



102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

SB2404

Introduced 2/26/2021, by Sen. Napoleon Harris, III

SYNOPSIS AS INTRODUCED:

See Index

Amends the Compassionate Use of Medical Cannabis Program Act. Provides that Nonstorefront Delivery Organizations and Storefront Delivery Organizations are "medical cannabis dispensing organizations". Amends the Cannabis Regulation and Tax Act. Provides that, notwithstanding any other provision of law, a Nonstorefront Delivery Organization or Storefront Delivery Organization may acquire cannabis for the purpose of selling or dispensing, exclusively through delivery, cannabis products to purchasers or to qualified registered medical cannabis patients and caregivers under the Compassionate Use of Medical Cannabis Program Act. Requires the Department of Financial and Professional Regulation to issue up to 200 Conditional Nonstorefront Adult Use Cannabis Delivery Organization Licenses and unlimited Conditional Storefront Adult Use Cannabis Delivery Organization Licenses before May 1st, 2022. Provides that the Department shall make the application for the licenses available no later than October 1, 2021. Contains requirements for application, licensure, and background checks. Provides that a Nonstorefront or Storefront Delivery Organization may only engage in sales or deliveries or receive shipments between the hours of 6:00 a.m. and 10:00 p.m. Provides that a Nonstorefront or Storefront Delivery Organization may contract with a service that provides a technology platform to facilitate the sale and delivery of cannabis products. Contains requirements regarding delivery of cannabis products. Provides that Nonstorefront and Storefront Delivery Organizations are "cannabis business establishments". Contains other provisions. Effective immediately.

LRB102 15258 CPF 20613 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning health.

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

4 Section 5. The Compassionate Use of Medical Cannabis
5 Program Act is amended by changing Section 10 as follows:

6 (410 ILCS 130/10)

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

9 (a) "Adequate supply" means:

10 (1) 2.5 ounces of usable cannabis during a period of
11 14 days and that is derived solely from an intrastate
12 source.

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

23 (3) This subsection may not be construed to authorize

1 the possession of more than 2.5 ounces at any time without
2 authority from the Department of Public Health.

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

7 (a-5) "Advanced practice registered nurse" means a person
8 who is licensed under the Nurse Practice Act as an advanced
9 practice registered nurse and has a controlled substances
10 license under Article III of the Illinois Controlled
11 Substances Act.

12 (b) "Cannabis" has the meaning given that term in Section
13 3 of the Cannabis Control Act.

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

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

26 (d-5) "Certifying health care professional" means a

1 physician, an advanced practice registered nurse, or a
2 physician assistant.

3 (e) "Cultivation center" means a facility operated by an
4 organization or business that is registered by the Department
5 of Agriculture to perform necessary activities to provide only
6 registered medical cannabis dispensing organizations with
7 usable medical cannabis.

8 (f) "Cultivation center agent" means a principal officer,
9 board member, employee, or agent of a registered cultivation
10 center who is 21 years of age or older and has not been
11 convicted of an excluded offense.

12 (g) "Cultivation center agent identification card" means a
13 document issued by the Department of Agriculture that
14 identifies a person as a cultivation center agent.

15 (h) "Debilitating medical condition" means one or more of
16 the following:

17 (1) cancer, glaucoma, positive status for human
18 immunodeficiency virus, acquired immune deficiency
19 syndrome, hepatitis C, amyotrophic lateral sclerosis,
20 Crohn's disease (including, but not limited to, ulcerative
21 colitis), agitation of Alzheimer's disease,
22 cachexia/wasting syndrome, muscular dystrophy, severe
23 fibromyalgia, spinal cord disease, including but not
24 limited to arachnoiditis, Tarlov cysts, hydromyelia,
25 syringomyelia, Rheumatoid arthritis, fibrous dysplasia,
26 spinal cord injury, traumatic brain injury and

1 post-concussion syndrome, Multiple Sclerosis,
2 Arnold-Chiari malformation and Syringomyelia,
3 Spinocerebellar Ataxia (SCA), Parkinson's, Tourette's,
4 Myoclonus, Dystonia, Reflex Sympathetic Dystrophy, RSD
5 (Complex Regional Pain Syndromes Type I), Causalgia, CRPS
6 (Complex Regional Pain Syndromes Type II),
7 Neurofibromatosis, Chronic Inflammatory Demyelinating
8 Polyneuropathy, Sjogren's syndrome, Lupus, Interstitial
9 Cystitis, Myasthenia Gravis, Hydrocephalus, nail-patella
10 syndrome, residual limb pain, seizures (including those
11 characteristic of epilepsy), post-traumatic stress
12 disorder (PTSD), autism, chronic pain, irritable bowel
13 syndrome, migraines, osteoarthritis, anorexia nervosa,
14 Ehlers-Danlos Syndrome, Neuro-Behcet's Autoimmune
15 Disease, neuropathy, polycystic kidney disease, superior
16 canal dehiscence syndrome, or the treatment of these
17 conditions;

18 (1.5) terminal illness with a diagnosis of 6 months or
19 less; if the terminal illness is not one of the qualifying
20 debilitating medical conditions, then the certifying
21 health care professional shall on the certification form
22 identify the cause of the terminal illness; or

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

26 (i) "Designated caregiver" means a person who: (1) is at

1 least 21 years of age; (2) has agreed to assist with a
2 patient's medical use of cannabis; (3) has not been convicted
3 of an excluded offense; and (4) assists no more than one
4 registered qualifying patient with his or her medical use of
5 cannabis.

6 (j) "Dispensing organization agent identification card"
7 means a document issued by the Department of Financial and
8 Professional Regulation that identifies a person as a medical
9 cannabis dispensing organization agent.

10 (k) "Enclosed, locked facility" means a room, greenhouse,
11 building, or other enclosed area equipped with locks or other
12 security devices that permit access only by a cultivation
13 center's agents or a dispensing organization's agent working
14 for the registered cultivation center or the registered
15 dispensing organization to cultivate, store, and distribute
16 cannabis for registered qualifying patients.

17 (l) "Excluded offense" for cultivation center agents and
18 dispensing organizations means:

19 (1) a violent crime defined in Section 3 of the Rights
20 of Crime Victims and Witnesses Act or a substantially
21 similar offense that was classified as a felony in the
22 jurisdiction where the person was convicted; or

23 (2) a violation of a state or federal controlled
24 substance law, the Cannabis Control Act, or the
25 Methamphetamine Control and Community Protection Act that
26 was classified as a felony in the jurisdiction where the

1 person was convicted, except that the registering
2 Department may waive this restriction if the person
3 demonstrates to the registering Department's satisfaction
4 that his or her conviction was for the possession,
5 cultivation, transfer, or delivery of a reasonable amount
6 of cannabis intended for medical use. This exception does
7 not apply if the conviction was under state law and
8 involved a violation of an existing medical cannabis law.

9 For purposes of this subsection, the Department of Public
10 Health shall determine by emergency rule within 30 days after
11 the effective date of this amendatory Act of the 99th General
12 Assembly what constitutes a "reasonable amount".

13 (1-5) (Blank).

14 (1-10) "Illinois Cannabis Tracking System" means a
15 web-based system established and maintained by the Department
16 of Public Health that is available to the Department of
17 Agriculture, the Department of Financial and Professional
18 Regulation, the Illinois State Police, and registered medical
19 cannabis dispensing organizations on a 24-hour basis to upload
20 written certifications for Opioid Alternative Pilot Program
21 participants, to verify Opioid Alternative Pilot Program
22 participants, to verify Opioid Alternative Pilot Program
23 participants' available cannabis allotment and assigned
24 dispensary, and the tracking of the date of sale, amount, and
25 price of medical cannabis purchased by an Opioid Alternative
26 Pilot Program participant.

1 (m) "Medical cannabis cultivation center registration"
2 means a registration issued by the Department of Agriculture.

3 (n) "Medical cannabis container" means a sealed,
4 traceable, food compliant, tamper resistant, tamper evident
5 container, or package used for the purpose of containment of
6 medical cannabis from a cultivation center to a dispensing
7 organization.

8 (o) "Medical cannabis dispensing organization", or
9 "dispensing organization", or "dispensary organization" means
10 a facility operated by an organization or business that is
11 registered by the Department of Financial and Professional
12 Regulation to acquire medical cannabis from a registered
13 cultivation center for the purpose of dispensing cannabis,
14 paraphernalia, or related supplies and educational materials
15 to registered qualifying patients, individuals with a
16 provisional registration for qualifying patient cardholder
17 status, or an Opioid Alternative Pilot Program participant.

18 "Medical cannabis dispensing organization" includes a
19 Nonstorefront Delivery Organization licensed under Section
20 15-123 of the Cannabis Regulation and Tax Act and a Storefront
21 Delivery Organization licensed under Section 15-124 of the
22 Cannabis Regulation and Tax Act.

23 (p) "Medical cannabis dispensing organization agent" or
24 "dispensing organization agent" means a principal officer,
25 board member, employee, or agent of a registered medical
26 cannabis dispensing organization who is 21 years of age or

1 older and has not been convicted of an excluded offense.

2 (q) "Medical cannabis infused product" means food, oils,
3 ointments, or other products containing usable cannabis that
4 are not smoked.

5 (r) "Medical use" means the acquisition; administration;
6 delivery; possession; transfer; transportation; or use of
7 cannabis to treat or alleviate a registered qualifying
8 patient's debilitating medical condition or symptoms
9 associated with the patient's debilitating medical condition.

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

14 (r-10) "Opioid Alternative Pilot Program participant"
15 means an individual who has received a valid written
16 certification to participate in the Opioid Alternative Pilot
17 Program for a medical condition for which an opioid has been or
18 could be prescribed by a certifying health care professional
19 based on generally accepted standards of care.

20 (s) "Physician" means a doctor of medicine or doctor of
21 osteopathy licensed under the Medical Practice Act of 1987 to
22 practice medicine and who has a controlled substances license
23 under Article III of the Illinois Controlled Substances Act.
24 It does not include a licensed practitioner under any other
25 Act including but not limited to the Illinois Dental Practice
26 Act.

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

5 (s-5) "Provisional registration" means a document issued
6 by the Department of Public Health to a qualifying patient who
7 has submitted: (1) an online application and paid a fee to
8 participate in Compassionate Use of Medical Cannabis Program
9 pending approval or denial of the patient's application; or
10 (2) a completed application for terminal illness.

11 (t) "Qualifying patient" means a person who has been
12 diagnosed by a certifying health care professional as having a
13 debilitating medical condition.

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

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

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

1 to prepare a topical administration, food, or drink.

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

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

1 relevant records related to the patient's debilitating
2 condition, and conducted a physical examination.

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

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

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

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

20 Section 10. The Cannabis Regulation and Tax Act is amended
21 by changing Section 1-10 and by adding Sections 15-123 and
22 15-124 as follows:

23 (410 ILCS 705/1-10)

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

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

5 "Adult Use Dispensing Organization License" means a
6 license issued by the Department of Financial and Professional
7 Regulation that permits a person to act as a dispensing
8 organization under this Act and any administrative rule made
9 in furtherance of this Act.

10 "Advertise" means to engage in promotional activities
11 including, but not limited to: newspaper, radio, Internet and
12 electronic media, and television advertising; the distribution
13 of fliers and circulars; billboard advertising; and the
14 display of window and interior signs. "Advertise" does not
15 mean exterior signage displaying only the name of the licensed
16 cannabis business establishment.

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

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, nonstorefront delivery organization as defined
24 under Section 15-123, or storefront delivery organization as
25 defined under Section 15-124.

26 "Cannabis concentrate" means a product derived from

1 cannabis that is produced by extracting cannabinoids,
2 including tetrahydrocannabinol (THC), from the plant through
3 the use of propylene glycol, glycerin, butter, olive oil or
4 other typical cooking fats; water, ice, or dry ice; or butane,
5 propane, CO₂, ethanol, or isopropanol and with the intended
6 use of smoking or making a cannabis-infused product. The use
7 of any other solvent is expressly prohibited unless and until
8 it is approved by the Department of Agriculture.

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

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

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

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

1 processing, preparing, testing, analyzing, packaging,
2 repackaging, storing, containing, concealing, ingesting, or
3 otherwise introducing cannabis into the human body.

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

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

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

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

1 Illinois Community College.

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

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

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

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

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

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

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

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

1 "Cultivation center agent" means a principal officer,
2 board member, employee, or other agent of a cultivation center
3 who is 21 years of age or older.

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

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

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

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

24 "Dispensing organization agent" means a principal officer,
25 employee, or agent of a dispensing organization who is 21
26 years of age or older.

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

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

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

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

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

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

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

26 (2) has high rates of arrest, conviction, and

1 incarceration related to the sale, possession, use,
2 cultivation, manufacture, or transport of cannabis.

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

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

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

26 "Enclosed, locked facility" means a room, greenhouse,

1 building, or other enclosed area equipped with locks or other
2 security devices that permit access only by cannabis business
3 establishment agents working for the licensed cannabis
4 business establishment or acting pursuant to this Act to
5 cultivate, process, store, or distribute cannabis.

6 "Enclosed, locked space" means a closet, room, greenhouse,
7 building or other enclosed area equipped with locks or other
8 security devices that permit access only by authorized
9 individuals under this Act. "Enclosed, locked space" may
10 include:

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

18 (2) a structure, such as a shed or greenhouse, that
19 lies on the same plot of land as a residential building
20 that (i) includes sleeping quarters and indoor plumbing
21 and (ii) is used as a primary residence by the person
22 cultivating 5 or fewer cannabis plants that are more than
23 5 inches tall, such as a shed or greenhouse. The structure
24 must remain locked when it is unoccupied by people.

25 "Financial institution" has the same meaning as "financial
26 organization" as defined in Section 1501 of the Illinois

1 Income Tax Act, and also includes the holding companies,
2 subsidiaries, and affiliates of such financial organizations.

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

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

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

13 "Individual" means a natural person.

14 "Infuser organization" or "infuser" means a facility
15 operated by an organization or business that is licensed by
16 the Department of Agriculture to directly incorporate cannabis
17 or cannabis concentrate into a product formulation to produce
18 a cannabis-infused product.

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

23 "Labor peace agreement" means an agreement between a
24 cannabis business establishment and any labor organization
25 recognized under the National Labor Relations Act, referred to
26 in this Act as a bona fide labor organization, that prohibits

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

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

1 caregivers, provisional patients, and Opioid Alternative Pilot
2 Program participants.

3 "Member of an impacted family" means an individual who has
4 a parent, legal guardian, child, spouse, or dependent, or was
5 a dependent of an individual who, prior to the effective date
6 of this Act, was arrested for, convicted of, or adjudicated
7 delinquent for any offense that is eligible for expungement
8 under this Act.

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

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

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

23 "Person" means a natural individual, firm, partnership,
24 association, joint stock company, joint venture, public or
25 private corporation, limited liability company, or a receiver,
26 executor, trustee, guardian, or other representative appointed

1 by order of any court.

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

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

19 "Primary residence" means a dwelling where a person
20 usually stays or stays more often than other locations. It may
21 be determined by, without limitation, presence, tax filings;
22 address on an Illinois driver's license, an Illinois
23 Identification Card, or an Illinois Person with a Disability
24 Identification Card; or voter registration. No person may have
25 more than one primary residence.

26 "Processing organization" or "processor" means a facility

1 operated by an organization or business that is licensed by
2 the Department of Agriculture to either extract constituent
3 chemicals or compounds to produce cannabis concentrate or
4 incorporate cannabis or cannabis concentrate into a product
5 formulation to produce a cannabis product.

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

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

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

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

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

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

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

25 (3) school records;

26 (4) a voter registration card;

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

4 (6) a paycheck stub;

5 (7) a utility bill;

6 (8) tax records; or

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

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

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

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

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

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

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

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

26 (i) currently reside in a Disproportionately

1 Impacted Area; or

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

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

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

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

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

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

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

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

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

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

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

20 (410 ILCS 705/15-123 new)

21 Sec. 15-123. Nonstorefront Delivery Organizations;
22 Conditional Nonstorefront Adult Use Cannabis Delivery
23 Organization Licenses.

24 (a) In this Section:

25 "Conditional Nonstorefront Adult Use Cannabis Delivery

1 Organization License" means a license issued by the Department
2 under this Section that permits a person or entity to act as a
3 Nonstorefront Delivery Organization under this Section, the
4 Compassionate Use of Medical Cannabis Program Act, or any
5 rules adopted in furtherance of those Acts.

6 "Delivery agent" means a principal officer, board member,
7 employee, or other agent of a Nonstorefront Delivery
8 Organization who is 21 years of age or older.

9 "Delivery agent identification card" means a document
10 issued by the Department that identifies a person as a
11 delivery agent.

12 "Nonstorefront Delivery Organization" means a business
13 entity that is operated by an organization or business that is
14 issued a Conditional Nonstorefront Adult Use Cannabis Delivery
15 Organization License, subject to the conditions of this
16 Section.

17 (b) Notwithstanding any other provision of law, a
18 Nonstorefront Delivery Organization may acquire cannabis from
19 a cultivation center, craft grower, or processing organization
20 for the purpose of selling or dispensing, exclusively through
21 delivery, cannabis, cannabis-infused products, cannabis seeds,
22 paraphernalia, or related supplies under this Act to
23 purchasers or to qualified registered medical cannabis
24 patients and caregivers under the Compassionate Use of Medical
25 Cannabis Program Act. A Nonstorefront Delivery Organization
26 may operate a secure premises that is closed to the public to

1 store cannabis, cannabis-infused products, cannabis seeds,
2 paraphernalia, or related supplies.

3 (c) The Department shall issue up to 200 Conditional
4 Nonstorefront Adult Use Cannabis Delivery Organization
5 Licenses before May 1st, 2022.

6 (d) After January 1, 2023, the Department may by rule
7 modify or raise the number of Conditional Nonstorefront Adult
8 Use Cannabis Delivery Organization Licenses assigned to each
9 BLS Region, and modify or change the licensing application
10 process to reduce or eliminate barriers based on the disparity
11 and availability study commissioned by the Illinois Cannabis
12 Regulation Oversight Officer under Section 5-45.

13 (e) The Department shall make the application for a
14 Conditional Nonstorefront Adult Use Cannabis Delivery
15 Organization License available no later than October 1, 2021.

16 (f) To ensure geographic dispersion of Conditional
17 Nonstorefront Adult Use Cannabis Delivery Organization License
18 holders, the following number of licenses shall be awarded in
19 each BLS Region as determined by each BLS Region's percentage
20 of the State's population:

21 (1) Bloomington: 4

22 (2) Cape Girardeau: 4

23 (3) Carbondale-Marion: 6

24 (4) Chicago - Naperville - Elgin: 100

25 (5) Danville: 4

26 (6) Davenport - Moline - Rock Island: 5

- 1 (7) Decatur: 4
2 (8) Kankakee:4
3 (9) Peoria: 7
4 (10) Rockford: 7
5 (11) East St. Louis: 25
6 (12) Springfield: 7
7 (13) Northwest Illinois nonmetropolitan: 5
8 (14) West Central Illinois nonmetropolitan: 5
9 (15) East Central Illinois nonmetropolitan: 5
10 (16) South Central Illinois nonmetropolitan: 5

11 (g) An applicant seeking issuance of a Conditional
12 Nonstorefront Adult Use Dispensing Organization License shall
13 submit an application on forms provided by the Department. An
14 applicant must meet the following requirements:

15 (1) Payment of a nonrefundable application fee of
16 \$2,500 for each license for which the applicant is
17 applying, which shall be deposited into the Cannabis
18 Regulation Fund.

19 (2) Certification that the applicant will comply with
20 the requirements contained in this Act.

21 (3) The legal name of the proposed delivery
22 organization.

23 (4) A statement that the delivery organization agrees
24 to respond to the Department's supplemental requests for
25 information.

26 (5) For each principal officer, a statement indicating

1 the following:

2 (A) Whether that person has previously held or
3 currently holds an ownership interest in a cannabis
4 business establishment in Illinois.

5 (B) Whether that person has held an ownership
6 interest in a dispensing organization or its
7 equivalent in another state or territory of the United
8 States that had its dispensing organization
9 registration or license suspended, revoked, placed on
10 probationary status, or subjected to other
11 disciplinary action.

12 (C) Whether that person has ever filed for
13 bankruptcy or defaulted on a spousal support or child
14 support obligation.

15 (6) A resume for each principal officer, including
16 whether that person has an academic degree, certification,
17 or relevant experience with a cannabis business
18 establishment or in a related industry.

19 (7) A description of the training and education that
20 will be provided to delivery agents.

21 (8) A copy of the proposed operating bylaws.

22 (9) A copy of the proposed business plan that complies
23 with the requirements of this Act, including, at a
24 minimum, the following:

25 (A) A description of the services to be offered.

26 (B) A description of the process of delivering

1 cannabis.

2 (10) A copy of the proposed security plan that
3 complies with the requirements in this Article; including:

4 (A) The process or controls that will be
5 implemented to monitor the warehouse, secure the
6 premises, agents, and currency, and prevent the
7 diversion, theft, or loss of cannabis.

8 (B) The process to ensure that access to the
9 warehouse is restricted to registered agents, service
10 professionals, transporting organizations, delivery
11 agents, Department inspectors, and security personnel.

12 (C) The process or controls that will be
13 implemented to monitor delivery agents, delivery
14 vehicles, cash-on-hand, and product-on-hand during the
15 process of delivery.

16 (11) A proposed inventory control plan that complies
17 with this Section.

18 (12) A proposed floor plan, a square footage estimate,
19 and a description of the proposed security devices,
20 including, without limitation, cameras, motion detectors,
21 servers, video storage capabilities, alarm service
22 providers, dash-cams with internal and external recording,
23 and global positioning system (GPS) trackers.

24 (13) The name, address, social security number, and
25 date of birth of each principal officer and board member
26 of the delivery organization. Each of those individuals

1 shall be at least 21 years of age.

2 (14) Evidence of the applicant's status as a Social
3 Equity Applicant, if applicable, and whether the Social
4 Equity Applicant plans to apply for a loan or grant issued
5 by the Department of Commerce and Economic Opportunity.

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

9 (16) Written summaries of any information regarding
10 instances in which a business or not-for-profit that a
11 prospective board member previously managed or served on
12 was fined or censured, or any instances in which a board
13 member previously managed or served a business or
14 not-for-profit that had its registration suspended or
15 revoked in any administrative or judicial proceeding.

16 (17) A plan for community engagement.

17 (18) Procedures to ensure accurate recordkeeping and
18 security measures that are in accordance with this Article
19 and Department rules.

20 (19) The estimated volume of cannabis the applicant
21 plans to store in the applicant's warehouse.

22 (20) A detailed description of the air treatment
23 systems that will be installed to reduce odors.

24 (21) A reasonable assurance that the issuance of a
25 license will not have a detrimental impact on the
26 community in which the applicant wishes to locate.

1 (22) The dated signature of each principal officer.

2 (23) A description of the enclosed, locked facility
3 where cannabis will be stored by the Nonstorefront
4 Delivery Organization.

5 (24) Signed statements from each delivery agent
6 stating that he or she will not divert cannabis.

7 (25) The number of licenses the applicant is applying
8 for in each BLS Region.

9 (26) A diversity plan that includes a narrative of at
10 least 2,500 words that establishes a goal of diversity in
11 ownership, management, employment, and contracting to
12 ensure that diverse participants and groups are afforded
13 equality of opportunity.

14 (27) A contract with a private security contractor
15 that is licensed under Section 10-5 of the Private
16 Detective, Private Alarm, Private Security, Fingerprint
17 Vendor, and Locksmith Act of 2004 in order for the
18 warehouse to have adequate security at its facility.

19 (28) Other information deemed necessary by the
20 Illinois Cannabis Regulation Oversight Officer to conduct
21 the disparity and availability study referred to in
22 Section 5-45.

23 (h) An applicant who receives a Conditional Nonstorefront
24 Adult Use Cannabis Delivery Organization License under this
25 Section has 180 days after the date of award to identify a
26 physical location for the Nonstorefront Delivery

1 Organization's warehouse. Before a licensee receives an
2 authorization to build out the warehouse, the Department shall
3 inspect the physical space selected by the licensee. The
4 Department shall verify that the site is suitable for
5 warehousing and the location is sufficient in size, power
6 allocation, lighting, product handling, and storage. If an
7 applicant is unable to find a suitable physical address in the
8 opinion of the Department within 180 days after the issuance
9 of the Conditional Nonstorefront Adult Use Cannabis Delivery
10 Organization License, the Department may extend the period for
11 finding a physical address another 180 days if the Conditional
12 Nonstorefront Adult Use Cannabis Delivery Organization License
13 holder demonstrates concrete attempts to secure a location and
14 a hardship. If the Department denies the extension or the
15 Nonstorefront Cannabis Delivery Organization is unable to find
16 a location or become operational within 360 days after being
17 awarded a license, the Department shall rescind the
18 Conditional Nonstorefront Adult Use Cannabis Delivery
19 Organization License and award it to the next highest scoring
20 applicant in the BLS Region for which the license was
21 assigned, provided the applicant receiving the license (i)
22 confirms a continued interest in operating a Nonstorefront
23 Delivery Organization; (ii) can provide evidence that the
24 applicant continues to meet all the requirements for holding a
25 Conditional Nonstorefront Adult Use Cannabis Delivery
26 Organization License set forth in this Section; and (iii) has

1 not otherwise become ineligible to be awarded a Conditional
2 Nonstorefront Adult Use Cannabis Delivery Organization
3 License. If the new awardee is unable to accept the
4 Conditional Nonstorefront Adult Use Cannabis Delivery
5 Organization License, the Department shall award the
6 Conditional Nonstorefront Adult Use Cannabis Delivery
7 Organization License to the next highest scoring applicant in
8 the same manner. The new awardee shall be subject to the same
9 required deadlines as provided in this subsection.

10 (i) A Nonstorefront Delivery Organization that is awarded
11 a Conditional Nonstorefront Adult Use Cannabis Delivery
12 Organization License pursuant to this Section shall not
13 purchase, possess, sell, or deliver cannabis or cannabis
14 infused products until the Nonstorefront Delivery Organization
15 has received the Conditional Nonstorefront Adult Use Cannabis
16 Delivery Organization License.

17 (j) The Department shall conduct a background check of the
18 prospective organization agents in order to carry out this
19 Section. The Department of State Police shall charge the
20 applicant a fee for conducting the criminal history record
21 check, which shall be deposited into the State Police Services
22 Fund and shall not exceed the actual cost of the record check.
23 Each person applying as a delivery agent shall submit a full
24 set of fingerprints to the Department of State Police for the
25 purpose of obtaining a State and federal criminal records
26 check. These fingerprints shall be checked against the

1 fingerprint records now and hereafter, to the extent allowed
2 by law, filed in the Department of State Police and the Federal
3 Bureau of Identification criminal history records database.
4 The Department of State Police shall furnish, following
5 positive identification, all Illinois conviction information
6 to the Department.

7 (k) A Nonstorefront Delivery Organization may only engage
8 in sales or deliveries between the hours of 6:00 a.m. and 10:00
9 p.m. Central Standard Time.

10 (l) Except as provided in subsection (m), a Nonstorefront
11 Delivery Organization shall not sell or otherwise transfer any
12 cannabis, cannabis-infused products, cannabis seeds,
13 paraphernalia, or related supplies to a customer through the
14 use of an unlicensed third party, intermediary business,
15 broker, or any other business or entity.

16 (m) Notwithstanding subsection (l), a Nonstorefront
17 Delivery Organization may contract with a service that
18 provides a technology platform to facilitate the sale and
19 delivery of cannabis, cannabis-infused products, cannabis
20 seeds, paraphernalia, or related supplies, in accordance with
21 all of the following:

22 (1) The Nonstorefront Delivery Organization does not
23 allow for delivery of cannabis, cannabis-infused products,
24 cannabis seeds, paraphernalia, or related supplies by the
25 technology platform service provider.

26 (2) The Nonstorefront Delivery Organization does not

1 share in the profits of the sale of cannabis,
2 cannabis-infused products, cannabis seeds, paraphernalia,
3 or related supplies with the technology platform service
4 provider, or otherwise provide for a percentage or portion
5 of the cannabis, cannabis-infused products, cannabis
6 seeds, paraphernalia, or related supplies sales to the
7 technology platform service provider.

8 (3) The Nonstorefront Delivery Organization shall not
9 advertise or market cannabis, cannabis-infused products,
10 cannabis seeds, paraphernalia, or related supplies in
11 conjunction with the technology platform service provider
12 outside of the technology platform, and shall ensure that
13 the technology platform service provider does not use the
14 Nonstorefront Delivery Organization's license number or
15 legal business name on any advertisement or marketing that
16 primarily promotes the services of the technology
17 platform.

18 (4) The Nonstorefront Delivery Organization shall
19 ensure the following information is provided to customers.

20 (A) Any cannabis, cannabis-infused products,
21 cannabis seeds, paraphernalia, or related supplies
22 advertised or offered for sale on or through the
23 technology platform shall disclose, at a minimum, the
24 Nonstorefront Delivery Organization's legal business
25 name and license number.

26 (B) Customers placing an order for cannabis,

1 cannabis-infused products, cannabis seeds,
2 paraphernalia, or related supplies through the
3 technology platform shall be able to easily identify
4 the Nonstorefront Delivery Organization that each
5 cannabis good is being ordered or purchased from. This
6 information shall be available to the customer prior
7 to the customer placing an order or purchasing the
8 cannabis, cannabis-infused products, cannabis seeds,
9 paraphernalia, or related supplies.

10 (C) All required sales invoices and receipts,
11 including any receipts provided to the customer, shall
12 disclose, at a minimum, the Nonstorefront Delivery
13 Organization's legal business name and license number.

14 (D) All other delivery, marketing, and advertising
15 requirements under this Act are complied with.

16 (n) All delivery customers must provide a valid proof of
17 identification.

18 (o) A delivery agent must verify age by inspecting a valid
19 form of identification of all delivery customers, in person,
20 before he or she completes delivery of the cannabis,
21 cannabis-infused products, cannabis seeds, paraphernalia, or
22 related supplies.

23 (p) Delivery must be made to a physical address in any
24 jurisdiction within Illinois that is not on publicly owned
25 land, a school, a daycare, or a youth center.

26 (q) During delivery the delivery agent must carry a copy

1 of the Conditional Nonstorefront Adult Use Cannabis Delivery
2 Organization License and the delivery agents'
3 government-issued delivery agent identification cards,
4 provided by the Department.

5 (r) A delivery agent shall not carry cannabis,
6 cannabis-infused products, cannabis seeds, paraphernalia, or
7 related supplies valued in excess of \$5,000 at any time, with
8 no more than \$3,000 of cannabis, cannabis-infused products,
9 cannabis seeds, paraphernalia, or related supplies that are
10 not already part of a customer order that was processed prior
11 to leaving the premises.

12 (s) A delivery request receipt must be prepared for each
13 delivery of cannabis, cannabis-infused products, cannabis
14 seeds, paraphernalia, or related supplies, and contain all of
15 the items listed in paragraph (4) of subsection (m).

16 (t) Delivery must be made in person by a delivery agent.

17 (u) Delivery must be made using an enclosed motor vehicle
18 equipped with a GPS device and secure storage for cannabis,
19 cannabis-infused products, cannabis seeds, paraphernalia, or
20 related supplies. A vehicle used by a Nonstorefront Delivery
21 Organization is not required to be owned by the licensee.

22 (v) A Nonstorefront Delivery Organization may not accept,
23 possess, or sell cannabis, cannabis-infused products, cannabis
24 seeds, paraphernalia, or related supplies that are not
25 packaged for final sale. A Nonstorefront Delivery Organization
26 may not package or label cannabis, cannabis-infused products,

1 cannabis seeds, paraphernalia, or related supplies.

2 (w) All cannabis, cannabis-infused products, cannabis
3 seeds, paraphernalia, or related supplies must be in an opaque
4 package before delivery to the customer.

5 (x) All cannabis packaging must be in a child-resistant
6 package.

7 (y) All packaging shall be tamper-evident and resealable
8 if it contains more than one serving.

9 (z) Immature cannabis plants and seeds sold by a
10 Nonstorefront Delivery Organization are not required to be
11 placed in resealable, tamper-evident, child resistant
12 packaging.

13 (aa) A Nonstorefront Delivery Organization may only
14 receive shipments from licensed cultivators, craft growers, or
15 processors between the hours of 6:00 a.m. and 10:00 p.m.
16 Central Standard Time.

17 (bb) A Nonstorefront Delivery Organization must be able to
18 account for all inventory of cannabis, cannabis-infused
19 products, cannabis seeds, paraphernalia, or related supplies
20 and provide the Department with inventory records upon
21 request.

22 (cc) A Nonstorefront Delivery Organization must maintain
23 financial records, personnel records, training records,
24 contracts, permits, security records, destruction records,
25 data entered into track-and-trace, and an accurate record of
26 all sales for 5 years. All records must be made available to

1 the Department upon request.

2 (410 ILCS 705/15-124 new)

3 Sec. 15-124. Conditional Storefront Adult Use Cannabis
4 Delivery Organizations; Licenses.

5 (a) In this Section:

6 "Conditional Storefront Adult Use Cannabis Delivery
7 Organization License" means a license issued by the Department
8 that permits a person or entity to act as a Storefront Delivery
9 Organization under this Act, the Compassionate Use of Medical
10 Cannabis Program Act, or any rules adopted in furtherance of
11 those Acts.

12 "Delivery agent" means a principal officer, board member,
13 employee, or other agent of a Storefront Delivery Organization
14 who is 21 years of age or older.

15 "Delivery agent identification card" means a document
16 issued by the Department that identifies a person as a
17 delivery agent.

18 "Storefront Delivery Organization" means a business entity
19 that is operated by an organization or business that is issued
20 a Conditional Storefront Adult Use Cannabis Delivery
21 Organization License, subject to the conditions of this
22 Section.

23 (b) Notwithstanding any other provision of law, a
24 Storefront Delivery Organization may acquire cannabis from a
25 licensed dispensing organization for the purpose of delivering

1 cannabis, cannabis-infused products, cannabis seeds,
2 paraphernalia, or related supplies under this Act to
3 purchasers or to qualified registered medical cannabis
4 patients and caregivers under the Compassionate Use of Medical
5 Cannabis Program Act, exclusively through delivery.

6 (c) The Department shall begin issuing unlimited
7 Conditional Storefront Adult Use Cannabis Delivery
8 Organization Licenses before May 1, 2022.

9 (d) The Department shall make the application for a
10 Conditional Storefront Adult Use Cannabis Delivery
11 Organization License available no later than October 1, 2021.

12 (e) An applicant seeking issuance of a Conditional
13 Storefront Adult Use Dispensing Organization License shall
14 submit an application on forms provided by the Department. An
15 applicant must meet the following requirements:

16 (1) Payment of a nonrefundable application fee of
17 \$1,500 for each license for which the applicant is
18 applying, which shall be deposited into the Cannabis
19 Regulation Fund.

20 (2) Certification that the applicant will comply with
21 the requirements of this Act.

22 (3) The legal name of the proposed delivery
23 organization.

24 (4) A statement that the delivery organization agrees
25 to respond to the Department's supplemental requests for
26 information.

1 (5) For each principal officer, a statement indicating
2 the following:

3 (A) Whether that person has previously held or
4 currently holds an ownership interest in a cannabis
5 business establishment in Illinois.

6 (B) Whether that person held an ownership interest
7 in a dispensing organization or its equivalent in
8 another state or territory of the United States that
9 had the dispensing organization registration or
10 license suspended, revoked, placed on probationary
11 status, or subjected to other disciplinary action.

12 (C) Whether that person has ever filed for
13 bankruptcy or defaulted on a spousal support or child
14 support obligation.

15 (6) A resume for each principal officer, including
16 whether that person has an academic degree, certification,
17 or relevant experience with a cannabis business
18 establishment or in a related industry.

19 (5) A description of the training and education that
20 will be provided to delivery agents.

21 (6) A copy of the proposed operating bylaws.

22 (7) A copy of the proposed business plan that complies
23 with the requirements of this Act, including, at a
24 minimum, the following:

25 (A) A description of the services to be offered.

26 (B) A description of the process of delivering

1 cannabis.

2 (8) A proposed security plan, a copy of the proposed
3 security plan, and a description of proposed security
4 devices, including, without limitation, dash-cams with
5 internal and external recording, and global positioning
6 system (GPS) trackers.

7 (9) A proposed inventory control plan that complies
8 with this Section.

9 (10) The name, address, social security number, and
10 date of birth of each principal officer and board member
11 of the delivery organization. Each of the individuals
12 shall be at least 21 years of age.

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

17 (12) The address, telephone number, and email address
18 of the applicant's principal place of business, if
19 applicable. A post office box is not permitted.

20 (13) Written summaries of any information regarding
21 instances in which a business or not-for-profit that a
22 prospective board member previously managed or served on
23 was fined or censured, or any instances in which a board
24 member previously managed or served a business or
25 not-for-profit that had its registration suspended or
26 revoked in any administrative or judicial proceeding.

1 (14) A plan for community engagement.

2 (15) Procedures to ensure accurate recordkeeping and
3 security measures that are in accordance with this Article
4 and Department rules.

5 (16) A reasonable assurance that the issuance of a
6 license will not have a detrimental impact on the
7 community in which the applicant wishes to locate.

8 (17) The dated signature of each principal officer.

9 (18) A description of the enclosed, locked compartment
10 where cannabis will be stored by delivery agents enroute
11 to the delivery location.

12 (19) Signed statements from each delivery agent
13 stating that he or she will not divert cannabis.

14 (20) The number of licenses the applicant is applying
15 for in each BLS Region.

16 (21) A diversity plan that includes a narrative of at
17 least 2,500 words that establishes a goal of diversity in
18 ownership, management, employment, and contracting to
19 ensure that diverse participants and groups are afforded
20 equality of opportunity.

21 (22) Other information deemed necessary by the
22 Illinois Cannabis Regulation Oversight Officer to conduct
23 the disparity and availability study under Section 5-45.

24 (f) A Storefront Delivery Organization may only engage in
25 sales or deliveries between the hours of 6:00 a.m. and 10:00
26 p.m. Central Standard Time.

1 (g) Except as provided in subsection (h), a Storefront
2 Delivery Organization shall not sell or otherwise transfer any
3 cannabis, cannabis-infused products, cannabis seeds,
4 paraphernalia, or related supplies to a customer through the
5 use of an unlicensed third party, intermediary business,
6 broker, or any other business or entity.

7 (h) Notwithstanding subsection (g), a Storefront Delivery
8 Organization may contract with a service that provides a
9 technology platform to facilitate the sale and delivery of
10 cannabis, cannabis-infused products, cannabis seeds,
11 paraphernalia, or related supplies, in accordance with all of
12 the following:

13 (1) The Storefront Delivery Organization does not
14 allow for delivery of cannabis, cannabis-infused products,
15 cannabis seeds, paraphernalia, or related supplies by the
16 technology platform service provider.

17 (2) The Storefront Delivery Organization does not
18 share in the profits of the sale of cannabis,
19 cannabis-infused products, cannabis seeds, paraphernalia,
20 or related supplies with the technology platform service
21 provider, or otherwise provide for a percentage or portion
22 of the cannabis, cannabis-infused products, cannabis
23 seeds, paraphernalia, or related supplies sales to the
24 technology platform service provider.

25 (3) The Storefront Delivery Organization shall not
26 advertise or market cannabis, cannabis-infused products,

1 cannabis seeds, paraphernalia, or related supplies in
2 conjunction with the technology platform service provider,
3 outside of the technology platform, and shall ensure that
4 the technology platform service provider does not use the
5 Storefront Delivery Organization's license number or legal
6 business name on any advertisement or marketing that
7 primarily promotes the services of the technology
8 platform.

9 (4) The Storefront Delivery Organization shall ensure
10 the following information is provided to customers:

11 (A) Any cannabis, cannabis-infused products,
12 cannabis seeds, paraphernalia, or related supplies
13 advertised or offered for sale on or through the
14 technology platform shall disclose, at a minimum, the
15 Storefront Delivery Organization's legal business name
16 and license number.

17 (B) Customers placing an order for cannabis,
18 cannabis-infused products, cannabis seeds,
19 paraphernalia, or related supplies through the
20 technology platform shall be able to easily identify
21 the Storefront Delivery Organization that each
22 cannabis good is being ordered or purchased from. This
23 information shall be available to the customer prior
24 to the customer placing an order or purchasing the
25 cannabis, cannabis-infused products, cannabis seeds,
26 paraphernalia, or related supplies.

1 (C) All required sales invoices and receipts,
2 including any receipts provided to the customer, shall
3 disclose, at a minimum, the Storefront Delivery
4 Organization's legal business name and license number.

5 (D) All other delivery, marketing, and advertising
6 requirements under this division are complied with.

7 (i) All delivery customers must provide a valid proof of
8 identification.

9 (j) A delivery agent must verify age by inspecting a valid
10 form of identification of all delivery customers, in person,
11 before he or she completes delivery of the cannabis,
12 cannabis-infused products, cannabis seeds, paraphernalia, or
13 related supplies.

14 (k) Delivery must be made to a physical address in any
15 jurisdiction within Illinois that is not on publicly owned
16 land, a school, a daycare, or a youth center.

17 (l) During delivery, the delivery agent must carry a copy
18 of the Conditional Storefront Adult Use Cannabis Delivery
19 Organization License and the delivery agents'
20 government-issued delivery agent identification cards,
21 provided by the Department.

22 (m) A delivery agent shall not carry cannabis,
23 cannabis-infused products, cannabis seeds, paraphernalia, or
24 related supplies valued in excess of \$5,000 at any time, with
25 no more than \$3,000 of cannabis, cannabis-infused products,
26 cannabis seeds, paraphernalia, or related supplies that are

1 not already part of a customer order that was processed prior
2 to leaving the premises.

3 (n) A delivery request receipt must be prepared for each
4 delivery of cannabis, cannabis-infused products, cannabis
5 seeds, paraphernalia, or related supplies, and contain all of
6 the items listed in paragraph (4) of subsection (h).

7 (o) Delivery must be made in person by a delivery agent.

8 (p) Delivery must be made using an enclosed motor vehicle
9 equipped with a GPS device and secure storage for cannabis,
10 cannabis-infused products, cannabis seeds, paraphernalia, or
11 related supplies. A vehicle used by a Storefront Delivery
12 Organization is not required to be owned by the licensee.

13 (q) A Storefront Delivery Organization may not accept,
14 possess, or sell cannabis, cannabis-infused products, cannabis
15 seeds, paraphernalia, or related supplies that are not
16 packaged for final sale. A Storefront Delivery Organization
17 may not package or label cannabis, cannabis-infused products,
18 cannabis seeds, paraphernalia, or related supplies.

19 (r) All cannabis, cannabis-infused products, cannabis
20 seeds, paraphernalia, or related supplies must be in an opaque
21 package before delivery to the customer.

22 (s) All cannabis packaging must either be in a
23 child-resistant package.

24 (t) All packaging shall be tamper-evident and resealable
25 if it contains more than one serving.

26 (u) Immature cannabis plants and seeds sold by a

1 Storefront Delivery Organization are not required to be placed
2 in resealable, tamper-evident, child resistant packaging.

3 (v) A Storefront Delivery Organization may only receive
4 shipments from licensed cultivators, craft growers, or
5 processors between the hours of 6:00 a.m. and 10:00 p.m.
6 Central Standard Time.

7 (w) A Storefront Delivery Organization must be able to
8 account for all inventory of cannabis, cannabis-infused
9 products, cannabis seeds, paraphernalia, or related supplies
10 and provide the Department with inventory records upon
11 request.

12 (x) A Storefront Delivery Organization must maintain
13 financial records, personnel records, training records,
14 contracts, permits, security records, destruction records,
15 data entered into track-and-trace, and an accurate record of
16 all sales for 5 years. All records must be made available to
17 the Department upon request.

18 Section 99. Effective date. This Act takes effect upon
19 becoming law.

1 INDEX

2 Statutes amended in order of appearance

3 410 ILCS 130/10

4 410 ILCS 705/1-10

5 410 ILCS 705/15-123 new

6 410 ILCS 705/15-124 new