided by rule.

1 However, if an infuser shares a premises with a craft grower or
2 dispensing organization, agents from these other licensees may
3 access the infuser portion of the premises if that is the
4 location of common bathrooms, lunchrooms, locker rooms, or
5 other areas of the building where processing of cannabis is
6 not performed. At no time may a craft grower or dispensing
7 organization agent perform work at an infuser without being a
8 registered agent of the infuser.

9 (d) An infuser may not sell or distribute any cannabis to
10 any person other than a dispensing organization, or as
11 otherwise authorized by rule.

12 (e) An infuser may not either directly or indirectly
13 discriminate in price between different cannabis business
14 establishments that are purchasing a like grade, strain,
15 brand, and quality of cannabis or cannabis-infused product.
16 Nothing in this subsection (e) prevents an infuser from
17 pricing cannabis differently based on differences in the cost
18 of manufacturing or processing, the quantities sold, such
19 volume discounts, or the way the products are delivered.

20 (f) All cannabis infused by an infuser and intended for
21 distribution to a dispensing organization must be entered into
22 a data collection system, packaged and labeled under Section
23 55-21, and, if distribution is to a dispensing organization
24 that does not share a premises with the infuser, placed into a
25 cannabis container for transport. All cannabis produced by an
26 infuser and intended for distribution to a cultivation center,

1 infuser organization, or craft grower with which it does not
2 share a premises, must be packaged in a labeled cannabis
3 container and entered into a data collection system before
4 transport.

5 (g) Infusers are subject to random inspections by the
6 Department of Agriculture, the Department of Public Health,
7 the Department of State Police, ~~and~~ local law enforcement, or
8 as provided by rule.

9 (h) An infuser agent shall notify local law enforcement,
10 the Department of State Police, and the Department of
11 Agriculture within 24 hours of the discovery of any loss or
12 theft. Notification shall be made by phone, in person, or by
13 written or electronic communication.

14 (i) An infuser organization may not be located in an area
15 zoned for residential use.

16 (j) An infuser or infuser agent shall not transport
17 cannabis or cannabis-infused products to any other cannabis
18 business establishment without a transport organization
19 license unless:

20 (i) If the infuser is located in a county with a
21 population of 3,000,000 or more, the cannabis business
22 establishment receiving the cannabis or cannabis-infused
23 product is within 2,000 feet of the property line of the
24 infuser;

25 (ii) If the infuser is located in a county with a
26 population of more than 700,000 but fewer than 3,000,000,

1 the cannabis business establishment receiving the cannabis
2 or cannabis-infused product is within 2 miles of the
3 infuser; or

4 (iii) If the infuser is located in a county with a
5 population of fewer than 700,000, the cannabis business
6 establishment receiving the cannabis or cannabis-infused
7 product is within 15 miles of the infuser.

8 (k) An infuser may enter into a contract with a
9 transporting organization to transport cannabis to a
10 dispensing organization or a laboratory.

11 (l) An infuser organization may share premises with a
12 craft grower or a dispensing organization, or both, provided
13 each licensee stores currency and cannabis or cannabis-infused
14 products in a separate secured vault to which the other
15 licensee does not have access or all licensees sharing a vault
16 share more than 50% of the same ownership.

17 (m) It is unlawful for any person or entity having an
18 infuser organization license or any officer, associate,
19 member, representative or agent of such licensee to offer or
20 deliver money, or anything else of value, directly or
21 indirectly to any person having an Early Approval Adult Use
22 Dispensing Organization License, a Conditional Adult Use
23 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 person connected with

1 or in any way representing, or to any member of the family of,
2 such person holding an Early Approval Adult Use Dispensing
3 Organization License, a Conditional Adult Use Dispensing
4 Organization License, an Adult Use Dispensing Organization
5 License, or a medical cannabis dispensing organization license
6 issued under the Compassionate Use of Medical Cannabis Program
7 Act, or to any stockholders in any corporation engaged the
8 retail sales of cannabis, or to any officer, manager, agent,
9 or representative of the Early Approval Adult Use Dispensing
10 Organization License, a Conditional Adult Use Dispensing
11 Organization License, an Adult Use Dispensing Organization
12 License, or a medical cannabis dispensing organization license
13 issued under the Compassionate Use of Medical Cannabis Program
14 Act to obtain preferential placement within the dispensing
15 organization, including, without limitation, on shelves and in
16 display cases where purchasers can view products, or on the
17 dispensing organization's website.

18 (n) At no time shall an infuser organization or an infuser
19 agent perform the extraction of cannabis concentrate from
20 cannabis flower.

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

22 (410 ILCS 705/35-30)

23 Sec. 35-30. Infuser agent identification card.

24 (a) The Department of Agriculture shall:

25 (1) establish by rule the information required in an

1 initial application or renewal application for an agent
2 identification card submitted under this Act and the
3 nonrefundable fee to accompany the initial application or
4 renewal application;

5 (2) verify the information contained in an initial
6 application or renewal application for an agent
7 identification card submitted under this Act, and approve
8 or deny an application within 30 days of receiving a
9 completed initial application or renewal application and
10 all supporting documentation required by rule;

11 (3) issue an agent identification card to a qualifying
12 agent within 15 business days of approving the initial
13 application or renewal application;

14 (4) enter the license number of the infuser where the
15 agent works; and

16 (5) allow for an electronic initial application and
17 renewal application process, and provide a confirmation by
18 electronic or other methods that an application has been
19 submitted. The Department of Agriculture may by rule
20 require prospective agents to file their applications by
21 electronic means and provide notices to the agents by
22 electronic means.

23 (b) An agent must keep his or her identification card
24 visible at all times when on the property of a cannabis
25 business establishment including the cannabis business
26 establishment for which he or she is an agent.

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

3 (1) the name of the cardholder;

4 (2) the date of issuance and expiration date of the
5 identification card;

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;

9 (4) a photograph of the cardholder; and

10 (5) the legal name of the infuser organization
11 employing the agent.

12 (d) An agent identification card shall be immediately
13 returned to the infuser organization of the agent upon
14 termination of his or her employment.

15 (e) Any agent identification card lost by a transporting
16 agent shall be reported to the Department of State Police and
17 the Department of Agriculture immediately upon discovery of
18 the loss.

19 (f) An agent applicant may begin employment at an infuser
20 organization while the agent applicant's identification card
21 application is pending. Upon approval, the Department shall
22 issue the agent's identification card to the agent. If denied,
23 the infuser organization and the agent applicant shall be
24 notified and the agent applicant must cease all activity at
25 the infuser organization immediately.

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

1 (410 ILCS 705/35-45 new)

2 Sec. 35-45. Disclosure of ownership and control.

3 (a) Each infuser organization applicant and licensee shall
4 file and maintain a Table of Organization, Ownership and
5 Control with the Department. The Table of Organization,
6 Ownership and Control shall contain the information required
7 by this Section in sufficient detail to identify all owners,
8 directors, and principal officers, and the title of each
9 principal officer or business entity that, through direct or
10 indirect means, manages, owns, or controls the applicant or
11 licensee.

12 (b) The Table of Organization, Ownership, and Control
13 shall identify the following information:

14 (1) The management structure, ownership, and control
15 of the applicant or license holder including the name of
16 each principal officer or business entity, the office or
17 position held, and the percentage ownership interest, if
18 any. If the business entity has a parent company, the name
19 of each owner, board member, and officer of the parent
20 company and his or her percentage ownership interest in
21 the parent company and the infuser organization.

22 (2) If the applicant or licensee is a business entity
23 with publicly traded stock, the identification of
24 ownership shall be provided as required in subsection (c).

25 (c) If a business entity identified in subsection (b) is a

1 publicly traded company, the following information shall be
2 provided in the Table of Organization, Ownership, and Control:

3 (1) The name and percentage of ownership interest of
4 each individual or business entity with ownership of more
5 than 5% of the voting shares of the entity, to the extent
6 such information is known or contained in 13D or 13G
7 Securities and Exchange Commission filings.

8 (2) To the extent known, the names and percentage of
9 interest of ownership of persons who are relatives of one
10 another and who together exercise control over or own more
11 than 10% of the voting shares of the entity.

12 (d) An infuser organization with a parent company or
13 companies, or partially owned or controlled by another entity
14 must disclose to the Department the relationship and all
15 owners, board members, officers, or individuals with control
16 or management of those entities. An infuser organization shall
17 not shield its ownership or control from the Department.

18 (e) All principal officers must submit a complete online
19 application with the Department within 14 days of the infuser
20 organization being licensed by the Department or within 14
21 days of Department notice of approval as a new principal
22 officer.

23 (f) A principal officer may not allow his or her
24 registration to expire.

25 (g) An infuser organization separating with a principal
26 officer must do so under this Act. The principal officer must

1 communicate the separation to the Department within 5 business
2 days.

3 (h) A principal officer not in compliance with the
4 requirements of this Act shall be removed from his or her
5 position with the infuser organization or shall otherwise
6 terminate his or her affiliation. Failure to do so may subject
7 the infuser organization to discipline, suspension, or
8 revocation of its license by the Department.

9 (i) It is the responsibility of the infuser organization
10 and its principal officers to promptly notify the Department
11 of any change of the principal place of business address,
12 hours of operation, change in ownership or control, or a
13 change of the infuser organization's primary or secondary
14 contact information. Any changes must be made to the
15 Department in writing.

16 (410 ILCS 705/40-25)

17 Sec. 40-25. Transporting organization requirements;
18 prohibitions.

19 (a) The operating documents of a transporting organization
20 shall include procedures for the oversight of the transporter,
21 an inventory monitoring system including a physical inventory
22 recorded weekly, accurate recordkeeping, and a staffing plan.

23 (b) A transporting organization may not transport cannabis
24 or cannabis-infused products to any person other than a
25 cultivation center, a craft grower, an infuser organization, a

1 dispensing organization, a testing facility, or as otherwise
2 authorized by rule.

3 (c) All cannabis transported by a transporting
4 organization must be entered into a data collection system and
5 placed into a cannabis container for transport.

6 (d) Transporters are subject to random inspections by the
7 Department of Agriculture, the Department of Public Health,
8 ~~and~~ the Department of State Police, or as provided by rule.

9 (e) A transporting organization agent shall notify local
10 law enforcement, the Department of State Police, and the
11 Department of Agriculture within 24 hours of the discovery of
12 any loss or theft. Notification shall be made by phone, in
13 person, or by written or electronic communication.

14 (f) No person under the age of 21 years shall be in a
15 commercial vehicle or trailer transporting cannabis goods.

16 (g) No person or individual who is not a transporting
17 organization agent shall be in a vehicle while transporting
18 cannabis goods.

19 (h) Transporters may not use commercial motor vehicles
20 with a weight rating of over 10,001 pounds.

21 (i) It is unlawful for any person to offer or deliver
22 money, or anything else of value, directly or indirectly, to
23 any of the following persons to obtain preferential placement
24 within the dispensing organization, including, without
25 limitation, on shelves and in display cases where purchasers
26 can view products, or on the dispensing organization's

1 website:

2 (1) a person having a transporting organization
3 license, or any officer, associate, member,
4 representative, or agent of the licensee;

5 (2) a person having an Early Applicant Adult Use
6 Dispensing Organization License, an Adult Use Dispensing
7 Organization License, or a medical cannabis dispensing
8 organization license issued under the Compassionate Use of
9 Medical Cannabis Program Act;

10 (3) a person connected with or in any way
11 representing, or a member of the family of, a person
12 holding an Early Applicant Adult Use Dispensing
13 Organization License, an Adult Use Dispensing Organization
14 License, or a medical cannabis dispensing organization
15 license issued under the Compassionate Use of Medical
16 Cannabis Program Act; or

17 (4) a stockholder, officer, manager, agent, or
18 representative of a corporation engaged in the retail sale
19 of cannabis, an Early Applicant Adult Use Dispensing
20 Organization License, an Adult Use Dispensing Organization
21 License, or a medical cannabis dispensing organization
22 license issued under the Compassionate Use of Medical
23 Cannabis Program Act.

24 (j) A transporting organization agent must keep his or her
25 identification card visible at all times when on the property
26 of a cannabis business establishment and during the

1 transporting of cannabis when acting under his or her duties
2 as a transportation organization agent. During these times,
3 the transporting organization agent must also provide the
4 identification card upon request of any law enforcement
5 officer engaged in his or her official duties.

6 (k) A copy of the transporting organization's registration
7 and a manifest for the delivery shall be present in any vehicle
8 transporting cannabis.

9 (l) Cannabis shall be transported so it is not visible or
10 recognizable from outside the vehicle.

11 (m) A vehicle transporting cannabis must not bear any
12 markings to indicate the vehicle contains cannabis or bear the
13 name or logo of the cannabis business establishment.

14 (n) Cannabis must be transported in an enclosed, locked
15 storage compartment that is secured or affixed to the vehicle.

16 (o) The Department of Agriculture may, by rule, impose any
17 other requirements or prohibitions on the transportation of
18 cannabis.

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

20 (410 ILCS 705/40-30)

21 Sec. 40-30. Transporting agent identification card.

22 (a) The Department of Agriculture 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 Act 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 Act and approve
6 or deny an application within 30 days of receiving a
7 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 transporting
13 organization 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. The Department of Agriculture may by rule
18 require prospective agents to file their applications by
19 electronic means and provide notices to the agents by
20 electronic means.

21 (b) An agent must keep his or her identification card
22 visible at all times when on the property of a cannabis
23 business establishment, including the cannabis business
24 establishment for which he or she is an agent.

25 (c) The agent identification cards shall contain the
26 following:

- 1 (1) the name of the cardholder;
- 2 (2) the date of issuance and expiration date of the
3 identification card;
- 4 (3) a random 10-digit alphanumeric identification
5 number containing at least 4 numbers and at least 4
6 letters that is unique to the holder;
- 7 (4) a photograph of the cardholder; and
- 8 (5) the legal name of the transporting organization
9 employing the agent.

10 (d) An agent identification card shall be immediately
11 returned to the transporting organization of the agent upon
12 termination of his or her employment.

13 (e) Any agent identification card lost by a transporting
14 agent shall be reported to the Department of State Police and
15 the Department of Agriculture immediately upon discovery of
16 the loss.

17 (f) An application for an agent identification card shall
18 be denied if the applicant is delinquent in filing any
19 required tax returns or paying any amounts owed to the State of
20 Illinois.

21 (g) An agent applicant may begin employment at a
22 transporting organization while the agent applicant's
23 identification card application is pending. Upon approval, the
24 Department shall issue the agent's identification card to the
25 agent. If denied, the transporting organization and the agent
26 applicant shall be notified and the agent applicant must cease

1 all activity at the transporting organization immediately.

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

3 (410 ILCS 705/40-45 new)

4 Sec. 40-45. Disclosure of ownership and control.

5 (a) Each transporting organization applicant and licensee
6 shall file and maintain a Table of Organization, Ownership,
7 and Control with the Department. The Table of Organization,
8 Ownership, and Control shall contain the information required
9 by this Section in sufficient detail to identify all owners,
10 directors, and principal officers, and the title of each
11 principal officer or business entity that, through direct or
12 indirect means, manages, owns, or controls the applicant or
13 licensee.

14 (b) The Table of Organization, Ownership, and Control
15 shall identify the following information:

16 (1) The management structure, ownership, and control
17 of the applicant or license holder including the name of
18 each principal officer or business entity, the office or
19 position held, and the percentage ownership interest, if
20 any. If the business entity has a parent company, the name
21 of each owner, board member, and officer of the parent
22 company and his or her percentage ownership interest in
23 the parent company and the transporting organization.

24 (2) If the applicant or licensee is a business entity
25 with publicly traded stock, the identification of

1 ownership shall be provided as required in subsection (c).

2 (c) If a business entity identified in subsection (b) is a
3 publicly traded company, the following information shall be
4 provided in the Table of Organization, Ownership, and Control:

5 (1) The name and percentage of ownership interest of
6 each individual or business entity with ownership of more
7 than 5% of the voting shares of the entity, to the extent
8 such information is known or contained in 13D or 13G
9 Securities and Exchange Commission filings.

10 (2) To the extent known, the names and percentage of
11 interest of ownership of persons who are relatives of one
12 another and who together exercise control over or own more
13 than 10% of the voting shares of the entity.

14 (d) A transporting organization with a parent company or
15 companies, or partially owned or controlled by another entity
16 must disclose to the Department the relationship and all
17 owners, board members, officers, or individuals with control
18 or management of those entities. A transporting organization
19 shall not shield its ownership or control from the Department.

20 (e) All principal officers must submit a complete online
21 application with the Department within 14 days of the
22 transporting organization being licensed by the Department or
23 within 14 days of Department notice of approval as a new
24 principal officer.

25 (f) A principal officer may not allow his or her
26 registration to expire.

1 (g) A transporting organization separating with a
2 principal officer must do so under this Act. The principal
3 officer must communicate the separation to the Department
4 within 5 business days.

5 (h) A principal officer not in compliance with the
6 requirements of this Act shall be removed from his or her
7 position with the transporting organization or shall otherwise
8 terminate his or her affiliation. Failure to do so may subject
9 the transporting organization to discipline, suspension, or
10 revocation of its license by the Department.

11 (i) It is the responsibility of the transporting
12 organization and its principal officers to promptly notify the
13 Department of any change of the principal place of business
14 address, hours of operation, change in ownership or control,
15 or a change of the transporting organization's primary or
16 secondary contact information. Any changes must be made to the
17 Department in writing.

18 (410 ILCS 705/55-21)

19 Sec. 55-21. Cannabis product packaging and labeling.

20 (a) Each cannabis product produced for sale shall be
21 registered with the Department of Agriculture on forms
22 provided by the Department of Agriculture. Each product
23 registration shall include a label and the required
24 registration fee at the rate established by the Department of
25 Agriculture for a comparable medical cannabis product, or as

1 established by rule. The registration fee is for the name of
2 the product offered for sale and one fee shall be sufficient
3 for all package sizes.

4 (b) All harvested cannabis intended for distribution to a
5 cannabis enterprise must be packaged in a sealed, labeled
6 container.

7 (c) Any product containing cannabis shall be sold packaged
8 in a sealed, odor-proof, and child-resistant cannabis
9 container consistent with current standards, including the
10 Consumer Product Safety Commission standards referenced by the
11 Poison Prevention Act unless the sale is between or among a
12 craft grower, infuser, or cultivation center.

13 (d) All cannabis-infused products shall be individually
14 wrapped or packaged at the original point of preparation. The
15 packaging of the cannabis-infused product shall conform to the
16 labeling requirements of the Illinois Food, Drug and Cosmetic
17 Act, in addition to the other requirements set forth in this
18 Section.

19 (e) Each cannabis product shall be labeled before sale and
20 each label shall be securely affixed to the package and shall
21 state in legible English and any languages required by the
22 Department of Agriculture:

23 (1) the name and post office box of the registered
24 cultivation center or craft grower where the item was
25 manufactured;

26 (2) the common or usual name of the item and the

1 registered name of the cannabis product that was
2 registered with the Department of Agriculture under
3 subsection (a);

4 (3) a unique serial number that will match the product
5 with a cultivation center or craft grower batch and lot
6 number to facilitate any warnings or recalls the
7 Department of Agriculture, cultivation center, or craft
8 grower deems appropriate;

9 (4) the date of final testing and packaging, if
10 sampled, and the identification of the independent testing
11 laboratory;

12 (5) the date of harvest and "use by" date;

13 (6) the quantity (in ounces or grams) of cannabis
14 contained in the product;

15 (7) a pass/fail rating based on the laboratory's
16 microbiological, mycotoxins, and pesticide and solvent
17 residue analyses, if sampled;

18 (8) content list.

19 (A) A list of the following, including the minimum
20 and maximum percentage content by weight for
21 subdivisions (e) (8) (A) (i) through (iv):

22 (i) delta-9-tetrahydrocannabinol (THC);

23 (ii) tetrahydrocannabinolic acid (THCA);

24 (iii) cannabidiol (CBD);

25 (iv) cannabidiolic acid (CBDA); and

26 (v) all other ingredients of the item,

1 including any colors, artificial flavors, and
2 preservatives, listed in descending order by
3 predominance of weight shown with common or usual
4 names.

5 (B) The acceptable tolerances for the minimum
6 percentage printed on the label for any of
7 subdivisions (e) (8) (A) (i) through (iv) shall not be
8 below 85% or above 115% of the labeled amount.

9 (f) Packaging must not contain information that:

10 (1) is false or misleading;

11 (2) promotes excessive consumption;

12 (3) depicts a person under 21 years of age consuming
13 cannabis;

14 (4) includes the image of a cannabis leaf;

15 (5) includes any image designed or likely to appeal to
16 minors, including cartoons, toys, animals, or children, or
17 any other likeness to images, characters, or phrases that
18 are popularly used to advertise to children, or any
19 packaging or labeling that bears reasonable resemblance to
20 any product available for consumption as a commercially
21 available candy, or that promotes consumption of cannabis;

22 (6) contains any seal, flag, crest, coat of arms, or
23 other insignia likely to mislead the purchaser to believe
24 that the product has been endorsed, made, or used by the
25 State of Illinois or any of its representatives except
26 where authorized by this Act.

1 (g) Cannabis products produced by concentrating or
2 extracting ingredients from the cannabis plant shall contain
3 the following information, where applicable:

4 (1) If solvents were used to create the concentrate or
5 extract, a statement that discloses the type of extraction
6 method, including any solvents or gases used to create the
7 concentrate or extract; and

8 (2) Any other chemicals or compounds used to produce
9 or were added to the concentrate or extract.

10 (h) All cannabis products must contain warning statements
11 established for purchasers, of a size that is legible and
12 readily visible to a consumer inspecting a package, which may
13 not be covered or obscured in any way. The Department of Public
14 Health shall define and update appropriate health warnings for
15 packages including specific labeling or warning requirements
16 for specific cannabis products.

17 (i) Unless modified by rule to strengthen or respond to
18 new evidence and science, the following warnings shall apply
19 to all cannabis products unless modified by rule: "This
20 product contains cannabis and is intended for use by adults 21
21 and over. Its use can impair cognition and may be habit
22 forming. This product should not be used by pregnant or
23 breastfeeding women. It is unlawful to sell or provide this
24 item to any individual, and it may not be transported outside
25 the State of Illinois. It is illegal to operate a motor vehicle
26 while under the influence of cannabis. Possession or use of

1 this product may carry significant legal penalties in some
2 jurisdictions and under federal law."

3 (j) Warnings for each of the following product types must
4 be present on labels when offered for sale to a purchaser:

5 (1) Cannabis that may be smoked must contain a
6 statement that "Smoking is hazardous to your health."

7 (2) Cannabis-infused products (other than those
8 intended for topical application) must contain a statement
9 "CAUTION: This product contains cannabis, and intoxication
10 following use may be delayed 2 or more hours. This product
11 was produced in a facility that cultivates cannabis, and
12 that may also process common food allergens."

13 (3) Cannabis-infused products intended for topical
14 application must contain a statement "DO NOT EAT" in bold,
15 capital letters.

16 (k) Each cannabis-infused product intended for consumption
17 must be individually packaged, must include the total
18 milligram content of THC and CBD, and may not include more than
19 a total of 100 milligrams of THC per package. A package may
20 contain multiple servings of 10 milligrams of THC, indicated
21 by scoring, wrapping, or by other indicators designating
22 individual serving sizes. The Department of Agriculture may
23 change the total amount of THC allowed for each package, or the
24 total amount of THC allowed for each serving size, by rule.

25 (l) No individual other than the purchaser may alter or
26 destroy any labeling affixed to the primary packaging of

1 cannabis or cannabis-infused products.

2 (m) For each commercial weighing and measuring device used
3 at a facility, the cultivation center or craft grower must:

4 (1) Ensure that the commercial device is licensed
5 under the Weights and Measures Act and the associated
6 administrative rules (8 Ill. Adm. Code 600);

7 (2) Maintain documentation of the licensure of the
8 commercial device; and

9 (3) Provide a copy of the license of the commercial
10 device to the Department of Agriculture for review upon
11 request.

12 (n) It is the responsibility of the Department to ensure
13 that packaging and labeling requirements, including product
14 warnings, are enforced at all times for products provided to
15 purchasers. Product registration requirements and container
16 requirements may be modified by rule by the Department of
17 Agriculture.

18 (o) Labeling, including warning labels, may be modified by
19 rule by the Department of Agriculture.

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

21 (410 ILCS 705/55-28)

22 Sec. 55-28. Restricted cannabis zones.

23 (a) As used in this Section:

24 "Legal voter" means a person:

25 (1) who is duly registered to vote in a municipality

1 with a population of over 500,000;

2 (2) whose name appears on a poll list compiled by the
3 city board of election commissioners since the last
4 preceding election, regardless of whether the election was
5 a primary, general, or special election;

6 (3) who, at the relevant time, is a resident of the
7 address at which he or she is registered to vote; and

8 (4) whose address, at the relevant time, is located in
9 the precinct where such person seeks to file a notice of
10 intent to initiate a petition process, circulate a
11 petition, or sign a petition under this Section.

12 As used in the definition of "legal voter", "relevant
13 time" means any time that:

14 (i) a notice of intent is filed, pursuant to
15 subsection (c) of this Section, to initiate the petition
16 process under this Section;

17 (ii) the petition is circulated for signature in the
18 applicable precinct; or

19 (iii) the petition is signed by registered voters in
20 the applicable precinct.

21 "Petition" means the petition described in this Section.

22 "Precinct" means the smallest constituent territory within
23 a municipality with a population of over 500,000 in which
24 electors vote as a unit at the same polling place in any
25 election governed by the Election Code.

26 "Restricted cannabis zone" means a precinct within which

1 home cultivation, one or more types of cannabis business
2 establishments, or both has been prohibited pursuant to an
3 ordinance initiated by a petition under this Section.

4 (b) The legal voters of any precinct within a municipality
5 with a population of over 500,000 may petition their local
6 alderman, using a petition form made available online by the
7 city clerk, to introduce an ordinance establishing the
8 precinct as a restricted zone. Such petition shall specify
9 whether it seeks an ordinance to prohibit, within the
10 precinct: (i) home cultivation; (ii) one or more types of
11 cannabis business establishments; or (iii) home cultivation
12 and one or more types of cannabis business establishments.

13 Upon receiving a petition containing the signatures of at
14 least 25% of the registered voters of the precinct, and
15 concluding that the petition is legally sufficient following
16 the posting and review process in subsection (c) of this
17 Section, the city clerk shall notify the local alderman of the
18 ward in which the precinct is located. Upon being notified,
19 that alderman, following an assessment of relevant factors
20 within the precinct, including but not limited to, its
21 geography, density and character, the prevalence of
22 residentially zoned property, current licensed cannabis
23 business establishments in the precinct, the current amount of
24 home cultivation in the precinct, and the prevailing viewpoint
25 with regard to the issue raised in the petition, may introduce
26 an ordinance to the municipality's governing body creating a

1 restricted cannabis zone in that precinct.

2 (c) A person seeking to initiate the petition process
3 described in this Section shall first submit to the city clerk
4 notice of intent to do so, on a form made available online by
5 the city clerk. That notice shall include a description of the
6 potentially affected area and the scope of the restriction
7 sought. The city clerk shall publicly post the submitted
8 notice online.

9 To be legally sufficient, a petition must contain the
10 requisite number of valid signatures and all such signatures
11 must be obtained within 90 days of the date that the city clerk
12 publicly posts the notice of intent. Upon receipt, the city
13 clerk shall post the petition on the municipality's website
14 for a 30-day comment period. The city clerk is authorized to
15 take all necessary and appropriate steps to verify the legal
16 sufficiency of a submitted petition. Following the petition
17 review and comment period, the city clerk shall publicly post
18 online the status of the petition as accepted or rejected, and
19 if rejected, the reasons therefor. If the city clerk rejects a
20 petition as legally insufficient, a minimum of 12 months must
21 elapse from the time the city clerk posts the rejection notice
22 before a new notice of intent for that same precinct may be
23 submitted.

24 (c-5) Within 3 days after receiving an application for
25 zoning approval to locate a cannabis business establishment
26 within a municipality with a population of over 500,000, the

1 municipality shall post a public notice of the filing on its
2 website and notify the alderman of the ward in which the
3 proposed cannabis business establishment is to be located of
4 the filing. No action shall be taken on the zoning application
5 for 7 business days following the notice of the filing for
6 zoning approval.

7 If a notice of intent to initiate the petition process to
8 prohibit the type of cannabis business establishment proposed
9 in the precinct of the proposed cannabis business
10 establishment is filed prior to the filing of the application
11 or within the 7-day period after the filing of the
12 application, the municipality shall not approve the
13 application for at least 90 days after the city clerk publicly
14 posts the notice of intent to initiate the petition process.
15 If a petition is filed within the 90-day petition-gathering
16 period described in subsection (c), the municipality shall not
17 approve the application for an additional 90 days after the
18 city clerk's receipt of the petition; provided that if the
19 city clerk rejects a petition as legally insufficient, the
20 municipality may approve the application prior to the end of
21 the 90 days. If a petition is not submitted within the 90-day
22 petition-gathering period described in subsection (c), the
23 municipality may approve the application unless the approval
24 is otherwise stayed pursuant to this subsection by a separate
25 notice of intent to initiate the petition process filed timely
26 within the 7-day period.

1 If no legally sufficient petition is timely filed, a
2 minimum of 12 months must elapse before a new notice of intent
3 for that same precinct may be submitted.

4 (d) Notwithstanding any law to the contrary, the
5 municipality may enact an ordinance creating a restricted
6 cannabis zone. The ordinance shall:

7 (1) identify the applicable precinct boundaries as of
8 the date of the petition;

9 (2) state whether the ordinance prohibits within the
10 defined boundaries of the precinct, and in what
11 combination: (A) one or more types of cannabis business
12 establishments; or (B) home cultivation;

13 (3) be in effect for 4 years, unless repealed earlier;
14 and

15 (4) once in effect, be subject to renewal by ordinance
16 at the expiration of the 4-year period without the need
17 for another supporting petition.

18 (e) An Early Approval Adult Use Dispensing Organization
19 License permitted to relocate under subsection (b-5) of
20 Section 15-15 shall not relocate to a restricted cannabis
21 zone.

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

23 (410 ILCS 705/55-30)

24 Sec. 55-30. Confidentiality.

25 (a) Information provided by the cannabis business

1 establishment licensees or applicants to the Department of
2 Agriculture, the Department of Public Health, the Department
3 of Financial and Professional Regulation, the Department of
4 Commerce and Economic Opportunity, or other agency shall be
5 limited to information necessary for the purposes of
6 administering this Act. The information is subject to the
7 provisions and limitations contained in the Freedom of
8 Information Act and may be disclosed in accordance with
9 Section 55-65.

10 (b) The following information received and records kept by
11 the Department of Agriculture, the Department of Public
12 Health, the Department of State Police, and the Department of
13 Financial and Professional Regulation for purposes of
14 administering this Article are subject to all applicable
15 federal privacy laws, are confidential and exempt from
16 disclosure under the Freedom of Information Act, except as
17 provided in this Act, and not subject to disclosure to any
18 individual or public or private entity, except to the
19 Department of Financial and Professional Regulation, the
20 Department of Agriculture, the Department of Public Health,
21 and the Department of State Police as necessary to perform
22 official duties under this Article and to the Attorney General
23 as necessary to enforce the provisions of this Act. The
24 following information received and kept by the Department of
25 Financial and Professional Regulation or the Department of
26 Agriculture may be disclosed to the Department of Public

1 Health, the Department of Agriculture, the Department of
2 Revenue, the Department of State Police, or the Attorney
3 General upon proper request:

4 (1) Applications and renewals, their contents, and
5 supporting information submitted by or on behalf of
6 dispensing organizations, cannabis business
7 establishments, or Community College Cannabis Vocational
8 Program licensees, in compliance with this Article,
9 including their physical addresses; however, this does not
10 preclude the release of ownership information about
11 cannabis business establishment licenses, or information
12 submitted with an application required to be disclosed
13 pursuant to subsection (f);

14 (2) Any plans, procedures, policies, or other records
15 relating to cannabis business establishment ~~dispensing~~
16 ~~organization~~ security; and

17 (3) Information otherwise exempt from disclosure by
18 State or federal law.

19 Illinois or national criminal history record information,
20 or the nonexistence or lack of such information, may not be
21 disclosed by the Department of Financial and Professional
22 Regulation or the Department of Agriculture, except as
23 necessary to the Attorney General to enforce this Act.

24 (c) The name and address of a dispensing organization
25 licensed under this Act shall be subject to disclosure under
26 the Freedom of Information Act. The name and cannabis business

1 establishment address of the person or entity holding each
2 cannabis business establishment license shall be subject to
3 disclosure.

4 (d) All information collected by the Department of
5 Financial and Professional Regulation or the Department of
6 Agriculture in the course of an examination, inspection, or
7 investigation of a licensee or applicant, including, but not
8 limited to, any complaint against a licensee or applicant
9 filed with the Department of Financial and Professional
10 Regulation or the Department of Agriculture and information
11 collected to investigate any such complaint, shall be
12 maintained for the confidential use of the Department of
13 Financial and Professional Regulation or the Department of
14 Agriculture and shall not be disclosed, except as otherwise
15 provided in this Act. A formal complaint against a licensee by
16 the Department of Financial and Professional Regulation or the
17 Department of Agriculture or any disciplinary order issued by
18 the Department of Financial and Professional Regulation or the
19 Department of Agriculture against a licensee or applicant
20 shall be a public record, except as otherwise provided by law.
21 Complaints from consumers or members of the general public
22 received regarding a specific, named licensee or complaints
23 regarding conduct by unlicensed entities shall be subject to
24 disclosure under the Freedom of Information Act.

25 (e) The Department of Agriculture, the Department of State
26 Police, and the Department of Financial and Professional

1 Regulation shall not share or disclose any Illinois or
2 national criminal history record information, or the
3 nonexistence or lack of such information, to any person or
4 entity not expressly authorized by this Act.

5 (f) Each Department responsible for licensure under this
6 Act shall publish on the Department's website a list of the
7 ownership information of cannabis business establishment
8 licensees under the Department's jurisdiction. The list shall
9 include, but is not limited to: the name of the person or
10 entity holding each cannabis business establishment license;
11 and the address at which the entity is operating under this
12 Act. This list shall be published and updated monthly.

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

14 Section 15. The Illinois Vehicle Code is amended by
15 changing Sections 11-502.1 and 11-502.15 as follows:

16 (625 ILCS 5/11-502.1)

17 Sec. 11-502.1. Possession of medical cannabis in a motor
18 vehicle.

19 (a) No driver, who is a medical cannabis cardholder, may
20 use medical cannabis within the passenger area of any motor
21 vehicle upon a highway in this State.

22 (b) No driver, who is a medical cannabis cardholder, a
23 medical cannabis designated caregiver, medical cannabis
24 cultivation center agent, or dispensing organization agent may

1 possess medical cannabis within any area of any motor vehicle
2 upon a highway in this State except in a secured, sealed or
3 resealable, odor-proof, and child-resistant medical cannabis
4 container that is inaccessible.

5 (c) No passenger, who is a medical cannabis card holder, a
6 medical cannabis designated caregiver, or medical cannabis
7 dispensing organization agent may possess medical cannabis
8 within any passenger area of any motor vehicle upon a highway
9 in this State except in a secured, sealed or resealable,
10 odor-proof, and child-resistant medical cannabis container
11 that is inaccessible.

12 (d) Any person who violates subsections (a) through (c) of
13 this Section:

14 (1) commits a Class A misdemeanor;

15 (2) shall be subject to revocation of his or her
16 medical cannabis card for a period of 2 years from the end
17 of the sentence imposed; and

18 (3) ~~(4)~~ shall be subject to revocation of his or her
19 status as a medical cannabis caregiver, medical cannabis
20 cultivation center agent, or medical cannabis dispensing
21 organization agent for a period of 2 years from the end of
22 the sentence imposed.

23 (Source: P.A. 101-27, eff. 6-25-19; revised 8-6-19.)

24 (625 ILCS 5/11-502.15)

25 Sec. 11-502.15. Possession of adult use cannabis in a

1 motor vehicle.

2 (a) No driver may use cannabis within the passenger area
3 of any motor vehicle upon a highway in this State.

4 (b) No driver may possess cannabis within any area of any
5 motor vehicle upon a highway in this State except in a secured,
6 sealed or resealable, odor-proof, child-resistant cannabis
7 container that is inaccessible.

8 (c) No passenger may possess cannabis within any passenger
9 area of any motor vehicle upon a highway in this State except
10 in a secured, sealed or resealable, odor-proof,
11 child-resistant cannabis container that is inaccessible.

12 (d) Any person who knowingly violates subsection (a), (b),
13 or (c) of this Section commits a Class A misdemeanor.

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

15 Section 97. Severability. The provisions of this Act are
16 severable under Section 1.31 of the Statute on Statutes.

17 Section 99. Effective date. This Act takes effect upon
18 becoming law.