



103RD GENERAL ASSEMBLY

State of Illinois

2023 and 2024

HB1436

Introduced 1/31/2023, by Rep. Marcus C. Evans, Jr.

SYNOPSIS AS INTRODUCED:

See Index

Amends Cannabis Regulation and Tax Act. Creates the Cannabis Equity and Oversight Commission. Provides that the Commission shall administer and enforce the provisions of the Act relating to the oversight, licensing, registration, and certification of dispensing organizations, cultivation centers, craft growers, infuser organizations, transporting organizations, laboratories, and agents, including, but not limited to, the issuance of identification cards and establishing limits on the potency or serving size of cannabis or cannabis products. Provides that the Commission may suspend or revoke the license of, or impose other penalties upon, dispensing organizations, cultivation centers, craft growers, infuser organizations, transporting organizations, laboratories, and their principal officers, agents-in-charge, and agents for violations of the Act or any rules adopted under the Act. Makes conforming changes throughout various Acts. Contains other provisions. Effective July 1, 2023.

LRB103 04785 CPF 49795 b

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 Illinois State Police Law of the Civil
5 Administrative Code of Illinois is amended by changing Section
6 2605-45 as follows:

7 (20 ILCS 2605/2605-45) (was 20 ILCS 2605/55a-5)

8 Sec. 2605-45. Division of Justice Services. The Division
9 of Justice Services shall exercise the following functions:

10 (1) Operate and maintain the Law Enforcement Agencies
11 Data System (LEADS), a statewide, computerized
12 telecommunications system designed to provide services,
13 information, and capabilities to the law enforcement and
14 criminal justice community in the State of Illinois. The
15 Director is responsible for establishing policy,
16 procedures, and regulations consistent with State and
17 federal rules, policies, and law by which LEADS operates.
18 The Director shall designate a statewide LEADS
19 Administrator for management of the system. The Director
20 may appoint a LEADS Advisory Policy Board to reflect the
21 needs and desires of the law enforcement and criminal
22 justice community and to make recommendations concerning
23 policies and procedures.

1 (2) Pursue research and the publication of studies
2 pertaining to local law enforcement activities.

3 (3) Serve as the State's point of contact for the
4 Federal Bureau of Investigation's Uniform Crime Reporting
5 Program and National Incident-Based Reporting System.

6 (4) Operate an electronic data processing and computer
7 center for the storage and retrieval of data pertaining to
8 criminal activity.

9 (5) Exercise the rights, powers, and duties vested in
10 the Illinois State Police by the Cannabis Regulation and
11 Tax Act ~~and the Compassionate Use of Medical Cannabis~~
12 ~~Program Act.~~

13 (6) (Blank).

14 (6.5) Exercise the rights, powers, and duties vested
15 in the Illinois State Police by the Firearm Owners
16 Identification Card Act, the Firearm Concealed Carry Act,
17 and the Firearm Dealer License Certification Act.

18 (7) Exercise other duties that may be assigned by the
19 Director to fulfill the responsibilities and achieve the
20 purposes of the Illinois State Police.

21 (8) Exercise the rights, powers, and duties vested by
22 law in the Illinois State Police by the Criminal
23 Identification Act.

24 (9) Exercise the powers and perform the duties that
25 have been vested in the Illinois State Police by the Sex
26 Offender Registration Act and the Sex Offender Community

1 Notification Law and adopt reasonable rules necessitated
2 thereby.

3 (Source: P.A. 101-378, eff. 1-1-20; 102-538, eff. 8-20-21.)

4 Section 10. The State Finance Act is amended by adding
5 Section 5.990 and by changing Section 6z-112 as follows:

6 (30 ILCS 105/5.990 new)

7 Sec. 5.990. Cannabis Enforcement Fund. The Cannabis
8 Enforcement Fund.

9 (30 ILCS 105/6z-112)

10 Sec. 6z-112. The Cannabis Regulation Fund.

11 (a) There is created the Cannabis Regulation Fund in the
12 State treasury, subject to appropriations unless otherwise
13 provided in this Section. All moneys collected under the
14 Cannabis Regulation and Tax Act shall be deposited into the
15 Cannabis Regulation Fund, consisting of taxes, license fees,
16 other fees, and any other amounts required to be deposited or
17 transferred into the Fund.

18 (b) Whenever the Department of Revenue determines that a
19 refund should be made under the Cannabis Regulation and Tax
20 Act to a claimant, the Department of Revenue shall submit a
21 voucher for payment to the State Comptroller, who shall cause
22 the order to be drawn for the amount specified and to the
23 person named in the notification from the Department of

1 Revenue. This subsection (b) shall constitute an irrevocable
2 and continuing appropriation of all amounts necessary for the
3 payment of refunds out of the Fund as authorized under this
4 subsection (b).

5 (c) On or before the 25th day of each calendar month, the
6 Department of Revenue shall prepare and certify to the State
7 Comptroller the transfer and allocations of stated sums of
8 money from the Cannabis Regulation Fund to other named funds
9 in the State treasury. The amount subject to transfer shall be
10 the amount of the taxes, license fees, other fees, and any
11 other amounts paid into the Fund during the second preceding
12 calendar month, minus the refunds made under subsection (b)
13 during the second preceding calendar month by the Department.
14 The transfers shall be certified as follows:

15 (1) (Blank). ~~The Department of Revenue shall first~~
16 ~~determine the allocations which shall remain in the~~
17 ~~Cannabis Regulation Fund, subject to appropriations, to~~
18 ~~pay for the direct and indirect costs associated with the~~
19 ~~implementation, administration, and enforcement of the~~
20 ~~Cannabis Regulation and Tax Act by the Department of~~
21 ~~Revenue, the Department of State Police, the Department of~~
22 ~~Financial and Professional Regulation, the Department of~~
23 ~~Agriculture, the Department of Public Health, the~~
24 ~~Department of Commerce and Economic Opportunity, and the~~
25 ~~Illinois Criminal Justice Information Authority.~~

26 (2) (Blank). ~~After the allocations have been made as~~

1 ~~provided in paragraph (1) of this subsection (c), of the~~
2 ~~remainder of the amount subject to transfer for the month~~
3 ~~as determined in this subsection (c), the Department shall~~
4 ~~certify the transfer into the Cannabis Expungement Fund~~
5 ~~1/12 of the fiscal year amount appropriated from the~~
6 ~~Cannabis Expungement Fund for payment of costs incurred by~~
7 ~~State courts, the Attorney General, State's Attorneys,~~
8 ~~civil legal aid, as defined by Section 15 of the Public~~
9 ~~Interest Attorney Assistance Act, and the Department of~~
10 ~~State Police to facilitate petitions for expungement of~~
11 ~~Minor Cannabis Offenses pursuant to Public Act 101-27, as~~
12 ~~adjusted by any supplemental appropriation, plus~~
13 ~~cumulative deficiencies in such transfers for prior~~
14 ~~months.~~

15 (3) ~~The~~ After the allocations have been made as
16 ~~provided in paragraphs (1) and (2) of this subsection (c),~~
17 the Department of Revenue shall certify to the State
18 Comptroller and the State Treasurer shall transfer the
19 amounts that the Department of Revenue determines shall be
20 transferred into the following named funds according to
21 the following:

22 (A) 2% shall be transferred to the Drug Treatment
23 Fund to be used by the Department of Human Services
24 for: (i) developing and administering a scientifically
25 and medically accurate public education campaign
26 educating youth and adults about the health and safety

1 risks of alcohol, tobacco, illegal drug use (including
2 prescription drugs), and cannabis, including use by
3 pregnant women; and (ii) data collection and analysis
4 of the public health impacts of legalizing the
5 recreational use of cannabis. Expenditures for these
6 purposes shall be subject to appropriations.

7 (B) 8% shall be transferred to the Local
8 Government Distributive Fund and allocated as provided
9 in Section 2 of the State Revenue Sharing Act. The
10 moneys shall be used to fund crime prevention
11 programs, training, and interdiction efforts,
12 including detection, enforcement, and prevention
13 efforts, relating to the illegal cannabis market and
14 driving under the influence of cannabis.

15 (C) 25% shall be transferred to the Criminal
16 Justice Information Projects Fund to be used for the
17 purposes of the Restore, Reinvest, and Renew Program
18 to address economic development, violence prevention
19 services, re-entry services, youth development, and
20 civil legal aid, as defined by Section 15 of the Public
21 Interest Attorney Assistance Act. The Restore,
22 Reinvest, and Renew Program shall address these issues
23 through targeted investments and intervention programs
24 and promotion of an employment infrastructure and
25 capacity building related to the social determinants
26 of health in impacted community areas. Expenditures

1 for these purposes shall be subject to appropriations.

2 (D) 20% shall be transferred to the Department of
3 Human Services Community Services Fund, to be used to
4 address substance abuse and prevention and mental
5 health concerns, including treatment, education, and
6 prevention to address the negative impacts of
7 substance abuse and mental health issues, including
8 concentrated poverty, violence, and the historical
9 overuse of criminal justice responses in certain
10 communities, on the individual, family, and community,
11 including federal, State, and local governments,
12 health care institutions and providers, and
13 correctional facilities. Expenditures for these
14 purposes shall be subject to appropriations.

15 (E) (Blank) ~~10% shall be transferred to the Budget~~
16 ~~Stabilization Fund.~~

17 (F) (Blank) ~~35%, or any remaining balance, shall~~
18 ~~be transferred to the General Revenue Fund.~~

19 (G) 25% shall be allocated to the Cannabis Equity
20 and Oversight Commission to pay for the direct and
21 indirect costs associated with the implementation,
22 administration, and enforcement of the Cannabis
23 Regulation and Tax Act. Any remaining moneys of the
24 25% after paying those costs shall be transferred to
25 the General Revenue Fund.

26 (H) 2% shall be transferred to the Cannabis

1 Expungement Fund for payment of costs incurred by
2 State courts, the Attorney General, State's Attorneys,
3 civic legal aid as that term is defined under Section
4 15 of the Public Interest Attorney Assistance Act, and
5 the Illinois State Police to facilitate petitions for
6 expungement of Minor Cannabis Offenses under
7 subsection (i) of Section 5.2 of the Criminal
8 Identification Act.

9 (I) 5% shall be transferred to the Cannabis
10 Enforcement Fund for payment of costs incurred by the
11 Cannabis Equity and Oversight Commission, the Attorney
12 General, the Illinois State Police, and other State
13 and local agencies who have entered into a memorandum
14 of understanding with the Cannabis Equity and
15 Oversight Commission to carry out investigations of
16 violations and enforcement of provisions of the
17 Cannabis Regulation and Tax Act regarding the
18 cultivation, production, sale, distribution, delivery,
19 advertising, and transport of cannabis in violation of
20 the Cannabis Regulation and Tax Act or without a
21 license issued under that Act.

22 (J) Any remaining balance shall be transferred to
23 the General Revenue Fund.

24 As soon as may be practical, but no later than 10 days
25 after receipt, by the State Comptroller of the transfer
26 certification provided for in this subsection (c) to be given

1 to the State Comptroller by the Department of Revenue, the
2 State Comptroller shall direct and the State Treasurer shall
3 transfer the respective amounts in accordance with the
4 directions contained in such certification.

5 (d) On July 1, 2019 the Department of Revenue shall
6 certify to the State Comptroller and the State Treasurer shall
7 transfer \$5,000,000 from the Compassionate Use of Medical
8 Cannabis Fund to the Cannabis Regulation Fund.

9 (e) Notwithstanding any other law to the contrary and
10 except as otherwise provided in this Section, this Fund is not
11 subject to sweeps, administrative charge-backs, or any other
12 fiscal or budgetary maneuver that would in any way transfer
13 any amounts from this Fund into any other fund of the State.

14 (f) The Cannabis Regulation Fund shall retain a balance of
15 \$1,000,000 for the purposes of administrative costs.

16 (g) In Fiscal Year 2024 the allocations in subsection (c)
17 of this Section shall be reviewed and adjusted if the General
18 Assembly finds there is a greater need for funding for a
19 specific purpose in the State as it relates to Public Act
20 101-27.

21 (Source: P.A. 101-27, eff. 6-25-19; 102-558, eff. 8-20-21.)

22 Section 15. The Illinois Procurement Code is amended by
23 changing Section 1-10 as follows:

24 (30 ILCS 500/1-10)

1 (Text of Section before amendment by P.A. 102-721)

2 Sec. 1-10. Application.

3 (a) This Code applies only to procurements for which
4 bidders, offerors, potential contractors, or contractors were
5 first solicited on or after July 1, 1998. This Code shall not
6 be construed to affect or impair any contract, or any
7 provision of a contract, entered into based on a solicitation
8 prior to the implementation date of this Code as described in
9 Article 99, including, but not limited to, any covenant
10 entered into with respect to any revenue bonds or similar
11 instruments. All procurements for which contracts are
12 solicited between the effective date of Articles 50 and 99 and
13 July 1, 1998 shall be substantially in accordance with this
14 Code and its intent.

15 (b) This Code shall apply regardless of the source of the
16 funds with which the contracts are paid, including federal
17 assistance moneys. This Code shall not apply to:

18 (1) Contracts between the State and its political
19 subdivisions or other governments, or between State
20 governmental bodies, except as specifically provided in
21 this Code.

22 (2) Grants, except for the filing requirements of
23 Section 20-80.

24 (3) Purchase of care, except as provided in Section
25 5-30.6 of the Illinois Public Aid Code and this Section.

26 (4) Hiring of an individual as an employee and not as

1 an independent contractor, whether pursuant to an
2 employment code or policy or by contract directly with
3 that individual.

4 (5) Collective bargaining contracts.

5 (6) Purchase of real estate, except that notice of
6 this type of contract with a value of more than \$25,000
7 must be published in the Procurement Bulletin within 10
8 calendar days after the deed is recorded in the county of
9 jurisdiction. The notice shall identify the real estate
10 purchased, the names of all parties to the contract, the
11 value of the contract, and the effective date of the
12 contract.

13 (7) Contracts necessary to prepare for anticipated
14 litigation, enforcement actions, or investigations,
15 provided that the chief legal counsel to the Governor
16 shall give his or her prior approval when the procuring
17 agency is one subject to the jurisdiction of the Governor,
18 and provided that the chief legal counsel of any other
19 procuring entity subject to this Code shall give his or
20 her prior approval when the procuring entity is not one
21 subject to the jurisdiction of the Governor.

22 (8) (Blank).

23 (9) Procurement expenditures by the Illinois
24 Conservation Foundation when only private funds are used.

25 (10) (Blank).

26 (11) Public-private agreements entered into according

1 to the procurement requirements of Section 20 of the
2 Public-Private Partnerships for Transportation Act and
3 design-build agreements entered into according to the
4 procurement requirements of Section 25 of the
5 Public-Private Partnerships for Transportation Act.

6 (12) (A) Contracts for legal, financial, and other
7 professional and artistic services entered into by the
8 Illinois Finance Authority in which the State of Illinois
9 is not obligated. Such contracts shall be awarded through
10 a competitive process authorized by the members of the
11 Illinois Finance Authority and are subject to Sections
12 5-30, 20-160, 50-13, 50-20, 50-35, and 50-37 of this Code,
13 as well as the final approval by the members of the
14 Illinois Finance Authority of the terms of the contract.

15 (B) Contracts for legal and financial services entered
16 into by the Illinois Housing Development Authority in
17 connection with the issuance of bonds in which the State
18 of Illinois is not obligated. Such contracts shall be
19 awarded through a competitive process authorized by the
20 members of the Illinois Housing Development Authority and
21 are subject to Sections 5-30, 20-160, 50-13, 50-20, 50-35,
22 and 50-37 of this Code, as well as the final approval by
23 the members of the Illinois Housing Development Authority
24 of the terms of the contract.

25 (13) Contracts for services, commodities, and
26 equipment to support the delivery of timely forensic

1 science services in consultation with and subject to the
2 approval of the Chief Procurement Officer as provided in
3 subsection (d) of Section 5-4-3a of the Unified Code of
4 Corrections, except for the requirements of Sections
5 20-60, 20-65, 20-70, and 20-160 and Article 50 of this
6 Code; however, the Chief Procurement Officer may, in
7 writing with justification, waive any certification
8 required under Article 50 of this Code. For any contracts
9 for services which are currently provided by members of a
10 collective bargaining agreement, the applicable terms of
11 the collective bargaining agreement concerning
12 subcontracting shall be followed.

13 On and after January 1, 2019, this paragraph (13),
14 except for this sentence, is inoperative.

15 (14) Contracts for participation expenditures required
16 by a domestic or international trade show or exhibition of
17 an exhibitor, member, or sponsor.

18 (15) Contracts with a railroad or utility that
19 requires the State to reimburse the railroad or utilities
20 for the relocation of utilities for construction or other
21 public purpose. Contracts included within this paragraph
22 (15) shall include, but not be limited to, those
23 associated with: relocations, crossings, installations,
24 and maintenance. For the purposes of this paragraph (15),
25 "railroad" means any form of non-highway ground
26 transportation that runs on rails or electromagnetic

1 guideways and "utility" means: (1) public utilities as
2 defined in Section 3-105 of the Public Utilities Act, (2)
3 telecommunications carriers as defined in Section 13-202
4 of the Public Utilities Act, (3) electric cooperatives as
5 defined in Section 3.4 of the Electric Supplier Act, (4)
6 telephone or telecommunications cooperatives as defined in
7 Section 13-212 of the Public Utilities Act, (5) rural
8 water or waste water systems with 10,000 connections or
9 less, (6) a holder as defined in Section 21-201 of the
10 Public Utilities Act, and (7) municipalities owning or
11 operating utility systems consisting of public utilities
12 as that term is defined in Section 11-117-2 of the
13 Illinois Municipal Code.

14 (16) Procurement expenditures necessary for the
15 Department of Public Health to provide the delivery of
16 timely newborn screening services in accordance with the
17 Newborn Metabolic Screening Act.

18 (17) Procurement expenditures necessary for the
19 Department of Agriculture, the Department of Financial and
20 Professional Regulation, the Department of Human Services,
21 and the Department of Public Health to implement the
22 Compassionate Use of Medical Cannabis Program and Opioid
23 Alternative Pilot Program requirements and ensure access
24 to medical cannabis for patients with debilitating medical
25 conditions in accordance with the Compassionate Use of
26 Medical Cannabis Program Act.

1 (18) This Code does not apply to any procurements
2 necessary for the Department of Agriculture, the
3 Department of Financial and Professional Regulation, the
4 Department of Human Services, the Department of Commerce
5 and Economic Opportunity, and the Department of Public
6 Health to implement the Cannabis Regulation and Tax Act if
7 the applicable agency has made a good faith determination
8 that it is necessary and appropriate for the expenditure
9 to fall within this exemption and if the process is
10 conducted in a manner substantially in accordance with the
11 requirements of Sections 20-160, 25-60, 30-22, 50-5,
12 50-10, 50-10.5, 50-12, 50-13, 50-15, 50-20, 50-21, 50-35,
13 50-36, 50-37, 50-38, and 50-50 of this Code; however, for
14 Section 50-35, compliance applies only to contracts or
15 subcontracts over \$100,000. Notice of each contract
16 entered into under this paragraph (18) that is related to
17 the procurement of goods and services identified in
18 paragraph (1) through (9) of this subsection shall be
19 published in the Procurement Bulletin within 14 calendar
20 days after contract execution. The Chief Procurement
21 Officer shall prescribe the form and content of the
22 notice. Each agency shall provide the Chief Procurement
23 Officer, on a monthly basis, in the form and content
24 prescribed by the Chief Procurement Officer, a report of
25 contracts that are related to the procurement of goods and
26 services identified in this subsection. At a minimum, this

1 report shall include the name of the contractor, a
2 description of the supply or service provided, the total
3 amount of the contract, the term of the contract, and the
4 exception to this Code utilized. A copy of any or all of
5 these contracts shall be made available to the Chief
6 Procurement Officer immediately upon request. The Chief
7 Procurement Officer shall submit a report to the Governor
8 and General Assembly no later than November 1 of each year
9 that includes, at a minimum, an annual summary of the
10 monthly information reported to the Chief Procurement
11 Officer. This exemption becomes inoperative 5 years after
12 June 25, 2019 (the effective date of Public Act 101-27).

13 (19) Acquisition of modifications or adjustments,
14 limited to assistive technology devices and assistive
15 technology services, adaptive equipment, repairs, and
16 replacement parts to provide reasonable accommodations (i)
17 that enable a qualified applicant with a disability to
18 complete the job application process and be considered for
19 the position such qualified applicant desires, (ii) that
20 modify or adjust the work environment to enable a
21 qualified current employee with a disability to perform
22 the essential functions of the position held by that
23 employee, (iii) to enable a qualified current employee
24 with a disability to enjoy equal benefits and privileges
25 of employment as are enjoyed by other similarly situated
26 employees without disabilities, and (iv) that allow a

1 customer, client, claimant, or member of the public
2 seeking State services full use and enjoyment of and
3 access to its programs, services, or benefits.

4 For purposes of this paragraph (19):

5 "Assistive technology devices" means any item, piece
6 of equipment, or product system, whether acquired
7 commercially off the shelf, modified, or customized, that
8 is used to increase, maintain, or improve functional
9 capabilities of individuals with disabilities.

10 "Assistive technology services" means any service that
11 directly assists an individual with a disability in
12 selection, acquisition, or use of an assistive technology
13 device.

14 "Qualified" has the same meaning and use as provided
15 under the federal Americans with Disabilities Act when
16 describing an individual with a disability.

17 (20) Procurement expenditures necessary for the
18 Illinois Commerce Commission to hire third-party
19 facilitators pursuant to Sections 16-105.17 and 16-108.18
20 of the Public Utilities Act or an ombudsman pursuant to
21 Section 16-107.5 of the Public Utilities Act, a
22 facilitator pursuant to Section 16-105.17 of the Public
23 Utilities Act, or a grid auditor pursuant to Section
24 16-105.10 of the Public Utilities Act.

25 Notwithstanding any other provision of law, for contracts
26 entered into on or after October 1, 2017 under an exemption

1 provided in any paragraph of this subsection (b), except
2 paragraph (1), (2), or (5), each State agency shall post to the
3 appropriate procurement bulletin the name of the contractor, a
4 description of the supply or service provided, the total
5 amount of the contract, the term of the contract, and the
6 exception to the Code utilized. The chief procurement officer
7 shall submit a report to the Governor and General Assembly no
8 later than November 1 of each year that shall include, at a
9 minimum, an annual summary of the monthly information reported
10 to the chief procurement officer.

11 (c) This Code does not apply to the electric power
12 procurement process provided for under Section 1-75 of the
13 Illinois Power Agency Act and Section 16-111.5 of the Public
14 Utilities Act.

15 (d) Except for Section 20-160 and Article 50 of this Code,
16 and as expressly required by Section 9.1 of the Illinois
17 Lottery Law, the provisions of this Code do not apply to the
18 procurement process provided for under Section 9.1 of the
19 Illinois Lottery Law.

20 (e) This Code does not apply to the process used by the
21 Capital Development Board to retain a person or entity to
22 assist the Capital Development Board with its duties related
23 to the determination of costs of a clean coal SNG brownfield
24 facility, as defined by Section 1-10 of the Illinois Power
25 Agency Act, as required in subsection (h-3) of Section 9-220
26 of the Public Utilities Act, including calculating the range

1 of capital costs, the range of operating and maintenance
2 costs, or the sequestration costs or monitoring the
3 construction of clean coal SNG brownfield facility for the
4 full duration of construction.

5 (f) (Blank).

6 (g) (Blank).

7 (h) This Code does not apply to the process to procure or
8 contracts entered into in accordance with Sections 11-5.2 and
9 11-5.3 of the Illinois Public Aid Code.

10 (i) Each chief procurement officer may access records
11 necessary to review whether a contract, purchase, or other
12 expenditure is or is not subject to the provisions of this
13 Code, unless such records would be subject to attorney-client
14 privilege.

15 (j) This Code does not apply to the process used by the
16 Capital Development Board to retain an artist or work or works
17 of art as required in Section 14 of the Capital Development
18 Board Act.

19 (k) This Code does not apply to the process to procure
20 contracts, or contracts entered into, by the State Board of
21 Elections or the State Electoral Board for hearing officers
22 appointed pursuant to the Election Code.

23 (l) This Code does not apply to the processes used by the
24 Illinois Student Assistance Commission to procure supplies and
25 services paid for from the private funds of the Illinois
26 Prepaid Tuition Fund. As used in this subsection (l), "private

1 funds" means funds derived from deposits paid into the
2 Illinois Prepaid Tuition Trust Fund and the earnings thereon.

3 (m) This Code shall apply regardless of the source of
4 funds with which contracts are paid, including federal
5 assistance moneys. Except as specifically provided in this
6 Code, this Code shall not apply to procurement expenditures
7 necessary for the Department of Public Health to conduct the
8 Healthy Illinois Survey in accordance with Section 2310-431 of
9 the Department of Public Health Powers and Duties Law of the
10 Civil Administrative Code of Illinois.

11 (Source: P.A. 101-27, eff. 6-25-19; 101-81, eff. 7-12-19;
12 101-363, eff. 8-9-19; 102-175, eff. 7-29-21; 102-483, eff
13 1-1-22; 102-558, eff. 8-20-21; 102-600, eff. 8-27-21; 102-662,
14 eff. 9-15-21; 102-813, eff. 5-13-22.)

15 (Text of Section after amendment by P.A. 102-721)

16 Sec. 1-10. Application.

17 (a) This Code applies only to procurements for which
18 bidders, offerors, potential contractors, or contractors were
19 first solicited on or after July 1, 1998. This Code shall not
20 be construed to affect or impair any contract, or any
21 provision of a contract, entered into based on a solicitation
22 prior to the implementation date of this Code as described in
23 Article 99, including, but not limited to, any covenant
24 entered into with respect to any revenue bonds or similar

1 instruments. All procurements for which contracts are
2 solicited between the effective date of Articles 50 and 99 and
3 July 1, 1998 shall be substantially in accordance with this
4 Code and its intent.

5 (b) This Code shall apply regardless of the source of the
6 funds with which the contracts are paid, including federal
7 assistance moneys. This Code shall not apply to:

8 (1) Contracts between the State and its political
9 subdivisions or other governments, or between State
10 governmental bodies, except as specifically provided in
11 this Code.

12 (2) Grants, except for the filing requirements of
13 Section 20-80.

14 (3) Purchase of care, except as provided in Section
15 5-30.6 of the Illinois Public Aid Code and this Section.

16 (4) Hiring of an individual as an employee and not as
17 an independent contractor, whether pursuant to an
18 employment code or policy or by contract directly with
19 that individual.

20 (5) Collective bargaining contracts.

21 (6) Purchase of real estate, except that notice of
22 this type of contract with a value of more than \$25,000
23 must be published in the Procurement Bulletin within 10
24 calendar days after the deed is recorded in the county of
25 jurisdiction. The notice shall identify the real estate
26 purchased, the names of all parties to the contract, the

1 value of the contract, and the effective date of the
2 contract.

3 (7) Contracts necessary to prepare for anticipated
4 litigation, enforcement actions, or investigations,
5 provided that the chief legal counsel to the Governor
6 shall give his or her prior approval when the procuring
7 agency is one subject to the jurisdiction of the Governor,
8 and provided that the chief legal counsel of any other
9 procuring entity subject to this Code shall give his or
10 her prior approval when the procuring entity is not one
11 subject to the jurisdiction of the Governor.

12 (8) (Blank).

13 (9) Procurement expenditures by the Illinois
14 Conservation Foundation when only private funds are used.

15 (10) (Blank).

16 (11) Public-private agreements entered into according
17 to the procurement requirements of Section 20 of the
18 Public-Private Partnerships for Transportation Act and
19 design-build agreements entered into according to the
20 procurement requirements of Section 25 of the
21 Public-Private Partnerships for Transportation Act.

22 (12) (A) Contracts for legal, financial, and other
23 professional and artistic services entered into by the
24 Illinois Finance Authority in which the State of Illinois
25 is not obligated. Such contracts shall be awarded through
26 a competitive process authorized by the members of the

1 Illinois Finance Authority and are subject to Sections
2 5-30, 20-160, 50-13, 50-20, 50-35, and 50-37 of this Code,
3 as well as the final approval by the members of the
4 Illinois Finance Authority of the terms of the contract.

5 (B) Contracts for legal and financial services entered
6 into by the Illinois Housing Development Authority in
7 connection with the issuance of bonds in which the State
8 of Illinois is not obligated. Such contracts shall be
9 awarded through a competitive process authorized by the
10 members of the Illinois Housing Development Authority and
11 are subject to Sections 5-30, 20-160, 50-13, 50-20, 50-35,
12 and 50-37 of this Code, as well as the final approval by
13 the members of the Illinois Housing Development Authority
14 of the terms of the contract.

15 (13) Contracts for services, commodities, and
16 equipment to support the delivery of timely forensic
17 science services in consultation with and subject to the
18 approval of the Chief Procurement Officer as provided in
19 subsection (d) of Section 5-4-3a of the Unified Code of
20 Corrections, except for the requirements of Sections
21 20-60, 20-65, 20-70, and 20-160 and Article 50 of this
22 Code; however, the Chief Procurement Officer may, in
23 writing with justification, waive any certification
24 required under Article 50 of this Code. For any contracts
25 for services which are currently provided by members of a
26 collective bargaining agreement, the applicable terms of

1 the collective bargaining agreement concerning
2 subcontracting shall be followed.

3 On and after January 1, 2019, this paragraph (13),
4 except for this sentence, is inoperative.

5 (14) Contracts for participation expenditures required
6 by a domestic or international trade show or exhibition of
7 an exhibitor, member, or sponsor.

8 (15) Contracts with a railroad or utility that
9 requires the State to reimburse the railroad or utilities
10 for the relocation of utilities for construction or other
11 public purpose. Contracts included within this paragraph
12 (15) shall include, but not be limited to, those
13 associated with: relocations, crossings, installations,
14 and maintenance. For the purposes of this paragraph (15),
15 "railroad" means any form of non-highway ground
16 transportation that runs on rails or electromagnetic
17 guideways and "utility" means: (1) public utilities as
18 defined in Section 3-105 of the Public Utilities Act, (2)
19 telecommunications carriers as defined in Section 13-202
20 of the Public Utilities Act, (3) electric cooperatives as
21 defined in Section 3.4 of the Electric Supplier Act, (4)
22 telephone or telecommunications cooperatives as defined in
23 Section 13-212 of the Public Utilities Act, (5) rural
24 water or waste water systems with 10,000 connections or
25 less, (6) a holder as defined in Section 21-201 of the
26 Public Utilities Act, and (7) municipalities owning or

1 operating utility systems consisting of public utilities
2 as that term is defined in Section 11-117-2 of the
3 Illinois Municipal Code.

4 (16) Procurement expenditures necessary for the
5 Department of Public Health to provide the delivery of
6 timely newborn screening services in accordance with the
7 Newborn Metabolic Screening Act.

8 (17) Procurement expenditures necessary for the
9 Department of Agriculture, the Department of Financial and
10 Professional Regulation, the Department of Human Services,
11 the Cannabis Equity and Oversight Commission, and the
12 Department of Public Health to implement the Compassionate
13 Use of Medical Cannabis Program and Opioid Alternative
14 Pilot Program requirements and ensure access to medical
15 cannabis for patients with debilitating medical conditions
16 in accordance with Article 75 of the Cannabis Regulation
17 and Tax Act ~~the Compassionate Use of Medical Cannabis~~
18 ~~Program Act~~.

19 (18) This Code does not apply to any procurements
20 necessary for the Department of Agriculture, the
21 Department of Financial and Professional Regulation, the
22 Department of Human Services, the Department of Commerce
23 and Economic Opportunity, and the Department of Public
24 Health to implement the Cannabis Regulation and Tax Act if
25 the applicable agency has made a good faith determination
26 that it is necessary and appropriate for the expenditure

1 to fall within this exemption and if the process is
2 conducted in a manner substantially in accordance with the
3 requirements of Sections 20-160, 25-60, 30-22, 50-5,
4 50-10, 50-10.5, 50-12, 50-13, 50-15, 50-20, 50-21, 50-35,
5 50-36, 50-37, 50-38, and 50-50 of this Code; however, for
6 Section 50-35, compliance applies only to contracts or
7 subcontracts over \$100,000. Notice of each contract
8 entered into under this paragraph (18) that is related to
9 the procurement of goods and services identified in
10 paragraph (1) through (9) of this subsection shall be
11 published in the Procurement Bulletin within 14 calendar
12 days after contract execution. The Chief Procurement
13 Officer shall prescribe the form and content of the
14 notice. Each agency shall provide the Chief Procurement
15 Officer, on a monthly basis, in the form and content
16 prescribed by the Chief Procurement Officer, a report of
17 contracts that are related to the procurement of goods and
18 services identified in this subsection. At a minimum, this
19 report shall include the name of the contractor, a
20 description of the supply or service provided, the total
21 amount of the contract, the term of the contract, and the
22 exception to this Code utilized. A copy of any or all of
23 these contracts shall be made available to the Chief
24 Procurement Officer immediately upon request. The Chief
25 Procurement Officer shall submit a report to the Governor
26 and General Assembly no later than November 1 of each year

1 that includes, at a minimum, an annual summary of the
2 monthly information reported to the Chief Procurement
3 Officer. This exemption becomes inoperative 5 years after
4 June 25, 2019 (the effective date of Public Act 101-27).

5 (19) Acquisition of modifications or adjustments,
6 limited to assistive technology devices and assistive
7 technology services, adaptive equipment, repairs, and
8 replacement parts to provide reasonable accommodations (i)
9 that enable a qualified applicant with a disability to
10 complete the job application process and be considered for
11 the position such qualified applicant desires, (ii) that
12 modify or adjust the work environment to enable a
13 qualified current employee with a disability to perform
14 the essential functions of the position held by that
15 employee, (iii) to enable a qualified current employee
16 with a disability to enjoy equal benefits and privileges
17 of employment as are enjoyed by other similarly situated
18 employees without disabilities, and (iv) that allow a
19 customer, client, claimant, or member of the public
20 seeking State services full use and enjoyment of and
21 access to its programs, services, or benefits.

22 For purposes of this paragraph (19):

23 "Assistive technology devices" means any item, piece
24 of equipment, or product system, whether acquired
25 commercially off the shelf, modified, or customized, that
26 is used to increase, maintain, or improve functional

1 capabilities of individuals with disabilities.

2 "Assistive technology services" means any service that
3 directly assists an individual with a disability in
4 selection, acquisition, or use of an assistive technology
5 device.

6 "Qualified" has the same meaning and use as provided
7 under the federal Americans with Disabilities Act when
8 describing an individual with a disability.

9 (20) Procurement expenditures necessary for the
10 Illinois Commerce Commission to hire third-party
11 facilitators pursuant to Sections 16-105.17 and 16-108.18
12 of the Public Utilities Act or an ombudsman pursuant to
13 Section 16-107.5 of the Public Utilities Act, a
14 facilitator pursuant to Section 16-105.17 of the Public
15 Utilities Act, or a grid auditor pursuant to Section
16 16-105.10 of the Public Utilities Act.

17 Notwithstanding any other provision of law, for contracts
18 with an annual value of more than \$100,000 entered into on or
19 after October 1, 2017 under an exemption provided in any
20 paragraph of this subsection (b), except paragraph (1), (2),
21 or (5), each State agency shall post to the appropriate
22 procurement bulletin the name of the contractor, a description
23 of the supply or service provided, the total amount of the
24 contract, the term of the contract, and the exception to the
25 Code utilized. The chief procurement officer shall submit a
26 report to the Governor and General Assembly no later than

1 November 1 of each year that shall include, at a minimum, an
2 annual summary of the monthly information reported to the
3 chief procurement officer.

4 (c) This Code does not apply to the electric power
5 procurement process provided for under Section 1-75 of the
6 Illinois Power Agency Act and Section 16-111.5 of the Public
7 Utilities Act.

8 (d) Except for Section 20-160 and Article 50 of this Code,
9 and as expressly required by Section 9.1 of the Illinois
10 Lottery Law, the provisions of this Code do not apply to the
11 procurement process provided for under Section 9.1 of the
12 Illinois Lottery Law.

13 (e) This Code does not apply to the process used by the
14 Capital Development Board to retain a person or entity to
15 assist the Capital Development Board with its duties related
16 to the determination of costs of a clean coal SNG brownfield
17 facility, as defined by Section 1-10 of the Illinois Power
18 Agency Act, as required in subsection (h-3) of Section 9-220
19 of the Public Utilities Act, including calculating the range
20 of capital costs, the range of operating and maintenance
21 costs, or the sequestration costs or monitoring the
22 construction of clean coal SNG brownfield facility for the
23 full duration of construction.

24 (f) (Blank).

25 (g) (Blank).

26 (h) This Code does not apply to the process to procure or

1 contracts entered into in accordance with Sections 11-5.2 and
2 11-5.3 of the Illinois Public Aid Code.

3 (i) Each chief procurement officer may access records
4 necessary to review whether a contract, purchase, or other
5 expenditure is or is not subject to the provisions of this
6 Code, unless such records would be subject to attorney-client
7 privilege.

8 (j) This Code does not apply to the process used by the
9 Capital Development Board to retain an artist or work or works
10 of art as required in Section 14 of the Capital Development
11 Board Act.

12 (k) This Code does not apply to the process to procure
13 contracts, or contracts entered into, by the State Board of
14 Elections or the State Electoral Board for hearing officers
15 appointed pursuant to the Election Code.

16 (l) This Code does not apply to the processes used by the
17 Illinois Student Assistance Commission to procure supplies and
18 services paid for from the private funds of the Illinois
19 Prepaid Tuition Fund. As used in this subsection (l), "private
20 funds" means funds derived from deposits paid into the
21 Illinois Prepaid Tuition Trust Fund and the earnings thereon.

22 (m) This Code shall apply regardless of the source of
23 funds with which contracts are paid, including federal
24 assistance moneys. Except as specifically provided in this
25 Code, this Code shall not apply to procurement expenditures
26 necessary for the Department of Public Health to conduct the

1 Healthy Illinois Survey in accordance with Section 2310-431 of
2 the Department of Public Health Powers and Duties Law of the
3 Civil Administrative Code of Illinois.

4 (Source: P.A. 101-27, eff. 6-25-19; 101-81, eff. 7-12-19;
5 101-363, eff. 8-9-19; 102-175, eff. 7-29-21; 102-483, eff
6 1-1-22; 102-558, eff. 8-20-21; 102-600, eff. 8-27-21; 102-662,
7 eff. 9-15-21; 102-721, eff. 1-1-23; 102-813, eff. 5-13-22.)

8 Section 20. The Illinois Income Tax Act is amended by
9 changing Section 201 as follows:

10 (35 ILCS 5/201)

11 Sec. 201. Tax imposed.

12 (a) In general. A tax measured by net income is hereby
13 imposed on every individual, corporation, trust and estate for
14 each taxable year ending after July 31, 1969 on the privilege
15 of earning or receiving income in or as a resident of this
16 State. Such tax shall be in addition to all other occupation or
17 privilege taxes imposed by this State or by any municipal
18 corporation or political subdivision thereof.

19 (b) Rates. The tax imposed by subsection (a) of this
20 Section shall be determined as follows, except as adjusted by
21 subsection (d-1):

22 (1) In the case of an individual, trust or estate, for
23 taxable years ending prior to July 1, 1989, an amount
24 equal to 2 1/2% of the taxpayer's net income for the

1 taxable year.

2 (2) In the case of an individual, trust or estate, for
3 taxable years beginning prior to July 1, 1989 and ending
4 after June 30, 1989, an amount equal to the sum of (i) 2
5 1/2% of the taxpayer's net income for the period prior to
6 July 1, 1989, as calculated under Section 202.3, and (ii)
7 3% of the taxpayer's net income for the period after June
8 30, 1989, as calculated under Section 202.3.

9 (3) In the case of an individual, trust or estate, for
10 taxable years beginning after June 30, 1989, and ending
11 prior to January 1, 2011, an amount equal to 3% of the
12 taxpayer's net income for the taxable year.

13 (4) In the case of an individual, trust, or estate,
14 for taxable years beginning prior to January 1, 2011, and
15 ending after December 31, 2010, an amount equal to the sum
16 of (i) 3% of the taxpayer's net income for the period prior
17 to January 1, 2011, as calculated under Section 202.5, and
18 (ii) 5% of the taxpayer's net income for the period after
19 December 31, 2010, as calculated under Section 202.5.

20 (5) In the case of an individual, trust, or estate,
21 for taxable years beginning on or after January 1, 2011,
22 and ending prior to January 1, 2015, an amount equal to 5%
23 of the taxpayer's net income for the taxable year.

24 (5.1) In the case of an individual, trust, or estate,
25 for taxable years beginning prior to January 1, 2015, and
26 ending after December 31, 2014, an amount equal to the sum

1 of (i) 5% of the taxpayer's net income for the period prior
2 to January 1, 2015, as calculated under Section 202.5, and
3 (ii) 3.75% of the taxpayer's net income for the period
4 after December 31, 2014, as calculated under Section
5 202.5.

6 (5.2) In the case of an individual, trust, or estate,
7 for taxable years beginning on or after January 1, 2015,
8 and ending prior to July 1, 2017, an amount equal to 3.75%
9 of the taxpayer's net income for the taxable year.

10 (5.3) In the case of an individual, trust, or estate,
11 for taxable years beginning prior to July 1, 2017, and
12 ending after June 30, 2017, an amount equal to the sum of
13 (i) 3.75% of the taxpayer's net income for the period
14 prior to July 1, 2017, as calculated under Section 202.5,
15 and (ii) 4.95% of the taxpayer's net income for the period
16 after June 30, 2017, as calculated under Section 202.5.

17 (5.4) In the case of an individual, trust, or estate,
18 for taxable years beginning on or after July 1, 2017, an
19 amount equal to 4.95% of the taxpayer's net income for the
20 taxable year.

21 (6) In the case of a corporation, for taxable years
22 ending prior to July 1, 1989, an amount equal to 4% of the
23 taxpayer's net income for the taxable year.

24 (7) In the case of a corporation, for taxable years
25 beginning prior to July 1, 1989 and ending after June 30,
26 1989, an amount equal to the sum of (i) 4% of the

1 taxpayer's net income for the period prior to July 1,
2 1989, as calculated under Section 202.3, and (ii) 4.8% of
3 the taxpayer's net income for the period after June 30,
4 1989, as calculated under Section 202.3.

5 (8) In the case of a corporation, for taxable years
6 beginning after June 30, 1989, and ending prior to January
7 1, 2011, an amount equal to 4.8% of the taxpayer's net
8 income for the taxable year.

9 (9) In the case of a corporation, for taxable years
10 beginning prior to January 1, 2011, and ending after
11 December 31, 2010, an amount equal to the sum of (i) 4.8%
12 of the taxpayer's net income for the period prior to
13 January 1, 2011, as calculated under Section 202.5, and
14 (ii) 7% of the taxpayer's net income for the period after
15 December 31, 2010, as calculated under Section 202.5.

16 (10) In the case of a corporation, for taxable years
17 beginning on or after January 1, 2011, and ending prior to
18 January 1, 2015, an amount equal to 7% of the taxpayer's
19 net income for the taxable year.

20 (11) In the case of a corporation, for taxable years
21 beginning prior to January 1, 2015, and ending after
22 December 31, 2014, an amount equal to the sum of (i) 7% of
23 the taxpayer's net income for the period prior to January
24 1, 2015, as calculated under Section 202.5, and (ii) 5.25%
25 of the taxpayer's net income for the period after December
26 31, 2014, as calculated under Section 202.5.

1 (12) In the case of a corporation, for taxable years
2 beginning on or after January 1, 2015, and ending prior to
3 July 1, 2017, an amount equal to 5.25% of the taxpayer's
4 net income for the taxable year.

5 (13) In the case of a corporation, for taxable years
6 beginning prior to July 1, 2017, and ending after June 30,
7 2017, an amount equal to the sum of (i) 5.25% of the
8 taxpayer's net income for the period prior to July 1,
9 2017, as calculated under Section 202.5, and (ii) 7% of
10 the taxpayer's net income for the period after June 30,
11 2017, as calculated under Section 202.5.

12 (14) In the case of a corporation, for taxable years
13 beginning on or after July 1, 2017, an amount equal to 7%
14 of the taxpayer's net income for the taxable year.

15 The rates under this subsection (b) are subject to the
16 provisions of Section 201.5.

17 (b-5) Surcharge; sale or exchange of assets, properties,
18 and intangibles of organization gaming licensees. For each of
19 taxable years 2019 through 2027, a surcharge is imposed on all
20 taxpayers on income arising from the sale or exchange of
21 capital assets, depreciable business property, real property
22 used in the trade or business, and Section 197 intangibles (i)
23 of an organization licensee under the Illinois Horse Racing
24 Act of 1975 and (ii) of an organization gaming licensee under
25 the Illinois Gambling Act. The amount of the surcharge is
26 equal to the amount of federal income tax liability for the

1 taxable year attributable to those sales and exchanges. The
2 surcharge imposed shall not apply if:

3 (1) the organization gaming license, organization
4 license, or racetrack property is transferred as a result
5 of any of the following:

6 (A) bankruptcy, a receivership, or a debt
7 adjustment initiated by or against the initial
8 licensee or the substantial owners of the initial
9 licensee;

10 (B) cancellation, revocation, or termination of
11 any such license by the Illinois Gaming Board or the
12 Illinois Racing Board;

13 (C) a determination by the Illinois Gaming Board
14 that transfer of the license is in the best interests
15 of Illinois gaming;

16 (D) the death of an owner of the equity interest in
17 a licensee;

18 (E) the acquisition of a controlling interest in
19 the stock or substantially all of the assets of a
20 publicly traded company;

21 (F) a transfer by a parent company to a wholly
22 owned subsidiary; or

23 (G) the transfer or sale to or by one person to
24 another person where both persons were initial owners
25 of the license when the license was issued; or

26 (2) the controlling interest in the organization

1 gaming license, organization license, or racetrack
2 property is transferred in a transaction to lineal
3 descendants in which no gain or loss is recognized or as a
4 result of a transaction in accordance with Section 351 of
5 the Internal Revenue Code in which no gain or loss is
6 recognized; or

7 (3) live horse racing was not conducted in 2010 at a
8 racetrack located within 3 miles of the Mississippi River
9 under a license issued pursuant to the Illinois Horse
10 Racing Act of 1975.

11 The transfer of an organization gaming license,
12 organization license, or racetrack property by a person other
13 than the initial licensee to receive the organization gaming
14 license is not subject to a surcharge. The Department shall
15 adopt rules necessary to implement and administer this
16 subsection.

17 (c) Personal Property Tax Replacement Income Tax.
18 Beginning on July 1, 1979 and thereafter, in addition to such
19 income tax, there is also hereby imposed the Personal Property
20 Tax Replacement Income Tax measured by net income on every
21 corporation (including Subchapter S corporations), partnership
22 and trust, for each taxable year ending after June 30, 1979.
23 Such taxes are imposed on the privilege of earning or
24 receiving income in or as a resident of this State. The
25 Personal Property Tax Replacement Income Tax shall be in
26 addition to the income tax imposed by subsections (a) and (b)

1 of this Section and in addition to all other occupation or
2 privilege taxes imposed by this State or by any municipal
3 corporation or political subdivision thereof.

4 (d) Additional Personal Property Tax Replacement Income
5 Tax Rates. The personal property tax replacement income tax
6 imposed by this subsection and subsection (c) of this Section
7 in the case of a corporation, other than a Subchapter S
8 corporation and except as adjusted by subsection (d-1), shall
9 be an additional amount equal to 2.85% of such taxpayer's net
10 income for the taxable year, except that beginning on January
11 1, 1981, and thereafter, the rate of 2.85% specified in this
12 subsection shall be reduced to 2.5%, and in the case of a
13 partnership, trust or a Subchapter S corporation shall be an
14 additional amount equal to 1.5% of such taxpayer's net income
15 for the taxable year.

16 (d-1) Rate reduction for certain foreign insurers. In the
17 case of a foreign insurer, as defined by Section 35A-5 of the
18 Illinois Insurance Code, whose state or country of domicile
19 imposes on insurers domiciled in Illinois a retaliatory tax
20 (excluding any insurer whose premiums from reinsurance assumed
21 are 50% or more of its total insurance premiums as determined
22 under paragraph (2) of subsection (b) of Section 304, except
23 that for purposes of this determination premiums from
24 reinsurance do not include premiums from inter-affiliate
25 reinsurance arrangements), beginning with taxable years ending
26 on or after December 31, 1999, the sum of the rates of tax

1 imposed by subsections (b) and (d) shall be reduced (but not
2 increased) to the rate at which the total amount of tax imposed
3 under this Act, net of all credits allowed under this Act,
4 shall equal (i) the total amount of tax that would be imposed
5 on the foreign insurer's net income allocable to Illinois for
6 the taxable year by such foreign insurer's state or country of
7 domicile if that net income were subject to all income taxes
8 and taxes measured by net income imposed by such foreign
9 insurer's state or country of domicile, net of all credits
10 allowed or (ii) a rate of zero if no such tax is imposed on
11 such income by the foreign insurer's state of domicile. For
12 the purposes of this subsection (d-1), an inter-affiliate
13 includes a mutual insurer under common management.

14 (1) For the purposes of subsection (d-1), in no event
15 shall the sum of the rates of tax imposed by subsections
16 (b) and (d) be reduced below the rate at which the sum of:

17 (A) the total amount of tax imposed on such
18 foreign insurer under this Act for a taxable year, net
19 of all credits allowed under this Act, plus

20 (B) the privilege tax imposed by Section 409 of
21 the Illinois Insurance Code, the fire insurance
22 company tax imposed by Section 12 of the Fire
23 Investigation Act, and the fire department taxes
24 imposed under Section 11-10-1 of the Illinois
25 Municipal Code,

26 equals 1.25% for taxable years ending prior to December

1 31, 2003, or 1.75% for taxable years ending on or after
2 December 31, 2003, of the net taxable premiums written for
3 the taxable year, as described by subsection (1) of
4 Section 409 of the Illinois Insurance Code. This paragraph
5 will in no event increase the rates imposed under
6 subsections (b) and (d).

7 (2) Any reduction in the rates of tax imposed by this
8 subsection shall be applied first against the rates
9 imposed by subsection (b) and only after the tax imposed
10 by subsection (a) net of all credits allowed under this
11 Section other than the credit allowed under subsection (i)
12 has been reduced to zero, against the rates imposed by
13 subsection (d).

14 This subsection (d-1) is exempt from the provisions of
15 Section 250.

16 (e) Investment credit. A taxpayer shall be allowed a
17 credit against the Personal Property Tax Replacement Income
18 Tax for investment in qualified property.

19 (1) A taxpayer shall be allowed a credit equal to .5%
20 of the basis of qualified property placed in service
21 during the taxable year, provided such property is placed
22 in service on or after July 1, 1984. There shall be allowed
23 an additional credit equal to .5% of the basis of
24 qualified property placed in service during the taxable
25 year, provided such property is placed in service on or
26 after July 1, 1986, and the taxpayer's base employment

1 within Illinois has increased by 1% or more over the
2 preceding year as determined by the taxpayer's employment
3 records filed with the Illinois Department of Employment
4 Security. Taxpayers who are new to Illinois shall be
5 deemed to have met the 1% growth in base employment for the
6 first year in which they file employment records with the
7 Illinois Department of Employment Security. The provisions
8 added to this Section by Public Act 85-1200 (and restored
9 by Public Act 87-895) shall be construed as declaratory of
10 existing law and not as a new enactment. If, in any year,
11 the increase in base employment within Illinois over the
12 preceding year is less than 1%, the additional credit
13 shall be limited to that percentage times a fraction, the
14 numerator of which is .5% and the denominator of which is
15 1%, but shall not exceed .5%. The investment credit shall
16 not be allowed to the extent that it would reduce a
17 taxpayer's liability in any tax year below zero, nor may
18 any credit for qualified property be allowed for any year
19 other than the year in which the property was placed in
20 service in Illinois. For tax years ending on or after
21 December 31, 1987, and on or before December 31, 1988, the
22 credit shall be allowed for the tax year in which the
23 property is placed in service, or, if the amount of the
24 credit exceeds the tax liability for that year, whether it
25 exceeds the original liability or the liability as later
26 amended, such excess may be carried forward and applied to

1 the tax liability of the 5 taxable years following the
2 excess credit years if the taxpayer (i) makes investments
3 which cause the creation of a minimum of 2,000 full-time
4 equivalent jobs in Illinois, (ii) is located in an
5 enterprise zone established pursuant to the Illinois
6 Enterprise Zone Act and (iii) is certified by the
7 Department of Commerce and Community Affairs (now
8 Department of Commerce and Economic Opportunity) as
9 complying with the requirements specified in clause (i)
10 and (ii) by July 1, 1986. The Department of Commerce and
11 Community Affairs (now Department of Commerce and Economic
12 Opportunity) shall notify the Department of Revenue of all
13 such certifications immediately. For tax years ending
14 after December 31, 1988, the credit shall be allowed for
15 the tax year in which the property is placed in service,
16 or, if the amount of the credit exceeds the tax liability
17 for that year, whether it exceeds the original liability
18 or the liability as later amended, such excess may be
19 carried forward and applied to the tax liability of the 5
20 taxable years following the excess credit years. The
21 credit shall be applied to the earliest year for which
22 there is a liability. If there is credit from more than one
23 tax year that is available to offset a liability, earlier
24 credit shall be applied first.

25 (2) The term "qualified property" means property
26 which:

1 (A) is tangible, whether new or used, including
2 buildings and structural components of buildings and
3 signs that are real property, but not including land
4 or improvements to real property that are not a
5 structural component of a building such as
6 landscaping, sewer lines, local access roads, fencing,
7 parking lots, and other appurtenances;

8 (B) is depreciable pursuant to Section 167 of the
9 Internal Revenue Code, except that "3-year property"
10 as defined in Section 168(c)(2)(A) of that Code is not
11 eligible for the credit provided by this subsection
12 (e);

13 (C) is acquired by purchase as defined in Section
14 179(d) of the Internal Revenue Code;

15 (D) is used in Illinois by a taxpayer who is
16 primarily engaged in manufacturing, or in mining coal
17 or fluorite, or in retailing, or was placed in service
18 on or after July 1, 2006 in a River Edge Redevelopment
19 Zone established pursuant to the River Edge
20 Redevelopment Zone Act; and

21 (E) has not previously been used in Illinois in
22 such a manner and by such a person as would qualify for
23 the credit provided by this subsection (e) or
24 subsection (f).

25 (3) For purposes of this subsection (e),
26 "manufacturing" means the material staging and production

1 of tangible personal property by procedures commonly
2 regarded as manufacturing, processing, fabrication, or
3 assembling which changes some existing material into new
4 shapes, new qualities, or new combinations. For purposes
5 of this subsection (e) the term "mining" shall have the
6 same meaning as the term "mining" in Section 613(c) of the
7 Internal Revenue Code. For purposes of this subsection
8 (e), the term "retailing" means the sale of tangible
9 personal property for use or consumption and not for
10 resale, or services rendered in conjunction with the sale
11 of tangible personal property for use or consumption and
12 not for resale. For purposes of this subsection (e),
13 "tangible personal property" has the same meaning as when
14 that term is used in the Retailers' Occupation Tax Act,
15 and, for taxable years ending after December 31, 2008,
16 does not include the generation, transmission, or
17 distribution of electricity.

18 (4) The basis of qualified property shall be the basis
19 used to compute the depreciation deduction for federal
20 income tax purposes.

21 (5) If the basis of the property for federal income
22 tax depreciation purposes is increased after it has been
23 placed in service in Illinois by the taxpayer, the amount
24 of such increase shall be deemed property placed in
25 service on the date of such increase in basis.

26 (6) The term "placed in service" shall have the same

1 meaning as under Section 46 of the Internal Revenue Code.

2 (7) If during any taxable year, any property ceases to
3 be qualified property in the hands of the taxpayer within
4 48 months after being placed in service, or the situs of
5 any qualified property is moved outside Illinois within 48
6 months after being placed in service, the Personal
7 Property Tax Replacement Income Tax for such taxable year
8 shall be increased. Such increase shall be determined by
9 (i) recomputing the investment credit which would have
10 been allowed for the year in which credit for such
11 property was originally allowed by eliminating such
12 property from such computation and, (ii) subtracting such
13 recomputed credit from the amount of credit previously
14 allowed. For the purposes of this paragraph (7), a
15 reduction of the basis of qualified property resulting
16 from a redetermination of the purchase price shall be
17 deemed a disposition of qualified property to the extent
18 of such reduction.

19 (8) Unless the investment credit is extended by law,
20 the basis of qualified property shall not include costs
21 incurred after December 31, 2018, except for costs
22 incurred pursuant to a binding contract entered into on or
23 before December 31, 2018.

24 (9) Each taxable year ending before December 31, 2000,
25 a partnership may elect to pass through to its partners
26 the credits to which the partnership is entitled under

1 this subsection (e) for the taxable year. A partner may
2 use the credit allocated to him or her under this
3 paragraph only against the tax imposed in subsections (c)
4 and (d) of this Section. If the partnership makes that
5 election, those credits shall be allocated among the
6 partners in the partnership in accordance with the rules
7 set forth in Section 704(b) of the Internal Revenue Code,
8 and the rules promulgated under that Section, and the
9 allocated amount of the credits shall be allowed to the
10 partners for that taxable year. The partnership shall make
11 this election on its Personal Property Tax Replacement
12 Income Tax return for that taxable year. The election to
13 pass through the credits shall be irrevocable.

14 For taxable years ending on or after December 31,
15 2000, a partner that qualifies its partnership for a
16 subtraction under subparagraph (I) of paragraph (2) of
17 subsection (d) of Section 203 or a shareholder that
18 qualifies a Subchapter S corporation for a subtraction
19 under subparagraph (S) of paragraph (2) of subsection (b)
20 of Section 203 shall be allowed a credit under this
21 subsection (e) equal to its share of the credit earned
22 under this subsection (e) during the taxable year by the
23 partnership or Subchapter S corporation, determined in
24 accordance with the determination of income and
25 distributive share of income under Sections 702 and 704
26 and Subchapter S of the Internal Revenue Code. This

1 paragraph is exempt from the provisions of Section 250.

2 (f) Investment credit; Enterprise Zone; River Edge
3 Redevelopment Zone.

4 (1) A taxpayer shall be allowed a credit against the
5 tax imposed by subsections (a) and (b) of this Section for
6 investment in qualified property which is placed in
7 service in an Enterprise Zone created pursuant to the
8 Illinois Enterprise Zone Act or, for property placed in
9 service on or after July 1, 2006, a River Edge
10 Redevelopment Zone established pursuant to the River Edge
11 Redevelopment Zone Act. For partners, shareholders of
12 Subchapter S corporations, and owners of limited liability
13 companies, if the liability company is treated as a
14 partnership for purposes of federal and State income
15 taxation, there shall be allowed a credit under this
16 subsection (f) to be determined in accordance with the
17 determination of income and distributive share of income
18 under Sections 702 and 704 and Subchapter S of the
19 Internal Revenue Code. The credit shall be .5% of the
20 basis for such property. The credit shall be available
21 only in the taxable year in which the property is placed in
22 service in the Enterprise Zone or River Edge Redevelopment
23 Zone and shall not be allowed to the extent that it would
24 reduce a taxpayer's liability for the tax imposed by
25 subsections (a) and (b) of this Section to below zero. For
26 tax years ending on or after December 31, 1985, the credit

1 shall be allowed for the tax year in which the property is
2 placed in service, or, if the amount of the credit exceeds
3 the tax liability for that year, whether it exceeds the
4 original liability or the liability as later amended, such
5 excess may be carried forward and applied to the tax
6 liability of the 5 taxable years following the excess
7 credit year. The credit shall be applied to the earliest
8 year for which there is a liability. If there is credit
9 from more than one tax year that is available to offset a
10 liability, the credit accruing first in time shall be
11 applied first.

12 (2) The term qualified property means property which:

13 (A) is tangible, whether new or used, including
14 buildings and structural components of buildings;

15 (B) is depreciable pursuant to Section 167 of the
16 Internal Revenue Code, except that "3-year property"
17 as defined in Section 168(c)(2)(A) of that Code is not
18 eligible for the credit provided by this subsection
19 (f);

20 (C) is acquired by purchase as defined in Section
21 179(d) of the Internal Revenue Code;

22 (D) is used in the Enterprise Zone or River Edge
23 Redevelopment Zone by the taxpayer; and

24 (E) has not been previously used in Illinois in
25 such a manner and by such a person as would qualify for
26 the credit provided by this subsection (f) or

1 subsection (e).

2 (3) The basis of qualified property shall be the basis
3 used to compute the depreciation deduction for federal
4 income tax purposes.

5 (4) If the basis of the property for federal income
6 tax depreciation purposes is increased after it has been
7 placed in service in the Enterprise Zone or River Edge
8 Redevelopment Zone by the taxpayer, the amount of such
9 increase shall be deemed property placed in service on the
10 date of such increase in basis.

11 (5) The term "placed in service" shall have the same
12 meaning as under Section 46 of the Internal Revenue Code.

13 (6) If during any taxable year, any property ceases to
14 be qualified property in the hands of the taxpayer within
15 48 months after being placed in service, or the situs of
16 any qualified property is moved outside the Enterprise
17 Zone or River Edge Redevelopment Zone within 48 months
18 after being placed in service, the tax imposed under
19 subsections (a) and (b) of this Section for such taxable
20 year shall be increased. Such increase shall be determined
21 by (i) recomputing the investment credit which would have
22 been allowed for the year in which credit for such
23 property was originally allowed by eliminating such
24 property from such computation, and (ii) subtracting such
25 recomputed credit from the amount of credit previously
26 allowed. For the purposes of this paragraph (6), a

1 reduction of the basis of qualified property resulting
2 from a redetermination of the purchase price shall be
3 deemed a disposition of qualified property to the extent
4 of such reduction.

5 (7) There shall be allowed an additional credit equal
6 to 0.5% of the basis of qualified property placed in
7 service during the taxable year in a River Edge
8 Redevelopment Zone, provided such property is placed in
9 service on or after July 1, 2006, and the taxpayer's base
10 employment within Illinois has increased by 1% or more
11 over the preceding year as determined by the taxpayer's
12 employment records filed with the Illinois Department of
13 Employment Security. Taxpayers who are new to Illinois
14 shall be deemed to have met the 1% growth in base
15 employment for the first year in which they file
16 employment records with the Illinois Department of
17 Employment Security. If, in any year, the increase in base
18 employment within Illinois over the preceding year is less
19 than 1%, the additional credit shall be limited to that
20 percentage times a fraction, the numerator of which is
21 0.5% and the denominator of which is 1%, but shall not
22 exceed 0.5%.

23 (8) For taxable years beginning on or after January 1,
24 2021, there shall be allowed an Enterprise Zone
25 construction jobs credit against the taxes imposed under
26 subsections (a) and (b) of this Section as provided in

1 Section 13 of the Illinois Enterprise Zone Act.

2 The credit or credits may not reduce the taxpayer's
3 liability to less than zero. If the amount of the credit or
4 credits exceeds the taxpayer's liability, the excess may
5 be carried forward and applied against the taxpayer's
6 liability in succeeding calendar years in the same manner
7 provided under paragraph (4) of Section 211 of this Act.
8 The credit or credits shall be applied to the earliest
9 year for which there is a tax liability. If there are
10 credits from more than one taxable year that are available
11 to offset a liability, the earlier credit shall be applied
12 first.

13 For partners, shareholders of Subchapter S
14 corporations, and owners of limited liability companies,
15 if the liability company is treated as a partnership for
16 the purposes of federal and State income taxation, there
17 shall be allowed a credit under this Section to be
18 determined in accordance with the determination of income
19 and distributive share of income under Sections 702 and
20 704 and Subchapter S of the Internal Revenue Code.

21 The total aggregate amount of credits awarded under
22 the Blue Collar Jobs Act (Article 20 of Public Act 101-9)
23 shall not exceed \$20,000,000 in any State fiscal year.

24 This paragraph (8) is exempt from the provisions of
25 Section 250.

26 (g) (Blank).

1 (h) Investment credit; High Impact Business.

2 (1) Subject to subsections (b) and (b-5) of Section
3 5.5 of the Illinois Enterprise Zone Act, a taxpayer shall
4 be allowed a credit against the tax imposed by subsections
5 (a) and (b) of this Section for investment in qualified
6 property which is placed in service by a Department of
7 Commerce and Economic Opportunity designated High Impact
8 Business. The credit shall be .5% of the basis for such
9 property. The credit shall not be available (i) until the
10 minimum investments in qualified property set forth in
11 subdivision (a)(3)(A) of Section 5.5 of the Illinois
12 Enterprise Zone Act have been satisfied or (ii) until the
13 time authorized in subsection (b-5) of the Illinois
14 Enterprise Zone Act for entities designated as High Impact
15 Businesses under subdivisions (a)(3)(B), (a)(3)(C), and
16 (a)(3)(D) of Section 5.5 of the Illinois Enterprise Zone
17 Act, and shall not be allowed to the extent that it would
18 reduce a taxpayer's liability for the tax imposed by
19 subsections (a) and (b) of this Section to below zero. The
20 credit applicable to such investments shall be taken in
21 the taxable year in which such investments have been
22 completed. The credit for additional investments beyond
23 the minimum investment by a designated high impact
24 business authorized under subdivision (a)(3)(A) of Section
25 5.5 of the Illinois Enterprise Zone Act shall be available
26 only in the taxable year in which the property is placed in

1 service and shall not be allowed to the extent that it
2 would reduce a taxpayer's liability for the tax imposed by
3 subsections (a) and (b) of this Section to below zero. For
4 tax years ending on or after December 31, 1987, the credit
5 shall be allowed for the tax year in which the property is
6 placed in service, or, if the amount of the credit exceeds
7 the tax liability for that year, whether it exceeds the
8 original liability or the liability as later amended, such
9 excess may be carried forward and applied to the tax
10 liability of the 5 taxable years following the excess
11 credit year. The credit shall be applied to the earliest
12 year for which there is a liability. If there is credit
13 from more than one tax year that is available to offset a
14 liability, the credit accruing first in time shall be
15 applied first.

16 Changes made in this subdivision (h) (1) by Public Act
17 88-670 restore changes made by Public Act 85-1182 and
18 reflect existing law.

19 (2) The term qualified property means property which:

20 (A) is tangible, whether new or used, including
21 buildings and structural components of buildings;

22 (B) is depreciable pursuant to Section 167 of the
23 Internal Revenue Code, except that "3-year property"
24 as defined in Section 168(c) (2) (A) of that Code is not
25 eligible for the credit provided by this subsection

26 (h);

1 (C) is acquired by purchase as defined in Section
2 179(d) of the Internal Revenue Code; and

3 (D) is not eligible for the Enterprise Zone
4 Investment Credit provided by subsection (f) of this
5 Section.

6 (3) The basis of qualified property shall be the basis
7 used to compute the depreciation deduction for federal
8 income tax purposes.

9 (4) If the basis of the property for federal income
10 tax depreciation purposes is increased after it has been
11 placed in service in a federally designated Foreign Trade
12 Zone or Sub-Zone located in Illinois by the taxpayer, the
13 amount of such increase shall be deemed property placed in
14 service on the date of such increase in basis.

15 (5) The term "placed in service" shall have the same
16 meaning as under Section 46 of the Internal Revenue Code.

17 (6) If during any taxable year ending on or before
18 December 31, 1996, any property ceases to be qualified
19 property in the hands of the taxpayer within 48 months
20 after being placed in service, or the situs of any
21 qualified property is moved outside Illinois within 48
22 months after being placed in service, the tax imposed
23 under subsections (a) and (b) of this Section for such
24 taxable year shall be increased. Such increase shall be
25 determined by (i) recomputing the investment credit which
26 would have been allowed for the year in which credit for

1 such property was originally allowed by eliminating such
2 property from such computation, and (ii) subtracting such
3 recomputed credit from the amount of credit previously
4 allowed. For the purposes of this paragraph (6), a
5 reduction of the basis of qualified property resulting
6 from a redetermination of the purchase price shall be
7 deemed a disposition of qualified property to the extent
8 of such reduction.

9 (7) Beginning with tax years ending after December 31,
10 1996, if a taxpayer qualifies for the credit under this
11 subsection (h) and thereby is granted a tax abatement and
12 the taxpayer relocates its entire facility in violation of
13 the explicit terms and length of the contract under
14 Section 18-183 of the Property Tax Code, the tax imposed
15 under subsections (a) and (b) of this Section shall be
16 increased for the taxable year in which the taxpayer
17 relocated its facility by an amount equal to the amount of
18 credit received by the taxpayer under this subsection (h).

19 (h-5) High Impact Business construction jobs credit. For
20 taxable years beginning on or after January 1, 2021, there
21 shall also be allowed a High Impact Business construction jobs
22 credit against the tax imposed under subsections (a) and (b)
23 of this Section as provided in subsections (i) and (j) of
24 Section 5.5 of the Illinois Enterprise Zone Act.

25 The credit or credits may not reduce the taxpayer's
26 liability to less than zero. If the amount of the credit or

1 credits exceeds the taxpayer's liability, the excess may be
2 carried forward and applied against the taxpayer's liability
3 in succeeding calendar years in the manner provided under
4 paragraph (4) of Section 211 of this Act. The credit or credits
5 shall be applied to the earliest year for which there is a tax
6 liability. If there are credits from more than one taxable
7 year that are available to offset a liability, the earlier
8 credit shall be applied first.

9 For partners, shareholders of Subchapter S corporations,
10 and owners of limited liability companies, if the liability
11 company is treated as a partnership for the purposes of
12 federal and State income taxation, there shall be allowed a
13 credit under this Section to be determined in accordance with
14 the determination of income and distributive share of income
15 under Sections 702 and 704 and Subchapter S of the Internal
16 Revenue Code.

17 The total aggregate amount of credits awarded under the
18 Blue Collar Jobs Act (Article 20 of Public Act 101-9) shall not
19 exceed \$20,000,000 in any State fiscal year.

20 This subsection (h-5) is exempt from the provisions of
21 Section 250.

22 (i) Credit for Personal Property Tax Replacement Income
23 Tax. For tax years ending prior to December 31, 2003, a credit
24 shall be allowed against the tax imposed by subsections (a)
25 and (b) of this Section for the tax imposed by subsections (c)
26 and (d) of this Section. This credit shall be computed by

1 multiplying the tax imposed by subsections (c) and (d) of this
2 Section by a fraction, the numerator of which is base income
3 allocable to Illinois and the denominator of which is Illinois
4 base income, and further multiplying the product by the tax
5 rate imposed by subsections (a) and (b) of this Section.

6 Any credit earned on or after December 31, 1986 under this
7 subsection which is unused in the year the credit is computed
8 because it exceeds the tax liability imposed by subsections
9 (a) and (b) for that year (whether it exceeds the original
10 liability or the liability as later amended) may be carried
11 forward and applied to the tax liability imposed by
12 subsections (a) and (b) of the 5 taxable years following the
13 excess credit year, provided that no credit may be carried
14 forward to any year ending on or after December 31, 2003. This
15 credit shall be applied first to the earliest year for which
16 there is a liability. If there is a credit under this
17 subsection from more than one tax year that is available to
18 offset a liability the earliest credit arising under this
19 subsection shall be applied first.

20 If, during any taxable year ending on or after December
21 31, 1986, the tax imposed by subsections (c) and (d) of this
22 Section for which a taxpayer has claimed a credit under this
23 subsection (i) is reduced, the amount of credit for such tax
24 shall also be reduced. Such reduction shall be determined by
25 recomputing the credit to take into account the reduced tax
26 imposed by subsections (c) and (d). If any portion of the

1 reduced amount of credit has been carried to a different
2 taxable year, an amended return shall be filed for such
3 taxable year to reduce the amount of credit claimed.

4 (j) Training expense credit. Beginning with tax years
5 ending on or after December 31, 1986 and prior to December 31,
6 2003, a taxpayer shall be allowed a credit against the tax
7 imposed by subsections (a) and (b) under this Section for all
8 amounts paid or accrued, on behalf of all persons employed by
9 the taxpayer in Illinois or Illinois residents employed
10 outside of Illinois by a taxpayer, for educational or
11 vocational training in semi-technical or technical fields or
12 semi-skilled or skilled fields, which were deducted from gross
13 income in the computation of taxable income. The credit
14 against the tax imposed by subsections (a) and (b) shall be
15 1.6% of such training expenses. For partners, shareholders of
16 subchapter S corporations, and owners of limited liability
17 companies, if the liability company is treated as a
18 partnership for purposes of federal and State income taxation,
19 there shall be allowed a credit under this subsection (j) to be
20 determined in accordance with the determination of income and
21 distributive share of income under Sections 702 and 704 and
22 subchapter S of the Internal Revenue Code.

23 Any credit allowed under this subsection which is unused
24 in the year the credit is earned may be carried forward to each
25 of the 5 taxable years following the year for which the credit
26 is first computed until it is used. This credit shall be

1 applied first to the earliest year for which there is a
2 liability. If there is a credit under this subsection from
3 more than one tax year that is available to offset a liability,
4 the earliest credit arising under this subsection shall be
5 applied first. No carryforward credit may be claimed in any
6 tax year ending on or after December 31, 2003.

7 (k) Research and development credit. For tax years ending
8 after July 1, 1990 and prior to December 31, 2003, and
9 beginning again for tax years ending on or after December 31,
10 2004, and ending prior to January 1, 2027, a taxpayer shall be
11 allowed a credit against the tax imposed by subsections (a)
12 and (b) of this Section for increasing research activities in
13 this State. The credit allowed against the tax imposed by
14 subsections (a) and (b) shall be equal to 6 1/2% of the
15 qualifying expenditures for increasing research activities in
16 this State. For partners, shareholders of subchapter S
17 corporations, and owners of limited liability companies, if
18 the liability company is treated as a partnership for purposes
19 of federal and State income taxation, there shall be allowed a
20 credit under this subsection to be determined in accordance
21 with the determination of income and distributive share of
22 income under Sections 702 and 704 and subchapter S of the
23 Internal Revenue Code.

24 For purposes of this subsection, "qualifying expenditures"
25 means the qualifying expenditures as defined for the federal
26 credit for increasing research activities which would be

1 allowable under Section 41 of the Internal Revenue Code and
2 which are conducted in this State, "qualifying expenditures
3 for increasing research activities in this State" means the
4 excess of qualifying expenditures for the taxable year in
5 which incurred over qualifying expenditures for the base
6 period, "qualifying expenditures for the base period" means
7 the average of the qualifying expenditures for each year in
8 the base period, and "base period" means the 3 taxable years
9 immediately preceding the taxable year for which the
10 determination is being made.

11 Any credit in excess of the tax liability for the taxable
12 year may be carried forward. A taxpayer may elect to have the
13 unused credit shown on its final completed return carried over
14 as a credit against the tax liability for the following 5
15 taxable years or until it has been fully used, whichever
16 occurs first; provided that no credit earned in a tax year
17 ending prior to December 31, 2003 may be carried forward to any
18 year ending on or after December 31, 2003.

19 If an unused credit is carried forward to a given year from
20 2 or more earlier years, that credit arising in the earliest
21 year will be applied first against the tax liability for the
22 given year. If a tax liability for the given year still
23 remains, the credit from the next earliest year will then be
24 applied, and so on, until all credits have been used or no tax
25 liability for the given year remains. Any remaining unused
26 credit or credits then will be carried forward to the next

1 following year in which a tax liability is incurred, except
2 that no credit can be carried forward to a year which is more
3 than 5 years after the year in which the expense for which the
4 credit is given was incurred.

5 No inference shall be drawn from Public Act 91-644 in
6 construing this Section for taxable years beginning before
7 January 1, 1999.

8 It is the intent of the General Assembly that the research
9 and development credit under this subsection (k) shall apply
10 continuously for all tax years ending on or after December 31,
11 2004 and ending prior to January 1, 2027, including, but not
12 limited to, the period beginning on January 1, 2016 and ending
13 on July 6, 2017 (the effective date of Public Act 100-22). All
14 actions taken in reliance on the continuation of the credit
15 under this subsection (k) by any taxpayer are hereby
16 validated.

17 (l) Environmental Remediation Tax Credit.

18 (i) For tax years ending after December 31, 1997 and
19 on or before December 31, 2001, a taxpayer shall be
20 allowed a credit against the tax imposed by subsections
21 (a) and (b) of this Section for certain amounts paid for
22 unreimbursed eligible remediation costs, as specified in
23 this subsection. For purposes of this Section,
24 "unreimbursed eligible remediation costs" means costs
25 approved by the Illinois Environmental Protection Agency
26 ("Agency") under Section 58.14 of the Environmental

1 Protection Act that were paid in performing environmental
2 remediation at a site for which a No Further Remediation
3 Letter was issued by the Agency and recorded under Section
4 58.10 of the Environmental Protection Act. The credit must
5 be claimed for the taxable year in which Agency approval
6 of the eligible remediation costs is granted. The credit
7 is not available to any taxpayer if the taxpayer or any
8 related party caused or contributed to, in any material
9 respect, a release of regulated substances on, in, or
10 under the site that was identified and addressed by the
11 remedial action pursuant to the Site Remediation Program
12 of the Environmental Protection Act. After the Pollution
13 Control Board rules are adopted pursuant to the Illinois
14 Administrative Procedure Act for the administration and
15 enforcement of Section 58.9 of the Environmental
16 Protection Act, determinations as to credit availability
17 for purposes of this Section shall be made consistent with
18 those rules. For purposes of this Section, "taxpayer"
19 includes a person whose tax attributes the taxpayer has
20 succeeded to under Section 381 of the Internal Revenue
21 Code and "related party" includes the persons disallowed a
22 deduction for losses by paragraphs (b), (c), and (f)(1) of
23 Section 267 of the Internal Revenue Code by virtue of
24 being a related taxpayer, as well as any of its partners.
25 The credit allowed against the tax imposed by subsections
26 (a) and (b) shall be equal to 25% of the unreimbursed

1 eligible remediation costs in excess of \$100,000 per site,
2 except that the \$100,000 threshold shall not apply to any
3 site contained in an enterprise zone as determined by the
4 Department of Commerce and Community Affairs (now
5 Department of Commerce and Economic Opportunity). The
6 total credit allowed shall not exceed \$40,000 per year
7 with a maximum total of \$150,000 per site. For partners
8 and shareholders of subchapter S corporations, there shall
9 be allowed a credit under this subsection to be determined
10 in accordance with the determination of income and
11 distributive share of income under Sections 702 and 704
12 and subchapter S of the Internal Revenue Code.

13 (ii) A credit allowed under this subsection that is
14 unused in the year the credit is earned may be carried
15 forward to each of the 5 taxable years following the year
16 for which the credit is first earned until it is used. The
17 term "unused credit" does not include any amounts of
18 unreimbursed eligible remediation costs in excess of the
19 maximum credit per site authorized under paragraph (i).
20 This credit shall be applied first to the earliest year
21 for which there is a liability. If there is a credit under
22 this subsection from more than one tax year that is
23 available to offset a liability, the earliest credit
24 arising under this subsection shall be applied first. A
25 credit allowed under this subsection may be sold to a
26 buyer as part of a sale of all or part of the remediation

1 site for which the credit was granted. The purchaser of a
2 remediation site and the tax credit shall succeed to the
3 unused credit and remaining carry-forward period of the
4 seller. To perfect the transfer, the assignor shall record
5 the transfer in the chain of title for the site and provide
6 written notice to the Director of the Illinois Department
7 of Revenue of the assignor's intent to sell the
8 remediation site and the amount of the tax credit to be
9 transferred as a portion of the sale. In no event may a
10 credit be transferred to any taxpayer if the taxpayer or a
11 related party would not be eligible under the provisions
12 of subsection (i).

13 (iii) For purposes of this Section, the term "site"
14 shall have the same meaning as under Section 58.2 of the
15 Environmental Protection Act.

16 (m) Education expense credit. Beginning with tax years
17 ending after December 31, 1999, a taxpayer who is the
18 custodian of one or more qualifying pupils shall be allowed a
19 credit against the tax imposed by subsections (a) and (b) of
20 this Section for qualified education expenses incurred on
21 behalf of the qualifying pupils. The credit shall be equal to
22 25% of qualified education expenses, but in no event may the
23 total credit under this subsection claimed by a family that is
24 the custodian of qualifying pupils exceed (i) \$500 for tax
25 years ending prior to December 31, 2017, and (ii) \$750 for tax
26 years ending on or after December 31, 2017. In no event shall a

1 credit under this subsection reduce the taxpayer's liability
2 under this Act to less than zero. Notwithstanding any other
3 provision of law, for taxable years beginning on or after
4 January 1, 2017, no taxpayer may claim a credit under this
5 subsection (m) if the taxpayer's adjusted gross income for the
6 taxable year exceeds (i) \$500,000, in the case of spouses
7 filing a joint federal tax return or (ii) \$250,000, in the case
8 of all other taxpayers. This subsection is exempt from the
9 provisions of Section 250 of this Act.

10 For purposes of this subsection:

11 "Qualifying pupils" means individuals who (i) are
12 residents of the State of Illinois, (ii) are under the age of
13 21 at the close of the school year for which a credit is
14 sought, and (iii) during the school year for which a credit is
15 sought were full-time pupils enrolled in a kindergarten
16 through twelfth grade education program at any school, as
17 defined in this subsection.

18 "Qualified education expense" means the amount incurred on
19 behalf of a qualifying pupil in excess of \$250 for tuition,
20 book fees, and lab fees at the school in which the pupil is
21 enrolled during the regular school year.

22 "School" means any public or nonpublic elementary or
23 secondary school in Illinois that is in compliance with Title
24 VI of the Civil Rights Act of 1964 and attendance at which
25 satisfies the requirements of Section 26-1 of the School Code,
26 except that nothing shall be construed to require a child to

1 attend any particular public or nonpublic school to qualify
2 for the credit under this Section.

3 "Custodian" means, with respect to qualifying pupils, an
4 Illinois resident who is a parent, the parents, a legal
5 guardian, or the legal guardians of the qualifying pupils.

6 (n) River Edge Redevelopment Zone site remediation tax
7 credit.

8 (i) For tax years ending on or after December 31,
9 2006, a taxpayer shall be allowed a credit against the tax
10 imposed by subsections (a) and (b) of this Section for
11 certain amounts paid for unreimbursed eligible remediation
12 costs, as specified in this subsection. For purposes of
13 this Section, "unreimbursed eligible remediation costs"
14 means costs approved by the Illinois Environmental
15 Protection Agency ("Agency") under Section 58.14a of the
16 Environmental Protection Act that were paid in performing
17 environmental remediation at a site within a River Edge
18 Redevelopment Zone for which a No Further Remediation
19 Letter was issued by the Agency and recorded under Section
20 58.10 of the Environmental Protection Act. The credit must
21 be claimed for the taxable year in which Agency approval
22 of the eligible remediation costs is granted. The credit
23 is not available to any taxpayer if the taxpayer or any
24 related party caused or contributed to, in any material
25 respect, a release of regulated substances on, in, or
26 under the site that was identified and addressed by the

1 remedial action pursuant to the Site Remediation Program
2 of the Environmental Protection Act. Determinations as to
3 credit availability for purposes of this Section shall be
4 made consistent with rules adopted by the Pollution
5 Control Board pursuant to the Illinois Administrative
6 Procedure Act for the administration and enforcement of
7 Section 58.9 of the Environmental Protection Act. For
8 purposes of this Section, "taxpayer" includes a person
9 whose tax attributes the taxpayer has succeeded to under
10 Section 381 of the Internal Revenue Code and "related
11 party" includes the persons disallowed a deduction for
12 losses by paragraphs (b), (c), and (f)(1) of Section 267
13 of the Internal Revenue Code by virtue of being a related
14 taxpayer, as well as any of its partners. The credit
15 allowed against the tax imposed by subsections (a) and (b)
16 shall be equal to 25% of the unreimbursed eligible
17 remediation costs in excess of \$100,000 per site.

18 (ii) A credit allowed under this subsection that is
19 unused in the year the credit is earned may be carried
20 forward to each of the 5 taxable years following the year
21 for which the credit is first earned until it is used. This
22 credit shall be applied first to the earliest year for
23 which there is a liability. If there is a credit under this
24 subsection from more than one tax year that is available
25 to offset a liability, the earliest credit arising under
26 this subsection shall be applied first. A credit allowed

1 under this subsection may be sold to a buyer as part of a
2 sale of all or part of the remediation site for which the
3 credit was granted. The purchaser of a remediation site
4 and the tax credit shall succeed to the unused credit and
5 remaining carry-forward period of the seller. To perfect
6 the transfer, the assignor shall record the transfer in
7 the chain of title for the site and provide written notice
8 to the Director of the Illinois Department of Revenue of
9 the assignor's intent to sell the remediation site and the
10 amount of the tax credit to be transferred as a portion of
11 the sale. In no event may a credit be transferred to any
12 taxpayer if the taxpayer or a related party would not be
13 eligible under the provisions of subsection (i).

14 (iii) For purposes of this Section, the term "site"
15 shall have the same meaning as under Section 58.2 of the
16 Environmental Protection Act.

17 (o) For each of taxable years during the Compassionate Use
18 of Medical Cannabis Program, a surcharge is imposed on all
19 taxpayers on income arising from the sale or exchange of
20 capital assets, depreciable business property, real property
21 used in the trade or business, and Section 197 intangibles of
22 an organization registrant under Article 75 of the Cannabis
23 Regulation and Tax Act ~~the Compassionate Use of Medical~~
24 ~~Cannabis Program Act~~. The amount of the surcharge is equal to
25 the amount of federal income tax liability for the taxable
26 year attributable to those sales and exchanges. The surcharge

1 imposed does not apply if:

2 (1) the medical cannabis cultivation center
3 registration, medical cannabis dispensary registration, or
4 the property of a registration is transferred as a result
5 of any of the following:

6 (A) bankruptcy, a receivership, or a debt
7 adjustment initiated by or against the initial
8 registration or the substantial owners of the initial
9 registration;

10 (B) cancellation, revocation, or termination of
11 any registration by the Illinois Department of Public
12 Health;

13 (C) a determination by the Illinois Department of
14 Public Health that transfer of the registration is in
15 the best interests of Illinois qualifying patients as
16 defined by Article 75 of the Cannabis Regulation and
17 Tax Act ~~the Compassionate Use of Medical Cannabis~~
18 ~~Program Act~~;

19 (D) the death of an owner of the equity interest in
20 a registrant;

21 (E) the acquisition of a controlling interest in
22 the stock or substantially all of the assets of a
23 publicly traded company;

24 (F) a transfer by a parent company to a wholly
25 owned subsidiary; or

26 (G) the transfer or sale to or by one person to

1 another person where both persons were initial owners
2 of the registration when the registration was issued;
3 or

4 (2) the cannabis cultivation center registration,
5 medical cannabis dispensary registration, or the
6 controlling interest in a registrant's property is
7 transferred in a transaction to lineal descendants in
8 which no gain or loss is recognized or as a result of a
9 transaction in accordance with Section 351 of the Internal
10 Revenue Code in which no gain or loss is recognized.

11 (p) Pass-through entity tax.

12 (1) For taxable years ending on or after December 31,
13 2021 and beginning prior to January 1, 2026, a partnership
14 (other than a publicly traded partnership under Section
15 7704 of the Internal Revenue Code) or Subchapter S
16 corporation may elect to apply the provisions of this
17 subsection. A separate election shall be made for each
18 taxable year. Such election shall be made at such time,
19 and in such form and manner as prescribed by the
20 Department, and, once made, is irrevocable.

21 (2) Entity-level tax. A partnership or Subchapter S
22 corporation electing to apply the provisions of this
23 subsection shall be subject to a tax for the privilege of
24 earning or receiving income in this State in an amount
25 equal to 4.95% of the taxpayer's net income for the
26 taxable year.

1 (3) Net income defined.

2 (A) In general. For purposes of paragraph (2), the
3 term net income has the same meaning as defined in
4 Section 202 of this Act, except that the following
5 provisions shall not apply:

6 (i) the standard exemption allowed under
7 Section 204;

8 (ii) the deduction for net losses allowed
9 under Section 207;

10 (iii) in the case of an S corporation, the
11 modification under Section 203(b) (2) (S); and

12 (iv) in the case of a partnership, the
13 modifications under Section 203(d) (2) (H) and
14 Section 203(d) (2) (I).

15 (B) Special rule for tiered partnerships. If a
16 taxpayer making the election under paragraph (1) is a
17 partner of another taxpayer making the election under
18 paragraph (1), net income shall be computed as
19 provided in subparagraph (A), except that the taxpayer
20 shall subtract its distributive share of the net
21 income of the electing partnership (including its
22 distributive share of the net income of the electing
23 partnership derived as a distributive share from
24 electing partnerships in which it is a partner).

25 (4) Credit for entity level tax. Each partner or
26 shareholder of a taxpayer making the election under this

1 Section shall be allowed a credit against the tax imposed
2 under subsections (a) and (b) of Section 201 of this Act
3 for the taxable year of the partnership or Subchapter S
4 corporation for which an election is in effect ending
5 within or with the taxable year of the partner or
6 shareholder in an amount equal to 4.95% times the partner
7 or shareholder's distributive share of the net income of
8 the electing partnership or Subchapter S corporation, but
9 not to exceed the partner's or shareholder's share of the
10 tax imposed under paragraph (1) which is actually paid by
11 the partnership or Subchapter S corporation. If the
12 taxpayer is a partnership or Subchapter S corporation that
13 is itself a partner of a partnership making the election
14 under paragraph (1), the credit under this paragraph shall
15 be allowed to the taxpayer's partners or shareholders (or
16 if the partner is a partnership or Subchapter S
17 corporation then its partners or shareholders) in
18 accordance with the determination of income and
19 distributive share of income under Sections 702 and 704
20 and Subchapter S of the Internal Revenue Code. If the
21 amount of the credit allowed under this paragraph exceeds
22 the partner's or shareholder's liability for tax imposed
23 under subsections (a) and (b) of Section 201 of this Act
24 for the taxable year, such excess shall be treated as an
25 overpayment for purposes of Section 909 of this Act.

26 (5) Nonresidents. A nonresident individual who is a

1 partner or shareholder of a partnership or Subchapter S
2 corporation for a taxable year for which an election is in
3 effect under paragraph (1) shall not be required to file
4 an income tax return under this Act for such taxable year
5 if the only source of net income of the individual (or the
6 individual and the individual's spouse in the case of a
7 joint return) is from an entity making the election under
8 paragraph (1) and the credit allowed to the partner or
9 shareholder under paragraph (4) equals or exceeds the
10 individual's liability for the tax imposed under
11 subsections (a) and (b) of Section 201 of this Act for the
12 taxable year.

13 (6) Liability for tax. Except as provided in this
14 paragraph, a partnership or Subchapter S making the
15 election under paragraph (1) is liable for the
16 entity-level tax imposed under paragraph (2). If the
17 electing partnership or corporation fails to pay the full
18 amount of tax deemed assessed under paragraph (2), the
19 partners or shareholders shall be liable to pay the tax
20 assessed (including penalties and interest). Each partner
21 or shareholder shall be liable for the unpaid assessment
22 based on the ratio of the partner's or shareholder's share
23 of the net income of the partnership over the total net
24 income of the partnership. If the partnership or
25 Subchapter S corporation fails to pay the tax assessed
26 (including penalties and interest) and thereafter an

1 amount of such tax is paid by the partners or
2 shareholders, such amount shall not be collected from the
3 partnership or corporation.

4 (7) Foreign tax. For purposes of the credit allowed
5 under Section 601(b)(3) of this Act, tax paid by a
6 partnership or Subchapter S corporation to another state
7 which, as determined by the Department, is substantially
8 similar to the tax imposed under this subsection, shall be
9 considered tax paid by the partner or shareholder to the
10 extent that the partner's or shareholder's share of the
11 income of the partnership or Subchapter S corporation
12 allocated and apportioned to such other state bears to the
13 total income of the partnership or Subchapter S
14 corporation allocated or apportioned to such other state.

15 (8) Suspension of withholding. The provisions of
16 Section 709.5 of this Act shall not apply to a partnership
17 or Subchapter S corporation for the taxable year for which
18 an election under paragraph (1) is in effect.

19 (9) Requirement to pay estimated tax. For each taxable
20 year for which an election under paragraph (1) is in
21 effect, a partnership or Subchapter S corporation is
22 required to pay estimated tax for such taxable year under
23 Sections 803 and 804 of this Act if the amount payable as
24 estimated tax can reasonably be expected to exceed \$500.

25 (10) The provisions of this subsection shall apply
26 only with respect to taxable years for which the

1 limitation on individual deductions applies under Section
2 164(b)(6) of the Internal Revenue Code.

3 (Source: P.A. 101-9, eff. 6-5-19; 101-31, eff. 6-28-19;
4 101-207, eff. 8-2-19; 101-363, eff. 8-9-19; 102-558, eff.
5 8-20-21; 102-658, eff. 8-27-21.)

6 Section 25. The Use Tax Act is amended by changing Section
7 3-10 as follows:

8 (35 ILCS 105/3-10)

9 Sec. 3-10. Rate of tax. Unless otherwise provided in this
10 Section, the tax imposed by this Act is at the rate of 6.25% of
11 either the selling price or the fair market value, if any, of
12 the tangible personal property. In all cases where property
13 functionally used or consumed is the same as the property that
14 was purchased at retail, then the tax is imposed on the selling
15 price of the property. In all cases where property
16 functionally used or consumed is a by-product or waste product
17 that has been refined, manufactured, or produced from property
18 purchased at retail, then the tax is imposed on the lower of
19 the fair market value, if any, of the specific property so used
20 in this State or on the selling price of the property purchased
21 at retail. For purposes of this Section "fair market value"
22 means the price at which property would change hands between a
23 willing buyer and a willing seller, neither being under any
24 compulsion to buy or sell and both having reasonable knowledge

1 of the relevant facts. The fair market value shall be
2 established by Illinois sales by the taxpayer of the same
3 property as that functionally used or consumed, or if there
4 are no such sales by the taxpayer, then comparable sales or
5 purchases of property of like kind and character in Illinois.

6 Beginning on July 1, 2000 and through December 31, 2000,
7 with respect to motor fuel, as defined in Section 1.1 of the
8 Motor Fuel Tax Law, and gasohol, as defined in Section 3-40 of
9 the Use Tax Act, the tax is imposed at the rate of 1.25%.

10 Beginning on August 6, 2010 through August 15, 2010, and
11 beginning again on August 5, 2022 through August 14, 2022,
12 with respect to sales tax holiday items as defined in Section
13 3-6 of this Act, the tax is imposed at the rate of 1.25%.

14 With respect to gasohol, the tax imposed by this Act
15 applies to (i) 70% of the proceeds of sales made on or after
16 January 1, 1990, and before July 1, 2003, (ii) 80% of the
17 proceeds of sales made on or after July 1, 2003 and on or
18 before July 1, 2017, and (iii) 100% of the proceeds of sales
19 made thereafter. If, at any time, however, the tax under this
20 Act on sales of gasohol is imposed at the rate of 1.25%, then
21 the tax imposed by this Act applies to 100% of the proceeds of
22 sales of gasohol made during that time.

23 With respect to majority blended ethanol fuel, the tax
24 imposed by this Act does not apply to the proceeds of sales
25 made on or after July 1, 2003 and on or before December 31,
26 2023 but applies to 100% of the proceeds of sales made

1 thereafter.

2 With respect to biodiesel blends with no less than 1% and
3 no more than 10% biodiesel, the tax imposed by this Act applies
4 to (i) 80% of the proceeds of sales made on or after July 1,
5 2003 and on or before December 31, 2018 and (ii) 100% of the
6 proceeds of sales made after December 31, 2018 and before
7 January 1, 2024. On and after January 1, 2024 and on or before
8 December 31, 2030, the taxation of biodiesel, renewable
9 diesel, and biodiesel blends shall be as provided in Section
10 3-5.1. If, at any time, however, the tax under this Act on
11 sales of biodiesel blends with no less than 1% and no more than
12 10% biodiesel is imposed at the rate of 1.25%, then the tax
13 imposed by this Act applies to 100% of the proceeds of sales of
14 biodiesel blends with no less than 1% and no more than 10%
15 biodiesel made during that time.

16 With respect to biodiesel and biodiesel blends with more
17 than 10% but no more than 99% biodiesel, the tax imposed by
18 this Act does not apply to the proceeds of sales made on or
19 after July 1, 2003 and on or before December 31, 2023. On and
20 after January 1, 2024 and on or before December 31, 2030, the
21 taxation of biodiesel, renewable diesel, and biodiesel blends
22 shall be as provided in Section 3-5.1.

23 Until July 1, 2022 and beginning again on July 1, 2023,
24 with respect to food for human consumption that is to be
25 consumed off the premises where it is sold (other than
26 alcoholic beverages, food consisting of or infused with adult

1 use cannabis, soft drinks, and food that has been prepared for
2 immediate consumption), the tax is imposed at the rate of 1%.
3 Beginning on July 1, 2022 and until July 1, 2023, with respect
4 to food for human consumption that is to be consumed off the
5 premises where it is sold (other than alcoholic beverages,
6 food consisting of or infused with adult use cannabis, soft
7 drinks, and food that has been prepared for immediate
8 consumption), the tax is imposed at the rate of 0%.

9 With respect to prescription and nonprescription
10 medicines, drugs, medical appliances, products classified as
11 Class III medical devices by the United States Food and Drug
12 Administration that are used for cancer treatment pursuant to
13 a prescription, as well as any accessories and components
14 related to those devices, modifications to a motor vehicle for
15 the purpose of rendering it usable by a person with a
16 disability, and insulin, blood sugar testing materials,
17 syringes, and needles used by human diabetics, the tax is
18 imposed at the rate of 1%. For the purposes of this Section,
19 until September 1, 2009: the term "soft drinks" means any
20 complete, finished, ready-to-use, non-alcoholic drink, whether
21 carbonated or not, including, but not limited to, soda water,
22 cola, fruit juice, vegetable juice, carbonated water, and all
23 other preparations commonly known as soft drinks of whatever
24 kind or description that are contained in any closed or sealed
25 bottle, can, carton, or container, regardless of size; but
26 "soft drinks" does not include coffee, tea, non-carbonated

1 water, infant formula, milk or milk products as defined in the
2 Grade A Pasteurized Milk and Milk Products Act, or drinks
3 containing 50% or more natural fruit or vegetable juice.

4 Notwithstanding any other provisions of this Act,
5 beginning September 1, 2009, "soft drinks" means non-alcoholic
6 beverages that contain natural or artificial sweeteners. "Soft
7 drinks" does ~~do~~ not include beverages that contain milk or
8 milk products, soy, rice or similar milk substitutes, or
9 greater than 50% of vegetable or fruit juice by volume.

10 Until August 1, 2009, and notwithstanding any other
11 provisions of this Act, "food for human consumption that is to
12 be consumed off the premises where it is sold" includes all
13 food sold through a vending machine, except soft drinks and
14 food products that are dispensed hot from a vending machine,
15 regardless of the location of the vending machine. Beginning
16 August 1, 2009, and notwithstanding any other provisions of
17 this Act, "food for human consumption that is to be consumed
18 off the premises where it is sold" includes all food sold
19 through a vending machine, except soft drinks, candy, and food
20 products that are dispensed hot from a vending machine,
21 regardless of the location of the vending machine.

22 Notwithstanding any other provisions of this Act,
23 beginning September 1, 2009, "food for human consumption that
24 is to be consumed off the premises where it is sold" does not
25 include candy. For purposes of this Section, "candy" means a
26 preparation of sugar, honey, or other natural or artificial

1 sweeteners in combination with chocolate, fruits, nuts or
2 other ingredients or flavorings in the form of bars, drops, or
3 pieces. "Candy" does not include any preparation that contains
4 flour or requires refrigeration.

5 Notwithstanding any other provisions of this Act,
6 beginning September 1, 2009, "nonprescription medicines and
7 drugs" does not include grooming and hygiene products. For
8 purposes of this Section, "grooming and hygiene products"
9 includes, but is not limited to, soaps and cleaning solutions,
10 shampoo, toothpaste, mouthwash, antiperspirants, and sun tan
11 lotions and screens, unless those products are available by
12 prescription only, regardless of whether the products meet the
13 definition of "over-the-counter-drugs". For the purposes of
14 this paragraph, "over-the-counter-drug" means a drug for human
15 use that contains a label that identifies the product as a drug
16 as required by 21 CFR ~~C.F.R. §~~ 201.66. The
17 "over-the-counter-drug" label includes:

- 18 (A) a ~~A~~ "Drug Facts" panel; or
19 (B) a ~~A~~ statement of the "active ingredient(s)" with a
20 list of those ingredients contained in the compound,
21 substance or preparation.

22 Beginning on January 1, 2014 (the effective date of Public
23 Act 98-122) ~~this amendatory Act of the 98th General Assembly,~~
24 "prescription and nonprescription medicines and drugs"
25 includes medical cannabis purchased from a registered
26 dispensing organization under Article 75 of the Cannabis

1 ~~Regulation and Tax Act the Compassionate Use of Medical~~
2 ~~Cannabis Program Act.~~

3 As used in this Section, "adult use cannabis" means
4 cannabis subject to tax under the Cannabis Cultivation
5 Privilege Tax Law and the Cannabis Purchaser Excise Tax Law
6 and does not include cannabis subject to tax under Article 75
7 ~~of the Cannabis Regulation and Tax Act the Compassionate Use~~
8 ~~of Medical Cannabis Program Act.~~

9 If the property that is purchased at retail from a
10 retailer is acquired outside Illinois and used outside
11 Illinois before being brought to Illinois for use here and is
12 taxable under this Act, the "selling price" on which the tax is
13 computed shall be reduced by an amount that represents a
14 reasonable allowance for depreciation for the period of prior
15 out-of-state use.

16 (Source: P.A. 101-363, eff. 8-9-19; 101-593, eff. 12-4-19;
17 102-4, eff. 4-27-21; 102-700, Article 20, Section 20-5, eff.
18 4-19-22; 102-700, Article 60, Section 60-15, eff. 4-19-22;
19 102-700, Article 65, Section 65-5, eff. 4-19-22; revised
20 5-27-22.)

21 Section 30. The Service Use Tax Act is amended by changing
22 Section 3-10 as follows:

23 (35 ILCS 110/3-10) (from Ch. 120, par. 439.33-10)

24 Sec. 3-10. Rate of tax. Unless otherwise provided in this

1 Section, the tax imposed by this Act is at the rate of 6.25% of
2 the selling price of tangible personal property transferred as
3 an incident to the sale of service, but, for the purpose of
4 computing this tax, in no event shall the selling price be less
5 than the cost price of the property to the serviceman.

6 Beginning on July 1, 2000 and through December 31, 2000,
7 with respect to motor fuel, as defined in Section 1.1 of the
8 Motor Fuel Tax Law, and gasohol, as defined in Section 3-40 of
9 the Use Tax Act, the tax is imposed at the rate of 1.25%.

10 With respect to gasohol, as defined in the Use Tax Act, the
11 tax imposed by this Act applies to (i) 70% of the selling price
12 of property transferred as an incident to the sale of service
13 on or after January 1, 1990, and before July 1, 2003, (ii) 80%
14 of the selling price of property transferred as an incident to
15 the sale of service on or after July 1, 2003 and on or before
16 July 1, 2017, and (iii) 100% of the selling price thereafter.
17 If, at any time, however, the tax under this Act on sales of
18 gasohol, as defined in the Use Tax Act, is imposed at the rate
19 of 1.25%, then the tax imposed by this Act applies to 100% of
20 the proceeds of sales of gasohol made during that time.

21 With respect to majority blended ethanol fuel, as defined
22 in the Use Tax Act, the tax imposed by this Act does not apply
23 to the selling price of property transferred as an incident to
24 the sale of service on or after July 1, 2003 and on or before
25 December 31, 2023 but applies to 100% of the selling price
26 thereafter.

1 With respect to biodiesel blends, as defined in the Use
2 Tax Act, with no less than 1% and no more than 10% biodiesel,
3 the tax imposed by this Act applies to (i) 80% of the selling
4 price of property transferred as an incident to the sale of
5 service on or after July 1, 2003 and on or before December 31,
6 2018 and (ii) 100% of the proceeds of the selling price after
7 December 31, 2018 and before January 1, 2024. On and after
8 January 1, 2024 and on or before December 31, 2030, the
9 taxation of biodiesel, renewable diesel, and biodiesel blends
10 shall be as provided in Section 3-5.1 of the Use Tax Act. If,
11 at any time, however, the tax under this Act on sales of
12 biodiesel blends, as defined in the Use Tax Act, with no less
13 than 1% and no more than 10% biodiesel is imposed at the rate
14 of 1.25%, then the tax imposed by this Act applies to 100% of
15 the proceeds of sales of biodiesel blends with no less than 1%
16 and no more than 10% biodiesel made during that time.

17 With respect to biodiesel, as defined in the Use Tax Act,
18 and biodiesel blends, as defined in the Use Tax Act, with more
19 than 10% but no more than 99% biodiesel, the tax imposed by
20 this Act does not apply to the proceeds of the selling price of
21 property transferred as an incident to the sale of service on
22 or after July 1, 2003 and on or before December 31, 2023. On
23 and after January 1, 2024 and on or before December 31, 2030,
24 the taxation of biodiesel, renewable diesel, and biodiesel
25 blends shall be as provided in Section 3-5.1 of the Use Tax
26 Act.

1 At the election of any registered serviceman made for each
2 fiscal year, sales of service in which the aggregate annual
3 cost price of tangible personal property transferred as an
4 incident to the sales of service is less than 35%, or 75% in
5 the case of servicemen transferring prescription drugs or
6 servicemen engaged in graphic arts production, of the
7 aggregate annual total gross receipts from all sales of
8 service, the tax imposed by this Act shall be based on the
9 serviceman's cost price of the tangible personal property
10 transferred as an incident to the sale of those services.

11 Until July 1, 2022 and beginning again on July 1, 2023, the
12 tax shall be imposed at the rate of 1% on food prepared for
13 immediate consumption and transferred incident to a sale of
14 service subject to this Act or the Service Occupation Tax Act
15 by an entity licensed under the Hospital Licensing Act, the
16 Nursing Home Care Act, the Assisted Living and Shared Housing
17 Act, the ID/DD Community Care Act, the MC/DD Act, the
18 Specialized Mental Health Rehabilitation Act of 2013, or the
19 Child Care Act of 1969, or an entity that holds a permit issued
20 pursuant to the Life Care Facilities Act. Until July 1, 2022
21 and beginning again on July 1, 2023, the tax shall also be
22 imposed at the rate of 1% on food for human consumption that is
23 to be consumed off the premises where it is sold (other than
24 alcoholic beverages, food consisting of or infused with adult
25 use cannabis, soft drinks, and food that has been prepared for
26 immediate consumption and is not otherwise included in this

1 paragraph).

2 Beginning on July 1, 2022 and until July 1, 2023, the tax
3 shall be imposed at the rate of 0% on food prepared for
4 immediate consumption and transferred incident to a sale of
5 service subject to this Act or the Service Occupation Tax Act
6 by an entity licensed under the Hospital Licensing Act, the
7 Nursing Home Care Act, the Assisted Living and Shared Housing
8 Act, the ID/DD Community Care Act, the MC/DD Act, the
9 Specialized Mental Health Rehabilitation Act of 2013, or the
10 Child Care Act of 1969, or an entity that holds a permit issued
11 pursuant to the Life Care Facilities Act. Beginning on July 1,
12 2022 and until July 1, 2023, the tax shall also be imposed at
13 the rate of 0% on food for human consumption that is to be
14 consumed off the premises where it is sold (other than
15 alcoholic beverages, food consisting of or infused with adult
16 use cannabis, soft drinks, and food that has been prepared for
17 immediate consumption and is not otherwise included in this
18 paragraph).

19 The tax shall also be imposed at the rate of 1% on
20 prescription and nonprescription medicines, drugs, medical
21 appliances, products classified as Class III medical devices
22 by the United States Food and Drug Administration that are
23 used for cancer treatment pursuant to a prescription, as well
24 as any accessories and components related to those devices,
25 modifications to a motor vehicle for the purpose of rendering
26 it usable by a person with a disability, and insulin, blood

1 sugar testing materials, syringes, and needles used by human
2 diabetics. For the purposes of this Section, until September
3 1, 2009: the term "soft drinks" means any complete, finished,
4 ready-to-use, non-alcoholic drink, whether carbonated or not,
5 including, but not limited to, soda water, cola, fruit juice,
6 vegetable juice, carbonated water, and all other preparations
7 commonly known as soft drinks of whatever kind or description
8 that are contained in any closed or sealed bottle, can,
9 carton, or container, regardless of size; but "soft drinks"
10 does not include coffee, tea, non-carbonated water, infant
11 formula, milk or milk products as defined in the Grade A
12 Pasteurized Milk and Milk Products Act, or drinks containing
13 50% or more natural fruit or vegetable juice.

14 Notwithstanding any other provisions of this Act,
15 beginning September 1, 2009, "soft drinks" means non-alcoholic
16 beverages that contain natural or artificial sweeteners. "Soft
17 drinks" does ~~do~~ not include beverages that contain milk or
18 milk products, soy, rice or similar milk substitutes, or
19 greater than 50% of vegetable or fruit juice by volume.

20 Until August 1, 2009, and notwithstanding any other
21 provisions of this Act, "food for human consumption that is to
22 be consumed off the premises where it is sold" includes all
23 food sold through a vending machine, except soft drinks and
24 food products that are dispensed hot from a vending machine,
25 regardless of the location of the vending machine. Beginning
26 August 1, 2009, and notwithstanding any other provisions of

1 this Act, "food for human consumption that is to be consumed
2 off the premises where it is sold" includes all food sold
3 through a vending machine, except soft drinks, candy, and food
4 products that are dispensed hot from a vending machine,
5 regardless of the location of the vending machine.

6 Notwithstanding any other provisions of this Act,
7 beginning September 1, 2009, "food for human consumption that
8 is to be consumed off the premises where it is sold" does not
9 include candy. For purposes of this Section, "candy" means a
10 preparation of sugar, honey, or other natural or artificial
11 sweeteners in combination with chocolate, fruits, nuts or
12 other ingredients or flavorings in the form of bars, drops, or
13 pieces. "Candy" does not include any preparation that contains
14 flour or requires refrigeration.

15 Notwithstanding any other provisions of this Act,
16 beginning September 1, 2009, "nonprescription medicines and
17 drugs" does not include grooming and hygiene products. For
18 purposes of this Section, "grooming and hygiene products"
19 includes, but is not limited to, soaps and cleaning solutions,
20 shampoo, toothpaste, mouthwash, antiperspirants, and sun tan
21 lotions and screens, unless those products are available by
22 prescription only, regardless of whether the products meet the
23 definition of "over-the-counter-drugs". For the purposes of
24 this paragraph, "over-the-counter-drug" means a drug for human
25 use that contains a label that identifies the product as a drug
26 as required by 21 CFR ~~C.F.R.~~ § 201.66. The

1 "over-the-counter-drug" label includes:

2 (A) a ~~A~~ "Drug Facts" panel; or

3 (B) a ~~A~~ statement of the "active ingredient(s)" with a
4 list of those ingredients contained in the compound,
5 substance or preparation.

6 Beginning on January 1, 2014 (the effective date of Public
7 Act 98-122), "prescription and nonprescription medicines and
8 drugs" includes medical cannabis purchased from a registered
9 dispensing organization under Article 75 of the Cannabis
10 Regulation and Tax Act ~~the Compassionate Use of Medical~~
11 ~~Cannabis Program Act.~~

12 As used in this Section, "adult use cannabis" means
13 cannabis subject to tax under the Cannabis Cultivation
14 Privilege Tax Law and the Cannabis Purchaser Excise Tax Law
15 and does not include cannabis subject to tax under Article 75
16 of the Cannabis Regulation and Tax Act ~~the Compassionate Use~~
17 ~~of Medical Cannabis Program Act.~~

18 If the property that is acquired from a serviceman is
19 acquired outside Illinois and used outside Illinois before
20 being brought to Illinois for use here and is taxable under
21 this Act, the "selling price" on which the tax is computed
22 shall be reduced by an amount that represents a reasonable
23 allowance for depreciation for the period of prior
24 out-of-state use.

25 (Source: P.A. 101-363, eff. 8-9-19; 101-593, eff. 12-4-19;
26 102-4, eff. 4-27-21; 102-16, eff. 6-17-21; 102-700, Article

1 20, Section 20-10, eff. 4-19-22; 102-700, Article 60, Section
2 60-20, eff. 4-19-22; revised 6-1-22.)

3 Section 35. The Service Occupation Tax Act is amended by
4 changing Section 3-10 as follows:

5 (35 ILCS 115/3-10) (from Ch. 120, par. 439.103-10)

6 Sec. 3-10. Rate of tax. Unless otherwise provided in this
7 Section, the tax imposed by this Act is at the rate of 6.25% of
8 the "selling price", as defined in Section 2 of the Service Use
9 Tax Act, of the tangible personal property. For the purpose of
10 computing this tax, in no event shall the "selling price" be
11 less than the cost price to the serviceman of the tangible
12 personal property transferred. The selling price of each item
13 of tangible personal property transferred as an incident of a
14 sale of service may be shown as a distinct and separate item on
15 the serviceman's billing to the service customer. If the
16 selling price is not so shown, the selling price of the
17 tangible personal property is deemed to be 50% of the
18 serviceman's entire billing to the service customer. When,
19 however, a serviceman contracts to design, develop, and
20 produce special order machinery or equipment, the tax imposed
21 by this Act shall be based on the serviceman's cost price of
22 the tangible personal property transferred incident to the
23 completion of the contract.

24 Beginning on July 1, 2000 and through December 31, 2000,

1 with respect to motor fuel, as defined in Section 1.1 of the
2 Motor Fuel Tax Law, and gasohol, as defined in Section 3-40 of
3 the Use Tax Act, the tax is imposed at the rate of 1.25%.

4 With respect to gasohol, as defined in the Use Tax Act, the
5 tax imposed by this Act shall apply to (i) 70% of the cost
6 price of property transferred as an incident to the sale of
7 service on or after January 1, 1990, and before July 1, 2003,
8 (ii) 80% of the selling price of property transferred as an
9 incident to the sale of service on or after July 1, 2003 and on
10 or before July 1, 2017, and (iii) 100% of the cost price
11 thereafter. If, at any time, however, the tax under this Act on
12 sales of gasohol, as defined in the Use Tax Act, is imposed at
13 the rate of 1.25%, then the tax imposed by this Act applies to
14 100% of the proceeds of sales of gasohol made during that time.

15 With respect to majority blended ethanol fuel, as defined
16 in the Use Tax Act, the tax imposed by this Act does not apply
17 to the selling price of property transferred as an incident to
18 the sale of service on or after July 1, 2003 and on or before
19 December 31, 2023 but applies to 100% of the selling price
20 thereafter.

21 With respect to biodiesel blends, as defined in the Use
22 Tax Act, with no less than 1% and no more than 10% biodiesel,
23 the tax imposed by this Act applies to (i) 80% of the selling
24 price of property transferred as an incident to the sale of
25 service on or after July 1, 2003 and on or before December 31,
26 2018 and (ii) 100% of the proceeds of the selling price after

1 December 31, 2018 and before January 1, 2024. On and after
2 January 1, 2024 and on or before December 31, 2030, the
3 taxation of biodiesel, renewable diesel, and biodiesel blends
4 shall be as provided in Section 3-5.1 of the Use Tax Act. If,
5 at any time, however, the tax under this Act on sales of
6 biodiesel blends, as defined in the Use Tax Act, with no less
7 than 1% and no more than 10% biodiesel is imposed at the rate
8 of 1.25%, then the tax imposed by this Act applies to 100% of
9 the proceeds of sales of biodiesel blends with no less than 1%
10 and no more than 10% biodiesel made during that time.

11 With respect to biodiesel, as defined in the Use Tax Act,
12 and biodiesel blends, as defined in the Use Tax Act, with more
13 than 10% but no more than 99% biodiesel material, the tax
14 imposed by this Act does not apply to the proceeds of the
15 selling price of property transferred as an incident to the
16 sale of service on or after July 1, 2003 and on or before
17 December 31, 2023. On and after January 1, 2024 and on or
18 before December 31, 2030, the taxation of biodiesel, renewable
19 diesel, and biodiesel blends shall be as provided in Section
20 3-5.1 of the Use Tax Act.

21 At the election of any registered serviceman made for each
22 fiscal year, sales of service in which the aggregate annual
23 cost price of tangible personal property transferred as an
24 incident to the sales of service is less than 35%, or 75% in
25 the case of servicemen transferring prescription drugs or
26 servicemen engaged in graphic arts production, of the

1 aggregate annual total gross receipts from all sales of
2 service, the tax imposed by this Act shall be based on the
3 serviceman's cost price of the tangible personal property
4 transferred incident to the sale of those services.

5 Until July 1, 2022 and beginning again on July 1, 2023, the
6 tax shall be imposed at the rate of 1% on food prepared for
7 immediate consumption and transferred incident to a sale of
8 service subject to this Act or the Service Use Tax Act by an
9 entity licensed under the Hospital Licensing Act, the Nursing
10 Home Care Act, the Assisted Living and Shared Housing Act, the
11 ID/DD Community Care Act, the MC/DD Act, the Specialized
12 Mental Health Rehabilitation Act of 2013, or the Child Care
13 Act of 1969, or an entity that holds a permit issued pursuant
14 to the Life Care Facilities Act. Until July 1, 2022 and
15 beginning again on July 1, 2023, the tax shall also be imposed
16 at the rate of 1% on food for human consumption that is to be
17 consumed off the premises where it is sold (other than
18 alcoholic beverages, food consisting of or infused with adult
19 use cannabis, soft drinks, and food that has been prepared for
20 immediate consumption and is not otherwise included in this
21 paragraph).

22 Beginning on July 1, 2022 and until July 1, 2023, the tax
23 shall be imposed at the rate of 0% on food prepared for
24 immediate consumption and transferred incident to a sale of
25 service subject to this Act or the Service Use Tax Act by an
26 entity licensed under the Hospital Licensing Act, the Nursing

1 Home Care Act, the Assisted Living and Shared Housing Act, the
2 ID/DD Community Care Act, the MC/DD Act, the Specialized
3 Mental Health Rehabilitation Act of 2013, or the Child Care
4 Act of 1969, or an entity that holds a permit issued pursuant
5 to the Life Care Facilities Act. Beginning July 1, 2022 and
6 until July 1, 2023, the tax shall also be imposed at the rate
7 of 0% on food for human consumption that is to be consumed off
8 the premises where it is sold (other than alcoholic beverages,
9 food consisting of or infused with adult use cannabis, soft
10 drinks, and food that has been prepared for immediate
11 consumption and is not otherwise included in this paragraph).

12 The tax shall also be imposed at the rate of 1% on
13 prescription and nonprescription medicines, drugs, medical
14 appliances, products classified as Class III medical devices
15 by the United States Food and Drug Administration that are
16 used for cancer treatment pursuant to a prescription, as well
17 as any accessories and components related to those devices,
18 modifications to a motor vehicle for the purpose of rendering
19 it usable by a person with a disability, and insulin, blood
20 sugar testing materials, syringes, and needles used by human
21 diabetics. For the purposes of this Section, until September
22 1, 2009: the term "soft drinks" means any complete, finished,
23 ready-to-use, non-alcoholic drink, whether carbonated or not,
24 including, but not limited to, soda water, cola, fruit juice,
25 vegetable juice, carbonated water, and all other preparations
26 commonly known as soft drinks of whatever kind or description

1 that are contained in any closed or sealed can, carton, or
2 container, regardless of size; but "soft drinks" does not
3 include coffee, tea, non-carbonated water, infant formula,
4 milk or milk products as defined in the Grade A Pasteurized
5 Milk and Milk Products Act, or drinks containing 50% or more
6 natural fruit or vegetable juice.

7 Notwithstanding any other provisions of this Act,
8 beginning September 1, 2009, "soft drinks" means non-alcoholic
9 beverages that contain natural or artificial sweeteners. "Soft
10 drinks" does ~~do~~ not include beverages that contain milk or
11 milk products, soy, rice or similar milk substitutes, or
12 greater than 50% of vegetable or fruit juice by volume.

13 Until August 1, 2009, and notwithstanding any other
14 provisions of this Act, "food for human consumption that is to
15 be consumed off the premises where it is sold" includes all
16 food sold through a vending machine, except soft drinks and
17 food products that are dispensed hot from a vending machine,
18 regardless of the location of the vending machine. Beginning
19 August 1, 2009, and notwithstanding any other provisions of
20 this Act, "food for human consumption that is to be consumed
21 off the premises where it is sold" includes all food sold
22 through a vending machine, except soft drinks, candy, and food
23 products that are dispensed hot from a vending machine,
24 regardless of the location of the vending machine.

25 Notwithstanding any other provisions of this Act,
26 beginning September 1, 2009, "food for human consumption that

1 is to be consumed off the premises where it is sold" does not
2 include candy. For purposes of this Section, "candy" means a
3 preparation of sugar, honey, or other natural or artificial
4 sweeteners in combination with chocolate, fruits, nuts or
5 other ingredients or flavorings in the form of bars, drops, or
6 pieces. "Candy" does not include any preparation that contains
7 flour or requires refrigeration.

8 Notwithstanding any other provisions of this Act,
9 beginning September 1, 2009, "nonprescription medicines and
10 drugs" does not include grooming and hygiene products. For
11 purposes of this Section, "grooming and hygiene products"
12 includes, but is not limited to, soaps and cleaning solutions,
13 shampoo, toothpaste, mouthwash, antiperspirants, and sun tan
14 lotions and screens, unless those products are available by
15 prescription only, regardless of whether the products meet the
16 definition of "over-the-counter-drugs". For the purposes of
17 this paragraph, "over-the-counter-drug" means a drug for human
18 use that contains a label that identifies the product as a drug
19 as required by 21 CFR ~~C.F.R. §~~ 201.66. The
20 "over-the-counter-drug" label includes:

21 (A) a ~~A~~ "Drug Facts" panel; or

22 (B) a ~~A~~ statement of the "active ingredient(s)" with a
23 list of those ingredients contained in the compound,
24 substance or preparation.

25 Beginning on January 1, 2014 (the effective date of Public
26 Act 98-122), "prescription and nonprescription medicines and

1 drugs" includes medical cannabis purchased from a registered
2 dispensing organization under Article 75 of the Cannabis
3 Regulation and Tax Act ~~the Compassionate Use of Medical~~
4 ~~Cannabis Program Act.~~

5 As used in this Section, "adult use cannabis" means
6 cannabis subject to tax under the Cannabis Cultivation
7 Privilege Tax Law and the Cannabis Purchaser Excise Tax Law
8 and does not include cannabis subject to tax under Article 75
9 of the Cannabis Regulation and Tax Act ~~the Compassionate Use~~
10 ~~of Medical Cannabis Program Act.~~

11 (Source: P.A. 101-363, eff. 8-9-19; 101-593, eff. 12-4-19;
12 102-4, eff. 4-27-21; 102-16, eff. 6-17-21; 102-700, Article
13 20, Section 20-15, eff. 4-19-22; 102-700, Article 60, Section
14 60-25, eff. 4-19-22; revised 6-1-22.)

15 Section 40. The Retailers' Occupation Tax Act is amended
16 by changing Section 2-10 as follows:

17 (35 ILCS 120/2-10)

18 Sec. 2-10. Rate of tax. Unless otherwise provided in this
19 Section, the tax imposed by this Act is at the rate of 6.25% of
20 gross receipts from sales of tangible personal property made
21 in the course of business.

22 Beginning on July 1, 2000 and through December 31, 2000,
23 with respect to motor fuel, as defined in Section 1.1 of the
24 Motor Fuel Tax Law, and gasohol, as defined in Section 3-40 of

1 the Use Tax Act, the tax is imposed at the rate of 1.25%.

2 Beginning on August 6, 2010 through August 15, 2010, and
3 beginning again on August 5, 2022 through August 14, 2022,
4 with respect to sales tax holiday items as defined in Section
5 2-8 of this Act, the tax is imposed at the rate of 1.25%.

6 Within 14 days after July 1, 2000 (the effective date of
7 Public Act 91-872) ~~this amendatory Act of the 91st General~~
8 ~~Assembly~~, each retailer of motor fuel and gasohol shall cause
9 the following notice to be posted in a prominently visible
10 place on each retail dispensing device that is used to
11 dispense motor fuel or gasohol in the State of Illinois: "As of
12 July 1, 2000, the State of Illinois has eliminated the State's
13 share of sales tax on motor fuel and gasohol through December
14 31, 2000. The price on this pump should reflect the
15 elimination of the tax." The notice shall be printed in bold
16 print on a sign that is no smaller than 4 inches by 8 inches.
17 The sign shall be clearly visible to customers. Any retailer
18 who fails to post or maintain a required sign through December
19 31, 2000 is guilty of a petty offense for which the fine shall
20 be \$500 per day per each retail premises where a violation
21 occurs.

22 With respect to gasohol, as defined in the Use Tax Act, the
23 tax imposed by this Act applies to (i) 70% of the proceeds of
24 sales made on or after January 1, 1990, and before July 1,
25 2003, (ii) 80% of the proceeds of sales made on or after July
26 1, 2003 and on or before July 1, 2017, and (iii) 100% of the

1 proceeds of sales made thereafter. If, at any time, however,
2 the tax under this Act on sales of gasohol, as defined in the
3 Use Tax Act, is imposed at the rate of 1.25%, then the tax
4 imposed by this Act applies to 100% of the proceeds of sales of
5 gasohol made during that time.

6 With respect to majority blended ethanol fuel, as defined
7 in the Use Tax Act, the tax imposed by this Act does not apply
8 to the proceeds of sales made on or after July 1, 2003 and on
9 or before December 31, 2023 but applies to 100% of the proceeds
10 of sales made thereafter.

11 With respect to biodiesel blends, as defined in the Use
12 Tax Act, with no less than 1% and no more than 10% biodiesel,
13 the tax imposed by this Act applies to (i) 80% of the proceeds
14 of sales made on or after July 1, 2003 and on or before
15 December 31, 2018 and (ii) 100% of the proceeds of sales made
16 after December 31, 2018 and before January 1, 2024. On and
17 after January 1, 2024 and on or before December 31, 2030, the
18 taxation of biodiesel, renewable diesel, and biodiesel blends
19 shall be as provided in Section 3-5.1 of the Use Tax Act. If,
20 at any time, however, the tax under this Act on sales of
21 biodiesel blends, as defined in the Use Tax Act, with no less
22 than 1% and no more than 10% biodiesel is imposed at the rate
23 of 1.25%, then the tax imposed by this Act applies to 100% of
24 the proceeds of sales of biodiesel blends with no less than 1%
25 and no more than 10% biodiesel made during that time.

26 With respect to biodiesel, as defined in the Use Tax Act,

1 and biodiesel blends, as defined in the Use Tax Act, with more
2 than 10% but no more than 99% biodiesel, the tax imposed by
3 this Act does not apply to the proceeds of sales made on or
4 after July 1, 2003 and on or before December 31, 2023. On and
5 after January 1, 2024 and on or before December 31, 2030, the
6 taxation of biodiesel, renewable diesel, and biodiesel blends
7 shall be as provided in Section 3-5.1 of the Use Tax Act.

8 Until July 1, 2022 and beginning again on July 1, 2023,
9 with respect to food for human consumption that is to be
10 consumed off the premises where it is sold (other than
11 alcoholic beverages, food consisting of or infused with adult
12 use cannabis, soft drinks, and food that has been prepared for
13 immediate consumption), the tax is imposed at the rate of 1%.
14 Beginning July 1, 2022 and until July 1, 2023, with respect to
15 food for human consumption that is to be consumed off the
16 premises where it is sold (other than alcoholic beverages,
17 food consisting of or infused with adult use cannabis, soft
18 drinks, and food that has been prepared for immediate
19 consumption), the tax is imposed at the rate of 0%.

20 With respect to prescription and nonprescription
21 medicines, drugs, medical appliances, products classified as
22 Class III medical devices by the United States Food and Drug
23 Administration that are used for cancer treatment pursuant to
24 a prescription, as well as any accessories and components
25 related to those devices, modifications to a motor vehicle for
26 the purpose of rendering it usable by a person with a

1 disability, and insulin, blood sugar testing materials,
2 syringes, and needles used by human diabetics, the tax is
3 imposed at the rate of 1%. For the purposes of this Section,
4 until September 1, 2009: the term "soft drinks" means any
5 complete, finished, ready-to-use, non-alcoholic drink, whether
6 carbonated or not, including, but not limited to, soda water,
7 cola, fruit juice, vegetable juice, carbonated water, and all
8 other preparations commonly known as soft drinks of whatever
9 kind or description that are contained in any closed or sealed
10 bottle, can, carton, or container, regardless of size; but
11 "soft drinks" does not include coffee, tea, non-carbonated
12 water, infant formula, milk or milk products as defined in the
13 Grade A Pasteurized Milk and Milk Products Act, or drinks
14 containing 50% or more natural fruit or vegetable juice.

15 Notwithstanding any other provisions of this Act,
16 beginning September 1, 2009, "soft drinks" means non-alcoholic
17 beverages that contain natural or artificial sweeteners. "Soft
18 drinks" does ~~do~~ not include beverages that contain milk or
19 milk products, soy, rice or similar milk substitutes, or
20 greater than 50% of vegetable or fruit juice by volume.

21 Until August 1, 2009, and notwithstanding any other
22 provisions of this Act, "food for human consumption that is to
23 be consumed off the premises where it is sold" includes all
24 food sold through a vending machine, except soft drinks and
25 food products that are dispensed hot from a vending machine,
26 regardless of the location of the vending machine. Beginning

1 August 1, 2009, and notwithstanding any other provisions of
2 this Act, "food for human consumption that is to be consumed
3 off the premises where it is sold" includes all food sold
4 through a vending machine, except soft drinks, candy, and food
5 products that are dispensed hot from a vending machine,
6 regardless of the location of the vending machine.

7 Notwithstanding any other provisions of this Act,
8 beginning September 1, 2009, "food for human consumption that
9 is to be consumed off the premises where it is sold" does not
10 include candy. For purposes of this Section, "candy" means a
11 preparation of sugar, honey, or other natural or artificial
12 sweeteners in combination with chocolate, fruits, nuts or
13 other ingredients or flavorings in the form of bars, drops, or
14 pieces. "Candy" does not include any preparation that contains
15 flour or requires refrigeration.

16 Notwithstanding any other provisions of this Act,
17 beginning September 1, 2009, "nonprescription medicines and
18 drugs" does not include grooming and hygiene products. For
19 purposes of this Section, "grooming and hygiene products"
20 includes, but is not limited to, soaps and cleaning solutions,
21 shampoo, toothpaste, mouthwash, antiperspirants, and sun tan
22 lotions and screens, unless those products are available by
23 prescription only, regardless of whether the products meet the
24 definition of "over-the-counter-drugs". For the purposes of
25 this paragraph, "over-the-counter-drug" means a drug for human
26 use that contains a label that identifies the product as a drug

1 as required by 21 CFR ~~C.F.R.~~ § 201.66. The
2 "over-the-counter-drug" label includes:

3 (A) a ~~A~~ "Drug Facts" panel; or

4 (B) a ~~A~~ statement of the "active ingredient(s)" with a
5 list of those ingredients contained in the compound,
6 substance or preparation.

7 Beginning on January 1, 2014 (the effective date of Public
8 Act 98-122) ~~this amendatory Act of the 98th General Assembly,~~
9 "prescription and nonprescription medicines and drugs"
10 includes medical cannabis purchased from a registered
11 dispensing organization under Article 75 of the Cannabis
12 Regulation and Tax Act ~~the Compassionate Use of Medical~~
13 ~~Cannabis Program Act.~~

14 As used in this Section, "adult use cannabis" means
15 cannabis subject to tax under the Cannabis Cultivation
16 Privilege Tax Law and the Cannabis Purchaser Excise Tax Law
17 and does not include cannabis subject to tax under Article 75
18 of the Cannabis Regulation and Tax Act ~~the Compassionate Use~~
19 ~~of Medical Cannabis Program Act.~~

20 (Source: P.A. 101-363, eff. 8-9-19; 101-593, eff. 12-4-19;
21 102-4, eff. 4-27-21; 102-700, Article 20, Section 20-20, eff.
22 4-19-22; 102-700, Article 60, Section 60-30, eff. 4-19-22;
23 102-700, Article 65, Section 65-10, eff. 4-19-22; revised
24 6-1-22.)

25 Section 45. The Tobacco Products Tax Act of 1995 is

1 amended by changing Section 10-5 as follows:

2 (35 ILCS 143/10-5)

3 Sec. 10-5. Definitions. For purposes of this Act:

4 "Business" means any trade, occupation, activity, or
5 enterprise engaged in, at any location whatsoever, for the
6 purpose of selling tobacco products.

7 "Cigarette" has the meaning ascribed to the term in
8 Section 1 of the Cigarette Tax Act.

9 "Contraband little cigar" means:

10 (1) packages of little cigars containing 20 or 25
11 little cigars that do not bear a required tax stamp under
12 this Act;

13 (2) packages of little cigars containing 20 or 25
14 little cigars that bear a fraudulent, imitation, or
15 counterfeit tax stamp;

16 (3) packages of little cigars containing 20 or 25
17 little cigars that are improperly tax stamped, including
18 packages of little cigars that bear only a tax stamp of
19 another state or taxing jurisdiction; or

20 (4) packages of little cigars containing other than 20
21 or 25 little cigars in the possession of a distributor,
22 retailer or wholesaler, unless the distributor, retailer,
23 or wholesaler possesses, or produces within the time frame
24 provided in Section 10-27 or 10-28 of this Act, an invoice
25 from a stamping distributor, distributor, or wholesaler

1 showing that the tax on the packages has been or will be
2 paid.

3 "Correctional Industries program" means a program run by a
4 State penal institution in which residents of the penal
5 institution produce tobacco products for sale to persons
6 incarcerated in penal institutions or resident patients of a
7 State operated mental health facility.

8 "Department" means the Illinois Department of Revenue.

9 "Distributor" means any of the following:

10 (1) Any manufacturer or wholesaler in this State
11 engaged in the business of selling tobacco products who
12 sells, exchanges, or distributes tobacco products to
13 retailers or consumers in this State.

14 (2) Any manufacturer or wholesaler engaged in the
15 business of selling tobacco products from without this
16 State who sells, exchanges, distributes, ships, or
17 transports tobacco products to retailers or consumers
18 located in this State, so long as that manufacturer or
19 wholesaler has or maintains within this State, directly or
20 by subsidiary, an office, sales house, or other place of
21 business, or any agent or other representative operating
22 within this State under the authority of the person or
23 subsidiary, irrespective of whether the place of business
24 or agent or other representative is located here
25 permanently or temporarily.

26 (3) Any retailer who receives tobacco products on

1 which the tax has not been or will not be paid by another
2 distributor.

3 "Distributor" does not include any person, wherever
4 resident or located, who makes, manufactures, or fabricates
5 tobacco products as part of a Correctional Industries program
6 for sale to residents incarcerated in penal institutions or
7 resident patients of a State operated mental health facility.

8 "Electronic cigarette" means:

9 (1) any device that employs a battery or other
10 mechanism to heat a solution or substance to produce a
11 vapor or aerosol intended for inhalation, except for (A)
12 any device designed solely for use with cannabis that
13 contains a statement on the retail packaging that the
14 device is designed solely for use with cannabis and not
15 for use with tobacco or (B) any device that contains a
16 solution or substance that contains cannabis subject to
17 tax under ~~the Compassionate Use of Medical Cannabis~~
18 ~~Program Act or~~ the Cannabis Regulation and Tax Act;

19 (2) any cartridge or container of a solution or
20 substance intended to be used with or in the device or to
21 refill the device, except for any cartridge or container
22 of a solution or substance that contains cannabis subject
23 to tax under ~~the Compassionate Use of Medical Cannabis~~
24 ~~Program Act or~~ the Cannabis Regulation and Tax Act; or

25 (3) any solution or substance, whether or not it
26 contains nicotine, intended for use in the device, except

1 for any solution or substance that contains cannabis
2 subject to tax under Article 75 of the Compassionate Use
3 ~~of Medical Cannabis Program Act~~ or the Cannabis Regulation
4 and Tax Act.

5 The changes made to the definition of "electronic
6 cigarette" by this amendatory Act of the 102nd General
7 Assembly apply on and after June 28, 2019, but no claim for
8 credit or refund is allowed on or after the effective date of
9 this amendatory Act of the 102nd General Assembly for such
10 taxes paid during the period beginning June 28, 2019 and the
11 effective date of this amendatory Act of the 102nd General
12 Assembly.

13 "Electronic cigarette" includes, but is not limited to,
14 any electronic nicotine delivery system, electronic cigar,
15 electronic cigarillo, electronic pipe, electronic hookah, vape
16 pen, or similar product or device, and any component or part
17 that can be used to build the product or device. "Electronic
18 cigarette" does not include: cigarettes, as defined in Section
19 1 of the Cigarette Tax Act; any product approved by the United
20 States Food and Drug Administration for sale as a tobacco
21 cessation product, a tobacco dependence product, or for other
22 medical purposes that is marketed and sold solely for that
23 approved purpose; any asthma inhaler prescribed by a physician
24 for that condition that is marketed and sold solely for that
25 approved purpose; or any therapeutic product approved for use
26 under Article 75 of the Cannabis Regulation and Tax Act ~~the~~

1 ~~Compassionate Use of Medical Cannabis Program Act.~~

2 "Little cigar" means and includes any roll, made wholly or
3 in part of tobacco, where such roll has an integrated
4 cellulose acetate filter and weighs less than 4 pounds per
5 thousand and the wrapper or cover of which is made in whole or
6 in part of tobacco.

7 "Manufacturer" means any person, wherever resident or
8 located, who manufactures and sells tobacco products, except a
9 person who makes, manufactures, or fabricates tobacco products
10 as a part of a Correctional Industries program for sale to
11 persons incarcerated in penal institutions or resident
12 patients of a State operated mental health facility.

13 Beginning on January 1, 2013, "moist snuff" means any
14 finely cut, ground, or powdered tobacco that is not intended
15 to be smoked, but shall not include any finely cut, ground, or
16 powdered tobacco that is intended to be placed in the nasal
17 cavity.

18 "Person" means any natural individual, firm, partnership,
19 association, joint stock company, joint venture, limited
20 liability company, or public or private corporation, however
21 formed, or a receiver, executor, administrator, trustee,
22 conservator, or other representative appointed by order of any
23 court.

24 "Place of business" means and includes any place where
25 tobacco products are sold or where tobacco products are
26 manufactured, stored, or kept for the purpose of sale or

1 consumption, including any vessel, vehicle, airplane, train,
2 or vending machine.

3 "Retailer" means any person in this State engaged in the
4 business of selling tobacco products to consumers in this
5 State, regardless of quantity or number of sales.

6 "Sale" means any transfer, exchange, or barter in any
7 manner or by any means whatsoever for a consideration and
8 includes all sales made by persons.

9 "Stamp" or "stamps" mean the indicia required to be
10 affixed on a package of little cigars that evidence payment of
11 the tax on packages of little cigars containing 20 or 25 little
12 cigars under Section 10-10 of this Act. These stamps shall be
13 the same stamps used for cigarettes under the Cigarette Tax
14 Act.

15 "Stamping distributor" means a distributor licensed under
16 this Act and also licensed as a distributor under the
17 Cigarette Tax Act or Cigarette Use Tax Act.

18 "Tobacco products" means any cigars, including little
19 cigars; cheroots; stogies; periques; granulated, plug cut,
20 crimp cut, ready rubbed, and other smoking tobacco; snuff
21 (including moist snuff) or snuff flour; cavendish; plug and
22 twist tobacco; fine-cut and other chewing tobaccos; shorts;
23 refuse scraps, clippings, cuttings, and sweeping of tobacco;
24 and other kinds and forms of tobacco, prepared in such manner
25 as to be suitable for chewing or smoking in a pipe or
26 otherwise, or both for chewing and smoking; but does not

1 include cigarettes as defined in Section 1 of the Cigarette
2 Tax Act or tobacco purchased for the manufacture of cigarettes
3 by cigarette distributors and manufacturers defined in the
4 Cigarette Tax Act and persons who make, manufacture, or
5 fabricate cigarettes as a part of a Correctional Industries
6 program for sale to residents incarcerated in penal
7 institutions or resident patients of a State operated mental
8 health facility.

9 Beginning on July 1, 2019, "tobacco products" also
10 includes electronic cigarettes.

11 "Wholesale price" means the established list price for
12 which a manufacturer sells tobacco products to a distributor,
13 before the allowance of any discount, trade allowance, rebate,
14 or other reduction. In the absence of such an established list
15 price, the manufacturer's invoice price at which the
16 manufacturer sells the tobacco product to unaffiliated
17 distributors, before any discounts, trade allowances, rebates,
18 or other reductions, shall be presumed to be the wholesale
19 price.

20 "Wholesaler" means any person, wherever resident or
21 located, engaged in the business of selling tobacco products
22 to others for the purpose of resale. "Wholesaler", when used
23 in this Act, does not include a person licensed as a
24 distributor under Section 10-20 of this Act unless expressly
25 stated in this Act.

26 (Source: P.A. 101-31, eff. 6-28-19; 101-593, eff. 12-4-19;

1 102-40, eff. 6-25-21.)

2 Section 50. The Counties Code is amended by changing
3 Section 5-1006.8 as follows:

4 (55 ILCS 5/5-1006.8)

5 Sec. 5-1006.8. County Cannabis Retailers' Occupation Tax
6 Law.

7 (a) This Section may be referred to as the County Cannabis
8 Retailers' Occupation Tax Law. The corporate authorities of
9 any county may, by ordinance, impose a tax upon all persons
10 engaged in the business of selling cannabis, other than
11 cannabis purchased under Article 75 of the Cannabis Regulation
12 and Tax Act ~~the Compassionate Use of Medical Cannabis Program~~
13 ~~Act~~, at retail in the county on the gross receipts from these
14 sales made in the course of that business. If imposed, the tax
15 shall be imposed only in 0.25% increments. The tax rate may not
16 exceed: (i) 3.75% of the gross receipts of sales made in
17 unincorporated areas of the county; and (ii) 3% of the gross
18 receipts of sales made in a municipality located in the
19 county. The tax imposed under this Section and all civil
20 penalties that may be assessed as an incident of the tax shall
21 be collected and enforced by the Department of Revenue. The
22 Department of Revenue shall have full power to administer and
23 enforce this Section; to collect all taxes and penalties due
24 hereunder; to dispose of taxes and penalties so collected in

1 the manner hereinafter provided; and to determine all rights
2 to credit memoranda arising on account of the erroneous
3 payment of tax or penalty under this Section. In the
4 administration of and compliance with this Section, the
5 Department of Revenue and persons who are subject to this
6 Section shall have the same rights, remedies, privileges,
7 immunities, powers and duties, and be subject to the same
8 conditions, restrictions, limitations, penalties, and
9 definitions of terms, and employ the same modes of procedure,
10 as are described in Sections 1, 1a, 1d, 1e, 1f, 1i, 1j, 1k, 1m,
11 1n, 2 through 2-65 (in respect to all provisions therein other
12 than the State rate of tax), 2a, 2b, 2c, 2i, 3 (except as to
13 the disposition of taxes and penalties collected), 4, 5, 5a,
14 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6bb, 6c, 6d,
15 7, 8, 9, 10, 11, 11a, 12, and 13 of the Retailers' Occupation
16 Tax Act and Section 3-7 of the Uniform Penalty and Interest Act
17 as fully as if those provisions were set forth in this Section.

18 (b) Persons subject to any tax imposed under the authority
19 granted in this Section may reimburse themselves for their
20 seller's tax liability hereunder by separately stating that
21 tax as an additional charge, which charge may be stated in
22 combination, in a single amount, with any State tax that
23 sellers are required to collect.

24 (c) Whenever the Department of Revenue determines that a
25 refund should be made under this Section to a claimant instead
26 of issuing a credit memorandum, the Department of Revenue

1 shall notify the State Comptroller, who shall cause the order
2 to be drawn for the amount specified and to the person named in
3 the notification from the Department of Revenue.

4 (d) The Department of Revenue shall immediately pay over
5 to the State Treasurer, ex officio, as trustee, all taxes and
6 penalties collected hereunder for deposit into the Local
7 Cannabis Retailers' Occupation Tax Trust Fund.

8 (e) On or before the 25th day of each calendar month, the
9 Department of Revenue shall prepare and certify to the
10 Comptroller the amount of money to be disbursed from the Local
11 Cannabis Retailers' Occupation Tax Trust Fund to counties from
12 which retailers have paid taxes or penalties under this
13 Section during the second preceding calendar month. The amount
14 to be paid to each county shall be the amount (not including
15 credit memoranda) collected under this Section from sales made
16 in the county during the second preceding calendar month, plus
17 an amount the Department of Revenue determines is necessary to
18 offset any amounts that were erroneously paid to a different
19 taxing body, and not including an amount equal to the amount of
20 refunds made during the second preceding calendar month by the
21 Department on behalf of such county, and not including any
22 amount that the Department determines is necessary to offset
23 any amounts that were payable to a different taxing body but
24 were erroneously paid to the county, less 1.5% of the
25 remainder, which the Department shall transfer into the Tax
26 Compliance and Administration Fund. The Department, at the

1 time of each monthly disbursement to the counties, shall
2 prepare and certify the State Comptroller the amount to be
3 transferred into the Tax Compliance and Administration Fund
4 under this Section. Within 10 days after receipt by the
5 Comptroller of the disbursement certification to the counties
6 and the Tax Compliance and Administration Fund provided for in
7 this Section to be given to the Comptroller by the Department,
8 the Comptroller shall cause the orders to be drawn for the
9 respective amounts in accordance with the directions contained
10 in the certification.

11 (f) An ordinance or resolution imposing or discontinuing a
12 tax under this Section or effecting a change in the rate
13 thereof that is adopted on or after June 25, 2019 (the
14 effective date of Public Act 101-27) and for which a certified
15 copy is filed with the Department on or before April 1, 2020
16 shall be administered and enforced by the Department beginning
17 on July 1, 2020. For ordinances filed with the Department
18 after April 1, 2020, an ordinance or resolution imposing or
19 discontinuing a tax under this Section or effecting a change
20 in the rate thereof shall either (i) be adopted and a certified
21 copy thereof filed with the Department on or before the first
22 day of April, whereupon the Department shall proceed to
23 administer and enforce this Section as of the first day of July
24 next following the adoption and filing; or (ii) be adopted and
25 a certified copy thereof filed with the Department on or
26 before the first day of October, whereupon the Department

1 shall proceed to administer and enforce this Section as of the
2 first day of January next following the adoption and filing.

3 (g) Notwithstanding any provision in this Section to the
4 contrary, if an ordinance or resolution imposing a tax under
5 this Section was adopted on or before October 1, 2020 and a
6 certified copy thereof was filed with the Department of
7 Revenue on or before November 1, 2020, then the Department
8 shall proceed to administer and enforce this Section as of May
9 1, 2021 for such ordinances or resolutions.

10 (Source: P.A. 101-27, eff. 6-25-19; 101-363, eff. 8-9-19;
11 101-593, eff. 12-4-19; 102-2, eff. 4-2-21.)

12 Section 55. The Illinois Municipal Code is amended by
13 changing Section 8-11-23 as follows:

14 (65 ILCS 5/8-11-23)

15 Sec. 8-11-23. Municipal Cannabis Retailers' Occupation Tax
16 Law.

17 (a) This Section may be referred to as the Municipal
18 Cannabis Retailers' Occupation Tax Law. The corporate
19 authorities of any municipality may, by ordinance, impose a
20 tax upon all persons engaged in the business of selling
21 cannabis, other than cannabis purchased under Article 75 of
22 the Cannabis Regulation and Tax Act ~~the Compassionate Use of~~
23 ~~Medical Cannabis Program Act~~, at retail in the municipality on
24 the gross receipts from these sales made in the course of that

1 business. If imposed, the tax may not exceed 3% of the gross
2 receipts from these sales and shall only be imposed in 1/4%
3 increments. The tax imposed under this Section and all civil
4 penalties that may be assessed as an incident of the tax shall
5 be collected and enforced by the Department of Revenue. The
6 Department of Revenue shall have full power to administer and
7 enforce this Section; to collect all taxes and penalties due
8 hereunder; to dispose of taxes and penalties so collected in
9 the manner hereinafter provided; and to determine all rights
10 to credit memoranda arising on account of the erroneous
11 payment of tax or penalty under this Section. In the
12 administration of and compliance with this Section, the
13 Department and persons who are subject to this Section shall
14 have the same rights, remedies, privileges, immunities, powers
15 and duties, and be subject to the same conditions,
16 restrictions, limitations, penalties and definitions of terms,
17 and employ the same modes of procedure, as are prescribed in
18 Sections 1, 1a, 1d, 1e, 1f, 1i, 1j, 1k, 1m, 1n, 2 through 2-65
19 (in respect to all provisions therein other than the State
20 rate of tax), 2a, 2b, 2c, 2i, 3 (except as to the disposition
21 of taxes and penalties collected), 4, 5, 5a, 5b, 5c, 5d, 5e,
22 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11,
23 11a, 12, and 13 of the Retailers' Occupation Tax Act and
24 Section 3-7 of the Uniform Penalty and Interest Act, as fully
25 as if those provisions were set forth herein.

26 (b) Persons subject to any tax imposed under the authority

1 granted in this Section may reimburse themselves for their
2 seller's tax liability hereunder by separately stating that
3 tax as an additional charge, which charge may be stated in
4 combination, in a single amount, with any State tax that
5 sellers are required to collect.

6 (c) Whenever the Department of Revenue determines that a
7 refund should be made under this Section to a claimant instead
8 of issuing a credit memorandum, the Department of Revenue
9 shall notify the State Comptroller, who shall cause the order
10 to be drawn for the amount specified and to the person named in
11 the notification from the Department of Revenue.

12 (d) The Department of Revenue shall immediately pay over
13 to the State Treasurer, ex officio, as trustee, all taxes and
14 penalties collected hereunder for deposit into the Local
15 Cannabis Retailers' Occupation Tax Trust Fund.

16 (e) On or before the 25th day of each calendar month, the
17 Department of Revenue shall prepare and certify to the
18 Comptroller the amount of money to be disbursed from the Local
19 Cannabis Retailers' Occupation Tax Trust Fund to
20 municipalities from which retailers have paid taxes or
21 penalties under this Section during the second preceding
22 calendar month. The amount to be paid to each municipality
23 shall be the amount (not including credit memoranda) collected
24 under this Section from sales made in the municipality during
25 the second preceding calendar month, plus an amount the
26 Department of Revenue determines is necessary to offset any

1 amounts that were erroneously paid to a different taxing body,
2 and not including an amount equal to the amount of refunds made
3 during the second preceding calendar month by the Department
4 on behalf of such municipality, and not including any amount
5 that the Department determines is necessary to offset any
6 amounts that were payable to a different taxing body but were
7 erroneously paid to the municipality, less 1.5% of the
8 remainder, which the Department shall transfer into the Tax
9 Compliance and Administration Fund. The Department, at the
10 time of each monthly disbursement to the municipalities, shall
11 prepare and certify to the State Comptroller the amount to be
12 transferred into the Tax Compliance and Administration Fund
13 under this Section. Within 10 days after receipt by the
14 Comptroller of the disbursement certification to the
15 municipalities and the Tax Compliance and Administration Fund
16 provided for in this Section to be given to the Comptroller by
17 the Department, the Comptroller shall cause the orders to be
18 drawn for the respective amounts in accordance with the
19 directions contained in the certification.

20 (f) An ordinance or resolution imposing or discontinuing a
21 tax under this Section or effecting a change in the rate
22 thereof that is adopted on or after June 25, 2019 (the
23 effective date of Public Act 101-27) and for which a certified
24 copy is filed with the Department on or before April 1, 2020
25 shall be administered and enforced by the Department beginning
26 on July 1, 2020. For ordinances filed with the Department

1 after April 1, 2020, an ordinance or resolution imposing or
2 discontinuing a tax under this Section or effecting a change
3 in the rate thereof shall either (i) be adopted and a certified
4 copy thereof filed with the Department on or before the first
5 day of April, whereupon the Department shall proceed to
6 administer and enforce this Section as of the first day of July
7 next following the adoption and filing; or (ii) be adopted and
8 a certified copy thereof filed with the Department on or
9 before the first day of October, whereupon the Department
10 shall proceed to administer and enforce this Section as of the
11 first day of January next following the adoption and filing.

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

13 Section 60. The School Code is amended by changing Section
14 22-33 as follows:

15 (105 ILCS 5/22-33)

16 Sec. 22-33. Medical cannabis.

17 (a) This Section may be referred to as Ashley's Law.

18 (a-5) In this Section:

19 "Designated caregiver", "medical cannabis infused
20 product", "qualifying patient", and "registered" have the
21 meanings given to those terms under Section 75-10 of the
22 Cannabis Regulation and Tax Act ~~10 of the Compassionate Use of~~
23 ~~Medical Cannabis Program Act.~~

24 "Self-administration" means a student's discretionary use

1 of his or her medical cannabis infused product.

2 (b) Subject to the restrictions under subsections (c)
3 through (g) of this Section, a school district, public school,
4 charter school, or nonpublic school shall authorize a parent
5 or guardian or any other individual registered with the
6 Department of Public Health as a designated caregiver of a
7 student who is a registered qualifying patient to administer a
8 medical cannabis infused product to the student on the
9 premises of the child's school or on the child's school bus if
10 both the student (as a registered qualifying patient) and the
11 parent or guardian or other individual (as a registered
12 designated caregiver) have been issued registry identification
13 cards under Article 75 of the Cannabis Regulation and Tax Act
14 ~~the Compassionate Use of Medical Cannabis Program Act~~. After
15 administering the product, the parent or guardian or other
16 individual shall remove the product from the school premises
17 or the school bus.

18 (b-5) Notwithstanding subsection (b) and subject to the
19 restrictions under subsections (c) through (g), a school
20 district, public school, charter school, or nonpublic school
21 must allow a school nurse or school administrator to
22 administer a medical cannabis infused product to a student who
23 is a registered qualifying patient (i) while on school
24 premises, (ii) while at a school-sponsored activity, or (iii)
25 before or after normal school activities, including while the
26 student is in before-school or after-school care on

1 school-operated property or while the student is being
2 transported on a school bus. A school district, public school,
3 charter school, or nonpublic school may authorize the
4 self-administration of a medical cannabis infused product by a
5 student who is a registered qualifying patient if the
6 self-administration takes place under the direct supervision
7 of a school nurse or school administrator.

8 Before allowing the administration of a medical cannabis
9 infused product by a school nurse or school administrator or a
10 student's self-administration of a medical cannabis infused
11 product under the supervision of a school nurse or school
12 administrator under this subsection, the parent or guardian of
13 a student who is the registered qualifying patient must
14 provide written authorization for its use, along with a copy
15 of the registry identification card of the student (as a
16 registered qualifying patient) and the parent or guardian (as
17 a registered designated caregiver). The written authorization
18 must specify the times at which or the special circumstances
19 under which the medical cannabis infused product must be
20 administered. The written authorization and a copy of the
21 registry identification cards must be kept on file in the
22 office of the school nurse. The authorization for a student to
23 self-administer medical cannabis infused products is effective
24 for the school year in which it is granted and must be renewed
25 each subsequent school year upon fulfillment of the
26 requirements of this Section.

1 (b-10) Medical cannabis infused products that are to be
2 administered under subsection (b-5) must be stored with the
3 school nurse at all times in a manner consistent with storage
4 of other student medication at the school and may be
5 accessible only by the school nurse or a school administrator.

6 (c) A parent or guardian or other individual may not
7 administer a medical cannabis infused product under this
8 Section in a manner that, in the opinion of the school district
9 or school, would create a disruption to the school's
10 educational environment or would cause exposure of the product
11 to other students.

12 (d) A school district or school may not discipline a
13 student who is administered a medical cannabis infused product
14 by a parent or guardian or other individual under this Section
15 or who self-administers a medical cannabis infused product
16 under the supervision of a school nurse or school
17 administrator under this Section and may not deny the
18 student's eligibility to attend school solely because the
19 student requires the administration of the product.

20 (e) Nothing in this Section requires a member of a
21 school's staff to administer a medical cannabis infused
22 product to a student.

23 (f) A school district, public school, charter school, or
24 nonpublic school may not authorize the use of a medical
25 cannabis infused product under this Section if the school
26 district or school would lose federal funding as a result of

1 the authorization.

2 (f-5) The State Board of Education, in consultation with
3 the Department of Public Health, must develop a training
4 curriculum for school nurses and school administrators on the
5 administration of medical cannabis infused products. Prior to
6 the administration of a medical cannabis infused product under
7 subsection (b-5), a school nurse or school administrator must
8 annually complete the training curriculum developed under this
9 subsection and must submit to the school's administration
10 proof of its completion. A school district, public school,
11 charter school, or nonpublic school must maintain records
12 related to the training curriculum and of the school nurses or
13 school administrators who have completed the training.

14 (g) A school district, public school, charter school, or
15 nonpublic school shall adopt a policy to implement this
16 Section.

17 (Source: P.A. 101-363, eff. 8-9-19; 101-370, eff. 1-1-20;
18 102-558, eff. 8-20-21.)

19 Section 65. The Medical Practice Act of 1987 is amended by
20 changing Section 22 as follows:

21 (225 ILCS 60/22) (from Ch. 111, par. 4400-22)

22 (Section scheduled to be repealed on January 1, 2027)

23 Sec. 22. Disciplinary action.

24 (A) The Department may revoke, suspend, place on

1 probation, reprimand, refuse to issue or renew, or take any
2 other disciplinary or non-disciplinary action as the
3 Department may deem proper with regard to the license or
4 permit of any person issued under this Act, including imposing
5 fines not to exceed \$10,000 for each violation, upon any of the
6 following grounds:

7 (1) (Blank).

8 (2) (Blank).

9 (3) A plea of guilty or nolo contendere, finding of
10 guilt, jury verdict, or entry of judgment or sentencing,
11 including, but not limited to, convictions, preceding
12 sentences of supervision, conditional discharge, or first
13 offender probation, under the laws of any jurisdiction of
14 the United States of any crime that is a felony.

15 (4) Gross negligence in practice under this Act.

16 (5) Engaging in dishonorable, unethical, or
17 unprofessional conduct of a character likely to deceive,
18 defraud or harm the public.

19 (6) Obtaining any fee by fraud, deceit, or
20 misrepresentation.

21 (7) Habitual or excessive use or abuse of drugs
22 defined in law as controlled substances, of alcohol, or of
23 any other substances which results in the inability to
24 practice with reasonable judgment, skill, or safety.

25 (8) Practicing under a false or, except as provided by
26 law, an assumed name.

1 (9) Fraud or misrepresentation in applying for, or
2 procuring, a license under this Act or in connection with
3 applying for renewal of a license under this Act.

4 (10) Making a false or misleading statement regarding
5 their skill or the efficacy or value of the medicine,
6 treatment, or remedy prescribed by them at their direction
7 in the treatment of any disease or other condition of the
8 body or mind.

9 (11) Allowing another person or organization to use
10 their license, procured under this Act, to practice.

11 (12) Adverse action taken by another state or
12 jurisdiction against a license or other authorization to
13 practice as a medical doctor, doctor of osteopathy, doctor
14 of osteopathic medicine or doctor of chiropractic, a
15 certified copy of the record of the action taken by the
16 other state or jurisdiction being prima facie evidence
17 thereof. This includes any adverse action taken by a State
18 or federal agency that prohibits a medical doctor, doctor
19 of osteopathy, doctor of osteopathic medicine, or doctor
20 of chiropractic from providing services to the agency's
21 participants.

22 (13) Violation of any provision of this Act or of the
23 Medical Practice Act prior to the repeal of that Act, or
24 violation of the rules, or a final administrative action
25 of the Secretary, after consideration of the
26 recommendation of the Medical Board.

1 (14) Violation of the prohibition against fee
2 splitting in Section 22.2 of this Act.

3 (15) A finding by the Medical Board that the
4 registrant after having his or her license placed on
5 probationary status or subjected to conditions or
6 restrictions violated the terms of the probation or failed
7 to comply with such terms or conditions.

8 (16) Abandonment of a patient.

9 (17) Prescribing, selling, administering,
10 distributing, giving, or self-administering any drug
11 classified as a controlled substance (designated product)
12 or narcotic for other than medically accepted therapeutic
13 purposes.

14 (18) Promotion of the sale of drugs, devices,
15 appliances, or goods provided for a patient in such manner
16 as to exploit the patient for financial gain of the
17 physician.

18 (19) Offering, undertaking, or agreeing to cure or
19 treat disease by a secret method, procedure, treatment, or
20 medicine, or the treating, operating, or prescribing for
21 any human condition by a method, means, or procedure which
22 the licensee refuses to divulge upon demand of the
23 Department.

24 (20) Immoral conduct in the commission of any act
25 including, but not limited to, commission of an act of
26 sexual misconduct related to the licensee's practice.

1 (21) Willfully making or filing false records or
2 reports in his or her practice as a physician, including,
3 but not limited to, false records to support claims
4 against the medical assistance program of the Department
5 of Healthcare and Family Services (formerly Department of
6 Public Aid) under the Illinois Public Aid Code.

7 (22) Willful omission to file or record, or willfully
8 impeding the filing or recording, or inducing another
9 person to omit to file or record, medical reports as
10 required by law, or willfully failing to report an
11 instance of suspected abuse or neglect as required by law.

12 (23) Being named as a perpetrator in an indicated
13 report by the Department of Children and Family Services
14 under the Abused and Neglected Child Reporting Act, and
15 upon proof by clear and convincing evidence that the
16 licensee has caused a child to be an abused child or
17 neglected child as defined in the Abused and Neglected
18 Child Reporting Act.

19 (24) Solicitation of professional patronage by any
20 corporation, agents or persons, or profiting from those
21 representing themselves to be agents of the licensee.

22 (25) Gross and willful and continued overcharging for
23 professional services, including filing false statements
24 for collection of fees for which services are not
25 rendered, including, but not limited to, filing such false
26 statements for collection of monies for services not

1 rendered from the medical assistance program of the
2 Department of Healthcare and Family Services (formerly
3 Department of Public Aid) under the Illinois Public Aid
4 Code.

5 (26) A pattern of practice or other behavior which
6 demonstrates incapacity or incompetence to practice under
7 this Act.

8 (27) Mental illness or disability which results in the
9 inability to practice under this Act with reasonable
10 judgment, skill, or safety.

11 (28) Physical illness, including, but not limited to,
12 deterioration through the aging process, or loss of motor
13 skill which results in a physician's inability to practice
14 under this Act with reasonable judgment, skill, or safety.

15 (29) Cheating on or attempting to subvert the
16 licensing examinations administered under this Act.

17 (30) Willfully or negligently violating the
18 confidentiality between physician and patient except as
19 required by law.

20 (31) The use of any false, fraudulent, or deceptive
21 statement in any document connected with practice under
22 this Act.

23 (32) Aiding and abetting an individual not licensed
24 under this Act in the practice of a profession licensed
25 under this Act.

26 (33) Violating state or federal laws or regulations

1 relating to controlled substances, legend drugs, or
2 ephedra as defined in the Ephedra Prohibition Act.

3 (34) Failure to report to the Department any adverse
4 final action taken against them by another licensing
5 jurisdiction (any other state or any territory of the
6 United States or any foreign state or country), by any
7 peer review body, by any health care institution, by any
8 professional society or association related to practice
9 under this Act, by any governmental agency, by any law
10 enforcement agency, or by any court for acts or conduct
11 similar to acts or conduct which would constitute grounds
12 for action as defined in this Section.

13 (35) Failure to report to the Department surrender of
14 a license or authorization to practice as a medical
15 doctor, a doctor of osteopathy, a doctor of osteopathic
16 medicine, or doctor of chiropractic in another state or
17 jurisdiction, or surrender of membership on any medical
18 staff or in any medical or professional association or
19 society, while under disciplinary investigation by any of
20 those authorities or bodies, for acts or conduct similar
21 to acts or conduct which would constitute grounds for
22 action as defined in this Section.

23 (36) Failure to report to the Department any adverse
24 judgment, settlement, or award arising from a liability
25 claim related to acts or conduct similar to acts or
26 conduct which would constitute grounds for action as

1 defined in this Section.

2 (37) Failure to provide copies of medical records as
3 required by law.

4 (38) Failure to furnish the Department, its
5 investigators or representatives, relevant information,
6 legally requested by the Department after consultation
7 with the Chief Medical Coordinator or the Deputy Medical
8 Coordinator.

9 (39) Violating the Health Care Worker Self-Referral
10 Act.

11 (40) Willful failure to provide notice when notice is
12 required under the Parental Notice of Abortion Act of
13 1995.

14 (41) Failure to establish and maintain records of
15 patient care and treatment as required by this law.

16 (42) Entering into an excessive number of written
17 collaborative agreements with licensed advanced practice
18 registered nurses resulting in an inability to adequately
19 collaborate.

20 (43) Repeated failure to adequately collaborate with a
21 licensed advanced practice registered nurse.

22 (44) Violating Article 75 of the Cannabis Regulation
23 and Tax Act ~~the Compassionate Use of Medical Cannabis~~
24 ~~Program Act.~~

25 (45) Entering into an excessive number of written
26 collaborative agreements with licensed prescribing

1 psychologists resulting in an inability to adequately
2 collaborate.

3 (46) Repeated failure to adequately collaborate with a
4 licensed prescribing psychologist.

5 (47) Willfully failing to report an instance of
6 suspected abuse, neglect, financial exploitation, or
7 self-neglect of an eligible adult as defined in and
8 required by the Adult Protective Services Act.

9 (48) Being named as an abuser in a verified report by
10 the Department on Aging under the Adult Protective
11 Services Act, and upon proof by clear and convincing
12 evidence that the licensee abused, neglected, or
13 financially exploited an eligible adult as defined in the
14 Adult Protective Services Act.

15 (49) Entering into an excessive number of written
16 collaborative agreements with licensed physician
17 assistants resulting in an inability to adequately
18 collaborate.

19 (50) Repeated failure to adequately collaborate with a
20 physician assistant.

21 Except for actions involving the ground numbered (26), all
22 proceedings to suspend, revoke, place on probationary status,
23 or take any other disciplinary action as the Department may
24 deem proper, with regard to a license on any of the foregoing
25 grounds, must be commenced within 5 years next after receipt
26 by the Department of a complaint alleging the commission of or

1 notice of the conviction order for any of the acts described
2 herein. Except for the grounds numbered (8), (9), (26), and
3 (29), no action shall be commenced more than 10 years after the
4 date of the incident or act alleged to have violated this
5 Section. For actions involving the ground numbered (26), a
6 pattern of practice or other behavior includes all incidents
7 alleged to be part of the pattern of practice or other behavior
8 that occurred, or a report pursuant to Section 23 of this Act
9 received, within the 10-year period preceding the filing of
10 the complaint. In the event of the settlement of any claim or
11 cause of action in favor of the claimant or the reduction to
12 final judgment of any civil action in favor of the plaintiff,
13 such claim, cause of action, or civil action being grounded on
14 the allegation that a person licensed under this Act was
15 negligent in providing care, the Department shall have an
16 additional period of 2 years from the date of notification to
17 the Department under Section 23 of this Act of such settlement
18 or final judgment in which to investigate and commence formal
19 disciplinary proceedings under Section 36 of this Act, except
20 as otherwise provided by law. The time during which the holder
21 of the license was outside the State of Illinois shall not be
22 included within any period of time limiting the commencement
23 of disciplinary action by the Department.

24 The entry of an order or judgment by any circuit court
25 establishing that any person holding a license under this Act
26 is a person in need of mental treatment operates as a

1 suspension of that license. That person may resume his or her
2 practice only upon the entry of a Departmental order based
3 upon a finding by the Medical Board that the person has been
4 determined to be recovered from mental illness by the court
5 and upon the Medical Board's recommendation that the person be
6 permitted to resume his or her practice.

7 The Department may refuse to issue or take disciplinary
8 action concerning the license of any person who fails to file a
9 return, or to pay the tax, penalty, or interest shown in a
10 filed return, or to pay any final assessment of tax, penalty,
11 or interest, as required by any tax Act administered by the
12 Illinois Department of Revenue, until such time as the
13 requirements of any such tax Act are satisfied as determined
14 by the Illinois Department of Revenue.

15 The Department, upon the recommendation of the Medical
16 Board, shall adopt rules which set forth standards to be used
17 in determining:

18 (a) when a person will be deemed sufficiently
19 rehabilitated to warrant the public trust;

20 (b) what constitutes dishonorable, unethical, or
21 unprofessional conduct of a character likely to deceive,
22 defraud, or harm the public;

23 (c) what constitutes immoral conduct in the commission
24 of any act, including, but not limited to, commission of
25 an act of sexual misconduct related to the licensee's
26 practice; and

1 (d) what constitutes gross negligence in the practice
2 of medicine.

3 However, no such rule shall be admissible into evidence in
4 any civil action except for review of a licensing or other
5 disciplinary action under this Act.

6 In enforcing this Section, the Medical Board, upon a
7 showing of a possible violation, may compel any individual who
8 is licensed to practice under this Act or holds a permit to
9 practice under this Act, or any individual who has applied for
10 licensure or a permit pursuant to this Act, to submit to a
11 mental or physical examination and evaluation, or both, which
12 may include a substance abuse or sexual offender evaluation,
13 as required by the Medical Board and at the expense of the
14 Department. The Medical Board shall specifically designate the
15 examining physician licensed to practice medicine in all of
16 its branches or, if applicable, the multidisciplinary team
17 involved in providing the mental or physical examination and
18 evaluation, or both. The multidisciplinary team shall be led
19 by a physician licensed to practice medicine in all of its
20 branches and may consist of one or more or a combination of
21 physicians licensed to practice medicine in all of its
22 branches, licensed chiropractic physicians, licensed clinical
23 psychologists, licensed clinical social workers, licensed
24 clinical professional counselors, and other professional and
25 administrative staff. Any examining physician or member of the
26 multidisciplinary team may require any person ordered to

1 submit to an examination and evaluation pursuant to this
2 Section to submit to any additional supplemental testing
3 deemed necessary to complete any examination or evaluation
4 process, including, but not limited to, blood testing,
5 urinalysis, psychological testing, or neuropsychological
6 testing. The Medical Board or the Department may order the
7 examining physician or any member of the multidisciplinary
8 team to provide to the Department or the Medical Board any and
9 all records, including business records, that relate to the
10 examination and evaluation, including any supplemental testing
11 performed. The Medical Board or the Department may order the
12 examining physician or any member of the multidisciplinary
13 team to present testimony concerning this examination and
14 evaluation of the licensee, permit holder, or applicant,
15 including testimony concerning any supplemental testing or
16 documents relating to the examination and evaluation. No
17 information, report, record, or other documents in any way
18 related to the examination and evaluation shall be excluded by
19 reason of any common law or statutory privilege relating to
20 communication between the licensee, permit holder, or
21 applicant and the examining physician or any member of the
22 multidisciplinary team. No authorization is necessary from the
23 licensee, permit holder, or applicant ordered to undergo an
24 evaluation and examination for the examining physician or any
25 member of the multidisciplinary team to provide information,
26 reports, records, or other documents or to provide any

1 testimony regarding the examination and evaluation. The
2 individual to be examined may have, at his or her own expense,
3 another physician of his or her choice present during all
4 aspects of the examination. Failure of any individual to
5 submit to mental or physical examination and evaluation, or
6 both, when directed, shall result in an automatic suspension,
7 without hearing, until such time as the individual submits to
8 the examination. If the Medical Board finds a physician unable
9 to practice following an examination and evaluation because of
10 the reasons set forth in this Section, the Medical Board shall
11 require such physician to submit to care, counseling, or
12 treatment by physicians, or other health care professionals,
13 approved or designated by the Medical Board, as a condition
14 for issued, continued, reinstated, or renewed licensure to
15 practice. Any physician, whose license was granted pursuant to
16 Sections 9, 17, or 19 of this Act, or, continued, reinstated,
17 renewed, disciplined or supervised, subject to such terms,
18 conditions, or restrictions who shall fail to comply with such
19 terms, conditions, or restrictions, or to complete a required
20 program of care, counseling, or treatment, as determined by
21 the Chief Medical Coordinator or Deputy Medical Coordinators,
22 shall be referred to the Secretary for a determination as to
23 whether the licensee shall have his or her license suspended
24 immediately, pending a hearing by the Medical Board. In
25 instances in which the Secretary immediately suspends a
26 license under this Section, a hearing upon such person's

1 license must be convened by the Medical Board within 15 days
2 after such suspension and completed without appreciable delay.
3 The Medical Board shall have the authority to review the
4 subject physician's record of treatment and counseling
5 regarding the impairment, to the extent permitted by
6 applicable federal statutes and regulations safeguarding the
7 confidentiality of medical records.

8 An individual licensed under this Act, affected under this
9 Section, shall be afforded an opportunity to demonstrate to
10 the Medical Board that he or she can resume practice in
11 compliance with acceptable and prevailing standards under the
12 provisions of his or her license.

13 The Department may promulgate rules for the imposition of
14 fines in disciplinary cases, not to exceed \$10,000 for each
15 violation of this Act. Fines may be imposed in conjunction
16 with other forms of disciplinary action, but shall not be the
17 exclusive disposition of any disciplinary action arising out
18 of conduct resulting in death or injury to a patient. Any funds
19 collected from such fines shall be deposited in the Illinois
20 State Medical Disciplinary Fund.

21 All fines imposed under this Section shall be paid within
22 60 days after the effective date of the order imposing the fine
23 or in accordance with the terms set forth in the order imposing
24 the fine.

25 (B) The Department shall revoke the license or permit
26 issued under this Act to practice medicine or a chiropractic

1 physician who has been convicted a second time of committing
2 any felony under the Illinois Controlled Substances Act or the
3 Methamphetamine Control and Community Protection Act, or who
4 has been convicted a second time of committing a Class 1 felony
5 under Sections 8A-3 and 8A-6 of the Illinois Public Aid Code. A
6 person whose license or permit is revoked under this
7 subsection B shall be prohibited from practicing medicine or
8 treating human ailments without the use of drugs and without
9 operative surgery.

10 (C) The Department shall not revoke, suspend, place on
11 probation, reprimand, refuse to issue or renew, or take any
12 other disciplinary or non-disciplinary action against the
13 license or permit issued under this Act to practice medicine
14 to a physician:

15 (1) based solely upon the recommendation of the
16 physician to an eligible patient regarding, or
17 prescription for, or treatment with, an investigational
18 drug, biological product, or device; or

19 (2) for experimental treatment for Lyme disease or
20 other tick-borne diseases, including, but not limited to,
21 the prescription of or treatment with long-term
22 antibiotics.

23 (D) The Medical Board shall recommend to the Department
24 civil penalties and any other appropriate discipline in
25 disciplinary cases when the Medical Board finds that a
26 physician willfully performed an abortion with actual

1 knowledge that the person upon whom the abortion has been
2 performed is a minor or an incompetent person without notice
3 as required under the Parental Notice of Abortion Act of 1995.
4 Upon the Medical Board's recommendation, the Department shall
5 impose, for the first violation, a civil penalty of \$1,000 and
6 for a second or subsequent violation, a civil penalty of
7 \$5,000.

8 (Source: P.A. 101-13, eff. 6-12-19; 101-81, eff. 7-12-19;
9 101-363, eff. 8-9-19; 102-20, eff. 1-1-22; 102-558, eff.
10 8-20-21; 102-813, eff. 5-13-22.)

11 Section 70. The Nurse Practice Act is amended by changing
12 Section 70-5 as follows:

13 (225 ILCS 65/70-5) (was 225 ILCS 65/10-45)

14 (Section scheduled to be repealed on January 1, 2028)

15 Sec. 70-5. Grounds for disciplinary action.

16 (a) The Department may refuse to issue or to renew, or may
17 revoke, suspend, place on probation, reprimand, or take other
18 disciplinary or non-disciplinary action as the Department may
19 deem appropriate, including fines not to exceed \$10,000 per
20 violation, with regard to a license for any one or combination
21 of the causes set forth in subsection (b) below. All fines
22 collected under this Section shall be deposited in the Nursing
23 Dedicated and Professional Fund.

24 (b) Grounds for disciplinary action include the following:

1 (1) Material deception in furnishing information to
2 the Department.

3 (2) Material violations of any provision of this Act
4 or violation of the rules of or final administrative
5 action of the Secretary, after consideration of the
6 recommendation of the Board.

7 (3) Conviction by plea of guilty or nolo contendere,
8 finding of guilt, jury verdict, or entry of judgment or by
9 sentencing of any crime, including, but not limited to,
10 convictions, preceding sentences of supervision,
11 conditional discharge, or first offender probation, under
12 the laws of any jurisdiction of the United States: (i)
13 that is a felony; or (ii) that is a misdemeanor, an
14 essential element of which is dishonesty, or that is
15 directly related to the practice of the profession.

16 (4) A pattern of practice or other behavior which
17 demonstrates incapacity or incompetency to practice under
18 this Act.

19 (5) Knowingly aiding or assisting another person in
20 violating any provision of this Act or rules.

21 (6) Failing, within 90 days, to provide a response to
22 a request for information in response to a written request
23 made by the Department by certified or registered mail or
24 by email to the email address of record.

25 (7) Engaging in dishonorable, unethical or
26 unprofessional conduct of a character likely to deceive,

1 defraud or harm the public, as defined by rule.

2 (8) Unlawful taking, theft, selling, distributing, or
3 manufacturing of any drug, narcotic, or prescription
4 device.

5 (9) Habitual or excessive use or addiction to alcohol,
6 narcotics, stimulants, or any other chemical agent or drug
7 that could result in a licensee's inability to practice
8 with reasonable judgment, skill or safety.

9 (10) Discipline by another U.S. jurisdiction or
10 foreign nation, if at least one of the grounds for the
11 discipline is the same or substantially equivalent to
12 those set forth in this Section.

13 (11) A finding that the licensee, after having her or
14 his license placed on probationary status or subject to
15 conditions or restrictions, has violated the terms of
16 probation or failed to comply with such terms or
17 conditions.

18 (12) Being named as a perpetrator in an indicated
19 report by the Department of Children and Family Services
20 and under the Abused and Neglected Child Reporting Act,
21 and upon proof by clear and convincing evidence that the
22 licensee has caused a child to be an abused child or
23 neglected child as defined in the Abused and Neglected
24 Child Reporting Act.

25 (13) Willful omission to file or record, or willfully
26 impeding the filing or recording or inducing another

1 person to omit to file or record medical reports as
2 required by law.

3 (13.5) Willfully failing to report an instance of
4 suspected child abuse or neglect as required by the Abused
5 and Neglected Child Reporting Act.

6 (14) Gross negligence in the practice of practical,
7 professional, or advanced practice registered nursing.

8 (15) Holding oneself out to be practicing nursing
9 under any name other than one's own.

10 (16) Failure of a licensee to report to the Department
11 any adverse final action taken against him or her by
12 another licensing jurisdiction of the United States or any
13 foreign state or country, any peer review body, any health
14 care institution, any professional or nursing society or
15 association, any governmental agency, any law enforcement
16 agency, or any court or a nursing liability claim related
17 to acts or conduct similar to acts or conduct that would
18 constitute grounds for action as defined in this Section.

19 (17) Failure of a licensee to report to the Department
20 surrender by the licensee of a license or authorization to
21 practice nursing or advanced practice registered nursing
22 in another state or jurisdiction or current surrender by
23 the licensee of membership on any nursing staff or in any
24 nursing or advanced practice registered nursing or
25 professional association or society while under
26 disciplinary investigation by any of those authorities or

1 bodies for acts or conduct similar to acts or conduct that
2 would constitute grounds for action as defined by this
3 Section.

4 (18) Failing, within 60 days, to provide information
5 in response to a written request made by the Department.

6 (19) Failure to establish and maintain records of
7 patient care and treatment as required by law.

8 (20) Fraud, deceit or misrepresentation in applying
9 for or procuring a license under this Act or in connection
10 with applying for renewal of a license under this Act.

11 (21) Allowing another person or organization to use
12 the licensee's license to deceive the public.

13 (22) Willfully making or filing false records or
14 reports in the licensee's practice, including but not
15 limited to false records to support claims against the
16 medical assistance program of the Department of Healthcare
17 and Family Services (formerly Department of Public Aid)
18 under the Illinois Public Aid Code.

19 (23) Attempting to subvert or cheat on a licensing
20 examination administered under this Act.

21 (24) Immoral conduct in the commission of an act,
22 including, but not limited to, sexual abuse, sexual
23 misconduct, or sexual exploitation, related to the
24 licensee's practice.

25 (25) Willfully or negligently violating the
26 confidentiality between nurse and patient except as

1 required by law.

2 (26) Practicing under a false or assumed name, except
3 as provided by law.

4 (27) The use of any false, fraudulent, or deceptive
5 statement in any document connected with the licensee's
6 practice.

7 (28) Directly or indirectly giving to or receiving
8 from a person, firm, corporation, partnership, or
9 association a fee, commission, rebate, or other form of
10 compensation for professional services not actually or
11 personally rendered. Nothing in this paragraph (28)
12 affects any bona fide independent contractor or employment
13 arrangements among health care professionals, health
14 facilities, health care providers, or other entities,
15 except as otherwise prohibited by law. Any employment
16 arrangements may include provisions for compensation,
17 health insurance, pension, or other employment benefits
18 for the provision of services within the scope of the
19 licensee's practice under this Act. Nothing in this
20 paragraph (28) shall be construed to require an employment
21 arrangement to receive professional fees for services
22 rendered.

23 (29) A violation of the Health Care Worker
24 Self-Referral Act.

25 (30) Physical illness, mental illness, or disability
26 that results in the inability to practice the profession

1 with reasonable judgment, skill, or safety.

2 (31) Exceeding the terms of a collaborative agreement
3 or the prescriptive authority delegated to a licensee by
4 his or her collaborating physician or podiatric physician
5 in guidelines established under a written collaborative
6 agreement.

7 (32) Making a false or misleading statement regarding
8 a licensee's skill or the efficacy or value of the
9 medicine, treatment, or remedy prescribed by him or her in
10 the course of treatment.

11 (33) Prescribing, selling, administering,
12 distributing, giving, or self-administering a drug
13 classified as a controlled substance (designated product)
14 or narcotic for other than medically accepted therapeutic
15 purposes.

16 (34) Promotion of the sale of drugs, devices,
17 appliances, or goods provided for a patient in a manner to
18 exploit the patient for financial gain.

19 (35) Violating State or federal laws, rules, or
20 regulations relating to controlled substances.

21 (36) Willfully or negligently violating the
22 confidentiality between an advanced practice registered
23 nurse, collaborating physician, dentist, or podiatric
24 physician and a patient, except as required by law.

25 (37) Willfully failing to report an instance of
26 suspected abuse, neglect, financial exploitation, or

1 self-neglect of an eligible adult as defined in and
2 required by the Adult Protective Services Act.

3 (38) Being named as an abuser in a verified report by
4 the Department on Aging and under the Adult Protective
5 Services Act, and upon proof by clear and convincing
6 evidence that the licensee abused, neglected, or
7 financially exploited an eligible adult as defined in the
8 Adult Protective Services Act.

9 (39) A violation of any provision of this Act or any
10 rules adopted under this Act.

11 (40) Violating Article 75 of the Cannabis Regulation
12 and Tax Act ~~the Compassionate Use of Medical Cannabis~~
13 ~~Program Act.~~

14 (c) The determination by a circuit court that a licensee
15 is subject to involuntary admission or judicial admission as
16 provided in the Mental Health and Developmental Disabilities
17 Code, as amended, operates as an automatic suspension. The
18 suspension will end only upon a finding by a court that the
19 patient is no longer subject to involuntary admission or
20 judicial admission and issues an order so finding and
21 discharging the patient; and upon the recommendation of the
22 Board to the Secretary that the licensee be allowed to resume
23 his or her practice.

24 (d) The Department may refuse to issue or may suspend or
25 otherwise discipline the license of any person who fails to
26 file a return, or to pay the tax, penalty or interest shown in

1 a filed return, or to pay any final assessment of the tax,
2 penalty, or interest as required by any tax Act administered
3 by the Department of Revenue, until such time as the
4 requirements of any such tax Act are satisfied.

5 (e) In enforcing this Act, the Department, upon a showing
6 of a possible violation, may compel an individual licensed to
7 practice under this Act or who has applied for licensure under
8 this Act, to submit to a mental or physical examination, or
9 both, as required by and at the expense of the Department. The
10 Department may order the examining physician to present
11 testimony concerning the mental or physical examination of the
12 licensee or applicant. No information shall be excluded by
13 reason of any common law or statutory privilege relating to
14 communications between the licensee or applicant and the
15 examining physician. The examining physicians shall be
16 specifically designated by the Department. The individual to
17 be examined may have, at his or her own expense, another
18 physician of his or her choice present during all aspects of
19 this examination. Failure of an individual to submit to a
20 mental or physical examination, when directed, shall result in
21 an automatic suspension without hearing.

22 All substance-related violations shall mandate an
23 automatic substance abuse assessment. Failure to submit to an
24 assessment by a licensed physician who is certified as an
25 addictionist or an advanced practice registered nurse with
26 specialty certification in addictions may be grounds for an

1 automatic suspension, as defined by rule.

2 If the Department finds an individual unable to practice
3 or unfit for duty because of the reasons set forth in this
4 subsection (e), the Department may require that individual to
5 submit to a substance abuse evaluation or treatment by
6 individuals or programs approved or designated by the
7 Department, as a condition, term, or restriction for
8 continued, restored, or renewed licensure to practice; or, in
9 lieu of evaluation or treatment, the Department may file, or
10 the Board may recommend to the Department to file, a complaint
11 to immediately suspend, revoke, or otherwise discipline the
12 license of the individual. An individual whose license was
13 granted, continued, restored, renewed, disciplined or
14 supervised subject to such terms, conditions, or restrictions,
15 and who fails to comply with such terms, conditions, or
16 restrictions, shall be referred to the Secretary for a
17 determination as to whether the individual shall have his or
18 her license suspended immediately, pending a hearing by the
19 Department.

20 In instances in which the Secretary immediately suspends a
21 person's license under this subsection (e), a hearing on that
22 person's license must be convened by the Department within 15
23 days after the suspension and completed without appreciable
24 delay. The Department and Board shall have the authority to
25 review the subject individual's record of treatment and
26 counseling regarding the impairment to the extent permitted by

1 applicable federal statutes and regulations safeguarding the
2 confidentiality of medical records.

3 An individual licensed under this Act and affected under
4 this subsection (e) shall be afforded an opportunity to
5 demonstrate to the Department that he or she can resume
6 practice in compliance with nursing standards under the
7 provisions of his or her license.

8 (Source: P.A. 101-363, eff. 8-9-19; 102-558, eff. 8-20-21.)

9 Section 75. The Physician Assistant Practice Act of 1987
10 is amended by changing Section 21 as follows:

11 (225 ILCS 95/21) (from Ch. 111, par. 4621)

12 (Section scheduled to be repealed on January 1, 2028)

13 Sec. 21. Grounds for disciplinary action.

14 (a) The Department may refuse to issue or to renew, or may
15 revoke, suspend, place on probation, reprimand, or take other
16 disciplinary or non-disciplinary action with regard to any
17 license issued under this Act as the Department may deem
18 proper, including the issuance of fines not to exceed \$10,000
19 for each violation, for any one or combination of the
20 following causes:

21 (1) Material misstatement in furnishing information to
22 the Department.

23 (2) Violations of this Act, or the rules adopted under
24 this Act.

1 (3) Conviction by plea of guilty or nolo contendere,
2 finding of guilt, jury verdict, or entry of judgment or
3 sentencing, including, but not limited to, convictions,
4 preceding sentences of supervision, conditional discharge,
5 or first offender probation, under the laws of any
6 jurisdiction of the United States that is: (i) a felony;
7 or (ii) a misdemeanor, an essential element of which is
8 dishonesty, or that is directly related to the practice of
9 the profession.

10 (4) Making any misrepresentation for the purpose of
11 obtaining licenses.

12 (5) Professional incompetence.

13 (6) Aiding or assisting another person in violating
14 any provision of this Act or its rules.

15 (7) Failing, within 60 days, to provide information in
16 response to a written request made by the Department.

17 (8) Engaging in dishonorable, unethical, or
18 unprofessional conduct, as defined by rule, of a character
19 likely to deceive, defraud, or harm the public.

20 (9) Habitual or excessive use or addiction to alcohol,
21 narcotics, stimulants, or any other chemical agent or drug
22 that results in a physician assistant's inability to
23 practice with reasonable judgment, skill, or safety.

24 (10) Discipline by another U.S. jurisdiction or
25 foreign nation, if at least one of the grounds for
26 discipline is the same or substantially equivalent to

1 those set forth in this Section.

2 (11) Directly or indirectly giving to or receiving
3 from any person, firm, corporation, partnership, or
4 association any fee, commission, rebate or other form of
5 compensation for any professional services not actually or
6 personally rendered. Nothing in this paragraph (11)
7 affects any bona fide independent contractor or employment
8 arrangements, which may include provisions for
9 compensation, health insurance, pension, or other
10 employment benefits, with persons or entities authorized
11 under this Act for the provision of services within the
12 scope of the licensee's practice under this Act.

13 (12) A finding by the Disciplinary Board that the
14 licensee, after having his or her license placed on
15 probationary status has violated the terms of probation.

16 (13) Abandonment of a patient.

17 (14) Willfully making or filing false records or
18 reports in his or her practice, including but not limited
19 to false records filed with state agencies or departments.

20 (15) Willfully failing to report an instance of
21 suspected child abuse or neglect as required by the Abused
22 and Neglected Child Reporting Act.

23 (16) Physical illness, or mental illness or impairment
24 that results in the inability to practice the profession
25 with reasonable judgment, skill, or safety, including, but
26 not limited to, deterioration through the aging process or

1 loss of motor skill.

2 (17) Being named as a perpetrator in an indicated
3 report by the Department of Children and Family Services
4 under the Abused and Neglected Child Reporting Act, and
5 upon proof by clear and convincing evidence that the
6 licensee has caused a child to be an abused child or
7 neglected child as defined in the Abused and Neglected
8 Child Reporting Act.

9 (18) (Blank).

10 (19) Gross negligence resulting in permanent injury or
11 death of a patient.

12 (20) Employment of fraud, deception or any unlawful
13 means in applying for or securing a license as a physician
14 assistant.

15 (21) Exceeding the authority delegated to him or her
16 by his or her collaborating physician in a written
17 collaborative agreement.

18 (22) Immoral conduct in the commission of any act,
19 such as sexual abuse, sexual misconduct, or sexual
20 exploitation related to the licensee's practice.

21 (23) Violation of the Health Care Worker Self-Referral
22 Act.

23 (24) Practicing under a false or assumed name, except
24 as provided by law.

25 (25) Making a false or misleading statement regarding
26 his or her skill or the efficacy or value of the medicine,

1 treatment, or remedy prescribed by him or her in the
2 course of treatment.

3 (26) Allowing another person to use his or her license
4 to practice.

5 (27) Prescribing, selling, administering,
6 distributing, giving, or self-administering a drug
7 classified as a controlled substance for other than
8 medically accepted therapeutic purposes.

9 (28) Promotion of the sale of drugs, devices,
10 appliances, or goods provided for a patient in a manner to
11 exploit the patient for financial gain.

12 (29) A pattern of practice or other behavior that
13 demonstrates incapacity or incompetence to practice under
14 this Act.

15 (30) Violating State or federal laws or regulations
16 relating to controlled substances or other legend drugs or
17 ephedra as defined in the Ephedra Prohibition Act.

18 (31) Exceeding the prescriptive authority delegated by
19 the collaborating physician or violating the written
20 collaborative agreement delegating that authority.

21 (32) Practicing without providing to the Department a
22 notice of collaboration or delegation of prescriptive
23 authority.

24 (33) Failure to establish and maintain records of
25 patient care and treatment as required by law.

26 (34) Attempting to subvert or cheat on the examination

1 of the National Commission on Certification of Physician
2 Assistants or its successor agency.

3 (35) Willfully or negligently violating the
4 confidentiality between physician assistant and patient,
5 except as required by law.

6 (36) Willfully failing to report an instance of
7 suspected abuse, neglect, financial exploitation, or
8 self-neglect of an eligible adult as defined in and
9 required by the Adult Protective Services Act.

10 (37) Being named as an abuser in a verified report by
11 the Department on Aging under the Adult Protective
12 Services Act and upon proof by clear and convincing
13 evidence that the licensee abused, neglected, or
14 financially exploited an eligible adult as defined in the
15 Adult Protective Services Act.

16 (38) Failure to report to the Department an adverse
17 final action taken against him or her by another licensing
18 jurisdiction of the United States or a foreign state or
19 country, a peer review body, a health care institution, a
20 professional society or association, a governmental
21 agency, a law enforcement agency, or a court acts or
22 conduct similar to acts or conduct that would constitute
23 grounds for action under this Section.

24 (39) Failure to provide copies of records of patient
25 care or treatment, except as required by law.

26 (40) Entering into an excessive number of written

1 collaborative agreements with licensed physicians
2 resulting in an inability to adequately collaborate.

3 (41) Repeated failure to adequately collaborate with a
4 collaborating physician.

5 (42) Violating Article 75 of the Cannabis Regulation
6 and Tax Act ~~the Compassionate Use of Medical Cannabis~~
7 ~~Program Act.~~

8 (b) The Department may, without a hearing, refuse to issue
9 or renew or may suspend the license of any person who fails to
10 file a return, or to pay the tax, penalty or interest shown in
11 a filed return, or to pay any final assessment of the tax,
12 penalty, or interest as required by any tax Act administered
13 by the Illinois Department of Revenue, until such time as the
14 requirements of any such tax Act are satisfied.

15 (c) The determination by a circuit court that a licensee
16 is subject to involuntary admission or judicial admission as
17 provided in the Mental Health and Developmental Disabilities
18 Code operates as an automatic suspension. The suspension will
19 end only upon a finding by a court that the patient is no
20 longer subject to involuntary admission or judicial admission
21 and issues an order so finding and discharging the patient,
22 and upon the recommendation of the Disciplinary Board to the
23 Secretary that the licensee be allowed to resume his or her
24 practice.

25 (d) In enforcing this Section, the Department upon a
26 showing of a possible violation may compel an individual

1 licensed to practice under this Act, or who has applied for
2 licensure under this Act, to submit to a mental or physical
3 examination, or both, which may include a substance abuse or
4 sexual offender evaluation, as required by and at the expense
5 of the Department.

6 The Department shall specifically designate the examining
7 physician licensed to practice medicine in all of its branches
8 or, if applicable, the multidisciplinary team involved in
9 providing the mental or physical examination or both. The
10 multidisciplinary team shall be led by a physician licensed to
11 practice medicine in all of its branches and may consist of one
12 or more or a combination of physicians licensed to practice
13 medicine in all of its branches, licensed clinical
14 psychologists, licensed clinical social workers, licensed
15 clinical professional counselors, and other professional and
16 administrative staff. Any examining physician or member of the
17 multidisciplinary team may require any person ordered to
18 submit to an examination pursuant to this Section to submit to
19 any additional supplemental testing deemed necessary to
20 complete any examination or evaluation process, including, but
21 not limited to, blood testing, urinalysis, psychological
22 testing, or neuropsychological testing.

23 The Department may order the examining physician or any
24 member of the multidisciplinary team to provide to the
25 Department any and all records, including business records,
26 that relate to the examination and evaluation, including any

1 supplemental testing performed.

2 The Department may order the examining physician or any
3 member of the multidisciplinary team to present testimony
4 concerning the mental or physical examination of the licensee
5 or applicant. No information, report, record, or other
6 documents in any way related to the examination shall be
7 excluded by reason of any common law or statutory privilege
8 relating to communications between the licensee or applicant
9 and the examining physician or any member of the
10 multidisciplinary team. No authorization is necessary from the
11 licensee or applicant ordered to undergo an examination for
12 the examining physician or any member of the multidisciplinary
13 team to provide information, reports, records, or other
14 documents or to provide any testimony regarding the
15 examination and evaluation.

16 The individual to be examined may have, at his or her own
17 expense, another physician of his or her choice present during
18 all aspects of this examination. However, that physician shall
19 be present only to observe and may not interfere in any way
20 with the examination.

21 Failure of an individual to submit to a mental or physical
22 examination, when ordered, shall result in an automatic
23 suspension of his or her license until the individual submits
24 to the examination.

25 If the Department finds an individual unable to practice
26 because of the reasons set forth in this Section, the

1 Department may require that individual to submit to care,
2 counseling, or treatment by physicians approved or designated
3 by the Department, as a condition, term, or restriction for
4 continued, reinstated, or renewed licensure to practice; or,
5 in lieu of care, counseling, or treatment, the Department may
6 file a complaint to immediately suspend, revoke, or otherwise
7 discipline the license of the individual. An individual whose
8 license was granted, continued, reinstated, renewed,
9 disciplined, or supervised subject to such terms, conditions,
10 or restrictions, and who fails to comply with such terms,
11 conditions, or restrictions, shall be referred to the
12 Secretary for a determination as to whether the individual
13 shall have his or her license suspended immediately, pending a
14 hearing by the Department.

15 In instances in which the Secretary immediately suspends a
16 person's license under this Section, a hearing on that
17 person's license must be convened by the Department within 30
18 days after the suspension and completed without appreciable
19 delay. The Department shall have the authority to review the
20 subject individual's record of treatment and counseling
21 regarding the impairment to the extent permitted by applicable
22 federal statutes and regulations safeguarding the
23 confidentiality of medical records.

24 An individual licensed under this Act and affected under
25 this Section shall be afforded an opportunity to demonstrate
26 to the Department that he or she can resume practice in

1 compliance with acceptable and prevailing standards under the
2 provisions of his or her license.

3 (e) An individual or organization acting in good faith,
4 and not in a willful and wanton manner, in complying with this
5 Section by providing a report or other information to the
6 Board, by assisting in the investigation or preparation of a
7 report or information, by participating in proceedings of the
8 Board, or by serving as a member of the Board, shall not be
9 subject to criminal prosecution or civil damages as a result
10 of such actions.

11 (f) Members of the Board and the Disciplinary Board shall
12 be indemnified by the State for any actions occurring within
13 the scope of services on the Disciplinary Board or Board, done
14 in good faith and not willful and wanton in nature. The
15 Attorney General shall defend all such actions unless he or
16 she determines either that there would be a conflict of
17 interest in such representation or that the actions complained
18 of were not in good faith or were willful and wanton.

19 If the Attorney General declines representation, the
20 member has the right to employ counsel of his or her choice,
21 whose fees shall be provided by the State, after approval by
22 the Attorney General, unless there is a determination by a
23 court that the member's actions were not in good faith or were
24 willful and wanton.

25 The member must notify the Attorney General within 7 days
26 after receipt of notice of the initiation of any action

1 involving services of the Disciplinary Board. Failure to so
2 notify the Attorney General constitutes an absolute waiver of
3 the right to a defense and indemnification.

4 The Attorney General shall determine, within 7 days after
5 receiving such notice, whether he or she will undertake to
6 represent the member.

7 (Source: P.A. 101-363, eff. 8-9-19; 102-558, eff. 8-20-21.)

8 Section 80. The Preventing Youth Vaping Act is amended by
9 changing Section 5 as follows:

10 (410 ILCS 86/5)

11 Sec. 5. Definitions. In this Act:

12 "Additive" means any substance the intended use of which
13 results or may reasonably be expected to result, directly or
14 indirectly, in it becoming a component or otherwise affecting
15 the characteristic of any tobacco product, including, but not
16 limited to, any substances intended for use as a flavoring or
17 coloring or in producing, manufacturing, packing, processing,
18 preparing, treating, packaging, transporting, or holding.
19 "Additive" does not include tobacco or a pesticide chemical
20 residue in or on raw tobacco or a pesticide chemical.

21 "Consumer" means an individual who acquires or seeks to
22 acquire electronic cigarettes for personal use.

23 "Distributor" means a person who sells, offers for sale,
24 or transfers any tobacco, electronic cigarette, or tobacco

1 product for resale and not for use or consumption.
2 "Distributor" includes a distributor as defined in Section 1
3 of the Cigarette Tax Act, Section 1 of the Cigarette Use Tax
4 Act, and Section 10-5 of the Tobacco Products Tax Act of 1995.

5 "Electronic cigarette" means:

6 (1) any device that employs a battery or other
7 mechanism to heat a solution or substance to produce a
8 vapor or aerosol intended for inhalation;

9 (2) any cartridge or container of a solution or
10 substance intended to be used with or in the device or to
11 refill the device; or

12 (3) any solution or substance, whether or not it
13 contains nicotine, intended for use in the device.

14 "Electronic cigarette" includes, but is not limited to,
15 any electronic nicotine delivery system, electronic cigar,
16 electronic cigarillo, electronic pipe, electronic hookah, vape
17 pen, or similar product or device, and any component, part, or
18 accessory of a device used during the operation of the device
19 even if the part or accessory was sold separately. "Electronic
20 cigarette" does not include: cigarettes, as defined in Section
21 1 of the Cigarette Tax Act; any product approved by the United
22 States Food and Drug Administration for sale as a smoking
23 cessation product, a tobacco dependence product, or for other
24 medical purposes that is marketed and sold solely for that
25 approved purpose; any asthma inhaler prescribed by a physician
26 for that condition that is marketed and sold solely for that

1 approved purpose; any device that meets the definition of
2 cannabis paraphernalia under Section 1-10 of the Cannabis
3 Regulation and Tax Act; or any cannabis product sold by a
4 dispensing organization pursuant to the Cannabis Regulation
5 and Tax Act ~~or the Compassionate Use of Medical Cannabis~~
6 ~~Program Act.~~

7 "Manufacturer" means any person, wherever resident or
8 located, who manufactures and sells tobacco products.

9 "Manufacturer" does not include a person who makes,
10 manufactures, or fabricates tobacco products as a part of a
11 correctional industries program for sale to persons
12 incarcerated in penal institutions or resident patients of a
13 State-operated mental health facility.

14 "Modified risk tobacco product" means any tobacco product
15 that is sold or distributed to reduce harm or the risk of
16 tobacco related disease associated with commercially marketed
17 tobacco products.

18 "Person" means any individual, corporation, partnership,
19 limited liability company, association, or other organization
20 that engages in any for-profit or not-for-profit activities.

21 "Retailer" means a person who engages in this State in the
22 sale of or offers for sale electronic cigarettes for use or
23 consumption and not for resale in any form. "Retailer"
24 includes a retailer as defined in Section 1 of the Cigarette
25 Tax Act and Section 10-5 of the Tobacco Products Tax Act of
26 1995.

1 "Secondary distributor" has the same meaning as defined in
2 Section 1 of the Cigarette Tax Act and Section 1 of the
3 Cigarette Use Tax Act.

4 "Tobacco product" has the same meaning as defined in
5 Section 10-5 of the Tobacco Products Tax Act of 1995.

6 (Source: P.A. 102-575, eff. 1-1-22.)

7 Section 85. The Cannabis Regulation and Tax Act is amended
8 by changing Sections 1-10, 5-5, 5-10, 5-15, 5-20, 5-25, 5-30,
9 5-45, 7-1, 7-15, 7-20, 7-25, 7-30, 10-5, 10-10, 10-15, 10-20,
10 10-35, 10-45, 10-50, 15-5, 15-15, 15-20, 15-30.20, 15-35.10,
11 15-35.20, 15-55, 15-75, 15-85, 15-90, 15-100, 15-110, 15-120,
12 15-125, 15-135, 15-140, 15-145, 15-150, 15-155, 15-160,
13 15-165, 15-170, 15-175, 20-1, 20-5, 20-10, 20-15, 20-21,
14 20-30, 20-55, 25-1, 25-5, 25-10, 25-15, 25-25, 25-30, 25-35,
15 25-40, 30-3, 30-5, 30-10, 30-20, 30-30, 30-45, 30-55, 35-3,
16 35-5, 35-10, 35-25, 35-31, 35-45, 40-1, 40-5, 40-10, 40-25,
17 40-45, 45-5, 45-10, 45-20, 50-5, 55-5, 55-10, 55-15, 55-21,
18 55-30, 55-35, 55-40, 55-45, 55-50, 55-55, 55-60, 55-65, 55-85,
19 60-5, 60-20, 65-5, 65-10, and 65-15 and by adding Sections
20 5-50 and 7-12 and Article 75 as follows:

21 (410 ILCS 705/1-10)

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

23 "Adult Use Cultivation Center License" means a license
24 issued by the Commission ~~Department of Agriculture~~ that

1 permits a person to act as a cultivation center under this Act
2 and any administrative rule made in furtherance of this Act.

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

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

15 "Application points" means the number of points a
16 Dispensary Applicant receives on an application for a
17 Conditional Adult Use Dispensing Organization License.

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

1 Illinois nonmetropolitan area.

2 "By lot" means a randomized method of choosing between 2
3 or more Eligible Tied Applicants or 2 or more Qualifying
4 Applicants.

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

24 "Cannabis business establishment" means a cultivation
25 center, craft grower, processing organization, infuser
26 organization, dispensing organization, or transporting

1 organization.

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

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

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

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

1 "Cannabis paraphernalia" means equipment, products, or
2 materials intended to be used for planting, propagating,
3 cultivating, growing, harvesting, manufacturing, producing,
4 processing, preparing, testing, analyzing, packaging,
5 repackaging, storing, containing, concealing, ingesting, or
6 otherwise introducing cannabis into the human body.

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

18 "Cannabis testing facility" means an entity registered by
19 the Commission ~~Department of Agriculture~~ to test cannabis for
20 potency and contaminants.

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

25 "Commission" means the Cannabis Equity and Oversight
26 Commission created under Section 5-50.

1 "Commissioner" means a member of the Commission.

2 "Community College Cannabis Vocational Training Pilot
3 Program faculty participant" means a person who is 21 years of
4 age or older, licensed by the Commission ~~Department of~~
5 ~~Agriculture~~, and is employed or contracted by an Illinois
6 community college to provide student instruction using
7 cannabis plants at an Illinois Community College.

8 "Community College Cannabis Vocational Training Pilot
9 Program faculty participant Agent Identification Card" means a
10 document issued by the Commission ~~Department of Agriculture~~
11 that identifies a person as a Community College Cannabis
12 Vocational Training Pilot Program faculty participant.

13 "Compassionate Use of Medical Cannabis Program" or
14 "Program" means the program established under Article 75 of
15 this Act (formerly the Compassionate Use of Medical Cannabis
16 Program Act that has been combined with this Act) for the
17 purpose of streamlining the governance of the medical and
18 adult use cannabis programs.

19 "Conditional Adult Use Dispensing Organization License"
20 means a contingent license awarded to applicants for an Adult
21 Use Dispensing Organization License that reserves the right to
22 an Adult Use Dispensing Organization License if the applicant
23 meets certain conditions described in this Act, but does not
24 entitle the recipient to begin purchasing or selling cannabis
25 or cannabis-infused products.

26 "Conditional Adult Use Cultivation Center License" means a

1 license awarded to ~~top-scoring~~ applicants for an Adult Use
2 Cultivation Center License that reserves the right to an Adult
3 Use Cultivation Center License if the applicant meets certain
4 conditions as determined by the Commission ~~Department of~~
5 ~~Agriculture~~ by rule, but does not entitle the recipient to
6 begin growing, processing, or selling cannabis or
7 cannabis-infused products.

8 "Craft grower" means a facility operated by an
9 organization or business that is licensed by the Commission
10 ~~Department of Agriculture~~ to cultivate, dry, cure, and package
11 cannabis and perform other necessary activities to make
12 cannabis available for sale at a dispensing organization or
13 use at a processing organization. A craft grower may contain
14 up to 5,000 square feet of canopy space on its premises for
15 plants in the flowering state. The Commission ~~Department of~~
16 ~~Agriculture~~ may authorize an increase or decrease of flowering
17 stage cultivation space in increments of 3,000 square feet by
18 rule based on market need, craft grower capacity, and the
19 licensee's history of compliance or noncompliance, with a
20 maximum space of 14,000 square feet for cultivating plants in
21 the flowering stage, which must be cultivated in all stages of
22 growth in an enclosed and secure area. A craft grower may share
23 premises with a processing organization or a dispensing
24 organization, or both, provided each licensee stores currency
25 and cannabis or cannabis-infused products in a separate
26 secured vault to which the other licensee does not have access

1 or all licensees sharing a vault share more than 50% of the
2 same ownership.

3 "Craft grower agent" means a principal officer, board
4 member, employee, or other agent of a craft grower who is 21
5 years of age or older.

6 "Craft Grower Agent Identification Card" means a document
7 issued by the Commission ~~Department of Agriculture~~ that
8 identifies a person as a craft grower agent.

9 "Cultivation center" means a facility operated by an
10 organization or business that is licensed by the Commission
11 ~~Department of Agriculture~~ to cultivate, process, transport
12 (unless otherwise limited by this Act), and perform other
13 necessary activities to provide cannabis and cannabis-infused
14 products to cannabis business establishments.

15 "Cultivation center agent" means a principal officer,
16 board member, employee, or other agent of a cultivation center
17 who is 21 years of age or older.

18 "Cultivation Center Agent Identification Card" means a
19 document issued by the Commission ~~Department of Agriculture~~
20 that identifies a person as a cultivation center agent.

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

22 "Dispensary" means a facility operated by a dispensing
23 organization at which activities licensed by this Act may
24 occur.

25 "Dispensary Applicant" means the Proposed Dispensing
26 Organization Name as stated on an application for a

1 Conditional Adult Use Dispensing Organization License.

2 "Dispensing organization" means a facility operated by an
3 organization or business that is licensed by the Commission
4 ~~Department of Financial and Professional Regulation~~ to acquire
5 cannabis from a cultivation center, craft grower, processing
6 organization, or another dispensary for the purpose of selling
7 or dispensing cannabis, cannabis-infused products, cannabis
8 seeds, paraphernalia, or related supplies under this Act to
9 purchasers or to qualified registered medical cannabis
10 patients and caregivers. As used in this Act, "dispensing
11 organization" includes a registered medical cannabis
12 organization as defined in the Compassionate Use of Medical
13 Cannabis Program Act or its successor Act that has obtained an
14 Early Approval Adult Use Dispensing Organization License.

15 "Dispensing organization agent" means a principal officer,
16 employee, or agent of a dispensing organization who is 21
17 years of age or older.

18 "Dispensing organization agent identification card" means
19 a document issued by the Commission ~~Department of Financial~~
20 ~~and Professional Regulation~~ that identifies a person as a
21 dispensing organization agent.

22 "Disproportionately Impacted Area" means a census tract or
23 comparable geographic area that satisfies the following
24 criteria as determined by the Department of Commerce and
25 Economic Opportunity, that:

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

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

3 (B) 75% or more of the children in the area
4 participate in the federal free lunch program
5 according to reported statistics from the State Board
6 of Education; or

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

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

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

20 "Early Approval Adult Use Cultivation Center License"
21 means a license that permits a medical cannabis cultivation
22 center licensed under ~~the Compassionate Use of Medical~~
23 ~~Cannabis Program Act as of the effective date of this Act~~ to
24 begin cultivating, infusing, packaging, transporting (unless
25 otherwise provided in this Act), processing, and selling
26 cannabis or cannabis-infused product to cannabis business

1 establishments for resale to purchasers as permitted by this
2 Act as of January 1, 2020.

3 "Early Approval Adult Use Dispensing Organization License"
4 means a license that permits a medical cannabis dispensing
5 organization licensed under ~~the Compassionate Use of Medical~~
6 ~~Cannabis Program Act as of the effective date of this Act~~ to
7 begin selling cannabis or cannabis-infused product to
8 purchasers as permitted by this Act as of January 1, 2020.

9 "Early Approval Adult Use Dispensing Organization at a
10 secondary site" means a license that permits a medical
11 cannabis dispensing organization licensed under ~~the~~
12 ~~Compassionate Use of Medical Cannabis Program Act as of the~~
13 ~~effective date of this Act~~ to begin selling cannabis or
14 cannabis-infused product to purchasers as permitted by this
15 Act on January 1, 2020 at a different dispensary location from
16 its existing registered medical dispensary location.

17 "Eligible Tied Applicant" means a Tied Applicant that is
18 eligible to participate in the process by which a remaining
19 available license is distributed by lot pursuant to a Tied
20 Applicant Lottery.

21 "Enclosed, locked facility" means a room, greenhouse,
22 building, outdoor canopy space, or other enclosed area
23 equipped with locks or other security devices that permit
24 access only by cannabis business establishment agents working
25 for the licensed cannabis business establishment or acting
26 pursuant to this Act to cultivate, process, store, or

1 distribute cannabis.

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

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

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

21 "Financial institution" has the same meaning as "financial
22 organization" as defined in Section 1501 of the Illinois
23 Income Tax Act, and also includes the holding companies,
24 subsidiaries, and affiliates of such financial organizations.

25 "Flowering stage" means the stage of cultivation where and
26 when a cannabis plant is cultivated to produce plant material

1 for cannabis products. This includes mature plants as follows:

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

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

9 "Individual" means a natural person.

10 "Infuser organization" or "infuser" means a facility
11 operated by an organization or business that is licensed by
12 the Commission ~~Department of Agriculture~~ to directly
13 incorporate cannabis or cannabis concentrate into a product
14 formulation to produce a cannabis-infused product.

15 "Institutional investor" means any of the following:

16 (1) A retirement fund administered by a public agency
17 for the exclusive benefit of federal, State, or local
18 public employees.

19 (2) An investment company registered under Section 8
20 of the federal Investment Company Act of 1940 (15 U.S.C.
21 80a-8).

22 (3) A collective investment trust organized by a bank
23 under 12 CFR 9.18.

24 (4) A closed-end investment trust registered with the
25 United States Securities and Exchange Commission.

26 (5) A chartered or licensed life insurance company or

1 a property and casualty insurance company.

2 (6) A federal or State bank.

3 (7) An investment advisor registered under the federal
4 Investment Advisers Act of 1940 (15 U.S.C. 80b-1 et
5 seq.).

6 (8) Any other person the Commission determines for
7 reasons consistent with this Act.

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

12 "Labor peace agreement" means an agreement between a
13 cannabis business establishment and any labor organization
14 recognized under the National Labor Relations Act, referred to
15 in this Act as a bona fide labor organization, that prohibits
16 labor organizations and members from engaging in picketing,
17 work stoppages, boycotts, and any other economic interference
18 with the cannabis business establishment. This agreement means
19 that the cannabis business establishment has agreed not to
20 disrupt efforts by the bona fide labor organization to
21 communicate with, and attempt to organize and represent, the
22 cannabis business establishment's employees. The agreement
23 shall provide a bona fide labor organization access at
24 reasonable times to areas in which the cannabis business
25 establishment's employees work, for the purpose of meeting
26 with employees to discuss their right to representation,

1 employment rights under State law, and terms and conditions of
2 employment. This type of agreement shall not mandate a
3 particular method of election or certification of the bona
4 fide labor organization.

5 "Limited access area" means a room or other area under the
6 control of a cannabis dispensing organization licensed under
7 this Act and upon the licensed premises where cannabis sales
8 occur with access limited to purchasers, dispensing
9 organization owners and other dispensing organization agents,
10 or service professionals conducting business with the
11 dispensing organization, or, if sales to registered qualifying
12 patients, caregivers, provisional patients, and Opioid
13 Alternative Pilot Program participants licensed pursuant to
14 Section 75-62 ~~the Compassionate Use of Medical Cannabis~~
15 ~~Program Act~~ are also permitted at the dispensary, registered
16 qualifying patients, caregivers, provisional patients, and
17 Opioid Alternative Pilot Program participants.

18 "Loan" means a loan or debt support from a facility
19 established through a financial intermediary agreement.

20 "Member of an impacted family" means an individual who has
21 a parent, legal guardian, child, spouse, or dependent, or was
22 a dependent of an individual who, prior to the effective date
23 of this Act, was arrested for, convicted of, or adjudicated
24 delinquent for any offense that is eligible for expungement
25 under this Act.

26 "Mother plant" means a cannabis plant that is cultivated

1 or maintained for the purpose of generating clones, and that
2 will not be used to produce plant material for sale to an
3 infuser or dispensing organization.

4 "Ordinary public view" means within the sight line with
5 normal visual range of a person, unassisted by visual aids,
6 from a public street or sidewalk adjacent to real property, or
7 from within an adjacent property.

8 "Ownership and control" means ownership of at least 51% of
9 the business, including corporate stock if a corporation, and
10 control over the management and day-to-day operations of the
11 business and an interest in the capital, assets, and profits
12 and losses of the business proportionate to percentage of
13 ownership.

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

19 "Possession limit" means the amount of cannabis under
20 Section 10-10 that may be possessed at any one time by a person
21 21 years of age or older or who is a registered qualifying
22 medical cannabis patient or caregiver under Article 75 ~~the~~
23 ~~Compassionate Use of Medical Cannabis Program Act.~~

24 "Principal officer" includes a cannabis business
25 establishment applicant or licensed cannabis business
26 establishment's board member, owner with more than 1% interest

1 of the total cannabis business establishment or more than 5%
2 interest of the total cannabis business establishment of a
3 publicly traded company, president, vice president, secretary,
4 treasurer, partner, officer, member, manager member, or person
5 with a profit sharing, financial interest, or revenue sharing
6 arrangement. The definition includes a person with authority
7 to control the cannabis business establishment, a person who
8 assumes responsibility for the debts of the cannabis business
9 establishment and who is further defined in this Act.

10 "Primary residence" means a dwelling where a person
11 usually stays or stays more often than other locations. It may
12 be determined by, without limitation, presence, tax filings;
13 address on an Illinois driver's license, an Illinois
14 Identification Card, or an Illinois Person with a Disability
15 Identification Card; or voter registration. No person may have
16 more than one primary residence.

17 "Processing organization" or "processor" means a facility
18 operated by an organization or business that is licensed by
19 the Commission ~~Department of Agriculture~~ to either extract
20 constituent chemicals or compounds to produce cannabis
21 concentrate or incorporate cannabis or cannabis concentrate
22 into a product formulation to produce a cannabis product.

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

25 "Processing organization agent identification card" means
26 a document issued by the Commission ~~Department of Agriculture~~

1 that identifies a person as a processing organization agent.

2 "Purchaser" means a person 21 years of age or older who
3 acquires cannabis for a valuable consideration. "Purchaser"
4 does not include a cardholder under Article 75 ~~the~~
5 ~~Compassionate Use of Medical Cannabis Program Act.~~

6 "Qualifying Applicant" means an applicant that submitted
7 an application pursuant to Section 15-30 that received at
8 least 85% of 250 application points available under Section
9 15-30 as the applicant's final score and meets the definition
10 of "Social Equity Applicant" as set forth under this Section.

11 "Qualifying Social Equity Justice Involved Applicant"
12 means an applicant that submitted an application pursuant to
13 Section 15-30 that received at least 85% of 250 application
14 points available under Section 15-30 as the applicant's final
15 score and meets the criteria of either paragraph (1) or (2) of
16 the definition of "Social Equity Applicant" as set forth under
17 this Section.

18 "Qualified Social Equity Applicant" means a Social Equity
19 Applicant who has been awarded a conditional license under
20 this Act to operate a cannabis business establishment.

21 "Resided" means an individual's primary residence was
22 located within the relevant geographic area as established by
23 2 of the following:

24 (1) a signed lease agreement that includes the
25 applicant's name;

26 (2) a property deed that includes the applicant's

1 name;

2 (3) school records;

3 (4) a voter registration card;

4 (5) an Illinois driver's license, an Illinois
5 Identification Card, or an Illinois Person with a
6 Disability Identification Card;

7 (6) a paycheck stub;

8 (7) a utility bill;

9 (8) tax records; or

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

12 "Smoking" means the inhalation of smoke caused by the
13 combustion of cannabis.

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

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

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

22 (i) have been arrested for, convicted of, or
23 adjudicated delinquent for any offense that is
24 eligible for expungement under this Act; or

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

26 (3) for applicants with a minimum of 10 full-time

1 employees, an applicant with at least 51% of current
2 employees who:

3 (i) currently reside in a Disproportionately
4 Impacted Area; or

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

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

14 "Tied Applicant" means an application submitted by a
15 Dispensary Applicant pursuant to Section 15-30 that received
16 the same number of application points under Section 15-30 as
17 the Dispensary Applicant's final score as one or more
18 top-scoring applications in the same BLS Region and would have
19 been awarded a license but for the one or more other
20 top-scoring applications that received the same number of
21 application points. Each application for which a Dispensary
22 Applicant was required to pay a required application fee for
23 the application period ending January 2, 2020 shall be
24 considered an application of a separate Tied Applicant.

25 "Tied Applicant Lottery" means the process established
26 under 68 Ill. Adm. Code 1291.50 for awarding Conditional Adult

1 Use Dispensing Organization Licenses pursuant to Sections
2 15-25 and 15-30 among Eligible Tied Applicants.

3 "Tincture" means a cannabis-infused solution, typically
4 comprised of alcohol, glycerin, or vegetable oils, derived
5 either directly from the cannabis plant or from a processed
6 cannabis extract. A tincture is not an alcoholic liquor as
7 defined in the Liquor Control Act of 1934. A tincture shall
8 include a calibrated dropper or other similar device capable
9 of accurately measuring servings.

10 "Transporting organization" or "transporter" means an
11 organization or business that is licensed by the Commission
12 ~~Department of Agriculture~~ to transport cannabis or
13 cannabis-infused product on behalf of a cannabis business
14 establishment or a community college licensed under the
15 Community College Cannabis Vocational Training Pilot Program.

16 "Transporting organization agent" means a principal
17 officer, board member, employee, or agent of a transporting
18 organization.

19 "Transporting organization agent identification card"
20 means a document issued by the Commission ~~Department of~~
21 ~~Agriculture~~ that identifies a person as a transporting
22 organization agent.

23 "Unit of local government" means any county, city,
24 village, or incorporated town.

25 "Vegetative stage" means the stage of cultivation in which
26 a cannabis plant is propagated to produce additional cannabis

1 plants or reach a sufficient size for production. This
2 includes seedlings, clones, mothers, and other immature
3 cannabis plants as follows:

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

9 (2) any cannabis plant that is cultivated solely for
10 the purpose of propagating clones and is never used to
11 produce cannabis.

12 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19;
13 102-98, eff. 7-15-21; 102-538, eff. 8-20-21; 102-813, eff.
14 5-13-22.)

15 (410 ILCS 705/5-5)

16 Sec. 5-5. Sharing of authority. Notwithstanding any
17 provision of law to the contrary, on and after July 1, 2023 the
18 Commission may enter into intergovernmental cooperation
19 agreements with State departments that have any authority
20 granted under this Act to carry out the functions, duties, and
21 responsibilities of the Commission. The State departments
22 shall collaborate and coordinate with the Commission to
23 facilitate an efficient reorganization of the oversight and
24 enforcement of the cannabis industry ~~any authority granted to~~
25 ~~any State agency or State employees or appointees under the~~

1 ~~Compassionate Use of Medical Cannabis Program Act shall be~~
2 ~~shared by any State agency or State employees or appointees~~
3 ~~given authority to license, discipline, revoke, regulate, or~~
4 ~~make rules under this Act.~~

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

6 (410 ILCS 705/5-10)

7 Sec. 5-10. Department of Agriculture; transfer of duties
8 to the Cannabis Equity and Oversight Commission.

9 (a) The Department of Agriculture shall administer and
10 enforce provisions of this Act relating to the oversight and
11 registration of cultivation centers, craft growers, infuser
12 organizations, and transporting organizations and agents,
13 including the issuance of identification cards and
14 establishing limits on potency or serving size for cannabis or
15 cannabis products. The Department of Agriculture may suspend
16 or revoke the license of, or impose other penalties upon
17 cultivation centers, craft growers, infuser organizations,
18 transporting organizations, and their principal officers,
19 Agents-in-Charge, and agents for violations of this Act and
20 any rules adopted under this Act.

21 (b) Notwithstanding subsection (a), all functions granted
22 to the Department of Agriculture under subsection (a) are
23 transferred to, and shall be carried out by, the Commission.
24 The Department of Agriculture shall transfer all data and
25 records of the Department that are related to its

1 administration of this Act to the Commission. The Commission
2 has all authority previously granted to the Department of
3 Agriculture to enforce this Act.

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

5 (410 ILCS 705/5-15)

6 Sec. 5-15. Department of Financial and Professional
7 Regulation; transfer of duties to the Cannabis Equity and
8 Oversight Commission.

9 (a) The Department of Financial and Professional
10 Regulation shall enforce the provisions of this Act relating
11 to the oversight and registration of dispensing organizations
12 and agents, including the issuance of identification cards for
13 dispensing organization agents. The Department of Financial
14 and Professional Regulation may suspend or revoke the license
15 of, or otherwise discipline dispensing organizations,
16 principal officers, agents-in-charge, and agents for
17 violations of this Act and any rules adopted under this Act.

18 (b) Notwithstanding subsection (a), all functions granted
19 to the Department of Financial and Professional Regulation
20 under subsection (a) are transferred to, and shall be carried
21 out by, the Commission. The Department of Financial and
22 Professional Regulation shall transfer all data and records of
23 the Department that are related to its administration of this
24 Act to the Commission. The Commission has all authority
25 previously granted to the Department of Financial and

1 Professional Regulation to enforce this Act.

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

3 (410 ILCS 705/5-20)

4 Sec. 5-20. Background checks; Illinois State Police.

5 (a) Through the Illinois State Police, the Commission
6 ~~licensing or issuing Department~~ shall conduct a criminal
7 history record check of the prospective principal officers,
8 board members, and agents of a cannabis business establishment
9 applying for a license or identification card under this Act.

10 To the extent that the business structure of the applicant
11 or licensee allows, and except for an institutional investor
12 who is exempt under this subsection, the background check
13 shall be conducted for any, all, or any combination of the
14 following, as the Commission reasonably deems appropriate or
15 as provided by rule for each category of licensure:

16 (1) A beneficiary of a trust.

17 (2) A partner of a partnership.

18 (3) A member of a limited liability company.

19 (4) A director or officer of a publicly or nonpublicly
20 held corporation.

21 (5) A stockholder in a nonpublicly held corporation.

22 (6) A stockholder of a publicly held corporation who
23 owns 5% or more of the corporation.

24 Except for an institutional investor who is exempt under
25 this subsection, a person seeking or possessing a license as a

1 cultivation center, craft grower, infuser organization,
2 dispensing organization, or transporting organization shall
3 disclose the identity of every person, association, trust,
4 corporation, or limited liability company having a direct or
5 indirect pecuniary interest in the cannabis business operation
6 for which the license is sought that is greater than 5%. If the
7 disclosed entity is a trust, the application shall disclose
8 the name and address of each beneficiary of the trust. If the
9 disclosed entity is a corporation, the application shall
10 disclose the name and address of each stockholder and director
11 of the corporation. If the disclosed entity is a limited
12 liability company, the application shall disclose the name and
13 address of each member of the limited liability company. If
14 the disclosed entity is a partnership, the application shall
15 disclose the name and address of each partner of the
16 partnership, whether general or limited.

17 A business entity that is an institutional investor may
18 submit a disclosure form provided by the Commission in lieu of
19 being subject to a background check under this Section if the
20 institutional investor: (i) submits the disclosure form no
21 more than 45 days after, or as otherwise provided by the
22 Commission, the institutional investor individually, jointly,
23 or cumulatively acquires, directly or indirectly, at least 5%
24 but less than 25% of any class of publicly traded security
25 issued by a corporate applicant or licensee or parent or
26 subsidiary company of an applicant or licensee; (ii) holds or

1 controls publicly traded securities issued by a corporate
2 applicant or licensee or parent or subsidiary company of an
3 applicant or licensee in the ordinary course of business and
4 for investment purposes only; and (iii) does not exercise or
5 intend to exercise influence or control over the affairs of
6 the publicly traded securities issued by a corporate applicant
7 or licensee, parent or subsidiary company of an applicant or
8 licensee, or heir affiliates.

9 If an institutional investor is exempt from a background
10 check under this subsection and intends, after submitting a
11 disclosure under this subsection, to exercise influence or
12 control over the affairs of a corporate applicant or licensee,
13 parent or subsidiary company of an applicant or licensee, or
14 the affiliate of such an applicant or licensee of who issues
15 publicly traded securities, the institutional investor shall
16 provide not less than 30 days' notice of that intent and shall
17 submit to any background check of the institutional investor
18 initiated under this Section before taking any action that may
19 influence or control the affairs of the issuer of those
20 securities or the issuer's affiliates. For purposes of this
21 subsection, an institutional investor exercising a voting
22 privilege on a matter put to the vote of outstanding security
23 holders does not exercise or intend to exercise influence or
24 control over the affairs of the issuer of those securities.

25 Each cannabis business establishment prospective principal
26 officer, board member, or agent shall submit his or her

1 fingerprints to the Illinois State Police in the form and
2 manner prescribed by the Illinois State Police.

3 Unless otherwise provided in this Act, such fingerprints
4 shall be transmitted through a live scan fingerprint vendor
5 licensed by the Department of Financial and Professional
6 Regulation. These fingerprints shall be checked against the
7 fingerprint records now and hereafter filed in the Illinois
8 State Police and Federal Bureau of Investigation criminal
9 history records databases. The Illinois State Police shall
10 charge a fee for conducting the criminal history record check,
11 which shall be deposited into the State Police Services Fund
12 and shall not exceed the actual cost of the State and national
13 criminal history record check. The Illinois State Police shall
14 furnish, pursuant to positive identification, all Illinois
15 conviction information and shall forward the national criminal
16 history record information to the Commission.†

17 ~~(i) the Department of Agriculture, with respect to a~~
18 ~~cultivation center, craft grower, infuser organization, or~~
19 ~~transporting organization; or~~

20 ~~(ii) the Department of Financial and Professional~~
21 ~~Regulation, with respect to a dispensing organization.~~

22 (b) When applying for the initial license or
23 identification card, the background checks for all prospective
24 principal officers, board members, and agents shall be
25 completed before submitting the application to the licensing
26 or issuing agency.

1 (c) All applications for licensure under this Act by
2 applicants with criminal convictions shall be subject to
3 Sections 2105-131, 2105-135, and 2105-205 of the Department of
4 Professional Regulation Law of the Civil Administrative Code
5 of Illinois.

6 (d) Notwithstanding any other provision of law, all
7 authority granted to the Illinois State Police, including, but
8 not limited to, conducting random inspections and
9 investigations, provided under Sections 15-135, 25-30, 30-30,
10 35-25, 40-25, and 55-15 of this Act and Sections 105 and 130 of
11 the Compassionate Use of Medical Cannabis Program Act are
12 transferred to the Commission. The Illinois State Police shall
13 transfer all data and records of the Illinois State Police
14 that are related to its administration of this Act to the
15 Commission.

16 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19;
17 102-538, eff. 8-20-21.)

18 (410 ILCS 705/5-25)

19 (Text of Section before amendment by P.A. 102-1006)

20 Sec. 5-25. Department of Public Health to make health
21 warning recommendations.

22 (a) The Department of Public Health shall make
23 recommendations to the Department of Agriculture and the
24 Department of Financial and Professional Regulation on
25 appropriate health warnings for dispensaries and advertising,

1 which may apply to all cannabis products, including item-type
2 specific labeling or warning requirements, regulate the
3 facility where cannabis-infused products are made, regulate
4 cannabis-infused products as provided in subsection (e) of
5 Section 55-5, and facilitate the Adult Use Cannabis Health
6 Advisory Committee.

7 (b) An Adult Use Cannabis Health Advisory Committee is
8 hereby created and shall meet at least twice annually. The
9 Chairperson may schedule meetings more frequently upon his or
10 her initiative or upon the request of a Committee member.
11 Meetings may be held in person or by teleconference. The
12 Committee shall discuss and monitor changes in drug use data
13 in Illinois and the emerging science and medical information
14 relevant to the health effects associated with cannabis use
15 and may provide recommendations to the Department of Human
16 Services about public health awareness campaigns and messages.
17 The Committee shall include the following members appointed by
18 the Governor and shall represent the geographic, ethnic, and
19 racial diversity of the State:

20 (1) The Director of Public Health, or his or her
21 designee, who shall serve as the Chairperson.

22 (2) The Secretary of Human Services, or his or her
23 designee, who shall serve as the Co-Chairperson.

24 (3) A representative of the poison control center.

25 (4) A pharmacologist.

26 (5) A pulmonologist.

- 1 (6) An emergency room physician.
- 2 (7) An emergency medical technician, paramedic, or
3 other first responder.
- 4 (8) A nurse practicing in a school-based setting.
- 5 (9) A psychologist.
- 6 (10) A neonatologist.
- 7 (11) An obstetrician-gynecologist.
- 8 (12) A drug epidemiologist.
- 9 (13) A medical toxicologist.
- 10 (14) An addiction psychiatrist.
- 11 (15) A pediatrician.
- 12 (16) A representative of a statewide professional
13 public health organization.
- 14 (17) A representative of a statewide hospital/health
15 system association.
- 16 (18) An individual registered as a patient in the
17 Compassionate Use of Medical Cannabis Program.
- 18 (19) An individual registered as a caregiver in the
19 Compassionate Use of Medical Cannabis Program.
- 20 (20) A representative of an organization focusing on
21 cannabis-related policy.
- 22 (21) A representative of an organization focusing on
23 the civil liberties of individuals who reside in Illinois.
- 24 (22) A representative of the criminal defense or civil
25 aid community of attorneys serving Disproportionately
26 Impacted Areas.

1 (23) A representative of licensed cannabis business
2 establishments.

3 (24) A Social Equity Applicant.

4 (25) A representative of a statewide community-based
5 substance use disorder treatment provider association.

6 (26) A representative of a statewide community-based
7 mental health treatment provider association.

8 (27) A representative of a community-based substance
9 use disorder treatment provider.

10 (28) A representative of a community-based mental
11 health treatment provider.

12 (29) A substance use disorder treatment patient
13 representative.

14 (30) A mental health treatment patient representative.

15 (c) The Committee shall provide a report by September 30,
16 2021, and every year thereafter, to the General Assembly. The
17 Department of Public Health shall make the report available on
18 its website.

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

20 (Text of Section after amendment by P.A. 102-1006)

21 Sec. 5-25. Department of Public Health to make health
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24 recommendations to the Commission ~~Department of Agriculture~~
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2 which may apply to all cannabis products, including item-type
3 specific labeling or warning requirements, regulate the
4 facility where cannabis-infused products are made, regulate
5 cannabis-infused products as provided in subsection (e) of
6 Section 55-5, and facilitate the Adult Use Cannabis Health
7 Advisory Committee.

8 (b) An Adult Use Cannabis Health Advisory Committee is
9 hereby created and shall meet at least twice annually. The
10 Chairperson may schedule meetings more frequently upon his or
11 her initiative or upon the request of a Committee member.
12 Meetings may be held in person or by teleconference. The
13 Committee shall discuss and monitor changes in drug use data
14 in Illinois and the emerging science and medical information
15 relevant to the health effects associated with cannabis use
16 and may provide recommendations to the Department of Human
17 Services and the Commission about public health awareness
18 campaigns and messages. The Committee shall include the
19 following members appointed by the Governor and shall
20 represent the geographic, ethnic, and racial diversity of the
21 State:

22 (1) The Director of Public Health, or his or her
23 designee, who shall serve as the Chairperson.

24 (2) The Secretary of Human Services, or his or her
25 designee, who shall serve as the Co-Chairperson.

26 (3) A representative of the poison control center.

- 1 (4) A pharmacologist.
- 2 (5) A pulmonologist.
- 3 (6) An emergency room physician.
- 4 (7) An emergency medical technician, paramedic,
5 emergency medical dispatcher, or other first responder.
- 6 (8) A nurse practicing in a school-based setting.
- 7 (9) A psychologist.
- 8 (10) A neonatologist.
- 9 (11) An obstetrician-gynecologist.
- 10 (12) A drug epidemiologist.
- 11 (13) A medical toxicologist.
- 12 (14) An addiction psychiatrist.
- 13 (15) A pediatrician.
- 14 (16) A representative of a statewide professional
15 public health organization.
- 16 (17) A representative of a statewide hospital/health
17 system association.
- 18 (18) An individual registered as a patient in the
19 Compassionate Use of Medical Cannabis Program.
- 20 (19) An individual registered as a caregiver in the
21 Compassionate Use of Medical Cannabis Program.
- 22 (20) A representative of an organization focusing on
23 cannabis-related policy.
- 24 (21) A representative of an organization focusing on
25 the civil liberties of individuals who reside in Illinois.
- 26 (22) A representative of the criminal defense or civil

1 aid community of attorneys serving Disproportionately
2 Impacted Areas.

3 (23) A representative of licensed cannabis business
4 establishments.

5 (24) A Social Equity Applicant.

6 (25) A representative of a statewide community-based
7 substance use disorder treatment provider association.

8 (26) A representative of a statewide community-based
9 mental health treatment provider association.

10 (27) A representative of a community-based substance
11 use disorder treatment provider.

12 (28) A representative of a community-based mental
13 health treatment provider.

14 (29) A substance use disorder treatment patient
15 representative.

16 (30) A mental health treatment patient representative.

17 (c) The Committee shall provide a report by September 30,
18 2021, and every year thereafter, to the Commission and the
19 General Assembly. The Department of Public Health shall make
20 the report available on its website.

21 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19;
22 102-1006, eff. 1-1-23.)

23 (410 ILCS 705/5-30)

24 Sec. 5-30. Department of Human Services. The Department of
25 Human Services shall identify evidence-based programs for

1 preventive mental health, the prevention or treatment of
2 alcohol abuse, tobacco use, illegal drug use (including
3 prescription drugs), and cannabis use by pregnant women, and
4 make policy recommendations, as appropriate, to the Adult Use
5 Cannabis Health Advisory Committee and the Commission. The
6 Department of Human Services shall develop and disseminate
7 educational materials for purchasers based on recommendations
8 received from the Department of Public Health, the Commission,
9 and the Adult Use Cannabis Health Advisory Committee.
10 Beginning July 1, 2023, the Commission may also develop and
11 disseminate educational materials.

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

13 (410 ILCS 705/5-45)

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

15 (a) (Blank). ~~The position of Illinois Cannabis Regulation~~
16 ~~Oversight Officer is created within the Department of~~
17 ~~Financial and Professional Regulation under the Secretary of~~
18 ~~Financial and Professional Regulation. The Cannabis Regulation~~
19 ~~Oversight Officer serves a coordinating role among State~~
20 ~~agencies regarding this Act and the Compassionate Use of~~
21 ~~Medical Cannabis Program Act. The Illinois Cannabis Regulation~~
22 ~~Oversight Officer shall be appointed by the Governor with the~~
23 ~~advice and consent of the Senate. The term of office of the~~
24 ~~Officer shall expire on the third Monday of January in~~
25 ~~odd numbered years provided that he or she shall hold office~~

1 ~~until a successor is appointed and qualified. In case of~~
2 ~~vacancy in office during the recess of the Senate, the~~
3 ~~Governor shall make a temporary appointment until the next~~
4 ~~meeting of the Senate, when the Governor shall nominate some~~
5 ~~person to fill the office, and any person so nominated who is~~
6 ~~confirmed by the Senate shall hold office during the remainder~~
7 ~~of the term and until his or her successor is appointed and~~
8 ~~qualified.~~

9 (b) (Blank). ~~The Illinois Cannabis Regulation Oversight~~
10 ~~Officer has the authority to:~~

11 ~~(1) maintain a staff;~~

12 ~~(2) make recommendations for administrative and~~
13 ~~statutory changes;~~

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

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

18 ~~(5) ensure the coordination of efforts between various~~
19 ~~State agencies involved in regulating and taxing the sale~~
20 ~~of cannabis in Illinois; and~~

21 ~~(6) encourage, promote, suggest, and report best~~
22 ~~practices for ensuring diversity in the cannabis industry~~
23 ~~in Illinois.~~

24 (c) (Blank). ~~The Illinois Cannabis Regulation Oversight~~
25 ~~Officer and the Officer's staff shall not:~~

26 ~~(1) participate in the issuance or award of any~~

1 ~~cannabis business establishment license; or~~

2 ~~(2) participate in discipline related to any cannabis~~
3 ~~business establishment.~~

4 ~~The Illinois Cannabis Regulation Officer is not prohibited~~
5 ~~from coordinating with and making recommendations to agencies~~
6 ~~regarding licensing and disciplinary policies and procedures.~~

7 (d) (Blank). ~~Any funding required for the Illinois~~
8 ~~Cannabis Regulation Oversight Officer, its staff, or its~~
9 ~~activities shall be drawn from the Cannabis Regulation Fund.~~

10 (e) The Commission, by and through its Executive Director,
11 ~~Illinois Cannabis Regulation Oversight Officer~~ shall
12 commission and publish one or more disparity and availability
13 studies that: (1) evaluates whether there exists
14 discrimination in the State's cannabis industry; and (2) if
15 so, evaluates the impact of such discrimination on the State
16 and includes recommendations to the Commission ~~Department of~~
17 ~~Financial and Professional Regulation and the Department of~~
18 ~~Agriculture~~ for reducing or eliminating any identified
19 barriers to entry in the cannabis market. Such disparity and
20 availability studies shall examine each license type issued
21 pursuant to Sections 15-25, 15-30.1, or 15-35.20, subsection
22 (a) of Section 30-5, or subsection (a) of Section 35-5, and
23 shall be initiated within 180 days from the issuance of the
24 first of each license authorized by those Sections. The
25 results of each disparity and availability study shall be
26 reported to the General Assembly and the Governor no later

1 than 12 months after the commission of each study.

2 The Illinois Cannabis Regulation Oversight Officer shall
3 forward a copy of its findings and recommendations to the
4 Commission ~~Department of Financial and Professional~~
5 ~~Regulation, the Department of Agriculture,~~ the Department of
6 Commerce and Economic Opportunity, the General Assembly, and
7 the Governor.

8 (f) The Illinois Cannabis Regulation Oversight Officer may
9 compile, collect, or otherwise gather data necessary for the
10 administration of this Act and to carry out the Officer's duty
11 relating to the recommendation of policy changes. The
12 Commission ~~Illinois Cannabis Regulation Oversight Officer~~ may
13 direct the ~~Department of Agriculture, Department of Financial~~
14 ~~and Professional Regulation, Department of Public Health,~~
15 Department of Human Services, and Department of Commerce and
16 Economic Opportunity to assist in the compilation, collection,
17 and data gathering authorized pursuant to this subsection. The
18 Illinois Cannabis Regulation Oversight Officer shall compile
19 all of the data into a single report and submit the report to
20 the Governor and the General Assembly and publish the report
21 on its website.

22 (Source: P.A. 101-27, eff. 6-25-19; 102-98, eff. 7-15-21.)

23 (410 ILCS 705/5-50 new)

24 Sec. 5-50. Cannabis Equity and Oversight Commission.

25 (a) The Cannabis Equity and Oversight Commission is

1 created as an independent commission. The Commission shall
2 implement, direct, and oversee this Act and the Industrial
3 Hemp Act. Any State agency or official involved in the
4 regulation of medical cannabis, adult use cannabis, or
5 industrial hemp shall report to the Commission. Within 6
6 months after the effective date of this amendatory Act of the
7 103rd General Assembly, all authority, information, documents,
8 databases, and necessary information relating to the
9 administration of this Act, including the Compassionate Use of
10 Medical Cannabis Program, and the Industrial Hemp Program
11 shall be transferred to the Commission by the Department of
12 Financial and Professional Regulation, the Department of
13 Agriculture, the Department of Public Health, the Department
14 of Commerce and Economic Opportunity, and the Illinois State
15 Police. For the purpose of the succession of all functions,
16 powers, duties, and obligations transferred, assigned to,
17 devolved upon, and assumed by the Commission pursuant to this
18 amendatory Act of the 103rd General Assembly, the Commission
19 shall be deemed and held to constitute the continuation of the
20 Compassionate Use of Medical Cannabis Program and adult-use
21 cannabis program.

22 (b) Members of the Commission shall be appointed as
23 follows:

24 (1) Two members appointed by the Governor.

25 (2) One member appointed by the President of the
26 Senate.

1 (3) One member appointed by the Minority Leader of the
2 Senate.

3 (4) One member appointed by the Speaker of the House
4 of Representatives.

5 (5) One member appointed by the Minority Leader of the
6 House of Representatives.

7 (6) One member appointed by the Attorney General.

8 The initial Commissioners shall be appointed to act as
9 Commissioners within 90 days after the effective date of this
10 amendatory Act of the 103rd General Assembly. Commissioners
11 shall serve for a 5-year term. However, the term for the
12 initial Commissioners appointed under paragraphs (3) through
13 (5) of this subsection shall be 2 and one half years. Members
14 subsequently appointed made under paragraphs (3) through (5)
15 of this subsection shall serve a 5-year term. A Commissioners
16 may serve no more than 2 terms.

17 No more than 4 members of the Commission shall have an
18 affiliation with any one political party.

19 The composition of members of the Commission shall include
20 members meeting the following qualifications: (i) experience
21 and expertise in representation and advocacy in a business
22 trade organization within the Illinois cannabis industry; (ii)
23 experience and expertise in cannabis business operations
24 regulated under this Act; (iii) experience and expertise in
25 laws and regulations relating to cannabis; (iv) experience and
26 expertise in current or former business ownership within a

1 regulated industry not regulated under this Act or the
2 Industrial Hemp Act; (v) experience and expertise in corporate
3 finance and auditing, general finance, or economics; (vi) a
4 licensed attorney with specific knowledge of investigations
5 and enforcement over unlicensed activity; and (vii) a licensed
6 physician registered to certify medical cannabis for
7 qualifying patients under this Act or a State-licensed medical
8 cannabis program.

9 If a vacancy in the Commissioners occurs while the Senate
10 or the House of Representatives is not in Session, the
11 Governor shall make a temporary appointment until the Senate
12 and the House of Representatives are next called into session.
13 The appointee shall hold his or her office during the
14 remainder of his or her term and until his or her successor is
15 appointed.

16 A majority of the Commissioners shall constitute a quorum
17 to transact business, but no vacancy shall impair the right of
18 the remaining Commissioners to exercise all of the powers of
19 the Commission. Every act of a majority of the Commissioners
20 shall be deemed to be the act of the Commission. The Commission
21 shall keep a record of all proceedings, transactions,
22 communications, and official acts of the Commission and who
23 shall serve as a custodian of all records and perform such
24 other duties as the Commission may prescribe.

25 (c) Within 180 days after the effective date of this
26 amendatory act of the 103rd General Assembly, the Commission

1 shall by a majority vote appoint and hire an Executive
2 Director. Each Commissioner and the Executive Director shall
3 take and subscribe to the constitutional oath of office before
4 entering upon the duties of the office. The Executive Director
5 shall serve at the direction of the Commission and shall be
6 authorized to grant provisional approval, pending approval by
7 the Commission, in the following areas:

8 (1) Acting upon a change in the location of a
9 licensee.

10 (2) Acting upon a change in the ownership of a
11 licensee.

12 (3) Granting a waiver of any rule or regulation
13 determined by the Executive Director to be excessive,
14 duplicative, detrimental to job creation, or any barrier
15 to the reasonable operation of a cannabis business
16 establishment or licensee under the Industrial Hemp Act

17 (d) The Commission, in consultation with or by
18 recommendation of the Executive Director, shall hire and
19 employ a staff of inspectors, clerks, auditors, or other
20 employees deemed appropriate to carry out the Commission's
21 duties and responsibilities. To the extent practicable, the
22 Commission may seek to give employees who perform similar
23 cannabis regulatory duties in positions at the Department of
24 Financial and Professional Regulation, the Department of
25 Agriculture, or the Illinois State Police an offer of
26 employment within the Commission's staff.

1 The Chairperson of the Commission shall receive an annual
2 salary of \$165,000. The other Commissioners shall receive an
3 annual salary of \$150,000. The Executive Director of the
4 Commission shall receive an annual salary of \$175,000. All
5 clerks, inspectors, and employees of the Commission shall
6 receive reasonable compensation in an amount fixed by the
7 Commission, subject to the approval in writing of the
8 Governor. The status and rights of a transferred employee, and
9 the rights of the State of Illinois and its agencies, under the
10 Personnel Code and applicable collective bargaining agreements
11 or under any pension, retirement, or annuity plan are not
12 affected (except as provided in Sections 14-110 and 18-127 of
13 the Illinois Pension Code) by that transfer or by any other
14 provision of this amendatory Act of the 103rd General
15 Assembly.

16 No Commissioner, Executive Director, or person appointed
17 or employed by the Commission shall solicit or accept any
18 gift, gratuity, emolument, or employment from any person
19 subject to the provisions of this Act, or from any officer,
20 agent, or employee thereof, nor solicit, request from, or
21 recommend, directly or indirectly, to any such person. Every
22 officer, agent, or employee thereof is hereby forbidden to
23 offer to any Commissioner, Executive Director, or to any
24 person appointed or employed by the Commission any gift,
25 gratuity, emolument, or employment. If any Commissioner,
26 Executive Director, or any person appointed or employed by the

1 Commission shall violate any of the provisions of this
2 Section, that person shall be removed from the office or
3 employment they hold. A person who violates the provisions of
4 this Section shall be guilty of a Class A misdemeanor.

5 All staff hired by the Commission to carry out the
6 Commission's duties shall report directly to the Executive
7 Director, except where the Executive Director, at his or her
8 discretion, requires a particular staff position to report
9 directly to the Commission.

10 The Governor shall designate a Commissioner to serve as
11 chairperson of the Commission during his or her the term of
12 appointment and until a successor is appointed. The
13 Chairperson shall serve as the Chief Executive Officer of the
14 Commission for the purpose of ensuring that the Commission's
15 policies are properly executed.

16 Each Commissioner shall serve until a successor is
17 appointed and qualified, except that if the Senate refuses to
18 consent to the appointment of any Commissioner, such office
19 shall be deemed vacant, and within 2 weeks of the date the
20 Senate refuses to consent to the reappointment of any
21 Commissioner, such Commissioner shall vacate such office.

22 At least one Commissioner shall be an individual formerly
23 incarcerated for drug-related offenses or is a member of an
24 impacted family. At least one Commissioner shall reside in a
25 Disproportionately Impacted Area. At least one Commissioner
26 shall meet at least one of the following qualifications:

1 (1) A business owner in a regulated industry that is
2 not regulated under this Act.

3 (2) A medical professional with a background in
4 substance use and abuse, mental health, or toxicology.

5 (3) A background in legal, policy, or social justice
6 issues.

7 Each Commissioner and the Executive Director, and each
8 person appointed by the Commission, shall, before entering
9 upon the duties of their office, take and subscribe to the
10 constitutional oath of office. The Executive Director and each
11 inspector, clerk, and other employee shall devote his or her
12 entire time to the duties of their office.

13 No person appointed as a Commissioner, Executive Director,
14 inspector, or other employee may, directly, individually, or
15 as a member of a partnership, or as a shareholder of a
16 corporation, have any financial interest whatsoever in the
17 manufacture, sale, or distribution of cannabis, nor receive
18 any compensation or profit therefrom, nor have any interest
19 whatsoever in the purchase or sale made by the persons
20 authorized to do so under this Act. No provision of this
21 Section shall prevent any Commissioner, Executive Director,
22 inspector, or other employee from purchasing and keeping in
23 his or her possession for their use or use of members of their
24 family or quest any cannabis product that may be purchased or
25 kept by any person by virtue of this Act.

26 The Commission shall administer and enforce the provisions

1 of this Act relating to the oversight, licensing,
2 registration, and certification of dispensing organizations,
3 cultivation centers, craft growers, infuser organizations,
4 transporting organizations, laboratories, and agents,
5 including, but not limited to, the issuance of identification
6 cards and establishing limits on the potency or serving size
7 of cannabis or cannabis products. The Commission may suspend
8 or revoke the license of, or impose other penalties upon,
9 dispensing organizations, cultivation centers, craft growers,
10 infuser organizations, transporting organizations,
11 laboratories, and their principal officers, agents-in-charge,
12 and agents for violations of this Act or any rules adopted
13 under this Act.

14 (d-5) The Commission, in consultation with or by
15 recommendation of the Executive Director, shall establish an
16 Enforcement and Prosecutions Unit staffed by persons hired and
17 employed by the Commission to act as inspectors, clerks,
18 auditors, or other employees deemed appropriate to inspect,
19 investigate, and take administrative or enforcement actions
20 regarding violations of this Act, including, but not limited
21 to, violations committed by a person licensed under this Act
22 or who engages in the cultivation, production, distribution,
23 sale, offering for sale, advertising, distribution, delivery,
24 or transport of cannabis without a license under this Act. The
25 Executive Director shall hire a Lead Inspector of the
26 Enforcement and Prosecutions Unit. The Lead Inspector shall

1 report to the Commission and work in consultation with the
2 Executive Director. The Enforcement and Prosecutions Unit's
3 staff shall report to the Executive Director. The Executive
4 Director may enter into intergovernmental agreements with the
5 Attorney General, the Illinois State Police, or other State or
6 local governmental agencies to carry out the Enforcement and
7 Prosecutions Unit's duties.

8 (e) To provide for the expeditious and timely
9 implementation of the provisions of this amendatory Act of the
10 103rd General Assembly, the Commission may adopt emergency
11 rules in accordance with Section 5-45 by the of the Illinois
12 Administrative Procedure Act. The adoption of emergency rules
13 authorized by Section 5-45 and this Section is deemed to be
14 necessary for the public interest, safety, and welfare.

15 This subsection is inactive one year after the effective
16 date of this amendatory Act of the 103rd General Assembly.

17 (f) The Commission shall have following powers, functions,
18 and duties:

19 (1) To administer and enforce provisions of this Act
20 relating to the oversight, licensing, and registration of
21 dispensing organizations, cultivation centers, craft
22 growers, infuser organizations, transporting
23 organizations, and laboratories as well as any other
24 activity related to cannabis.

25 (2) To suspend or revoke the license of or otherwise
26 discipline dispensing organizations, cultivation centers,

1 craft growers, infuser organizations, transporting
2 organizations, and laboratories.

3 (3) To administer the Community College Cannabis
4 Vocational Pilot Program under Article 25.

5 (4) To establish by rule any fee required, including,
6 but not limited to, fees for cannabis business
7 establishments.

8 (5) To call upon other administrative departments of
9 the State, county and municipal governments, city police
10 departments, and prosecuting officers for such information
11 and assistance as the Commission deems necessary in the
12 performance of its duties.

13 (6) To establish market protections that protect
14 against unfair business practices, including, but not
15 limited to, price fixing, bid rigging, boycotts,
16 agreements to not compete, exclusive wholesale
17 arrangements for cannabis concentrate, cannabis flower,
18 cannabis infused products, and any product that is
19 licensed under this Act to ensure all license types have
20 equal access to the market without unfair competition.

21 (7) To establish market protections that protect
22 against unfair business practices and reduce or eliminate
23 any identified barriers to entry in the cannabis market
24 for cannabis business establishments owned by Social
25 Equity applicants and owners who qualify as Social Equity
26 applicants.

1 (8) To establish requirements for cannabis business
2 establishments and any other licenses, by rule, related to
3 public safety, including, but not limited to,
4 recordkeeping, security, destruction and disposal of
5 cannabis, storage, inventory, point of sale technology, or
6 operating procedures.

7 (9) To inspect, or cause to be inspected, randomly and
8 without prior notice any premises of cannabis business
9 establishments.

10 (10) To amend or expand the definition of a Social
11 Equity Applicant under this Act.

12 (11) To develop a noncompetitive application and
13 selection process for licensing cannabis business
14 establishments that may be similar to licensing under the
15 Illinois Liquor Control Act.

16 (12) To develop and disseminate educational materials
17 for purchasers based on recommendations received from the
18 Adult Use Cannabis Health Advisory Committee. The
19 Commission shall collaborate with the Department of Human
20 Services, the Department of Public Health, and the Adult
21 Use Cannabis Health Advisory Committee.

22 (13) To ensure that that a criminal history record
23 check of the prospective principal officers, board
24 members, and agents of a cannabis business establishment
25 applying for a license or agent identification card under
26 this Act is completed in cooperation with the Department

1 of Financial and Professional Regulation, the Department
2 of Agriculture, and the Illinois State Police.

3 (14) To provide technical assistance and financial
4 support, as well as any other actions the Commission may
5 deem necessary, to aid Social Equity Applicants and owners
6 who qualify as Social Equity Applicants.

7 (15) To develop and disseminate educational materials
8 for purchasers based on recommendations received from the
9 Adult Use Cannabis Health Advisory Committee.

10 (16) To coordinate and cooperate with the Department
11 of Public Health on completion of goals that include, but
12 are not limited to, the following:

13 (A) Establish and maintain a confidential registry
14 of qualifying patients authorized to engage in the
15 medical use of cannabis and their caregivers.

16 (B) Distribute educational materials about the
17 health benefits and risks associated with the use of
18 cannabis prescription medications.

19 (C) Adopt rules establishing food handling
20 requirements for cannabis infused products that are
21 prepared for human consumption.

22 (17) To submit an annual report to the General
23 Assembly and the Governor, by September 30 of each year,
24 that does not disclose any identifying information about
25 cultivation centers, craft growers, infuser organizations,
26 transportation organizations, or dispensing organizations

1 but does contain, at a minimum, all of the following
2 information for the previous fiscal year:

3 (A) The number of licenses issued to cannabis
4 business establishments organizations by county, or,
5 in counties with greater than 3,000,000 residents, by
6 zip code.

7 (B) The total number of cannabis business
8 establishment organizations owners that are Social
9 Equity Applicants or minority persons, women, or
10 persons with disabilities as those terms are defined
11 under Section 2 of the Business Enterprise for
12 Minorities, Women, and Persons with Disabilities Act.

13 (C) The total number of revenues received from
14 cannabis business establishments, segregated from
15 revenues received from cannabis business
16 establishments under Article 75, by county, and
17 separated by source of revenue.

18 (D) The total amount of revenue received from
19 dispensing organizations that share a premises or
20 majority ownership with a craft grower.

21 (E) The total amount of revenue received from
22 dispensing organizations that share a premises or
23 majority ownership with an infuser.

24 (F) The total amount of revenue received from
25 craft growers and infusers that share a premises or
26 majority ownership with a dispensing organization.

1 (G) The total amount of revenue received from
2 craft growers that share a premises or majority
3 ownership with an infuser, but do not share a premises
4 or ownership with a dispensary.

5 (H) The total amount of revenue received from
6 infusers that share a premises or majority ownership
7 with a craft grower, but do not share a premises or
8 ownership with a dispensary.

9 (I) The total amount of revenue received from
10 craft growers that share a premises or majority
11 ownership with a dispensing organization, but do not
12 share a premises or ownership with an infuser.

13 (J) The total amount of revenue received from
14 infusers that share a premises or majority ownership
15 with a dispensing organization, but do not share a
16 premises or ownership with a craft grower.

17 (K) The total amount of revenue received from
18 transporters.

19 (L) The total amount of revenue received from
20 cannabis business establishment organizations that
21 share a premises or majority ownership with other
22 cannabis business establishments.

23 (M) An analysis of revenue generated from
24 taxation, licensing, and other fees for the State,
25 including recommendations to change the tax rate
26 applied.

1 (18) To conduct or commission an annual survey of the
2 cannabis industry, to be completed on or before January 1
3 of each year. Each cannabis business establishment
4 licensed under this Act shall report to the Commission, on
5 a form to be provided by the Commission, information that
6 will allow the Commission to assess the extent of
7 diversity in the medical and adult use cannabis industry
8 and methods for reducing or eliminating any identified
9 barriers to entry, including access to capital. Failure of
10 a cannabis business establishment to respond to the
11 request to complete the form, survey, or any other request
12 for information may be grounds for disciplinary action by
13 the Commission. The information to be collected shall be
14 designed, at a minimum, to identify the following:

15 (A) The number and percentage of licenses provided
16 to Social Equity Applicants and to businesses owned by
17 minorities, women, veterans, and persons with
18 disabilities.

19 (B) The total number and percentage of employees
20 in the cannabis industry who meet the criteria in
21 subparagraphs (i) or (ii) of paragraph (3) of the
22 definition of Social Equity Applicant or who are
23 minorities, women, veterans, or persons with
24 disabilities.

25 (C) The total number and percentage of contractors
26 and subcontractors in the cannabis industry that meet

1 the definition of a Social Equity Applicant, are
2 persons who are minorities, women, veterans, or
3 persons with disabilities, and are owned by persons
4 who are minorities, women, veterans, or persons with
5 disabilities, if known to the cannabis business
6 establishment.

7 (D) Recommendations for reducing or eliminating
8 any identified barriers to entry, including access to
9 capital, in the cannabis industry.

10 (19) To inspect, investigate, and take administrative
11 or enforcement action regarding violations of this Act,
12 including, but not limited to, violations committed by a
13 person licensed under the Act or who engages in the
14 cultivation, production, distribution, sale, offering for
15 sale, advertising, distribution, delivery, or transport of
16 cannabis without a license issued under this Act.

17 (20) To revoke and reissue inactive licenses issued
18 under this Act that have expired or failed to meet
19 operational requirements set forth under this Act.

20 (g) The Commission shall establish by rule the information
21 required in an initial application or renewal application for
22 an agent identification card for dispensing organizations,
23 cultivation centers, craft growers, infusers, transporters, or
24 any other organization that may be submitted under this Act
25 and the nonrefundable fee to accompany the initial application
26 or renewal application. The Commission shall also perform the

1 following:

2 (1) Verify the information contained in an initial
3 application or renewal application for an agent
4 identification card submitted under this Act and approve
5 or deny an application within 30 days after receiving a
6 completed initial application or renewal application and
7 all supporting documentation required by rule.

8 (2) Issue an agent identification card to a qualifying
9 agent within 15 business days after approving the initial
10 application or renewal application.

11 (3) Enter the license number of the cannabis business
12 establishment where the agent works.

13 (4) Allow for an electronic initial application and
14 renewal application process and provide a confirmation by
15 electronic or other methods that an application has been
16 submitted.

17 (h) An agent must always keep his or her identification
18 card visible when on the property of the cannabis business
19 establishment at which the agent is employed. The agent
20 identification cards shall contain the following:

21 (1) The name of the cardholder.

22 (2) The date of issuance and expiration date of the
23 identification card.

24 (3) A random 10-digit alphanumeric identification
25 number containing at least 4 numbers and at least 4
26 letters that is unique to the cardholder.

1 (4) A photograph of the cardholder.

2 An agent identification card shall be immediately returned
3 to the cannabis business establishment of the agent upon
4 termination of the agent's employment.

5 Any agent identification card that is lost shall be
6 reported to the Illinois State Police and the Commission
7 immediately upon discovery of the loss.

8 The Commission shall not issue an agent identification
9 card if the applicant is delinquent in filing any required tax
10 return or paying any amount owed to the State of Illinois.

11 (i) The Commission shall require every cannabis business
12 establishment to designate, at a minimum, one agent-in-charge
13 for each licensed cannabis business establishment. The
14 designated agent-in-charge must hold an agent identification
15 card. Maintaining an agent-in-charge is a continuing
16 requirement for the license, except as provided under
17 subsection (g).

18 The agent-in-charge shall be a principal officer or a
19 full-time agent of the cannabis business establishment and
20 shall manage the cannabis business establishment.

21 The agent-in-charge is responsible for promptly notifying
22 the Commission of any change of information required to be
23 reported to the Commission.

24 The agent-in-charge is responsible for notifying the
25 Commission of a change in the employment status of all
26 cannabis business establishment agents within 5 business days

1 after the change, including notice to the Commission if the
2 termination of an agent was for diversion of product or theft
3 of currency.

4 (j) If there is a separation of an agent-in-charge due to
5 death, incapacity, termination, or any other reason, and if
6 the cannabis business establishment does not have an active
7 agent-in-charge, the cannabis business establishment shall
8 immediately contact the Commission and request a temporary
9 certificate of authority allowing the continuing operation of
10 the cannabis business establishment. The request shall include
11 the name of an interim agent-in-charge until a replacement is
12 identified, or shall include the name of the replacement.

13 The Commission shall issue a temporary certificate of
14 authority promptly after it approves the request. If a
15 cannabis business establishment fails to promptly request a
16 temporary certificate of authority after the separation of the
17 agent-in-charge, its registration shall cease until the
18 Commission approves the temporary certificate of authority or
19 registers a new agent-in-charge.

20 No temporary certificate of authority shall be valid for
21 more than 90 days. The succeeding agent-in-charge shall
22 register with the Commission in compliance with this Article.

23 Once the permanent succeeding agent-in-charge is
24 registered with the Commission, the temporary certificate of
25 authority is void. No temporary certificate of authority shall
26 be issued for the separation of an agent-in-charge due to

1 disciplinary action by the Commission related to their conduct
2 on behalf of the cannabis business establishment.

3 (k) The cannabis business establishment agent-in-charge
4 registration shall expire one year from the date it is issued.
5 The agent-in-charge's registration shall be renewed annually.
6 The Commission shall review the compliance history of the
7 cannabis business establishment when determining whether to
8 grant the request to renew.

9 (l) Upon termination of an agent-in-charge's employment,
10 the cannabis business establishment shall immediately reclaim
11 the agent identification card. The cannabis business
12 establishment shall promptly return the identification card to
13 the Commission.

14 (m) The Commission may deny an application or renewal or
15 discipline or revoke an agent-in-charge identification card
16 for any of the following reasons:

17 (1) Submission of misleading, incorrect, false, or
18 fraudulent information in the application or renewal
19 application.

20 (2) Violation of the requirements of this Act or rules
21 adopted under this Act.

22 (3) Fraudulent use of the agent-in-charge
23 identification card.

24 (4) Selling, distributing, transferring in any manner,
25 or giving cannabis to any unauthorized person.

26 (5) Theft of cannabis, currency, or any other items

1 from a cannabis business establishment.

2 (6) Tampering with, falsifying, altering, modifying,
3 or duplicating an agent-in-charge identification card.

4 (7) Tampering with, falsifying, altering, or modifying
5 the surveillance video footage, point-of-sale system, or
6 the State's verification system.

7 (8) Failure to notify the Commission immediately upon
8 discovery that an agent-in-charge identification card has
9 been lost, stolen, or destroyed.

10 (9) Failure to notify the Commission within 5 business
11 days after a change in the information provided in the
12 application for an agent-in-charge identification card.

13 (10) Dispensing to purchasers in amounts above the
14 limits provided in this Act.

15 (11) Delinquency in filing any required tax returns or
16 paying any amount owed to the State of Illinois.

17 (n) Adult Use Dispensing Organization Licenses issued on
18 or before July 1, 2023 shall expire on March 31 of odd-numbered
19 years. Adult Use Dispensing Organizations Licenses issued
20 after July 1, 2023 shall expire annually. However, the
21 Commission may determine by rule when an Adult Use Dispensing
22 Organization Licenses will expire.

23 (o) Licenses for dispensing organizations, cultivation
24 centers, craft growers, infuser organizations, and
25 transporting organizations shall be renewed annually, with the
26 licensed period running until one year after the date the

1 cannabis business establishment license is issued. A cannabis
2 business establishment shall receive written or electronic
3 notice of the expiration of its current license at least 90
4 days before its expiration.

5 (p) The Commission shall grant a renewal within 45 days
6 after submission of a complete renewal application if the
7 cannabis business establishment submits the following as
8 required under this Act or rules adopted under this Act:

9 (1) A renewal application as provided by the
10 Commission.

11 (2) Nonrefundable renewal fees, or another amount as
12 the Commission may set by rule after July 1, 2023, to be
13 deposited into the Cannabis Regulation Fund.

14 (3) Verification on a form provided by the Commission
15 of submission of an environmental impact report.

16 (4) Verification on a form provided by the Commission
17 that the annual diversity report issued by the Cannabis
18 Regulation Oversight Officer or the Commission was
19 completed and submitted.

20 (q) The Commission shall not grant a license renewal in
21 the following instances:

22 (1) If the license is currently under revocation or
23 suspension for violation of this Act or any rules adopted
24 under this Act, the licensee, principal officer, board
25 member, person has a financial or voting interest of 5% or
26 greater in the licensee, or an agent of the license holder

1 is delinquent in filing any required tax return or paying
2 any amount owed to the State of Illinois.

3 (2) If a cannabis business establishment fails to
4 renew its license before expiration, the cannabis business
5 establishment shall cease operation until the license is
6 renewed.

7 (r) Any cannabis business establishment that continues to
8 operate and that fails to renew its license is subject to
9 penalty as provided under Section 45-5 or any rules that may be
10 adopted under this Act.

11 (s) All fees and fines collected from the renewal of a
12 cannabis business establishment license shall be deposited
13 into the Cannabis Regulation Fund.

14 (t) Notwithstanding any other provision of this Act, if
15 the Commission receives a document or communication from an
16 applicant that the applicant is required to submit to the
17 Commission under this Act, then the Commission shall provide
18 any required response to that document or communication within
19 30 days after having received it.

20 (u) The Executive Director and any staff position that the
21 Executive Director determines has direct reporting
22 responsibilities to the Commission are exempt from the
23 provisions of the Personnel Code.

24 (v) The Commission has the exclusive authority to issue
25 licenses to dispensing organizations, cultivation centers,
26 craft growers, infusers, and transporter organizations under

1 this Act and to certify laboratories under this Act.

2 (410 ILCS 705/7-1)

3 Sec. 7-1. Findings.

4 (a) The General Assembly finds that the medical cannabis
5 industry, established in 2014 through the Compassionate Use of
6 Medical Cannabis Program Act and incorporated into Article 75
7 of this Act, has shown that additional efforts are needed to
8 reduce barriers to ownership. Through that program, 55
9 licenses for dispensing organizations and 20 licenses for
10 cultivation centers have been issued. Those licenses are held
11 by only a small number of businesses, the ownership of which
12 does not sufficiently meet the General Assembly's interest in
13 business ownership that reflects the population of the State
14 of Illinois and that demonstrates the need to reduce barriers
15 to entry for individuals and communities most adversely
16 impacted by the enforcement of cannabis-related laws.

17 (b) In the interest of establishing a legal cannabis
18 industry that is equitable and accessible to those most
19 adversely impacted by the enforcement of drug-related laws in
20 this State, including cannabis-related laws, the General
21 Assembly finds and declares that a social equity program
22 should be established.

23 (c) The General Assembly also finds and declares that
24 individuals who have been arrested or incarcerated due to drug
25 laws suffer long-lasting negative consequences, including

1 impacts to employment, business ownership, housing, health,
2 and long-term financial well-being.

3 (d) The General Assembly also finds and declares that
4 family members, especially children, and communities of those
5 who have been arrested or incarcerated due to drug laws,
6 suffer from emotional, psychological, and financial harms as a
7 result of such arrests or incarcerations.

8 (e) Furthermore, the General Assembly finds and declares
9 that certain communities have disproportionately suffered the
10 harms of enforcement of cannabis-related laws. Those
11 communities face greater difficulties accessing traditional
12 banking systems and capital for establishing businesses.

13 (f) The General Assembly also finds that individuals who
14 have resided in areas of high poverty suffer negative
15 consequences, including barriers to entry in employment,
16 business ownership, housing, health, and long-term financial
17 well-being.

18 (g) The General Assembly also finds and declares that
19 promotion of business ownership by individuals who have
20 resided in areas of high poverty and high enforcement of
21 cannabis-related laws furthers an equitable cannabis industry.

22 (h) Therefore, in the interest of remedying the harms
23 resulting from the disproportionate enforcement of
24 cannabis-related laws, the General Assembly finds and declares
25 that a social equity program should offer, among other things,
26 financial assistance and license application benefits to

1 individuals most directly and adversely impacted by the
2 enforcement of cannabis-related laws who are interested in
3 starting cannabis business establishments.

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

5 (410 ILCS 705/7-12 new)

6 Sec. 7-12. Cannabis Enforcement Fund. There is created in
7 the State treasury a special fund, which shall be held
8 separate and apart from all other State moneys, to be known as
9 the Cannabis Enforcement Fund. Moneys in the Cannabis
10 Enforcement Fund shall be expended for the payment of costs
11 incurred by the Cannabis Equity and Oversight Commission, the
12 Attorney General, the Illinois State Police, and State and
13 local governmental agencies who have entered into
14 intergovernmental agreements with the Cannabis Equity and
15 Oversight Commission to inspect, investigate, and take
16 administrative or enforcement action regarding violations
17 committed by a person licensed under this Act or who engages in
18 the cultivation, production, distribution, sale, offering for
19 sale, advertising, distribution, delivery, or transport of
20 cannabis without a license under this Act.

21 (410 ILCS 705/7-15)

22 Sec. 7-15. Loans and grants to Social Equity Applicants.

23 (a) The Department of Commerce and Economic Opportunity
24 shall establish grant and loan programs, subject to

1 appropriations from the Cannabis Business Development Fund,
2 for the purposes of providing financial assistance, loans,
3 grants, ~~and technical assistance~~ to Social Equity Applicants.

4 (b) The Department of Commerce and Economic Opportunity
5 has the power to:

6 (1) provide Cannabis Social Equity loans and grants
7 from appropriations from the Cannabis Business Development
8 Fund to assist Qualified Social Equity Applicants in
9 gaining entry to, and successfully operating in, the
10 State's regulated cannabis marketplace;

11 (2) enter into agreements that set forth terms and
12 conditions of the financial assistance, accept funds or
13 grants, and engage in cooperation with financial
14 intermediaries, private entities, and agencies of State or
15 local government to carry out the purposes of this
16 Section;

17 (3) fix, determine, charge, and collect any premiums,
18 fees, charges, costs and expenses, including application
19 fees, commitment fees, program fees, financing charges, or
20 publication fees in connection with its activities under
21 this Section;

22 (4) coordinate assistance under these loan programs
23 with activities of the Illinois Department of Financial
24 and Professional Regulation, the Illinois Department of
25 Agriculture, the Commission, and other agencies as needed
26 to maximize the effectiveness and efficiency of this Act;

1 (5) provide staff, administration, and related support
2 required to administer this Section;

3 (6) take whatever actions are necessary or appropriate
4 to protect the State's interest in the event of
5 bankruptcy, default, foreclosure, or noncompliance with
6 the terms and conditions of financial assistance provided
7 under this Section, including the ability to recapture
8 funds if the recipient is found to be noncompliant with
9 the terms and conditions of the financial assistance
10 agreement;

11 (7) establish application, notification, contract, and
12 other forms, procedures, or rules deemed necessary and
13 appropriate;

14 ~~and~~

15 (7.5) enter into financial intermediary agreements
16 that facilitate lending to Qualified Social Equity
17 Applicants, which may provide for, but need not be limited
18 to, participation agreements in which the Department of
19 Commerce and Economic Opportunity purchases an undivided
20 interest in a loan, establishment of collateral support
21 funds, financial aid for loan loss reserve accounts, or
22 similar forms of support intended to leverage private
23 investment; and

24 (8) utilize vendors or contract work to carry out the
25 purposes of this Act.

26 (c) Loans made under this Section:

1 (1) shall only be made if, in the Department's
2 judgment, the project furthers the goals set forth in this
3 Act; and

4 (2) shall be in such principal amount and form and
5 contain such terms and provisions with respect to
6 security, insurance, reporting, delinquency charges,
7 default remedies, and other matters as the Department
8 shall determine appropriate to protect the public interest
9 and to be consistent with the purposes of this Section.
10 The terms and provisions may be less than required for
11 similar loans not covered by this Section.

12 (d) Grants made under this Section shall be awarded on a
13 competitive and annual basis under the Grant Accountability
14 and Transparency Act. Grants made under this Section shall
15 further and promote the goals of this Act, including promotion
16 of Social Equity Applicants, job training and workforce
17 development, and technical assistance to Social Equity
18 Applicants. The Department of Commerce and Economic
19 Opportunity shall coordinate with the Commission and may enter
20 into intergovernmental agreements, with the approval of the
21 Commission, for the purposes of establishing policies and
22 administering the grant program.

23 (e) Beginning January 1, 2021 and each year thereafter,
24 the Department shall collaborate with the Commission on data
25 collection and reporting shall annually report to the Governor
26 and the General Assembly on the outcomes and effectiveness of

1 this Section that shall include the following:

2 (1) the number of persons or businesses receiving
3 financial assistance under this Section;

4 (2) the amount in financial assistance awarded in the
5 aggregate, in addition to the amount of loans made that
6 are outstanding and the amount of grants awarded;

7 (3) the location of the project engaged in by the
8 person or business; and

9 (4) if applicable, the number of new jobs and other
10 forms of economic output created as a result of the
11 financial assistance.

12 (f) The Department of Commerce and Economic Opportunity
13 shall include engagement with individuals with limited English
14 proficiency as part of its outreach provided or targeted to
15 attract and support Social Equity Applicants.

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

17 (410 ILCS 705/7-20)

18 Sec. 7-20. Fee waivers.

19 (a) For Social Equity Applicants, the Commission
20 ~~Department of Financial and Professional Regulation and the~~
21 ~~Department of Agriculture~~ shall waive 50% of any nonrefundable
22 license application fees, any nonrefundable fees associated
23 with purchasing a license to operate a cannabis business
24 establishment, and any surety bond or other financial
25 requirements, provided a Social Equity Applicant meets the

1 following qualifications at the time the payment is due:

2 (1) the applicant, including all individuals and
3 entities with 10% or greater ownership and all parent
4 companies, subsidiaries, and affiliates, has less than a
5 total of \$750,000 of income in the previous calendar year;
6 and

7 (2) the applicant, including all individuals and
8 entities with 10% or greater ownership and all parent
9 companies, subsidiaries, and affiliates, has no more than
10 2 other licenses for cannabis business establishments in
11 the State of Illinois.

12 (b) The Commission ~~Department of Financial and~~
13 ~~Professional Regulation and the Department of Agriculture~~ may
14 require Social Equity Applicants to attest that they meet the
15 requirements for a fee waiver as provided in subsection (a)
16 and to provide evidence of annual total income in the previous
17 calendar year.

18 (c) If the Commission ~~Department of Financial and~~
19 ~~Professional Regulation or the Department of Agriculture~~
20 determines that an applicant who applied as a Social Equity
21 Applicant is not eligible for such status, the applicant shall
22 be provided an additional 10 days to provide alternative
23 evidence that he or she qualifies as a Social Equity
24 Applicant. Alternatively, the applicant may pay the remainder
25 of the waived fee and be considered as a non-Social Equity
26 Applicant. If the applicant cannot do either, then the

1 Departments may keep the initial application fee and the
2 application shall not be graded.

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

4 (410 ILCS 705/7-25)

5 Sec. 7-25. Transfer of license awarded to Qualified Social
6 Equity Applicant.

7 (a) In the event a Qualified Social Equity Applicant seeks
8 to transfer, sell, or grant a cannabis business establishment
9 license within 5 years after it was issued to a person or
10 entity that does not qualify as a Social Equity Applicant, the
11 transfer agreement shall require the new license holder to pay
12 the Cannabis Business Development Fund an amount equal to:

13 (1) any fees that were waived by any State agency
14 based on the applicant's status as a Social Equity
15 Applicant, if applicable;

16 (2) any outstanding amount owed by the Qualified
17 Social Equity Applicant for a loan through the Cannabis
18 Business Development Fund, if applicable; and

19 (3) the full amount of any grants that the Qualified
20 Social Equity Applicant received from the Department of
21 Commerce and Economic Opportunity, if applicable.

22 (b) Transfers of cannabis business establishment licenses
23 awarded to a Social Equity Applicant are subject to all other
24 provisions of this Act, ~~the Compassionate Use of Medical~~
25 ~~Cannabis Program Act,~~ and rules regarding transfers.

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

2 (410 ILCS 705/7-30)

3 Sec. 7-30. Reporting. By January 1, 2021, and on January 1
4 of every year thereafter, or upon request by the Commission,
5 by and through its Executive Director ~~Illinois Cannabis~~
6 ~~Regulation Oversight Officer,~~ each cannabis business
7 establishment licensed under this Act and under the
8 Compassionate Use of Medical Cannabis Program in accordance
9 with Article 75 Act shall report to the Illinois Cannabis
10 Regulation Oversight Officer, on a form to be provided by the
11 Commission ~~Illinois Cannabis Regulation Oversight Officer,~~
12 information that will allow it to assess the extent of
13 diversity in the medical and adult use cannabis industry and
14 methods for reducing or eliminating any identified barriers to
15 entry, including access to capital. Failure of a cannabis
16 business establishment to respond to the request of the
17 Cannabis Regulation Oversight Officer to complete the form,
18 report, and any other request for information may be grounds
19 for disciplinary action by the Commission ~~Department of~~
20 ~~Financial and Professional Regulation or the Department of~~
21 ~~Agriculture.~~ The information to be collected shall be designed
22 to identify the following:

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

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

6 (3) the total number and percentage of contractors and
7 subcontractors in the cannabis industry that meet the
8 definition of a Social Equity Applicant or who are owned
9 by minorities, women, veterans, or people with
10 disabilities, if known to the cannabis business
11 establishment; and

12 (4) recommendations on reducing or eliminating any
13 identified barriers to entry, including access to capital,
14 in the cannabis industry.

15 (Source: P.A. 101-27, eff. 6-25-19; 102-98, eff. 7-15-21.)

16 (410 ILCS 705/10-5)

17 Sec. 10-5. Personal use of cannabis; restrictions on
18 cultivation; penalties.

19 (a) Beginning January 1, 2020, notwithstanding any other
20 provision of law, and except as otherwise provided in this
21 Act, the following acts are not a violation of this Act and
22 shall not be a criminal or civil offense under State law or the
23 ordinances of any unit of local government of this State or be
24 a basis for seizure or forfeiture of assets under State law for
25 persons other than natural individuals under 21 years of age:

1 (1) possession, consumption, use, purchase, obtaining,
2 or transporting cannabis paraphernalia or an amount of
3 cannabis for personal use that does not exceed the
4 possession limit under Section 10-10 or otherwise in
5 accordance with the requirements of this Act;

6 (2) cultivation of cannabis for personal use in
7 accordance with the requirements of this Act; and

8 (3) controlling property if actions that are
9 authorized by this Act occur on the property in accordance
10 with this Act.

11 (a-1) Beginning January 1, 2020, notwithstanding any other
12 provision of law, and except as otherwise provided in this
13 Act, possessing, consuming, using, purchasing, obtaining, or
14 transporting cannabis paraphernalia or an amount of cannabis
15 purchased or produced in accordance with this Act that does
16 not exceed the possession limit under subsection (a) of
17 Section 10-10 shall not be a basis for seizure or forfeiture of
18 assets under State law.

19 (b) Cultivating cannabis for personal use is subject to
20 the following limitations:

21 (1) An Illinois resident 21 years of age or older who
22 is a registered qualifying patient under Article 75 of
23 this ~~the Compassionate Use of Medical Cannabis Program Act~~
24 may cultivate cannabis plants, with a limit of 5 plants
25 that are more than 5 inches tall, per household without a
26 cultivation center or craft grower license. In this

1 Section, "resident" means a person who has been domiciled
2 in the State of Illinois for a period of 30 days before
3 cultivation.

4 (2) Cannabis cultivation must take place in an
5 enclosed, locked space.

6 (3) Adult registered qualifying patients may purchase
7 cannabis seeds from a dispensary for the purpose of home
8 cultivation. Seeds may not be given or sold to any other
9 person.

10 (4) Cannabis plants shall not be stored or placed in a
11 location where they are subject to ordinary public view,
12 as defined in this Act. A registered qualifying patient
13 who cultivates cannabis under this Section shall take
14 reasonable precautions to ensure the plants are secure
15 from unauthorized access, including unauthorized access by
16 a person under 21 years of age.

17 (5) Cannabis cultivation may occur only on residential
18 property lawfully in possession of the cultivator or with
19 the consent of the person in lawful possession of the
20 property. An owner or lessor of residential property may
21 prohibit the cultivation of cannabis by a lessee.

22 (6) (Blank).

23 (7) A dwelling, residence, apartment, condominium
24 unit, enclosed, locked space, or piece of property not
25 divided into multiple dwelling units shall not contain
26 more than 5 plants at any one time.

1 (8) Cannabis plants may only be tended by registered
2 qualifying patients who reside at the residence, or their
3 authorized agent attending to the residence for brief
4 periods, such as when the qualifying patient is
5 temporarily away from the residence.

6 (9) A registered qualifying patient who cultivates
7 more than the allowable number of cannabis plants, or who
8 sells or gives away cannabis plants, cannabis, or
9 cannabis-infused products produced under this Section, is
10 liable for penalties as provided by law, including the
11 Cannabis Control Act, in addition to loss of home
12 cultivation privileges as established by rule.

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

14 (410 ILCS 705/10-10)

15 Sec. 10-10. Possession limit.

16 (a) Except if otherwise authorized by this Act, for a
17 person who is 21 years of age or older and a resident of this
18 State, the possession limit is as follows:

19 (1) 30 grams of cannabis flower;

20 (2) no more than 500 milligrams of THC contained in
21 cannabis-infused product;

22 (3) 5 grams of cannabis concentrate; and

23 (4) for registered qualifying patients, any cannabis
24 produced by cannabis plants grown under subsection (b) of
25 Section 10-5, provided any amount of cannabis produced in

1 excess of 30 grams of raw cannabis or its equivalent must
2 remain secured within the residence or residential
3 property in which it was grown.

4 (b) For a person who is 21 years of age or older and who is
5 not a resident of this State, the possession limit is:

6 (1) 15 grams of cannabis flower;

7 (2) 2.5 grams of cannabis concentrate; and

8 (3) 250 milligrams of THC contained in a
9 cannabis-infused product.

10 (c) The possession limits found in subsections (a) and (b)
11 of this Section are to be considered cumulative.

12 (d) No person shall knowingly obtain, seek to obtain, or
13 possess an amount of cannabis from a dispensing organization
14 or craft grower that would cause him or her to exceed the
15 possession limit under this Section, including cannabis that
16 is cultivated by a person under this Act or obtained under the
17 Compassionate Use of Medical Cannabis Program ~~Act~~.

18 (e) Cannabis and cannabis-derived substances regulated
19 under the Industrial Hemp Act are not covered by this Act.

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

21 (410 ILCS 705/10-15)

22 Sec. 10-15. Persons under 21 years of age.

23 (a) Nothing in this Act is intended to permit the transfer
24 of cannabis, with or without remuneration, to a person under
25 21 years of age, or to allow a person under 21 years of age to

1 purchase, possess, use, process, transport, grow, or consume
2 cannabis except where authorized by the Compassionate Use of
3 Medical Cannabis Program ~~Act~~ or by the Community College
4 Cannabis Vocational Pilot Program.

5 (b) Notwithstanding any other provisions of law
6 authorizing the possession of medical cannabis, nothing in
7 this Act authorizes a person who is under 21 years of age to
8 possess cannabis. A person under 21 years of age with cannabis
9 in his or her possession is guilty of a civil law violation as
10 outlined in paragraph (a) of Section 4 of the Cannabis Control
11 Act.

12 (c) If the person under the age of 21 was in a motor
13 vehicle at the time of the offense, the Secretary of State may
14 suspend or revoke the driving privileges of any person for a
15 violation of this Section under Section 6-206 of the Illinois
16 Vehicle Code and the rules adopted under it.

17 (d) It is unlawful for any parent or guardian to knowingly
18 permit his or her residence, any other private property under
19 his or her control, or any vehicle, conveyance, or watercraft
20 under his or her control to be used by an invitee of the
21 parent's child or the guardian's ward, if the invitee is under
22 the age of 21, in a manner that constitutes a violation of this
23 Section. A parent or guardian is deemed to have knowingly
24 permitted his or her residence, any other private property
25 under his or her control, or any vehicle, conveyance, or
26 watercraft under his or her control to be used in violation of

1 this Section if he or she knowingly authorizes or permits
2 consumption of cannabis by underage invitees. Any person who
3 violates this subsection (d) is guilty of a Class A
4 misdemeanor and the person's sentence shall include, but shall
5 not be limited to, a fine of not less than \$500. If a violation
6 of this subsection (d) directly or indirectly results in great
7 bodily harm or death to any person, the person violating this
8 subsection is guilty of a Class 4 felony. In this subsection
9 (d), where the residence or other property has an owner and a
10 tenant or lessee, the trier of fact may infer that the
11 residence or other property is occupied only by the tenant or
12 lessee.

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

14 (410 ILCS 705/10-20)

15 Sec. 10-20. Identification; false identification; penalty.

16 (a) To protect personal privacy, the Commission ~~Department~~
17 ~~of Financial and Professional Regulation~~ shall not require a
18 purchaser to provide a dispensing organization with personal
19 information other than government-issued identification to
20 determine the purchaser's age, and a dispensing organization
21 shall not obtain and record personal information about a
22 purchaser without the purchaser's consent. A dispensing
23 organization shall use an electronic reader or electronic
24 scanning device to scan a purchaser's government-issued
25 identification, if applicable, to determine the purchaser's

1 age and the validity of the identification. Any identifying or
2 personal information of a purchaser obtained or received in
3 accordance with this Section shall not be retained, used,
4 shared or disclosed for any purpose except as authorized by
5 this Act.

6 (b) A person who is under 21 years of age may not present
7 or offer to a cannabis business establishment or the cannabis
8 business establishment's principal or employee any written or
9 oral evidence of age that is false, fraudulent, or not
10 actually the person's own, for the purpose of:

11 (1) purchasing, attempting to purchase, or otherwise
12 obtaining or attempting to obtain cannabis or any cannabis
13 product; or

14 (2) gaining access to a cannabis business
15 establishment.

16 (c) A violation of this Section is a Class A misdemeanor
17 consistent with Section 6-20 of the Liquor Control Act of
18 1934.

19 (d) The Secretary of State may suspend or revoke the
20 driving privileges of any person for a violation of this
21 Section under Section 6-206 of the Illinois Vehicle Code and
22 the rules adopted under it.

23 (e) No agent or employee of the licensee shall be
24 disciplined or discharged for selling or furnishing cannabis
25 or cannabis products to a person under 21 years of age if the
26 agent or employee demanded and was shown, before furnishing

1 cannabis or cannabis products to a person under 21 years of
2 age, adequate written evidence of age and identity of the
3 person. This subsection (e) does not apply if the agent or
4 employee accepted the written evidence knowing it to be false
5 or fraudulent. Adequate written evidence of age and identity
6 of the person is a document issued by a federal, State, county,
7 or municipal government, or subdivision or agency thereof,
8 including, but not limited to, a motor vehicle operator's
9 license, a registration certificate issued under the Military
10 Selective Service Act, or an identification card issued to a
11 member of the Armed Forces. Proof that the licensee or his or
12 her employee or agent was shown and reasonably relied upon
13 such written evidence in any transaction forbidden by this
14 Section is an affirmative defense in any criminal prosecution
15 therefor or to any proceedings for the suspension or
16 revocation of any license based thereon.

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

18 (410 ILCS 705/10-35)

19 Sec. 10-35. Limitations and penalties.

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

23 (1) undertaking any task under the influence of
24 cannabis when doing so would constitute negligence,
25 professional malpractice, or professional misconduct;

1 (2) possessing cannabis:

2 (A) in a school bus, unless permitted for a
3 qualifying patient or caregiver pursuant to the
4 Compassionate Use of Medical Cannabis Program ~~Act~~;

5 (B) on the grounds of any preschool or primary or
6 secondary school, unless permitted for a qualifying
7 patient or caregiver pursuant to the Compassionate Use
8 of Medical Cannabis Program ~~Act~~;

9 (C) in any correctional facility;

10 (D) in a vehicle not open to the public unless the
11 cannabis is in a reasonably secured, sealed or
12 resealable container and reasonably inaccessible while
13 the vehicle is moving; or

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

17 (3) using cannabis:

18 (A) in a school bus, unless permitted for a
19 qualifying patient or caregiver pursuant to the
20 Compassionate Use of Medical Cannabis Program ~~Act~~;

21 (B) on the grounds of any preschool or primary or
22 secondary school, unless permitted for a qualifying
23 patient or caregiver pursuant to the Compassionate Use
24 of Medical Cannabis Program ~~Act~~;

25 (C) in any correctional facility;

26 (D) in any motor vehicle;

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

4 (F) in any public place; or

5 (G) knowingly in close physical proximity to
6 anyone under 21 years of age who is not a registered
7 medical cannabis patient under the Compassionate Use
8 of Medical Cannabis Program ~~Act~~;

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

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

18 (6) facilitating the use of cannabis by any person who
19 is not allowed to use cannabis under this Act ~~or the~~
20 ~~Compassionate Use of Medical Cannabis Program Act~~;

21 (7) transferring cannabis to any person contrary to
22 this Act ~~or the Compassionate Use of Medical Cannabis~~
23 ~~Program Act~~;

24 (8) the use of cannabis by a law enforcement officer,
25 corrections officer, probation officer, or firefighter
26 while on duty; nothing in this Act prevents a public

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

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

19 As used in this Section, "public place" means any place
20 where a person could reasonably be expected to be observed by
21 others. "Public place" includes all parts of buildings owned
22 in whole or in part, or leased, by the State or a unit of local
23 government. "Public place" includes all areas in a park,
24 recreation area, wildlife area, or playground owned in whole
25 or in part, leased, or managed by the State or a unit of local
26 government. "Public place" does not include a private

1 residence unless the private residence is used to provide
2 licensed child care, foster care, or other similar social
3 service care on the premises.

4 (b) Nothing in this Act shall be construed to prevent the
5 arrest or prosecution of a person for reckless driving or
6 driving under the influence of cannabis, operating a
7 watercraft under the influence of cannabis, or operating a
8 snowmobile under the influence of cannabis if probable cause
9 exists.

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

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

18 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19;
19 102-98, eff. 7-15-21.)

20 (410 ILCS 705/10-45)

21 Sec. 10-45. Cannabis Equity Advisory Council ~~Commission~~.

22 ~~(a)~~ The Cannabis Equity Advisory Council ~~Commission~~ is
23 created and shall reflect the diversity of the State of
24 Illinois, including geographic, racial, and ethnic diversity.
25 The Cannabis Equity Advisory Council ~~Commission~~ shall serve as

1 an advisory board to the Cannabis Equity and Oversight
2 Commission. ~~be responsible for the following:~~

3 ~~(1) Ensuring that equity goals in the Illinois~~
4 ~~cannabis industry, as stated in Section 10-40, are met.~~

5 ~~(2) Tracking and analyzing minorities in the~~
6 ~~marketplace.~~

7 ~~(3) Ensuring that revenue is being invested properly~~
8 ~~into R3 areas under Section 10-40.~~

9 ~~(4) Recommending changes to make the law more~~
10 ~~equitable to communities harmed the most by the war on~~
11 ~~drugs.~~

12 ~~(5) Create standards to protect true social equity~~
13 ~~applicants from predatory businesses.~~

14 (b) The Cannabis Equity Advisory Council's ~~Commission's~~ ex
15 officio members shall, within 4 months after the effective
16 date of this amendatory Act of the 101st General Assembly,
17 convene the Cannabis Equity Advisory Council ~~Commission~~ to
18 appoint a full Cannabis Equity Advisory Council ~~Commission~~ and
19 oversee, provide guidance to, and develop an administrative
20 structure for the Cannabis Equity Advisory Council ~~Commission~~.
21 The ex officio members are:

22 (1) The Governor, or his or her designee, who shall
23 serve as chair.

24 (2) The Attorney General, or his or her designee.

25 (3) The Director of Commerce and Economic Opportunity,
26 or his or her designee.

1 (4) The Director of Public Health, or his or her
2 designee.

3 (5) The Director of Corrections, or his or her
4 designee.

5 (6) The Director of Financial and Professional
6 Regulation, or his or her designee.

7 (7) The Director of Agriculture, or his or her
8 designee.

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

11 (9) The Secretary of Human Services, or his or her
12 designee.

13 (10) A member of the Senate, designated by the
14 President of the Senate.

15 (11) A member of the House of Representatives,
16 designated by the Speaker of the House of Representatives.

17 (12) A member of the Senate, designated by the
18 Minority Leader of the Senate.

19 (13) A member of the House of Representatives,
20 designated by the Minority Leader of the House of
21 Representatives.

22 (c) Within 90 days after the ex officio members convene,
23 the following members shall be appointed to the Cannabis
24 Equity Advisory Council ~~Commission~~ by the chair:

25 (1) Four community-based providers or community
26 development organization representatives who provide

1 services to treat violence and address the social
2 determinants of health, or promote community investment,
3 including, but not limited to, services such as job
4 placement and training, educational services, workforce
5 development programming, and wealth building. No more than
6 2 community-based organization representatives shall work
7 primarily in Cook County. At least one of the
8 community-based providers shall have expertise in
9 providing services to an immigrant population.

10 (2) Two experts in the field of violence reduction.

11 (3) One male who has previously been incarcerated and
12 is over the age of 24 at the time of appointment.

13 (4) One female who has previously been incarcerated
14 and is over the age of 24 at the time of appointment.

15 (5) Two individuals who have previously been
16 incarcerated and are between the ages of 17 and 24 at the
17 time of appointment.

18 As used in this subsection (c), "an individual who has
19 been previously incarcerated" has the same meaning as defined
20 in paragraph (2) of subsection (e) of Section 10-40.

21 (Source: P.A. 101-658, eff. 3-23-21.)

22 (410 ILCS 705/10-50)

23 Sec. 10-50. Employment; employer liability.

24 (a) Nothing in this Act shall prohibit an employer from
25 adopting reasonable zero tolerance or drug free workplace

1 policies, or employment policies concerning drug testing,
2 smoking, consumption, storage, or use of cannabis in the
3 workplace or while on call provided that the policy is applied
4 in a nondiscriminatory manner.

5 (b) Nothing in this Act shall require an employer to
6 permit an employee to be under the influence of or use cannabis
7 in the employer's workplace or while performing the employee's
8 job duties or while on call.

9 (c) Nothing in this Act shall limit or prevent an employer
10 from disciplining an employee or terminating employment of an
11 employee for violating an employer's employment policies or
12 workplace drug policy.

13 (d) An employer may consider an employee to be impaired or
14 under the influence of cannabis if the employer has a good
15 faith belief that an employee manifests specific, articulable
16 symptoms while working that decrease or lessen the employee's
17 performance of the duties or tasks of the employee's job
18 position, including symptoms of the employee's speech,
19 physical dexterity, agility, coordination, demeanor,
20 irrational or unusual behavior, or negligence or carelessness
21 in operating equipment or machinery; disregard for the safety
22 of the employee or others, or involvement in any accident that
23 results in serious damage to equipment or property; disruption
24 of a production or manufacturing process; or carelessness that
25 results in any injury to the employee or others. If an employer
26 elects to discipline an employee on the basis that the

1 employee is under the influence or impaired by cannabis, the
2 employer must afford the employee a reasonable opportunity to
3 contest the basis of the determination.

4 (e) Nothing in this Act shall be construed to create or
5 imply a cause of action for any person against an employer for:

6 (1) actions taken pursuant to an employer's reasonable
7 workplace drug policy, including but not limited to
8 subjecting an employee or applicant to reasonable drug and
9 alcohol testing, reasonable and nondiscriminatory random
10 drug testing, and discipline, termination of employment,
11 or withdrawal of a job offer due to a failure of a drug
12 test;

13 (2) actions based on the employer's good faith belief
14 that an employee used or possessed cannabis in the
15 employer's workplace or while performing the employee's
16 job duties or while on call in violation of the employer's
17 employment policies;

18 (3) actions, including discipline or termination of
19 employment, based on the employer's good faith belief that
20 an employee was impaired as a result of the use of
21 cannabis, or under the influence of cannabis, while at the
22 employer's workplace or while performing the employee's
23 job duties or while on call in violation of the employer's
24 workplace drug policy; or

25 (4) injury, loss, or liability to a third party if the
26 employer neither knew nor had reason to know that the

1 employee was impaired.

2 (f) Nothing in this Act shall be construed to enhance or
3 diminish protections afforded by any other law, including but
4 not limited to the Compassionate Use of Medical Cannabis
5 Program ~~Act~~ or the Opioid Alternative Pilot Program.

6 (g) Nothing in this Act shall be construed to interfere
7 with any federal, State, or local restrictions on employment
8 including, but not limited to, the United States Department of
9 Transportation regulation 49 CFR 40.151(e) or impact an
10 employer's ability to comply with federal or State law or
11 cause it to lose a federal or State contract or funding.

12 (h) As used in this Section, "workplace" means the
13 employer's premises, including any building, real property,
14 and parking area under the control of the employer or area used
15 by an employee while in the performance of the employee's job
16 duties, and vehicles, whether leased, rented, or owned.
17 "Workplace" may be further defined by the employer's written
18 employment policy, provided that the policy is consistent with
19 this Section.

20 (i) For purposes of this Section, an employee is deemed
21 "on call" when such employee is scheduled with at least 24
22 hours' notice by his or her employer to be on standby or
23 otherwise responsible for performing tasks related to his or
24 her employment either at the employer's premises or other
25 previously designated location by his or her employer or
26 supervisor to perform a work-related task.

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

2 (410 ILCS 705/15-5)

3 Sec. 15-5. Authority.

4 (a) In this Article: 7

5 "Commission" means the Cannabis Equity and Oversight
6 Commission.

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

9 (b) It is the duty of the Commission ~~Department~~ to
10 administer and enforce the provisions of this Act relating to
11 the licensure and oversight of dispensing organizations and
12 dispensing organization agents unless otherwise provided in
13 this Act.

14 (c) No person shall operate a dispensing organization for
15 the purpose of serving purchasers of cannabis or cannabis
16 products without a license issued under this Article by the
17 Commission ~~Department~~. No person shall be an officer,
18 director, manager, or employee of a dispensing organization
19 without having been issued a dispensing organization agent
20 card by the Commission ~~Department~~.

21 (d) Subject to the provisions of this Act, the Commission
22 ~~Department~~ may exercise the following powers and duties:

23 (1) Prescribe forms to be issued for the
24 administration and enforcement of this Article.

25 (2) Examine, inspect, and investigate the premises,

1 operations, and records of dispensing organization
2 applicants and licensees.

3 (3) Conduct investigations of possible violations of
4 this Act pertaining to dispensing organizations and
5 dispensing organization agents.

6 (4) Conduct hearings on proceedings to refuse to issue
7 or renew licenses or to revoke, suspend, place on
8 probation, reprimand, or otherwise discipline a license
9 under this Article or take other nondisciplinary action.

10 (5) Adopt rules required for the administration of
11 this Article.

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

13 (410 ILCS 705/15-15)

14 Sec. 15-15. Early Approval Adult Use Dispensing
15 Organization License.

16 (a) Any medical cannabis dispensing organization holding a
17 valid registration under the Compassionate Use of Medical
18 Cannabis Program ~~Act~~ as of the effective date of this Act may,
19 within 60 days of the effective date of this Act, apply to the
20 Commission ~~Department~~ for an Early Approval Adult Use
21 Dispensing Organization License to serve purchasers at any
22 medical cannabis dispensing location in operation on the
23 effective date of this Act, pursuant to this Section.

24 (b) A medical cannabis dispensing organization seeking
25 issuance of an Early Approval Adult Use Dispensing

1 Organization License to serve purchasers at any medical
2 cannabis dispensing location in operation as of the effective
3 date of this Act shall submit an application on forms provided
4 by the Commission ~~Department~~. The application must be
5 submitted by the same person or entity that holds the medical
6 cannabis dispensing organization registration and include the
7 following:

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

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

12 (3) Certification that the applicant will comply with
13 the requirements contained in the Compassionate Use of
14 Medical Cannabis Program ~~Act~~ except as provided in this
15 Act;

16 (4) The legal name of the dispensing organization;

17 (5) The physical address of the dispensing
18 organization;

19 (6) The name, address, social security number, and
20 date of birth of each principal officer and board member
21 of the dispensing organization, each of whom must be at
22 least 21 years of age;

23 (7) A nonrefundable Cannabis Business Development Fee
24 equal to 3% of the dispensing organization's total sales
25 between June 1, 2018 to June 1, 2019, or \$100,000,
26 whichever is less, to be deposited into the Cannabis

1 Business Development Fund; and

2 (8) Identification of one of the following Social
3 Equity Inclusion Plans to be completed by March 31, 2021:

4 (A) Make a contribution of 3% of total sales from
5 June 1, 2018 to June 1, 2019, or \$100,000, whichever is
6 less, to the Cannabis Business Development Fund. This
7 is in addition to the fee required by item (7) of this
8 subsection (b);

9 (B) Make a grant of 3% of total sales from June 1,
10 2018 to June 1, 2019, or \$100,000, whichever is less,
11 to a cannabis industry training or education program
12 at an Illinois community college as defined in the
13 Public Community College Act;

14 (C) Make a donation of \$100,000 or more to a
15 program that provides job training services to persons
16 recently incarcerated or that operates in a
17 Disproportionately Impacted Area;

18 (D) Participate as a host in a cannabis business
19 establishment incubator program approved by the
20 Department of Commerce and Economic Opportunity, and
21 in which an Early Approval Adult Use Dispensing
22 Organization License holder agrees to provide a loan
23 of at least \$100,000 and mentorship to incubate, for
24 at least a year, a Social Equity Applicant intending
25 to seek a license or a licensee that qualifies as a
26 Social Equity Applicant. As used in this Section,

1 "incubate" means providing direct financial assistance
2 and training necessary to engage in licensed cannabis
3 industry activity similar to that of the host
4 licensee. The Early Approval Adult Use Dispensing
5 Organization License holder or the same entity holding
6 any other licenses issued pursuant to this Act shall
7 not take an ownership stake of greater than 10% in any
8 business receiving incubation services to comply with
9 this subsection. If an Early Approval Adult Use
10 Dispensing Organization License holder fails to find a
11 business to incubate to comply with this subsection
12 before its Early Approval Adult Use Dispensing
13 Organization License expires, it may opt to meet the
14 requirement of this subsection by completing another
15 item from this subsection; or

16 (E) Participate in a sponsorship program for at
17 least 2 years approved by the Department of Commerce
18 and Economic Opportunity in which an Early Approval
19 Adult Use Dispensing Organization License holder
20 agrees to provide an interest-free loan of at least
21 \$200,000 to a Social Equity Applicant. The sponsor
22 shall not take an ownership stake in any cannabis
23 business establishment receiving sponsorship services
24 to comply with this subsection.

25 (b-5) Beginning 90 days after the effective date of this
26 amendatory Act of the 102nd General Assembly, an Early

1 Approval Adult Use Dispensing Organization licensee whose
2 license was issued pursuant to this Section may apply to
3 relocate within the same geographic district where its
4 existing associated medical cannabis dispensing organization
5 dispensary licensed under the Compassionate Use of Medical
6 Cannabis ~~Act~~ is authorized to operate. A request to relocate
7 under this subsection is subject to approval by the Commission
8 ~~Department~~. An Early Approval Adult Use Dispensing
9 Organization's application to relocate its license under this
10 subsection shall be deemed approved 30 days following the
11 submission of a complete application to relocate, unless
12 sooner approved or denied in writing by the Commission
13 ~~Department~~. If an application to relocate is denied, the
14 Commission ~~Department~~ shall provide, in writing, the specific
15 reason for denial.

16 An Early Approval Adult Use Dispensing Organization may
17 request to relocate under this subsection if:

18 (1) its existing location is within the boundaries of
19 a unit of local government that prohibits the sale of
20 adult use cannabis; or

21 (2) the Early Approval Adult Use Dispensing
22 Organization has obtained the approval of the municipality
23 or, if outside the boundaries of a municipality in an
24 unincorporated area of the county, the approval of the
25 county where the existing license is located to move to
26 another location within that unit of local government.

1 At no time may an Early Approval Adult Use Dispensing
2 Organization dispensary licensed under this Section operate in
3 a separate facility from its associated medical cannabis
4 dispensing organization dispensary licensed under the
5 Compassionate Use of Medical Cannabis ~~Act~~. The relocation of
6 an Early Approval Adult Use Dispensing Organization License
7 under this subsection shall be subject to Sections 55-25 and
8 55-28 of this Act.

9 (c) The license fee required by paragraph (1) of
10 subsection (b) of this Section shall be in addition to any
11 license fee required for the renewal of a registered medical
12 cannabis dispensing organization license.

13 (d) Applicants must submit all required information,
14 including the requirements in subsection (b) of this Section,
15 to the Commission ~~Department~~. Failure by an applicant to
16 submit all required information may result in the application
17 being disqualified.

18 (e) If the Commission ~~Department~~ receives an application
19 that fails to provide the required elements contained in
20 subsection (b), the Commission ~~Department~~ shall issue a
21 deficiency notice to the applicant. The applicant shall have
22 10 calendar days from the date of the deficiency notice to
23 submit complete information. Applications that are still
24 incomplete after this opportunity to cure may be disqualified.

25 (f) If an applicant meets all the requirements of
26 subsection (b) of this Section, the Commission ~~Department~~

1 shall issue the Early Approval Adult Use Dispensing
2 Organization License within 14 days of receiving a completed
3 application unless:

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

7 (2) The Commission ~~Secretary of Financial and~~
8 ~~Professional Regulation~~ determines there is reason, based
9 on documented compliance violations, the licensee is not
10 entitled to an Early Approval Adult Use Dispensing
11 Organization License; or

12 (3) Any principal officer fails to register and remain
13 in compliance with this Act or the Compassionate Use of
14 Medical Cannabis Program ~~Act~~.

15 (g) A registered medical cannabis dispensing organization
16 that obtains an Early Approval Adult Use Dispensing
17 Organization License may begin selling cannabis,
18 cannabis-infused products, paraphernalia, and related items to
19 purchasers under the rules of this Act no sooner than January
20 1, 2020.

21 (h) A dispensing organization holding a medical cannabis
22 dispensing organization license issued under the Compassionate
23 Use of Medical Cannabis Program ~~Act~~ must maintain an adequate
24 supply of cannabis and cannabis-infused products for purchase
25 by qualifying patients, caregivers, provisional patients, and
26 Opioid Alternative Pilot Program participants. For the

1 purposes of this subsection, "adequate supply" means a monthly
2 inventory level that is comparable in type and quantity to
3 those medical cannabis products provided to patients and
4 caregivers on an average monthly basis for the 6 months before
5 the effective date of this Act.

6 (i) If there is a shortage of cannabis or cannabis-infused
7 products, a dispensing organization holding both a dispensing
8 organization license under Article 75 and under Article 15 ~~the~~
9 ~~Compassionate Use of Medical Cannabis Program Act and this Act~~
10 shall prioritize serving qualifying patients, caregivers,
11 provisional patients, and Opioid Alternative Pilot Program
12 participants before serving purchasers.

13 (j) Notwithstanding any law or rule to the contrary, a
14 person who ~~that~~ holds a medical cannabis dispensing
15 organization license issued under the Compassionate Use of
16 Medical Cannabis Program ~~Act~~ and an Early Approval Adult Use
17 Dispensing Organization License may permit purchasers into a
18 limited access area as that term is defined in administrative
19 rules made under the authority in the Compassionate Use of
20 Medical Cannabis Program ~~Act~~.

21 (k) An Early Approval Adult Use Dispensing Organization
22 License is valid until March 31, 2021. A dispensing
23 organization that obtains an Early Approval Adult Use
24 Dispensing Organization License shall receive written or
25 electronic notice 90 days before the expiration of the license
26 that the license will expire, and that informs the license

1 holder that it may apply to renew its Early Approval Adult Use
2 Dispensing Organization License on forms provided by the
3 Commission ~~Department~~. The Commission ~~Department~~ shall renew
4 the Early Approval Adult Use Dispensing Organization License
5 within 60 days of the renewal application being deemed
6 complete if:

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

10 (2) the Commission ~~Department~~ has not suspended or
11 permanently revoked the Early Approval Adult Use
12 Dispensing Organization License or a medical cannabis
13 dispensing organization license on the same premises for
14 violations of this Act, the Compassionate Use of Medical
15 Cannabis Program ~~Act~~, or rules adopted pursuant to those
16 Acts;

17 (3) the dispensing organization has completed a Social
18 Equity Inclusion Plan as provided by parts (A), (B), and
19 (C) of paragraph (8) of subsection (b) of this Section or
20 has made substantial progress toward completing a Social
21 Equity Inclusion Plan as provided by parts (D) and (E) of
22 paragraph (8) of subsection (b) of this Section; and

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

25 (1) The Early Approval Adult Use Dispensing Organization
26 License renewed pursuant to subsection (k) of this Section

1 shall expire March 31, 2022. The Early Approval Adult Use
2 Dispensing Organization Licensee shall receive written or
3 electronic notice 90 days before the expiration of the license
4 that the license will expire, and that informs the license
5 holder that it may apply for an Adult Use Dispensing
6 Organization License on forms provided by the Commission
7 ~~Department~~. The Commission ~~Department~~ shall grant an Adult Use
8 Dispensing Organization License within 60 days of an
9 application being deemed complete if the applicant has met all
10 of the criteria in Section 15-36.

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

19 (n) A dispensing organization agent who holds a valid
20 dispensing organization agent identification card issued under
21 the Compassionate Use of Medical Cannabis Program ~~Act~~ and is
22 an officer, director, manager, or employee of the dispensing
23 organization licensed under this Section may engage in all
24 activities authorized by this Article to be performed by a
25 dispensing organization agent.

26 (o) If the Commission ~~Department~~ suspends, permanently

1 revokes, or otherwise disciplines the Early Approval Adult Use
2 Dispensing Organization License of a dispensing organization
3 that also holds a medical cannabis dispensing organization
4 license issued under the Compassionate Use of Medical Cannabis
5 Program ~~Act~~, the Commission ~~Department~~ may consider the
6 suspension, permanent revocation, or other discipline of the
7 medical cannabis dispensing organization license.

8 (p) All fees collected pursuant to this Section shall be
9 deposited into the Cannabis Regulation Fund, unless otherwise
10 specified.

11 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19;
12 102-98, eff. 7-15-21.)

13 (410 ILCS 705/15-20)

14 Sec. 15-20. Early Approval Adult Use Dispensing
15 Organization License; secondary site.

16 (a) Any medical cannabis dispensing organization holding a
17 valid registration under the Compassionate Use of Medical
18 Cannabis Program ~~Act~~ as of the effective date of this Act may,
19 within 60 days of the effective date of this Act, apply to the
20 Commission ~~Department~~ for an Early Approval Adult Use
21 Dispensing Organization License to operate a dispensing
22 organization to serve purchasers at a secondary site not
23 within 1,500 feet of another medical cannabis dispensing
24 organization or adult use dispensing organization. The Early
25 Approval Adult Use Dispensing Organization secondary site

1 shall be within any BLS Region that shares territory with the
2 dispensing organization district to which the medical cannabis
3 dispensing organization is assigned under the administrative
4 rules for dispensing organizations under the Compassionate Use
5 of Medical Cannabis Program ~~Act~~.

6 (a-5) If, within 360 days of the effective date of this
7 Act, a dispensing organization is unable to find a location
8 within the BLS Regions prescribed in subsection (a) of this
9 Section in which to operate an Early Approval Adult Use
10 Dispensing Organization at a secondary site because no
11 jurisdiction within the prescribed area allows the operation
12 of an Adult Use Cannabis Dispensing Organization, the
13 Commission ~~Department of Financial and Professional Regulation~~
14 may waive the geographic restrictions of subsection (a) of
15 this Section and specify another BLS Region into which the
16 dispensary may be placed.

17 (b) (Blank).

18 (c) A medical cannabis dispensing organization seeking
19 issuance of an Early Approval Adult Use Dispensing
20 Organization License at a secondary site to serve purchasers
21 at a secondary site as prescribed in subsection (a) of this
22 Section shall submit an application on forms provided by the
23 Commission ~~Department~~. The application must meet or include
24 the following qualifications:

25 (1) a payment of a nonrefundable application fee of
26 \$30,000;

1 (2) proof of registration as a medical cannabis
2 dispensing organization that is in good standing;

3 (3) submission of the application by the same person
4 or entity that holds the medical cannabis dispensing
5 organization registration;

6 (4) the legal name of the medical cannabis dispensing
7 organization;

8 (5) the physical address of the medical cannabis
9 dispensing organization and the proposed physical address
10 of the secondary site;

11 (6) a copy of the current local zoning ordinance
12 Sections relevant to dispensary operations and
13 documentation of the approval, the conditional approval or
14 the status of a request for zoning approval from the local
15 zoning office that the proposed dispensary location is in
16 compliance with the local zoning rules;

17 (7) a plot plan of the dispensary drawn to scale. The
18 applicant shall submit general specifications of the
19 building exterior and interior layout;

20 (8) a statement that the dispensing organization
21 agrees to respond to the Commission's ~~Department's~~
22 supplemental requests for information;

23 (9) for the building or land to be used as the proposed
24 dispensary:

25 (A) if the property is not owned by the applicant,
26 a written statement from the property owner and

1 landlord, if any, certifying consent that the
2 applicant may operate a dispensary on the premises; or

3 (B) if the property is owned by the applicant,
4 confirmation of ownership;

5 (10) a copy of the proposed operating bylaws;

6 (11) a copy of the proposed business plan that
7 complies with the requirements in this Act, including, at
8 a minimum, the following:

9 (A) a description of services to be offered; and

10 (B) a description of the process of dispensing
11 cannabis;

12 (12) a copy of the proposed security plan that
13 complies with the requirements in this Article, including:

14 (A) a description of the delivery process by which
15 cannabis will be received from a transporting
16 organization, including receipt of manifests and
17 protocols that will be used to avoid diversion, theft,
18 or loss at the dispensary acceptance point; and

19 (B) the process or controls that will be
20 implemented to monitor the dispensary, secure the
21 premises, agents, patients, and currency, and prevent
22 the diversion, theft, or loss of cannabis; and

23 (C) the process to ensure that access to the
24 restricted access areas is restricted to, registered
25 agents, service professionals, transporting
26 organization agents, Commission ~~Department~~ inspectors,

1 and security personnel;

2 (13) a proposed inventory control plan that complies
3 with this Section;

4 (14) 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 those individuals
7 shall be at least 21 years of age;

8 (15) a nonrefundable Cannabis Business Development Fee
9 equal to \$200,000, to be deposited into the Cannabis
10 Business Development Fund; and

11 (16) a commitment to completing one of the following
12 Social Equity Inclusion Plans in subsection (d).

13 (d) Before receiving an Early Approval Adult Use
14 Dispensing Organization License at a secondary site, a
15 dispensing organization shall indicate the Social Equity
16 Inclusion Plan that the applicant plans to achieve before the
17 expiration of the Early Approval Adult Use Dispensing
18 Organization License from the list below:

19 (1) make a contribution of 3% of total sales from June
20 1, 2018 to June 1, 2019, or \$100,000, whichever is less, to
21 the Cannabis Business Development Fund. This is in
22 addition to the fee required by paragraph (16) of
23 subsection (c) of this Section;

24 (2) make a grant of 3% of total sales from June 1, 2018
25 to June 1, 2019, or \$100,000, whichever is less, to a
26 cannabis industry training or education program at an

1 Illinois community college as defined in the Public
2 Community College Act;

3 (3) make a donation of \$100,000 or more to a program
4 that provides job training services to persons recently
5 incarcerated or that operates in a Disproportionately
6 Impacted Area;

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

1 Dispensing Organization License at a secondary site
2 expires, it may opt to meet the requirement of this
3 subsection by completing another item from this subsection
4 before the expiration of its Early Approval Adult Use
5 Dispensing Organization License at a secondary site to
6 avoid a penalty; or

7 (5) participate in a sponsorship program for at least
8 2 years approved by the Department of Commerce and
9 Economic Opportunity in which an Early Approval Adult Use
10 Dispensing Organization License at a secondary site holder
11 agrees to provide an interest-free loan of at least
12 \$200,000 to a Social Equity Applicant. The sponsor shall
13 not take an ownership stake of greater than 10% in any
14 business receiving sponsorship services to comply with
15 this subsection.

16 (e) The license fee required by paragraph (1) of
17 subsection (c) of this Section is in addition to any license
18 fee required for the renewal of a registered medical cannabis
19 dispensing organization license.

20 (f) Applicants must submit all required information,
21 including the requirements in subsection (c) of this Section,
22 to the Commission ~~Department~~. Failure by an applicant to
23 submit all required information may result in the application
24 being disqualified. Principal officers shall not be required
25 to submit to the fingerprint and background check requirements
26 of Section 5-20.

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

8 (h) Once all required information and documents have been
9 submitted, the Commission ~~Department~~ will review the
10 application. The Commission ~~Department~~ may request revisions
11 and retains final approval over dispensary features. Once the
12 application is complete and meets the Commission's
13 ~~Department's~~ approval, the Commission ~~Department~~ shall
14 conditionally approve the license. Final approval is
15 contingent on the build-out and Commission ~~Department~~
16 inspection.

17 (i) Upon submission of the Early Approval Adult Use
18 Dispensing Organization at a secondary site application, the
19 applicant shall request an inspection and the Commission
20 ~~Department~~ may inspect the Early Approval Adult Use Dispensing
21 Organization's secondary site to confirm compliance with the
22 application and this Act.

23 (j) The Commission ~~Department~~ shall only issue an Early
24 Approval Adult Use Dispensing Organization License at a
25 secondary site after the completion of a successful
26 inspection.

1 (k) If an applicant passes the inspection under this
2 Section, the Commission ~~Department~~ shall issue the Early
3 Approval Adult Use Dispensing Organization License at a
4 secondary site within 10 business days unless:

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

10 (2) The Commission ~~Secretary of Financial and~~
11 ~~Professional Regulation~~ determines there is reason, based
12 on documented compliance violations, the licensee is not
13 entitled to an Early Approval Adult Use Dispensing
14 Organization License at its secondary site.

15 (l) Once the Commission ~~Department~~ has issued a license,
16 the dispensing organization shall notify the Commission
17 ~~Department~~ of the proposed opening date.

18 (m) A registered medical cannabis dispensing organization
19 that obtains an Early Approval Adult Use Dispensing
20 Organization License at a secondary site may begin selling
21 cannabis, cannabis-infused products, paraphernalia, and
22 related items to purchasers under the rules of this Act no
23 sooner than January 1, 2020.

24 (n) If there is a shortage of cannabis or cannabis-infused
25 products, a dispensing organization holding both a dispensing
26 organization license under the Compassionate Use of Medical

1 Cannabis Program ~~Act~~ and this Article shall prioritize serving
2 qualifying patients and caregivers before serving purchasers.

3 (o) An Early Approval Adult Use Dispensing Organization
4 License at a secondary site is valid until March 31, 2021. A
5 dispensing organization that obtains an Early Approval Adult
6 Use Dispensing Organization License at a secondary site shall
7 receive written or electronic notice 90 days before the
8 expiration of the license that the license will expire, and
9 inform the license holder that it may renew its Early Approval
10 Adult Use Dispensing Organization License at a secondary site.
11 The Commission ~~Department~~ shall renew an Early Approval Adult
12 Use Dispensing Organization License at a secondary site within
13 60 days of submission of the renewal application being deemed
14 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 Commission ~~Department~~ has not suspended or
19 permanently revoked the Early Approval Adult Use
20 Dispensing Organization License or a medical cannabis
21 dispensing organization license held by the same person or
22 entity for violating this Act or rules adopted under this
23 Act ~~or the Compassionate Use of Medical Cannabis Program~~
24 ~~Act or rules adopted under that Act; and~~

25 (3) the dispensing organization has completed a Social
26 Equity Inclusion Plan provided by paragraph (1), (2), or

1 (3) of subsection (d) of this Section or has made
2 substantial progress toward completing a Social Equity
3 Inclusion Plan provided by paragraph (4) or (5) of
4 subsection (d) of this Section.

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

15 (q) If a dispensing organization fails to submit an
16 application for renewal of an Early Approval Adult Use
17 Dispensing Organization License or for an Adult Use Dispensing
18 Organization License before the expiration dates provided in
19 subsections (o) and (p) of this Section, the dispensing
20 organization shall cease serving purchasers until it receives
21 a renewal or an Adult Use Dispensing Organization License.

22 (r) A dispensing organization agent who holds a valid
23 dispensing organization agent identification card issued under
24 the Compassionate Use of Medical Cannabis Program ~~Act~~ and is
25 an officer, director, manager, or employee of the dispensing
26 organization licensed under this Section may engage in all

1 activities authorized by this Article to be performed by a
2 dispensing organization agent.

3 (s) If the Commission ~~Department~~ suspends, permanently
4 revokes, or otherwise disciplines the Early Approval Adult Use
5 Dispensing Organization License of a dispensing organization
6 that also holds a medical cannabis dispensing organization
7 license issued under the Compassionate Use of Medical Cannabis
8 Program ~~Act~~, the Commission ~~Department~~ may consider the
9 suspension, permanent revocation, or other discipline as
10 grounds to take disciplinary action against the medical
11 cannabis dispensing organization.

12 (t) All fees collected pursuant to this Section shall be
13 deposited into the Cannabis Regulation Fund, unless otherwise
14 specified.

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

16 (410 ILCS 705/15-30.20)

17 Sec. 15-30.20. Tied Applicant Lottery; additional
18 requirements; timing.

19 (a) If awarding a license in a Tied Applicant Lottery
20 would result in a Tied Applicant possessing more than 10 Early
21 Approval Adult Use Dispensing Organization Licenses, Early
22 Approval Adult Use Dispensing Organization Licenses at a
23 secondary site, Conditional Adult Use Dispensing Organization
24 Licenses, Adult Use Dispensing Organization Licenses, or any
25 combination thereof, the Tied Applicant must choose which

1 license to abandon pursuant to subsection (d) of Section 15-36
2 and notify the Commission ~~Department~~ in writing within 5
3 business days after the date that the Tied Applicant Lottery
4 is conducted.

5 (b) The Commission ~~Department~~ shall publish the certified
6 results of a Tied Applicant Lottery within 2 business days
7 after the Tied Applicant Lottery is conducted.

8 (Source: P.A. 102-98, eff. 7-15-21.)

9 (410 ILCS 705/15-35.10)

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

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

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

25 (1) Bloomington: 1.

- 1 (2) Cape Girardeau: 1.
- 2 (3) Carbondale-Marion: 1.
- 3 (4) Champaign-Urbana: 1.
- 4 (5) Chicago-Naperville-Elgin: 36.
- 5 (6) Danville: 1.
- 6 (7) Davenport-Moline-Rock Island: 1.
- 7 (8) Decatur: 1.
- 8 (9) Kankakee: 1.
- 9 (10) Peoria: 2.
- 10 (11) Rockford: 1.
- 11 (12) St. Louis: 3.
- 12 (13) Springfield: 1.
- 13 (14) Northwest Illinois nonmetropolitan: 1.
- 14 (15) West Central Illinois nonmetropolitan: 1.
- 15 (16) East Central Illinois nonmetropolitan: 1.
- 16 (17) South Illinois nonmetropolitan: 1.

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

24 (b) The Commission ~~Department~~ shall distribute the
25 available licenses established under this Section subject to
26 the following:

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

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

11 (3) The process for distributing available licenses
12 under this Section shall be recorded by the Commission
13 ~~Department~~ in a format selected by the Commission
14 ~~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 Commission ~~Department~~ in writing within 5
7 business days on forms prescribed by the Commission
8 ~~Department~~. If the Qualifying Social Equity Justice
9 Involved Applicant does not notify the Commission
10 ~~Department~~ as required, the Commission ~~Department~~ shall
11 refuse to issue the Qualifying Social Equity Justice
12 Involved Applicant all available licenses established
13 under this Section obtained by lot in all BLS Regions.

14 (8) If, upon being selected for an available license
15 established under this Section, a Qualifying Social Equity
16 Justice Involved Applicant has a principal officer who is
17 a principal officer in more than 10 Early Approval Adult
18 Use Dispensing Organization Licenses, Conditional Adult
19 Use Dispensing Organization Licenses, Adult Use Dispensing
20 Organization Licenses, or any combination thereof, the
21 licensees and the Qualifying Social Equity Justice
22 Involved Applicant listing that principal officer must
23 choose which license to abandon pursuant to subsection (d)
24 of Section 15-36 and notify the Commission ~~Department~~ in
25 writing within 5 business days on forms prescribed by the
26 Commission ~~Department~~. If the Dispensary Applicant or

1 licenses do not notify the Commission ~~Department~~ as
2 required, the Commission ~~Department~~ shall refuse to issue
3 the Qualifying Social Equity Justice Involved Applicant
4 all available licenses established under this Section
5 obtained by lot in all BLS Regions.

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

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

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

1 physical address another 180 days if the Conditional Adult Use
2 Dispensing Organization License holder demonstrates a concrete
3 attempt to secure a location and a hardship. If the Commission
4 ~~Department~~ denies the extension or the Conditional Adult Use
5 Dispensing Organization License holder is unable to find a
6 location or become operational within 360 days of being
7 awarded a Conditional Adult Use Dispensing Organization
8 License under this Section, the Commission ~~Department~~ shall
9 rescind the Conditional Adult Use Dispensing Organization
10 License and award it pursuant to subsection (b) and notify the
11 new awardee at the email address provided in the awardee's
12 application, provided the applicant receiving the Conditional
13 Adult Use Dispensing Organization License: (i) confirms a
14 continued interest in operating a dispensing organization;
15 (ii) can provide evidence that the applicant continues to meet
16 all requirements for holding a Conditional Adult Use
17 Dispensing Organization License set forth in this Act; and
18 (iii) has not otherwise become ineligible to be awarded a
19 Conditional Adult Use Dispensing Organization License. If the
20 new awardee is unable to accept the Conditional Adult Use
21 Dispensing Organization License, the Commission ~~Department~~
22 shall award the Conditional Adult Use Dispensing Organization
23 License pursuant to subsection (b). The new awardee shall be
24 subject to the same required deadlines as provided in this
25 subsection.

26 (d) If, within 180 days of being awarded a Conditional

1 Adult Use Dispensing Organization License, a dispensing
2 organization is unable to find a location within the BLS
3 Region in which it was awarded a Conditional Adult Use
4 Dispensing Organization License under this Section because no
5 jurisdiction within the BLS Region allows for the operation of
6 an Adult Use Dispensing Organization, the Commission
7 ~~Department~~ may authorize the Conditional Adult Use Dispensing
8 Organization License holder to transfer its Conditional Adult
9 Use Dispensing Organization License to a BLS Region specified
10 by the Commission ~~Department~~.

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

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

1 and federal criminal records check. These fingerprints shall
2 be checked against the fingerprint records now and hereafter,
3 to the extent allowed by law, filed with the Illinois State
4 Police and the Federal Bureau of Investigation criminal
5 history records databases. The Illinois State Police shall
6 furnish, following positive identification, all Illinois
7 conviction information to the Commission ~~Department~~.

8 (g) The Commission ~~Department~~ may verify information
9 contained in each application and accompanying documentation
10 to assess the applicant's veracity and fitness to operate a
11 dispensing organization.

12 (h) The Commission ~~Department~~ may, in its discretion,
13 refuse to issue an authorization to an applicant who meets any
14 of the following criteria:

15 (1) An applicant who is unqualified to perform the
16 duties required of the applicant.

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

19 (3) An applicant who has been found guilty of a
20 violation of this Act, who has had any disciplinary order
21 entered against the applicant by the Commission
22 ~~Department~~, who has entered into a disciplinary or
23 nondisciplinary agreement with the Commission ~~Department~~,
24 whose medical cannabis dispensing organization, medical
25 cannabis cultivation organization, Early Approval Adult
26 Use Dispensing Organization License, Early Approval Adult

1 Use Dispensing Organization License at a secondary site,
2 Early Approval Cultivation Center License, Conditional
3 Adult Use Dispensing Organization License, or Adult Use
4 Dispensing Organization License was suspended, restricted,
5 revoked, or denied for just cause, or whose cannabis
6 business establishment license was suspended, restricted,
7 revoked, or denied in any other state.

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

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

17 (j) The Commission ~~Department~~ shall verify an applicant's
18 compliance with the requirements of this Article and rules
19 adopted under this Article before issuing a Conditional Adult
20 Use Dispensing Organization License.

21 (k) If an applicant is awarded a Conditional Adult Use
22 Dispensing Organization License under this Section, the
23 information and plans provided in the application, including
24 any plans submitted for bonus points, shall become a condition
25 of the Conditional Adult Use Dispensing Organization License
26 and any Adult Use Dispensing Organization License issued to

1 the holder of the Conditional Adult Use Dispensing
2 Organization License, except as otherwise provided by this Act
3 or by rule. Dispensing organizations have a duty to disclose
4 any material changes to the application. The Commission
5 ~~Department~~ shall review all material changes disclosed by the
6 dispensing organization and may reevaluate its prior decision
7 regarding the awarding of a Conditional Adult Use Dispensing
8 Organization License, including, but not limited to,
9 suspending or permanently revoking a Conditional Adult Use
10 Dispensing Organization License. Failure to comply with the
11 conditions or requirements in the application may subject the
12 dispensing organization to discipline up to and including
13 suspension or permanent revocation of its authorization or
14 Conditional Adult Use Dispensing Organization License by the
15 Commission ~~Department~~.

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

26 (Source: P.A. 102-98, eff. 7-15-21.)

1 (410 ILCS 705/15-35.20)

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

4 (a) In addition to any of the licenses issued under
5 Section 15-15, Section 15-20, Section 15-25, Section 15-35, or
6 Section 15-35.10, by January 1, 2022, the Commission
7 ~~Department~~ may publish an application to issue additional
8 Conditional Adult Use Dispensing Organization Licenses, and
9 the Department shall collaborate with the Commission to
10 complete the issuance of licenses under this Section, pursuant
11 to the application process adopted under this Section. The
12 Commission and the Department may adopt rules to issue any
13 Conditional Adult Use Dispensing Organization Licenses under
14 this Section. Such rules may:

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

19 (A) Purchaser wait times.

20 (B) Travel time to the nearest dispensary for
21 potential purchasers.

22 (C) Percentage of cannabis sales occurring in
23 Illinois not in the regulated market using data from
24 the Substance Abuse and Mental Health Services
25 Administration, National Survey on Drug Use and

1 Health, Illinois Behavioral Risk Factor Surveillance
2 System, and tourism data from the Illinois Office of
3 Tourism to ascertain total cannabis consumption in
4 Illinois compared to the amount of sales in licensed
5 dispensing organizations.

6 (D) Whether there is an adequate supply of
7 cannabis and cannabis-infused products to serve
8 registered medical cannabis patients.

9 (E) Population increases or shifts.

10 (F) Density of dispensing organizations in a
11 region.

12 (G) The Commission's ~~Department's~~ capacity to
13 appropriately regulate additional licenses.

14 (H) The findings and recommendations from the
15 disparity and availability study commissioned by the
16 Illinois Cannabis Regulation Oversight Officer in
17 subsection (e) of Section 5-45 to reduce or eliminate
18 any identified barriers to entry in the cannabis
19 industry.

20 (I) Any other criteria the Commission ~~Department~~
21 deems relevant.

22 (2) Modify or change the licensing application process
23 to reduce or eliminate the barriers identified in the
24 disparity and availability study commissioned by the
25 Illinois Cannabis Regulation Oversight Officer and make
26 modifications to remedy evidence of discrimination.

1 (b) At no time shall the Commission ~~Department~~ issue more
2 than 500 Adult Use Dispensing Organization Licenses.

3 (c) The Commission ~~Department~~ shall issue at least 50
4 additional Conditional Adult Use Dispensing Organization
5 Licenses on or before December 21, 2022.

6 (Source: P.A. 102-98, eff. 7-15-21.)

7 (410 ILCS 705/15-55)

8 Sec. 15-55. Financial responsibility. Evidence of
9 financial responsibility is a requirement for the issuance,
10 maintenance, or reactivation of a license under this Article.
11 Evidence of financial responsibility shall be used to
12 guarantee that the dispensing organization timely and
13 successfully completes dispensary construction, operates in a
14 manner that provides an uninterrupted supply of cannabis,
15 faithfully pays registration renewal fees, keeps accurate
16 books and records, makes regularly required reports, complies
17 with State tax requirements, and conducts the dispensing
18 organization in conformity with this Act and rules. Evidence
19 of financial responsibility shall be provided by one of the
20 following:

21 (1) Establishing and maintaining an escrow or surety
22 account in a financial institution in the amount of
23 \$50,000, with escrow terms, approved by the Commission
24 ~~Department~~, that it shall be payable to the Commission
25 ~~Department~~ in the event of circumstances outlined in this

1 Act and rules.

2 (A) A financial institution may not return money
3 in an escrow or surety account to the dispensing
4 organization that established the account or a
5 representative of the organization unless the
6 organization or representative presents a statement
7 issued by the Commission ~~Department~~ indicating that
8 the account may be released.

9 (B) The escrow or surety account shall not be
10 canceled on less than 30 days' notice in writing to the
11 Commission ~~Department~~, unless otherwise approved by
12 the Commission ~~Department~~. If an escrow or surety
13 account is canceled and the registrant fails to secure
14 a new account with the required amount on or before the
15 effective date of cancellation, the registrant's
16 registration may be permanently revoked. The total and
17 aggregate liability of the surety on the bond is
18 limited to the amount specified in the escrow or
19 surety account.

20 (2) Providing a surety bond in the amount of \$50,000,
21 naming the dispensing organization as principal of the
22 bond, with terms, approved by the Commission ~~Department~~,
23 that the bond defaults to the Commission ~~Department~~ in the
24 event of circumstances outlined in this Act and rules.
25 Bond terms shall include:

26 (A) The business name and registration number on

1 the bond must correspond exactly with the business
2 name and registration number in the Commission's
3 ~~Department's~~ records.

4 (B) The bond must be written on a form approved by
5 the Commission ~~Department~~.

6 (C) A copy of the bond must be received by the
7 Commission ~~Department~~ within 90 days after the
8 effective date.

9 (D) The bond shall not be canceled by a surety on
10 less than 30 days' notice in writing to the Commission
11 ~~Department~~. If a bond is canceled and the registrant
12 fails to file a new bond with the Commission
13 ~~Department~~ in the required amount on or before the
14 effective date of cancellation, the registrant's
15 registration may be permanently revoked. The total and
16 aggregate liability of the surety on the bond is
17 limited to the amount specified in the bond.

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

19 (410 ILCS 705/15-75)

20 Sec. 15-75. Inventory control system. (a) A dispensing
21 organization agent-in-charge shall have primary oversight of
22 the dispensing organization's cannabis inventory verification
23 system, and its point-of-sale system. The inventory
24 point-of-sale system shall be real-time, web-based, and
25 accessible by the Commission ~~Department~~ at any time. The

1 point-of-sale system shall track, at a minimum the date of
2 sale, amount, price, and currency.

3 (b) A dispensing organization shall establish an account
4 with the State's verification system that documents:

5 (1) Each sales transaction at the time of sale and
6 each day's beginning inventory, acquisitions, sales,
7 disposal, and ending inventory.

8 (2) Acquisition of cannabis and cannabis-infused
9 products from a licensed adult use cultivation center,
10 craft grower, infuser, or transporter, including:

11 (i) A description of the products, including the
12 quantity, strain, variety, and batch number of each
13 product received;

14 (ii) The name and registry identification number
15 of the licensed adult use cultivation center, craft
16 grower, or infuser providing the cannabis and
17 cannabis-infused products;

18 (iii) The name and registry identification number
19 of the licensed adult use cultivation center, craft
20 grower, infuser, or transporting agent delivering the
21 cannabis;

22 (iv) The name and registry identification number
23 of the dispensing organization agent receiving the
24 cannabis; and

25 (v) The date of acquisition.

26 (3) The disposal of cannabis, including:

1 (i) A description of the products, including the
2 quantity, strain, variety, batch number, and reason
3 for the cannabis being disposed;

4 (ii) The method of disposal; and

5 (iii) The date and time of disposal.

6 (c) Upon cannabis delivery, a dispensing organization
7 shall confirm the product's name, strain name, weight, and
8 identification number on the manifest matches the information
9 on the cannabis product label and package. The product name
10 listed and the weight listed in the State's verification
11 system shall match the product packaging.

12 (d) The agent-in-charge shall conduct daily inventory
13 reconciliation documenting and balancing cannabis inventory by
14 confirming the State's verification system matches the
15 dispensing organization's point-of-sale system and the amount
16 of physical product at the dispensary.

17 (1) A dispensing organization must receive Commission
18 ~~Department~~ approval before completing an inventory
19 adjustment. It shall provide a detailed reason for the
20 adjustment. Inventory adjustment documentation shall be
21 kept at the dispensary for 2 years from the date
22 performed.

23 (2) If the dispensing organization identifies an
24 imbalance in the amount of cannabis after the daily
25 inventory reconciliation due to mistake, the dispensing
26 organization shall determine how the imbalance occurred

1 and immediately upon discovery take and document
2 corrective action. If the dispensing organization cannot
3 identify the reason for the mistake within 2 calendar days
4 after first discovery, it shall inform the Commission
5 ~~Department~~ immediately in writing of the imbalance and the
6 corrective action taken to date. The dispensing
7 organization shall work diligently to determine the reason
8 for the mistake.

9 (3) If the dispensing organization identifies an
10 imbalance in the amount of cannabis after the daily
11 inventory reconciliation or through other means due to
12 theft, criminal activity, or suspected criminal activity,
13 the dispensing organization shall immediately determine
14 how the reduction occurred and take and document
15 corrective action. Within 24 hours after the first
16 discovery of the reduction due to theft, criminal
17 activity, or suspected criminal activity, the dispensing
18 organization shall inform the Commission ~~Department~~ and
19 the Illinois State Police in writing.

20 (4) The dispensing organization shall file an annual
21 compilation report with the Commission ~~Department~~,
22 including a financial statement that shall include, but
23 not be limited to, an income statement, balance sheet,
24 profit and loss statement, statement of cash flow,
25 wholesale cost and sales, and any other documentation
26 requested by the Commission ~~Department~~ in writing. The

1 financial statement shall include any other information
2 the Commission ~~Department~~ deems necessary in order to
3 effectively administer this Act and all rules, orders, and
4 final decisions promulgated under this Act. Statements
5 required by this Section shall be filed with the
6 Commission ~~Department~~ within 60 days after the end of the
7 calendar year. The compilation report shall include a
8 letter authored by a licensed certified public accountant
9 that it has been reviewed and is accurate based on the
10 information provided. The dispensing organization,
11 financial statement, and accompanying documents are not
12 required to be audited unless specifically requested by
13 the Commission ~~Department~~.

14 (e) A dispensing organization shall:

15 (1) Maintain the documentation required in this
16 Section in a secure locked location at the dispensing
17 organization for 5 years from the date on the document;

18 (2) Provide any documentation required to be
19 maintained in this Section to the Commission ~~Department~~
20 for review upon request; and

21 (3) If maintaining a bank account, retain for a period
22 of 5 years a record of each deposit or withdrawal from the
23 account.

24 (f) If a dispensing organization chooses to have a return
25 policy for cannabis and cannabis products, the dispensing
26 organization shall seek prior approval from the Commission

1 ~~Department.~~

2 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19;
3 102-538, eff. 8-20-21.)

4 (410 ILCS 705/15-85)

5 Sec. 15-85. Dispensing cannabis. (a) Before a
6 dispensing organization agent dispenses cannabis to a
7 purchaser, the agent shall:

8 (1) Verify the age of the purchaser by checking a
9 government-issued identification card by use of an
10 electronic reader or electronic scanning device to scan a
11 purchaser's government-issued identification, if
12 applicable, to determine the purchaser's age and the
13 validity of the identification;

14 (2) Verify the validity of the government-issued
15 identification card by use of an electronic reader or
16 electronic scanning device to scan a purchaser's
17 government-issued identification, if applicable, to
18 determine the purchaser's age and the validity of the
19 identification;

20 (3) Offer any appropriate purchaser education or
21 support materials;

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

24 (i) The dispensing organization agent's
25 identification number, or if the agent's card

1 application is pending the Commission's ~~Department's~~
2 approval, a temporary and unique identifier until the
3 agent's card application is approved or denied by the
4 Commission ~~Department~~;

5 (ii) The dispensing organization's identification
6 number;

7 (iii) The amount, type (including strain, if
8 applicable) of cannabis or cannabis-infused product
9 dispensed;

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

11 (b) A dispensing organization shall refuse to sell
12 cannabis or cannabis-infused products to any person unless the
13 person produces a valid identification showing that the person
14 is 21 years of age or older. A medical cannabis dispensing
15 organization may sell cannabis or cannabis-infused products to
16 a person who is under 21 years of age if the sale complies with
17 the provisions of the Compassionate Use of Medical Cannabis
18 Program ~~Act~~ and rules.

19 (c) For the purposes of this Section, valid identification
20 must:

21 (1) Be valid and unexpired;

22 (2) Contain a photograph and the date of birth of the
23 person.

24 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19;
25 102-98, eff. 7-15-21.)

1 (410 ILCS 705/15-90)

2 Sec. 15-90. Destruction and disposal of cannabis. (a)
3 Cannabis and cannabis-infused products must be destroyed by
4 rendering them unusable using methods approved by the
5 Commission ~~Department~~ that comply with this Act and rules.

6 (b) Cannabis waste rendered unusable must be promptly
7 disposed according to this Act and rules. Disposal of the
8 cannabis waste rendered unusable may be delivered to a
9 permitted solid waste facility for final disposition.
10 Acceptable permitted solid waste facilities include, but are
11 not limited to:

12 (1) Compostable mixed waste: Compost, anaerobic
13 digester, or other facility with approval of the
14 jurisdictional health department.

15 (2) Noncompostable mixed waste: Landfill, incinerator,
16 or other facility with approval of the jurisdictional
17 health department.

18 (c) All waste and unusable product shall be weighed,
19 recorded, and entered into the inventory system before
20 rendering it unusable. All waste and unusable cannabis
21 concentrates and cannabis-infused products shall be recorded
22 and entered into the inventory system before rendering it
23 unusable. Verification of this event shall be performed by an
24 agent-in-charge and conducted in an area with video
25 surveillance.

26 (d) Electronic documentation of destruction and disposal

1 shall be maintained for a period of at least 5 years.

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

3 (410 ILCS 705/15-100)

4 Sec. 15-100. Security. (a) A dispensing organization
5 shall implement security measures to deter and prevent entry
6 into and theft of cannabis or currency.

7 (b) A dispensing organization shall submit any changes to
8 the floor plan or security plan to the Commission ~~Department~~
9 for pre-approval. All cannabis shall be maintained and stored
10 in a restricted access area during construction.

11 (c) The dispensing organization shall implement security
12 measures to protect the premises, purchasers, and dispensing
13 organization agents including, but not limited to the
14 following:

15 (1) Establish a locked door or barrier between the
16 facility's entrance and the limited access area;

17 (2) Prevent individuals from remaining on the premises
18 if they are not engaging in activity permitted by this Act
19 or rules;

20 (3) Develop a policy that addresses the maximum
21 capacity and purchaser flow in the waiting rooms and
22 limited access areas;

23 (4) Dispose of cannabis in accordance with this Act
24 and rules;

25 (5) During hours of operation, store and dispense all

1 cannabis from the restricted access area. During
2 operational hours, cannabis shall be stored in an enclosed
3 locked room or cabinet and accessible only to specifically
4 authorized dispensing organization agents;

5 (6) When the dispensary is closed, store all cannabis
6 and currency in a reinforced vault room in the restricted
7 access area and in a manner as to prevent diversion,
8 theft, or loss;

9 (7) Keep the reinforced vault room and any other
10 equipment or cannabis storage areas securely locked and
11 protected from unauthorized entry;

12 (8) Keep an electronic daily log of dispensing
13 organization agents with access to the reinforced vault
14 room and knowledge of the access code or combination;

15 (9) Keep all locks and security equipment in good
16 working order;

17 (10) Maintain an operational security and alarm system
18 at all times;

19 (11) Prohibit keys, if applicable, from being left in
20 the locks, or stored or placed in a location accessible to
21 persons other than specifically authorized personnel;

22 (12) Prohibit accessibility of security measures,
23 including combination numbers, passwords, or electronic or
24 biometric security systems to persons other than
25 specifically authorized dispensing organization agents;

26 (13) Ensure that the dispensary interior and exterior

1 premises are sufficiently lit to facilitate surveillance;

2 (14) Ensure that trees, bushes, and other foliage
3 outside of the dispensary premises do not allow for a
4 person or persons to conceal themselves from sight;

5 (15) Develop emergency policies and procedures for
6 securing all product and currency following any instance
7 of diversion, theft, or loss of cannabis, and conduct an
8 assessment to determine whether additional safeguards are
9 necessary; and

10 (16) Develop sufficient additional safeguards in
11 response to any special security concerns, or as required
12 by the Commission ~~Department~~.

13 (d) The Commission ~~Department~~ may request or approve
14 alternative security provisions that it determines are an
15 adequate substitute for a security requirement specified in
16 this Article. Any additional protections may be considered by
17 the Commission ~~Department~~ in evaluating overall security
18 measures.

19 (e) A dispensing organization may share premises with a
20 craft grower or an infuser organization, or both, provided
21 each licensee stores currency and cannabis or cannabis-infused
22 products in a separate secured vault to which the other
23 licensee does not have access or all licensees sharing a vault
24 share more than 50% of the same ownership.

25 (f) A dispensing organization shall provide additional
26 security as needed and in a manner appropriate for the

1 community where it operates.

2 (g) Restricted access areas.

3 (1) All restricted access areas must be identified by
4 the posting of a sign that is a minimum of 12 inches by 12
5 inches and that states "Do Not Enter - Restricted Access
6 Area - Authorized Personnel Only" in lettering no smaller
7 than one inch in height.

8 (2) All restricted access areas shall be clearly
9 described in the floor plan of the premises, in the form
10 and manner determined by the Commission ~~Department~~,
11 reflecting walls, partitions, counters, and all areas of
12 entry and exit. The floor plan shall show all storage,
13 disposal, and retail sales areas.

14 (3) All restricted access areas must be secure, with
15 locking devices that prevent access from the limited
16 access areas.

17 (h) Security and alarm.

18 (1) A dispensing organization shall have an adequate
19 security plan and security system to prevent and detect
20 diversion, theft, or loss of cannabis, currency, or
21 unauthorized intrusion using commercial grade equipment
22 installed by an Illinois licensed private alarm contractor
23 or private alarm contractor agency that shall, at a
24 minimum, include:

25 (i) A perimeter alarm on all entry points and
26 glass break protection on perimeter windows;

1 (ii) Security shatterproof tinted film on exterior
2 windows;

3 (iii) A failure notification system that provides
4 an audible, text, or visual notification of any
5 failure in the surveillance system, including, but not
6 limited to, panic buttons, alarms, and video
7 monitoring system. The failure notification system
8 shall provide an alert to designated dispensing
9 organization agents within 5 minutes after the
10 failure, either by telephone or text message;

11 (iv) A duress alarm, panic button, and alarm, or
12 holdup alarm and after-hours intrusion detection alarm
13 that by design and purpose will directly or indirectly
14 notify, by the most efficient means, the Public Safety
15 Answering Point for the law enforcement agency having
16 primary jurisdiction;

17 (v) Security equipment to deter and prevent
18 unauthorized entrance into the dispensary, including
19 electronic door locks on the limited and restricted
20 access areas that include devices or a series of
21 devices to detect unauthorized intrusion that may
22 include a signal system interconnected with a radio
23 frequency method, cellular, private radio signals or
24 other mechanical or electronic device.

25 (2) All security system equipment and recordings shall
26 be maintained in good working order, in a secure location

1 so as to prevent theft, loss, destruction, or alterations.

2 (3) Access to surveillance monitoring recording
3 equipment shall be limited to persons who are essential to
4 surveillance operations, law enforcement authorities acting
5 within their jurisdiction, security system service personnel,
6 and the Commission ~~Department~~. A current list of authorized
7 dispensing organization agents and service personnel
8 that have access to the surveillance equipment must be
9 available to the Commission ~~Department~~ upon request.

10 (4) All security equipment shall be inspected and
11 tested at regular intervals, not to exceed one month from
12 the previous inspection, and tested to ensure the systems
13 remain functional.

14 (5) The security system shall provide protection
15 against theft and diversion that is facilitated or hidden
16 by tampering with computers or electronic records.

17 (6) The dispensary shall ensure all access doors are
18 not solely controlled by an electronic access panel to
19 ensure that locks are not released during a power outage.

20 (i) To monitor the dispensary, the dispensing organization
21 shall incorporate continuous electronic video monitoring
22 including the following:

23 (1) All monitors must be 19 inches or greater;

24 (2) Unobstructed video surveillance of all enclosed
25 dispensary areas, unless prohibited by law, including all
26 points of entry and exit that shall be appropriate for the

1 normal lighting conditions of the area under surveillance.
2 The cameras shall be directed so all areas are captured,
3 including, but not limited to, safes, vaults, sales areas,
4 and areas where cannabis is stored, handled, dispensed, or
5 destroyed. Cameras shall be angled to allow for facial
6 recognition, the capture of clear and certain
7 identification of any person entering or exiting the
8 dispensary area and in lighting sufficient during all
9 times of night or day;

10 (3) Unobstructed video surveillance of outside areas,
11 the storefront, and the parking lot, that shall be
12 appropriate for the normal lighting conditions of the area
13 under surveillance. Cameras shall be angled so as to allow
14 for the capture of facial recognition, clear and certain
15 identification of any person entering or exiting the
16 dispensary and the immediate surrounding area, and license
17 plates of vehicles in the parking lot;

18 (4) 24-hour recordings from all video cameras
19 available for immediate viewing by the Commission
20 ~~Department~~ upon request. Recordings shall not be destroyed
21 or altered and shall be retained for at least 90 days.
22 Recordings shall be retained as long as necessary if the
23 dispensing organization is aware of the loss or theft of
24 cannabis or a pending criminal, civil, or administrative
25 investigation or legal proceeding for which the recording
26 may contain relevant information;

1 (5) The ability to immediately produce a clear, color
2 still photo from the surveillance video, either live or
3 recorded;

4 (6) A date and time stamp embedded on all video
5 surveillance recordings. The date and time shall be
6 synchronized and set correctly and shall not significantly
7 obscure the picture;

8 (7) The ability to remain operational during a power
9 outage and ensure all access doors are not solely
10 controlled by an electronic access panel to ensure that
11 locks are not released during a power outage;

12 (8) All video surveillance equipment shall allow for
13 the exporting of still images in an industry standard
14 image format, including .jpg, .bmp, and .gif. Exported
15 video shall have the ability to be archived in a
16 proprietary format that ensures authentication of the
17 video and guarantees that no alteration of the recorded
18 image has taken place. Exported video shall also have the
19 ability to be saved in an industry standard file format
20 that can be played on a standard computer operating
21 system. All recordings shall be erased or destroyed before
22 disposal;

23 (9) The video surveillance system shall be operational
24 during a power outage with a 4-hour minimum battery
25 backup;

26 (10) A video camera or cameras recording at each

1 point-of-sale location allowing for the identification of
2 the dispensing organization agent distributing the
3 cannabis and any purchaser. The camera or cameras shall
4 capture the sale, the individuals and the computer
5 monitors used for the sale;

6 (11) A failure notification system that provides an
7 audible and visual notification of any failure in the
8 electronic video monitoring system; and

9 (12) All electronic video surveillance monitoring must
10 record at least the equivalent of 8 frames per second and
11 be available as recordings to the Commission ~~Department~~
12 and the Illinois State Police 24 hours a day via a secure
13 web-based portal with reverse functionality.

14 (j) The requirements contained in this Act are minimum
15 requirements for operating a dispensing organization. The
16 Commission ~~Department~~ may change existing or establish
17 additional requirements by rule.

18 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19;
19 102-538, eff. 8-20-21.)

20 (410 ILCS 705/15-110)

21 Sec. 15-110. Recordkeeping.

22 (a) Dispensing organization records must be maintained
23 electronically for 3 years and be available for inspection by
24 the Commission ~~Department~~ upon request. Required written
25 records include, but are not limited to, the following:

- 1 (1) Operating procedures;
- 2 (2) Inventory records, policies, and procedures;
- 3 (3) Security records;
- 4 (4) Audit records;
- 5 (5) Staff training plans and completion documentation;
- 6 (6) Staffing plan; and
- 7 (7) Business records, including but not limited to:
 - 8 (i) Assets and liabilities;
 - 9 (ii) Monetary transactions;
 - 10 (iii) Written or electronic accounts, including
 - 11 bank statements, journals, ledgers, and supporting
 - 12 documents, agreements, checks, invoices, receipts, and
 - 13 vouchers; and
 - 14 (iv) Any other financial accounts reasonably
 - 15 related to the dispensary operations.

16 (b) Storage and transfer of records. If a dispensary
17 closes due to insolvency, revocation, bankruptcy, or for any
18 other reason, all records must be preserved at the expense of
19 the dispensing organization for at least 3 years in a form and
20 location in Illinois acceptable to the Commission ~~Department~~.
21 The dispensing organization shall keep the records longer if
22 requested by the Commission ~~Department~~. The dispensing
23 organization shall notify the Commission ~~Department~~ of the
24 location where the dispensary records are stored or
25 transferred.

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

1 (410 ILCS 705/15-120)

2 Sec. 15-120. Closure of a dispensary. (a) If a
3 dispensing organization decides not to renew its license or
4 decides to close its business, it shall promptly notify the
5 Commission ~~Department~~ not less than 3 months before the
6 effective date of the closing date or as otherwise authorized
7 by the Commission ~~Department~~.

8 (b) The dispensing organization shall work with the
9 Commission ~~Department~~ to develop a closure plan that
10 addresses, at a minimum, the transfer of business records,
11 transfer of cannabis products, and anything else the
12 Commission ~~Department~~ finds necessary.

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

14 (410 ILCS 705/15-125)

15 Sec. 15-125. Fees. After January 1, 2022, the Commission
16 ~~Department~~ may by rule modify any fee established under this
17 Article.

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

19 (410 ILCS 705/15-135)

20 Sec. 15-135. Investigations.

21 (a) Dispensing organizations are subject to random and
22 unannounced dispensary inspections and cannabis testing by the
23 Commission ~~Department~~, the Illinois State Police, local law

1 enforcement, or as provided by rule.

2 (b) The Commission ~~Department~~ and its authorized
3 representatives may enter any place, including a vehicle, in
4 which cannabis is held, stored, dispensed, sold, produced,
5 delivered, transported, manufactured, or disposed of and
6 inspect, in a reasonable manner, the place and all pertinent
7 equipment, containers and labeling, and all things including
8 records, files, financial data, sales data, shipping data,
9 pricing data, personnel data, research, papers, processes,
10 controls, and facility, and inventory any stock of cannabis
11 and obtain samples of any cannabis or cannabis-infused
12 product, any labels or containers for cannabis, or
13 paraphernalia.

14 (c) The Commission ~~Department~~ may conduct an investigation
15 of an applicant, application, dispensing organization,
16 principal officer, dispensary agent, third party vendor, or
17 any other party associated with a dispensing organization for
18 an alleged violation of this Act or rules or to determine
19 qualifications to be granted a registration by the Commission
20 ~~Department~~.

21 (d) The Commission ~~Department~~ may require an applicant or
22 holder of any license issued pursuant to this Article to
23 produce documents, records, or any other material pertinent to
24 the investigation of an application or alleged violations of
25 this Act or rules. Failure to provide the required material
26 may be grounds for denial or discipline.

1 (e) Every person charged with preparation, obtaining, or
2 keeping records, logs, reports, or other documents in
3 connection with this Act and rules and every person in charge,
4 or having custody, of those documents shall, upon request by
5 the Commission ~~Department~~, make the documents immediately
6 available for inspection and copying by the Commission
7 ~~Department~~, the Commission's ~~Department's~~ authorized
8 representative, or others authorized by law to review the
9 documents.

10 (Source: P.A. 101-27, eff. 6-25-19; 102-98, eff. 7-15-21;
11 102-538, eff. 8-20-21; 102-813, eff. 5-13-22.)

12 (410 ILCS 705/15-140)

13 Sec. 15-140. Citations. The Commission ~~Department~~ may
14 issue nondisciplinary citations for minor violations. Any such
15 citation issued by the Commission ~~Department~~ may be
16 accompanied by a fee. The fee shall not exceed \$20,000 per
17 violation. The citation shall be issued to the licensee and
18 shall contain the licensee's name and address, the licensee's
19 license number, a brief factual statement, the Sections of the
20 law allegedly violated, and the fee, if any, imposed. The
21 citation must clearly state that the licensee may choose, in
22 lieu of accepting the citation, to request a hearing. If the
23 licensee does not dispute the matter in the citation with the
24 Commission ~~Department~~ within 30 days after the citation is
25 served, then the citation shall become final and not subject

1 to appeal. The penalty shall be a fee or other conditions as
2 established by rule.

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

4 (410 ILCS 705/15-145)

5 Sec. 15-145. Grounds for discipline. (a) The
6 Commission ~~Department~~ may deny issuance, refuse to renew or
7 restore, or may reprimand, place on probation, suspend,
8 revoke, or take other disciplinary or nondisciplinary action
9 against any license or agent identification card or may impose
10 a fine for any of the following:

11 (1) Material misstatement in furnishing information to
12 the Commission ~~Department~~;

13 (2) Violations of this Act or rules;

14 (3) Obtaining an authorization or license by fraud or
15 misrepresentation;

16 (4) A pattern of conduct that demonstrates
17 incompetence or that the applicant has engaged in conduct
18 or actions that would constitute grounds for discipline
19 under this Act;

20 (5) Aiding or assisting another person in violating
21 any provision of this Act or rules;

22 (6) Failing to respond to a written request for
23 information by the Commission ~~Department~~ within 30 days;

24 (7) Engaging in unprofessional, dishonorable, or
25 unethical conduct of a character likely to deceive,

1 defraud, or harm the public;

2 (8) Adverse action by another United States
3 jurisdiction or foreign nation;

4 (9) A finding by the Commission ~~Department~~ that the
5 licensee, after having his or her license placed on
6 suspended or probationary status, has violated the terms
7 of the suspension or probation;

8 (10) Conviction, entry of a plea of guilty, nolo
9 contendere, or the equivalent in a State or federal court
10 of a principal officer or agent-in-charge of a felony
11 offense in accordance with Sections 2105-131, 2105-135,
12 and 2105-205 of the Department of Professional Regulation
13 Law of the Civil Administrative Code of Illinois;

14 (11) Excessive use of or addiction to alcohol,
15 narcotics, stimulants, or any other chemical agent or
16 drug;

17 (12) A finding by the Commission ~~Department~~ of a
18 discrepancy in a Commission ~~Department~~ audit of cannabis;

19 (13) A finding by the Commission ~~Department~~ of a
20 discrepancy in a Commission ~~Department~~ audit of capital or
21 funds;

22 (14) A finding by the Commission ~~Department~~ of
23 acceptance of cannabis from a source other than an Adult
24 Use Cultivation Center, craft grower, infuser, ~~or~~
25 transporting organization ~~licensed by the Department of~~
26 ~~Agriculture~~, or a dispensing organization licensed by the

1 Commission Department;

2 (15) An inability to operate using reasonable
3 judgment, skill, or safety due to physical or mental
4 illness or other impairment or disability, including,
5 without limitation, deterioration through the aging
6 process or loss of motor skills or mental incompetence;

7 (16) Failing to report to the Commission Department
8 within the time frames established, or if not identified,
9 14 days, of any adverse action taken against the
10 dispensing organization or an agent by a licensing
11 jurisdiction in any state or any territory of the United
12 States or any foreign jurisdiction, any governmental
13 agency, any law enforcement agency or any court defined in
14 this Section;

15 (17) Any violation of the dispensing organization's
16 policies and procedures submitted to the Commission
17 ~~Department~~ annually as a condition for licensure;

18 (18) Failure to inform the Commission Department of
19 any change of address within 10 business days;

20 (19) Disclosing customer names, personal information,
21 or protected health information in violation of any State
22 or federal law;

23 (20) Operating a dispensary before obtaining a license
24 from the Commission Department;

25 (21) Performing duties authorized by this Act prior to
26 receiving a license to perform such duties;

1 (22) Dispensing cannabis when prohibited by this Act
2 or rules;

3 (23) Any fact or condition that, if it had existed at
4 the time of the original application for the license,
5 would have warranted the denial of the license;

6 (24) Permitting a person without a valid agent
7 identification card to perform licensed activities under
8 this Act;

9 (25) Failure to assign an agent-in-charge as required
10 by this Article;

11 (26) Failure to provide the training required by
12 paragraph (3) of subsection (i) of Section 15-40 within
13 the provided timeframe;

14 (27) Personnel insufficient in number or unqualified
15 in training or experience to properly operate the
16 dispensary business;

17 (28) Any pattern of activity that causes a harmful
18 impact on the community; and

19 (29) Failing to prevent diversion, theft, or loss of
20 cannabis.

21 (b) All fines and fees imposed under this Section shall be
22 paid within 60 days after the effective date of the order
23 imposing the fine or as otherwise specified in the order.

24 (c) A circuit court order establishing that an
25 agent-in-charge or principal officer holding an agent
26 identification card is subject to involuntary admission as

1 that term is defined in Section 1-119 or 1-119.1 of the Mental
2 Health and Developmental Disabilities Code shall operate as a
3 suspension of that card.

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

5 (410 ILCS 705/15-150)

6 Sec. 15-150. Temporary suspension.

7 (a) The Commission ~~Secretary of Financial and Professional~~
8 ~~Regulation~~ may temporarily suspend a dispensing organization
9 license or an agent registration without a hearing if the
10 Commission ~~Secretary~~ finds that public safety or welfare
11 requires emergency action. The Commission ~~Secretary~~ shall
12 cause the temporary suspension by issuing a suspension notice
13 in connection with the institution of proceedings for a
14 hearing.

15 (b) If the Commission ~~Secretary~~ temporarily suspends a
16 license or agent registration without a hearing, the licensee
17 or agent is entitled to a hearing within 45 days after the
18 suspension notice has been issued. The hearing shall be
19 limited to the issues cited in the suspension notice, unless
20 all parties agree otherwise.

21 (c) If the Commission ~~Department~~ does not hold a hearing
22 with 45 days after the date the suspension notice was issued,
23 then the suspended license or registration shall be
24 automatically reinstated and the suspension vacated.

25 (d) The suspended licensee or agent may seek a continuance

1 of the hearing date, during which time the suspension remains
2 in effect and the license or registration shall not be
3 automatically reinstated.

4 (e) Subsequently discovered causes of action by the
5 Commission ~~Department~~ after the issuance of the suspension
6 notice may be filed as a separate notice of violation. The
7 Commission ~~Department~~ is not precluded from filing a separate
8 action against the suspended licensee or agent.

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

10 (410 ILCS 705/15-155)

11 Sec. 15-155. Unlicensed practice; violation; civil
12 penalty. (a) In addition to any other penalty provided by
13 law, any person who practices, offers to practice, attempts to
14 practice, or holds oneself out to practice as a licensed
15 dispensing organization owner, principal officer,
16 agent-in-charge, or agent without being licensed under this
17 Act shall, in addition to any other penalty provided by law,
18 pay a civil penalty to the Commission ~~Department of Financial~~
19 ~~and Professional Regulation~~ in an amount not to exceed \$10,000
20 for each offense as determined by the Commission ~~Department~~.
21 The civil penalty shall be assessed by the Commission
22 ~~Department~~ after a hearing is held in accordance with the
23 provisions set forth in this Act regarding the provision of a
24 hearing for the discipline of a licensee.

25 (b) The Commission ~~Department~~ has the authority and power

1 to investigate any and all unlicensed activity.

2 (c) The civil penalty shall be paid within 60 days after
3 the effective date of the order imposing the civil penalty or
4 in accordance with the order imposing the civil penalty. The
5 order shall constitute a judgment and may be filed and
6 execution had thereon in the same manner as any judgment from
7 any court of this State.

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

9 (410 ILCS 705/15-160)

10 Sec. 15-160. Notice; hearing.

11 (a) The Commission ~~Department~~ shall, before disciplining
12 an applicant or licensee, at least 30 days before the date set
13 for the hearing: (i) notify the accused in writing of the
14 charges made and the time and place for the hearing on the
15 charges; (ii) direct him or her to file a written answer to the
16 charges under oath within 20 days after service; and (iii)
17 inform the applicant or licensee that failure to answer will
18 result in a default being entered against the applicant or
19 licensee.

20 (b) At the time and place fixed in the notice, the hearing
21 officer appointed by the Commission ~~Secretary~~ shall proceed to
22 hear the charges, and the parties or their counsel shall be
23 accorded ample opportunity to present any pertinent
24 statements, testimony, evidence, and arguments. The hearing
25 officer may continue the hearing from time to time. In case the

1 person, after receiving the notice, fails to file an answer,
2 his or her license may, in the discretion of the Commission
3 ~~Secretary~~, having first received the recommendation of the
4 hearing officer, be suspended, revoked, or placed on
5 probationary status, or be subject to whatever disciplinary
6 action the Commission ~~Secretary~~ considers proper, including a
7 fine, without hearing, if that act or acts charged constitute
8 sufficient grounds for that action under this Act.

9 (c) The written notice and any notice in the subsequent
10 proceeding may be served by regular mail or email to the
11 licensee's or applicant's address of record.

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

13 (410 ILCS 705/15-165)

14 Sec. 15-165. Subpoenas; oaths. The Commission
15 ~~Department~~ shall have the power to subpoena and bring before
16 it any person and to take testimony either orally or by
17 deposition, or both, with the same fees and mileage and in the
18 same manner as prescribed by law in judicial proceedings in
19 civil cases in courts in this State. The Commission ~~Secretary~~
20 or the hearing officer shall each have the power to administer
21 oaths to witnesses at any hearings that the Commission
22 ~~Department~~ is authorized to conduct.

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

24 (410 ILCS 705/15-170)

1 Sec. 15-170. Hearing; motion for rehearing.

2 (a) The hearing officer shall hear evidence in support of
3 the formal charges and evidence produced by the licensee. At
4 the conclusion of the hearing, the hearing officer shall
5 present to the Commission ~~Secretary~~ a written report of his or
6 her findings of fact, conclusions of law, and recommendations.

7 (b) At the conclusion of the hearing, a copy of the hearing
8 officer's report shall be served upon the applicant or
9 licensee by the Commission ~~Department~~, either personally or as
10 provided in this Act for the service of a notice of hearing.
11 Within 20 calendar days after service, the applicant or
12 licensee may present to the Commission ~~Department~~ a motion in
13 writing for rehearing, which shall specify the particular
14 grounds for rehearing. The Commission ~~Department~~ may respond
15 to the motion for rehearing within 20 calendar days after its
16 service on the Commission ~~Department~~. If no motion for
17 rehearing is filed, then, upon the expiration of the time
18 specified for filing such motion or upon denial of a motion for
19 rehearing, the Commission ~~Secretary~~ may enter an order in
20 accordance with the recommendation of the hearing officer. If
21 the applicant or licensee orders from the reporting service
22 and pays for a transcript of the record within the time for
23 filing a motion for rehearing, the 20-day period within which
24 a motion may be filed shall commence upon the delivery of the
25 transcript to the applicant or licensee.

26 (c) If the Commission ~~Secretary~~ disagrees in any regard

1 with the report of the hearing officer, the Commission
2 ~~Secretary~~ may issue an order contrary to the report.

3 (d) Whenever the Commission ~~Secretary~~ is not satisfied
4 that substantial justice has been done, the Commission
5 ~~Secretary~~ may order a rehearing by the same or another hearing
6 officer.

7 (e) At any point in any investigation or disciplinary
8 proceeding under in this Article, both parties may agree to a
9 negotiated consent order. The consent order shall be final
10 upon signature of the Commission ~~Secretary~~.

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

12 (410 ILCS 705/15-175)

13 Sec. 15-175. Review under the Administrative Review Law.

14 (a) All final administrative decisions of the Commission
15 ~~Department~~ hereunder shall be subject to judicial review under
16 the provisions of the Administrative Review Law, and all
17 amendment and modifications thereof. The term "administrative
18 decision" is defined as in Section 3-101 of the Code of Civil
19 Procedure.

20 (b) Proceedings for judicial review shall be commenced in
21 the circuit court of the county in which the party applying for
22 review resides, but if the party is not a resident of Illinois,
23 the venue shall be in Sangamon County.

24 (c) The Commission ~~Department~~ shall not be required to
25 certify any record to the court, file any answer in court, or

1 otherwise appear in any court in a judicial review proceeding,
2 unless and until the Commission ~~Department~~ has received from
3 the plaintiff payment of the costs of furnishing and
4 certifying the record, which costs shall be determined by the
5 Commission ~~Department~~. Failure on the part of the plaintiff to
6 file a receipt in court shall be grounds for dismissal of the
7 action.

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

9 (410 ILCS 705/20-1)

10 Sec. 20-1. Definition. In this Article: 7

11 "Commission" means the Cannabis Equity and Oversight
12 Commission.

13 ~~"Department" means the Department of Agriculture.~~

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

15 (410 ILCS 705/20-5)

16 Sec. 20-5. Issuance of licenses. On or after July 1, 2021,
17 the Commission ~~Department of Agriculture~~ by rule may:

18 (1) Modify or change the number of cultivation center
19 licenses available, which shall at no time exceed 30
20 cultivation center licenses. In determining whether to
21 exercise the authority granted by this subsection, the
22 Commission ~~Department of Agriculture~~ must consider the
23 following factors:

24 (A) The percentage of cannabis sales occurring in

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

9 (B) Whether there is an adequate supply of
10 cannabis and cannabis-infused products to serve
11 registered medical cannabis patients;

12 (C) Whether there is an adequate supply of
13 cannabis and cannabis-infused products to serve
14 purchasers;

15 (D) Whether there is an oversupply of cannabis in
16 Illinois leading to trafficking of cannabis to any
17 other state;

18 (E) Population increases or shifts;

19 (F) Changes to federal law;

20 (G) Perceived security risks of increasing the
21 number or location of cultivation centers;

22 (H) The past security records of cultivation
23 centers;

24 (I) The Commission's ~~Department of Agriculture's~~
25 capacity to appropriately regulate additional
26 licensees;

1 (J) The findings and recommendations from the
2 disparity and availability study commissioned by the
3 Illinois Cannabis Regulation Oversight Officer
4 referenced in subsection (e) of Section 5-45 or by the
5 Commission to reduce or eliminate any identified
6 barriers to entry in the cannabis industry; and

7 (K) Any other criteria the Commission ~~Department~~
8 ~~of Agriculture~~ deems relevant.

9 (2) Modify or change the licensing application process
10 to reduce or eliminate the barriers identified in the
11 disparity and availability study commission by the
12 Illinois Cannabis Regulation Oversight Officer or by the
13 Commission and shall make modifications to remedy evidence
14 of discrimination.

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

16 (410 ILCS 705/20-10)

17 Sec. 20-10. Early Approval of Adult Use Cultivation Center
18 License.

19 (a) Any medical cannabis cultivation center registered and
20 in good standing under the Compassionate Use of Medical
21 Cannabis Program Act as of June 25, 2019 (the effective date of
22 Public Act 101-27) ~~this Act~~ may, within 60 days of June 25,
23 2019 ~~the effective date of this Act~~ but no later than December
24 22, 2019 ~~180 days from the effective date of this Act~~, apply to
25 the Department of Agriculture for an Early Approval Adult Use

1 Cultivation Center License to produce cannabis and
2 cannabis-infused products at its existing facilities as of
3 June 25, 2019 ~~the effective date of this Act.~~

4 (b) A medical cannabis cultivation center seeking issuance
5 of an Early Approval Adult Use Cultivation Center License
6 shall submit an application on forms provided by the
7 Department of Agriculture. The application must meet or
8 include the following qualifications:

9 (1) Payment of a nonrefundable application fee of
10 \$100,000 to be deposited into the Cannabis Regulation
11 Fund;

12 (2) Proof of registration as a medical cannabis
13 cultivation center that is in good standing;

14 (3) Submission of the application by the same person
15 or entity that holds the medical cannabis cultivation
16 center registration;

17 (4) Certification that the applicant will comply with
18 the requirements of Section 20-30;

19 (5) The legal name of the cultivation center;

20 (6) The physical address of the cultivation center;

21 (7) The name, address, social security number, and
22 date of birth of each principal officer and board member
23 of the cultivation center; each of those individuals shall
24 be at least 21 years of age;

25 (8) A nonrefundable Cannabis Business Development Fee
26 equal to 5% of the cultivation center's total sales

1 between June 1, 2018 to June 1, 2019 or \$750,000,
2 whichever is less, but at not less than \$250,000, to be
3 deposited into the Cannabis Business Development Fund; and

4 (9) A commitment to completing one of the following
5 Social Equity Inclusion Plans provided for in this
6 subsection (b) before the expiration of the Early Approval
7 Adult Use Cultivation Center License:

8 (A) A contribution of 5% of the cultivation
9 center's total sales from June 1, 2018 to June 1, 2019,
10 or \$100,000, whichever is less, to one of the
11 following:

12 (i) the Cannabis Business Development Fund.
13 This is in addition to the fee required by item (8)
14 of this subsection (b);

15 (ii) a cannabis industry training or education
16 program at an Illinois community college as
17 defined in the Public Community College Act;

18 (iii) a program that provides job training
19 services to persons recently incarcerated or that
20 operates in a Disproportionately Impacted Area.

21 (B) Participate as a host in a cannabis business
22 incubator program for at least one year approved by
23 the Department of Commerce and Economic Opportunity,
24 and in which an Early Approval Adult Use Cultivation
25 Center License holder agrees to provide a loan of at
26 least \$100,000 and mentorship to incubate, for at

1 least a year, a Social Equity Applicant intending to
2 seek a license or a licensee that qualifies as a Social
3 Equity Applicant. As used in this Section, "incubate"
4 means providing direct financial assistance and
5 training necessary to engage in licensed cannabis
6 industry activity similar to that of the host
7 licensee. The Early Approval Adult Use Cultivation
8 Center License holder or the same entity holding any
9 other licenses issued pursuant to this Act shall not
10 take an ownership stake of greater than 10% in any
11 business receiving incubation services to comply with
12 this subsection. If an Early Approval Adult Use
13 Cultivation Center License holder fails to find a
14 business to incubate to comply with this subsection
15 before its Early Approval Adult Use Cultivation Center
16 License expires, it may opt to meet the requirement of
17 this subsection by completing another item from this
18 subsection prior to the expiration of its Early
19 Approval Adult Use Cultivation Center License to avoid
20 a penalty.

21 (c) An Early Approval Adult Use Cultivation Center License
22 is valid until March 31, 2021. A cultivation center that
23 obtains an Early Approval Adult Use Cultivation Center License
24 shall receive written or electronic notice 90 days before the
25 expiration of the license that the license will expire, and
26 inform the license holder that it may renew its Early Approval

1 Adult Use Cultivation Center License. The Department of
2 Agriculture shall grant a renewal of an Early Approval Adult
3 Use Cultivation Center License within 60 days of submission of
4 an application if:

5 (1) the cultivation center submits an application and
6 the required renewal fee of \$100,000 for an Early Approval
7 Adult Use Cultivation Center License;

8 (2) the Department of Agriculture has not suspended
9 the license of the cultivation center or suspended or
10 revoked the license for violating this Act or rules
11 adopted under this Act; and

12 (3) the cultivation center has completed a Social
13 Equity Inclusion Plan as required by item (9) of
14 subsection (b) of this Section.

15 (c-5) The Early Approval Adult Use Cultivation Center
16 License renewed pursuant to subsection (c) of this Section
17 shall expire March 31, 2022. The Early Approval Adult Use
18 Cultivation Center Licensee shall receive written or
19 electronic notice 90 days before the expiration of the license
20 that the license will expire, and inform the license holder
21 that it may apply for an Adult Use Cultivation Center License.
22 The Department of Agriculture shall grant an Adult Use
23 Dispensing Organization License within 60 days of an
24 application being deemed complete if the applicant meets all
25 of the criteria in Section 20-21.

26 (d) The license fee required by paragraph (1) of

1 subsection (c) of this Section shall be in addition to any
2 license fee required for the renewal of a registered medical
3 cannabis cultivation center license that expires during the
4 effective period of the Early Approval Adult Use Cultivation
5 Center License.

6 (e) Applicants must submit all required information,
7 including the requirements in subsection (b) of this Section,
8 to the Department of Agriculture. Failure by an applicant to
9 submit all required information may result in the application
10 being disqualified.

11 (f) If the Department of Agriculture receives an
12 application with missing information, the Department may issue
13 a deficiency notice to the applicant. The applicant shall have
14 10 calendar days from the date of the deficiency notice to
15 submit complete information. Applications that are still
16 incomplete after this opportunity to cure may be disqualified.

17 (g) If an applicant meets all the requirements of
18 subsection (b) of this Section, the Department of Agriculture
19 shall issue the Early Approval Adult Use Cultivation Center
20 License within 14 days of receiving the application unless:

21 (1) The licensee; principal officer, board member, or
22 person having a financial or voting interest of 5% or
23 greater in the licensee; or agent is delinquent in filing
24 any required tax returns or paying any amounts owed to the
25 State of Illinois;

26 (2) The Director of Agriculture determines there is

1 reason, based on an inordinate number of documented
2 compliance violations, the licensee is not entitled to an
3 Early Approval Adult Use Cultivation Center License; or

4 (3) The licensee fails to commit to the Social Equity
5 Inclusion Plan.

6 (h) A cultivation center may begin producing cannabis and
7 cannabis-infused products once the Early Approval Adult Use
8 Cultivation Center License is approved. A cultivation center
9 that obtains an Early Approval Adult Use Cultivation Center
10 License may begin selling cannabis and cannabis-infused
11 products on December 1, 2019.

12 (i) An Early Approval Adult Use Cultivation Center License
13 holder must continue to produce and provide an adequate supply
14 of cannabis and cannabis-infused products for purchase by
15 qualifying patients and caregivers. For the purposes of this
16 subsection, "adequate supply" means a monthly production level
17 that is comparable in type and quantity to those medical
18 cannabis products produced for patients and caregivers on an
19 average monthly basis for the 6 months before the effective
20 date of this Act.

21 (j) If there is a shortage of cannabis or cannabis-infused
22 products, a license holder shall prioritize patients
23 registered under the Compassionate Use of Medical Cannabis
24 Program Act over adult use purchasers.

25 (k) If an Early Approval Adult Use Cultivation Center
26 licensee fails to submit an application for an Adult Use

1 Cultivation Center License before the expiration of the Early
2 Approval Adult Use Cultivation Center License pursuant to
3 subsection (c-5) of this Section, the cultivation center shall
4 cease adult use cultivation until it receives an Adult Use
5 Cultivation Center License.

6 (l) A cultivation center agent who holds a valid
7 cultivation center agent identification card issued under the
8 Compassionate Use of Medical Cannabis Program Act and is an
9 officer, director, manager, or employee of the cultivation
10 center licensed under this Section may engage in all
11 activities authorized by this Article to be performed by a
12 cultivation center agent.

13 (m) If the Department of Agriculture suspends or revokes
14 the Early Approval Adult Use Cultivation Center License of a
15 cultivation center that also holds a medical cannabis
16 cultivation center license issued under the Compassionate Use
17 of Medical Cannabis Program Act, the Department of Agriculture
18 may suspend or revoke the medical cannabis cultivation center
19 license concurrently with the Early Approval Adult Use
20 Cultivation Center License.

21 (n) All fees or fines collected from an Early Approval
22 Adult Use Cultivation Center License holder as a result of a
23 disciplinary action in the enforcement of this Act shall be
24 deposited into the Cannabis Regulation Fund.

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

1 (410 ILCS 705/20-15)

2 Sec. 20-15. Conditional Adult Use Cultivation Center
3 application.

4 (a) If the Commission ~~Department of Agriculture~~ makes
5 available additional cultivation center licenses pursuant to
6 Section 20-5, applicants for a Conditional Adult Use
7 Cultivation Center License shall electronically submit the
8 following in such form as the Commission ~~Department of~~
9 ~~Agriculture~~ may direct:

10 (1) the nonrefundable application fee set by rule by
11 the Commission ~~Department of Agriculture~~, to be deposited
12 into the Cannabis Regulation Fund;

13 (2) the legal name of the cultivation center;

14 (3) the proposed physical address of the cultivation
15 center;

16 (4) the name, address, social security number, and
17 date of birth of each principal officer and board member
18 of the cultivation center; each principal officer and
19 board member shall be at least 21 years of age;

20 (5) the details of any administrative or judicial
21 proceeding in which any of the principal officers or board
22 members of the cultivation center (i) pled guilty, were
23 convicted, were fined, or had a registration or license
24 suspended or revoked, or (ii) managed or served on the
25 board of a business or non-profit organization that pled
26 guilty, was convicted, was fined, or had a registration or

1 license suspended or revoked;

2 (6) proposed operating bylaws that include procedures
3 for the oversight of the cultivation center, including the
4 development and implementation of a plant monitoring
5 system, accurate recordkeeping, staffing plan, and
6 security plan approved by the Illinois State Police that
7 are in accordance with the rules issued by the Commission
8 ~~Department of Agriculture~~ under this Act. A physical
9 inventory shall be performed of all plants and cannabis on
10 a weekly basis by the cultivation center;

11 (7) verification from the Illinois State Police that
12 all background checks of the prospective principal
13 officers, board members, and agents of the cannabis
14 business establishment have been conducted;

15 (8) a copy of the current local zoning ordinance or
16 permit and verification that the proposed cultivation
17 center is in compliance with the local zoning rules and
18 distance limitations established by the local
19 jurisdiction;

20 (9) proposed employment practices, in which the
21 applicant must demonstrate a plan of action to inform,
22 hire, and educate minorities, women, veterans, and persons
23 with disabilities, engage in fair labor practices, and
24 provide worker protections;

25 (10) whether an applicant can demonstrate experience
26 in or business practices that promote economic empowerment

1 in Disproportionately Impacted Areas;

2 (11) experience with the cultivation of agricultural
3 or horticultural products, operating an agriculturally
4 related business, or operating a horticultural business;

5 (12) a description of the enclosed, locked facility
6 where cannabis will be grown, harvested, manufactured,
7 processed, packaged, or otherwise prepared for
8 distribution to a dispensing organization;

9 (13) a survey of the enclosed, locked facility,
10 including the space used for cultivation;

11 (14) cultivation, processing, inventory, and packaging
12 plans;

13 (15) a description of the applicant's experience with
14 agricultural cultivation techniques and industry
15 standards;

16 (16) a list of any academic degrees, certifications,
17 or relevant experience of all prospective principal
18 officers, board members, and agents of the related
19 business;

20 (17) the identity of every person having a financial
21 or voting interest of 5% or greater in the cultivation
22 center operation with respect to which the license is
23 sought, whether a trust, corporation, partnership, limited
24 liability company, or sole proprietorship, including the
25 name and address of each person;

26 (18) a plan describing how the cultivation center will

1 address each of the following:

2 (i) energy needs, including estimates of monthly
3 electricity and gas usage, to what extent it will
4 procure energy from a local utility or from on-site
5 generation, and if it has or will adopt a sustainable
6 energy use and energy conservation policy;

7 (ii) water needs, including estimated water draw
8 and if it has or will adopt a sustainable water use and
9 water conservation policy; and

10 (iii) waste management, including if it has or
11 will adopt a waste reduction policy;

12 (19) a diversity plan that includes a narrative of not
13 more than 2,500 words that establishes a goal of diversity
14 in ownership, management, employment, and contracting to
15 ensure that diverse participants and groups are afforded
16 equality of opportunity;

17 (20) any other information required by rule;

18 (21) a recycling plan:

19 (A) Purchaser packaging, including cartridges,
20 shall be accepted by the applicant and recycled.

21 (B) Any recyclable waste generated by the cannabis
22 cultivation facility shall be recycled per applicable
23 State and local laws, ordinances, and rules.

24 (C) Any cannabis waste, liquid waste, or hazardous
25 waste shall be disposed of in accordance with 8 Ill.
26 Adm. Code 1000.460, except, to the greatest extent

1 feasible, all cannabis plant waste will be rendered
2 unusable by grinding and incorporating the cannabis
3 plant waste with compostable mixed waste to be
4 disposed of in accordance with 8 Ill. Adm. Code
5 1000.460(g)(1);

6 (22) commitment to comply with local waste provisions:
7 a cultivation facility must remain in compliance with
8 applicable State and federal environmental requirements,
9 including, but not limited to:

10 (A) storing, securing, and managing all
11 recyclables and waste, including organic waste
12 composed of or containing finished cannabis and
13 cannabis products, in accordance with applicable State
14 and local laws, ordinances, and rules; and

15 (B) disposing liquid waste containing cannabis or
16 byproducts of cannabis processing in compliance with
17 all applicable State and federal requirements,
18 including, but not limited to, the cannabis
19 cultivation facility's permits under Title X of the
20 Environmental Protection Act; and

21 (23) a commitment to a technology standard for
22 resource efficiency of the cultivation center facility.

23 (A) A cannabis cultivation facility commits to use
24 resources efficiently, including energy and water. For
25 the following, a cannabis cultivation facility commits
26 to meet or exceed the technology standard identified

1 in items (i), (ii), (iii), and (iv), which may be
2 modified by rule:

3 (i) lighting systems, including light bulbs;

4 (ii) HVAC system;

5 (iii) water application system to the crop;

6 and

7 (iv) filtration system for removing
8 contaminants from wastewater.

9 (B) Lighting. The Lighting Power Densities (LPD)
10 for cultivation space commits to not exceed an average
11 of 36 watts per gross square foot of active and growing
12 space canopy, or all installed lighting technology
13 shall meet a photosynthetic photon efficacy (PPE) of
14 no less than 2.2 micromoles per joule fixture and
15 shall be featured on the DesignLights Consortium (DLC)
16 Horticultural Specification Qualified Products List
17 (QPL). In the event that DLC requirement for minimum
18 efficacy exceeds 2.2 micromoles per joule fixture,
19 that PPE shall become the new standard.

20 (C) HVAC.

21 (i) For cannabis grow operations with less
22 than 6,000 square feet of canopy, the licensee
23 commits that all HVAC units will be
24 high-efficiency ductless split HVAC units, or
25 other more energy efficient equipment.

26 (ii) For cannabis grow operations with 6,000

1 square feet of canopy or more, the licensee
2 commits that all HVAC units will be variable
3 refrigerant flow HVAC units, or other more energy
4 efficient equipment.

5 (D) Water application.

6 (i) The cannabis cultivation facility commits
7 to use automated watering systems, including, but
8 not limited to, drip irrigation and flood tables,
9 to irrigate cannabis crop.

10 (ii) The cannabis cultivation facility commits
11 to measure runoff from watering events and report
12 this volume in its water usage plan, and that on
13 average, watering events shall have no more than
14 20% of runoff of water.

15 (E) Filtration. The cultivator commits that HVAC
16 condensate, dehumidification water, excess runoff, and
17 other wastewater produced by the cannabis cultivation
18 facility shall be captured and filtered to the best of
19 the facility's ability to achieve the quality needed
20 to be reused in subsequent watering rounds.

21 (F) Reporting energy use and efficiency as
22 required by rule.

23 (b) Applicants must submit all required information,
24 including the information required in Section 20-10, to the
25 Commission ~~Department of Agriculture~~. Failure by an applicant
26 to submit all required information may result in the

1 application being disqualified.

2 (c) If the Commission ~~Department of Agriculture~~ receives
3 an application with missing information, the Commission
4 ~~Department of Agriculture~~ may issue a deficiency notice to the
5 applicant. The applicant shall have 10 calendar days from the
6 date of the deficiency notice to resubmit the incomplete
7 information. Applications that are still incomplete after this
8 opportunity to cure will not be scored and will be
9 disqualified.

10 (e) A cultivation center that is awarded a Conditional
11 Adult Use Cultivation Center License pursuant to the criteria
12 in Section 20-20 shall not grow, purchase, possess, or sell
13 cannabis or cannabis-infused products until the person has
14 received an Adult Use Cultivation Center License issued by the
15 Commission ~~Department of Agriculture~~ pursuant to Section 20-21
16 of this Act.

17 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19;
18 102-538, eff. 8-20-21.)

19 (410 ILCS 705/20-21)

20 Sec. 20-21. Adult Use Cultivation Center License.

21 (a) A person or entity is only eligible to receive an Adult
22 Use Cultivation Center License if the person or entity has
23 first been awarded a Conditional Adult Use Cultivation Center
24 License pursuant to this Act or the person or entity has
25 renewed its Early Approval Cultivation Center License pursuant

1 to subsection (c) of Section 20-10.

2 (b) The Commission ~~Department of Agriculture~~ shall not
3 issue an Adult Use Cultivation Center License until:

4 (1) the Commission ~~Department of Agriculture~~ has
5 inspected the cultivation center site and proposed
6 operations and verified that they are in compliance with
7 this Act and local zoning laws;

8 (2) the Conditional Adult Use Cultivation Center
9 License holder has paid a registration fee of \$100,000 or
10 a prorated amount accounting for the difference of time
11 between when the Adult Use Cultivation Center License is
12 issued and March 31 of the next even-numbered year; and

13 (3) The Conditional Adult Use Cultivation Center
14 License holder has met all the requirements in the Act and
15 rules.

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

17 (410 ILCS 705/20-30)

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

19 (a) The operating documents of a cultivation center shall
20 include procedures for the oversight of the cultivation
21 center, a cannabis plant monitoring system including a
22 physical inventory recorded weekly, accurate recordkeeping,
23 and a staffing plan.

24 (b) A cultivation center shall implement a security plan
25 reviewed by the Illinois State Police that includes, but is

1 not limited to: facility access controls, perimeter intrusion
2 detection systems, personnel identification systems, 24-hour
3 surveillance system to monitor the interior and exterior of
4 the cultivation center facility and accessibility to
5 authorized law enforcement and the Commission, ~~the Department~~
6 ~~of Public Health where processing takes place, and the~~
7 ~~Department of Agriculture~~ in real time.

8 (c) All cultivation of cannabis by a cultivation center
9 must take place in an enclosed, locked facility at the
10 physical address provided to the Commission ~~Department of~~
11 ~~Agriculture~~ during the licensing process. The cultivation
12 center location shall only be accessed by the agents working
13 for the cultivation center, the Commission ~~Department of~~
14 ~~Agriculture~~ staff performing inspections, the Department of
15 Public Health staff performing inspections, local and State
16 law enforcement or other emergency personnel, contractors
17 working on jobs unrelated to cannabis, such as installing or
18 maintaining security devices or performing electrical wiring,
19 transporting organization agents as provided in this Act,
20 individuals in a mentoring or educational program approved by
21 the State, or other individuals as provided by rule.

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

26 (e) A cultivation center may not either directly or

1 indirectly discriminate in price between different dispensing
2 organizations, craft growers, or infuser organizations that
3 are purchasing a like grade, strain, brand, and quality of
4 cannabis or cannabis-infused product. Nothing in this
5 subsection (e) prevents a cultivation center from pricing
6 cannabis differently based on differences in the cost of
7 manufacturing or processing, the quantities sold, such as
8 volume discounts, or the way the products are delivered.

9 (f) All cannabis harvested by a cultivation center and
10 intended for distribution to a dispensing organization must be
11 entered into a data collection system, packaged and labeled
12 under Section 55-21, and placed into a cannabis container for
13 transport. All cannabis harvested by a cultivation center and
14 intended for distribution to a craft grower or infuser
15 organization must be packaged in a labeled cannabis container
16 and entered into a data collection system before transport.

17 (g) Cultivation centers are subject to random inspections
18 by the Commission ~~Department of Agriculture~~, the Department of
19 Public Health, local safety or health inspectors, the Illinois
20 State Police, or as provided by rule.

21 (h) A cultivation center agent shall notify local law
22 enforcement, the Illinois State Police, and the Commission
23 ~~Department of Agriculture~~ within 24 hours of the discovery of
24 any loss or theft. Notification shall be made by phone or in
25 person, or by written or electronic communication.

26 (i) A cultivation center shall comply with all State and

1 any applicable federal rules and regulations regarding the use
2 of pesticides on cannabis plants.

3 (j) No person or entity shall hold any legal, equitable,
4 ownership, or beneficial interest, directly or indirectly, of
5 more than 3 cultivation centers licensed under this Article.
6 Further, no person or entity that is employed by, an agent of,
7 has a contract to receive payment in any form from a
8 cultivation center, is a principal officer of a cultivation
9 center, or entity controlled by or affiliated with a principal
10 officer of a cultivation shall hold any legal, equitable,
11 ownership, or beneficial interest, directly or indirectly, in
12 a cultivation that would result in the person or entity owning
13 or controlling in combination with any cultivation center,
14 principal officer of a cultivation center, or entity
15 controlled or affiliated with a principal officer of a
16 cultivation center by which he, she, or it is employed, is an
17 agent of, or participates in the management of, more than 3
18 cultivation center licenses.

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

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

24 (m) Beginning July 1, 2020, a cultivation center shall not
25 transport cannabis or cannabis-infused products to a craft
26 grower, dispensing organization, infuser organization, or

1 laboratory licensed under this Act, unless it has obtained a
2 transporting organization license.

3 (n) It is unlawful for any person having a cultivation
4 center license or any officer, associate, member,
5 representative, or agent of such licensee to offer or deliver
6 money, or anything else of value, directly or indirectly to
7 any person having an Early Approval Adult Use Dispensing
8 Organization License, a Conditional Adult Use Dispensing
9 Organization License, an Adult Use Dispensing Organization
10 License, or a medical cannabis dispensing organization license
11 issued under the Compassionate Use of Medical Cannabis Program
12 ~~Act~~, or to any person connected with or in any way
13 representing, or to any member of the family of, such person
14 holding an Early Approval Adult Use Dispensing Organization
15 License, a Conditional Adult Use Dispensing Organization
16 License, an Adult Use Dispensing Organization License, or a
17 medical cannabis dispensing organization license issued under
18 the Compassionate Use of Medical Cannabis Program ~~Act~~, or to
19 any stockholders in any corporation engaged in the retail sale
20 of cannabis, or to any officer, manager, agent, or
21 representative of the Early Approval Adult Use Dispensing
22 Organization License, a Conditional Adult Use Dispensing
23 Organization License, an Adult Use Dispensing Organization
24 License, or a medical cannabis dispensing organization license
25 issued under the Compassionate Use of Medical Cannabis Program
26 ~~Act~~ to obtain preferential placement within the dispensing

1 organization, including, without limitation, on shelves and in
2 display cases where purchasers can view products, or on the
3 dispensing organization's website.

4 (o) A cultivation center must comply with any other
5 requirements or prohibitions set by administrative rule of the
6 Commission ~~Department of Agriculture~~.

7 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19;
8 102-98, eff. 7-15-21; 102-538, eff. 8-20-21; 102-813, eff.
9 5-13-22.)

10 (410 ILCS 705/20-55)

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

12 (a) Each Adult Use Cultivation Center applicant and
13 license holder shall file and maintain a Table of
14 Organization, Ownership, and Control with the Commission
15 ~~Department~~. The Table of Organization, Ownership, and Control
16 shall contain the information required by this Section in
17 sufficient detail to identify all owners, directors, and
18 principal officers, and the title of each principal officer or
19 business entity that, through direct or indirect means,
20 manages, owns, or controls the applicant or license holder.

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

23 (1) The management structure, ownership, and control
24 of the applicant or license holder including the name of
25 each principal officer or business entity, the office or

1 position held, and the percentage ownership interest, if
2 any. If the business entity has a parent company, the name
3 of each owner, board member, and officer of the parent
4 company and his or her percentage ownership interest in
5 the parent company and the Adult Use Cultivation Center.

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

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

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

17 (2) To the extent known, the names and percentage of
18 interest of ownership of persons who are relatives of one
19 another and who together exercise control over or own more
20 than 10% of the voting shares of the entity.

21 (d) An Adult Use Cultivation Center with a parent company
22 or companies, or partially owned or controlled by another
23 entity must disclose to the Commission ~~Department~~ the
24 relationship and all owners, board members, officers, or
25 individuals with control or management of those entities. An
26 Adult Use Cultivation Center shall not shield its ownership or

1 control from the Department.

2 (e) All principal officers must submit a complete online
3 application with the Commission ~~Department~~ within 14 days of
4 the Adult Use Cultivation Center being licensed by the
5 Commission ~~Department~~ or within 14 days of Commission
6 ~~Department~~ notice of approval as a new principal officer.

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

9 (g) An Adult Use Cultivation Center separating with a
10 principal officer must do so under this Act. The principal
11 officer must communicate the separation to the Commission
12 ~~Department~~ within 5 business days.

13 (h) A principal officer not in compliance with the
14 requirements of this Act shall be removed from his or her
15 position with the Adult Use Cultivation Center or shall
16 otherwise terminate his or her affiliation. Failure to do so
17 may subject the Adult Use Cultivation Center to discipline,
18 suspension, or revocation of its license by the Commission
19 ~~Department~~.

20 (i) It is the responsibility of the Adult Use Cultivation
21 Center and its principal officers to promptly notify the
22 Commission ~~Department~~ of any change of the principal place of
23 business address, hours of operation, change in ownership or
24 control, or a change of the Adult Use Cultivation Center's
25 primary or secondary contact information. Any changes must be
26 made to the Commission ~~Department~~ in writing.

1 (Source: P.A. 102-98, eff. 7-15-21.)

2 (410 ILCS 705/25-1)

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

4 Sec. 25-1. Definitions. In this Article:

5 "Board" means the Illinois Community College Board.

6 "Career in Cannabis Certificate" or "Certificate" means
7 the certification awarded to a community college student who
8 completes a prescribed course of study in cannabis and
9 cannabis business industry related classes and curriculum at a
10 community college awarded a Community College Cannabis
11 Vocational Pilot Program license.

12 "Commission" means the Cannabis Equity and Oversight
13 Commission.

14 "Community college" means a public community college
15 organized under the Public Community College Act.

16 ~~"Department" means the Department of Agriculture.~~

17 "Licensee" means a community college awarded a Community
18 College Cannabis Vocational Pilot Program license under this
19 Article.

20 "Program" means the Community College Cannabis Vocational
21 Pilot Program.

22 "Program license" means a Community College Cannabis
23 Vocational Pilot Program license issued to a community college
24 under this Article.

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

1 (410 ILCS 705/25-5)

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

3 Sec. 25-5. Administration.

4 (a) The Commission ~~Department~~ shall establish and
5 administer the Program in coordination with the Illinois
6 Community College Board. The Commission ~~Department~~ may issue
7 Program licenses to applicants that meet the requirements
8 outlined in this Article.

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

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

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

1 (Source: P.A. 101-27, eff. 6-25-19; 102-98, eff. 7-15-21.)

2 (410 ILCS 705/25-10)

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

4 Sec. 25-10. Issuance of Community College Cannabis
5 Vocational Pilot Program licenses.

6 (a) The Commission ~~Department~~ shall issue rules regulating
7 the selection criteria for applicants by January 1, 2020. The
8 Commission ~~Department~~ shall make the application for a Program
9 license available no later than February 1, 2020, and shall
10 require that applicants submit the completed application no
11 later than July 1, 2020. If the Commission ~~Department~~ issues
12 fewer than 8 Program licenses by September 1, 2020, the
13 Commission ~~Department~~ may accept applications at a future date
14 as prescribed by rule.

15 (b) The Commission ~~Department~~ shall by rule develop a
16 system to score Program licenses to administratively rank
17 applications based on the clarity, organization, and quality
18 of the applicant's responses to required information.
19 Applicants shall be awarded points that are based on or that
20 meet the following categories:

21 (1) Geographic diversity of the applicants;

22 (2) Experience and credentials of the applicant's
23 faculty;

24 (3) At least 5 Program license awardees must have a
25 student population that is more than 50% low-income in

1 each of the past 4 years;

2 (4) Security plan, including a requirement that all
3 cannabis plants be in an enclosed, locked facility;

4 (5) Curriculum plan, including processing and testing
5 curriculum for the Career in Cannabis Certificate;

6 (6) Career advising and placement plan for
7 participating students; and

8 (7) Any other criteria the Commission ~~Department~~ may
9 set by rule.

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

11 (410 ILCS 705/25-15)

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

13 Sec. 25-15. Community College Cannabis Vocational Pilot
14 Program requirements and prohibitions.

15 (a) Licensees shall not have more than 50 flowering
16 cannabis plants at any one time.

17 (b) The agent-in-charge shall keep a vault log of the
18 licensee's enclosed, locked facility or facilities, including
19 but not limited to, the person entering the site location, the
20 time of entrance, the time of exit, and any other information
21 the Commission ~~Department~~ may set by rule.

22 (c) Cannabis shall not be removed from the licensee's
23 facility, except for the limited purpose of shipping a sample
24 to a laboratory registered under this Act.

25 (d) The licensee shall limit keys, access cards, or an

1 access code to the licensee's enclosed, locked facility, or
2 facilities, to cannabis curriculum faculty and college
3 security personnel with a bona fide need to access the
4 facility for emergency purposes.

5 (e) A transporting organization may transport cannabis
6 produced pursuant to this Article to a laboratory registered
7 under this Act. All other cannabis produced by the licensee
8 that was not shipped to a registered laboratory shall be
9 destroyed within 5 weeks of being harvested.

10 (f) Licensees shall subscribe to the Commission ~~Department~~
11 of Agriculture's cannabis plant monitoring system.

12 (g) Licensees shall maintain a weekly inventory system.

13 (h) No student participating in the cannabis curriculum
14 necessary to obtain a Certificate may be in the licensee's
15 facility unless a faculty agent-in-charge is also physically
16 present in the facility.

17 (i) Licensees shall conduct post-certificate follow up
18 surveys and record participating students' job placements
19 within the cannabis business industry within a year of the
20 student's completion.

21 (j) The Illinois Community College Board shall report
22 annually to the Commission ~~Department~~ on the race, ethnicity,
23 and gender of all students participating in the cannabis
24 curriculum necessary to obtain a Certificate, and of those
25 students who obtain a Certificate.

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

1 (410 ILCS 705/25-25)

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

3 Sec. 25-25. Enforcement.

4 (a) The Commission ~~Department~~ has the authority to suspend
5 or revoke any faculty agent-in-charge or agent identification
6 card for any violation found under this Article.

7 (b) The Commission ~~Department~~ has the authority to suspend
8 or revoke any Program license for any violation found under
9 this Article.

10 (c) The Board shall revoke the authority to offer the
11 Certificate of any community college that has had its license
12 revoked by the Commission ~~Department~~.

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

14 (410 ILCS 705/25-30)

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

16 Sec. 25-30. Inspection rights.

17 (a) A licensee's enclosed, locked facilities are subject
18 to random inspections by the Commission ~~Department~~, the
19 Illinois State Police, or as provided by rule.

20 (b) Nothing in this Section shall be construed to give the
21 Commission ~~Department~~, the Illinois State Police, or any other
22 entity identified by rule under subsection (a) a right of
23 inspection or access to any location on the licensee's
24 premises beyond the facilities licensed under this Article.

1 (Source: P.A. 101-27, eff. 6-25-19; 102-98, eff. 7-15-21;
2 102-538, eff. 8-20-21; 102-813, eff. 5-13-22.)

3 (410 ILCS 705/25-35)

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

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

7 (a) The Commission ~~Department~~ shall:

8 (1) establish by rule the information required in an
9 initial application or renewal application for an agent
10 identification card submitted under this Article and the
11 nonrefundable fee to accompany the initial application or
12 renewal application;

13 (2) verify the information contained in an initial
14 application or renewal application for an agent
15 identification card submitted under this Article, and
16 approve or deny an application within 30 days of receiving
17 a completed initial application or renewal application and
18 all supporting documentation required by rule;

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

22 (4) enter the license number of the community college
23 where the agent works; and

24 (5) allow for an electronic initial application and
25 renewal application process, and provide a confirmation by

1 electronic or other methods that an application has been
2 submitted. The Commission ~~Each Department~~ may by rule
3 require prospective agents to file their applications by
4 electronic means and to provide notices to the agents by
5 electronic means.

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

9 (c) The agent identification cards shall contain the
10 following:

11 (1) the name of the cardholder;

12 (2) the date of issuance and expiration date of the
13 identification card;

14 (3) a random 10-digit alphanumeric identification
15 number containing at least 4 numbers and at least 4
16 letters that is unique to the holder;

17 (4) a photograph of the cardholder; and

18 (5) the legal name of the community college employing
19 the agent.

20 (d) An agent identification card shall be immediately
21 returned to the community college of the agent upon
22 termination of his or her employment.

23 (e) Any agent identification card lost shall be reported
24 to the Illinois State Police and the Commission ~~Department of~~
25 ~~Agriculture~~ immediately upon discovery of the loss.

26 (f) An agent applicant may begin employment at a Community

1 College Cannabis Vocational Training Pilot Program while the
2 agent applicant's identification card application is pending.
3 Upon approval, the Commission ~~Department~~ shall issue the
4 agent's identification card to the agent. If denied, the
5 Community College Cannabis Vocational Training Pilot Program
6 and the agent applicant shall be notified and the agent
7 applicant must cease all activity at the Community College
8 Cannabis Vocational Training Pilot Program immediately.

9 (Source: P.A. 101-27, eff. 6-25-19; 102-98, eff. 7-15-21;
10 102-538, eff. 8-20-21; 102-813, eff. 5-13-22.)

11 (410 ILCS 705/25-40)

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

13 Sec. 25-40. Study. By December 31, 2025, the Commission
14 ~~Illinois Cannabis Regulation Oversight~~ Officer, in
15 coordination with the Board, must issue a report to the
16 Governor and the General Assembly which includes, but is not
17 limited to, the following:

18 (1) Number of security incidents or infractions at
19 each licensee and any action taken or not taken;

20 (2) Statistics, based on race, ethnicity, gender, and
21 participating community college of:

22 (A) students enrolled in career in cannabis
23 classes;

24 (B) successful completion rates by community
25 college students for the Certificate;

1 (C) postgraduate job placement of students who
2 obtained a Certificate, including both cannabis
3 business establishment jobs and non-cannabis business
4 establishment jobs; and

5 (3) Any other relevant information.

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

7 (410 ILCS 705/30-3)

8 Sec. 30-3. Definition. In this Article, "Commission" means
9 the Cannabis Equity and Oversight Commission.

10 ~~"Department" means the Department of Agriculture.~~

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

12 (410 ILCS 705/30-5)

13 Sec. 30-5. Issuance of licenses.

14 (a) The Commission ~~Department of Agriculture~~ shall issue
15 up to 40 craft grower licenses by July 1, 2020. Any person or
16 entity awarded a license pursuant to this subsection shall
17 only hold one craft grower license and may not sell that
18 license until after December 21, 2021.

19 (b) By December 21, 2021, the Commission ~~Department of~~
20 ~~Agriculture~~ shall issue up to 60 additional craft grower
21 licenses. Any person or entity awarded a license pursuant to
22 this subsection shall not hold more than 2 craft grower
23 licenses. The person or entity awarded a license pursuant to
24 this subsection or subsection (a) of this Section may sell its

1 craft grower license subject to the restrictions of this Act
2 or as determined by administrative rule. Prior to issuing such
3 licenses, the Commission ~~Department~~ may adopt rules through
4 emergency rulemaking in accordance with subsection (kk) of
5 Section 5-45 of the Illinois Administrative Procedure Act, to
6 modify or raise the number of craft grower licenses and modify
7 or change the licensing application process. The General
8 Assembly finds that the adoption of rules to regulate cannabis
9 use is deemed an emergency and necessary for the public
10 interest, safety, and welfare. In determining whether to
11 exercise the authority granted by this subsection, the
12 Commission ~~Department of Agriculture~~ must consider the
13 following factors:

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

22 (2) whether there is an adequate supply of cannabis
23 and cannabis-infused products to serve registered medical
24 cannabis patients;

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

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

4 (5) population increases or shifts;

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

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

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

10 (9) the Commission's ~~Department of Agriculture's~~
11 capacity to appropriately regulate additional licensees;

12 (10) (blank); and

13 (11) any other criteria the Commission ~~Department of~~
14 ~~Agriculture~~ deems relevant.

15 (c) After January 1, 2022, the Commission ~~Department of~~
16 ~~Agriculture~~ may by rule modify or raise the number of craft
17 grower licenses and modify or change the licensing application
18 process. At no time may the number of craft grower licenses
19 exceed 150. Any person or entity awarded a license pursuant to
20 this subsection shall not hold more than 3 craft grower
21 licenses. A person or entity awarded a license pursuant to
22 this subsection or subsection (a) or subsection (b) of this
23 Section may sell its craft grower license or licenses subject
24 to the restrictions of this Act or as determined by
25 administrative rule.

26 (d) Upon the completion of the disparity and availability

1 study pertaining to craft growers the Commission ~~by the~~
2 ~~Cannabis Regulation Oversight Officer pursuant to subsection~~
3 ~~(e) of Section 5-45, the Department~~ may modify or change the
4 licensing application process to reduce or eliminate barriers
5 from and remedy evidence of discrimination identified in the
6 disparity and availability study.

7 (e) Notwithstanding any other provision of law, the
8 Commission shall have authority over licenses in this Section
9 that may be in various phases in the licensing process or are
10 eligible, pending, in the conditional phase, awarded, pending
11 adjudication by a judicial process, or have otherwise not been
12 awarded on and after July 1, 2022.

13 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19;
14 102-98, eff. 7-15-21.)

15 (410 ILCS 705/30-10)

16 Sec. 30-10. Application.

17 (a) When applying for a license, the applicant shall
18 electronically submit the following in such form as the
19 Commission ~~Department of Agriculture~~ may direct:

20 (1) the nonrefundable application fee of \$5,000 to be
21 deposited into the Cannabis Regulation Fund, ~~or another~~
22 ~~amount as the Department of Agriculture may set by rule~~
23 ~~after January 1, 2021;~~

24 (2) the legal name of the craft grower;

25 (3) the proposed physical address of the craft grower;

1 (4) the name, address, social security number, and
2 date of birth of each principal officer and board member
3 of the craft grower; each principal officer and board
4 member shall be at least 21 years of age;

5 (5) the details of any administrative or judicial
6 proceeding in which any of the principal officers or board
7 members of the craft grower (i) pled guilty, were
8 convicted, were fined, or had a registration or license
9 suspended or revoked or (ii) managed or served on the
10 board of a business or non-profit organization that pled
11 guilty, was convicted, was fined, or had a registration or
12 license suspended or revoked;

13 (6) proposed operating bylaws that include procedures
14 for the oversight of the craft grower, including the
15 development and implementation of a plant monitoring
16 system, accurate recordkeeping, staffing plan, and
17 security plan approved by the Illinois State Police that
18 are in accordance with the rules issued by the Commission
19 ~~Department of Agriculture~~ under this Act; a physical
20 inventory shall be performed of all plants and on a weekly
21 basis by the craft grower;

22 (7) verification from the Illinois State Police that
23 all background checks of the prospective principal
24 officers, board members, and agents of the cannabis
25 business establishment have been conducted;

26 (8) a copy of the current local zoning ordinance or

1 permit and verification that the proposed craft grower is
2 in compliance with the local zoning rules and distance
3 limitations established by the local jurisdiction;

4 (9) proposed employment practices, in which the
5 applicant must demonstrate a plan of action to inform,
6 hire, and educate minorities, women, veterans, and persons
7 with disabilities, engage in fair labor practices, and
8 provide worker protections;

9 (10) whether an applicant can demonstrate experience
10 in or business practices that promote economic empowerment
11 in Disproportionately Impacted Areas;

12 (11) experience with the cultivation of agricultural
13 or horticultural products, operating an agriculturally
14 related business, or operating a horticultural business;

15 (12) a description of the enclosed, locked facility
16 where cannabis will be grown, harvested, manufactured,
17 packaged, or otherwise prepared for distribution to a
18 dispensing organization or other cannabis business
19 establishment;

20 (13) a survey of the enclosed, locked facility,
21 including the space used for cultivation;

22 (14) cultivation, processing, inventory, and packaging
23 plans;

24 (15) a description of the applicant's experience with
25 agricultural cultivation techniques and industry
26 standards;

1 (16) a list of any academic degrees, certifications,
2 or relevant experience of all prospective principal
3 officers, board members, and agents of the related
4 business;

5 (17) the identity of every person having a financial
6 or voting interest of 5% or greater in the craft grower
7 operation, whether a trust, corporation, partnership,
8 limited liability company, or sole proprietorship,
9 including the name and address of each person;

10 (18) a plan describing how the craft grower will
11 address each of the following:

12 (i) energy needs, including estimates of monthly
13 electricity and gas usage, to what extent it will
14 procure energy from a local utility or from on-site
15 generation, and if it has or will adopt a sustainable
16 energy use and energy conservation policy;

17 (ii) water needs, including estimated water draw
18 and if it has or will adopt a sustainable water use and
19 water conservation policy; and

20 (iii) waste management, including if it has or
21 will adopt a waste reduction policy;

22 (19) a recycling plan:

23 (A) Purchaser packaging, including cartridges,
24 shall be accepted by the applicant and recycled.

25 (B) Any recyclable waste generated by the craft
26 grower facility shall be recycled per applicable State

1 and local laws, ordinances, and rules.

2 (C) Any cannabis waste, liquid waste, or hazardous
3 waste shall be disposed of in accordance with 8 Ill.
4 Adm. Code 1000.460, except, to the greatest extent
5 feasible, all cannabis plant waste will be rendered
6 unusable by grinding and incorporating the cannabis
7 plant waste with compostable mixed waste to be
8 disposed of in accordance with 8 Ill. Adm. Code
9 1000.460 (g) (1);

10 (20) a commitment to comply with local waste
11 provisions: a craft grower facility must remain in
12 compliance with applicable State and federal environmental
13 requirements, including, but not limited to:

14 (A) storing, securing, and managing all
15 recyclables and waste, including organic waste
16 composed of or containing finished cannabis and
17 cannabis products, in accordance with applicable State
18 and local laws, ordinances, and rules; and

19 (B) disposing liquid waste containing cannabis or
20 byproducts of cannabis processing in compliance with
21 all applicable State and federal requirements,
22 including, but not limited to, the cannabis
23 cultivation facility's permits under Title X of the
24 Environmental Protection Act;

25 (21) a commitment to a technology standard for
26 resource efficiency of the craft grower facility.

1 (A) A craft grower facility commits to use
2 resources efficiently, including energy and water. For
3 the following, a cannabis cultivation facility commits
4 to meet or exceed the technology standard identified
5 in paragraphs (i), (ii), (iii), and (iv), which may be
6 modified by rule:

7 (i) lighting systems, including light bulbs;

8 (ii) HVAC system;

9 (iii) water application system to the crop;

10 and

11 (iv) filtration system for removing
12 contaminants from wastewater.

13 (B) Lighting. The Lighting Power Densities (LPD)
14 for cultivation space commits to not exceed an average
15 of 36 watts per gross square foot of active and growing
16 space canopy, or all installed lighting technology
17 shall meet a photosynthetic photon efficacy (PPE) of
18 no less than 2.2 micromoles per joule fixture and
19 shall be featured on the DesignLights Consortium (DLC)
20 Horticultural Specification Qualified Products List
21 (QPL). In the event that DLC requirement for minimum
22 efficacy exceeds 2.2 micromoles per joule fixture,
23 that PPE shall become the new standard.

24 (C) HVAC.

25 (i) For cannabis grow operations with less
26 than 6,000 square feet of canopy, the licensee

1 commits that all HVAC units will be
2 high-efficiency ductless split HVAC units, or
3 other more energy efficient equipment.

4 (ii) For cannabis grow operations with 6,000
5 square feet of canopy or more, the licensee
6 commits that all HVAC units will be variable
7 refrigerant flow HVAC units, or other more energy
8 efficient equipment.

9 (D) Water application.

10 (i) The craft grower facility commits to use
11 automated watering systems, including, but not
12 limited to, drip irrigation and flood tables, to
13 irrigate cannabis crop.

14 (ii) The craft grower facility commits to
15 measure runoff from watering events and report
16 this volume in its water usage plan, and that on
17 average, watering events shall have no more than
18 20% of runoff of water.

19 (E) Filtration. The craft grower commits that HVAC
20 condensate, dehumidification water, excess runoff, and
21 other wastewater produced by the craft grower facility
22 shall be captured and filtered to the best of the
23 facility's ability to achieve the quality needed to be
24 reused in subsequent watering rounds.

25 (F) Reporting energy use and efficiency as
26 required by rule; and

1 (22) any other information required by rule.

2 (b) Applicants must submit all required information,
3 including the information required in Section 30-15, to the
4 Commission ~~Department of Agriculture~~. Failure by an applicant
5 to submit all required information may result in the
6 application being disqualified.

7 (c) If the Commission ~~Department of Agriculture~~ receives
8 an application with missing information, the Commission
9 ~~Department of Agriculture~~ may issue a deficiency notice to the
10 applicant. The applicant shall have 10 calendar days from the
11 date of the deficiency notice to resubmit the incomplete
12 information. Applications that are still incomplete after this
13 opportunity to cure will not be scored and will be
14 disqualified.

15 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19;
16 102-538, eff. 8-20-21.)

17 (410 ILCS 705/30-20)

18 Sec. 30-20. Issuance of license to certain persons
19 prohibited.

20 (a) No craft grower license issued by the Commission
21 ~~Department of Agriculture~~ shall be issued to a person who is
22 licensed by any licensing authority as a cultivation center,
23 or to any partnership, corporation, limited liability company,
24 or trust or any subsidiary, affiliate, or any other form of
25 business enterprise having more than 10% legal, equitable, or

1 beneficial interest, directly or indirectly, in a person
2 licensed in this State as a cultivation center, or to any
3 principal officer, agent, employee, or human being with any
4 form of ownership or control over a cultivation center except
5 for a person who owns no more than 5% of the outstanding shares
6 of a cultivation center whose shares are publicly traded on an
7 exchange within the meaning of the Securities Exchange Act of
8 1934.

9 (b) A person who is licensed in this State as a craft
10 grower, or any partnership, corporation, limited liability
11 company, or trust or any subsidiary, affiliate, or agent
12 thereof, or any other form of business enterprise licensed in
13 this State as a craft grower shall not have more than 10%
14 legal, equitable, or beneficial interest, directly or
15 indirectly, in a person licensed as a cultivation center, nor
16 shall any partnership, corporation, limited liability company,
17 or trust or any subsidiary, affiliate, or any other form of
18 business enterprise having any legal, equitable, or beneficial
19 interest, directly or indirectly, in a person licensed in this
20 State as a craft grower or a craft grower agent be a principal
21 officer, agent, employee, or human being with any form of
22 ownership or control over a cultivation center except for a
23 person who owns no more than 5% of the outstanding shares of a
24 cultivation center whose shares are publicly traded on an
25 exchange within the meaning of the Securities Exchange Act of
26 1934.

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

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 Illinois State Police that includes, but is
11 not limited to: facility access controls, perimeter intrusion
12 detection systems, personnel identification systems, and a
13 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 Commission ~~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 Commission ~~Department of Agriculture~~
20 during the licensing process. The craft grower location shall
21 only be accessed by the agents working for the craft grower,
22 the Commission ~~Department of Agriculture~~ staff performing
23 inspections, the Department of Public Health staff performing
24 inspections, State and local law enforcement or other
25 emergency personnel, contractors working on jobs unrelated to

1 cannabis, such as installing or maintaining security devices
2 or performing electrical wiring, transporting organization
3 agents as provided in this Act, or participants in the
4 incubator program, individuals in a mentoring or educational
5 program approved by the State, or other individuals as
6 provided by rule. However, if a craft grower shares a premises
7 with an infuser or dispensing organization, agents from those
8 other licensees may access the craft grower portion of the
9 premises if that is the location of common bathrooms,
10 lunchrooms, locker rooms, or other areas of the building where
11 work or cultivation of cannabis is not performed. At no time
12 may an infuser or dispensing organization agent perform work
13 at a 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 Commission ~~Department of Agriculture~~, local safety or health
17 inspectors, the Illinois State Police, or as provided by rule.

18 (i) A craft grower agent shall notify local law
19 enforcement, the Illinois State Police, and the Commission
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 Commission
16 ~~Department of Agriculture~~.

17 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19;
18 102-98, eff. 7-15-21; 102-538, eff. 8-20-21; 102-813, eff.
19 5-13-22.)

20 (410 ILCS 705/30-45)

21 Sec. 30-45. Renewal of craft grower licenses and agent
22 identification cards.

23 (a) Licenses and identification cards issued under this
24 Act shall be renewed annually. A craft grower shall receive
25 written or electronic notice 90 days before the expiration of

1 its current license that the license will expire. The
2 Commission ~~Department of Agriculture~~ shall grant a renewal
3 within 45 days of submission of a renewal application if:

4 (1) the craft grower submits a renewal application and
5 the required nonrefundable renewal fee of \$40,000, or
6 another amount as the Commission ~~Department of Agriculture~~
7 may set by rule after January 1, 2021;

8 (2) the Commission ~~Department of Agriculture~~ has not
9 suspended the license of the craft grower or suspended or
10 revoked the license for violating this Act or rules
11 adopted under this Act;

12 (3) the craft grower has continued to operate in
13 accordance with all plans submitted as part of its
14 application and approved by the Commission ~~Department of~~
15 ~~Agriculture~~ or any amendments thereto that have been
16 approved by the Commission ~~Department of Agriculture~~;

17 (4) the craft grower has submitted an agent, employee,
18 contracting, and subcontracting diversity report as
19 required by the Commission ~~Department~~; and

20 (5) the craft grower has submitted an environmental
21 impact report.

22 (b) If a craft grower fails to renew its license before
23 expiration, it shall cease operations until its license is
24 renewed.

25 (c) If a craft grower agent fails to renew his or her
26 identification card before its expiration, he or she shall

1 cease to work as an agent of the craft grower organization
2 until his or her identification card is renewed.

3 (d) Any craft grower that continues to operate, or any
4 craft grower agent who continues to work as an agent, after the
5 applicable license or identification card has expired without
6 renewal is subject to the penalties provided under Section
7 45-5.

8 (e) All fees or fines collected from the renewal of a craft
9 grower license shall be deposited into the Cannabis Regulation
10 Fund.

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

12 (410 ILCS 705/30-55)

13 Sec. 30-55. Disclosure of ownership and control.

14 (a) Each craft grower applicant and licensee shall file
15 and maintain a Table of Organization, Ownership, and Control
16 with the Commission ~~Department~~. The Table of Organization,
17 Ownership, and Control shall contain the information required
18 by this Section in sufficient detail to identify all owners,
19 directors, and principal officers, and the title of each
20 principal officer or business entity that, through direct or
21 indirect means, manages, owns, or controls the applicant or
22 licensee.

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

25 (1) The management structure, ownership, and control

1 of the applicant or license holder including the name of
2 each principal officer or business entity, the office or
3 position held, and the percentage ownership interest, if
4 any. If the business entity has a parent company, the name
5 of each owner, board member, and officer of the parent
6 company and his or her percentage ownership interest in
7 the parent company and the craft grower.

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

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

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

19 (2) To the extent known, the names and percentage of
20 interest of ownership of persons who are relatives of one
21 another and who together exercise control over or own more
22 than 10% of the voting shares of the entity.

23 (d) A craft grower with a parent company or companies, or
24 partially owned or controlled by another entity must disclose
25 to the Commission ~~Department~~ the relationship and all owners,
26 board members, officers, or individuals with control or

1 management of those entities. A craft grower shall not shield
2 its ownership or control from the Commission ~~Department~~.

3 (e) All principal officers must submit a complete online
4 application with the Commission ~~Department~~ within 14 days of
5 the craft grower being licensed by the Commission ~~Department~~
6 or within 14 days of Commission ~~Department~~ notice of approval
7 as a new principal officer.

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

10 (g) A craft grower separating with a principal officer
11 must do so under this Act. The principal officer must
12 communicate the separation to the Commission ~~Department~~ within
13 5 business days.

14 (h) A principal officer not in compliance with the
15 requirements of this Act shall be removed from his or her
16 position with the craft grower or shall otherwise terminate
17 his or her affiliation. Failure to do so may subject the craft
18 grower to discipline, suspension, or revocation of its license
19 by the Commission ~~Department~~.

20 (i) It is the responsibility of the craft grower and its
21 principal officers to promptly notify the Commission
22 ~~Department~~ of any change of the principal place of business
23 address, hours of operation, change in ownership or control,
24 or a change of the craft grower's primary or secondary contact
25 information. Any changes must be made to the Commission
26 ~~Department~~ in writing.

1 (Source: P.A. 102-98, eff. 7-15-21.)

2 (410 ILCS 705/35-3)

3 Sec. 35-3. Definitions. In this Article, "Commission"
4 means the Cannabis Equity and Oversight Commission. †

5 ~~"Department" means the Department of Agriculture.~~

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

7 (410 ILCS 705/35-5)

8 Sec. 35-5. Issuance of licenses.

9 (a) The Department of Agriculture shall issue up to 40
10 infuser licenses through a process provided for in this
11 Article no later than July 1, 2020.

12 (b) The Commission ~~Department of Agriculture~~ shall make
13 the application for infuser licenses available on January 7,
14 2020, or if that date falls on a weekend or holiday, the
15 business day immediately succeeding the weekend or holiday and
16 every January 7 or succeeding business day thereafter, and
17 shall receive such applications no later than March 15, 2020,
18 or, if that date falls on a weekend or holiday, the business
19 day immediately succeeding the weekend or holiday and every
20 March 15 or succeeding business day thereafter.

21 (c) By December 21, 2021, the Department of Agriculture
22 may issue up to 60 additional infuser licenses. Prior to
23 issuing such licenses, the Commission ~~Department~~ may adopt
24 rules through emergency rulemaking in accordance with

1 subsection (kk) of Section 5-45 of the Illinois Administrative
2 Procedure Act, to modify or raise the number of infuser
3 licenses and modify or change the licensing application
4 process to reduce or eliminate barriers. The General Assembly
5 finds that the adoption of rules to regulate cannabis use is
6 deemed an emergency and necessary for the public interest,
7 safety, and welfare.

8 In determining whether to exercise the authority granted
9 by this subsection, the Commission ~~Department of Agriculture~~
10 must consider the following factors:

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

19 (2) whether there is an adequate supply of cannabis
20 and cannabis-infused products to serve registered medical
21 cannabis patients;

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

24 (4) whether there is an oversupply of cannabis in
25 Illinois leading to trafficking of cannabis to any other
26 state;

- 1 (5) population increases or shifts;
- 2 (6) changes to federal law;
- 3 (7) perceived security risks of increasing the number
- 4 or location of infuser organizations;
- 5 (8) the past security records of infuser
- 6 organizations;
- 7 (9) the Commission's ~~Department of Agriculture's~~
- 8 capacity to appropriately regulate additional licenses;
- 9 (10) (blank); and
- 10 (11) any other criteria the Commission ~~Department of~~
- 11 ~~Agriculture~~ deems relevant.

12 (d) After January 1, 2022, the Commission ~~Department of~~

13 ~~Agriculture~~ may by rule modify or raise the number of infuser

14 licenses, and modify or change the licensing application

15 process to reduce or eliminate barriers based on the criteria

16 in subsection (c).

17 (e) Upon the completion of the disparity and availability

18 study pertaining to infusers by the Commission ~~Cannabis~~

19 ~~Regulation Oversight Officer pursuant to subsection (c) of~~

20 ~~Section 5-45, the Department of Agriculture~~ may modify or

21 change the licensing application process to reduce or

22 eliminate barriers and remedy evidence of discrimination

23 identified in the study.

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

25 102-98, eff. 7-15-21.)

1 (410 ILCS 705/35-10)

2 Sec. 35-10. Application.

3 (a) When applying for a license, the applicant shall
4 electronically submit the following in such form as the
5 Commission ~~Department of Agriculture~~ may direct:

6 (1) the nonrefundable application fee of \$5,000 ~~or~~
7 ~~after January 1, 2021, another amount as set by rule by the~~
8 ~~Department of Agriculture,~~ to be deposited into the
9 Cannabis Regulation Fund;

10 (2) the legal name of the infuser;

11 (3) the proposed physical address of the infuser;

12 (4) the name, address, social security number, and
13 date of birth of each principal officer and board member
14 of the infuser; each principal officer and board member
15 shall be at least 21 years of age;

16 (5) the details of any administrative or judicial
17 proceeding in which any of the principal officers or board
18 members of the infuser (i) pled guilty, were convicted,
19 fined, or had a registration or license suspended or
20 revoked, or (ii) managed or served on the board of a
21 business or non-profit organization that pled guilty, was
22 convicted, fined, or had a registration or license
23 suspended or revoked;

24 (6) proposed operating bylaws that include procedures
25 for the oversight of the infuser, including the
26 development and implementation of a plant monitoring

1 system, accurate recordkeeping, staffing plan, and
2 security plan approved by the Illinois State Police that
3 are in accordance with the rules issued by the Commission
4 ~~Department of Agriculture~~ under this Act; a physical
5 inventory of all cannabis shall be performed on a weekly
6 basis by the infuser;

7 (7) verification from the Illinois State Police that
8 all background checks of the prospective principal
9 officers, board members, and agents of the infuser
10 organization have been conducted;

11 (8) a copy of the current local zoning ordinance and
12 verification that the proposed infuser is in compliance
13 with the local zoning rules and distance limitations
14 established by the local jurisdiction;

15 (9) proposed employment practices, in which the
16 applicant must demonstrate a plan of action to inform,
17 hire, and educate minorities, women, veterans, and persons
18 with disabilities, engage in fair labor practices, and
19 provide worker protections;

20 (10) whether an applicant can demonstrate experience
21 in or business practices that promote economic empowerment
22 in Disproportionately Impacted Areas;

23 (11) experience with infusing products with cannabis
24 concentrate;

25 (12) a description of the enclosed, locked facility
26 where cannabis will be infused, packaged, or otherwise

1 prepared for distribution to a dispensing organization or
2 other infuser;

3 (13) processing, inventory, and packaging plans;

4 (14) a description of the applicant's experience with
5 operating a commercial kitchen or laboratory preparing
6 products for human consumption;

7 (15) a list of any academic degrees, certifications,
8 or relevant experience of all prospective principal
9 officers, board members, and agents of the related
10 business;

11 (16) the identity of every person having a financial
12 or voting interest of 5% or greater in the infuser
13 operation with respect to which the license is sought,
14 whether a trust, corporation, partnership, limited
15 liability company, or sole proprietorship, including the
16 name and address of each person;

17 (17) a plan describing how the infuser will address
18 each of the following:

19 (i) energy needs, including estimates of monthly
20 electricity and gas usage, to what extent it will
21 procure energy from a local utility or from on-site
22 generation, and if it has or will adopt a sustainable
23 energy use and energy conservation policy;

24 (ii) water needs, including estimated water draw,
25 and if it has or will adopt a sustainable water use and
26 water conservation policy; and

1 (iii) waste management, including if it has or
2 will adopt a waste reduction policy;

3 (18) a recycling plan:

4 (A) a commitment that any recyclable waste
5 generated by the infuser shall be recycled per
6 applicable State and local laws, ordinances, and
7 rules; and

8 (B) a commitment to comply with local waste
9 provisions. An infuser commits to remain in compliance
10 with applicable State and federal environmental
11 requirements, including, but not limited to, storing,
12 securing, and managing all recyclables and waste,
13 including organic waste composed of or containing
14 finished cannabis and cannabis products, in accordance
15 with applicable State and local laws, ordinances, and
16 rules; and

17 (19) any other information required by rule.

18 (b) Applicants must submit all required information,
19 including the information required in Section 35-15, to the
20 Commission ~~Department of Agriculture~~. Failure by an applicant
21 to submit all required information may result in the
22 application being disqualified.

23 (c) If the Commission ~~Department of Agriculture~~ receives
24 an application with missing information, the Commission
25 ~~Department of Agriculture~~ may issue a deficiency notice to the
26 applicant. The applicant shall have 10 calendar days from the

1 date of the deficiency notice to resubmit the incomplete
2 information. Applications that are still incomplete after this
3 opportunity to cure will not be scored and will be
4 disqualified.

5 (Source: P.A. 101-27, eff. 6-25-19; 102-538, eff. 8-20-21.)

6 (410 ILCS 705/35-25)

7 Sec. 35-25. Infuser organization requirements;
8 prohibitions.

9 (a) The operating documents of an infuser shall include
10 procedures for the oversight of the infuser, an inventory
11 monitoring system including a physical inventory recorded
12 weekly, accurate recordkeeping, and a staffing plan.

13 (b) An infuser shall implement a security plan reviewed by
14 the Illinois State Police that includes, but is not limited
15 to: facility access controls, perimeter intrusion detection
16 systems, personnel identification systems, and a 24-hour
17 surveillance system to monitor the interior and exterior of
18 the infuser facility and that is accessible to authorized law
19 enforcement, the Department of Public Health, and the
20 Commission ~~Department of Agriculture~~ in real time.

21 (c) All processing of cannabis by an infuser must take
22 place in an enclosed, locked facility at the physical address
23 provided to the Commission ~~Department of Agriculture~~ during
24 the licensing process. The infuser location shall only be
25 accessed by the agents working for the infuser, the Commission

1 ~~Department of Agriculture~~ staff performing inspections, the
2 Department of Public Health staff performing inspections,
3 State and local law enforcement or other emergency personnel,
4 contractors working on jobs unrelated to cannabis, such as
5 installing or maintaining security devices or performing
6 electrical wiring, transporting organization agents as
7 provided in this Act, participants in the incubator program,
8 individuals in a mentoring or educational program approved by
9 the State, local safety or health inspectors, or other
10 individuals as provided by rule. However, if an infuser shares
11 a premises with a craft grower or dispensing organization,
12 agents from these other licensees may access the infuser
13 portion of the premises if that is the location of common
14 bathrooms, lunchrooms, locker rooms, or other areas of the
15 building where processing of cannabis is not performed. At no
16 time may a craft grower or dispensing organization agent
17 perform work at an infuser without being a registered agent of
18 the infuser.

19 (d) An infuser may not sell or distribute any cannabis to
20 any person other than a dispensing organization, or as
21 otherwise authorized by rule.

22 (e) An infuser may not either directly or indirectly
23 discriminate in price between different cannabis business
24 establishments that are purchasing a like grade, strain,
25 brand, and quality of cannabis or cannabis-infused product.
26 Nothing in this subsection (e) prevents an infuser from

1 pricing cannabis differently based on differences in the cost
2 of manufacturing or processing, the quantities sold, such
3 volume discounts, or the way the products are delivered.

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

15 (g) Infusers are subject to random inspections by the
16 Commission ~~Department of Agriculture~~, the Department of Public
17 Health, the Illinois State Police, local law enforcement, or
18 as provided by rule.

19 (h) An infuser agent shall notify local law enforcement,
20 the Illinois State Police, and the Commission ~~Department of~~
21 ~~Agriculture~~ within 24 hours of the discovery of any loss or
22 theft. Notification shall be made by phone, in person, or by
23 written or electronic communication.

24 (i) An infuser organization may not be located in an area
25 zoned for residential use.

26 (j) An infuser or infuser agent shall not transport

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

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

9 (ii) If the infuser is located in a county with a
10 population of more than 700,000 but fewer than 3,000,000,
11 the cannabis business establishment receiving the cannabis
12 or cannabis-infused product is within 2 miles of the
13 infuser; or

14 (iii) If the infuser is located in a county with a
15 population of fewer than 700,000, the cannabis business
16 establishment receiving the cannabis or cannabis-infused
17 product is within 15 miles of the infuser.

18 (k) An infuser may enter into a contract with a
19 transporting organization to transport cannabis to a
20 dispensing organization or a laboratory.

21 (l) An infuser organization may share premises with a
22 craft grower or a dispensing organization, or both, provided
23 each licensee stores currency and cannabis or cannabis-infused
24 products in a separate secured vault to which the other
25 licensee does not have access or all licensees sharing a vault
26 share more than 50% of the same ownership.

1 (m) It is unlawful for any person or entity having an
2 infuser organization license or any officer, associate,
3 member, representative or agent of such licensee to offer or
4 deliver money, or anything else of value, directly or
5 indirectly to any person having an Early Approval Adult Use
6 Dispensing Organization License, a Conditional Adult Use
7 Dispensing Organization License, an Adult Use Dispensing
8 Organization License, or a medical cannabis dispensing
9 organization license issued under the Compassionate Use of
10 Medical Cannabis Program ~~Act~~, or to any person connected with
11 or in any way representing, or to any member of the family of,
12 such person holding an Early Approval Adult Use Dispensing
13 Organization License, a Conditional Adult Use Dispensing
14 Organization License, an Adult Use Dispensing Organization
15 License, or a medical cannabis dispensing organization license
16 issued under the Compassionate Use of Medical Cannabis Program
17 ~~Act~~, or to any stockholders in any corporation engaged the
18 retail sales of cannabis, or to any officer, manager, agent,
19 or representative of the Early Approval Adult Use Dispensing
20 Organization License, a Conditional Adult Use Dispensing
21 Organization License, an Adult Use Dispensing Organization
22 License, or a medical cannabis dispensing organization license
23 issued under the Compassionate Use of Medical Cannabis Program
24 ~~Act~~ to obtain preferential placement within the dispensing
25 organization, including, without limitation, on shelves and in
26 display cases where purchasers can view products, or on the

1 dispensing organization's website.

2 (n) At no time shall an infuser organization or an infuser
3 agent perform the extraction of cannabis concentrate from
4 cannabis flower.

5 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19;
6 102-98, eff. 7-15-21; 102-538, eff. 8-20-21; 102-813, eff.
7 5-13-22.)

8 (410 ILCS 705/35-31)

9 Sec. 35-31. Ensuring an adequate supply of raw materials
10 to serve infusers.

11 (a) As used in this Section, "raw materials" includes, but
12 is not limited to, CO₂ hash oil, "crude", "distillate", or any
13 other cannabis concentrate extracted from cannabis flower by
14 use of a solvent or a mechanical process.

15 (b) The Commission ~~Department of Agriculture~~ may by rule
16 design a method for assessing whether licensed infusers have
17 access to an adequate supply of reasonably affordable raw
18 materials, which may include but not be limited to: (i) a
19 survey of infusers; (ii) a market study on the sales trends of
20 cannabis-infused products manufactured by infusers; and (iii)
21 the costs cultivation centers and craft growers assume for the
22 raw materials they use in any cannabis-infused products they
23 manufacture.

24 (c) The Commission ~~Department of Agriculture~~ shall perform
25 an assessment of whether infusers have access to an adequate

1 supply of reasonably affordable raw materials that shall start
2 6 months after the issuance of licenses to infusers, or sooner
3 if the Commission has reason to believe that infusers do not
4 have an adequate supply of raw materials. After the initial
5 annual assessment, each assessment thereafter shall occur by
6 January 1st of each year ~~start no sooner than January 1, 2022~~
7 ~~and shall conclude no later than April 1, 2022. The Department~~
8 ~~of Agriculture may rely on data from the Illinois Cannabis~~
9 ~~Regulation Oversight Officer as part of this assessment.~~

10 (d) The Commission ~~Department of Agriculture~~ shall perform
11 an assessment of whether infusers have access to an adequate
12 supply of reasonably affordable raw materials ~~that shall start~~
13 ~~no sooner than January 1, 2023 and shall conclude no later than~~
14 ~~April 1, 2023. The Department of Agriculture may rely on data~~
15 ~~from the Cannabis Regulation Oversight Officer as part of this~~
16 ~~assessment.~~

17 (e) The Commission ~~Department of Agriculture~~ may by rule
18 adopt measures to ensure infusers have access to an adequate
19 supply of reasonably affordable raw materials necessary for
20 the manufacture of cannabis-infused products. Such measures
21 may include, but not be limited to (i) requiring cultivation
22 centers and craft growers to set aside a minimum amount of raw
23 materials for the wholesale market or (ii) enabling infusers
24 to apply for a processor license to extract raw materials from
25 cannabis flower.

26 (f) If the Commission ~~Department of Agriculture~~ determines

1 processor licenses may be available to infuser organizations
2 based upon findings made pursuant to subsection (e), infuser
3 organizations may submit to the Commission ~~Department of~~
4 ~~Agriculture~~ on forms provided by the Commission ~~Department of~~
5 ~~Agriculture~~ the following information as part of an
6 application to receive a processor license:

7 (1) experience with the extraction, processing, or
8 infusing of oils similar to those derived from cannabis,
9 or other business practices to be performed by the
10 infuser;

11 (2) a description of the applicant's experience with
12 manufacturing equipment and chemicals to be used in
13 processing;

14 (3) expertise in relevant scientific fields;

15 (4) a commitment that any cannabis waste, liquid
16 waste, or hazardous waste shall be disposed of in
17 accordance with 8 Ill. Adm. Code 1000.460, except, to the
18 greatest extent feasible, all cannabis plant waste will be
19 rendered unusable by grinding and incorporating the
20 cannabis plant waste with compostable mixed waste to be
21 disposed of in accordance with Ill. Adm. Code
22 1000.460 (g) (1); and

23 (5) any other information the Commission ~~Department of~~
24 ~~Agriculture~~ deems relevant.

25 (g) The Commission ~~Department of~~ ~~Agriculture~~ may only
26 issue an infuser organization a processor license if, based on

1 the information pursuant to subsection (f) and any other
2 criteria set by the Commission ~~Department of Agriculture~~,
3 which may include but not be limited an inspection of the site
4 where processing would occur, the Commission ~~Department of~~
5 ~~Agriculture~~ is reasonably certain the infuser organization
6 will process cannabis in a safe and compliant manner.

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

8 (410 ILCS 705/35-45)

9 Sec. 35-45. Disclosure of ownership and control.

10 (a) Each infuser organization applicant and licensee shall
11 file and maintain a Table of Organization, Ownership and
12 Control with the Commission ~~Department~~. The Table of
13 Organization, Ownership and Control shall contain the
14 information required by this Section in sufficient detail to
15 identify all owners, directors, and principal officers, and
16 the title of each principal officer or business entity that,
17 through direct or indirect means, manages, owns, or controls
18 the applicant or licensee.

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

21 (1) The management structure, ownership, and control
22 of the applicant or license holder including the name of
23 each principal officer or business entity, the office or
24 position held, and the percentage ownership interest, if
25 any. If the business entity has a parent company, the name

1 of each owner, board member, and officer of the parent
2 company and his or her percentage ownership interest in
3 the parent company and the infuser organization.

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

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

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

15 (2) To the extent known, the names and percentage of
16 interest of ownership of persons who are relatives of one
17 another and who together exercise control over or own more
18 than 10% of the voting shares of the entity.

19 (d) An infuser organization with a parent company or
20 companies, or partially owned or controlled by another entity
21 must disclose to the Commission ~~Department~~ the relationship
22 and all owners, board members, officers, or individuals with
23 control or management of those entities. An infuser
24 organization shall not shield its ownership or control from
25 the Commission ~~Department~~.

26 (e) All principal officers must submit a complete online

1 application with the Commission ~~Department~~ within 14 days of
2 the infuser organization being licensed by the Commission
3 ~~Department~~ or within 14 days of Commission ~~Department~~ notice
4 of approval as a new principal officer.

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

7 (g) An infuser organization separating with a principal
8 officer must do so under this Act. The principal officer must
9 communicate the separation to the Commission ~~Department~~ within
10 5 business days.

11 (h) A principal officer not in compliance with the
12 requirements of this Act shall be removed from his or her
13 position with the infuser organization or shall otherwise
14 terminate his or her affiliation. Failure to do so may subject
15 the infuser organization to discipline, suspension, or
16 revocation of its license by the Commission ~~Department~~.

17 (i) It is the responsibility of the infuser organization
18 and its principal officers to promptly notify the Commission
19 ~~Department~~ of any change of the principal place of business
20 address, hours of operation, change in ownership or control,
21 or a change of the infuser organization's primary or secondary
22 contact information. Any changes must be made to the
23 Commission ~~Department~~ in writing.

24 (Source: P.A. 102-98, eff. 7-15-21.)

1 Sec. 40-1. Definition. In this Article:⁷

2 "Commission" means the Cannabis Equity and Oversight
3 Commission.

4 "Department" means the Department of Agriculture.

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

6 (410 ILCS 705/40-5)

7 Sec. 40-5. Issuance of licenses.

8 (a) The Commission ~~Department~~ shall issue transporting
9 licenses through a process provided for in this Article no
10 later than July 1, 2020.

11 (b) The Commission ~~Department~~ shall make the application
12 for transporting organization licenses available on January 7,
13 2020 and shall receive such applications no later than March
14 15, 2020. The Commission ~~Department of Agriculture~~ shall make
15 available such applications on every January 7 thereafter or
16 if that date falls on a weekend or holiday, the business day
17 immediately succeeding the weekend or holiday and shall
18 receive such applications no later than March 15 or the
19 succeeding business day thereafter.

20 (c) Notwithstanding any other provision of law, the
21 Commission shall have authority over licenses in this Section
22 that may be in various phases in the licensing process or are
23 eligible, pending, in the conditional phase, awarded, pending
24 adjudication by a judicial process, or have otherwise not been
25 awarded on and after December 31, 2023.

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

2 (410 ILCS 705/40-10)

3 Sec. 40-10. Application.

4 (a) When applying for a transporting organization license,
5 the applicant shall submit the following in such form as the
6 Commission ~~Department of Agriculture~~ may direct:

7 (1) the nonrefundable application fee of \$5,000 ~~or,~~
8 ~~after January 1, 2021, another amount as set by rule by the~~
9 ~~Department of Agriculture,~~ to be deposited into the
10 Cannabis Regulation Fund;

11 (2) the legal name of the transporting organization;

12 (3) the proposed physical address of the transporting
13 organization, if one is proposed;

14 (4) the name, address, social security number, and
15 date of birth of each principal officer and board member
16 of the transporting organization; each principal officer
17 and board member shall be at least 21 years of age;

18 (5) the details of any administrative or judicial
19 proceeding in which any of the principal officers or board
20 members of the transporting organization (i) pled guilty,
21 were convicted, fined, or had a registration or license
22 suspended or revoked, or (ii) managed or served on the
23 board of a business or non-profit organization that pled
24 guilty, was convicted, fined, or had a registration or
25 license suspended or revoked;

1 (6) proposed operating bylaws that include procedures
2 for the oversight of the transporting organization,
3 including the development and implementation of an
4 accurate recordkeeping plan, staffing plan, and security
5 plan approved by the Illinois State Police that are in
6 accordance with the rules issued by the Commission
7 ~~Department of Agriculture~~ under this Act; a physical
8 inventory shall be performed of all cannabis on a weekly
9 basis by the transporting organization;

10 (7) verification from the Illinois State Police that
11 all background checks of the prospective principal
12 officers, board members, and agents of the transporting
13 organization have been conducted;

14 (8) a copy of the current local zoning ordinance or
15 permit and verification that the proposed transporting
16 organization is in compliance with the local zoning rules
17 and distance limitations established by the local
18 jurisdiction, if the transporting organization has a
19 business address;

20 (9) proposed employment practices, in which the
21 applicant must demonstrate a plan of action to inform,
22 hire, and educate minorities, women, veterans, and persons
23 with disabilities, engage in fair labor practices, and
24 provide worker protections;

25 (10) whether an applicant can demonstrate experience
26 in or business practices that promote economic empowerment

1 in Disproportionately Impacted Areas;

2 (11) the number and type of equipment the transporting
3 organization will use to transport cannabis and
4 cannabis-infused products;

5 (12) loading, transporting, and unloading plans;

6 (13) a description of the applicant's experience in
7 the distribution or security business;

8 (14) the identity of every person having a financial
9 or voting interest of 5% or more in the transporting
10 organization with respect to which the license is sought,
11 whether a trust, corporation, partnership, limited
12 liability company, or sole proprietorship, including the
13 name and address of each person; and

14 (15) any other information required by rule.

15 (b) Applicants must submit all required information,
16 including the information required in Section 40-35 to the
17 Commission ~~Department~~. Failure by an applicant to submit all
18 required information may result in the application being
19 disqualified.

20 (c) If the Commission ~~Department~~ receives an application
21 with missing information, the Commission ~~Department~~ ~~of~~
22 ~~Agriculture~~ may issue a deficiency notice to the applicant.
23 The applicant shall have 10 calendar days from the date of the
24 deficiency notice to resubmit the incomplete information.
25 Applications that are still incomplete after this opportunity
26 to cure will not be scored and will be disqualified.

1 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19;
2 102-538, eff. 8-20-21.)

3 (410 ILCS 705/40-25)

4 Sec. 40-25. Transporting organization requirements;
5 prohibitions.

6 (a) The operating documents of a transporting organization
7 shall include procedures for the oversight of the transporter,
8 an inventory monitoring system including a physical inventory
9 recorded weekly, accurate recordkeeping, and a staffing plan.

10 (b) A transporting organization may not transport cannabis
11 or cannabis-infused products to any person other than a
12 cultivation center, a craft grower, an infuser organization, a
13 dispensing organization, a testing facility, or as otherwise
14 authorized by rule.

15 (c) All cannabis transported by a transporting
16 organization must be entered into a data collection system and
17 placed into a cannabis container for transport.

18 (d) Transporters are subject to random inspections by the
19 Commission ~~Department of Agriculture~~, the Department of Public
20 Health, the Illinois State Police, or as provided by rule.

21 (e) A transporting organization agent shall notify local
22 law enforcement, the Illinois State Police, and the Commission
23 ~~Department of Agriculture~~ within 24 hours of the discovery of
24 any loss or theft. Notification shall be made by phone, in
25 person, or by written or electronic communication.

1 (f) No person under the age of 21 years shall be in a
2 commercial vehicle or trailer transporting cannabis goods.

3 (g) No person or individual who is not a transporting
4 organization agent shall be in a vehicle while transporting
5 cannabis goods.

6 (h) Transporters may not use commercial motor vehicles
7 with a weight rating of over 10,001 pounds.

8 (i) It is unlawful for any person to offer or deliver
9 money, or anything else of value, directly or indirectly, to
10 any of the following persons to obtain preferential placement
11 within the dispensing organization, including, without
12 limitation, on shelves and in display cases where purchasers
13 can view products, or on the dispensing organization's
14 website:

15 (1) a person having a transporting organization
16 license, or any officer, associate, member,
17 representative, or agent of the licensee;

18 (2) a person having an Early Applicant Adult Use
19 Dispensing Organization License, an Adult Use Dispensing
20 Organization License, or a medical cannabis dispensing
21 organization license issued under the Compassionate Use of
22 Medical Cannabis Program ~~Act~~;

23 (3) a person connected with or in any way
24 representing, or a member of the family of, a person
25 holding an Early Applicant Adult Use Dispensing
26 Organization License, an Adult Use Dispensing Organization

1 License, or a medical cannabis dispensing organization
2 license issued under the Compassionate Use of Medical
3 Cannabis Program ~~Act~~; or

4 (4) a stockholder, officer, manager, agent, or
5 representative of a corporation engaged in the retail sale
6 of cannabis, an Early Applicant Adult Use Dispensing
7 Organization License, an Adult Use Dispensing Organization
8 License, or a medical cannabis dispensing organization
9 license issued under the Compassionate Use of Medical
10 Cannabis Program ~~Act~~.

11 (j) A transporting organization agent must keep his or her
12 identification card visible at all times when on the property
13 of a cannabis business establishment and during the
14 transporting of cannabis when acting under his or her duties
15 as a transportation organization agent. During these times,
16 the transporting organization agent must also provide the
17 identification card upon request of any law enforcement
18 officer engaged in his or her official duties.

19 (k) A copy of the transporting organization's registration
20 and a manifest for the delivery shall be present in any vehicle
21 transporting cannabis.

22 (l) Cannabis shall be transported so it is not visible or
23 recognizable from outside the vehicle.

24 (m) A vehicle transporting cannabis must not bear any
25 markings to indicate the vehicle contains cannabis or bear the
26 name or logo of the cannabis business establishment.

1 (n) Cannabis must be transported in an enclosed, locked
2 storage compartment that is secured or affixed to the vehicle.

3 (o) The Commission ~~Department of Agriculture~~ may, by rule,
4 impose any other requirements or prohibitions on the
5 transportation of cannabis.

6 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19;
7 102-98, eff. 7-15-21; 102-538, eff. 8-20-21; 102-813, eff.
8 5-13-22.)

9 (410 ILCS 705/40-45)

10 Sec. 40-45. Disclosure of ownership and control.

11 (a) Each transporting organization applicant and licensee
12 shall file and maintain a Table of Organization, Ownership,
13 and Control with the Commission ~~Department~~. The Table of
14 Organization, Ownership, and Control shall contain the
15 information required by this Section in sufficient detail to
16 identify all owners, directors, and principal officers, and
17 the title of each principal officer or business entity that,
18 through direct or indirect means, manages, owns, or controls
19 the applicant or licensee.

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

22 (1) The management structure, ownership, and control
23 of the applicant or license holder including the name of
24 each principal officer or business entity, the office or
25 position held, and the percentage ownership interest, if

1 any. If the business entity has a parent company, the name
2 of each owner, board member, and officer of the parent
3 company and his or her percentage ownership interest in
4 the parent company and the transporting organization.

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

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

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

16 (2) To the extent known, the names and percentage of
17 interest of ownership of persons who are relatives of one
18 another and who together exercise control over or own more
19 than 10% of the voting shares of the entity.

20 (d) A transporting organization with a parent company or
21 companies, or partially owned or controlled by another entity
22 must disclose to the Commission ~~Department~~ the relationship
23 and all owners, board members, officers, or individuals with
24 control or management of those entities. A transporting
25 organization shall not shield its ownership or control from
26 the Commission ~~Department~~.

1 (e) All principal officers must submit a complete online
2 application with the Commission ~~Department~~ within 14 days of
3 the transporting organization being licensed by the Commission
4 ~~Department~~ or within 14 days of Commission ~~Department~~ notice
5 of approval as a new principal officer.

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

8 (g) A transporting organization separating with a
9 principal officer must do so under this Act. The principal
10 officer must communicate the separation to the Commission
11 ~~Department~~ within 5 business days.

12 (h) A principal officer not in compliance with the
13 requirements of this Act shall be removed from his or her
14 position with the transporting organization or shall otherwise
15 terminate his or her affiliation. Failure to do so may subject
16 the transporting organization to discipline, suspension, or
17 revocation of its license by the Commission ~~Department~~.

18 (i) It is the responsibility of the transporting
19 organization and its principal officers to promptly notify the
20 Commission ~~Department~~ of any change of the principal place of
21 business address, hours of operation, change in ownership or
22 control, or a change of the transporting organization's
23 primary or secondary contact information. Any changes must be
24 made to the Commission ~~Department~~ in writing.

25 (Source: P.A. 102-98, eff. 7-15-21.)

1 (410 ILCS 705/45-5)

2 Sec. 45-5. License suspension; revocation; other
3 penalties.

4 (a) Notwithstanding any other criminal penalties related
5 to the unlawful possession of cannabis, the Commission
6 ~~Department of Financial and Professional Regulation and the~~
7 ~~Department of Agriculture~~ may revoke, suspend, place on
8 probation, reprimand, issue cease and desist orders, refuse to
9 issue or renew a license, or take any other disciplinary or
10 nondisciplinary action as each department may deem proper with
11 regard to a cannabis business establishment or cannabis
12 business establishment agent, including fines not to exceed:

13 (1) \$50,000 for each violation of this Act or rules
14 adopted under this Act by a cultivation center or
15 cultivation center agent;

16 (2) \$20,000 for each violation of this Act or rules
17 adopted under this Act by a dispensing organization or
18 dispensing organization agent;

19 (3) \$15,000 for each violation of this Act or rules
20 adopted under this Act by a craft grower or craft grower
21 agent;

22 (4) \$10,000 for each violation of this Act or rules
23 adopted under this Act by an infuser organization or
24 infuser organization agent; and

25 (5) \$10,000 for each violation of this Act or rules
26 adopted under this Act by a transporting organization or

1 transporting organization agent.

2 (b) The Commission ~~Department of Financial and~~
3 ~~Professional Regulation and the Department of Agriculture, as~~
4 ~~the case may be,~~ shall consider licensee cooperation in any
5 agency or other investigation in its determination of
6 penalties imposed under this Section.

7 (c) The procedures for disciplining a cannabis business
8 establishment or cannabis business establishment agent and for
9 administrative hearings shall be determined by rule, and shall
10 provide for the review of final decisions under the
11 Administrative Review Law.

12 (d) The Attorney General may also enforce a violation of
13 Section 55-20, Section 55-21, and Section 15-155 as an
14 unlawful practice under the Consumer Fraud and Deceptive
15 Business Practices Act.

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

17 (410 ILCS 705/45-10)

18 Sec. 45-10. Immunities and presumptions related to the
19 handling of cannabis by cannabis business establishments and
20 their agents.

21 (a) A cultivation center, craft grower, infuser
22 organization, or transporting organization is not subject to:
23 (i) prosecution; (ii) search or inspection, except by the
24 Commission ~~Department of Agriculture,~~ the Department of Public
25 Health, or State or local law enforcement under this Act;

1 (iii) seizure; (iv) penalty in any manner, including, but not
2 limited to, civil penalty; (v) denial of any right or
3 privilege; or (vi) disciplinary action by a business licensing
4 board or entity for acting under this Act and rules adopted
5 under this Act to acquire, possess, cultivate, manufacture,
6 process, deliver, transfer, transport, supply, or sell
7 cannabis or cannabis paraphernalia under this Act.

8 (b) A licensed cultivation center agent, licensed craft
9 grower agent, licensed infuser organization agent, or licensed
10 transporting organization agent is not subject to: (i)
11 prosecution; (ii) search; (iii) penalty in any manner,
12 including, but not limited to, civil penalty; (iv) denial of
13 any right or privilege; or (v) disciplinary action by a
14 business licensing board or entity, for engaging in
15 cannabis-related activities authorized under this Act and
16 rules adopted under this Act.

17 (c) A dispensing organization is not subject to: (i)
18 prosecution; (ii) search or inspection, except by the
19 Department of Financial and Professional Regulation, or State
20 or local law enforcement under this Act; (iii) seizure; (iv)
21 penalty in any manner, including, but not limited to, civil
22 penalty; (v) denial of any right or privilege; or (vi)
23 disciplinary action by a business licensing board or entity,
24 for acting under this Act and rules adopted under this Act to
25 acquire, possess, or dispense cannabis, cannabis-infused
26 products, cannabis paraphernalia, or related supplies, and

1 educational materials under this Act.

2 (d) A licensed dispensing organization agent is not
3 subject to: (i) prosecution; (ii) search; or (iii) penalty in
4 any manner, or denial of any right or privilege, including,
5 but not limited to, civil penalty or disciplinary action by a
6 business licensing board or entity, for working for a
7 dispensing organization under this Act and rules adopted under
8 this Act.

9 (e) Any cannabis, cannabis-infused product, cannabis
10 paraphernalia, legal property, or interest in legal property
11 that is possessed, owned, or used in connection with the use of
12 cannabis as allowed under this Act, or acts incidental to that
13 use, may not be seized or forfeited. This Act does not prevent
14 the seizure or forfeiture of cannabis exceeding the amounts
15 allowed under this Act, nor does it prevent seizure or
16 forfeiture if the basis for the action is unrelated to the
17 cannabis that is possessed, manufactured, transferred, or used
18 under this Act.

19 (f) Nothing in this Act shall preclude local or State law
20 enforcement agencies from searching a cultivation center,
21 craft grower, infuser organization, transporting organization,
22 or dispensing organization if there is probable cause to
23 believe that the criminal laws of this State have been
24 violated and the search is conducted in conformity with the
25 Illinois Constitution, the Constitution of the United States,
26 and applicable law.

1 (g) Nothing in this Act shall preclude the Attorney
2 General or other authorized government agency from
3 investigating or bringing a civil action against a cannabis
4 business establishment, or an agent thereof, for a violation
5 of State law, including, but not limited to, civil rights
6 violations and violations of the Consumer Fraud and Deceptive
7 Business Practices Act.

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

9 (410 ILCS 705/45-20)

10 Sec. 45-20. Violation of tax Acts; refusal, revocation, or
11 suspension of license or agent identification card.

12 (a) In addition to other grounds specified in this Act,
13 the Commission ~~Department of Agriculture and Department of~~
14 ~~Financial and Professional Regulation~~, upon notification by
15 the Department of Revenue, shall refuse the issuance or
16 renewal of a license or agent identification card, or suspend
17 or revoke the license or agent identification card, of any
18 person, for any of the following violations of any tax Act
19 administered by the Department of Revenue:

20 (1) Failure to file a tax return.

21 (2) The filing of a fraudulent return.

22 (3) Failure to pay all or part of any tax or penalty
23 finally determined to be due.

24 (4) Failure to keep books and records.

25 (5) Failure to secure and display a certificate or

1 sub-certificate of registration, if required.

2 (6) Willful violation of any rule or regulation of the
3 Commission ~~Department~~ relating to the administration and
4 enforcement of tax liability.

5 (b) After all violations of any of items (1) through (6) of
6 subsection (a) have been corrected or resolved, the Commission
7 ~~Department~~ shall, upon request of the applicant or, if not
8 requested, may notify the entities listed in subsection (a)
9 that the violations have been corrected or resolved. Upon
10 receiving notice from the Commission ~~Department~~ that a
11 violation of any of items (1) through (6) of subsection (a)
12 have been corrected or otherwise resolved to the Department of
13 Revenue's satisfaction, the Commission ~~Department~~ ~~of~~
14 ~~Agriculture and the Department of Financial and Professional~~
15 ~~Regulation~~ may issue or renew the license or agent
16 identification card, or vacate an order of suspension or
17 revocation.

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

19 (410 ILCS 705/50-5)

20 Sec. 50-5. Laboratory testing.

21 (a) Notwithstanding any other provision of law, the
22 following acts, when performed by a cannabis testing facility
23 with a current, valid registration, or a person 21 years of age
24 or older who is acting in his or her capacity as an owner,
25 employee, or agent of a cannabis testing facility, are not

1 unlawful and shall not be an offense under Illinois law or be a
2 basis for seizure or forfeiture of assets under Illinois law:

3 (1) possessing, repackaging, transporting, storing, or
4 displaying cannabis or cannabis-infused products;

5 (2) receiving or transporting cannabis or
6 cannabis-infused products from a cannabis business
7 establishment, a community college licensed under the
8 Community College Cannabis Vocational Training Pilot
9 Program, or a person 21 years of age or older; and

10 (3) returning or transporting cannabis or
11 cannabis-infused products to a cannabis business
12 establishment, a community college licensed under the
13 Community College Cannabis Vocational Training Pilot
14 Program, or a person 21 years of age or older.

15 (b) (1) No laboratory shall handle, test, or analyze
16 cannabis unless approved by the Commission ~~Department of~~
17 ~~Agriculture~~ in accordance with this Section.

18 (2) No laboratory shall be approved to handle, test, or
19 analyze cannabis unless the laboratory:

20 (A) is accredited by a private laboratory accrediting
21 organization;

22 (B) is independent from all other persons involved in
23 the cannabis industry in Illinois and no person with a
24 direct or indirect interest in the laboratory has a direct
25 or indirect financial, management, or other interest in an
26 Illinois cultivation center, craft grower, dispensary,

1 infuser, transporter, certifying physician, or any other
2 entity in the State that may benefit from the production,
3 manufacture, dispensing, sale, purchase, or use of
4 cannabis; and

5 (C) has employed at least one person to oversee and be
6 responsible for the laboratory testing who has earned,
7 from a college or university accredited by a national or
8 regional certifying authority, at least:

9 (i) a master's level degree in chemical or
10 biological sciences and a minimum of 2 years'
11 post-degree laboratory experience; or

12 (ii) a bachelor's degree in chemical or biological
13 sciences and a minimum of 4 years' post-degree
14 laboratory experience.

15 (3) Each independent testing laboratory that claims to be
16 accredited must provide the Commission ~~Department~~ of
17 ~~Agriculture~~ with a copy of the most recent annual inspection
18 report granting accreditation and every annual report
19 thereafter.

20 (c) Immediately before manufacturing or natural processing
21 of any cannabis or cannabis-infused product or packaging
22 cannabis for sale to a dispensary, each batch shall be made
23 available by the cultivation center, craft grower, or infuser
24 for an employee of an approved laboratory to select a random
25 sample, which shall be tested by the approved laboratory for:

26 (1) microbiological contaminants;

- 1 (2) mycotoxins;
- 2 (3) pesticide active ingredients;
- 3 (4) residual solvent; and
- 4 (5) an active ingredient analysis.

5 (d) The Commission ~~Department of Agriculture~~ may select a
6 random sample that shall, for the purposes of conducting an
7 active ingredient analysis, be tested by the Commission
8 ~~Department of Agriculture~~ for verification of label
9 information.

10 (e) A laboratory shall immediately return or dispose of
11 any cannabis upon the completion of any testing, use, or
12 research. If cannabis is disposed of, it shall be done in
13 compliance with Commission ~~Department of Agriculture~~ rule.

14 (f) If a sample of cannabis does not pass the
15 microbiological, mycotoxin, pesticide chemical residue, or
16 solvent residue test, based on the standards established by
17 the Commission ~~Department of Agriculture~~, the following shall
18 apply:

19 (1) If the sample failed the pesticide chemical
20 residue test, the entire batch from which the sample was
21 taken shall, if applicable, be recalled as provided by
22 rule.

23 (2) If the sample failed any other test, the batch may
24 be used to make a CO₂-based or solvent based extract. After
25 processing, the CO₂-based or solvent based extract must
26 still pass all required tests.

1 (g) The Commission ~~Department of Agriculture~~ shall
2 establish standards for microbial, mycotoxin, pesticide
3 residue, solvent residue, or other standards for the presence
4 of possible contaminants, in addition to labeling requirements
5 for contents and potency.

6 (h) The laboratory shall file with the Commission
7 ~~Department of Agriculture~~ an electronic copy of each
8 laboratory test result for any batch that does not pass the
9 microbiological, mycotoxin, or pesticide chemical residue
10 test, at the same time that it transmits those results to the
11 cultivation center. In addition, the laboratory shall maintain
12 the laboratory test results for at least 5 years and make them
13 available at the Commission's ~~Department of Agriculture's~~
14 request.

15 (i) A cultivation center, craft grower, and infuser shall
16 provide to a dispensing organization the laboratory test
17 results for each batch of cannabis product purchased by the
18 dispensing organization, if sampled. Each dispensing
19 organization must have those laboratory results available upon
20 request to purchasers.

21 (j) The Commission ~~Department of Agriculture~~ may adopt
22 rules related to testing in furtherance of this Act.

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

24 (410 ILCS 705/55-5)

25 Sec. 55-5. Preparation of cannabis-infused products.

1 (a) The Commission ~~Department of Agriculture~~ may regulate
2 the production of cannabis-infused products by a cultivation
3 center, a craft grower, an infuser organization, or a
4 dispensing organization and establish rules related to
5 refrigeration, hot-holding, and handling of cannabis-infused
6 products. All cannabis-infused products shall meet the
7 packaging and labeling requirements contained in Section
8 55-21.

9 (b) Cannabis-infused products for sale or distribution at
10 a dispensing organization must be prepared by an approved
11 agent of a cultivation center or infuser organization.

12 (c) A cultivation center or infuser organization that
13 prepares cannabis-infused products for sale or distribution by
14 a dispensing organization shall be under the operational
15 supervision of a Department of Public Health certified food
16 service sanitation manager.

17 (d) Dispensing organizations may not manufacture, process,
18 or produce cannabis-infused products.

19 (e) The Department of Public Health shall adopt and
20 enforce rules for the manufacture and processing of
21 cannabis-infused products, and for that purpose it may at all
22 times enter every building, room, basement, enclosure, or
23 premises occupied or used, or suspected of being occupied or
24 used, for the production, preparation, manufacture for sale,
25 storage, sale, processing, distribution, or transportation of
26 cannabis-infused products, and to inspect the premises

1 together with all utensils, fixtures, furniture, and machinery
2 used for the preparation of these products.

3 (f) The Commission ~~Department of Agriculture~~ shall by rule
4 establish a maximum level of THC that may be contained in each
5 serving of cannabis-infused product, and within the product
6 package.

7 (g) If a local public health agency has a reasonable
8 belief that a cannabis-infused product poses a public health
9 hazard, it may refer the cultivation center, craft grower, or
10 infuser that manufactured or processed the cannabis-infused
11 product to the Department of Public Health, the Commission,
12 and the Office of the Attorney General. If the Department of
13 Public Health, the Commission, or the Office of the Attorney
14 General finds that a cannabis-infused product poses a health
15 hazard, it may bring an action for immediate injunctive relief
16 to require that action be taken as the court may deem necessary
17 to meet the hazard of the cultivation facility or seek other
18 relief as provided by rule.

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

20 (410 ILCS 705/55-10)

21 Sec. 55-10. Maintenance of inventory. All dispensing
22 organizations authorized to serve both registered qualifying
23 patients and caregivers and purchasers are required to report
24 which cannabis and cannabis-infused products are purchased for
25 sale under the Compassionate Use of Medical Cannabis Program

1 ~~Act~~, and which cannabis and cannabis-infused products are
2 purchased under Article 20 ~~this Act~~. Nothing in this Section
3 prohibits a registered qualifying patient under the
4 Compassionate Use of Medical Cannabis Program ~~Act~~ from
5 purchasing cannabis as a purchaser under Article 20 ~~this Act~~.

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

7 (410 ILCS 705/55-15)

8 Sec. 55-15. Destruction of cannabis.

9 (a) All cannabis byproduct, scrap, and harvested cannabis
10 not intended for distribution to a dispensing organization
11 must be destroyed and disposed of under rules adopted by the
12 Commission ~~Department of Agriculture~~ under this Act.
13 Documentation of destruction and disposal shall be retained at
14 the cultivation center, craft grower, infuser organization,
15 transporter, or testing facility as applicable for a period of
16 not less than 5 years.

17 (b) A dispensing organization, cultivation center, craft
18 grower, or infuser organization shall, before destruction,
19 notify the Commission ~~Department of Agriculture~~ and the
20 Illinois State Police. ~~A dispensing organization shall, before~~
21 ~~destruction, notify the Department of Financial and~~
22 ~~Professional Regulation and the Illinois State Police.~~ The
23 Commission ~~Department of Agriculture~~ may by rule require that
24 an employee of the Commission ~~Department of Agriculture~~ or the
25 ~~Department of Financial and Professional Regulation~~ be present

1 during the destruction of any cannabis byproduct, scrap, and
2 harvested cannabis, as applicable.

3 (c) The cultivation center, craft grower, infuser
4 organization, or dispensing organization shall keep a record
5 of the date of destruction and how much was destroyed.

6 (d) A dispensing organization shall destroy all cannabis,
7 including cannabis-infused products, not sold to purchasers.
8 Documentation of destruction and disposal shall be retained at
9 the dispensing organization for a period of not less than 5
10 years.

11 (Source: P.A. 101-27, eff. 6-25-19; 102-538, eff. 8-20-21.)

12 (410 ILCS 705/55-21)

13 Sec. 55-21. Cannabis product packaging and labeling.

14 (a) Each cannabis product produced for sale shall be
15 registered with the Commission ~~Department of Agriculture~~ on
16 forms provided by the Commission ~~Department of Agriculture~~.
17 Each product registration shall include a label and the
18 required registration fee at the rate established by the
19 Commission ~~Department of Agriculture~~ for a comparable medical
20 cannabis product, or as established by rule. The registration
21 fee is for the name of the product offered for sale and one fee
22 shall be sufficient for all package sizes.

23 (b) All harvested cannabis intended for distribution to a
24 cannabis enterprise must be packaged in a sealed, labeled
25 container.

1 (c) Any product containing cannabis shall be sold in a
2 sealed, odor-proof, and child-resistant cannabis container
3 consistent with current standards, including the Consumer
4 Product Safety Commission standards referenced by the Poison
5 Prevention Act unless the sale is between or among a craft
6 grower, infuser, or cultivation center.

7 (d) All cannabis-infused products shall be individually
8 wrapped or packaged at the original point of preparation. The
9 packaging of the cannabis-infused product shall conform to the
10 labeling requirements of the Illinois Food, Drug and Cosmetic
11 Act, in addition to the other requirements set forth in this
12 Section.

13 (e) Each cannabis product shall be labeled before sale and
14 each label shall be securely affixed to the package and shall
15 state in legible English and any languages required by the
16 Commission ~~Department of Agriculture~~:

17 (1) the name and post office box of the registered
18 cultivation center or craft grower where the item was
19 manufactured;

20 (2) the common or usual name of the item and the
21 registered name of the cannabis product that was
22 registered with the Commission ~~Department of Agriculture~~
23 under subsection (a);

24 (3) a unique serial number that will match the product
25 with a cultivation center or craft grower batch and lot
26 number to facilitate any warnings or recalls the

1 Commission ~~Department of Agriculture~~, cultivation center,
2 or craft grower deems appropriate;

3 (4) the date of final testing and packaging, if
4 sampled, and the identification of the independent testing
5 laboratory;

6 (5) the date of harvest and "use by" date;

7 (6) the quantity (in ounces or grams) of cannabis
8 contained in the product;

9 (7) a pass/fail rating based on the laboratory's
10 microbiological, mycotoxins, and pesticide and solvent
11 residue analyses, if sampled;

12 (8) content list.

13 (A) A list of the following, including the minimum
14 and maximum percentage content by weight for
15 subdivisions (e) (8) (A) (i) through (iv):

16 (i) delta-9-tetrahydrocannabinol (THC);

17 (ii) tetrahydrocannabinolic acid (THCA);

18 (iii) cannabidiol (CBD);

19 (iv) cannabidiolic acid (CBDA); and

20 (v) all other ingredients of the item,
21 including any colors, artificial flavors, and
22 preservatives, listed in descending order by
23 predominance of weight shown with common or usual
24 names.

25 (B) The acceptable tolerances for the minimum
26 percentage printed on the label for any of

1 subdivisions (e) (8) (A) (i) through (iv) shall not be
2 below 85% or above 115% of the labeled amount.

3 (f) Packaging must not contain information that:

4 (1) is false or misleading;

5 (2) promotes excessive consumption;

6 (3) depicts a person under 21 years of age consuming
7 cannabis;

8 (4) includes the image of a cannabis leaf;

9 (5) includes any image designed or likely to appeal to
10 minors, including cartoons, toys, animals, or children, or
11 any other likeness to images, characters, or phrases that
12 are popularly used to advertise to children, or any
13 packaging or labeling that bears reasonable resemblance to
14 any product available for consumption as a commercially
15 available candy, or that promotes consumption of cannabis;

16 (6) contains any seal, flag, crest, coat of arms, or
17 other insignia likely to mislead the purchaser to believe
18 that the product has been endorsed, made, or used by the
19 State of Illinois or any of its representatives except
20 where authorized by this Act.

21 (g) Cannabis products produced by concentrating or
22 extracting ingredients from the cannabis plant shall contain
23 the following information, where applicable:

24 (1) If solvents were used to create the concentrate or
25 extract, a statement that discloses the type of extraction
26 method, including any solvents or gases used to create the

1 concentrate or extract; and

2 (2) Any other chemicals or compounds used to produce
3 or were added to the concentrate or extract.

4 (h) All cannabis products must contain warning statements
5 established for purchasers, of a size that is legible and
6 readily visible to a consumer inspecting a package, which may
7 not be covered or obscured in any way. The Department of Public
8 Health shall define and update appropriate health warnings for
9 packages including specific labeling or warning requirements
10 for specific cannabis products.

11 (i) Unless modified by rule to strengthen or respond to
12 new evidence and science, the following warnings shall apply
13 to all cannabis products unless modified by rule: "This
14 product contains cannabis and is intended for use by adults 21
15 and over. Its use can impair cognition and may be habit
16 forming. This product should not be used by pregnant or
17 breastfeeding women. It is unlawful to sell or provide this
18 item to any individual, and it may not be transported outside
19 the State of Illinois. It is illegal to operate a motor vehicle
20 while under the influence of cannabis. Possession or use of
21 this product may carry significant legal penalties in some
22 jurisdictions and under federal law."

23 (j) Warnings for each of the following product types must
24 be present on labels when offered for sale to a purchaser:

25 (1) Cannabis that may be smoked must contain a
26 statement that "Smoking is hazardous to your health."

1 (2) Cannabis-infused products (other than those
2 intended for topical application) must contain a statement
3 "CAUTION: This product contains cannabis, and intoxication
4 following use may be delayed 2 or more hours. This product
5 was produced in a facility that cultivates cannabis, and
6 that may also process common food allergens."

7 (3) Cannabis-infused products intended for topical
8 application must contain a statement "DO NOT EAT" in bold,
9 capital letters.

10 (k) Each cannabis-infused product intended for consumption
11 must be individually packaged, must include the total
12 milligram content of THC and CBD, and may not include more than
13 a total of 100 milligrams of THC per package. A package may
14 contain multiple servings of 10 milligrams of THC, indicated
15 by scoring, wrapping, or by other indicators designating
16 individual serving sizes. The Commission ~~Department of~~
17 ~~Agriculture~~ may change the total amount of THC allowed for
18 each package, or the total amount of THC allowed for each
19 serving size, by rule.

20 (1) No individual other than the purchaser may alter or
21 destroy any labeling affixed to the primary packaging of
22 cannabis or cannabis-infused products.

23 (m) For each commercial weighing and measuring device used
24 at a facility, the cultivation center or craft grower must:

25 (1) Ensure that the commercial device is licensed
26 under the Weights and Measures Act and the associated

1 administrative rules (8 Ill. Adm. Code 600);

2 (2) Maintain documentation of the licensure of the
3 commercial device; and

4 (3) Provide a copy of the license of the commercial
5 device to the Commission ~~Department of Agriculture~~ for
6 review upon request.

7 (n) It is the responsibility of the Commission ~~Department~~
8 to ensure that packaging and labeling requirements, including
9 product warnings, are enforced at all times for products
10 provided to purchasers. Product registration requirements and
11 container requirements may be modified by rule by the
12 Commission ~~Department of Agriculture~~.

13 (o) Labeling, including warning labels, may be modified by
14 rule by the Commission ~~Department of Agriculture~~.

15 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19;
16 102-98, eff. 7-15-21.)

17 (410 ILCS 705/55-30)

18 Sec. 55-30. Confidentiality.

19 (a) Information provided by the cannabis business
20 establishment licensees or applicants to the Commission
21 ~~Department of Agriculture~~, the Department of Public Health,
22 ~~the Department of Financial and Professional Regulation~~, the
23 Department of Commerce and Economic Opportunity, or other
24 agency shall be limited to information necessary for the
25 purposes of administering this Act. The information is subject

1 to the provisions and limitations contained in the Freedom of
2 Information Act and may be disclosed in accordance with
3 Section 55-65.

4 (b) The following information received and records kept by
5 the Commission ~~Department of Agriculture~~, the Department of
6 Public Health, and the Illinois State Police, ~~and the~~
7 ~~Department of Financial and Professional Regulation~~ for
8 purposes of administering this Article are subject to all
9 applicable federal privacy laws, are confidential and exempt
10 from disclosure under the Freedom of Information Act, except
11 as provided in this Act, and not subject to disclosure to any
12 individual or public or private entity, except to the
13 Commission ~~Department of Financial and Professional~~
14 ~~Regulation, the Department of Agriculture~~, the Department of
15 Public Health, and the Illinois State Police as necessary to
16 perform official duties under this Article and to the Attorney
17 General as necessary to enforce the provisions of this Act.
18 The following information received and kept by the Commission
19 ~~Department of Financial and Professional Regulation or the~~
20 ~~Department of Agriculture~~ may be disclosed to the Department
21 of Public Health, the Department of Agriculture, the
22 Department of Revenue, the Illinois State Police, or the
23 Attorney General upon proper request:

24 (1) Applications and renewals, their contents, and
25 supporting information submitted by or on behalf of
26 dispensing organizations, cannabis business

1 establishments, or Community College Cannabis Vocational
2 Program licensees, in compliance with this Article,
3 including their physical addresses; however, this does not
4 preclude the release of ownership information about
5 cannabis business establishment licenses, or information
6 submitted with an application required to be disclosed
7 pursuant to subsection (f);

8 (2) Any plans, procedures, policies, or other records
9 relating to cannabis business establishment security; and

10 (3) Information otherwise exempt from disclosure by
11 State or federal law.

12 Illinois or national criminal history record information,
13 or the nonexistence or lack of such information, may not be
14 disclosed by the Commission ~~Department of Financial and~~
15 ~~Professional Regulation or the Department of Agriculture,~~
16 except as necessary to the Attorney General to enforce this
17 Act.

18 (c) The name and address of a dispensing organization
19 licensed under this Act shall be subject to disclosure under
20 the Freedom of Information Act. The name and cannabis business
21 establishment address of the person or entity holding each
22 cannabis business establishment license shall be subject to
23 disclosure.

24 (d) All information collected by the Commission ~~Department~~
25 ~~of Financial and Professional Regulation or the Department of~~
26 ~~Agriculture~~ in the course of an examination, inspection, or

1 investigation of a licensee or applicant, including, but not
2 limited to, any complaint against a licensee or applicant
3 filed with the Commission ~~Department of Financial and~~
4 ~~Professional Regulation or the Department of Agriculture~~ and
5 information collected to investigate any such complaint, shall
6 be maintained for the confidential use of the Commission
7 ~~Department of Financial and Professional Regulation or the~~
8 ~~Department of Agriculture~~ and shall not be disclosed, except
9 as otherwise provided in this Act. A formal complaint against
10 a licensee by the Commission ~~Department of Financial and~~
11 ~~Professional Regulation or the Department of Agriculture~~ or
12 any disciplinary order issued by the Commission ~~Department of~~
13 ~~Financial and Professional Regulation or the Department of~~
14 ~~Agriculture~~ against a licensee or applicant shall be a public
15 record, except as otherwise provided by law. Complaints from
16 consumers or members of the general public received regarding
17 a specific, named licensee or complaints regarding conduct by
18 unlicensed entities shall be subject to disclosure under the
19 Freedom of Information Act.

20 (e) The Commission and ~~Department of Agriculture,~~ the
21 Illinois State Police, ~~and the Department of Financial and~~
22 ~~Professional Regulation~~ shall not share or disclose any
23 Illinois or national criminal history record information, or
24 the nonexistence or lack of such information, to any person or
25 entity not expressly authorized by this Act.

26 (f) The Commission ~~Each Department responsible for~~

1 ~~licensure under this Act~~ shall publish on the Commission's
2 ~~Department's~~ website a list of the ownership information of
3 cannabis business establishment licensees under the
4 Commission's ~~Department's~~ jurisdiction. The list shall
5 include, but is not limited to: the name of the person or
6 entity holding each cannabis business establishment license;
7 and the address at which the entity is operating under this
8 Act. This list shall be published and updated monthly.

9 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19;
10 102-98, eff. 7-15-21; 102-538, eff. 8-20-21; 102-813, eff.
11 5-13-22.)

12 (410 ILCS 705/55-35)

13 Sec. 55-35. Administrative rulemaking.

14 (a) ~~No later than 180 days after the effective date of this~~
15 ~~Act, the Department of Agriculture~~ The Commission, the
16 Illinois State Police, ~~the Department of Financial and~~
17 ~~Professional Regulation~~, the Department of Revenue, the
18 Department of Commerce and Economic Opportunity, and the
19 Treasurer's Office shall adopt permanent rules in accordance
20 with their responsibilities under this Act. The Commission
21 ~~Department of Agriculture~~, the Illinois State Police, ~~the~~
22 ~~Department of Financial and Professional Regulation~~, the
23 Department of Revenue, and the Department of Commerce and
24 Economic Opportunity may adopt rules necessary to regulate
25 personal cannabis use through the use of emergency rulemaking

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

6 (b) The Commission ~~Department of Agriculture~~ rules may
7 address, but are not limited to, the following matters related
8 to dispensing organizations, cultivation centers, craft
9 growers, infuser organizations, and transporting organizations
10 with the goal of protecting against diversion and theft,
11 without imposing an undue burden on the dispensing
12 organizations, cultivation centers, craft growers, infuser
13 organizations, or transporting organizations:

14 (1) oversight requirements for dispensing
15 organizations, cultivation centers, craft growers, infuser
16 organizations, and transporting organizations;

17 (2) recordkeeping requirements for dispensing
18 organizations, cultivation centers, craft growers, infuser
19 organizations, and transporting organizations;

20 (3) security requirements for dispensing
21 organizations, cultivation centers, craft growers, infuser
22 organizations, and transporting organizations, which shall
23 include that each dispensing organization, cultivation
24 center, craft grower, infuser organization, and
25 transporting organization location must be protected by a
26 fully operational security alarm system;

1 (4) standards for enclosed, locked facilities under
2 this Act;

3 (5) procedures for suspending or revoking the
4 identification cards of agents of dispensing
5 organizations, cultivation centers, craft growers, infuser
6 organizations, and transporting organizations that commit
7 violations of this Act or the rules adopted under this
8 Section;

9 (6) (blank) ~~rules concerning the intrastate~~
10 ~~transportation of cannabis from a cultivation center,~~
11 ~~craft grower, infuser organization, and transporting~~
12 ~~organization to a dispensing organization;~~

13 (7) standards concerning the dispensing, testing,
14 quality, cultivation, and processing of cannabis; and

15 (8) any other matters under oversight by the
16 Commission ~~Department of Agriculture~~ as are necessary for
17 the fair, impartial, stringent, and comprehensive
18 administration of this Act.

19 Commission rules addressing matters related to dispensing
20 organizations shall be adopted with the goal of protecting
21 against diversion and theft, without imposing an undue burden
22 on the dispensing organizations.

23 (c) (Blank). ~~The Department of Financial and Professional~~
24 ~~Regulation rules may address, but are not limited to, the~~
25 ~~following matters related to dispensing organizations, with~~
26 ~~the goal of protecting against diversion and theft, without~~

1 ~~imposing an undue burden on the dispensing organizations:~~

2 ~~(1) oversight requirements for dispensing~~
3 ~~organizations;~~

4 ~~(2) recordkeeping requirements for dispensing~~
5 ~~organizations;~~

6 ~~(3) security requirements for dispensing~~
7 ~~organizations, which shall include that each dispensing~~
8 ~~organization location must be protected by a fully~~
9 ~~operational security alarm system;~~

10 ~~(4) procedures for suspending or revoking the licenses~~
11 ~~of dispensing organization agents that commit violations~~
12 ~~of this Act or the rules adopted under this Act;~~

13 ~~(5) any other matters under oversight by the~~
14 ~~Department of Financial and Professional Regulation that~~
15 ~~are necessary for the fair, impartial, stringent, and~~
16 ~~comprehensive administration of this Act.~~

17 (d) The Department of Revenue rules may address, but are
18 not limited to, the following matters related to the payment
19 of taxes by cannabis business establishments:

20 (1) recording of sales;

21 (2) documentation of taxable income and expenses;

22 (3) transfer of funds for the payment of taxes; or

23 (4) any other matter under the oversight of the
24 Department of Revenue.

25 (e) The Department of Commerce and Economic Opportunity
26 rules may address, but are not limited to, a loan program or

1 grant program to assist Social Equity Applicants access the
2 capital needed to start a cannabis business establishment. The
3 names of recipients and the amounts of any moneys received
4 through a loan program or grant program shall be a public
5 record.

6 (f) The Illinois State Police rules may address
7 enforcement of its authority under this Act. The Illinois
8 State Police shall not make rules that infringe on the
9 exclusive authority of the Commission ~~Department of Financial~~
10 ~~and Professional Regulation or the Department of Agriculture~~
11 over licensees under this Act.

12 (g) The Department of Human Services shall develop and
13 disseminate:

14 (1) educational information about the health risks
15 associated with the use of cannabis; and

16 (2) one or more public education campaigns in
17 coordination with local health departments and community
18 organizations, including one or more prevention campaigns
19 directed at children, adolescents, parents, and pregnant
20 or breastfeeding women, to inform them of the potential
21 health risks associated with intentional or unintentional
22 cannabis use.

23 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19;
24 102-538, eff. 8-20-21.)

25 (410 ILCS 705/55-40)

1 Sec. 55-40. Enforcement.

2 (a) If the Commission ~~Department of Agriculture~~, Illinois
3 State Police, ~~Department of Financial and Professional~~
4 ~~Regulation~~, Department of Commerce and Economic Opportunity,
5 or Department of Revenue fails to adopt rules to implement
6 this Act within the times provided in this Act, any citizen may
7 commence a mandamus action in the circuit court to compel the
8 agencies to perform the actions mandated under Section 55-35.

9 (b) If the Commission ~~Department of Agriculture or the~~
10 ~~Department of Financial and Professional Regulation~~ fails to
11 issue a valid agent identification card in response to a valid
12 initial application or renewal application submitted under
13 this Act or fails to issue a verbal or written notice of denial
14 of the application within 30 days of its submission, the agent
15 identification card is deemed granted and a copy of the agent
16 identification initial application or renewal application
17 shall be deemed a valid agent identification card.

18 (c) Authorized employees of State or local law enforcement
19 agencies shall immediately notify the Commission ~~Department of~~
20 ~~Agriculture and the Department of Financial and Professional~~
21 ~~Regulation~~ when any person in possession of an agent
22 identification card has been convicted of or pled guilty to
23 violating this Act.

24 (Source: P.A. 101-27, eff. 6-25-19; 102-538, eff. 8-20-21.)

25 (410 ILCS 705/55-45)

1 Sec. 55-45. Administrative hearings.

2 (a) Administrative hearings related to the duties and
3 responsibilities assigned to the Department of Public Health
4 shall be conducted under the Department of Public Health's
5 rules governing administrative hearings.

6 (b) (Blank). ~~Administrative hearings related to the duties~~
7 ~~and responsibilities assigned to the Department of Financial~~
8 ~~and Professional Regulation and dispensing organization agents~~
9 ~~shall be conducted under the Department of Financial and~~
10 ~~Professional Regulation's rules governing administrative~~
11 ~~hearings.~~

12 (c) (Blank). ~~Administrative hearings related to the duties~~
13 ~~and responsibilities assigned to the Department of~~
14 ~~Agriculture, cultivation centers, or cultivation center agents~~
15 ~~shall be conducted under the Department of Agriculture's rules~~
16 ~~governing administrative hearings.~~

17 (d) Administrative hearings related to the duties and
18 responsibilities assigned to the Commission, dispensing
19 organizations, cultivation centers, or their agents shall be
20 conducted under the Commission's rules governing
21 administrative hearings.

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

23 (410 ILCS 705/55-50)

24 Sec. 55-50. Petition for rehearing. Within 20 days after
25 the service of any order or decision of the Department of

1 Public Health, the Commission ~~Department of Agriculture, the~~
2 ~~Department of Financial and Professional Regulation,~~ or the
3 Illinois State Police upon any party to the proceeding, the
4 party may apply for a rehearing in respect to any matters
5 determined by them under this Act, except for decisions made
6 under the Cannabis Cultivation Privilege Tax Law, the Cannabis
7 Purchaser Excise Tax Law, the County Cannabis Retailers'
8 Occupation Tax Law, and the Municipal Cannabis Retailers'
9 Occupation Tax Law, which shall be governed by the provisions
10 of those Laws. If a rehearing is granted, an agency shall hold
11 the rehearing and render a decision within 30 days from the
12 filing of the application for rehearing with the agency. The
13 time for holding such rehearing and rendering a decision may
14 be extended for a period not to exceed 30 days, for good cause
15 shown, and by notice in writing to all parties of interest. If
16 an agency fails to act on the application for rehearing within
17 30 days, or the date the time for rendering a decision was
18 extended for good cause shown, the order or decision of the
19 agency is final. No action for the judicial review of any order
20 or decision of an agency shall be allowed unless the party
21 commencing such action has first filed an application for a
22 rehearing and the agency has acted or failed to act upon the
23 application. Only one rehearing may be granted by an agency on
24 application of any one party.

25 (Source: P.A. 101-27, eff. 6-25-19; 102-538, eff. 8-20-21.)

1 (410 ILCS 705/55-55)

2 Sec. 55-55. Review of administrative decisions. All final
3 administrative decisions of the Department of Public Health,
4 the Commission ~~Department of Agriculture, the Department of~~
5 ~~Financial and Professional Regulation~~, and the Illinois State
6 Police are subject to judicial review under the Administrative
7 Review Law and the rules adopted under that Law. The term
8 "administrative decision" is defined as in Section 3-101 of
9 the Code of Civil Procedure.

10 (Source: P.A. 101-27, eff. 6-25-19; 102-538, eff. 8-20-21.)

11 (410 ILCS 705/55-60)

12 Sec. 55-60. Suspension or revocation of a license.

13 (a) The Commission ~~Department of Financial and~~
14 ~~Professional Regulation or the Department of Agriculture~~ may
15 suspend or revoke a license for a violation of this Act or a
16 rule adopted in accordance with this Act ~~by the Department of~~
17 ~~Agriculture and the Department of Financial and Professional~~
18 ~~Regulation~~.

19 (b) The Commission ~~Department of Agriculture and the~~
20 ~~Department of Financial and Professional Regulation~~ may
21 suspend or revoke an agent identification card for a violation
22 of this Act or a rule adopted in accordance with this Act.

23 (c) Except as otherwise provided in this Act, the
24 Commission may revoke a license issued to a person under this
25 Act if the licensed cannabis business establishment fails to

1 be operational within 2 years after the date the license was
2 issued.

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

4 (410 ILCS 705/55-65)

5 Sec. 55-65. Financial institutions.

6 (a) A financial institution that provides financial
7 services customarily provided by financial institutions to a
8 cannabis business establishment authorized under this Act ~~or~~
9 ~~the Compassionate Use of Medical Cannabis Program Act~~, or to a
10 person that is affiliated with such cannabis business
11 establishment, is exempt from any criminal law of this State
12 as it relates to cannabis-related conduct authorized under
13 State law.

14 (b) Upon request of a financial institution, a cannabis
15 business establishment or proposed cannabis business
16 establishment may provide to the financial institution the
17 following information:

18 (1) Whether a cannabis business establishment with
19 which the financial institution is doing or is considering
20 doing business holds a license under this Act or the
21 Compassionate Use of Medical Cannabis Program ~~Act~~;

22 (2) The name of any other business or individual
23 affiliate with the cannabis business establishment;

24 (3) A copy of the application, and any supporting
25 documentation submitted with the application, for a

1 license or a permit submitted on behalf of the proposed
2 cannabis business establishment;

3 (4) If applicable, data relating to sales and the
4 volume of product sold by the cannabis business
5 establishment;

6 (5) Any past or pending violation by the person of
7 this Act, ~~the Compassionate Use of Medical Cannabis~~
8 ~~Program Act,~~ or the rules adopted under this Act ~~these~~
9 ~~Acts~~ where applicable; and

10 (6) Any penalty imposed upon the person for violating
11 this Act, ~~the Compassionate Use of Medical Cannabis~~
12 ~~Program Act,~~ or the rules adopted under this Act ~~these~~
13 ~~Acts~~.

14 (c) (Blank).

15 (d) (Blank).

16 (e) Information received by a financial institution under
17 this Section is confidential. Except as otherwise required or
18 permitted by this Act, State law or rule, or federal law or
19 regulation, a financial institution may not make the
20 information available to any person other than:

21 (1) the customer to whom the information applies;

22 (2) a trustee, conservator, guardian, personal
23 representative, or agent of the customer to whom the
24 information applies; a federal or State regulator when
25 requested in connection with an examination of the
26 financial institution or if otherwise necessary for

1 complying with federal or State law;

2 (3) a federal or State regulator when requested in
3 connection with an examination of the financial
4 institution or if otherwise necessary for complying with
5 federal or State law; and

6 (4) a third party performing services for the
7 financial institution, provided the third party is
8 performing such services under a written agreement that
9 expressly or by operation of law prohibits the third
10 party's sharing and use of such confidential information
11 for any purpose other than as provided in its agreement to
12 provide services to the financial institution.

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

14 (410 ILCS 705/55-85)

15 Sec. 55-85. Medical cannabis.

16 (a) Nothing in this Act shall be construed to limit any
17 privileges or rights of a medical cannabis patient including
18 minor patients, primary caregiver, medical cannabis
19 cultivation center, or medical cannabis dispensing
20 organization under the Compassionate Use of Medical Cannabis
21 Program Act, and where there is conflict between this Act and
22 the Compassionate Use of Medical Cannabis Program Act as they
23 relate to medical cannabis patients, the Compassionate Use of
24 Medical Cannabis Program Act shall prevail.

25 (b) Dispensary locations that obtain an Early Approval

1 Adult Use Dispensary Organization License or an Adult Use
2 Dispensary Organization License in accordance with this Act at
3 the same location as a medical cannabis dispensing
4 organization registered under the Compassionate Use of Medical
5 Cannabis Program ~~Act~~ shall maintain an inventory of medical
6 cannabis and medical cannabis products on a monthly basis that
7 is substantially similar in variety and quantity to the
8 products offered at the dispensary during the 6-month period
9 immediately before the effective date of this Act.

10 (c) Beginning June 30, 2020, the Commission ~~Department of~~
11 ~~Agriculture~~ shall make a quarterly determination whether
12 inventory requirements established for dispensaries in
13 subsection (b) should be adjusted due to changing patient
14 need.

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

16 (410 ILCS 705/60-5)

17 Sec. 60-5. Definitions. In this Article:

18 "Cannabis" has the meaning given to that term in Article 1
19 of this Act, except that it does not include cannabis that is
20 subject to tax under the Compassionate Use of Medical Cannabis
21 Program ~~Act~~.

22 "Craft grower" has the meaning given to that term in
23 Article 1 of this Act.

24 "Cultivation center" has the meaning given to that term in
25 Article 1 of this Act.

1 "Cultivator" or "taxpayer" means a cultivation center or
2 craft grower who is subject to tax under this Article.

3 "Department" means the Department of Revenue.

4 "Director" means the Director of Revenue.

5 "Dispensing organization" or "dispensary" has the meaning
6 given to that term in Article 1 of this Act.

7 "Gross receipts" from the sales of cannabis by a
8 cultivator means the total selling price or the amount of such
9 sales, as defined in this Article. In the case of charges and
10 time sales, the amount thereof shall be included only when
11 payments are received by the cultivator.

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

17 "Infuser" means "infuser organization" or "infuser" as
18 defined in Article 1 of this Act.

19 "Selling price" or "amount of sale" means the
20 consideration for a sale valued in money whether received in
21 money or otherwise, including cash, credits, property, and
22 services, and shall be determined without any deduction on
23 account of the cost of the property sold, the cost of materials
24 used, labor or service cost, or any other expense whatsoever,
25 but does not include separately stated charges identified on
26 the invoice by cultivators to reimburse themselves for their

1 tax liability under this Article.

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

3 (410 ILCS 705/60-20)

4 Sec. 60-20. Return and payment of cannabis cultivation
5 privilege tax. Each person who is required to pay the tax
6 imposed by this Article shall make a return to the Department
7 on or before the 20th day of each month for the preceding
8 calendar month stating the following:

9 (1) the taxpayer's name;

10 (2) the address of the taxpayer's principal place of
11 business and the address of the principal place of
12 business (if that is a different address) from which the
13 taxpayer is engaged in the business of cultivating
14 cannabis subject to tax under this Article;

15 (3) the total amount of receipts received by the
16 taxpayer during the preceding calendar month from sales of
17 cannabis subject to tax under this Article by the taxpayer
18 during the preceding calendar month;

19 (4) the total amount received by the taxpayer during
20 the preceding calendar month on charge and time sales of
21 cannabis subject to tax imposed under this Article by the
22 taxpayer before the month for which the return is filed;

23 (5) deductions allowed by law;

24 (6) gross receipts that were received by the taxpayer
25 during the preceding calendar month and upon the basis of

1 which the tax is imposed;

2 (7) the amount of tax due;

3 (8) the signature of the taxpayer; and

4 (9) any other information as the Department may
5 reasonably require.

6 All returns required to be filed and payments required to
7 be made under this Article shall be by electronic means.
8 Taxpayers who demonstrate hardship in paying electronically
9 may petition the Department to waive the electronic payment
10 requirement. The Department may require a separate return for
11 the tax under this Article or combine the return for the tax
12 under this Article with the return for the tax under the
13 Compassionate Use of Medical Cannabis Program ~~Act~~. If the
14 return for the tax under this Article is combined with the
15 return for tax under the Compassionate Use of Medical Cannabis
16 Program ~~Act~~, then the vendor's discount allowed under this
17 Section and any cap on that discount shall apply to the
18 combined return. The taxpayer making the return provided for
19 in this Section shall also pay to the Department, in
20 accordance with this Section, the amount of tax imposed by
21 this Article, less a discount of 1.75%, but not to exceed
22 \$1,000 per return period, which is allowed to reimburse the
23 taxpayer for the expenses incurred in keeping records,
24 collecting tax, preparing and filing returns, remitting the
25 tax, and supplying data to the Department upon request. No
26 discount may be claimed by a taxpayer on returns not timely

1 filed and for taxes not timely remitted. No discount may be
2 claimed by a taxpayer for any return that is not filed
3 electronically. No discount may be claimed by a taxpayer for
4 any payment that is not made electronically, unless a waiver
5 has been granted under this Section. Any amount that is
6 required to be shown or reported on any return or other
7 document under this Article shall, if the amount is not a
8 whole-dollar amount, be increased to the nearest whole-dollar
9 amount if the fractional part of a dollar is \$0.50 or more and
10 decreased to the nearest whole-dollar amount if the fractional
11 part of a dollar is less than \$0.50. If a total amount of less
12 than \$1 is payable, refundable, or creditable, the amount
13 shall be disregarded if it is less than \$0.50 and shall be
14 increased to \$1 if it is \$0.50 or more. Notwithstanding any
15 other provision of this Article concerning the time within
16 which a taxpayer may file a return, any such taxpayer who
17 ceases to engage in the kind of business that makes the person
18 responsible for filing returns under this Article shall file a
19 final return under this Article with the Department within one
20 month after discontinuing such business.

21 Each taxpayer under this Article shall make estimated
22 payments to the Department on or before the 7th, 15th, 22nd,
23 and last day of the month during which tax liability to the
24 Department is incurred. The payments shall be in an amount not
25 less than the lower of either 22.5% of the taxpayer's actual
26 tax liability for the month or 25% of the taxpayer's actual tax

1 liability for the same calendar month of the preceding year.
2 The amount of the quarter-monthly payments shall be credited
3 against the final tax liability of the taxpayer's return for
4 that month. If any quarter-monthly payment is not paid at the
5 time or in the amount required by this Section, then the
6 taxpayer shall be liable for penalties and interest on the
7 difference between the minimum amount due as a payment and the
8 amount of the quarter-monthly payment actually and timely
9 paid, except insofar as the taxpayer has previously made
10 payments for that month to the Department in excess of the
11 minimum payments previously due as provided in this Section.

12 If any payment provided for in this Section exceeds the
13 taxpayer's liabilities under this Article, as shown on an
14 original monthly return, the Department shall, if requested by
15 the taxpayer, issue to the taxpayer a credit memorandum no
16 later than 30 days after the date of payment. The credit
17 evidenced by the credit memorandum may be assigned by the
18 taxpayer to a similar taxpayer under this Act, in accordance
19 with reasonable rules to be prescribed by the Department. If
20 no such request is made, the taxpayer may credit the excess
21 payment against tax liability subsequently to be remitted to
22 the Department under this Act, in accordance with reasonable
23 rules prescribed by the Department. If the Department
24 subsequently determines that all or any part of the credit
25 taken was not actually due to the taxpayer, the taxpayer's
26 discount shall be reduced, if necessary, to reflect the

1 difference between the credit taken and that actually due, and
2 that taxpayer shall be liable for penalties and interest on
3 the difference.

4 If a taxpayer fails to sign a return within 30 days after
5 the proper notice and demand for signature by the Department
6 is received by the taxpayer, the return shall be considered
7 valid and any amount shown to be due on the return shall be
8 deemed assessed.

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

10 (410 ILCS 705/65-5)

11 Sec. 65-5. Definitions. In this Article:

12 "Adjusted delta-9-tetrahydrocannabinol level" means, for a
13 delta-9-tetrahydrocannabinol dominant product, the sum of the
14 percentage of delta-9-tetrahydrocannabinol plus .877
15 multiplied by the percentage of tetrahydrocannabinolic acid.

16 "Cannabis" has the meaning given to that term in Article 1
17 of this Act, except that it does not include cannabis that is
18 subject to tax under the Compassionate Use of Medical Cannabis
19 Program ~~Act~~.

20 "Cannabis-infused product" means beverage food, oils,
21 ointments, tincture, topical formulation, or another product
22 containing cannabis that is not intended to be smoked.

23 "Cannabis retailer" means a dispensing organization that
24 sells cannabis for use and not for resale.

25 "Craft grower" has the meaning given to that term in

1 Article 1 of this Act.

2 "Department" means the Department of Revenue.

3 "Director" means the Director of Revenue.

4 "Dispensing organization" or "dispensary" has the meaning
5 given to that term in Article 1 of this Act.

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

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

16 "Purchase price" means the consideration paid for a
17 purchase of cannabis, valued in money, whether received in
18 money or otherwise, including cash, gift cards, credits, and
19 property and shall be determined without any deduction on
20 account of the cost of materials used, labor or service costs,
21 or any other expense whatsoever. However, "purchase price"
22 does not include consideration paid for:

23 (1) any charge for a payment that is not honored by a
24 financial institution;

25 (2) any finance or credit charge, penalty or charge
26 for delayed payment, or discount for prompt payment; and

1 (3) any amounts added to a purchaser's bill because of
2 charges made under the tax imposed by this Article, the
3 Municipal Cannabis Retailers' Occupation Tax Law, the
4 County Cannabis Retailers' Occupation Tax Law, the
5 Retailers' Occupation Tax Act, the Use Tax Act, the
6 Service Occupation Tax Act, the Service Use Tax Act, or
7 any locally imposed occupation or use tax.

8 "Purchaser" means a person who acquires cannabis for a
9 valuable consideration.

10 "Taxpayer" means a cannabis retailer who is required to
11 collect the tax imposed under this Article.

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

13 (410 ILCS 705/65-10)

14 Sec. 65-10. Tax imposed.

15 (a) Beginning January 1, 2020, a tax is imposed upon
16 purchasers for the privilege of using cannabis at the
17 following rates:

18 (1) Any cannabis, other than a cannabis-infused
19 product, with an adjusted delta-9-tetrahydrocannabinol
20 level at or below 35% shall be taxed at a rate of 10% of
21 the purchase price;

22 (2) Any cannabis, other than a cannabis-infused
23 product, with an adjusted delta-9-tetrahydrocannabinol
24 level above 35% shall be taxed at a rate of 25% of the
25 purchase price; and

1 (3) A cannabis-infused product shall be taxed at a
2 rate of 20% of the purchase price.

3 (b) The purchase of any product that contains any amount
4 of cannabis or any derivative thereof is subject to the tax
5 under subsection (a) of this Section on the full purchase
6 price of the product.

7 (c) The tax imposed under this Section is not imposed on
8 cannabis that is subject to tax under the Compassionate Use of
9 Medical Cannabis Program ~~Act~~. The tax imposed by this Section
10 is not imposed with respect to any transaction in interstate
11 commerce, to the extent the transaction may not, under the
12 Constitution and statutes of the United States, be made the
13 subject of taxation by this State.

14 (d) The tax imposed under this Article shall be in
15 addition to all other occupation, privilege, or excise taxes
16 imposed by the State of Illinois or by any municipal
17 corporation or political subdivision thereof.

18 (e) The tax imposed under this Article shall not be
19 imposed on any purchase by a purchaser if the cannabis
20 retailer is prohibited by federal or State Constitution,
21 treaty, convention, statute, or court decision from collecting
22 the tax from the purchaser.

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

24 (410 ILCS 705/65-15)

25 Sec. 65-15. Collection of tax.

1 (a) The tax imposed by this Article shall be collected
2 from the purchaser by the cannabis retailer at the rate stated
3 in Section 65-10 with respect to cannabis sold by the cannabis
4 retailer to the purchaser, and shall be remitted to the
5 Department as provided in Section 65-30. All sales to a
6 purchaser who is not a cardholder under the Compassionate Use
7 of Medical Cannabis Program ~~Act~~ are presumed subject to tax
8 collection. Cannabis retailers shall collect the tax from
9 purchasers by adding the tax to the amount of the purchase
10 price received from the purchaser for selling cannabis to the
11 purchaser. The tax imposed by this Article shall, when
12 collected, be stated as a distinct item separate and apart
13 from the purchase price of the cannabis.

14 (b) If a cannabis retailer collects Cannabis Purchaser
15 Excise Tax measured by a purchase price that is not subject to
16 Cannabis Purchaser Excise Tax, or if a cannabis retailer, in
17 collecting Cannabis Purchaser Excise Tax measured by a
18 purchase price that is subject to tax under this Act, collects
19 more from the purchaser than the required amount of the
20 Cannabis Purchaser Excise Tax on the transaction, the
21 purchaser shall have a legal right to claim a refund of that
22 amount from the cannabis retailer. If, however, that amount is
23 not refunded to the purchaser for any reason, the cannabis
24 retailer is liable to pay that amount to the Department.

25 (c) Any person purchasing cannabis subject to tax under
26 this Article as to which there has been no charge made to him

1 or her of the tax imposed by Section 65-10 shall make payment
2 of the tax imposed by Section 65-10 in the form and manner
3 provided by the Department not later than the 20th day of the
4 month following the month of purchase of the cannabis.

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

6 (410 ILCS 705/Art. 75 heading new)

7 ARTICLE 75. Compassionate Use of Medical Cannabis Program.

8 (410 ILCS 705/75-5 new)

9 Sec. 75-5. Findings.

10 (a) The recorded use of cannabis as a medicine goes back
11 nearly 5,000 years. Modern medical research has confirmed the
12 beneficial uses of cannabis in treating or alleviating the
13 pain, nausea, and other symptoms associated with a variety of
14 debilitating medical conditions, including cancer, multiple
15 sclerosis, and HIV/AIDS, as found by the National Academy of
16 Sciences' Institute of Medicine in March 1999.

17 (b) Studies published since the 1999 Institute of Medicine
18 report continue to show the therapeutic value of cannabis in
19 treating a wide array of debilitating medical conditions.
20 These include relief of the neuropathic pain caused by
21 multiple sclerosis, HIV/AIDS, and other illnesses that often
22 fail to respond to conventional treatments and relief of
23 nausea, vomiting, and other side effects of drugs used to
24 treat HIV/AIDS and hepatitis C, increasing the chances of

1 patients continuing on life-saving treatment regimens.

2 (c) Cannabis has many currently accepted medical uses in
3 the United States, having been recommended by thousands of
4 licensed physicians to at least 600,000 patients in states
5 with medical cannabis laws. The medical utility of cannabis is
6 recognized by a wide range of medical and public health
7 organizations, including the American Academy of HIV Medicine,
8 the American College of Physicians, the American Nurses
9 Association, the American Public Health Association, the
10 Leukemia & Lymphoma Society, and many others.

11 (d) Data from the Federal Bureau of Investigation's
12 Uniform Crime Reports and the Compendium of Federal Justice
13 Statistics show that approximately 99 out of every 100
14 cannabis arrests in the U.S. are made under state law, rather
15 than under federal law. Consequently, changing State law will
16 have the practical effect of protecting from arrest the vast
17 majority of seriously ill patients who have a medical need to
18 use cannabis.

19 (d-5) In 2014, the Task Force on Veterans' Suicide was
20 created by the Illinois General Assembly to gather data on
21 veterans' suicide prevention. Data from a U.S. Department of
22 Veterans Affairs study indicates that 22 veterans commit
23 suicide each day.

24 (d-10) According to the State of Illinois Opioid Action
25 Plan released in September 2017, "The opioid epidemic is the
26 most significant public health and public safety crisis facing

1 Illinois". According to the Action Plan, "Fueled by the
2 growing opioid epidemic, drug overdoses have now become the
3 leading cause of death nationwide for people under the age of
4 50. In Illinois, opioid overdoses have killed nearly 11,000
5 people since 2008. Just last year, nearly 1,900 people died of
6 overdoses—almost twice the number of fatal car accidents.
7 Beyond these deaths are thousands of emergency department
8 visits, hospital stays, as well as the pain suffered by
9 individuals, families, and communities".

10 According to the Action Plan, "At the current rate, the
11 opioid epidemic will claim the lives of more than 2,700
12 Illinoisans in 2020".

13 Further, the Action Plan states, "Physical tolerance to
14 opioids can begin to develop as early as two to three days
15 following the continuous use of opioids, which is a large
16 factor that contributes to their addictive potential".

17 The 2017 State of Illinois Opioid Action Plan also states,
18 "The increase in OUD [opioid use disorder] and opioid overdose
19 deaths is largely due to the dramatic rise in the rate and
20 amount of opioids prescribed for pain over the past decades".

21 Further, according to the Action Plan, "In the absence of
22 alternative treatments, reducing the supply of prescription
23 opioids too abruptly may drive more people to switch to using
24 illicit drugs (including heroin), thus increasing the risk of
25 overdose".

26 (e) Alaska, Arizona, California, Colorado, Connecticut,

1 Delaware, Hawaii, Maine, Massachusetts, Michigan, Montana,
2 Nevada, New Jersey, New Mexico, Oregon, Rhode Island, Vermont,
3 Washington, and Washington, D.C. have removed state-level
4 criminal penalties from the medical use and cultivation of
5 cannabis. Illinois joins in this effort for the health and
6 welfare of its citizens.

7 (f) States are not required to enforce federal law or
8 prosecute people for engaging in activities prohibited by
9 federal law. Therefore, compliance with this Act does not put
10 the State of Illinois in violation of federal law.

11 (g) State law should make a distinction between the
12 medical and non-medical uses of cannabis. Hence, the purpose
13 of this Article is to protect patients with debilitating
14 medical conditions, as well as their physicians and providers,
15 from arrest and prosecution, criminal and other penalties, and
16 property forfeiture if the patients engage in the medical use
17 of cannabis.

18 (410 ILCS 705/75-7 new)

19 Sec. 75-7. Lawful user and lawful products. For the
20 purposes of this Article and to clarify the legislative
21 findings on the lawful use of cannabis:

22 (1) A cardholder under this Article shall not be
23 considered an unlawful user or addicted to narcotics
24 solely as a result of his or her qualifying patient or
25 designated caregiver status.

1 (2) All medical cannabis products purchased by a
2 qualifying patient at a licensed dispensing organization
3 shall be lawful products and a distinction shall be made
4 between medical and non-medical uses of cannabis as a
5 result of the qualifying patient's cardholder status,
6 provisional registration for qualifying patient cardholder
7 status, or participation in the Opioid Alternative Pilot
8 Program under the authorized use granted under State law.

9 (3) An individual with a provisional registration for
10 qualifying patient cardholder status, a qualifying patient
11 in the Compassionate Use of Medical Cannabis Program, or
12 an Opioid Alternative Pilot Program participant under
13 Section 75-62 shall not be considered an unlawful user or
14 addicted to narcotics solely as a result of his or her
15 application to or participation in the program.

16 (410 ILCS 705/75-10 new)

17 Sec. 75-10. Definitions. The following terms, as used in
18 this Article, shall have the meanings set forth in this
19 Section:

20 (a) "Adequate supply" means:

21 (1) 2.5 ounces of usable cannabis during a period of
22 14 days and that is derived solely from an intrastate
23 source.

24 (2) Subject to the rules of the Commission, a patient
25 may apply for a waiver where a certifying health care

1 professional provides a substantial medical basis in a
2 signed, written statement asserting that, based on the
3 patient's medical history, in the certifying health care
4 professional's professional judgment, 2.5 ounces is an
5 insufficient adequate supply for a 14-day period to
6 properly alleviate the patient's debilitating medical
7 condition or symptoms associated with the debilitating
8 medical condition.

9 (3) This subsection may not be construed to authorize
10 the possession of more than 2.5 ounces at any time without
11 authority from the Commission.

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

16 (a-5) "Advanced practice registered nurse" means a person
17 who is licensed under the Nurse Practice Act as an advanced
18 practice registered nurse and has a controlled substances
19 license under Article III of the Illinois Controlled
20 Substances Act.

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

25 (d-5) "Certifying health care professional" means a
26 physician, an advanced practice registered nurse, or a

1 physician assistant.

2 (h) "Debilitating medical condition" means one or more of
3 the following:

4 (1) cancer, glaucoma, positive status for human
5 immunodeficiency virus, acquired immune deficiency
6 syndrome, hepatitis C, amyotrophic lateral sclerosis,
7 Crohn's disease (including, but not limited to, ulcerative
8 colitis), agitation of Alzheimer's disease,
9 cachexia/wasting syndrome, muscular dystrophy,
10 fibromyalgia, spinal cord disease, including but not
11 limited to arachnoiditis, Tarlov cysts, hydromyelia,
12 syringomyelia, Rheumatoid arthritis, fibrous dysplasia,
13 spinal cord injury, traumatic brain injury and
14 post-concussion syndrome, Multiple Sclerosis,
15 Arnold-Chiari malformation and Syringomyelia,
16 Spinocerebellar Ataxia (SCA), Parkinson's, Tourette's,
17 Myoclonus, Dystonia, Reflex Sympathetic Dystrophy, RSD
18 (Complex Regional Pain Syndromes Type I), Causalgia, CRPS
19 (Complex Regional Pain Syndromes Type II),
20 Neurofibromatosis, Chronic Inflammatory Demyelinating
21 Polyneuropathy, Sjogren's syndrome, Lupus, Interstitial
22 Cystitis, Myasthenia Gravis, Hydrocephalus, nail-patella
23 syndrome, residual limb pain, seizures (including those
24 characteristic of epilepsy), post-traumatic stress
25 disorder (PTSD), autism, chronic pain, irritable bowel
26 syndrome, migraines, osteoarthritis, anorexia nervosa,

1 Ehlers-Danlos Syndrome, Neuro-Behcet's Autoimmune
2 Disease, neuropathy, polycystic kidney disease, superior
3 canal dehiscence syndrome, or the treatment of these
4 conditions;

5 (1.5) terminal illness with a diagnosis of 6 months or
6 less; if the terminal illness is not one of the qualifying
7 debilitating medical conditions, then the certifying
8 health care professional shall on the certification form
9 identify the cause of the terminal illness; or

10 (2) any other debilitating medical condition or its
11 treatment that is added by the Department of Public Health
12 by rule as provided in Section 75-45.

13 (i) "Designated caregiver" means a person who: (1) is at
14 least 21 years of age; (2) has agreed to assist with a
15 patient's medical use of cannabis; (3) has not been convicted
16 of an excluded offense; and (4) assists no more than one
17 registered qualifying patient with his or her medical use of
18 cannabis.

19 (1-10) "Illinois Cannabis Tracking System" means a
20 web-based system established and maintained by the Commission
21 that is available to the Department of Agriculture, the
22 Department of Financial and Professional Regulation, the
23 Illinois State Police, and registered medical cannabis
24 dispensing organizations on a 24-hour basis to upload written
25 certifications for Opioid Alternative Pilot Program
26 participants, to verify Opioid Alternative Pilot Program

1 participants, to verify Opioid Alternative Pilot Program
2 participants' available cannabis allotment and assigned
3 dispensary, and the tracking of the date of sale, amount, and
4 price of medical cannabis purchased by an Opioid Alternative
5 Pilot Program participant.

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

8 (n) "Medical cannabis container" means a sealed,
9 traceable, food compliant, tamper resistant, tamper evident
10 container, or package used for the purpose of containment of
11 medical cannabis from a cultivation center to a dispensing
12 organization.

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

22 (p) "Medical cannabis dispensing organization agent" or
23 "dispensing organization agent" means a principal officer,
24 board member, employee, or agent of a registered medical
25 cannabis dispensing organization who is 21 years of age or
26 older and has not been convicted of an excluded offense.

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

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

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

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

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

26 (s-1) "Physician assistant" means a physician assistant

1 licensed under the Physician Assistant Practice Act of 1987
2 and who has a controlled substances license under Article III
3 of the Illinois Controlled Substances Act.

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

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

13 (u) "Registered" means licensed, permitted, or otherwise
14 certified by the Commission.

15 (v) "Registry identification card" means a document issued
16 by the Commission that identifies a person as a registered
17 qualifying patient or registered designated caregiver.

18 (w) "Usable cannabis" means the seeds, leaves, buds, and
19 flowers of the cannabis plant and any mixture or preparation
20 thereof, but does not include the stalks, and roots of the
21 plant. It does not include the weight of any non-cannabis
22 ingredients combined with cannabis, such as ingredients added
23 to prepare a topical administration, food, or drink.

24 (x) "Verification system" means a Web-based system
25 established and maintained by the Commission, law enforcement
26 personnel, and registered medical cannabis dispensing

1 organization agents on a 24-hour basis for the verification of
2 registry identification cards, the tracking of delivery of
3 medical cannabis to medical cannabis dispensing organizations,
4 and the tracking of the date of sale, amount, and price of
5 medical cannabis purchased by a registered qualifying patient.

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

22 (z) "Bona fide health care professional-patient
23 relationship" means a relationship established at a hospital,
24 certifying health care professional's office, or other health
25 care facility in which the certifying health care professional
26 has an ongoing responsibility for the assessment, care, and

1 treatment of a patient's debilitating medical condition or a
2 symptom of the patient's debilitating medical condition.

3 A veteran who has received treatment at a VA hospital
4 shall be deemed to have a bona fide health care
5 professional-patient relationship with a VA certifying health
6 care professional if the patient has been seen for his or her
7 debilitating medical condition at the VA Hospital in
8 accordance with VA Hospital protocols.

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

12 (410 ILCS 705/75-15 new)

13 Sec. 75-15. Authority.

14 (a) It is the duty of the Commission to enforce the
15 following provisions of this Article unless otherwise provided
16 for by this Article:

17 (1) establish and maintain a confidential registry of
18 qualifying patients authorized to engage in the medical
19 use of cannabis and their caregivers;

20 (2) distribute educational materials about the health
21 benefits and risks associated with the use of cannabis and
22 prescription medications;

23 (3) adopt rules to administer the patient and
24 caregiver registration program; and

25 (4) adopt rules establishing food handling

1 requirements for cannabis-infused products that are
2 prepared for human consumption.

3 (b) It is the duty of the Commission to enforce the
4 provisions of this Article relating to the registration and
5 oversight of cultivation centers unless otherwise provided for
6 in this Article.

7 (c) It is the duty of the Commission to enforce the
8 provisions of this Article relating to the registration and
9 oversight of dispensing organizations unless otherwise
10 provided for in this Article.

11 (d) The Commission, the Department of Public Health, the
12 Department of Agriculture, or the Department of Financial and
13 Professional Regulation shall enter into intergovernmental
14 agreements, as necessary, to carry out the provisions of this
15 Article including, but not limited to, the provisions relating
16 to the registration and oversight of cultivation centers,
17 dispensing organizations, and qualifying patients and
18 caregivers.

19 (e) The Commission may suspend, revoke, or impose other
20 penalties upon a registration for violations of this Article
21 and any rules adopted in accordance thereto. The suspension or
22 revocation of, or imposition of any other penalty upon, a
23 registration is a final Agency action, subject to judicial
24 review. Jurisdiction and venue for judicial review are vested
25 in the Circuit Court.

1 (410 ILCS 705/75-20 new)

2 Sec. 75-20. Compassionate Use of Medical Cannabis Fund.

3 (a) There is created the Compassionate Use of Medical
4 Cannabis Fund in the State treasury to be used exclusively for
5 the direct and indirect costs associated with the
6 implementation, administration, and enforcement of this
7 Article. Funds in excess of the direct and indirect costs
8 associated with the implementation, administration, and
9 enforcement of this Article shall be used to fund crime
10 prevention programs.

11 (b) All monies collected under this Article shall be
12 deposited in the Compassionate Use of Medical Cannabis Fund in
13 the State treasury. All earnings received from investment of
14 monies in the Compassionate Use of Medical Cannabis Fund shall
15 be deposited in the Compassionate Use of Medical Cannabis
16 Fund.

17 (c) Notwithstanding any other law to the contrary, the
18 Compassionate Use of Medical Cannabis Fund is not subject to
19 sweeps, administrative charge-backs, or any other fiscal or
20 budgetary maneuver that would in any way transfer any amounts
21 from the Compassionate Use of Medical Cannabis Fund into any
22 other fund of the State with the exception for purposes to
23 support Social Equity Applicants, owners and programs or as
24 determined by the Commission.

25 (410 ILCS 705/75-25 new)

1 Sec. 75-25. Immunities and presumptions related to the
2 medical use of cannabis.

3 (a) A registered qualifying patient is not subject to
4 arrest, prosecution, or denial of any right or privilege,
5 including, but not limited to, civil penalty or disciplinary
6 action by an occupational or professional licensing board, for
7 the medical use of cannabis in accordance with this Article,
8 if the registered qualifying patient possesses an amount of
9 cannabis that does not exceed an adequate supply as defined in
10 subsection (a) of Section 75-10 of this Article of usable
11 cannabis and, where the registered qualifying patient is a
12 licensed professional, the use of cannabis does not impair
13 that licensed professional when he or she is engaged in the
14 practice of the profession for which he or she is licensed.

15 (b) A registered designated caregiver is not subject to
16 arrest, prosecution, or denial of any right or privilege,
17 including, but not limited to, civil penalty or disciplinary
18 action by an occupational or professional licensing board, for
19 acting in accordance with this Article to assist a registered
20 qualifying patient to whom he or she is connected through the
21 with the exception for purposes to support Social Equity
22 Applicants, owners and programs or as determined by the
23 Commission's registration process with the medical use of
24 cannabis if the designated caregiver possesses an amount of
25 cannabis that does not exceed an adequate supply as defined in
26 subsection (a) of Section 75-10 of this Article of usable

1 cannabis. A school nurse or school administrator is not
2 subject to arrest, prosecution, or denial of any right or
3 privilege, including, but not limited to, a civil penalty, for
4 acting in accordance with Section 22-33 of the School Code
5 relating to administering or assisting a student in
6 self-administering a medical cannabis infused product. The
7 total amount possessed between the qualifying patient and
8 caregiver shall not exceed the patient's adequate supply as
9 defined in subsection (a) of Section 75-10 of this Article.

10 (c) A registered qualifying patient or registered
11 designated caregiver is not subject to arrest, prosecution, or
12 denial of any right or privilege, including, but not limited
13 to, civil penalty or disciplinary action by an occupational or
14 professional licensing board for possession of cannabis that
15 is incidental to medical use, but is not usable cannabis as
16 defined in this Article.

17 (d) (1) There is a rebuttable presumption that a registered
18 qualifying patient is engaged in, or a designated caregiver is
19 assisting with, the medical use of cannabis in accordance with
20 this Article if the qualifying patient or designated
21 caregiver:

22 (A) is in possession of a valid registry
23 identification card; and

24 (B) is in possession of an amount of cannabis that
25 does not exceed the amount allowed under subsection (a) of
26 Section 75-10.

1 (2) The presumption may be rebutted by evidence that
2 conduct related to cannabis was not for the purpose of
3 treating or alleviating the qualifying patient's debilitating
4 medical condition or symptoms associated with the debilitating
5 medical condition in compliance with this Article.

6 (e) A certifying health care professional is not subject
7 to arrest, prosecution, or penalty in any manner, or denial of
8 any right or privilege, including, but not limited to, civil
9 penalty or disciplinary action by the Medical Disciplinary
10 Board or by any other occupational or professional licensing
11 board, solely for providing written certifications or for
12 otherwise stating that, in the certifying health care
13 professional's professional opinion, a patient is likely to
14 receive therapeutic or palliative benefit from the medical use
15 of cannabis to treat or alleviate the patient's debilitating
16 medical condition or symptoms associated with the debilitating
17 medical condition, provided that nothing shall prevent a
18 professional licensing or disciplinary board from sanctioning
19 a certifying health care professional for: (1) issuing a
20 written certification to a patient who is not under the
21 certifying health care professional's care for a debilitating
22 medical condition; or (2) failing to properly evaluate a
23 patient's medical condition or otherwise violating the
24 standard of care for evaluating medical conditions.

25 (f) No person may be subject to arrest, prosecution, or
26 denial of any right or privilege, including, but not limited

1 to, civil penalty or disciplinary action by an occupational or
2 professional licensing board, solely for: (1) selling cannabis
3 paraphernalia to a cardholder upon presentation of an
4 unexpired registry identification card in the recipient's
5 name, if employed and registered as a dispensing agent by a
6 registered dispensing organization; (2) being in the presence
7 or vicinity of the medical use of cannabis as allowed under
8 this Article; or (3) assisting a registered qualifying patient
9 with the act of administering cannabis.

10 (g) A registered cultivation center is not subject to
11 prosecution; search or inspection, except by the with the
12 exception for purposes to support Social Equity Applicants,
13 owners and programs or as determined by the Commission or
14 State or local law enforcement under Section 75-130; seizure;
15 or penalty in any manner, or denial of any right or privilege,
16 including, but not limited to, civil penalty or disciplinary
17 action by a business licensing board or entity, for acting
18 under this Article and Commission rules to: acquire, possess,
19 cultivate, manufacture, deliver, transfer, transport, supply,
20 or sell cannabis to registered dispensing organizations.

21 (h) A registered cultivation center agent is not subject
22 to prosecution, search, or penalty in any manner, or denial of
23 any right or privilege, including, but not limited to, civil
24 penalty or disciplinary action by a business licensing board
25 or entity, for working or volunteering for a registered
26 cannabis cultivation center under this Article and Commission

1 rules, including to perform the actions listed under
2 subsection (g).

3 (i) A registered dispensing organization is not subject to
4 prosecution; search or inspection, except by the Commission or
5 State or local law enforcement pursuant to Section 75-130;
6 seizure; or penalty in any manner, or denial of any right or
7 privilege, including, but not limited to, civil penalty or
8 disciplinary action by a business licensing board or entity,
9 for acting under this Article and Commission rules to:
10 acquire, possess, or dispense cannabis, or related supplies,
11 and educational materials to registered qualifying patients or
12 registered designated caregivers on behalf of registered
13 qualifying patients.

14 (j) A registered dispensing organization agent is not
15 subject to prosecution, search, or penalty in any manner, or
16 denial of any right or privilege, including, but not limited
17 to, civil penalty or disciplinary action by a business
18 licensing board or entity, for working or volunteering for a
19 dispensing organization under this Article and Department of
20 Financial and Professional Regulation rules, including to
21 perform the actions listed under subsection (i).

22 (k) Any cannabis, cannabis paraphernalia, illegal
23 property, or interest in legal property that is possessed,
24 owned, or used in connection with the medical use of cannabis
25 as allowed under this Article, or acts incidental to that use,
26 may not be seized or forfeited. this Article does not prevent

1 the seizure or forfeiture of cannabis exceeding the amounts
2 allowed under this Article, nor shall it prevent seizure or
3 forfeiture if the basis for the action is unrelated to the
4 cannabis that is possessed, manufactured, transferred, or used
5 under this Article.

6 (l) Mere possession of, or application for, a registry
7 identification card or registration certificate does not
8 constitute probable cause or reasonable suspicion, nor shall
9 it be used as the sole basis to support the search of the
10 person, property, or home of the person possessing or applying
11 for the registry identification card. The possession of, or
12 application for, a registry identification card does not
13 preclude the existence of probable cause if probable cause
14 exists on other grounds.

15 (m) Nothing in this Article shall preclude local or State
16 law enforcement agencies from searching a registered
17 cultivation center where there is probable cause to believe
18 that the criminal laws of this State have been violated and the
19 search is conducted in conformity with the Illinois
20 Constitution, the Constitution of the United States, and all
21 State statutes.

22 (n) Nothing in this Article shall preclude local or State
23 law enforcement agencies from searching a registered
24 dispensing organization where there is probable cause to
25 believe that the criminal laws of this State have been
26 violated and the search is conducted in conformity with the

1 Illinois Constitution, the Constitution of the United States,
2 and all State statutes.

3 (o) No individual employed by the State of Illinois shall
4 be subject to criminal or civil penalties for taking any
5 action in accordance with the provisions of this Article, when
6 the actions are within the scope of the individual's
7 employment. Representation and indemnification of State
8 employees shall be provided to State employees as set forth in
9 Section 2 of the State Employee Indemnification Act.

10 (p) No law enforcement or correctional agency, nor any
11 individual employed by a law enforcement or correctional
12 agency, shall be subject to criminal or civil liability,
13 except for willful and wanton misconduct, as a result of
14 taking any action within the scope of the official duties of
15 the agency or individual to prohibit or prevent the possession
16 or use of cannabis by a cardholder incarcerated at a
17 correctional facility, jail, or municipal lockup facility, on
18 parole or mandatory supervised release, or otherwise under the
19 lawful jurisdiction of the agency or individual.

20 (410 ILCS 705/75-30 new)

21 Sec. 75-30. Limitations and penalties.

22 (a) This Article does not permit any person to engage in,
23 and does not prevent the imposition of any civil, criminal, or
24 other penalties for engaging in, the following conduct:

25 (1) Undertaking any task under the influence of

1 cannabis, when doing so would constitute negligence,
2 professional malpractice, or professional misconduct;

3 (2) Possessing cannabis:

4 (A) except as provided under Section 22-33 of the
5 School Code, in a school bus;

6 (B) except as provided under Section 22-33 of the
7 School Code, on the grounds of any preschool or
8 primary or secondary school;

9 (C) in any correctional facility;

10 (D) in a vehicle under Section 11-502.1 of the
11 Illinois Vehicle Code;

12 (E) in a vehicle not open to the public unless the
13 medical cannabis is in a reasonably secured, sealed
14 container and reasonably inaccessible while the
15 vehicle is moving; or

16 (F) in a private residence that is used at any time
17 to provide licensed child care or other similar social
18 service care on the premises;

19 (3) Using cannabis:

20 (A) except as provided under Section 22-33 of the
21 School Code, in a school bus;

22 (B) except as provided under Section 22-33 of the
23 School Code, on the grounds of any preschool or
24 primary or secondary school;

25 (C) in any correctional facility;

26 (D) in any motor vehicle;

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

4 (F) except as provided under Section 22-33 of the
5 School Code and Section 75-31 of this Article, in any
6 public place. "Public place" as used in this
7 subsection means any place where an individual could
8 reasonably be expected to be observed by others. A
9 "public place" includes all parts of buildings owned
10 in whole or in part, or leased, by the State or a local
11 unit of government. A "public place" does not include
12 a private residence unless the private residence is
13 used to provide licensed child care, foster care, or
14 other similar social service care on the premises. For
15 purposes of this subsection, a "public place" does not
16 include a health care facility. For purposes of this
17 Section, a "health care facility" includes, but is not
18 limited to, hospitals, nursing homes, hospice care
19 centers, and long-term care facilities;

20 (G) except as provided under Section 22-33 of the
21 School Code and Section 75-31 of this Article,
22 knowingly in close physical proximity to anyone under
23 the age of 18 years of age;

24 (4) Smoking medical cannabis in any public place where
25 an individual could reasonably be expected to be observed
26 by others, in a health care facility, or any other place

1 where smoking is prohibited under the Smoke Free Illinois
2 Act;

3 (5) Operating, navigating, or being in actual physical
4 control of any motor vehicle, aircraft, or motorboat while
5 using or under the influence of cannabis in violation of
6 Sections 11-501 and 11-502.1 of the Illinois Vehicle Code;

7 (6) Using or possessing cannabis if that person does
8 not have a debilitating medical condition and is not a
9 registered qualifying patient or caregiver;

10 (7) Allowing any person who is not allowed to use
11 cannabis under this Article to use cannabis that a
12 cardholder is allowed to possess under this Article;

13 (8) Transferring cannabis to any person contrary to
14 the provisions of this Article;

15 (9) The use of medical cannabis by an active duty law
16 enforcement officer, correctional officer, correctional
17 probation officer, or firefighter; or

18 (10) The use of medical cannabis by a person who has a
19 school bus permit or a Commercial Driver's License.

20 (b) Nothing in this Article shall be construed to prevent
21 the arrest or prosecution of a registered qualifying patient
22 for reckless driving or driving under the influence of
23 cannabis where probable cause exists.

24 (c) Notwithstanding any other criminal penalties related
25 to the unlawful possession of cannabis, knowingly making a
26 misrepresentation to a law enforcement official of any fact or

1 circumstance relating to the medical use of cannabis to avoid
2 arrest or prosecution is a petty offense punishable by a fine
3 of up to \$1,000, which shall be in addition to any other
4 penalties that may apply for making a false statement or for
5 the use of cannabis other than use undertaken under this
6 Article.

7 (d) Notwithstanding any other criminal penalties related
8 to the unlawful possession of cannabis, any person who makes a
9 misrepresentation of a medical condition to a certifying
10 health care professional or fraudulently provides material
11 misinformation to a certifying health care professional in
12 order to obtain a written certification is guilty of a petty
13 offense punishable by a fine of up to \$1,000.

14 (e) Any cardholder or registered caregiver who sells
15 cannabis shall have the cardholder's or caregiver's registry
16 identification card revoked and is subject to other penalties
17 for the unauthorized sale of cannabis.

18 (f) Any registered qualifying patient who commits a
19 violation of Section 11-502.1 of the Illinois Vehicle Code or
20 refuses a properly requested test related to operating a motor
21 vehicle while under the influence of cannabis shall have the
22 patient's registry identification card revoked.

23 (g) No registered qualifying patient or designated
24 caregiver shall knowingly obtain, seek to obtain, or possess,
25 individually or collectively, an amount of usable cannabis
26 from a registered medical cannabis dispensing organization

1 that would cause the patient or caregiver to exceed the
2 authorized adequate supply under subsection (a) of Section
3 75-10.

4 (h) Nothing in this Article shall prevent a private
5 business from restricting or prohibiting the medical use of
6 cannabis on its property.

7 (i) Nothing in this Article shall prevent a university,
8 college, or other institution of post-secondary education from
9 restricting or prohibiting the use of medical cannabis on its
10 property.

11 (410 ILCS 705/75-31 new)

12 Sec. 75-31. Administration to persons with disabilities in
13 park district programs.

14 (a) Definitions. As used in this Section:

15 (1) "Park district" has the meaning as defined in
16 Section 1-3 of the Park District Code. "Park district"
17 includes the Chicago Park District as defined by the
18 Chicago Park District Act, any special recreational
19 association created by a park district through an
20 intergovernmental agreement, and any nonprofit
21 organization authorized by the park district or special
22 recreational association to administer a program for
23 persons with disabilities on its behalf.

24 (2) "Program participant" means a person with
25 disabilities who is a registered qualifying patient and

1 who participates in a summer camp, educational program, or
2 other similar program provided by a park district for
3 persons with disabilities.

4 (b) Subject to the restrictions under subsections (c)
5 through (f) of this Section, a park district shall authorize a
6 program participant's parent, guardian, or other designated
7 caregiver to administer a medical cannabis infused product to
8 the program participant on the premises of the park district
9 if both the program participant and the parent, guardian, or
10 other designated caregiver are cardholders. After
11 administering the medical cannabis infused product, the
12 parent, guardian, or other designated caregiver shall remove
13 the medical cannabis infused product from the premises of the
14 park district.

15 (c) A parent, guardian, or other designated caregiver may
16 not administer a medical cannabis infused product under this
17 Section in a manner that, in the opinion of the park district,
18 would create a disruption to the park district's program or
19 activity for persons with disabilities or would cause exposure
20 of the medical cannabis infused product to other program
21 participants.

22 (d) A park district may not discipline a program
23 participant who is administered a medical cannabis infused
24 product by a parent, guardian, or other designated caregiver
25 under this Section and may not deny the program participant's
26 eligibility to attend the park district's program or activity

1 for persons with disabilities solely because the program
2 participant requires the administration of the medical
3 cannabis infused product.

4 (e) Nothing in this Section requires a member of the park
5 district's staff to administer a medical cannabis infused
6 product to a program participant.

7 (f) A park district may not authorize the use of a medical
8 cannabis infused product under this Section if the park
9 district would lose federal funding as a result of the
10 authorization.

11 (410 ILCS 705/75-35 new)

12 Sec. 75-35. Certifying health care professional
13 requirements.

14 (a) A certifying health care professional who certifies a
15 debilitating medical condition for a qualifying patient shall
16 comply with all of the following requirements:

17 (1) The certifying health care professional shall be
18 currently licensed under the Medical Practice Act of 1987
19 to practice medicine in all its branches, the Nurse
20 Practice Act, or the Physician Assistant Practice Act of
21 1987, shall be in good standing, and must hold a
22 controlled substances license under Article III of the
23 Illinois Controlled Substances Act.

24 (2) A certifying health care professional certifying a
25 patient's condition shall comply with generally accepted

1 standards of medical practice, the provisions of the Act
2 under which he or she is licensed and all applicable
3 rules.

4 (3) The physical examination required by this Article
5 may not be performed by remote means, including
6 telemedicine.

7 (4) The certifying health care professional shall
8 maintain a record-keeping system for all patients for whom
9 the certifying health care professional has certified the
10 patient's medical condition. These records shall be
11 accessible to and subject to review by the Commission upon
12 request.

13 (b) A certifying health care professional may not:

14 (1) accept, solicit, or offer any form of remuneration
15 from or to a qualifying patient, primary caregiver,
16 cultivation center, or dispensing organization, including
17 each principal officer, board member, agent, and employee,
18 to certify a patient, other than accepting payment from a
19 patient for the fee associated with the required
20 examination, except for the limited purpose of performing
21 a medical cannabis-related research study;

22 (1.5) accept, solicit, or offer any form of
23 remuneration from or to a medical cannabis cultivation
24 center or dispensary organization for the purposes of
25 referring a patient to a specific dispensary organization;

26 (1.10) engage in any activity that is prohibited under

1 Section 22.2 of the Medical Practice Act of 1987,
2 regardless of whether the certifying health care
3 professional is a physician, advanced practice registered
4 nurse, or physician assistant;

5 (2) offer a discount of any other item of value to a
6 qualifying patient who uses or agrees to use a particular
7 primary caregiver or dispensing organization to obtain
8 medical cannabis;

9 (3) conduct a personal physical examination of a
10 patient for purposes of diagnosing a debilitating medical
11 condition at a location where medical cannabis is sold or
12 distributed or at the address of a principal officer,
13 agent, or employee or a medical cannabis organization;

14 (4) hold a direct or indirect economic interest in a
15 cultivation center or dispensing organization if he or she
16 recommends the use of medical cannabis to qualified
17 patients or is in a partnership or other fee or
18 profit-sharing relationship with a certifying health care
19 professional who recommends medical cannabis, except for
20 the limited purpose of performing a medical
21 cannabis-related research study;

22 (5) serve on the board of directors or as an employee
23 of a cultivation center or dispensing organization;

24 (6) refer patients to a cultivation center, a
25 dispensing organization, or a registered designated
26 caregiver; or

1 (7) advertise in a cultivation center or a dispensing
2 organization.

3 (c) The Commission may with reasonable cause investigate a
4 certifying health care professional, who has certified a
5 debilitating medical condition of a patient, for potential
6 violations of this Section.

7 (d) Any violation of this Section or any other provision
8 of this Article or rules adopted under this Article is a
9 violation of the certifying health care professional's
10 licensure act.

11 (e) A certifying health care professional who certifies a
12 debilitating medical condition for a qualifying patient may
13 notify the Department of Public Health in writing: (1) if the
14 certifying health care professional has reason to believe
15 either that the registered qualifying patient has ceased to
16 suffer from a debilitating medical condition; (2) that the
17 bona fide health care professional-patient relationship has
18 terminated; or (3) that continued use of medical cannabis
19 would result in contraindication with the patient's other
20 medication. The registered qualifying patient's registry
21 identification card shall be revoked by the Commission after
22 receiving the certifying health care professional's
23 notification.

24 (f) Nothing in this Article shall preclude a certifying
25 health care professional from referring a patient for health
26 services, except when the referral is limited to certification

1 purposes only, under this Article.

2 (410 ILCS 705/75-36 new)

3 Sec. 75-36. Written certification.

4 (a) A certification confirming a patient's debilitating
5 medical condition shall be written on a form provided by the
6 Commission and shall include, at a minimum, the following:

7 (1) the qualifying patient's name, date of birth, home
8 address, and primary telephone number;

9 (2) the certifying health care professional's name,
10 address, telephone number, email address, and medical,
11 advanced practice registered nurse, or physician assistant
12 license number, and the last 4 digits, only, of his or her
13 active controlled substances license under the Illinois
14 Controlled Substances Act and indication of specialty or
15 primary area of clinical practice, if any;

16 (3) the qualifying patient's debilitating medical
17 condition;

18 (4) a statement that the certifying health care
19 professional has confirmed a diagnosis of a debilitating
20 condition; is treating or managing treatment of the
21 patient's debilitating condition; has a bona fide health
22 care professional-patient relationship; has conducted an
23 in-person physical examination; and has conducted a review
24 of the patient's medical history, including reviewing
25 medical records from other treating health care

1 professionals, if any, from the previous 12 months;

2 (5) the certifying health care professional's
3 signature and date of certification; and

4 (6) a statement that a participant in possession of a
5 written certification indicating a debilitating medical
6 condition shall not be considered an unlawful user or
7 addicted to narcotics solely as a result of his or her
8 pending application to or participation in the
9 Compassionate Use of Medical Cannabis Program.

10 (b) A written certification does not constitute a
11 prescription for medical cannabis.

12 (c) Applications for qualifying patients under 18 years
13 old shall require a written certification from a certifying
14 health care professional and a reviewing certifying health
15 care professional.

16 (d) A certification confirming the patient's eligibility
17 to participate in the Opioid Alternative Pilot Program shall
18 be written on a form provided by the Department of Public
19 Health and shall include, at a minimum, the following:

20 (1) the participant's name, date of birth, home
21 address, and primary telephone number;

22 (2) the certifying health care professional's name,
23 address, telephone number, email address, and medical,
24 advanced practice registered nurse, or physician assistant
25 license number, and the last 4 digits, only, of his or her
26 active controlled substances license under the Illinois

1 Controlled Substances Act and indication of specialty or
2 primary area of clinical practice, if any;

3 (3) the certifying health care professional's
4 signature and date;

5 (4) the length of participation in the program, which
6 shall be limited to no more than 90 days;

7 (5) a statement identifying the patient has been
8 diagnosed with and is currently undergoing treatment for a
9 medical condition where an opioid has been or could be
10 prescribed; and

11 (6) a statement that a participant in possession of a
12 written certification indicating eligibility to
13 participate in the Opioid Alternative Pilot Program shall
14 not be considered an unlawful user or addicted to
15 narcotics solely as a result of his or her eligibility or
16 participation in the program.

17 (e) The Commission may provide a single certification form
18 for subsections (a) and (d) of this Section, provided that all
19 requirements of those subsections are included on the form.

20 (f) The Commission shall not include the word "cannabis"
21 on any application forms or written certification forms that
22 it issues under this Section.

23 (g) A written certification does not constitute a
24 prescription.

25 (h) It is unlawful for any person to knowingly submit a
26 fraudulent certification to be a qualifying patient in the

1 Compassionate Use of Medical Cannabis Program or an Opioid
2 Alternative Pilot Program participant. A violation of this
3 subsection shall result in the person who has knowingly
4 submitted the fraudulent certification being permanently
5 banned from participating in the Compassionate Use of Medical
6 Cannabis Program or the Opioid Alternative Pilot Program.

7 (410 ILCS 705/75-40 new)

8 Sec. 75-40. Discrimination prohibited.

9 (a)(1) No school, employer, or landlord may refuse to
10 enroll or lease to, or otherwise penalize, a person solely for
11 his or her status as a registered qualifying patient or a
12 registered designated caregiver, unless failing to do so would
13 put the school, employer, or landlord in violation of federal
14 law or unless failing to do so would cause it to lose a
15 monetary or licensing-related benefit under federal law or
16 rules. This does not prevent a landlord from prohibiting the
17 smoking of cannabis on the premises.

18 (2) For the purposes of medical care, including organ
19 transplants, a registered qualifying patient's authorized use
20 of cannabis in accordance with this Article is considered the
21 equivalent of the authorized use of any other medication used
22 at the direction of a certifying health care professional, and
23 may not constitute the use of an illicit substance or
24 otherwise disqualify a qualifying patient from needed medical
25 care.

1 (b) A person otherwise entitled to custody of or
2 visitation or parenting time with a minor may not be denied
3 that right, and there is no presumption of neglect or child
4 endangerment, for conduct allowed under this Article, unless
5 the person's actions in relation to cannabis were such that
6 they created an unreasonable danger to the safety of the minor
7 as established by clear and convincing evidence.

8 (c) No school, landlord, or employer may be penalized or
9 denied any benefit under State law for enrolling, leasing to,
10 or employing a cardholder.

11 (d) Nothing in this Article may be construed to require a
12 government medical assistance program, employer, property and
13 casualty insurer, or private health insurer to reimburse a
14 person for costs associated with the medical use of cannabis.

15 (e) Nothing in this Article may be construed to require
16 any person or establishment in lawful possession of property
17 to allow a guest, client, customer, or visitor who is a
18 registered qualifying patient to use cannabis on or in that
19 property.

20 (410 ILCS 705/75-45 new)

21 Sec. 75-45. Addition of debilitating medical conditions.

22 (a) Any resident may petition the Commission to add
23 debilitating conditions or treatments to the list of
24 debilitating medical conditions listed in subsection (h) of
25 Section 75-10. The Commission shall approve or deny a petition

1 within 180 days of its submission, and, upon approval, shall
2 proceed to add that condition by rule in accordance with the
3 Illinois Administrative Procedure Act. The approval or denial
4 of any petition is a final decision of the Commission, subject
5 to judicial review. Jurisdiction and venue are vested in the
6 Circuit Court.

7 (b) The Commission shall accept petitions once annually
8 for a one-month period determined by the Commission. During
9 the open period, the Commission shall accept petitions from
10 any resident requesting the addition of a new debilitating
11 medical condition or disease to the list of approved
12 debilitating medical conditions for which the use of cannabis
13 has been shown to have a therapeutic or palliative effect. The
14 Commission shall provide public notice 30 days before the open
15 period for accepting petitions, which shall describe the time
16 period for submission, the required format of the submission,
17 and the submission address.

18 (c) Each petition shall be limited to one proposed
19 debilitating medical condition or disease.

20 (d) A petitioner shall file one original petition in the
21 format provided by the Commission and in the manner specified
22 by the Commission. For a petition to be processed and
23 reviewed, the following information shall be included:

24 (1) The petition, prepared on forms provided by the
25 Commission, in the manner specified by the Commission.

26 (2) A specific description of the medical condition or

1 disease that is the subject of the petition. Each petition
2 shall be limited to a single condition or disease.
3 Information about the proposed condition or disease shall
4 include:

5 (A) the extent to which the condition or disease
6 itself or the treatments cause severe suffering, such
7 as severe or chronic pain, severe nausea or vomiting,
8 or otherwise severely impair a person's ability to
9 conduct activities of daily living;

10 (B) information about why conventional medical
11 therapies are not sufficient to alleviate the
12 suffering caused by the disease or condition and its
13 treatment;

14 (C) the proposed benefits from the medical use of
15 cannabis specific to the medical condition or disease;

16 (D) evidence from the medical community and other
17 experts supporting the use of medical cannabis to
18 alleviate suffering caused by the condition, disease,
19 or treatment;

20 (E) letters of support from physicians or other
21 licensed health care providers knowledgeable about the
22 condition or disease, including, if feasible, a letter
23 from a physician, advanced practice registered nurse,
24 or physician assistant with whom the petitioner has a
25 bona fide health care professional-patient
26 relationship;

1 (F) any additional medical, testimonial, or
2 scientific documentation; and

3 (G) an electronic copy of all materials submitted.

4 (3) Upon receipt of a petition, the Department shall:

5 (A) determine whether the petition meets the
6 standards for submission and, if so, shall accept the
7 petition for further review; or

8 (B) determine whether the petition does not meet
9 the standards for submission and, if so, shall deny
10 the petition without further review.

11 (4) If the petition does not fulfill the standards for
12 submission, the petition shall be considered deficient.

13 The Commission shall notify the petitioner, who may
14 correct any deficiencies and resubmit the petition during
15 the next open period.

16 (e) The petitioner may withdraw his or her petition by
17 submitting a written statement to the Commission indicating
18 withdrawal.

19 (f) Upon review of accepted petitions, the Director shall
20 render a final decision regarding the acceptance or denial of
21 the proposed debilitating medical conditions or diseases.

22 (g) The Commission shall convene a Medical Cannabis
23 Advisory Board (Advisory Board) composed of 16 members, which
24 shall include:

25 (1) one medical cannabis patient advocate or
26 designated caregiver;

1 (2) one parent or designated caregiver of a person
2 under the age of 18 who is a qualified medical cannabis
3 patient;

4 (3) two registered nurses or nurse practitioners;

5 (4) three registered qualifying patients, including
6 one veteran; and

7 (5) nine health care practitioners with current
8 professional licensure in their field. The Advisory Board
9 shall be composed of health care practitioners
10 representing the following areas:

11 (A) neurology;

12 (B) pain management;

13 (C) medical oncology;

14 (D) psychiatry or mental health;

15 (E) infectious disease;

16 (F) family medicine;

17 (G) general primary care;

18 (H) medical ethics;

19 (I) pharmacy;

20 (J) pediatrics; or

21 (K) psychiatry or mental health for children or
22 adolescents.

23 At least one appointed health care practitioner shall have
24 direct experience related to the health care needs of veterans
25 and at least one individual shall have pediatric experience.

26 (h) Members of the Advisory Board shall be appointed by

1 the Governor.

2 (1) Members shall serve a term of 4 years or until a
3 successor is appointed and qualified. If a vacancy occurs,
4 the Governor shall appoint a replacement to complete the
5 original term created by the vacancy.

6 (2) The Governor shall select a chairperson.

7 (3) Members may serve multiple terms.

8 (4) Members shall not have an affiliation with, serve
9 on the board of, or have a business relationship with a
10 registered cultivation center or a registered medical
11 cannabis dispensary.

12 (5) Members shall disclose any real or apparent
13 conflicts of interest that may have a direct bearing of
14 the subject matter, such as relationships with
15 pharmaceutical companies, biomedical device
16 manufacturers, or corporations whose products or services
17 are related to the medical condition or disease to be
18 reviewed.

19 (6) Members shall not be paid but shall be reimbursed
20 for travel expenses incurred while fulfilling the
21 responsibilities of the Advisory Board.

22 (i) On June 30, 2016 (the effective date of Public Act
23 99-519), the terms of office of the members of the Advisory
24 Board serving on that date shall terminate and the Board shall
25 be reconstituted.

26 (j) The Advisory Board shall convene at the call of the

1 Chair:

2 (1) to examine debilitating conditions or diseases
3 that would benefit from the medical use of cannabis; and
4 (2) to review new medical and scientific evidence
5 pertaining to currently approved conditions.

6 (k) The Advisory Board shall issue an annual report of its
7 activities each year.

8 (l) The Advisory Board shall receive administrative
9 support from the Department.

10 (410 ILCS 705/75-50 new)

11 Sec. 75-50. Employment; employer liability.

12 (a) Nothing in this Article shall prohibit an employer
13 from adopting reasonable regulations concerning the
14 consumption, storage, or timekeeping requirements for
15 qualifying patients related to the use of medical cannabis.

16 (b) Nothing in this Article shall prohibit an employer
17 from enforcing a policy concerning drug testing,
18 zero-tolerance, or a drug free workplace provided the policy
19 is applied in a nondiscriminatory manner.

20 (c) Nothing in this Article shall limit an employer from
21 disciplining a registered qualifying patient for violating a
22 workplace drug policy.

23 (d) Nothing in this Article shall limit an employer's
24 ability to discipline an employee for failing a drug test if
25 failing to do so would put the employer in violation of federal

1 law or cause it to lose a federal contract or funding.

2 (e) Nothing in this Article shall be construed to create a
3 defense for a third party who fails a drug test.

4 (f) An employer may consider a registered qualifying
5 patient to be impaired when he or she manifests specific,
6 articulable symptoms while working that decrease or lessen his
7 or her performance of the duties or tasks of the employee's job
8 position, including symptoms of the employee's speech,
9 physical dexterity, agility, coordination, demeanor,
10 irrational or unusual behavior, negligence or carelessness in
11 operating equipment or machinery, disregard for the safety of
12 the employee or others, or involvement in an accident that
13 results in serious damage to equipment or property, disruption
14 of a production or manufacturing process, or carelessness that
15 results in any injury to the employee or others. If an employer
16 elects to discipline a qualifying patient under this
17 subsection, it must afford the employee a reasonable
18 opportunity to contest the basis of the determination.

19 (g) Nothing in this Article shall be construed to create
20 or imply a cause of action for any person against an employer
21 for: (1) actions based on the employer's good faith belief
22 that a registered qualifying patient used or possessed
23 cannabis while on the employer's premises or during the hours
24 of employment; (2) actions based on the employer's good faith
25 belief that a registered qualifying patient was impaired while
26 working on the employer's premises during the hours of

1 employment; (3) injury or loss to a third party if the employer
2 neither knew nor had reason to know that the employee was
3 impaired.

4 (h) Nothing in this Article shall be construed to
5 interfere with any federal restrictions on employment
6 including but not limited to the United States Department of
7 Transportation regulation 49 CFR 40.151(e).

8 (410 ILCS 705/75-55 new)

9 Sec. 75-55. Registration of qualifying patients and
10 designated caregivers.

11 (a) The Commission shall issue registry identification
12 cards to qualifying patients and designated caregivers who
13 submit a completed application, and at minimum, the following,
14 in accordance with Commission rules:

15 (1) A written certification, on a form developed by
16 the Commission consistent with Section 75-36 and issued by
17 a certifying health care professional, within 90 days
18 immediately preceding the date of an application and
19 submitted by the qualifying patient or his or her
20 designated caregiver;

21 (2) upon the execution of applicable privacy waivers,
22 the patient's medical documentation related to his or her
23 debilitating condition and any other information that may
24 be reasonably required by the Commission to confirm that
25 the certifying health care professional and patient have a

1 bona fide health care professional-patient relationship,
2 that the qualifying patient is in the certifying health
3 care professional's care for his or her debilitating
4 medical condition, and to substantiate the patient's
5 diagnosis;

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

7 (4) the name, address, date of birth, and social
8 security number of the qualifying patient, except that if
9 the applicant is unhoused no address is required;

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

12 (6) the name, address, and date of birth of the
13 designated caregiver, if any, chosen by the qualifying
14 patient;

15 (7) (blank);

16 (8) signed statements from the patient and designated
17 caregiver asserting that they will not divert medical
18 cannabis; and

19 (9) (blank).

20 (b) Notwithstanding any other provision of this Article, a
21 person provided a written certification for a debilitating
22 medical condition who has submitted a completed online
23 application to the Commission shall receive a provisional
24 registration and be entitled to purchase medical cannabis from
25 a licensed dispensing organization for a period of 90 days or
26 until the person's application has been denied or the person

1 receives a registry identification card, whichever is earlier.
2 However, a person may obtain an additional provisional
3 registration after the expiration of 90 days after the date of
4 application if the Commission does not provide the individual
5 with a registry identification card or deny the individual's
6 application within those 90 days.

7 The provisional registration may not be extended if the
8 individual does not respond to the Commission's request for
9 additional information or corrections to required application
10 documentation.

11 In order for a person to receive medical cannabis under
12 this subsection, a person must present his or her provisional
13 registration along with a valid driver's license or State
14 identification card to the licensed dispensing organization.
15 The dispensing organization shall verify the person's
16 provisional registration through the Department of Public
17 Health's online verification system.

18 Upon verification of the provided documents, the
19 dispensing organization shall dispense no more than 2.5 ounces
20 of medical cannabis during a 14-day period to the person for a
21 period of 90 days, until the person's application has been
22 denied, or until the person receives a registry identification
23 card from the Department of Public Health, whichever is
24 earlier.

25 Persons with provisional registrations must keep their
26 provisional registration in their possession at all times when

1 transporting or engaging in the medical use of cannabis.

2 (c) No person or business shall charge a fee for
3 assistance in the preparation, compilation, or submission of
4 an application to the Compassionate Use of Medical Cannabis
5 Program or the Opioid Alternative Pilot Program. A violation
6 of this subsection is a Class C misdemeanor, for which
7 restitution to the applicant and a fine of up to \$1,500 may be
8 imposed. All fines shall be deposited into the Compassionate
9 Use of Medical Cannabis Fund after restitution has been made
10 to the applicant. The Commission shall refer individuals
11 making complaints against a person or business under this
12 Section to the Illinois State Police, who shall enforce
13 violations of this provision. All application forms issued by
14 the Commission shall state that no person or business may
15 charge a fee for assistance in the preparation, compilation,
16 or submission of an application to the Compassionate Use of
17 Medical Cannabis Program or the Opioid Alternative Pilot
18 Program.

19 (410 ILCS 705/75-57 new)

20 Sec. 75-57. Qualifying patients.

21 (a) Qualifying patients that are under the age of 18 years
22 shall not be prohibited from appointing designated caregivers
23 who meet the definition of "designated caregiver" under
24 Section 75-10 so long as at least one designated caregiver is a
25 biological parent or legal guardian.

1 (b) Qualifying patients that are 18 years of age or older
2 shall not be prohibited from appointing designated caregivers
3 who meet the definition of "designated caregiver" under
4 Section 75-10.

5 (410 ILCS 705/75-60 new)

6 Sec. 75-60. Issuance of registry identification cards.

7 (a) Except as provided in subsection (b), the Department
8 of Public Health shall:

9 (1) verify the information contained in an application
10 or renewal for a registry identification card submitted
11 under this Article, and approve or deny an application or
12 renewal, within 90 days of receiving a completed
13 application or renewal application and all supporting
14 documentation specified in Section 75-55;

15 (2) issue registry identification cards to a
16 qualifying patient and his or her designated caregiver, if
17 any, within 15 business days of approving the application
18 or renewal;

19 (3) enter the registry identification number of the
20 registered dispensing organization the patient designates
21 into the verification system; and

22 (4) allow for an electronic application process, and
23 provide a confirmation by electronic or other methods that
24 an application has been submitted.

25 Notwithstanding any other provision of this Article, the

1 Commission shall adopt rules for qualifying patients and
2 applicants with life-long debilitating medical conditions, who
3 may be charged annual renewal fees. The Department of Public
4 Health shall not require patients and applicants with
5 life-long debilitating medical conditions to apply to renew
6 registry identification cards.

7 (b) The Commission may not issue a registry identification
8 card to a qualifying patient who is under 18 years of age,
9 unless that patient suffers from seizures, including those
10 characteristic of epilepsy, or as provided by administrative
11 rule. The Commission shall adopt rules for the issuance of a
12 registry identification card for qualifying patients who are
13 under 18 years of age and suffering from seizures, including
14 those characteristic of epilepsy. The Commission may adopt
15 rules to allow other individuals under 18 years of age to
16 become registered qualifying patients under this Article with
17 the consent of a parent or legal guardian. Registered
18 qualifying patients under 18 years of age shall be prohibited
19 from consuming forms of cannabis other than medical cannabis
20 infused products and purchasing any usable cannabis.

21 (c) A veteran who has received treatment at a VA hospital
22 is deemed to have a bona fide health care professional-patient
23 relationship with a VA certifying health care professional if
24 the patient has been seen for his or her debilitating medical
25 condition at the VA hospital in accordance with VA hospital
26 protocols. All reasonable inferences regarding the existence

1 of a bona fide health care professional-patient relationship
2 shall be drawn in favor of an applicant who is a veteran and
3 has undergone treatment at a VA hospital.

4 (c-10) An individual who submits an application as someone
5 who is terminally ill shall have all fees waived. The
6 Commission shall within 30 days after this amendatory Act of
7 the 103rd General Assembly adopt emergency rules to expedite
8 approval for terminally ill individuals. These rules shall
9 include, but not be limited to, rules that provide that
10 applications by individuals with terminal illnesses shall be
11 approved or denied within 14 days of their submission.

12 (d) No later than 6 months after the effective date of this
13 amendatory Act of the 103rd General Assembly, the Secretary of
14 State shall remove all existing notations on driving records
15 that the person is a registered qualifying patient or his or
16 her caregiver under this Article.

17 (e) Upon the approval of the registration and issuance of
18 a registry card under this Section, the Commission shall
19 electronically forward the registered qualifying patient's
20 identification card information to the Prescription Monitoring
21 Program established under the Illinois Controlled Substances
22 Act and certify that the individual is permitted to engage in
23 the medical use of cannabis. For the purposes of patient care,
24 the Prescription Monitoring Program shall make a notation on
25 the person's prescription record stating that the person is a
26 registered qualifying patient who is entitled to the lawful

1 medical use of cannabis. If the person no longer holds a valid
2 registry card, the Department of Public Health shall notify
3 the Prescription Monitoring Program and Department of Human
4 Services to remove the notation from the person's record. The
5 Department of Human Services and the Prescription Monitoring
6 Program shall establish a system by which the information may
7 be shared electronically. This confidential list may not be
8 combined or linked in any manner with any other list or
9 database except as provided in this Section.

10 (f) (Blank).

11 (410 ILCS 705/75-62 new)

12 Sec. 75-62. Opioid Alternative Pilot Program.

13 (a) The Department of Public Health shall establish the
14 Opioid Alternative Pilot Program and the Commission shall have
15 oversight after July 1, 2023. Licensed dispensing
16 organizations shall allow persons with a written certification
17 from a certifying health care professional under Section 75-36
18 to purchase medical cannabis upon enrollment in the Opioid
19 Alternative Pilot Program. The Department of Public Health
20 shall adopt rules or establish procedures allowing qualified
21 veterans to participate in the Opioid Alternative Pilot
22 Program and after July 1, 2023 the Commission thereafter. For
23 a person to receive medical cannabis under this Section, the
24 person must present the written certification along with a
25 valid driver's license or state identification card to the

1 licensed dispensing organization specified in his or her
2 application. The dispensing organization shall verify the
3 person's status as an Opioid Alternative Pilot Program
4 participant through the Commission's online verification
5 system.

6 (b) The Opioid Alternative Pilot Program shall be limited
7 to participation by Illinois residents age 21 and older.

8 (c) The Commission shall specify that all licensed
9 dispensing organizations participating in the Opioid
10 Alternative Pilot Program use the Illinois Cannabis Tracking
11 System. The Commission shall establish and maintain the
12 Illinois Cannabis Tracking System. The Illinois Cannabis
13 Tracking System shall be used to collect information about all
14 persons participating in the Opioid Alternative Pilot Program
15 and shall be used to track the sale of medical cannabis for
16 verification purposes.

17 Each dispensing organization shall retain a copy of the
18 Opioid Alternative Pilot Program certification and other
19 identifying information as required by the Commission in the
20 Illinois Cannabis Tracking System.

21 The Illinois Cannabis Tracking System shall be accessible
22 to the Illinois State Police.

23 The Commission shall specify the data requirements for the
24 Opioid Alternative Pilot Program by licensed dispensing
25 organizations; including, but not limited to, the
26 participant's full legal name, address, and date of birth,

1 date on which the Opioid Alternative Pilot Program
2 certification was issued, length of the participation in the
3 Program, including the start and end date to purchase medical
4 cannabis, name of the issuing physician, copy of the
5 participant's current driver's license or State identification
6 card, and phone number.

7 The Illinois Cannabis Tracking System shall provide
8 verification of a person's participation in the Opioid
9 Alternative Pilot Program for law enforcement at any time and
10 on any day.

11 (d) The certification for Opioid Alternative Pilot Program
12 participant must be issued by a certifying health care
13 professional who is licensed to practice in Illinois under the
14 Medical Practice Act of 1987, the Nurse Practice Act, or the
15 Physician Assistant Practice Act of 1987 and who is in good
16 standing and holds a controlled substances license under
17 Article III of the Illinois Controlled Substances Act.

18 The certification for an Opioid Alternative Pilot Program
19 participant shall be written within 90 days before the
20 participant submits his or her certification to the dispensing
21 organization.

22 The written certification uploaded to the Illinois
23 Cannabis Tracking System shall be accessible to the
24 Commission.

25 (e) Upon verification of the individual's valid
26 certification and enrollment in the Illinois Cannabis Tracking

1 System, the dispensing organization may dispense the medical
2 cannabis, in amounts not exceeding 2.5 ounces of medical
3 cannabis per 14-day period to the participant at the
4 participant's specified dispensary for no more than 90 days.

5 An Opioid Alternative Pilot Program participant shall not
6 be registered as a medical cannabis cardholder. The dispensing
7 organization shall verify that the person is not an active
8 registered qualifying patient prior to enrollment in the
9 Opioid Alternative Pilot Program and each time medical
10 cannabis is dispensed.

11 Upon receipt of a written certification under the Opioid
12 Alternative Pilot Program, the Commission shall electronically
13 forward the patient's identification information to the
14 Prescription Monitoring Program established under the Illinois
15 Controlled Substances Act and certify that the individual is
16 permitted to engage in the medical use of cannabis. For the
17 purposes of patient care, the Prescription Monitoring Program
18 shall make a notation on the person's prescription record
19 stating that the person has a written certification under the
20 Opioid Alternative Pilot Program and is a patient who is
21 entitled to the lawful medical use of cannabis. If the person
22 is no longer authorized to engage in the medical use of
23 cannabis, the Commission shall notify the Prescription
24 Monitoring Program and Department of Human Services to remove
25 the notation from the person's record. The Department of Human
26 Services and the Prescription Monitoring Program shall

1 establish a system by which the information may be shared
2 electronically. This confidential list may not be combined or
3 linked in any manner with any other list or database except as
4 provided in this Section.

5 (f) An Opioid Alternative Pilot Program participant shall
6 not be considered a qualifying patient with a debilitating
7 medical condition under this Article and shall be provided
8 access to medical cannabis solely for the duration of the
9 participant's certification. Nothing in this Section shall be
10 construed to limit or prohibit an Opioid Alternative Pilot
11 Program participant who has a debilitating medical condition
12 from applying to the Compassionate Use of Medical Cannabis
13 Program.

14 (g) A person with a provisional registration under Section
15 75-55 shall not be considered an Opioid Alternative Pilot
16 Program participant.

17 (h) The Department of Financial and Professional
18 Regulation and the Department of Public Health shall submit
19 emergency rulemaking to implement the changes made by this
20 amendatory Act of the 103rd General Assembly by December 1,
21 2018. The Department of Financial and Professional Regulation,
22 the Department of Agriculture, the Department of Human
23 Services, the Department of Public Health, and the Illinois
24 State Police shall utilize emergency purchase authority for 12
25 months after the effective date of this amendatory Act of the
26 103rd General Assembly for the purpose of implementing the

1 changes made by this amendatory Act of the 103rd General
2 Assembly.

3 (i) Dispensing organizations are not authorized to
4 dispense medical cannabis to Opioid Alternative Pilot Program
5 participants until administrative rules are approved by the
6 Joint Committee on Administrative Rules and go into effect.

7 (j) The provisions of this Section are inoperative on and
8 after July 1, 2025.

9 (410 ILCS 705/75-65 new)

10 Sec. 75-65. Denial of registry identification cards.

11 (a) The Commission may deny an application or renewal of a
12 qualifying patient's registry identification card only if the
13 applicant:

14 (1) did not provide the required information and
15 materials;

16 (2) previously had a registry identification card
17 revoked;

18 (3) did not meet the requirements of this Article;

19 (4) provided false or falsified information; or

20 (5) violated any requirement of this Article.

21 (b) (Blank).

22 (b-5) (Blank).

23 (c) The Commission may deny an application or renewal for
24 a designated caregiver chosen by a qualifying patient whose
25 registry identification card was granted only if:

1 (1) the designated caregiver does not meet the
2 requirements of subsection (i) of Section 75-10;

3 (2) the applicant did not provide the information
4 required;

5 (3) the prospective patient's application was denied;

6 (4) the designated caregiver previously had a registry
7 identification card revoked;

8 (5) the applicant or the designated caregiver provided
9 false or falsified information; or

10 (6) violated any requirement of this Article.

11 (d) (Blank).

12 (e) The Commission shall notify the qualifying patient who
13 has designated someone to serve as the patient's designated
14 caregiver if a registry identification card will not be issued
15 to the designated caregiver.

16 (f) Denial of an application or renewal is considered a
17 final Commission action, subject to judicial review.
18 Jurisdiction and venue for judicial review are vested in the
19 Circuit Court.

20 (410 ILCS 705/75-70 new)

21 Sec. 75-70. Registry identification cards.

22 (a) A registered qualifying patient or designated
23 caregiver must keep their registry identification card in the
24 patient's or caregiver's possession at all times when engaging
25 in the medical use of cannabis.

1 (b) Registry identification cards shall contain the
2 following:

3 (1) the name of the cardholder;

4 (2) a designation of whether the cardholder is a
5 designated caregiver or qualifying patient;

6 (3) the date of issuance and expiration date of the
7 registry identification card;

8 (4) a random alphanumeric identification number that
9 is unique to the cardholder;

10 (5) if the cardholder is a designated caregiver, the
11 random alphanumeric identification number of the
12 registered qualifying patient the designated caregiver is
13 receiving the registry identification card to assist; and

14 (6) a photograph of the cardholder, if required by
15 Commission rules.

16 (c) To maintain a valid registration identification card,
17 a registered qualifying patient and caregiver must annually
18 resubmit, at least 45 days prior to the expiration date stated
19 on the registry identification card, a completed renewal
20 application, renewal fee, and accompanying documentation as
21 described in Commission rules. The Commission shall send a
22 notification to a registered qualifying patient or registered
23 designated caregiver 90 days prior to the expiration of the
24 registered qualifying patient's or registered designated
25 caregiver's identification card. If the Commission fails to
26 grant or deny a renewal application received in accordance

1 with this Section, then the renewal is deemed granted and the
2 registered qualifying patient or registered designated
3 caregiver may continue to use the expired identification card
4 until the Commission denies the renewal or issues a new
5 identification card.

6 (d) Except as otherwise provided in this Section, the
7 expiration date is 3 years after the date of issuance.

8 (e) The Commission may electronically store in the card
9 any or all of the information listed in subsection (b), along
10 with the address and date of birth of the cardholder and the
11 qualifying patient's designated dispensary organization, to
12 allow it to be read by law enforcement agents.

13 (410 ILCS 705/75-75 new)

14 Sec. 75-75. Notifications to Commission and responses;
15 civil penalty.

16 (a) The following notifications and Commission responses
17 are required:

18 (1) A registered qualifying patient shall notify the
19 Commission of any change in the patient's name or address,
20 or if the registered qualifying patient ceases to have the
21 debilitating medical condition, within 10 days of the
22 change.

23 (2) A registered designated caregiver shall notify the
24 Commission of any change in the caregiver's name or
25 address, or if the designated caregiver becomes aware the

1 registered qualifying patient passed away, within 10 days
2 of the change.

3 (3) Before a registered qualifying patient changes the
4 patient's designated caregiver, the qualifying patient
5 must notify the Commission.

6 (4) If a cardholder loses the cardholder's registry
7 identification card, he or she shall notify the Commission
8 within 10 days of becoming aware the card has been lost.

9 (b) When a cardholder notifies the Commission of items
10 listed in subsection (a), but remains eligible under this
11 Article, the Commission shall issue the cardholder a new
12 registry identification card with a new random alphanumeric
13 identification number within 15 business days of receiving the
14 updated information and a fee as specified in Commission
15 rules. If the person notifying the Commission is a registered
16 qualifying patient, the Department shall also issue his or her
17 registered designated caregiver, if any, a new registry
18 identification card within 15 business days of receiving the
19 updated information.

20 (c) If a registered qualifying patient ceases to be a
21 registered qualifying patient or changes his or her registered
22 designated caregiver, the Commission shall promptly notify the
23 designated caregiver. The registered designated caregiver's
24 protections under this Article as to that qualifying patient
25 shall expire 15 days after notification by the Department.

26 (d) A cardholder who fails to make a notification to the

1 Commission that is required by this Section is subject to a
2 civil infraction, punishable by a penalty of no more than
3 \$150.

4 (e) If the registered qualifying patient's certifying
5 health care professional notifies the Department in writing
6 that either the registered qualifying patient has ceased to
7 suffer from a debilitating medical condition, that the bona
8 fide health care professional-patient relationship has
9 terminated, or that continued use of medical cannabis would
10 result in contraindication with the patient's other
11 medication, the card shall become null and void. However, the
12 registered qualifying patient shall have 15 days to destroy
13 his or her remaining medical cannabis and related
14 paraphernalia.

15 (410 ILCS 705/75-80 new)

16 Sec. 75-80. Preparation of cannabis infused products.

17 (a) Notwithstanding any other provision of law, neither
18 the Department of Public Health nor the Commission nor the
19 health department of a unit of local government may regulate
20 the service of food by a registered cultivation center or
21 registered dispensing organization provided that all of the
22 following conditions are met:

23 (1) No cannabis infused products requiring
24 refrigeration or hot-holding shall be manufactured at a
25 cultivation center for sale or distribution at a

1 dispensing organization due to the potential for
2 food-borne illness.

3 (2) Baked products infused with medical cannabis (such
4 as brownies, bars, cookies, cakes), tinctures, and other
5 non-refrigerated items are acceptable for sale at
6 dispensing organizations. The products are allowable for
7 sale only at registered dispensing organizations.

8 (3) All items shall be individually wrapped at the
9 original point of preparation. The packaging of the
10 medical cannabis infused product shall conform to the
11 labeling requirements of the Illinois Food, Drug and
12 Cosmetic Act and shall include the following information
13 on each product offered for sale or distribution:

14 (A) the name and address of the registered
15 cultivation center where the item was manufactured;

16 (B) the common or usual name of the item;

17 (C) all ingredients of the item, including any
18 colors, artificial flavors, and preservatives, listed
19 in descending order by predominance of weight shown
20 with common or usual names;

21 (D) the following phrase: "This product was
22 produced in a medical cannabis cultivation center not
23 subject to public health inspection that may also
24 process common food allergens.";

25 (E) allergen labeling as specified in the Federal
26 Food, Drug and Cosmetics Act, Federal Fair Packaging

1 and Labeling Act, and the Illinois Food, Drug and
2 Cosmetic Act;

3 (F) the pre-mixed total weight (in ounces or
4 grams) of usable cannabis in the package;

5 (G) a warning that the item is a medical cannabis
6 infused product and not a food must be distinctly and
7 clearly legible on the front of the package;

8 (H) a clearly legible warning emphasizing that the
9 product contains medical cannabis and is intended for
10 consumption by registered qualifying patients only;
11 and

12 (I) date of manufacture and "use by date".

13 (4) Any dispensing organization that sells edible
14 cannabis infused products must display a placard that
15 states the following: "Edible cannabis infused products
16 were produced in a kitchen not subject to public health
17 inspections that may also process common food allergens."
18 The placard shall be no smaller than 24" tall by 36" wide,
19 with typed letters no smaller than 2". The placard shall
20 be clearly visible and readable by customers and shall be
21 written in English.

22 (5) Cannabis infused products for sale or distribution
23 at a dispensing organization must be prepared by an
24 approved staff member of a registered cultivation center.

25 (6) A cultivation center that prepares cannabis
26 infused products for sale or distribution at a dispensing

1 organization shall be under the operational supervision of
2 a Department of Public Health certified food service
3 sanitation manager.

4 (b) The Commission in collaboration with the Department of
5 Public Health shall adopt rules for the manufacture of medical
6 cannabis-infused products and shall enforce these provisions,
7 and for that purpose it may at all times enter every building,
8 room, basement, enclosure, or premises occupied or used or
9 suspected of being occupied or used for the production,
10 preparation, manufacture for sale, storage, sale, distribution
11 or transportation of medical cannabis edible products, to
12 inspect the premises and all utensils, fixtures, furniture,
13 and machinery used for the preparation of these products.

14 (c) If a local health organization has a reasonable belief
15 that a cultivation center's cannabis-infused product poses a
16 public health hazard, it may refer the cultivation center to
17 the Department of Public Health and the Commission. If the
18 Department of Public Health in collaboration with the
19 Commission finds that a cannabis-infused product poses a
20 health hazard, the Commission may without administrative
21 procedure to bond, bring an action for immediate injunctive
22 relief to require that action be taken as the court may deem
23 necessary to meet the hazard of the cultivation center.

24 (410 ILCS 705/75-115.5 new)

25 Sec. 75-115.5. Social Equity Justice Involved Medical

1 Lottery.

2 (a) In this Section:

3 "By lot" has the same meaning as defined in Section 1-10.

4 "Qualifying Applicant" has the same meaning as defined in
5 subsection (a-5) of Section 75-115.

6 "Social Equity Justice Involved Applicant" has the same
7 meaning as defined in subsection (a-5) of Section 75-115.

8 "Social Equity Justice Involved Medical Lottery" means the
9 process of issuing 5 available medical cannabis dispensing
10 organization registrations by lot, conducted by the Department
11 of Financial and Professional Regulation, for applicants who
12 are either: (i) Social Equity Justice Involved Applicants; or
13 (ii) Qualifying Applicants.

14 (b) The Department of Financial and Professional
15 Regulation and, after July 1, 2023, the Commission, shall
16 conduct a Social Equity Justice Involved Medical Lottery to
17 award up to 5 medical cannabis dispensing organization
18 registrations by lot in accordance with Section 75-115.

19 (c) The Department of Financial and Professional
20 Regulation and, after July 1, 2023, the Commission, shall
21 adopt rules through emergency rulemaking in accordance with
22 subsection (kk) of Section 5-45 of the Illinois Administrative
23 Procedure Act to create a registration process, a streamlined
24 application, an application fee not to exceed \$5,000 for
25 purposes of this Section, and limits on the number of entries
26 into the Social Equity Justice Involved Medical Lottery, as

1 well as any other measures to reduce barriers to enter the
2 cannabis industry. The General Assembly finds that the
3 adoption of rules to regulate cannabis use is deemed an
4 emergency and necessary for the public interest, safety, and
5 welfare.

6 (d) Social Equity Justice Involved Applicants awarded a
7 registration under subsection (a-5) of Section 75-115 are
8 eligible to serve purchasers at the same site and a secondary
9 site under this Act, subject to application and inspection
10 processes established by the Department. The licenses issued
11 under this Section shall be valid for 2 years after the date of
12 issuance and shall renew in the manner proscribed by the
13 Department.

14 (e) No applicant may be awarded more than one medical
15 cannabis dispensing organization registration at the
16 conclusion of the lottery conducted under this Section.

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

20 (410 ILCS 705/75-140 new)

21 Sec. 75-140. Local ordinances. A unit of local government
22 may enact reasonable zoning ordinances or resolutions, not in
23 conflict with this Article or with Department of Agriculture
24 or Department of Financial and Professional Regulation rules,
25 regulating registered medical cannabis cultivation center or

1 medical cannabis dispensing organizations. No unit of local
2 government, including a home rule unit, or school district may
3 regulate registered medical cannabis organizations other than
4 as provided in this Article and may not unreasonably prohibit
5 the cultivation, dispensing, and use of medical cannabis
6 authorized by this Article. This Section is a denial and
7 limitation under subsection (i) of Section 6 of Article VII of
8 the Illinois Constitution on the concurrent exercise by home
9 rule units of powers and functions exercised by the State.

10 (410 ILCS 705/75-145 new)

11 Sec. 75-145. Confidentiality.

12 (a) The following information received and records kept by
13 the Department of Public Health, Department of Financial and
14 Professional Regulation, Department of Agriculture, or
15 Illinois State Police and, after July 1, 2023, the Commission,
16 for purposes of administering this Article are subject to all
17 applicable federal privacy laws, confidential, and exempt from
18 the Freedom of Information Act, and not subject to disclosure
19 to any individual or public or private entity, except as
20 necessary for authorized employees of those authorized
21 agencies to perform official duties under this Article and the
22 following information received and records kept by the
23 Department of Public Health, Department of Agriculture,
24 Department of Financial and Professional Regulation, Illinois
25 State Police, and the Commission excluding any existing or

1 non-existing Illinois or national criminal history record
2 information as defined in subsection (d), may be disclosed to
3 each other upon request:

4 (1) Applications and renewals, their contents, and
5 supporting information submitted by qualifying patients
6 and designated caregivers, including information regarding
7 their designated caregivers and certifying health care
8 professionals.

9 (2) Applications and renewals, their contents, and
10 supporting information submitted by or on behalf of
11 cultivation centers and dispensing organizations in
12 compliance with this Article, including their physical
13 addresses. This does not preclude the release of ownership
14 information of cannabis business establishment licenses.

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

18 (4) Any dispensing information required to be kept
19 under Section 75-135, Section 75-150, or Department of
20 Public Health, Department of Agriculture, Department of
21 Financial and Professional Regulation, and Commission
22 rules shall identify cardholders and registered
23 cultivation centers by their registry identification
24 numbers and medical cannabis dispensing organizations by
25 their registration number and not contain names or other
26 personally identifying information.

1 (5) All medical records provided to the Department of
2 Public Health and the Commission in connection with an
3 application for a registry card.

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

5 (1) Department of Agriculture, Department of Financial
6 and Professional Regulation, Public Health, or Commission
7 employees may notify law enforcement about falsified or
8 fraudulent information submitted to the Departments if the
9 employee who suspects that falsified or fraudulent
10 information has been submitted conferred with his or her
11 supervisor and both agree that circumstances exist that
12 warrant reporting.

13 (2) If the employee conferred with the employee's
14 supervisor and both agree that circumstances exist that
15 warrant reporting, Commission employees may notify the
16 Department of Financial and Professional Regulation if
17 there is reasonable cause to believe a certifying health
18 care professional:

19 (A) issued a written certification without a bona
20 fide health care professional-patient relationship
21 under this Article;

22 (B) issued a written certification to a person who
23 was not under the certifying health care
24 professional's care for the debilitating medical
25 condition; or

26 (C) failed to abide by the acceptable and

1 prevailing standard of care when evaluating a
2 patient's medical condition.

3 (3) The Department of Public Health, Department of
4 Agriculture, and Department of Financial and Professional
5 Regulation and, after July 1, 2023, the Commission, may
6 notify State or local law enforcement about apparent
7 criminal violations of this Article if the employee who
8 suspects the offense has conferred with the employee's
9 supervisor and both agree that circumstances exist that
10 warrant reporting.

11 (4) Medical cannabis cultivation center agents and
12 medical cannabis dispensing organizations may notify the
13 Department of Public Health, Department of Financial and
14 Professional Regulation, or Department of Agriculture and,
15 after July 1, 2023, the Commission, of a suspected
16 violation or attempted violation of this Article or the
17 rules issued under it.

18 (5) The Commission may verify registry identification
19 cards under Section 75-150.

20 (6) The submission of the report to the General
21 Assembly under Section 75-160.

22 (b-5) Each Department responsible for licensure under this
23 Article shall publish on the Department's website a list of
24 the ownership information of cannabis business establishment
25 licensees under the Department's jurisdiction. The list shall
26 include, but shall not be limited to, the name of the person or

1 entity holding each cannabis business establishment license
2 and the address at which the entity is operating under this
3 Article. This list shall be published and updated monthly.

4 (c) Except for any ownership information released pursuant
5 to subsection (b-5) or as otherwise authorized or required by
6 law, it is a Class B misdemeanor with a \$1,000 fine for any
7 person, including an employee or official of the Department of
8 Public Health, Department of Financial and Professional
9 Regulation, or Department of Agriculture or another State
10 agency or local government, to breach the confidentiality of
11 information obtained under this Article.

12 (d) The Department of Public Health, the Department of
13 Agriculture, the Illinois State Police, and the Department of
14 Financial and Professional Regulation shall not share or
15 disclose any existing or non-existing Illinois or national
16 criminal history record information. For the purposes of this
17 Section, "any existing or non-existing Illinois or national
18 criminal history record information" means any Illinois or
19 national criminal history record information, including but
20 not limited to the lack of or non-existence of these records.

21 (410 ILCS 705/75-170 new)

22 Sec. 75-170. Enforcement of this Article.

23 (a) If a Department fails to adopt rules to implement this
24 Article within the times provided for in this Article, any
25 citizen may commence a mandamus action in the Circuit Court to

1 compel the Departments to perform the actions mandated under
2 the provisions of this Article.

3 (b) If the Department of Public Health, Department of
4 Agriculture, or Department of Financial and Professional
5 Regulation fails to issue a valid identification card in
6 response to a valid application or renewal submitted under
7 this Article or fails to issue a verbal or written notice of
8 denial of the application within 30 days of its submission,
9 the identification card is deemed granted, and a copy of the
10 registry identification application, including a valid written
11 certification in the case of patients, or renewal shall be
12 deemed a valid registry identification card.

13 (c) Authorized employees of State or local law enforcement
14 agencies shall immediately notify the Department of Public
15 Health when any person in possession of a registry
16 identification card has been determined by a court of law to
17 have willfully violated the provisions of this Article or has
18 pled guilty to the offense.

19 (410 ILCS 705/75-173 new)

20 Sec. 75-173. Conflicts of law. To the extent that any
21 provision of this Article conflicts with any Act that allows
22 the recreational use of cannabis, the provisions of that Act
23 shall control.

24 (410 ILCS 705/75-175 new)

1 Sec. 75-175. Administrative hearings.

2 (a) Administrative hearings involving the Department of
3 Public Health, a qualifying patient, or a designated caregiver
4 shall be conducted under the Department of Public Health's
5 rules governing administrative hearings.

6 (b) Administrative hearings involving the Department of
7 Financial and Professional Regulation, dispensing
8 organizations, or dispensing organization agents shall be
9 conducted under the Department of Financial and Professional
10 Regulation's rules governing administrative hearings.

11 (c) Administrative hearings involving the Department of
12 Agriculture, registered cultivation centers, or cultivation
13 center agents shall be conducted under the Department of
14 Agriculture's rules governing administrative hearings.

15 (410 ILCS 705/75-180 new)

16 Sec. 75-180. Destruction of medical cannabis.

17 (a) All cannabis byproduct, scrap, and harvested cannabis
18 not intended for distribution to a medical cannabis
19 organization must be destroyed and disposed of pursuant to
20 State law. Documentation of destruction and disposal shall be
21 retained at the cultivation center for a period of not less
22 than 5 years.

23 (b) A cultivation center shall prior to the destruction,
24 notify the Department of Agriculture and the Illinois State
25 Police.

1 (c) The cultivation center shall keep record of the date
2 of destruction and how much was destroyed.

3 (d) A dispensary organization shall destroy all cannabis,
4 including cannabis-infused products, that are not sold to
5 registered qualifying patients. Documentation of destruction
6 and disposal shall be retained at the dispensary organization
7 for a period of not less than 5 years.

8 (e) A dispensary organization shall prior to the
9 destruction, notify the Department of Financial and
10 Professional Regulation and the Illinois State Police.

11 (410 ILCS 705/75-185 new)

12 Sec. 75-185. Suspension revocation of a registration.

13 (a) The Department of Agriculture, the Department of
14 Financial and Professional Regulation, and the Department of
15 Public Health may suspend or revoke a registration for
16 violations of this Article and rules issued in accordance with
17 this Section.

18 (b) The suspension or revocation of a registration is a
19 final Department action, subject to judicial review.
20 Jurisdiction and venue for judicial review are vested in the
21 Circuit Court.

22 (410 ILCS 705/75-190 new)

23 Sec. 75-190. Medical Cannabis Cultivation Privilege Tax
24 Law. Sections 75-190 through 75-215 may be cited as the

1 Medical Cannabis Cultivation Privilege Tax Law.

2 (410 ILCS 705/75-195 new)

3 Sec. 75-195. Definitions.As used in this Article:

4 "Cultivation center" has the meaning ascribed to that term
5 in Section 1-10.

6 "Department" means the Department of Revenue.

7 "Dispensing organization" has the meaning ascribed to that
8 term in Section 1-10.

9 "Person" means an individual, partnership, corporation, or
10 public or private organization.

11 "Qualifying patient" means a qualifying patient registered
12 under the Compassionate Use of Medical Cannabis Program.

13 (410 ILCS 705/75-200 new)

14 Sec. 75-200. Tax imposed.

15 (a) Beginning on the effective date of this Article, a tax
16 is imposed upon the privilege of cultivating medical cannabis
17 at a rate of 7% of the sales price per ounce. The proceeds from
18 this tax shall be deposited into the Compassionate Use of
19 Medical Cannabis Fund created under Article 75. This tax shall
20 be paid by a cultivation center and is not the responsibility
21 of a dispensing organization or a qualifying patient.

22 (b) The tax imposed under this Article shall be in
23 addition to all other occupation or privilege taxes imposed by
24 the State of Illinois or by any municipal corporation or

1 political subdivision thereof.

2 (410 ILCS 705/75-205 new)

3 Sec. 75-205. Department enforcement.

4 (a) Every person subject to the tax under this Article
5 shall apply to the Department (upon a form prescribed and
6 furnished by the Department) for a certificate of registration
7 under this Article. Application for a certificate of
8 registration shall be made to the Department upon forms
9 furnished by the Department. The certificate of registration
10 which is issued by the Department to a retailer under the
11 Retailers' Occupation Tax Act shall permit the taxpayer to
12 engage in a business which is taxable under this Article
13 without registering separately with the Department.

14 (b) The Department shall have full power to administer and
15 enforce this Article, to collect all taxes and penalties due
16 hereunder, to dispose of taxes and penalties so collected in
17 the manner hereinafter provided, and to determine all rights
18 to credit memoranda, arising on account of the erroneous
19 payment of tax or penalty hereunder. In the administration of,
20 and compliance with, this Article, the Department and persons
21 who are subject to this Article shall have the same rights,
22 remedies, privileges, immunities, powers and duties, and be
23 subject to the same conditions, restrictions, limitations,
24 penalties and definitions of terms, and employ the same modes
25 of procedure, as are prescribed in Sections 1, 1a, 2 through

1 2-65 (in respect to all provisions therein other than the
2 State rate of tax), 2a, 2b, 2c, 3 (except provisions relating
3 to transaction returns and quarter monthly payments, and
4 except for provisions that are inconsistent with this
5 Article), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b,
6 6c, 7, 8, 9, 10, 11, 11a, 12 and 13 of the Retailers'
7 Occupation Tax Act and Section 3-7 of the Uniform Penalty and
8 Interest Act as fully as if those provisions were set forth
9 herein.

10 (410 ILCS 705/75-210 new)

11 Sec. 75-210. Returns.

12 (a) This subsection (a) applies to returns due on or
13 before the effective date of this amendatory Act of the 103rd
14 General Assembly. On or before the twentieth day of each
15 calendar month, every person subject to the tax imposed under
16 this Article during the preceding calendar month shall file a
17 return with the Department, stating:

18 (1) The name of the taxpayer;

19 (2) The number of ounces of medical cannabis sold to a
20 dispensing organization or a registered qualifying patient
21 during the preceding calendar month;

22 (3) The amount of tax due;

23 (4) The signature of the taxpayer; and

24 (5) Such other reasonable information as the
25 Department may require.

1 If a taxpayer fails to sign a return within 30 days after
2 the proper notice and demand for signature by the Department,
3 the return shall be considered valid and any amount shown to be
4 due on the return shall be deemed assessed.

5 The taxpayer shall remit the amount of the tax due to the
6 Department at the time the taxpayer files his or her return.

7 (b) Beginning on the effective date of this amendatory Act
8 of the 103rd General Assembly, Section 65-20 shall apply to
9 returns filed and taxes paid under this Article to the same
10 extent as if those provisions were set forth in full in this
11 Section.

12 (410 ILCS 705/75-215 new)

13 Sec. 75-215. Rules. The Department may adopt rules related
14 to the enforcement of this Article.

15 (410 ILCS 705/10-30 rep.)

16 (410 ILCS 705/15-36 rep.)

17 (410 ILCS 705/15-40 rep.)

18 (410 ILCS 705/15-45 rep.)

19 (410 ILCS 705/15-50 rep.)

20 (410 ILCS 705/15-60 rep.)

21 (410 ILCS 705/15-65 rep.)

22 (410 ILCS 705/15-70 rep.)

23 (410 ILCS 705/15-95 rep.)

24 (410 ILCS 705/20-20 rep.)

1 (410 ILCS 705/20-25 rep.)
2 (410 ILCS 705/20-35 rep.)
3 (410 ILCS 705/20-40 rep.)
4 (410 ILCS 705/20-45 rep.)
5 (410 ILCS 705/30-15 rep.)
6 (410 ILCS 705/30-25 rep.)
7 (410 ILCS 705/30-35 rep.)
8 (410 ILCS 705/30-40 rep.)
9 (410 ILCS 705/35-15 rep.)
10 (410 ILCS 705/35-20 rep.)
11 (410 ILCS 705/35-30 rep.)
12 (410 ILCS 705/35-35 rep.)
13 (410 ILCS 705/35-40 rep.)
14 (410 ILCS 705/40-15 rep.)
15 (410 ILCS 705/40-30 rep.)
16 (410 ILCS 705/40-35 rep.)
17 (410 ILCS 705/40-40 rep.)
18 (410 ILCS 705/ rep.)

19 Section 90. The Cannabis Regulation and Tax Act is amended
20 by repealing Sections 10-30, 15-36, 15-40, 15-45, 15-50,
21 15-60, 15-65, 15-70, 15-95, 20-20, 20-25, 20-35, 20-40, 20-45,
22 30-15, 30-25, 30-35, 30-40, 35-15, 35-20, 35-30, 35-35, 35-40,
23 40-15, 40-30, 40-35, 40-40, and 55-80.

24 Section 95. The Illinois Vehicle Code is amended by
25 changing Sections 11-501 and 11-501.9 as follows:

1 (625 ILCS 5/11-501) (from Ch. 95 1/2, par. 11-501)

2 (Text of Section before amendment by P.A. 102-982)

3 Sec. 11-501. Driving while under the influence of alcohol,
4 other drug or drugs, intoxicating compound or compounds or any
5 combination thereof.

6 (a) A person shall not drive or be in actual physical
7 control of any vehicle within this State while:

8 (1) the alcohol concentration in the person's blood,
9 other bodily substance, or breath is 0.08 or more based on
10 the definition of blood and breath units in Section
11 11-501.2;

12 (2) under the influence of alcohol;

13 (3) under the influence of any intoxicating compound
14 or combination of intoxicating compounds to a degree that
15 renders the person incapable of driving safely;

16 (4) under the influence of any other drug or
17 combination of drugs to a degree that renders the person
18 incapable of safely driving;

19 (5) under the combined influence of alcohol, other
20 drug or drugs, or intoxicating compound or compounds to a
21 degree that renders the person incapable of safely
22 driving;

23 (6) there is any amount of a drug, substance, or
24 compound in the person's breath, blood, other bodily
25 substance, or urine resulting from the unlawful use or

1 consumption of a controlled substance listed in the
2 Illinois Controlled Substances Act, an intoxicating
3 compound listed in the Use of Intoxicating Compounds Act,
4 or methamphetamine as listed in the Methamphetamine
5 Control and Community Protection Act; or

6 (7) the person has, within 2 hours of driving or being
7 in actual physical control of a vehicle, a
8 tetrahydrocannabinol concentration in the person's whole
9 blood or other bodily substance as defined in paragraph 6
10 of subsection (a) of Section 11-501.2 of this Code.
11 Subject to all other requirements and provisions under
12 this Section, this paragraph (7) does not apply to the
13 lawful consumption of cannabis by a qualifying patient
14 licensed under the Compassionate Use of Medical Cannabis
15 Program Act who is in possession of a valid registry card
16 issued under that Act, unless that person is impaired by
17 the use of cannabis.

18 (b) The fact that any person charged with violating this
19 Section is or has been legally entitled to use alcohol,
20 cannabis under the Compassionate Use of Medical Cannabis
21 Program Act, other drug or drugs, or intoxicating compound or
22 compounds, or any combination thereof, shall not constitute a
23 defense against any charge of violating this Section.

24 (c) Penalties.

25 (1) Except as otherwise provided in this Section, any
26 person convicted of violating subsection (a) of this

1 Section is guilty of a Class A misdemeanor.

2 (2) A person who violates subsection (a) or a similar
3 provision a second time shall be sentenced to a mandatory
4 minimum term of either 5 days of imprisonment or 240 hours
5 of community service in addition to any other criminal or
6 administrative sanction.

7 (3) A person who violates subsection (a) is subject to
8 6 months of imprisonment, an additional mandatory minimum
9 fine of \$1,000, and 25 days of community service in a
10 program benefiting children if the person was transporting
11 a person under the age of 16 at the time of the violation.

12 (4) A person who violates subsection (a) a first time,
13 if the alcohol concentration in his or her blood, breath,
14 other bodily substance, or urine was 0.16 or more based on
15 the definition of blood, breath, other bodily substance,
16 or urine units in Section 11-501.2, shall be subject, in
17 addition to any other penalty that may be imposed, to a
18 mandatory minimum of 100 hours of community service and a
19 mandatory minimum fine of \$500.

20 (5) A person who violates subsection (a) a second
21 time, if at the time of the second violation the alcohol
22 concentration in his or her blood, breath, other bodily
23 substance, or urine was 0.16 or more based on the
24 definition of blood, breath, other bodily substance, or
25 urine units in Section 11-501.2, shall be subject, in
26 addition to any other penalty that may be imposed, to a

1 mandatory minimum of 2 days of imprisonment and a
2 mandatory minimum fine of \$1,250.

3 (d) Aggravated driving under the influence of alcohol,
4 other drug or drugs, or intoxicating compound or compounds, or
5 any combination thereof.

6 (1) Every person convicted of committing a violation
7 of this Section shall be guilty of aggravated driving
8 under the influence of alcohol, other drug or drugs, or
9 intoxicating compound or compounds, or any combination
10 thereof if:

11 (A) the person committed a violation of subsection
12 (a) or a similar provision for the third or subsequent
13 time;

14 (B) the person committed a violation of subsection
15 (a) while driving a school bus with one or more
16 passengers on board;

17 (C) the person in committing a violation of
18 subsection (a) was involved in a motor vehicle
19 accident that resulted in great bodily harm or
20 permanent disability or disfigurement to another, when
21 the violation was a proximate cause of the injuries;

22 (D) the person committed a violation of subsection
23 (a) and has been previously convicted of violating
24 Section 9-3 of the Criminal Code of 1961 or the
25 Criminal Code of 2012 or a similar provision of a law
26 of another state relating to reckless homicide in

1 which the person was determined to have been under the
2 influence of alcohol, other drug or drugs, or
3 intoxicating compound or compounds as an element of
4 the offense or the person has previously been
5 convicted under subparagraph (C) or subparagraph (F)
6 of this paragraph (1);

7 (E) the person, in committing a violation of
8 subsection (a) while driving at any speed in a school
9 speed zone at a time when a speed limit of 20 miles per
10 hour was in effect under subsection (a) of Section
11 11-605 of this Code, was involved in a motor vehicle
12 accident that resulted in bodily harm, other than
13 great bodily harm or permanent disability or
14 disfigurement, to another person, when the violation
15 of subsection (a) was a proximate cause of the bodily
16 harm;

17 (F) the person, in committing a violation of
18 subsection (a), was involved in a motor vehicle,
19 snowmobile, all-terrain vehicle, or watercraft
20 accident that resulted in the death of another person,
21 when the violation of subsection (a) was a proximate
22 cause of the death;

23 (G) the person committed a violation of subsection
24 (a) during a period in which the defendant's driving
25 privileges are revoked or suspended, where the
26 revocation or suspension was for a violation of

1 subsection (a) or a similar provision, Section
2 11-501.1, paragraph (b) of Section 11-401, or for
3 reckless homicide as defined in Section 9-3 of the
4 Criminal Code of 1961 or the Criminal Code of 2012;

5 (H) the person committed the violation while he or
6 she did not possess a driver's license or permit or a
7 restricted driving permit or a judicial driving permit
8 or a monitoring device driving permit;

9 (I) the person committed the violation while he or
10 she knew or should have known that the vehicle he or
11 she was driving was not covered by a liability
12 insurance policy;

13 (J) the person in committing a violation of
14 subsection (a) was involved in a motor vehicle
15 accident that resulted in bodily harm, but not great
16 bodily harm, to the child under the age of 16 being
17 transported by the person, if the violation was the
18 proximate cause of the injury;

19 (K) the person in committing a second violation of
20 subsection (a) or a similar provision was transporting
21 a person under the age of 16; or

22 (L) the person committed a violation of subsection
23 (a) of this Section while transporting one or more
24 passengers in a vehicle for-hire.

25 (2) (A) Except as provided otherwise, a person
26 convicted of aggravated driving under the influence of

1 alcohol, other drug or drugs, or intoxicating compound or
2 compounds, or any combination thereof is guilty of a Class
3 4 felony.

4 (B) A third violation of this Section or a similar
5 provision is a Class 2 felony. If at the time of the third
6 violation the alcohol concentration in his or her blood,
7 breath, other bodily substance, or urine was 0.16 or more
8 based on the definition of blood, breath, other bodily
9 substance, or urine units in Section 11-501.2, a mandatory
10 minimum of 90 days of imprisonment and a mandatory minimum
11 fine of \$2,500 shall be imposed in addition to any other
12 criminal or administrative sanction. If at the time of the
13 third violation, the defendant was transporting a person
14 under the age of 16, a mandatory fine of \$25,000 and 25
15 days of community service in a program benefiting children
16 shall be imposed in addition to any other criminal or
17 administrative sanction.

18 (C) A fourth violation of this Section or a similar
19 provision is a Class 2 felony, for which a sentence of
20 probation or conditional discharge may not be imposed. If
21 at the time of the violation, the alcohol concentration in
22 the defendant's blood, breath, other bodily substance, or
23 urine was 0.16 or more based on the definition of blood,
24 breath, other bodily substance, or urine units in Section
25 11-501.2, a mandatory minimum fine of \$5,000 shall be
26 imposed in addition to any other criminal or

1 administrative sanction. If at the time of the fourth
2 violation, the defendant was transporting a person under
3 the age of 16 a mandatory fine of \$25,000 and 25 days of
4 community service in a program benefiting children shall
5 be imposed in addition to any other criminal or
6 administrative sanction.

7 (D) A fifth violation of this Section or a similar
8 provision is a Class 1 felony, for which a sentence of
9 probation or conditional discharge may not be imposed. If
10 at the time of the violation, the alcohol concentration in
11 the defendant's blood, breath, other bodily substance, or
12 urine was 0.16 or more based on the definition of blood,
13 breath, other bodily substance, or urine units in Section
14 11-501.2, a mandatory minimum fine of \$5,000 shall be
15 imposed in addition to any other criminal or
16 administrative sanction. If at the time of the fifth
17 violation, the defendant was transporting a person under
18 the age of 16, a mandatory fine of \$25,000, and 25 days of
19 community service in a program benefiting children shall
20 be imposed in addition to any other criminal or
21 administrative sanction.

22 (E) A sixth or subsequent violation of this Section or
23 similar provision is a Class X felony. If at the time of
24 the violation, the alcohol concentration in the
25 defendant's blood, breath, other bodily substance, or
26 urine was 0.16 or more based on the definition of blood,

1 breath, other bodily substance, or urine units in Section
2 11-501.2, a mandatory minimum fine of \$5,000 shall be
3 imposed in addition to any other criminal or
4 administrative sanction. If at the time of the violation,
5 the defendant was transporting a person under the age of
6 16, a mandatory fine of \$25,000 and 25 days of community
7 service in a program benefiting children shall be imposed
8 in addition to any other criminal or administrative
9 sanction.

10 (F) For a violation of subparagraph (C) of paragraph
11 (1) of this subsection (d), the defendant, if sentenced to
12 a term of imprisonment, shall be sentenced to not less
13 than one year nor more than 12 years.

14 (G) A violation of subparagraph (F) of paragraph (1)
15 of this subsection (d) is a Class 2 felony, for which the
16 defendant, unless the court determines that extraordinary
17 circumstances exist and require probation, shall be
18 sentenced to: (i) a term of imprisonment of not less than 3
19 years and not more than 14 years if the violation resulted
20 in the death of one person; or (ii) a term of imprisonment
21 of not less than 6 years and not more than 28 years if the
22 violation resulted in the deaths of 2 or more persons.

23 (H) For a violation of subparagraph (J) of paragraph
24 (1) of this subsection (d), a mandatory fine of \$2,500,
25 and 25 days of community service in a program benefiting
26 children shall be imposed in addition to any other

1 criminal or administrative sanction.

2 (I) A violation of subparagraph (K) of paragraph (1)
3 of this subsection (d), is a Class 2 felony and a mandatory
4 fine of \$2,500, and 25 days of community service in a
5 program benefiting children shall be imposed in addition
6 to any other criminal or administrative sanction. If the
7 child being transported suffered bodily harm, but not
8 great bodily harm, in a motor vehicle accident, and the
9 violation was the proximate cause of that injury, a
10 mandatory fine of \$5,000 and 25 days of community service
11 in a program benefiting children shall be imposed in
12 addition to any other criminal or administrative sanction.

13 (J) A violation of subparagraph (D) of paragraph (1)
14 of this subsection (d) is a Class 3 felony, for which a
15 sentence of probation or conditional discharge may not be
16 imposed.

17 (3) Any person sentenced under this subsection (d) who
18 receives a term of probation or conditional discharge must
19 serve a minimum term of either 480 hours of community
20 service or 10 days of imprisonment as a condition of the
21 probation or conditional discharge in addition to any
22 other criminal or administrative sanction.

23 (e) Any reference to a prior violation of subsection (a)
24 or a similar provision includes any violation of a provision
25 of a local ordinance or a provision of a law of another state
26 or an offense committed on a military installation that is

1 similar to a violation of subsection (a) of this Section.

2 (f) The imposition of a mandatory term of imprisonment or
3 assignment of community service for a violation of this
4 Section shall not be suspended or reduced by the court.

5 (g) Any penalty imposed for driving with a license that
6 has been revoked for a previous violation of subsection (a) of
7 this Section shall be in addition to the penalty imposed for
8 any subsequent violation of subsection (a).

9 (h) For any prosecution under this Section, a certified
10 copy of the driving abstract of the defendant shall be
11 admitted as proof of any prior conviction.

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

13 (Text of Section after amendment by P.A. 102-982)

14 Sec. 11-501. Driving while under the influence of alcohol,
15 other drug or drugs, intoxicating compound or compounds or any
16 combination thereof.

17 (a) A person shall not drive or be in actual physical
18 control of any vehicle within this State while:

19 (1) the alcohol concentration in the person's blood,
20 other bodily substance, or breath is 0.08 or more based on
21 the definition of blood and breath units in Section
22 11-501.2;

23 (2) under the influence of alcohol;

24 (3) under the influence of any intoxicating compound
25 or combination of intoxicating compounds to a degree that

1 renders the person incapable of driving safely;

2 (4) under the influence of any other drug or
3 combination of drugs to a degree that renders the person
4 incapable of safely driving;

5 (5) under the combined influence of alcohol, other
6 drug or drugs, or intoxicating compound or compounds to a
7 degree that renders the person incapable of safely
8 driving;

9 (6) there is any amount of a drug, substance, or
10 compound in the person's breath, blood, other bodily
11 substance, or urine resulting from the unlawful use or
12 consumption of a controlled substance listed in the
13 Illinois Controlled Substances Act, an intoxicating
14 compound listed in the Use of Intoxicating Compounds Act,
15 or methamphetamine as listed in the Methamphetamine
16 Control and Community Protection Act; or

17 (7) the person has, within 2 hours of driving or being
18 in actual physical control of a vehicle, a
19 tetrahydrocannabinol concentration in the person's whole
20 blood or other bodily substance as defined in paragraph 6
21 of subsection (a) of Section 11-501.2 of this Code.
22 Subject to all other requirements and provisions under
23 this Section, this paragraph (7) does not apply to the
24 lawful consumption of cannabis by a qualifying patient
25 licensed under Article 75 of the Cannabis Regulation and
26 Tax Act ~~the Compassionate Use of Medical Cannabis Program~~

1 ~~Act~~ who is in possession of a valid registry card issued
2 under that Act, unless that person is impaired by the use
3 of cannabis.

4 (b) The fact that any person charged with violating this
5 Section is or has been legally entitled to use alcohol,
6 cannabis under Article 75 of the Cannabis Regulation and Tax
7 Act ~~the Compassionate Use of Medical Cannabis Program Act,~~
8 other drug or drugs, or intoxicating compound or compounds, or
9 any combination thereof, shall not constitute a defense
10 against any charge of violating this Section.

11 (c) Penalties.

12 (1) Except as otherwise provided in this Section, any
13 person convicted of violating subsection (a) of this
14 Section is guilty of a Class A misdemeanor.

15 (2) A person who violates subsection (a) or a similar
16 provision a second time shall be sentenced to a mandatory
17 minimum term of either 5 days of imprisonment or 240 hours
18 of community service in addition to any other criminal or
19 administrative sanction.

20 (3) A person who violates subsection (a) is subject to
21 6 months of imprisonment, an additional mandatory minimum
22 fine of \$1,000, and 25 days of community service in a
23 program benefiting children if the person was transporting
24 a person under the age of 16 at the time of the violation.

25 (4) A person who violates subsection (a) a first time,
26 if the alcohol concentration in his or her blood, breath,

1 other bodily substance, or urine was 0.16 or more based on
2 the definition of blood, breath, other bodily substance,
3 or urine units in Section 11-501.2, shall be subject, in
4 addition to any other penalty that may be imposed, to a
5 mandatory minimum of 100 hours of community service and a
6 mandatory minimum fine of \$500.

7 (5) A person who violates subsection (a) a second
8 time, if at the time of the second violation the alcohol
9 concentration in his or her blood, breath, other bodily
10 substance, or urine was 0.16 or more based on the
11 definition of blood, breath, other bodily substance, or
12 urine units in Section 11-501.2, shall be subject, in
13 addition to any other penalty that may be imposed, to a
14 mandatory minimum of 2 days of imprisonment and a
15 mandatory minimum fine of \$1,250.

16 (d) Aggravated driving under the influence of alcohol,
17 other drug or drugs, or intoxicating compound or compounds, or
18 any combination thereof.

19 (1) Every person convicted of committing a violation
20 of this Section shall be guilty of aggravated driving
21 under the influence of alcohol, other drug or drugs, or
22 intoxicating compound or compounds, or any combination
23 thereof if:

24 (A) the person committed a violation of subsection

25 (a) or a similar provision for the third or subsequent
26 time;

1 (B) the person committed a violation of subsection
2 (a) while driving a school bus with one or more
3 passengers on board;

4 (C) the person in committing a violation of
5 subsection (a) was involved in a motor vehicle crash
6 that resulted in great bodily harm or permanent
7 disability or disfigurement to another, when the
8 violation was a proximate cause of the injuries;

9 (D) the person committed a violation of subsection
10 (a) and has been previously convicted of violating
11 Section 9-3 of the Criminal Code of 1961 or the
12 Criminal Code of 2012 or a similar provision of a law
13 of another state relating to reckless homicide in
14 which the person was determined to have been under the
15 influence of alcohol, other drug or drugs, or
16 intoxicating compound or compounds as an element of
17 the offense or the person has previously been
18 convicted under subparagraph (C) or subparagraph (F)
19 of this paragraph (1);

20 (E) the person, in committing a violation of
21 subsection (a) while driving at any speed in a school
22 speed zone at a time when a speed limit of 20 miles per
23 hour was in effect under subsection (a) of Section
24 11-605 of this Code, was involved in a motor vehicle
25 crash that resulted in bodily harm, other than great
26 bodily harm or permanent disability or disfigurement,

1 to another person, when the violation of subsection
2 (a) was a proximate cause of the bodily harm;

3 (F) the person, in committing a violation of
4 subsection (a), was involved in a motor vehicle crash
5 or snowmobile, all-terrain vehicle, or watercraft
6 accident that resulted in the death of another person,
7 when the violation of subsection (a) was a proximate
8 cause of the death;

9 (G) the person committed a violation of subsection
10 (a) during a period in which the defendant's driving
11 privileges are revoked or suspended, where the
12 revocation or suspension was for a violation of
13 subsection (a) or a similar provision, Section
14 11-501.1, paragraph (b) of Section 11-401, or for
15 reckless homicide as defined in Section 9-3 of the
16 Criminal Code of 1961 or the Criminal Code of 2012;

17 (H) the person committed the violation while he or
18 she did not possess a driver's license or permit or a
19 restricted driving permit or a judicial driving permit
20 or a monitoring device driving permit;

21 (I) the person committed the violation while he or
22 she knew or should have known that the vehicle he or
23 she was driving was not covered by a liability
24 insurance policy;

25 (J) the person in committing a violation of
26 subsection (a) was involved in a motor vehicle crash

1 that resulted in bodily harm, but not great bodily
2 harm, to the child under the age of 16 being
3 transported by the person, if the violation was the
4 proximate cause of the injury;

5 (K) the person in committing a second violation of
6 subsection (a) or a similar provision was transporting
7 a person under the age of 16; or

8 (L) the person committed a violation of subsection
9 (a) of this Section while transporting one or more
10 passengers in a vehicle for-hire.

11 (2) (A) Except as provided otherwise, a person
12 convicted of aggravated driving under the influence of
13 alcohol, other drug or drugs, or intoxicating compound or
14 compounds, or any combination thereof is guilty of a Class
15 4 felony.

16 (B) A third violation of this Section or a similar
17 provision is a Class 2 felony. If at the time of the third
18 violation the alcohol concentration in his or her blood,
19 breath, other bodily substance, or urine was 0.16 or more
20 based on the definition of blood, breath, other bodily
21 substance, or urine units in Section 11-501.2, a mandatory
22 minimum of 90 days of imprisonment and a mandatory minimum
23 fine of \$2,500 shall be imposed in addition to any other
24 criminal or administrative sanction. If at the time of the
25 third violation, the defendant was transporting a person
26 under the age of 16, a mandatory fine of \$25,000 and 25

1 days of community service in a program benefiting children
2 shall be imposed in addition to any other criminal or
3 administrative sanction.

4 (C) A fourth violation of this Section or a similar
5 provision is a Class 2 felony, for which a sentence of
6 probation or conditional discharge may not be imposed. If
7 at the time of the violation, the alcohol concentration in
8 the defendant's blood, breath, other bodily substance, or
9 urine was 0.16 or more based on the definition of blood,
10 breath, other bodily substance, or urine units in Section
11 11-501.2, a mandatory minimum fine of \$5,000 shall be
12 imposed in addition to any other criminal or
13 administrative sanction. If at the time of the fourth
14 violation, the defendant was transporting a person under
15 the age of 16 a mandatory fine of \$25,000 and 25 days of
16 community service in a program benefiting children shall
17 be imposed in addition to any other criminal or
18 administrative sanction.

19 (D) A fifth violation of this Section or a similar
20 provision is a Class 1 felony, for which a sentence of
21 probation or conditional discharge may not be imposed. If
22 at the time of the violation, the alcohol concentration in
23 the defendant's blood, breath, other bodily substance, or
24 urine was 0.16 or more based on the definition of blood,
25 breath, other bodily substance, or urine units in Section
26 11-501.2, a mandatory minimum fine of \$5,000 shall be

1 imposed in addition to any other criminal or
2 administrative sanction. If at the time of the fifth
3 violation, the defendant was transporting a person under
4 the age of 16, a mandatory fine of \$25,000, and 25 days of
5 community service in a program benefiting children shall
6 be imposed in addition to any other criminal or
7 administrative sanction.

8 (E) A sixth or subsequent violation of this Section or
9 similar provision is a Class X felony. If at the time of
10 the violation, the alcohol concentration in the
11 defendant's blood, breath, other bodily substance, or
12 urine was 0.16 or more based on the definition of blood,
13 breath, other bodily substance, or urine units in Section
14 11-501.2, a mandatory minimum fine of \$5,000 shall be
15 imposed in addition to any other criminal or
16 administrative sanction. If at the time of the violation,
17 the defendant was transporting a person under the age of
18 16, a mandatory fine of \$25,000 and 25 days of community
19 service in a program benefiting children shall be imposed
20 in addition to any other criminal or administrative
21 sanction.

22 (F) For a violation of subparagraph (C) of paragraph
23 (1) of this subsection (d), the defendant, if sentenced to
24 a term of imprisonment, shall be sentenced to not less
25 than one year nor more than 12 years.

26 (G) A violation of subparagraph (F) of paragraph (1)

1 of this subsection (d) is a Class 2 felony, for which the
2 defendant, unless the court determines that extraordinary
3 circumstances exist and require probation, shall be
4 sentenced to: (i) a term of imprisonment of not less than 3
5 years and not more than 14 years if the violation resulted
6 in the death of one person; or (ii) a term of imprisonment
7 of not less than 6 years and not more than 28 years if the
8 violation resulted in the deaths of 2 or more persons.

9 (H) For a violation of subparagraph (J) of paragraph
10 (1) of this subsection (d), a mandatory fine of \$2,500,
11 and 25 days of community service in a program benefiting
12 children shall be imposed in addition to any other
13 criminal or administrative sanction.

14 (I) A violation of subparagraph (K) of paragraph (1)
15 of this subsection (d), is a Class 2 felony and a mandatory
16 fine of \$2,500, and 25 days of community service in a
17 program benefiting children shall be imposed in addition
18 to any other criminal or administrative sanction. If the
19 child being transported suffered bodily harm, but not
20 great bodily harm, in a motor vehicle crash, and the
21 violation was the proximate cause of that injury, a
22 mandatory fine of \$5,000 and 25 days of community service
23 in a program benefiting children shall be imposed in
24 addition to any other criminal or administrative sanction.

25 (J) A violation of subparagraph (D) of paragraph (1)
26 of this subsection (d) is a Class 3 felony, for which a

1 sentence of probation or conditional discharge may not be
2 imposed.

3 (3) Any person sentenced under this subsection (d) who
4 receives a term of probation or conditional discharge must
5 serve a minimum term of either 480 hours of community
6 service or 10 days of imprisonment as a condition of the
7 probation or conditional discharge in addition to any
8 other criminal or administrative sanction.

9 (e) Any reference to a prior violation of subsection (a)
10 or a similar provision includes any violation of a provision
11 of a local ordinance or a provision of a law of another state
12 or an offense committed on a military installation that is
13 similar to a violation of subsection (a) of this Section.

14 (f) The imposition of a mandatory term of imprisonment or
15 assignment of community service for a violation of this
16 Section shall not be suspended or reduced by the court.

17 (g) Any penalty imposed for driving with a license that
18 has been revoked for a previous violation of subsection (a) of
19 this Section shall be in addition to the penalty imposed for
20 any subsequent violation of subsection (a).

21 (h) For any prosecution under this Section, a certified
22 copy of the driving abstract of the defendant shall be
23 admitted as proof of any prior conviction.

24 (Source: P.A. 101-363, eff. 8-9-19; 102-982, eff. 7-1-23.)

25 (625 ILCS 5/11-501.9)

1 Sec. 11-501.9. Suspension of driver's license; failure or
2 refusal of validated roadside chemical tests; failure or
3 refusal of field sobriety tests; implied consent.

4 (a) A person who drives or is in actual physical control of
5 a motor vehicle upon the public highways of this State shall be
6 deemed to have given consent to (i) validated roadside
7 chemical tests or (ii) standardized field sobriety tests
8 approved by the National Highway Traffic Safety
9 Administration, under subsection (a-5) of Section 11-501.2 of
10 this Code, if detained by a law enforcement officer who has a
11 reasonable suspicion that the person is driving or is in
12 actual physical control of a motor vehicle while impaired by
13 the use of cannabis. The law enforcement officer must have an
14 independent, cannabis-related factual basis giving reasonable
15 suspicion that the person is driving or in actual physical
16 control of a motor vehicle while impaired by the use of
17 cannabis for conducting validated roadside chemical tests or
18 standardized field sobriety tests, which shall be included
19 with the results of the validated roadside chemical tests and
20 field sobriety tests in any report made by the law enforcement
21 officer who requests the test. The person's possession of a
22 registry identification card issued under Article 75 of the
23 Cannabis Regulation and Tax Act ~~the Compassionate Use of~~
24 ~~Medical Cannabis Program Act~~ alone is not a sufficient basis
25 for reasonable suspicion.

26 For purposes of this Section, a law enforcement officer of

1 this State who is investigating a person for an offense under
2 Section 11-501 of this Code may travel into an adjoining state
3 where the person has been transported for medical care to
4 complete an investigation and to request that the person
5 submit to field sobriety tests under this Section.

6 (b) A person who is unconscious, or otherwise in a
7 condition rendering the person incapable of refusal, shall be
8 deemed to have withdrawn the consent provided by subsection
9 (a) of this Section.

10 (c) A person requested to submit to validated roadside
11 chemical tests or field sobriety tests, as provided in this
12 Section, shall be warned by the law enforcement officer
13 requesting the field sobriety tests that a refusal to submit
14 to the validated roadside chemical tests or field sobriety
15 tests will result in the suspension of the person's privilege
16 to operate a motor vehicle, as provided in subsection (f) of
17 this Section. The person shall also be warned by the law
18 enforcement officer that if the person submits to validated
19 roadside chemical tests or field sobriety tests as provided in
20 this Section which disclose the person is impaired by the use
21 of cannabis, a suspension of the person's privilege to operate
22 a motor vehicle, as provided in subsection (f) of this
23 Section, will be imposed.

24 (d) The results of validated roadside chemical tests or
25 field sobriety tests administered under this Section shall be
26 admissible in a civil or criminal action or proceeding arising

1 from an arrest for an offense as defined in Section 11-501 of
2 this Code or a similar provision of a local ordinance. These
3 test results shall be admissible only in actions or
4 proceedings directly related to the incident upon which the
5 test request was made.

6 (e) If the person refuses validated roadside chemical
7 tests or field sobriety tests or submits to validated roadside
8 chemical tests or field sobriety tests that disclose the
9 person is impaired by the use of cannabis, the law enforcement
10 officer shall immediately submit a sworn report to the circuit
11 court of venue and the Secretary of State certifying that
12 testing was requested under this Section and that the person
13 refused to submit to validated roadside chemical tests or
14 field sobriety tests or submitted to validated roadside
15 chemical tests or field sobriety tests that disclosed the
16 person was impaired by the use of cannabis. The sworn report
17 must include the law enforcement officer's factual basis for
18 reasonable suspicion that the person was impaired by the use
19 of cannabis.

20 (f) Upon receipt of the sworn report of a law enforcement
21 officer submitted under subsection (e) of this Section, the
22 Secretary of State shall enter the suspension to the driving
23 record as follows:

24 (1) for refusal or failure to complete validated
25 roadside chemical tests or field sobriety tests, a
26 12-month suspension shall be entered; or

1 (2) for submitting to validated roadside chemical
2 tests or field sobriety tests that disclosed the driver
3 was impaired by the use of cannabis, a 6-month suspension
4 shall be entered.

5 The Secretary of State shall confirm the suspension by
6 mailing a notice of the effective date of the suspension to the
7 person and the court of venue. However, should the sworn
8 report be defective for insufficient information or be
9 completed in error, the confirmation of the suspension shall
10 not be mailed to the person or entered to the record; instead,
11 the sworn report shall be forwarded to the court of venue with
12 a copy returned to the issuing agency identifying the defect.

13 (g) The law enforcement officer submitting the sworn
14 report under subsection (e) of this Section shall serve
15 immediate notice of the suspension on the person and the
16 suspension shall be effective as provided in subsection (h) of
17 this Section. If immediate notice of the suspension cannot be
18 given, the arresting officer or arresting agency shall give
19 notice by deposit in the United States mail of the notice in an
20 envelope with postage prepaid and addressed to the person at
21 his or her address as shown on the Uniform Traffic Ticket and
22 the suspension shall begin as provided in subsection (h) of
23 this Section. The officer shall confiscate any Illinois
24 driver's license or permit on the person at the time of arrest.
25 If the person has a valid driver's license or permit, the
26 officer shall issue the person a receipt, in a form prescribed

1 by the Secretary of State, that will allow the person to drive
2 during the period provided for in subsection (h) of this
3 Section. The officer shall immediately forward the driver's
4 license or permit to the circuit court of venue along with the
5 sworn report under subsection (e) of this Section.

6 (h) The suspension under subsection (f) of this Section
7 shall take effect on the 46th day following the date the notice
8 of the suspension was given to the person.

9 (i) When a driving privilege has been suspended under this
10 Section and the person is subsequently convicted of violating
11 Section 11-501 of this Code, or a similar provision of a local
12 ordinance, for the same incident, any period served on
13 suspension under this Section shall be credited toward the
14 minimum period of revocation of driving privileges imposed
15 under Section 6-205 of this Code.

16 (Source: P.A. 101-27, eff. 6-25-19; 101-363, eff. 8-9-19;
17 102-558, eff. 8-20-21.)

18 Section 100. The Cannabis Control Act is amended by
19 changing Section 5.3 as follows:

20 (720 ILCS 550/5.3)

21 Sec. 5.3. Unlawful use of cannabis-based product
22 manufacturing equipment.

23 (a) A person commits unlawful use of cannabis-based
24 product manufacturing equipment when he or she knowingly

1 engages in the possession, procurement, transportation,
2 storage, or delivery of any equipment used in the
3 manufacturing of any cannabis-based product using volatile or
4 explosive gas, including, but not limited to, canisters of
5 butane gas, with the intent to manufacture, compound, covert,
6 produce, derive, process, or prepare either directly or
7 indirectly any cannabis-based product.

8 (b) This Section does not apply to a cultivation center or
9 cultivation center agent that prepares medical cannabis or
10 cannabis-infused products in compliance with Article 75 of the
11 Cannabis Regulation and Tax Act ~~the Compassionate Use of~~
12 ~~Medical Cannabis Program Act~~ and Department of Public Health
13 and Department of Agriculture rules.

14 (c) Sentence. A person who violates this Section is guilty
15 of a Class 2 felony.

16 (d) This Section does not apply to craft growers,
17 cultivation centers, and infuser organizations licensed under
18 the Cannabis Regulation and Tax Act.

19 (e) This Section does not apply to manufacturers of
20 cannabis-based product manufacturing equipment or transporting
21 organizations with documentation identifying the seller and
22 purchaser of the equipment if the seller or purchaser is a
23 craft grower, cultivation center, or infuser organization
24 licensed under the Cannabis Regulation and Tax Act.

25 (Source: P.A. 101-27, eff. 6-25-19; 101-363, eff. 8-9-19;
26 102-558, eff. 8-20-21.)

1 Section 105. The Prevention of Tobacco Use by Persons
2 under 21 Years of Age and Sale and Distribution of Tobacco
3 Products Act is amended by changing Section 1 as follows:

4 (720 ILCS 675/1) (from Ch. 23, par. 2357)

5 Sec. 1. Prohibition on sale of tobacco products,
6 electronic cigarettes, and alternative nicotine products to
7 persons under 21 years of age; prohibition on the distribution
8 of tobacco product samples, electronic cigarette samples, and
9 alternative nicotine product samples to any person; use of
10 identification cards; vending machines; lunch wagons;
11 out-of-package sales.

12 (a) No person shall sell, buy for, distribute samples of
13 or furnish any tobacco product, electronic cigarette, or
14 alternative nicotine product to any person under 21 years of
15 age.

16 (a-5) No person under 16 years of age may sell any tobacco
17 product, electronic cigarette, or alternative nicotine product
18 at a retail establishment selling tobacco products, electronic
19 cigarettes, or alternative nicotine products. This subsection
20 does not apply to a sales clerk in a family-owned business
21 which can prove that the sales clerk is in fact a son or
22 daughter of the owner.

23 (a-5.1) Before selling, offering for sale, giving, or
24 furnishing a tobacco product, electronic cigarette, or

1 alternative nicotine product to another person, the person
2 selling, offering for sale, giving, or furnishing the tobacco
3 product, electronic cigarette, or alternative nicotine product
4 shall verify that the person is at least 21 years of age by:

5 (1) examining from any person that appears to be under
6 30 years of age a government-issued photographic
7 identification that establishes the person to be 21 years
8 of age or older; or

9 (2) for sales of tobacco products, electronic
10 cigarettes, or alternative nicotine products made through
11 the Internet or other remote sales methods, performing an
12 age verification through an independent, third party age
13 verification service that compares information available
14 from public records to the personal information entered by
15 the person during the ordering process that establishes
16 the person is 21 years of age or older.

17 (a-6) No person under 21 years of age in the furtherance or
18 facilitation of obtaining any tobacco product, electronic
19 cigarette, or alternative nicotine product shall display or
20 use a false or forged identification card or transfer, alter,
21 or deface an identification card.

22 (a-7) (Blank).

23 (a-8) A person shall not distribute without charge samples
24 of any tobacco product, alternative nicotine product, or
25 electronic cigarette to any other person, regardless of age,
26 except for smokeless tobacco in an adult-only facility.

1 This subsection (a-8) does not apply to the distribution
2 of a tobacco product, electronic cigarette, or alternative
3 nicotine product sample in any adult-only facility.

4 (a-9) For the purpose of this Section:

5 "Adult-only facility" means a facility or restricted
6 area (whether open-air or enclosed) where the operator
7 ensures or has a reasonable basis to believe (such as by
8 checking identification as required under State law, or by
9 checking the identification of any person appearing to be
10 under the age of 30) that no person under legal age is
11 present. A facility or restricted area need not be
12 permanently restricted to persons under 21 years of age to
13 constitute an adult-only facility, provided that the
14 operator ensures or has a reasonable basis to believe that
15 no person under 21 years of age is present during the event
16 or time period in question.

17 "Alternative nicotine product" means a product or
18 device not consisting of or containing tobacco that
19 provides for the ingestion into the body of nicotine,
20 whether by chewing, smoking, absorbing, dissolving,
21 inhaling, snorting, sniffing, or by any other means.

22 "Alternative nicotine product" does not include:
23 cigarettes as defined in Section 1 of the Cigarette Tax
24 Act and tobacco products as defined in Section 10-5 of the
25 Tobacco Products Tax Act of 1995; tobacco product and
26 electronic cigarette as defined in this Section; or any

1 product approved by the United States Food and Drug
2 Administration for sale as a tobacco cessation product, as
3 a tobacco dependence product, or for other medical
4 purposes, and is being marketed and sold solely for that
5 approved purpose.

6 "Electronic cigarette" means:

7 (1) any device that employs a battery or other
8 mechanism to heat a solution or substance to produce a
9 vapor or aerosol intended for inhalation;

10 (2) any cartridge or container of a solution or
11 substance intended to be used with or in the device or
12 to refill the device; or

13 (3) any solution or substance, whether or not it
14 contains nicotine intended for use in the device.

15 "Electronic cigarette" includes, but is not limited
16 to, any electronic nicotine delivery system, electronic
17 cigar, electronic cigarillo, electronic pipe, electronic
18 hookah, vape pen, or similar product or device, any
19 components or parts that can be used to build the product
20 or device, and any component, part, or accessory of a
21 device used during the operation of the device, even if
22 the part or accessory was sold separately. "Electronic
23 cigarette" does not include: cigarettes as defined in
24 Section 1 of the Cigarette Tax Act; tobacco product and
25 alternative nicotine product as defined in this Section;
26 any product approved by the United States Food and Drug

1 Administration for sale as a tobacco cessation product, as
2 a tobacco dependence product, or for other medical
3 purposes, and is being marketed and sold solely for that
4 approved purpose; any asthma inhaler prescribed by a
5 physician for that condition and is being marketed and
6 sold solely for that approved purpose; any device that
7 meets the definition of cannabis paraphernalia under
8 Section 1-10 of the Cannabis Regulation and Tax Act; or
9 any cannabis product sold by a dispensing organization
10 pursuant to the Cannabis Regulation and Tax Act ~~or the~~
11 ~~Compassionate Use of Medical Cannabis Program Act.~~

12 "Lunch wagon" means a mobile vehicle designed and
13 constructed to transport food and from which food is sold
14 to the general public.

15 "Nicotine" means any form of the chemical nicotine,
16 including any salt or complex, regardless of whether the
17 chemical is naturally or synthetically derived.

18 "Tobacco product" means any product containing or made
19 from tobacco that is intended for human consumption,
20 whether smoked, heated, chewed, absorbed, dissolved,
21 inhaled, snorted, sniffed, or ingested by any other means,
22 including, but not limited to, cigarettes, cigars, little
23 cigars, chewing tobacco, pipe tobacco, snuff, snus, and
24 any other smokeless tobacco product which contains tobacco
25 that is finely cut, ground, powdered, or leaf and intended
26 to be placed in the oral cavity. "Tobacco product"

1 includes any component, part, or accessory of a tobacco
2 product, whether or not sold separately. "Tobacco product"
3 does not include: an alternative nicotine product as
4 defined in this Section; or any product that has been
5 approved by the United States Food and Drug Administration
6 for sale as a tobacco cessation product, as a tobacco
7 dependence product, or for other medical purposes, and is
8 being marketed and sold solely for that approved purpose.

9 (b) Tobacco products, electronic cigarettes, and
10 alternative nicotine products may be sold through a vending
11 machine only if such tobacco products, electronic cigarettes,
12 and alternative nicotine products are not placed together with
13 any non-tobacco product, other than matches, in the vending
14 machine and the vending machine is in any of the following
15 locations:

16 (1) (Blank).

17 (2) Places to which persons under 21 years of age are
18 not permitted access at any time.

19 (3) Places where alcoholic beverages are sold and
20 consumed on the premises and vending machine operation is
21 under the direct supervision of the owner or manager.

22 (4) (Blank).

23 (5) (Blank).

24 (c) (Blank).

25 (d) The sale or distribution by any person of a tobacco
26 product as defined in this Section, including, but not limited

1 to, a single or loose cigarette, that is not contained within a
2 sealed container, pack, or package as provided by the
3 manufacturer, which container, pack, or package bears the
4 health warning required by federal law, is prohibited.

5 (e) It is not a violation of this Act for a person under 21
6 years of age to purchase a tobacco product, electronic
7 cigarette, or alternative nicotine product if the person under
8 the age of 21 purchases or is given the tobacco product,
9 electronic cigarette, or alternative nicotine product in any
10 of its forms from a retail seller of tobacco products,
11 electronic cigarettes, or alternative nicotine products or an
12 employee of the retail seller pursuant to a plan or action to
13 investigate, patrol, or otherwise conduct a "sting operation"
14 or enforcement action against a retail seller of tobacco
15 products, electronic cigarettes, or alternative nicotine
16 products or a person employed by the retail seller of tobacco
17 products, electronic cigarettes, or alternative nicotine
18 products or on any premises authorized to sell tobacco
19 products, electronic cigarettes, or alternative nicotine
20 products to determine if tobacco products, electronic
21 cigarettes, or alternative nicotine products are being sold or
22 given to persons under 21 years of age if the "sting operation"
23 or enforcement action is approved by, conducted by, or
24 conducted on behalf of the Illinois State Police, the county
25 sheriff, a municipal police department, the Department of
26 Revenue, the Department of Public Health, or a local health

1 department. The results of any sting operation or enforcement
2 action, including the name of the clerk, shall be provided to
3 the retail seller within 7 business days.

4 (f) No person shall honor or accept any discount, coupon,
5 or other benefit or reduction in price that is inconsistent
6 with 21 CFR 1140, subsequent United States Food and Drug
7 Administration industry guidance, or any rules adopted under
8 21 CFR 1140.

9 (g) Any peace officer or duly authorized member of the
10 Illinois State Police, a county sheriff's department, a
11 municipal police department, the Department of Revenue, the
12 Department of Public Health, a local health department, or the
13 Department of Human Services, upon discovering a violation of
14 subsection (a), (a-5), (a-5.1), (a-8), (b), or (d) of this
15 Section or a violation of the Preventing Youth Vaping Act, may
16 seize any tobacco products, alternative nicotine products, or
17 electronic cigarettes of the specific type involved in that
18 violation that are located at that place of business. The
19 tobacco products, alternative nicotine products, or electronic
20 cigarettes so seized are subject to confiscation and
21 forfeiture.

22 (h) If, within 60 days after any seizure under subsection
23 (g), a person having any property interest in the seized
24 property is charged with an offense under this Section or a
25 violation of the Preventing Youth Vaping Act, the court that
26 renders judgment upon the charge shall, within 30 days after

1 the judgment, conduct a forfeiture hearing to determine
2 whether the seized tobacco products or electronic cigarettes
3 were part of the inventory located at the place of business
4 when a violation of subsection (a), (a-5), (a-5.1), (a-8),
5 (b), or (d) of this Section or a violation of the Preventing
6 Youth Vaping Act occurred and whether any seized tobacco
7 products or electronic cigarettes were of a type involved in
8 that violation. The hearing shall be commenced by a written
9 petition by the State, which shall include material
10 allegations of fact, the name and address of every person
11 determined by the State to have any property interest in the
12 seized property, a representation that written notice of the
13 date, time, and place of the hearing has been mailed to every
14 such person by certified mail at least 10 days before the date,
15 and a request for forfeiture. Every such person may appear as a
16 party and present evidence at the hearing. The quantum of
17 proof required shall be a preponderance of the evidence, and
18 the burden of proof shall be on the State. If the court
19 determines that the seized property was subject to forfeiture,
20 an order of forfeiture and disposition of the seized property
21 shall be entered and the property shall be received by the
22 prosecuting office, who shall effect its destruction.

23 (i) If a seizure under subsection (g) is not followed by a
24 charge under subsection (a), (a-5), (a-5.1), (a-8), (b), or
25 (d) of this Section or under the Preventing Youth Vaping Act,
26 or if the prosecution of the charge is permanently terminated

1 or indefinitely discontinued without any judgment of
2 conviction or acquittal:

3 (1) the prosecuting office may commence in the circuit
4 court an in rem proceeding for the forfeiture and
5 destruction of any seized tobacco products or electronic
6 cigarettes; and

7 (2) any person having any property interest in the
8 seized tobacco products or electronic cigarettes may
9 commence separate civil proceedings in the manner provided
10 by law.

11 (j) After the Department of Revenue has seized any tobacco
12 product, nicotine product, or electronic cigarette as provided
13 in subsection (g) and a person having any property interest in
14 the seized property has not been charged with an offense under
15 this Section or a violation of the Preventing Youth Vaping
16 Act, the Department of Revenue must hold a hearing and
17 determine whether the seized tobacco products, alternative
18 nicotine products, or electronic cigarettes were part of the
19 inventory located at the place of business when a violation of
20 subsection (a), (a-5), (a-5.1), (a-8), (b), or (d) of this
21 Section or a violation of the Preventing Youth Vaping Act
22 occurred and whether any seized tobacco product, alternative
23 nicotine product, or electronic cigarette was of a type
24 involved in that violation. The Department of Revenue shall
25 give not less than 20 days' notice of the time and place of the
26 hearing to the owner of the property, if the owner is known,

1 and also to the person in whose possession the property was
2 found if that person is known and if the person in possession
3 is not the owner of the property. If neither the owner nor the
4 person in possession of the property is known, the Department
5 of Revenue must cause publication of the time and place of the
6 hearing to be made at least once each week for 3 weeks
7 successively in a newspaper of general circulation in the
8 county where the hearing is to be held.

9 If, as the result of the hearing, the Department of
10 Revenue determines that the tobacco products, alternative
11 nicotine products, or the electronic cigarettes were part of
12 the inventory located at the place of business when a
13 violation of subsection (a), (a-5), (a-5.1), (a-8), (b), or
14 (d) of this Section or a violation of the Preventing Youth
15 Vaping Act at the time of seizure, the Department of Revenue
16 must enter an order declaring the tobacco product, alternative
17 nicotine product, or electronic cigarette confiscated and
18 forfeited to the State, to be held by the Department of Revenue
19 for disposal by it as provided in Section 10-58 of the Tobacco
20 Products Tax Act of 1995. The Department of Revenue must give
21 notice of the order to the owner of the property, if the owner
22 is known, and also to the person in whose possession the
23 property was found if that person is known and if the person in
24 possession is not the owner of the property. If neither the
25 owner nor the person in possession of the property is known,
26 the Department of Revenue must cause publication of the order

1 to be made at least once each week for 3 weeks successively in
2 a newspaper of general circulation in the county where the
3 hearing was held.

4 (Source: P.A. 101-2, eff. 7-1-19; 102-538, eff. 8-20-21;
5 102-575, eff. 1-1-22; 102-813, eff. 5-13-22.)

6 Section 110. The Prevention of Cigarette and Electronic
7 Cigarette Sales to Persons under 21 Years of Age Act is amended
8 by changing Section 2 as follows:

9 (720 ILCS 678/2)

10 Sec. 2. Definitions. For the purpose of this Act:

11 "Cigarette", when used in this Act, means any roll for
12 smoking made wholly or in part of tobacco irrespective of size
13 or shape and whether or not the tobacco is flavored,
14 adulterated, or mixed with any other ingredient, and the
15 wrapper or cover of which is made of paper or any other
16 substance or material except whole leaf tobacco.

17 "Clear and conspicuous statement" means the statement is
18 of sufficient type size to be clearly readable by the
19 recipient of the communication.

20 "Consumer" means an individual who acquires or seeks to
21 acquire cigarettes or electronic cigarettes for personal use.

22 "Delivery sale" means any sale of cigarettes or electronic
23 cigarettes to a consumer if:

24 (a) the consumer submits the order for such sale by

1 means of a telephone or other method of voice
2 transmission, the mails, or the Internet or other online
3 service, or the seller is otherwise not in the physical
4 presence of the buyer when the request for purchase or
5 order is made; or

6 (b) the cigarettes or electronic cigarettes are
7 delivered by use of a common carrier, private delivery
8 service, or the mails, or the seller is not in the physical
9 presence of the buyer when the buyer obtains possession of
10 the cigarettes or electronic cigarettes.

11 "Delivery service" means any person (other than a person
12 that makes a delivery sale) who delivers to the consumer the
13 cigarettes or electronic cigarettes sold in a delivery sale.

14 "Department" means the Department of Revenue.

15 "Electronic cigarette" means:

16 (1) any device that employs a battery or other
17 mechanism to heat a solution or substance to produce a
18 vapor or aerosol intended for inhalation;

19 (2) any cartridge or container of a solution or
20 substance intended to be used with or in the device or to
21 refill the device; or

22 (3) any solution or substance, whether or not it
23 contains nicotine, intended for use in the device.

24 "Electronic cigarette" includes, but is not limited to,
25 any electronic nicotine delivery system, electronic cigar,
26 electronic cigarillo, electronic pipe, electronic hookah, vape

1 pen, or similar product or device, and any component, part, or
2 accessory of a device used during the operation of the device,
3 even if the part or accessory was sold separately. "Electronic
4 cigarette" does not include: cigarettes, as defined in Section
5 1 of the Cigarette Tax Act; any product approved by the United
6 States Food and Drug Administration for sale as a tobacco
7 cessation product, a tobacco dependence product, or for other
8 medical purposes that is marketed and sold solely for that
9 approved purpose; any asthma inhaler prescribed by a physician
10 for that condition that is marketed and sold solely for that
11 approved purpose; any device that meets the definition of
12 cannabis paraphernalia under Section 1-10 of the Cannabis
13 Regulation and Tax Act; or any cannabis product sold by a
14 dispensing organization pursuant to the Cannabis Regulation
15 and Tax Act ~~or the Compassionate Use of Medical Cannabis~~
16 ~~Program Act.~~

17 "Government-issued identification" means a State driver's
18 license, State identification card, passport, a military
19 identification or an official naturalization or immigration
20 document, such as a permanent resident card (commonly known as
21 a "green card") or an immigrant visa.

22 "Mails" or "mailing" mean the shipment of cigarettes or
23 electronic cigarettes through the United States Postal
24 Service.

25 "Out-of-state sale" means a sale of cigarettes or
26 electronic cigarettes to a consumer located outside of this

1 State where the consumer submits the order for such sale by
2 means of a telephonic or other method of voice transmission,
3 the mails or any other delivery service, facsimile
4 transmission, or the Internet or other online service and
5 where the cigarettes or electronic cigarettes are delivered by
6 use of the mails or other delivery service.

7 "Person" means any individual, corporation, partnership,
8 limited liability company, association, or other organization
9 that engages in any for-profit or not-for-profit activities.

10 "Shipping package" means a container in which packs or
11 cartons of cigarettes or electronic cigarettes are shipped in
12 connection with a delivery sale.

13 "Shipping documents" means bills of lading, air bills, or
14 any other documents used to evidence the undertaking by a
15 delivery service to deliver letters, packages, or other
16 containers.

17 (Source: P.A. 102-575, eff. 1-1-22; 102-1030, eff. 5-27-22.)

18 410 ILCS 130/Act rep.

19 Section 120. The Compassionate Use of Medical Cannabis
20 Program Act is repealed.

21 Section 995. No acceleration or delay. Where this Act
22 makes changes in a statute that is represented in this Act by
23 text that is not yet or no longer in effect (for example, a
24 Section represented by multiple versions), the use of that

1 text does not accelerate or delay the taking effect of (i) the
2 changes made by this Act or (ii) provisions derived from any
3 other Public Act.

4 Section 999. Effective date. This Act takes effect July 1,
5 2023.

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