102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

HB4987

Introduced 1/27/2022, by Rep. Bob Morgan

SYNOPSIS AS INTRODUCED:

410 ILCS 705/55-100 new

Amends the Cannabis Regulation and Tax Act. Provides that a cannabis business establishment licensed by the Department of Agriculture for cultivating, growing, processing, manufacturing, or infusing cannabis or a cannabis-infused product pursuant to the Cannabis Regulation and Tax Act or the Compassionate Use of Medicinal Cannabis Program Act may use industrial hemp as an ingredient in cannabis or a cannabis-infused product that is offered for sale at a dispensary. Provides that hemp flower may not be sold to a dispensary. Provides that industrial hemp may be procured from a licensed third-party grower or processor from within the State of Illinois or from any other state with a regulated industrial hemp program. Requires all hemp and hemp derivatives obtained by a cannabis business establishment to be obtained from a licensed or registered hemp grower or processor. Provides that a cultivation center that intends to use hemp or a hemp derivative must apply for, and be issued, a Hemp Processor License by the Department. Requires a representative sample of all final products containing industrial hemp or hemp derivatives to undergo specified testing. Contains other provisions. Effective immediately.

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1 AN ACT concerning regulation.

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

Section 5. The Cannabis Regulation and Tax Act is amended
by adding Section 55-100 as follows:

6 (410 ILCS 705/55-100 new) 7 Sec. 55-100. Hemp in cannabis-infused products. 8 (a) In this Section: 9 "Hemp" or "industrial hemp" has the same meaning as provided in Section 5 of the Industrial Hemp Act. 10 11 (b) A cannabis business establishment licensed by the 12 Department for cultivating, growing, processing, manufacturing, or infusing cannabis or a cannabis-infused 13 14 product pursuant to this Act or the Compassionate Use of Medicinal Cannabis Program Act may use industrial hemp as an 15 ingredient in cannabis or a cannabis-infused product that is 16 offered for sale at a dispensary. However, hemp flower may not 17 be sold to a dispensary. 18 19 (c) Hemp obtained under subsection (b) must be used in 20 extracted form and only in a cannabis-infused product. 21 (d) Industrial hemp may be procured from a licensed 22 third-party grower or processor from within the State of

23 Illinois or from any other state with a regulated industrial

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1 <u>hemp program.</u>

2	(e) All hemp and hemp derivatives obtained by a cannabis
3	business establishment must be obtained from a licensed or
4	registered hemp grower or processor, regardless of the
5	grower's or processor's home state. A cannabis business
6	establishment that obtains hemp or a hemp derivative must
7	provide a copy of the hemp grower's or processor's license
8	issued by Illinois or another state upon demand of the
9	Department or the Illinois State Police.
10	(f) A cultivation center that intends to use hemp or a hemp
11	derivative must apply for, and be issued, a Hemp Processor
12	License by the Department.
13	(g) Industrial hemp flower and biomass may be purchased
14	and extracted by a cultivation center.
15	(h) A cultivation center may procure or process industrial
16	hemp in the form of distillate or isolate. All processed hemp
17	derivatives must be accompanied by a certificate of analysis
18	showing potency levels for delta-9 tetrahydrocannabinol (THC),
19	THCa, CBD, and CBDa.
20	(i) The delta-9 tetrahydrocannabinol (THC) contained in
21	hemp or a hemp derivative procured or processed under
22	subsection (h) may not be concentrated above the allowable
23	0.3% threshold.
24	(j) Hemp or hemp derivatives may not be used to
25	concentrate or to synthesize delta-9 tetrahydrocannabinol
26	(THC), unless the concentration or synthesis of the hemp or

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1	hemp derivative is performed at a cultivation center, craft
2	grower, or infuser.
3	(k) A representative sample of all final products
4	containing industrial hemp or hemp derivatives must undergo
5	testing pursuant to the Compassionate Use of Medical Cannabis
6	Act, the Cannabis Regulation and Tax Act, and any applicable
7	administrative rules.

8 Section 99. Effective date. This Act takes effect upon 9 becoming law.