



Sen. Kimberly A. Lightford

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10300HB2911sam002

LRB103 26014 RJT 73929 a

1 AMENDMENT TO HOUSE BILL 2911

2 AMENDMENT NO. _____. Amend House Bill 2911, AS AMENDED,
3 by replacing everything after the enacting clause with the
4 following:

5 "Section 3. The Illinois Administrative Procedure Act is
6 amended by adding Section 5-45.55 as follows:

7 (5 ILCS 100/5-45.55 new)

8 Sec. 5-45.55. Emergency rulemaking; this amendatory Act of
9 the 103rd General Assembly. To provide for the expeditious and
10 timely implementation of this amendatory Act of the 103rd
11 General Assembly, emergency rules implementing this amendatory
12 Act of the 103rd General Assembly may be adopted in accordance
13 with Section 5-45 by the Department of Agriculture. The
14 adoption of emergency rules authorized by Section 5-45 and
15 this Section is deemed to be necessary for the public
16 interest, safety, and welfare.

1 This Section is repealed one year after the effective date
2 of this amendatory Act of the 103rd General Assembly.

3 Section 5. The Department of Professional Regulation Law
4 of the Civil Administrative Code of Illinois is amended by
5 changing Section 2105-117 as follows:

6 (20 ILCS 2105/2105-117)

7 Sec. 2105-117. Confidentiality. All information collected
8 by the Department in the course of an examination or
9 investigation of a licensee, registrant, or applicant,
10 including, but not limited to, any complaint against a
11 licensee or registrant filed with the Department and
12 information collected to investigate any such complaint, shall
13 be maintained for the confidential use of the Department and
14 shall not be disclosed. The Department may not disclose the
15 information to anyone other than law enforcement officials,
16 other regulatory agencies that have an appropriate regulatory
17 interest as determined by the Director, the Office of
18 Executive Inspector General, or a party presenting a lawful
19 subpoena to the Department. Information and documents
20 disclosed to a federal, State, county, or local law
21 enforcement agency, including the Executive Inspector General,
22 shall not be disclosed by the agency for any purpose to any
23 other agency or person, except as necessary to those involved
24 in enforcing the State Officials and Employees Ethics Act. A

1 formal complaint filed against a licensee or registrant by the
2 Department or any order issued by the Department against a
3 licensee, registrant, or applicant shall be a public record,
4 except as otherwise prohibited by law.

5 (Source: P.A. 99-227, eff. 8-3-15.)

6 Section 10. The State Finance Act is amended by changing
7 Section 5.916 as follows:

8 (30 ILCS 105/5.916)

9 Sec. 5.916. The Local Cannabis Retailers' Occupation
10 ~~Consumer Excise~~ Tax Trust Fund.

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

12 Section 15. The Use Tax Act is amended by changing Section
13 3-10 as follows:

14 (35 ILCS 105/3-10)

15 Sec. 3-10. Rate of tax. Unless otherwise provided in this
16 Section, the tax imposed by this Act is at the rate of 6.25% of
17 either the selling price or the fair market value, if any, of
18 the tangible personal property. In all cases where property
19 functionally used or consumed is the same as the property that
20 was purchased at retail, then the tax is imposed on the selling
21 price of the property. In all cases where property
22 functionally used or consumed is a by-product or waste product

1 that has been refined, manufactured, or produced from property
2 purchased at retail, then the tax is imposed on the lower of
3 the fair market value, if any, of the specific property so used
4 in this State or on the selling price of the property purchased
5 at retail. For purposes of this Section "fair market value"
6 means the price at which property would change hands between a
7 willing buyer and a willing seller, neither being under any
8 compulsion to buy or sell and both having reasonable knowledge
9 of the relevant facts. The fair market value shall be
10 established by Illinois sales by the taxpayer of the same
11 property as that functionally used or consumed, or if there
12 are no such sales by the taxpayer, then comparable sales or
13 purchases of property of like kind and character in Illinois.

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

18 Beginning on August 6, 2010 through August 15, 2010, and
19 beginning again on August 5, 2022 through August 14, 2022,
20 with respect to sales tax holiday items as defined in Section
21 3-6 of this Act, the tax is imposed at the rate of 1.25%.

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

1 after July 1, 2017 and prior to January 1, 2024, (iv) 90% of
2 the proceeds of sales made on or after January 1, 2024 and on
3 or before December 31, 2028, and (v) 100% of the proceeds of
4 sales made after December 31, 2028. If, at any time, however,
5 the tax under this Act on sales of gasohol is imposed at the
6 rate of 1.25%, then the tax imposed by this Act applies to 100%
7 of the proceeds of sales of gasohol made during that time.

8 With respect to mid-range ethanol blends, the tax imposed
9 by this Act applies to (i) 80% of the proceeds of sales made on
10 or after January 1, 2024 and on or before December 31, 2028 and
11 (ii) 100% of the proceeds of sales made thereafter. If, at any
12 time, however, the tax under this Act on sales of mid-range
13 ethanol blends is imposed at the rate of 1.25%, then the tax
14 imposed by this Act applies to 100% of the proceeds of sales of
15 mid-range ethanol blends made during that time.

16 With respect to majority blended ethanol fuel, the tax
17 imposed by this Act does not apply to the proceeds of sales
18 made on or after July 1, 2003 and on or before December 31,
19 2028 but applies to 100% of the proceeds of sales made
20 thereafter.

21 With respect to biodiesel blends with no less than 1% and
22 no more than 10% biodiesel, the tax imposed by this Act applies
23 to (i) 80% of the proceeds of sales made on or after July 1,
24 2003 and on or before December 31, 2018 and (ii) 100% of the
25 proceeds of sales made after December 31, 2018 and before
26 January 1, 2024. On and after January 1, 2024 and on or before

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

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

16 Until July 1, 2022 and beginning again on July 1, 2023,
17 with respect to food for human consumption that is to be
18 consumed off the premises where it is sold (other than
19 alcoholic beverages, food consisting of or infused with adult
20 use cannabis, soft drinks, and food that has been prepared for
21 immediate consumption), the tax is imposed at the rate of 1%.
22 Beginning on July 1, 2022 and until July 1, 2023, with respect
23 to food for human consumption that is to be consumed off the
24 premises where it is sold (other than alcoholic beverages,
25 food consisting of or infused with adult use cannabis, soft
26 drinks, and food that has been prepared for immediate

1 consumption), the tax is imposed at the rate of 0%.

2 With respect to prescription and nonprescription
3 medicines, drugs, medical appliances, products classified as
4 Class III medical devices by the United States Food and Drug
5 Administration that are used for cancer treatment pursuant to
6 a prescription, as well as any accessories and components
7 related to those devices, modifications to a motor vehicle for
8 the purpose of rendering it usable by a person with a
9 disability, and insulin, blood sugar testing materials,
10 syringes, and needles used by human diabetics, the tax is
11 imposed at the rate of 1%. For the purposes of this Section,
12 until September 1, 2009: the term "soft drinks" means any
13 complete, finished, ready-to-use, non-alcoholic drink, whether
14 carbonated or not, including, but not limited to, soda water,
15 cola, fruit juice, vegetable juice, carbonated water, and all
16 other preparations commonly known as soft drinks of whatever
17 kind or description that are contained in any closed or sealed
18 bottle, can, carton, or container, regardless of size; but
19 "soft drinks" does not include coffee, tea, non-carbonated
20 water, infant formula, milk or milk products as defined in the
21 Grade A Pasteurized Milk and Milk Products Act, or drinks
22 containing 50% or more natural fruit or vegetable juice.

23 Notwithstanding any other provisions of this Act,
24 beginning September 1, 2009, "soft drinks" means non-alcoholic
25 beverages that contain natural or artificial sweeteners. "Soft
26 drinks" does not include beverages that contain milk or milk

1 products, soy, rice or similar milk substitutes, or greater
2 than 50% of vegetable or fruit juice by volume.

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

15 Notwithstanding any other provisions of this Act,
16 beginning September 1, 2009, "food for human consumption that
17 is to be consumed off the premises where it is sold" does not
18 include candy. For purposes of this Section, "candy" means a
19 preparation of sugar, honey, or other natural or artificial
20 sweeteners in combination with chocolate, fruits, nuts or
21 other ingredients or flavorings in the form of bars, drops, or
22 pieces. "Candy" does not include any preparation that contains
23 flour or requires refrigeration.

24 Notwithstanding any other provisions of this Act,
25 beginning September 1, 2009, "nonprescription medicines and
26 drugs" does not include grooming and hygiene products. For

1 purposes of this Section, "grooming and hygiene products"
2 includes, but is not limited to, soaps and cleaning solutions,
3 shampoo, toothpaste, mouthwash, antiperspirants, and sun tan
4 lotions and screens, unless those products are available by
5 prescription only, regardless of whether the products meet the
6 definition of "over-the-counter-drugs". For the purposes of
7 this paragraph, "over-the-counter-drug" means a drug for human
8 use that contains a label that identifies the product as a drug
9 as required by 21 CFR 201.66. The "over-the-counter-drug"
10 label includes:

11 (A) a "Drug Facts" panel; or

12 (B) a statement of the "active ingredient(s)" with a
13 list of those ingredients contained in the compound,
14 substance or preparation.

15 Beginning on January 1, 2014 (the effective date of Public
16 Act 98-122) and until January 1, 2025, "prescription and
17 nonprescription medicines and drugs" includes medical cannabis
18 purchased from a registered dispensing organization under the
19 Compassionate Use of Medical Cannabis Program Act.

20 Beginning on January 1, 2025, "prescription and
21 nonprescription medicines and drugs" includes cannabis
22 purchased from a registered dispensing organization by a
23 qualifying patient, designated caregiver, or provisional
24 patient, as those terms are defined in the Cannabis Regulation
25 and Tax Act.

26 As used in this Section, "adult use cannabis" means

1 cannabis subject to tax under the Cannabis Cultivation
2 Privilege Tax Law and the Cannabis Purchaser Excise Tax Law
3 and does not include cannabis purchased by a qualifying
4 patient, designated caregiver, or provisional patient, as
5 those terms are defined in the Cannabis Regulation and Tax Act
6 ~~subject to tax under the Compassionate Use of Medical Cannabis~~
7 ~~Program Act.~~

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

15 (Source: P.A. 102-4, eff. 4-27-21; 102-700, Article 20,
16 Section 20-5, eff. 4-19-22; 102-700, Article 60, Section
17 60-15, eff. 4-19-22; 102-700, Article 65, Section 65-5, eff.
18 4-19-22; 103-9, eff. 6-7-23; 103-154 eff. 6-30-23.)

19 Section 20. The Service Use Tax Act is amended by changing
20 Section 3-10 as follows:

21 (35 ILCS 110/3-10) (from Ch. 120, par. 439.33-10)

22 Sec. 3-10. Rate of tax. Unless otherwise provided in this
23 Section, the tax imposed by this Act is at the rate of 6.25% of
24 the selling price of tangible personal property transferred as

1 an incident to the sale of service, but, for the purpose of
2 computing this tax, in no event shall the selling price be less
3 than the cost price of the property to the serviceman.

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

8 With respect to gasohol, as defined in the Use Tax Act, the
9 tax imposed by this Act applies to (i) 70% of the selling price
10 of property transferred as an incident to the sale of service
11 on or after January 1, 1990, and before July 1, 2003, (ii) 80%
12 of the selling price of property transferred as an incident to
13 the sale of service on or after July 1, 2003 and on or before
14 July 1, 2017, (iii) 100% of the selling price of property
15 transferred as an incident to the sale of service after July 1,
16 2017 and before January 1, 2024, (iv) 90% of the selling price
17 of property transferred as an incident to the sale of service
18 on or after January 1, 2024 and on or before December 31, 2028,
19 and (v) 100% of the selling price of property transferred as an
20 incident to the sale of service after December 31, 2028. If, at
21 any time, however, the tax under this Act on sales of gasohol,
22 as defined in the Use Tax Act, is imposed at the rate of 1.25%,
23 then the tax imposed by this Act applies to 100% of the
24 proceeds of sales of gasohol made during that time.

25 With respect to mid-range ethanol blends, as defined in
26 Section 3-44.3 of the Use Tax Act, the tax imposed by this Act

1 applies to (i) 80% of the selling price of property
2 transferred as an incident to the sale of service on or after
3 January 1, 2024 and on or before December 31, 2028 and (ii)
4 100% of the selling price of property transferred as an
5 incident to the sale of service after December 31, 2028. If, at
6 any time, however, the tax under this Act on sales of mid-range
7 ethanol blends is imposed at the rate of 1.25%, then the tax
8 imposed by this Act applies to 100% of the selling price of
9 mid-range ethanol blends transferred as an incident to the
10 sale of service during that time.

11 With respect to majority blended ethanol fuel, as defined
12 in the Use Tax Act, the tax imposed by this Act does not apply
13 to the selling price of property transferred as an incident to
14 the sale of service on or after July 1, 2003 and on or before
15 December 31, 2028 but applies to 100% of the selling price
16 thereafter.

17 With respect to biodiesel blends, as defined in the Use
18 Tax Act, with no less than 1% and no more than 10% biodiesel,
19 the tax imposed by this Act applies to (i) 80% of the selling
20 price of property transferred as an incident to the sale of
21 service on or after July 1, 2003 and on or before December 31,
22 2018 and (ii) 100% of the proceeds of the selling price after
23 December 31, 2018 and before January 1, 2024. On and after
24 January 1, 2024 and on or before December 31, 2030, the
25 taxation of biodiesel, renewable diesel, and biodiesel blends
26 shall be as provided in Section 3-5.1 of the Use Tax Act. If,

1 at any time, however, the tax under this Act on sales of
2 biodiesel blends, as defined in the Use Tax Act, with no less
3 than 1% and no more than 10% biodiesel is imposed at the rate
4 of 1.25%, then the tax imposed by this Act applies to 100% of
5 the proceeds of sales of biodiesel blends with no less than 1%
6 and no more than 10% biodiesel made during that time.

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

17 At the election of any registered serviceman made for each
18 fiscal year, sales of service in which the aggregate annual
19 cost price of tangible personal property transferred as an
20 incident to the sales of service is less than 35%, or 75% in
21 the case of servicemen transferring prescription drugs or
22 servicemen engaged in graphic arts production, of the
23 aggregate annual total gross receipts from all sales of
24 service, the tax imposed by this Act shall be based on the
25 serviceman's cost price of the tangible personal property
26 transferred as an incident to the sale of those services.

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

18 Beginning on July 1, 2022 and until July 1, 2023, the tax
19 shall be imposed at the rate of 0% on food prepared for
20 immediate consumption and transferred incident to a sale of
21 service subject to this Act or the Service Occupation Tax Act
22 by an entity licensed under the Hospital Licensing Act, the
23 Nursing Home Care Act, the Assisted Living and Shared Housing
24 Act, the ID/DD Community Care Act, the MC/DD Act, the
25 Specialized Mental Health Rehabilitation Act of 2013, or the
26 Child Care Act of 1969, or an entity that holds a permit issued

1 pursuant to the Life Care Facilities Act. Beginning on July 1,
2 2022 and until July 1, 2023, the tax shall also be imposed at
3 the rate of 0% on food for human consumption that is to be
4 consumed off the premises where it is sold (other than
5 alcoholic beverages, food consisting of or infused with adult
6 use cannabis, soft drinks, and food that has been prepared for
7 immediate consumption and is not otherwise included in this
8 paragraph).

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

1 formula, milk or milk products as defined in the Grade A
2 Pasteurized Milk and Milk Products Act, or drinks containing
3 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 not include beverages that contain milk or milk
8 products, soy, rice or similar milk substitutes, or greater
9 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 201.66. The "over-the-counter-drug"
17 label includes:

18 (A) a "Drug Facts" panel; or

19 (B) 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) and until January 1, 2025, "prescription and
24 nonprescription medicines and drugs" includes medical cannabis
25 purchased from a registered dispensing organization under the
26 Compassionate Use of Medical Cannabis Program Act.

1 Beginning on January 1, 2025, "prescription and
2 nonprescription medicines and drugs" includes cannabis
3 purchased from a registered dispensing organization by a
4 qualifying patient, designated caregiver, or provisional
5 patient, as those terms are defined in the Cannabis Regulation
6 and Tax Act.

7 As used in this Section, "adult use cannabis" means
8 cannabis subject to tax under the Cannabis Cultivation
9 Privilege Tax Law and the Cannabis Purchaser Excise Tax Law
10 and does not include cannabis purchased by a qualifying
11 patient, designated caregiver, or provisional patient, as
12 those terms are defined in the Cannabis Regulation and Tax Act
13 ~~subject to tax under the Compassionate Use of Medical Cannabis~~
14 ~~Program Act.~~

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

22 (Source: P.A. 102-4, eff. 4-27-21; 102-16, eff. 6-17-21;
23 102-700, Article 20, Section 20-10, eff. 4-19-22; 102-700,
24 Article 60, Section 60-20, eff. 4-19-22; 103-9, eff. 6-7-23;
25 103-154, eff. 6-30-23.)

1 Section 25. The Service Occupation Tax Act is amended by
2 changing Section 3-10 as follows:

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

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

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

1 With respect to gasohol, as defined in the Use Tax Act, the
2 tax imposed by this Act shall apply to (i) 70% of the cost
3 price of property transferred as an incident to the sale of
4 service on or after January 1, 1990, and before July 1, 2003,
5 (ii) 80% of the selling price of property transferred as an
6 incident to the sale of service on or after July 1, 2003 and on
7 or before July 1, 2017, (iii) 100% of the selling price of
8 property transferred as an incident to the sale of service
9 after July 1, 2017 and prior to January 1, 2024, (iv) 90% of
10 the selling price of property transferred as an incident to
11 the sale of service on or after January 1, 2024 and on or
12 before December 31, 2028, and (v) 100% of the selling price of
13 property transferred as an incident to the sale of service
14 after December 31, 2028. If, at any time, however, the tax
15 under this Act on sales of gasohol, as defined in the Use Tax
16 Act, is imposed at the rate of 1.25%, then the tax imposed by
17 this Act applies to 100% of the proceeds of sales of gasohol
18 made during that time.

19 With respect to mid-range ethanol blends, as defined in
20 Section 3-44.3 of the Use Tax Act, the tax imposed by this Act
21 applies to (i) 80% of the selling price of property
22 transferred as an incident to the sale of service on or after
23 January 1, 2024 and on or before December 31, 2028 and (ii)
24 100% of the selling price of property transferred as an
25 incident to the sale of service after December 31, 2028. If, at
26 any time, however, the tax under this Act on sales of mid-range

1 ethanol blends is imposed at the rate of 1.25%, then the tax
2 imposed by this Act applies to 100% of the selling price of
3 mid-range ethanol blends transferred as an incident to the
4 sale of service during that time.

5 With respect to majority blended ethanol fuel, as defined
6 in the Use Tax Act, the tax imposed by this Act does not apply
7 to the selling price of property transferred as an incident to
8 the sale of service on or after July 1, 2003 and on or before
9 December 31, 2028 but applies to 100% of the selling price
10 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 selling
14 price of property transferred as an incident to the sale of
15 service on or after July 1, 2003 and on or before December 31,
16 2018 and (ii) 100% of the proceeds of the selling price after
17 December 31, 2018 and before January 1, 2024. On and after
18 January 1, 2024 and on or before December 31, 2030, the
19 taxation of biodiesel, renewable diesel, and biodiesel blends
20 shall be as provided in Section 3-5.1 of the Use Tax Act. If,
21 at any time, however, the tax under this Act on sales of
22 biodiesel blends, as defined in the Use Tax Act, with no less
23 than 1% and no more than 10% biodiesel is imposed at the rate
24 of 1.25%, then the tax imposed by this Act applies to 100% of
25 the proceeds of sales of biodiesel blends with no less than 1%
26 and no more than 10% biodiesel made during that time.

1 With respect to biodiesel, as defined in the Use Tax Act,
2 and biodiesel blends, as defined in the Use Tax Act, with more
3 than 10% but no more than 99% biodiesel material, the tax
4 imposed by this Act does not apply to the proceeds of the
5 selling price of property transferred as an incident to the
6 sale of service on or after July 1, 2003 and on or before
7 December 31, 2023. On and after January 1, 2024 and on or
8 before December 31, 2030, the taxation of biodiesel, renewable
9 diesel, and biodiesel blends shall be as provided in Section
10 3-5.1 of the Use Tax Act.

11 At the election of any registered serviceman made for each
12 fiscal year, sales of service in which the aggregate annual
13 cost price of tangible personal property transferred as an
14 incident to the sales of service is less than 35%, or 75% in
15 the case of servicemen transferring prescription drugs or
16 servicemen engaged in graphic arts production, of the
17 aggregate annual total gross receipts from all sales of
18 service, the tax imposed by this Act shall be based on the
19 serviceman's cost price of the tangible personal property
20 transferred incident to the sale of those services.

21 Until July 1, 2022 and beginning again on July 1, 2023, the
22 tax shall be imposed at the rate of 1% on food prepared for
23 immediate consumption and transferred incident to a sale of
24 service subject to this Act or the Service Use Tax Act by an
25 entity licensed under the Hospital Licensing Act, the Nursing
26 Home Care Act, the Assisted Living and Shared Housing Act, the

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

12 Beginning on July 1, 2022 and until July 1, 2023, the tax
13 shall be imposed at the rate of 0% on food prepared for
14 immediate consumption and transferred incident to a sale of
15 service subject to this Act or the Service Use Tax Act by an
16 entity licensed under the Hospital Licensing Act, the Nursing
17 Home Care Act, the Assisted Living and Shared Housing Act, the
18 ID/DD Community Care Act, the MC/DD Act, the Specialized
19 Mental Health Rehabilitation Act of 2013, or the Child Care
20 Act of 1969, or an entity that holds a permit issued pursuant
21 to the Life Care Facilities Act. Beginning July 1, 2022 and
22 until July 1, 2023, the tax shall also be imposed at the rate
23 of 0% on food for human consumption that is to be consumed off
24 the premises where it is sold (other than alcoholic beverages,
25 food consisting of or infused with adult use cannabis, soft
26 drinks, and food that has been prepared for immediate

1 consumption and is not otherwise included in this paragraph).

2 The tax shall also be imposed at the rate of 1% on
3 prescription and nonprescription medicines, drugs, medical
4 appliances, products classified as Class III medical devices
5 by the United States Food and Drug Administration that are
6 used for cancer treatment pursuant to a prescription, as well
7 as any accessories and components related to those devices,
8 modifications to a motor vehicle for the purpose of rendering
9 it usable by a person with a disability, and insulin, blood
10 sugar testing materials, syringes, and needles used by human
11 diabetics. For the purposes of this Section, until September
12 1, 2009: the term "soft drinks" means any complete, finished,
13 ready-to-use, non-alcoholic drink, whether carbonated or not,
14 including, but not limited to, soda water, cola, fruit juice,
15 vegetable juice, carbonated water, and all other preparations
16 commonly known as soft drinks of whatever kind or description
17 that are contained in any closed or sealed can, carton, or
18 container, regardless of size; but "soft drinks" does not
19 include coffee, tea, non-carbonated water, infant formula,
20 milk or milk products as defined in the Grade A Pasteurized
21 Milk and Milk Products Act, or drinks containing 50% or more
22 natural fruit or vegetable juice.

23 Notwithstanding any other provisions of this Act,
24 beginning September 1, 2009, "soft drinks" means non-alcoholic
25 beverages that contain natural or artificial sweeteners. "Soft
26 drinks" does not include beverages that contain milk or milk

1 products, soy, rice or similar milk substitutes, or greater
2 than 50% of vegetable or fruit juice by volume.

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

15 Notwithstanding any other provisions of this Act,
16 beginning September 1, 2009, "food for human consumption that
17 is to be consumed off the premises where it is sold" does not
18 include candy. For purposes of this Section, "candy" means a
19 preparation of sugar, honey, or other natural or artificial
20 sweeteners in combination with chocolate, fruits, nuts or
21 other ingredients or flavorings in the form of bars, drops, or
22 pieces. "Candy" does not include any preparation that contains
23 flour or requires refrigeration.

24 Notwithstanding any other provisions of this Act,
25 beginning September 1, 2009, "nonprescription medicines and
26 drugs" does not include grooming and hygiene products. For

1 purposes of this Section, "grooming and hygiene products"
2 includes, but is not limited to, soaps and cleaning solutions,
3 shampoo, toothpaste, mouthwash, antiperspirants, and sun tan
4 lotions and screens, unless those products are available by
5 prescription only, regardless of whether the products meet the
6 definition of "over-the-counter-drugs". For the purposes of
7 this paragraph, "over-the-counter-drug" means a drug for human
8 use that contains a label that identifies the product as a drug
9 as required by 21 CFR 201.66. The "over-the-counter-drug"
10 label includes:

11 (A) a "Drug Facts" panel; or

12 (B) a statement of the "active ingredient(s)" with a
13 list of those ingredients contained in the compound,
14 substance or preparation.

15 Beginning on January 1, 2014 (the effective date of Public
16 Act 98-122) and until January 1, 2025, "prescription and
17 nonprescription medicines and drugs" includes medical cannabis
18 purchased from a registered dispensing organization under the
19 Compassionate Use of Medical Cannabis Program Act.

20 Beginning on January 1, 2025, "prescription and
21 nonprescription medicines and drugs" includes cannabis
22 purchased from a registered dispensing organization by a
23 qualifying patient, designated caregiver, or provisional
24 patient, as those terms are defined in the Cannabis Regulation
25 and Tax Act.

26 As used in this Section, "adult use cannabis" means

1 cannabis subject to tax under the Cannabis Cultivation
2 Privilege Tax Law and the Cannabis Purchaser Excise Tax Law
3 and does not include cannabis purchased by a qualifying
4 patient, designated caregiver, or provisional patient, as
5 those terms are defined in the Cannabis Regulation and Tax Act
6 ~~subject to tax under the Compassionate Use of Medical Cannabis~~
7 ~~Program Act.~~

8 (Source: P.A. 102-4, eff. 4-27-21; 102-16, eff. 6-17-21;
9 102-700, Article 20, Section 20-15, eff. 4-19-22; 102-700,
10 Article 60, Section 60-25, eff. 4-19-22; 103-9, eff. 6-7-23;
11 103-154, eff. 6-30-23.)

12 Section 30. The Retailers' Occupation Tax Act is amended
13 by changing Sections 2-10 and 11 as follows:

14 (35 ILCS 120/2-10)

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

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

23 Beginning on August 6, 2010 through August 15, 2010, and
24 beginning again on August 5, 2022 through August 14, 2022,

1 with respect to sales tax holiday items as defined in Section
2 2-8 of this Act, the tax is imposed at the rate of 1.25%.

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

18 With respect to gasohol, as defined in the Use Tax Act, the
19 tax imposed by this Act applies to (i) 70% of the proceeds of
20 sales made on or after January 1, 1990, and before July 1,
21 2003, (ii) 80% of the proceeds of sales made on or after July
22 1, 2003 and on or before July 1, 2017, (iii) 100% of the
23 proceeds of sales made after July 1, 2017 and prior to January
24 1, 2024, (iv) 90% of the proceeds of sales made on or after
25 January 1, 2024 and on or before December 31, 2028, and (v)
26 100% of the proceeds of sales made after December 31, 2028. If,

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

5 With respect to mid-range ethanol blends, as defined in
6 Section 3-44.3 of the Use Tax Act, the tax imposed by this Act
7 applies to (i) 80% of the proceeds of sales made on or after
8 January 1, 2024 and on or before December 31, 2028 and (ii)
9 100% of the proceeds of sales made after December 31, 2028. If,
10 at any time, however, the tax under this Act on sales of
11 mid-range ethanol blends is imposed at the rate of 1.25%, then
12 the tax imposed by this Act applies to 100% of the proceeds of
13 sales of mid-range ethanol blends made during that time.

14 With respect to majority blended ethanol fuel, as defined
15 in the Use Tax Act, the tax imposed by this Act does not apply
16 to the proceeds of sales made on or after July 1, 2003 and on
17 or before December 31, 2028 but applies to 100% of the proceeds
18 of sales made thereafter.

19 With respect to biodiesel blends, as defined in the Use
20 Tax Act, with no less than 1% and no more than 10% biodiesel,
21 the tax imposed by this Act applies to (i) 80% of the proceeds
22 of sales made on or after July 1, 2003 and on or before
23 December 31, 2018 and (ii) 100% of the proceeds of sales made
24 after December 31, 2018 and before January 1, 2024. On and
25 after January 1, 2024 and on or before December 31, 2030, the
26 taxation of biodiesel, renewable diesel, and biodiesel blends

1 shall be as provided in Section 3-5.1 of the Use Tax Act. If,
2 at any time, however, the tax under this Act on sales of
3 biodiesel blends, as defined in the Use Tax Act, with no less
4 than 1% and no more than 10% biodiesel is imposed at the rate
5 of 1.25%, then the tax imposed by this Act applies to 100% of
6 the proceeds of sales of biodiesel blends with no less than 1%
7 and no more than 10% biodiesel made during that time.

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

16 Until July 1, 2022 and beginning again on July 1, 2023,
17 with respect to food for human consumption that is to be
18 consumed off the premises where it is sold (other than
19 alcoholic beverages, food consisting of or infused with adult
20 use cannabis, soft drinks, and food that has been prepared for
21 immediate consumption), the tax is imposed at the rate of 1%.
22 Beginning July 1, 2022 and until July 1, 2023, with respect to
23 food for human consumption that is to be consumed off the
24 premises where it is sold (other than alcoholic beverages,
25 food consisting of or infused with adult use cannabis, soft
26 drinks, and food that has been prepared for immediate

1 consumption), the tax is imposed at the rate of 0%.

2 With respect to prescription and nonprescription
3 medicines, drugs, medical appliances, products classified as
4 Class III medical devices by the United States Food and Drug
5 Administration that are used for cancer treatment pursuant to
6 a prescription, as well as any accessories and components
7 related to those devices, modifications to a motor vehicle for
8 the purpose of rendering it usable by a person with a
9 disability, and insulin, blood sugar testing materials,
10 syringes, and needles used by human diabetics, the tax is
11 imposed at the rate of 1%. For the purposes of this Section,
12 until September 1, 2009: the term "soft drinks" means any
13 complete, finished, ready-to-use, non-alcoholic drink, whether
14 carbonated or not, including, but not limited to, soda water,
15 cola, fruit juice, vegetable juice, carbonated water, and all
16 other preparations commonly known as soft drinks of whatever
17 kind or description that are contained in any closed or sealed
18 bottle, can, carton, or container, regardless of size; but
19 "soft drinks" does not include coffee, tea, non-carbonated
20 water, infant formula, milk or milk products as defined in the
21 Grade A Pasteurized Milk and Milk Products Act, or drinks
22 containing 50% or more natural fruit or vegetable juice.

23 Notwithstanding any other provisions of this Act,
24 beginning September 1, 2009, "soft drinks" means non-alcoholic
25 beverages that contain natural or artificial sweeteners. "Soft
26 drinks" does not include beverages that contain milk or milk

1 products, soy, rice or similar milk substitutes, or greater
2 than 50% of vegetable or fruit juice by volume.

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

15 Notwithstanding any other provisions of this Act,
16 beginning September 1, 2009, "food for human consumption that
17 is to be consumed off the premises where it is sold" does not
18 include candy. For purposes of this Section, "candy" means a
19 preparation of sugar, honey, or other natural or artificial
20 sweeteners in combination with chocolate, fruits, nuts or
21 other ingredients or flavorings in the form of bars, drops, or
22 pieces. "Candy" does not include any preparation that contains
23 flour or requires refrigeration.

24 Notwithstanding any other provisions of this Act,
25 beginning September 1, 2009, "nonprescription medicines and
26 drugs" does not include grooming and hygiene products. For

1 purposes of this Section, "grooming and hygiene products"
2 includes, but is not limited to, soaps and cleaning solutions,
3 shampoo, toothpaste, mouthwash, antiperspirants, and sun tan
4 lotions and screens, unless those products are available by
5 prescription only, regardless of whether the products meet the
6 definition of "over-the-counter-drugs". For the purposes of
7 this paragraph, "over-the-counter-drug" means a drug for human
8 use that contains a label that identifies the product as a drug
9 as required by 21 CFR 201.66. The "over-the-counter-drug"
10 label includes:

11 (A) a "Drug Facts" panel; or

12 (B) a statement of the "active ingredient(s)" with a
13 list of those ingredients contained in the compound,
14 substance or preparation.

15 Beginning on January 1, 2014 (the effective date of Public
16 Act 98-122) and until January 1, 2025, "prescription and
17 nonprescription medicines and drugs" includes medical cannabis
18 purchased from a registered dispensing organization under the
19 Compassionate Use of Medical Cannabis Program Act.

20 Beginning on January 1, 2025, "prescription and
21 nonprescription medicines and drugs" includes cannabis
22 purchased from a registered dispensing organization by a
23 qualifying patient, designated caregiver, or provisional
24 patient, as those terms are defined in the Cannabis Regulation
25 and Tax Act.

26 As used in this Section, "adult use cannabis" means

1 cannabis subject to tax under the Cannabis Cultivation
2 Privilege Tax Law and the Cannabis Purchaser Excise Tax Law
3 and does not include cannabis purchased by a qualifying
4 patient, designated caregiver, or provisional patient, as
5 those terms are defined in the Cannabis Regulation and Tax Act
6 ~~subject to tax under the Compassionate Use of Medical Cannabis~~
7 ~~Program Act.~~

8 (Source: P.A. 102-4, eff. 4-27-21; 102-700, Article 20,
9 Section 20-20, eff. 4-19-22; 102-700, Article 60, Section
10 60-30, eff. 4-19-22; 102-700, Article 65, Section 65-10, eff.
11 4-19-22; 103-9, eff. 6-7-23; 103-154, eff. 6-30-23.)

12 (35 ILCS 120/11) (from Ch. 120, par. 450)

13 Sec. 11. All information received by the Department from
14 returns filed under this Act, or from any investigation
15 conducted under this Act, shall be confidential, except for
16 official purposes, and any person, including a third party as
17 defined in the Local Government Revenue Recapture Act, who
18 divulges any such information in any manner, except in
19 accordance with a proper judicial order or as otherwise
20 provided by law, including the Local Government Revenue
21 Recapture Act, shall be guilty of a Class B misdemeanor with a
22 fine not to exceed \$7,500.

23 Nothing in this Act prevents the Director of Revenue from
24 publishing or making available to the public the names and
25 addresses of persons filing returns under this Act, or

1 reasonable statistics concerning the operation of the tax by
2 grouping the contents of returns so the information in any
3 individual return is not disclosed.

4 Nothing in this Act prevents the Director of Revenue from
5 divulging to the United States Government or the government of
6 any other state, or any officer or agency thereof, for
7 exclusively official purposes, information received by the
8 Department in administering this Act, provided that such other
9 governmental agency agrees to divulge requested tax
10 information to the Department.

11 The Department's furnishing of information derived from a
12 taxpayer's return or from an investigation conducted under
13 this Act to the surety on a taxpayer's bond that has been
14 furnished to the Department under this Act, either to provide
15 notice to such surety of its potential liability under the
16 bond or, in order to support the Department's demand for
17 payment from such surety under the bond, is an official
18 purpose within the meaning of this Section.

19 The furnishing upon request of information obtained by the
20 Department from returns filed under this Act or investigations
21 conducted under this Act to the Illinois Liquor Control
22 Commission for official use is deemed to be an official
23 purpose within the meaning of this Section.

24 Notice to a surety of potential liability shall not be
25 given unless the taxpayer has first been notified, not less
26 than 10 days prior thereto, of the Department's intent to so

1 notify the surety.

2 The furnishing upon request of the Auditor General, or his
3 authorized agents, for official use, of returns filed and
4 information related thereto under this Act is deemed to be an
5 official purpose within the meaning of this Section.

6 Where an appeal or a protest has been filed on behalf of a
7 taxpayer, the furnishing upon request of the attorney for the
8 taxpayer of returns filed by the taxpayer and information
9 related thereto under this Act is deemed to be an official
10 purpose within the meaning of this Section.

11 The furnishing of financial information to a municipality
12 or county, upon request of the chief executive officer
13 thereof, is an official purpose within the meaning of this
14 Section, provided the municipality or county agrees in writing
15 to the requirements of this Section. Information provided to
16 municipalities and counties under this paragraph shall be
17 limited to: (1) the business name; (2) the business address;
18 (3) the standard classification number assigned to the
19 business; (4) net revenue distributed to the requesting
20 municipality or county that is directly related to the
21 requesting municipality's or county's local share of the
22 proceeds under the Use Tax Act, the Service Use Tax Act, the
23 Service Occupation Tax Act, and the Retailers' Occupation Tax
24 Act distributed from the Local Government Tax Fund, and, if
25 applicable, any locally imposed retailers' occupation tax or
26 service occupation tax; and (5) a listing of all businesses

1 within the requesting municipality or county by account
2 identification number and address. On and after July 1, 2015,
3 the furnishing of financial information to municipalities and
4 counties under this paragraph may be by electronic means. If
5 the Department may furnish financial information to a
6 municipality or county under this paragraph, then the chief
7 executive officer of the municipality or county may, in turn,
8 provide that financial information to a third party pursuant
9 to the Local Government Revenue Recapture Act. However, the
10 third party shall agree in writing to the requirements of this
11 Section and meet the requirements of the Local Government
12 Revenue Recapture Act.

13 Information so provided shall be subject to all
14 confidentiality provisions of this Section. The written
15 agreement shall provide for reciprocity, limitations on
16 access, disclosure, and procedures for requesting information.
17 For the purposes of furnishing financial information to a
18 municipality or county under this Section, "chief executive
19 officer" means the mayor of a city, the village board
20 president of a village, the mayor or president of an
21 incorporated town, the county executive of a county that has
22 adopted the county executive form of government, the president
23 of the board of commissioners of Cook County, or the
24 chairperson of the county board or board of county
25 commissioners of any other county.

26 The Department may make available to the Board of Trustees

1 of any Metro East Mass Transit District information contained
2 on transaction reporting returns required to be filed under
3 Section 3 of this Act that report sales made within the
4 boundary of the taxing authority of that Metro East Mass
5 Transit District, as provided in Section 5.01 of the Local
6 Mass Transit District Act. The disclosure shall be made
7 pursuant to a written agreement between the Department and the
8 Board of Trustees of a Metro East Mass Transit District, which
9 is an official purpose within the meaning of this Section. The
10 written agreement between the Department and the Board of
11 Trustees of a Metro East Mass Transit District shall provide
12 for reciprocity, limitations on access, disclosure, and
13 procedures for requesting information. Information so provided
14 shall be subject to all confidentiality provisions of this
15 Section.

16 The Director may make available to any State agency,
17 including the Illinois Supreme Court, which licenses persons
18 to engage in any occupation, information that a person
19 licensed by such agency has failed to file returns under this
20 Act or pay the tax, penalty and interest shown therein, or has
21 failed to pay any final assessment of tax, penalty or interest
22 due under this Act. The Director may make available to any
23 State agency, including the Illinois Supreme Court,
24 information regarding whether a bidder, contractor, or an
25 affiliate of a bidder or contractor has failed to collect and
26 remit Illinois Use tax on sales into Illinois, or any tax under

1 this Act or pay the tax, penalty, and interest shown therein,
2 or has failed to pay any final assessment of tax, penalty, or
3 interest due under this Act, for the limited purpose of
4 enforcing bidder and contractor certifications. The Director
5 may make available to units of local government and school
6 districts that require bidder and contractor certifications,
7 as set forth in Sections 50-11 and 50-12 of the Illinois
8 Procurement Code, information regarding whether a bidder,
9 contractor, or an affiliate of a bidder or contractor has
10 failed to collect and remit Illinois Use tax on sales into
11 Illinois, file returns under this Act, or pay the tax,
12 penalty, and interest shown therein, or has failed to pay any
13 final assessment of tax, penalty, or interest due under this
14 Act, for the limited purpose of enforcing bidder and
15 contractor certifications. For purposes of this Section, the
16 term "affiliate" means any entity that (1) directly,
17 indirectly, or constructively controls another entity, (2) is
18 directly, indirectly, or constructively controlled by another
19 entity, or (3) is subject to the control of a common entity.
20 For purposes of this Section, an entity controls another
21 entity if it owns, directly or individually, more than 10% of
22 the voting securities of that entity. As used in this Section,
23 the term "voting security" means a security that (1) confers
24 upon the holder the right to vote for the election of members
25 of the board of directors or similar governing body of the
26 business or (2) is convertible into, or entitles the holder to

1 receive upon its exercise, a security that confers such a
2 right to vote. A general partnership interest is a voting
3 security.

4 The Director may make available to any State agency,
5 including the Illinois Supreme Court, units of local
6 government, and school districts, information regarding
7 whether a bidder or contractor is an affiliate of a person who
8 is not collecting and remitting Illinois Use taxes for the
9 limited purpose of enforcing bidder and contractor
10 certifications.

11 The Director may also make available to the Secretary of
12 State information that a limited liability company, which has
13 filed articles of organization with the Secretary of State, or
14 corporation which has been issued a certificate of
15 incorporation by the Secretary of State has failed to file
16 returns under this Act or pay the tax, penalty and interest
17 shown therein, or has failed to pay any final assessment of
18 tax, penalty or interest due under this Act. An assessment is
19 final when all proceedings in court for review of such
20 assessment have terminated or the time for the taking thereof
21 has expired without such proceedings being instituted.

22 It is an official purpose within the meaning of this
23 Section for the Department to publicly report the aggregate
24 amount of tax revenues from a given tax return type that the
25 Department allocates from a State fund or State trust fund to
26 each unit of local government, such as the amount of the

1 monthly allocation to each unit of local government of
2 Municipal Cannabis Retailers' Occupation Tax, County Cannabis
3 Retailers' Occupation Tax, or Business District Retailers'
4 Occupation Tax, notwithstanding that some units of local
5 government may have as few as one retailer reporting revenues
6 for a given tax return type in any given reporting period.

7 The Director shall make available for public inspection in
8 the Department's principal office and for publication, at
9 cost, administrative decisions issued on or after January 1,
10 1995. These decisions are to be made available in a manner so
11 that the following taxpayer information is not disclosed:

12 (1) The names, addresses, and identification numbers
13 of the taxpayer, related entities, and employees.

14 (2) At the sole discretion of the Director, trade
15 secrets or other confidential information identified as
16 such by the taxpayer, no later than 30 days after receipt
17 of an administrative decision, by such means as the
18 Department shall provide by rule.

19 The Director shall determine the appropriate extent of the
20 deletions allowed in paragraph (2). In the event the taxpayer
21 does not submit deletions, the Director shall make only the
22 deletions specified in paragraph (1).

23 The Director shall make available for public inspection
24 and publication an administrative decision within 180 days
25 after the issuance of the administrative decision. The term
26 "administrative decision" has the same meaning as defined in

1 Section 3-101 of Article III of the Code of Civil Procedure.
2 Costs collected under this Section shall be paid into the Tax
3 Compliance and Administration Fund.

4 Nothing contained in this Act shall prevent the Director
5 from divulging information to any person pursuant to a request
6 or authorization made by the taxpayer or by an authorized
7 representative of the taxpayer.

8 The furnishing of information obtained by the Department
9 from returns filed under Public Act 101-10 to the Department
10 of Transportation for purposes of compliance with Public Act
11 101-10 regarding aviation fuel is deemed to be an official
12 purpose within the meaning of this Section.

13 The Director may make information available to the
14 Secretary of State for the purpose of administering Section
15 5-901 of the Illinois Vehicle Code.

16 (Source: P.A. 101-10, eff. 6-5-19; 101-628, eff. 6-1-20;
17 102-558, eff. 8-20-21; 102-941, eff. 7-1-22.)

18 Section 35. The Counties Code is amended by changing
19 Section 5-1009 as follows:

20 (55 ILCS 5/5-1009) (from Ch. 34, par. 5-1009)

21 Sec. 5-1009. Limitation on home rule powers. Except as
22 provided in Sections 5-1006, 5-1006.5, 5-1006.8, 5-1007, and
23 5-1008, on and after September 1, 1990, no home rule county has
24 the authority to impose, pursuant to its home rule authority,

1 a retailers' occupation tax, service occupation tax, use tax,
2 sales tax or other tax on the use, sale or purchase of tangible
3 personal property based on the gross receipts from such sales
4 or the selling or purchase price of said tangible personal
5 property. Notwithstanding the foregoing, this Section does not
6 preempt any home rule imposed tax such as the following: (1) a
7 tax on alcoholic beverages, whether based on gross receipts,
8 volume sold or any other measurement; (2) a tax based on the
9 number of units of cigarettes or tobacco products; (3) a tax,
10 however measured, based on the use of a hotel or motel room or
11 similar facility; (4) a tax, however measured, on the sale or
12 transfer of real property; (5) a tax, however measured, on
13 lease receipts; (6) a tax on food prepared for immediate
14 consumption and on alcoholic beverages sold by a business
15 which provides for on premise consumption of said food or
16 alcoholic beverages; or (7) other taxes not based on the
17 selling or purchase price or gross receipts from the use, sale
18 or purchase of tangible personal property, other than a tax on
19 cannabis in any of its forms, which is prohibited except as
20 otherwise provided in this Section. This Section does not
21 preempt a home rule county from imposing a tax, however
22 measured, on the use, for consideration, of a parking lot,
23 garage, or other parking facility.

24 On and after December 1, 2019, no home rule county has the
25 authority to impose, pursuant to its home rule authority, a
26 tax, however measured, on sales of aviation fuel, as defined

1 in Section 3 of the Retailers' Occupation Tax Act, unless the
2 tax revenue is expended for airport-related purposes. For
3 purposes of this Section, "airport-related purposes" has the
4 meaning ascribed in Section 6z-20.2 of the State Finance Act.
5 Aviation fuel shall be excluded from tax only for so long as
6 the revenue use requirements of 49 U.S.C. 47017(b) and 49
7 U.S.C. 47133 are binding on the county.

8 This Section is a limitation, pursuant to subsection (g)
9 of Section 6 of Article VII of the Illinois Constitution, on
10 the power of home rule units to tax. The changes made to this
11 Section by Public Act 101-10 are a denial and limitation of
12 home rule powers and functions under subsection (g) of Section
13 6 of Article VII of the Illinois Constitution.

14 (Source: P.A. 101-10, eff. 6-5-19; 101-27, eff. 6-25-19;
15 102-558, eff. 8-20-21.)

16 Section 40. The Illinois Municipal Code is amended by
17 changing Section 8-11-6a as follows:

18 (65 ILCS 5/8-11-6a) (from Ch. 24, par. 8-11-6a)

19 Sec. 8-11-6a. Home rule municipalities; preemption of
20 certain taxes. Except as provided in Sections 8-11-1, 8-11-5,
21 8-11-6, 8-11-6b, 8-11-6c, 8-11-23, and 11-74.3-6 on and after
22 September 1, 1990, no home rule municipality has the authority
23 to impose, pursuant to its home rule authority, a retailer's
24 occupation tax, service occupation tax, use tax, sales tax or

1 other tax on the use, sale or purchase of tangible personal
2 property based on the gross receipts from such sales or the
3 selling or purchase price of said tangible personal property.
4 Notwithstanding the foregoing, this Section does not preempt
5 any home rule imposed tax such as the following: (1) a tax on
6 alcoholic beverages, whether based on gross receipts, volume
7 sold or any other measurement; (2) a tax based on the number of
8 units of cigarettes or tobacco products (provided, however,
9 that a home rule municipality that has not imposed a tax based
10 on the number of units of cigarettes or tobacco products
11 before July 1, 1993, shall not impose such a tax after that
12 date); (3) a tax, however measured, based on the use of a hotel
13 or motel room or similar facility; (4) a tax, however
14 measured, on the sale or transfer of real property; (5) a tax,
15 however measured, on lease receipts; (6) a tax on food
16 prepared for immediate consumption and on alcoholic beverages
17 sold by a business which provides for on premise consumption
18 of said food or alcoholic beverages; or (7) other taxes not
19 based on the selling or purchase price or gross receipts from
20 the use, sale or purchase of tangible personal property, other
21 than a tax on cannabis in any of its forms, which is prohibited
22 except as otherwise provided in this Section. This Section
23 does not preempt a home rule municipality with a population of
24 more than 2,000,000 from imposing a tax, however measured, on
25 the use, for consideration, of a parking lot, garage, or other
26 parking facility. This Section is not intended to affect any

1 existing tax on food and beverages prepared for immediate
2 consumption on the premises where the sale occurs, or any
3 existing tax on alcoholic beverages, or any existing tax
4 imposed on the charge for renting a hotel or motel room, which
5 was in effect January 15, 1988, or any extension of the
6 effective date of such an existing tax by ordinance of the
7 municipality imposing the tax, which extension is hereby
8 authorized, in any non-home rule municipality in which the
9 imposition of such a tax has been upheld by judicial
10 determination, nor is this Section intended to preempt the
11 authority granted by Public Act 85-1006. On and after December
12 1, 2019, no home rule municipality has the authority to
13 impose, pursuant to its home rule authority, a tax, however
14 measured, on sales of aviation fuel, as defined in Section 3 of
15 the Retailers' Occupation Tax Act, unless the tax is not
16 subject to the revenue use requirements of 49 U.S.C. 47107(b)
17 and 49 U.S.C. 47133, or unless the tax revenue is expended for
18 airport-related purposes. For purposes of this Section,
19 "airport-related purposes" has the meaning ascribed in Section
20 6z-20.2 of the State Finance Act. Aviation fuel shall be
21 excluded from tax only if, and for so long as, the revenue use
22 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are
23 binding on the municipality. This Section is a limitation,
24 pursuant to subsection (g) of Section 6 of Article VII of the
25 Illinois Constitution, on the power of home rule units to tax.
26 The changes made to this Section by Public Act 101-10 are a

1 denial and limitation of home rule powers and functions under
2 subsection (g) of Section 6 of Article VII of the Illinois
3 Constitution.

4 (Source: P.A. 101-10, eff. 6-5-19; 101-27, eff. 6-25-19;
5 101-593, eff. 12-4-19.)

6 Section 45. The Compassionate Use of Medical Cannabis
7 Program Act is amended by changing Sections 7, 10, 25, 30, 35,
8 57, 70, 85, 100, 105, 115, 115.5, 120, 130, 145, 150, 165, 170,
9 180, 200, and 210 as follows:

10 (410 ILCS 130/7)

11 Sec. 7. Lawful user and lawful products. For the purposes
12 of this Act and to clarify the legislative findings on the
13 lawful use of cannabis:

14 (1) A cardholder under this Act shall not be
15 considered an unlawful user or addicted to narcotics
16 solely as a result of his or her qualifying patient,
17 provisional patient, or designated caregiver status.

18 (2) All ~~medical~~ cannabis products purchased by a
19 qualifying patient, provisional patient, or designated
20 caregiver at a licensed dispensing organization shall be
21 lawful products ~~and a distinction shall be made between~~
22 ~~medical and non-medical uses of cannabis as a result of~~
23 ~~the qualifying patient's cardholder status, provisional~~
24 ~~registration for qualifying patient cardholder status, or~~

1 ~~participation in the Opioid Alternative Pilot Program~~
2 ~~under the authorized use granted under State law.~~

3 (3) An individual with a provisional registration for
4 qualifying patient cardholder status, a qualifying patient
5 in the Compassionate Use of Medical Cannabis Program, or
6 an Opioid Alternative Pilot Program participant under
7 Section 62 shall not be considered an unlawful user or
8 addicted to narcotics solely as a result of his or her
9 application to or participation in the program.

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

11 (410 ILCS 130/10)

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

14 (a) "Adequate medical supply" means:

15 (1) 2.5 ounces of usable cannabis during a period of
16 14 days and that is derived solely from an intrastate
17 source.

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

1 patient's debilitating medical condition or symptoms
2 associated with the debilitating medical condition.

3 (3) This subsection may not be construed to authorize
4 the possession of more than 2.5 ounces at any time without
5 authority from the Department of Public Health.

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

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

15 (b) "Cannabis" has the meaning given that term in Section
16 3 of the Cannabis Control Act.

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

25 (d) "Cardholder" means a qualifying patient, provisional
26 patient, or a designated caregiver who has been issued and

1 possesses a valid registry identification card by the
2 Department of Public Health.

3 (d-5) "Certifying health care professional" means a
4 physician, an advanced practice registered nurse, or a
5 physician assistant.

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

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

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

18 (h) "Debilitating medical condition" means one or more of
19 the following:

20 (1) cancer, glaucoma, positive status for human
21 immunodeficiency virus, acquired immune deficiency
22 syndrome, hepatitis C, amyotrophic lateral sclerosis,
23 Crohn's disease (including, but not limited to, ulcerative
24 colitis), agitation of Alzheimer's disease,
25 cachexia/wasting syndrome, muscular dystrophy, severe
26 fibromyalgia, spinal cord disease, including but not

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

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

26 (2) any other debilitating medical condition or its

1 treatment that is added by the Department of Public Health
2 by rule as provided in Section 45.

3 (i) "Designated caregiver" means a person who: (1) is at
4 least 21 years of age; (2) has agreed to assist with a
5 patient's medical use of cannabis; and (3) ~~has not been~~
6 ~~convicted of an excluded offense; and (4)~~ assists no more than
7 one registered qualifying patient with his or her medical use
8 of cannabis. Beginning January 1, 2025, a designated caregiver
9 registered under this Act may perform the designated
10 caregiver's duties at any dispensary or dispensing
11 organization licensed by the Department of Financial and
12 Professional Regulation under the Cannabis Regulation and Tax
13 Act.

14 (j) "Dispensing organization agent identification card"
15 means a document issued by the Department of Financial and
16 Professional Regulation that identifies a person as a medical
17 cannabis dispensing organization agent. Beginning January 1,
18 2025, a dispensing organization agent identification card
19 issued under this Act authorizes a person who is a medical
20 cannabis dispensing organization agent to perform the agent's
21 duties at any dispensary or dispensing organization licensed
22 by the Department of Financial and Professional Regulation
23 under the Cannabis Regulation and Tax Act.

24 (k) "Enclosed, locked facility" means a room, greenhouse,
25 building, or other enclosed area equipped with locks or other
26 security devices that permit access only by a cultivation

1 center's agents or a dispensing organization's agent working
2 for the registered cultivation center or the registered
3 dispensing organization to cultivate, store, and distribute
4 cannabis for registered qualifying patients.

5 (1) (Blank). ~~"Excluded offense" for cultivation center~~
6 ~~agents and dispensing organizations means:~~

7 ~~(1) a violent crime defined in Section 3 of the Rights~~
8 ~~of Crime Victims and Witnesses Act or a substantially~~
9 ~~similar offense that was classified as a felony in the~~
10 ~~jurisdiction where the person was convicted; or~~

11 ~~(2) a violation of a state or federal controlled~~
12 ~~substance law, the Cannabis Control Act, or the~~
13 ~~Methamphetamine Control and Community Protection Act that~~
14 ~~was classified as a felony in the jurisdiction where the~~
15 ~~person was convicted, except that the registering~~
16 ~~Department may waive this restriction if the person~~
17 ~~demonstrates to the registering Department's satisfaction~~
18 ~~that his or her conviction was for the possession,~~
19 ~~cultivation, transfer, or delivery of a reasonable amount~~
20 ~~of cannabis intended for medical use. This exception does~~
21 ~~not apply if the conviction was under state law and~~
22 ~~involved a violation of an existing medical cannabis law.~~

23 ~~For purposes of this subsection, the Department of Public~~
24 ~~Health shall determine by emergency rule within 30 days after~~
25 ~~the effective date of this amendatory Act of the 99th General~~
26 ~~Assembly what constitutes a "reasonable amount".~~

1 (1-5) (Blank).

2 (1-10) "Illinois Cannabis Tracking System" means a
3 web-based system established and maintained by the Department
4 of Public Health that is available to the Department of
5 Agriculture, the Department of Financial and Professional
6 Regulation, the Illinois State Police, and registered medical
7 cannabis dispensing organizations on a 24-hour basis to upload
8 written certifications for Opioid Alternative Pilot Program
9 participants, to verify Opioid Alternative Pilot Program
10 participants, to verify Opioid Alternative Pilot Program
11 participants' available cannabis allotment ~~and assigned~~
12 ~~dispensary~~, and the tracking of the date of sale, amount, and
13 price of medical cannabis purchased by an Opioid Alternative
14 Pilot Program participant.

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

17 (n) "Medical cannabis container" means a sealed,
18 traceable, food compliant, tamper resistant, tamper evident
19 container, or package used for the purpose of containment of
20 medical cannabis from a cultivation center to a dispensing
21 organization.

22 (o) "Medical cannabis dispensing organization", or
23 "dispensing organization", or "dispensary organization" means
24 a facility operated by an organization or business that is
25 registered by the Department of Financial and Professional
26 Regulation to acquire medical cannabis from a registered

1 cultivation center for the purpose of dispensing cannabis,
2 paraphernalia, or related supplies and educational materials
3 to registered qualifying patients, individuals with a
4 provisional registration for qualifying patient cardholder
5 status, or an Opioid Alternative Pilot Program participant.
6 Beginning January 1, 2025, a medical cannabis dispensing
7 organization licensed under this Act is subject to regulation
8 under the Cannabis Regulation and Tax Act as a dispensary or
9 dispensing organization as defined in that Act.

10 (p) "Medical cannabis dispensing organization agent" or
11 "dispensing organization agent" means a principal officer,
12 board member, employee, or agent of a registered medical
13 cannabis dispensing organization who is 21 years of age or
14 older ~~and has not been convicted of an excluded offense.~~
15 Beginning January 1, 2025, a medical cannabis dispensing
16 organization agent and a dispensing organization agent
17 licensed under this Act are subject to regulation under the
18 Cannabis Regulation and Tax Act as a dispensary organization
19 agent as defined in that Act.

20 (q) "Medical cannabis infused product" means food, oils,
21 ointments, or other products containing usable cannabis that
22 are not smoked.

23 (r) "Medical use" means the acquisition; administration;
24 delivery; possession; transfer; transportation; or use of
25 cannabis to treat or alleviate a registered qualifying
26 patient's debilitating medical condition or symptoms

1 associated with the patient's debilitating medical condition.

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

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

12 (s) "Physician" means a doctor of medicine or doctor of
13 osteopathy licensed under the Medical Practice Act of 1987 to
14 practice medicine and who has a controlled substances license
15 under Article III of the Illinois Controlled Substances Act.
16 It does not include a licensed practitioner under any other
17 Act including but not limited to the Illinois Dental Practice
18 Act.

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

23 (s-5) "Provisional registration" means a document issued
24 by the Department of Public Health to a qualifying patient who
25 has submitted: (1) an online application and paid a fee to
26 participate in Compassionate Use of Medical Cannabis Program

1 pending approval or denial of the patient's application; or
2 (2) a completed application for terminal illness.

3 (s-10) "Provisional patient" means a qualifying patient
4 who has received a provisional registration from the
5 Department of Public Health.

6 (t) "Qualifying patient" means a person who has been
7 diagnosed by a certifying health care professional as having a
8 debilitating medical condition. Beginning January 1, 2025, a
9 qualifying patient registered under this Act may purchase the
10 qualifying patient's adequate medical supply at any dispensary
11 or dispensing organization licensed by the Department of
12 Financial and Professional Regulation under the Cannabis
13 Regulation and Tax Act.

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

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

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

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

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

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

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

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

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

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

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

20 (410 ILCS 130/25)

21 Sec. 25. Immunities and presumptions related to the
22 medical use of cannabis.

23 (a) A registered qualifying patient is not subject to
24 arrest, prosecution, or denial of any right or privilege,
25 including, but not limited to, civil penalty or disciplinary

1 action by an occupational or professional licensing board, for
2 the medical use of cannabis in accordance with this Act, if the
3 registered qualifying patient possesses an amount of cannabis
4 that does not exceed an adequate medical supply as defined in
5 subsection (a) of Section 10 of this Act of usable cannabis
6 and, where the registered qualifying patient is a licensed
7 professional, the use of cannabis does not impair that
8 licensed professional when he or she is engaged in the
9 practice of the profession for which he or she is licensed.

10 (b) A registered designated caregiver is not subject to
11 arrest, prosecution, or denial of any right or privilege,
12 including, but not limited to, civil penalty or disciplinary
13 action by an occupational or professional licensing board, for
14 acting in accordance with this Act to assist a registered
15 qualifying patient to whom he or she is connected through the
16 Department's registration process with the medical use of
17 cannabis if the designated caregiver possesses an amount of
18 cannabis that does not exceed an adequate medical supply as
19 defined in subsection (a) of Section 10 of this Act of usable
20 cannabis. A school nurse or school administrator is not
21 subject to arrest, prosecution, or denial of any right or
22 privilege, including, but not limited to, a civil penalty, for
23 acting in accordance with Section 22-33 of the School Code
24 relating to administering or assisting a student in
25 self-administering a medical cannabis infused product. The
26 total amount possessed between the qualifying patient and

1 caregiver shall not exceed the patient's adequate medical
2 supply as defined in subsection (a) of Section 10 of this Act.

3 (c) A registered qualifying patient or registered
4 designated caregiver is not subject to arrest, prosecution, or
5 denial of any right or privilege, including, but not limited
6 to, civil penalty or disciplinary action by an occupational or
7 professional licensing board for possession of cannabis that
8 is incidental to medical use, but is not usable cannabis as
9 defined in this Act.

10 (d) (1) There is a rebuttable presumption that a registered
11 qualifying patient is engaged in, or a designated caregiver is
12 assisting with, the medical use of cannabis in accordance with
13 this Act if the qualifying patient or designated caregiver:

14 (A) is in possession of a valid registry
15 identification card; and

16 (B) is in possession of an amount of cannabis that
17 does not exceed the amount allowed under subsection (a) of
18 Section 10.

19 (2) The presumption may be rebutted by evidence that
20 conduct related to cannabis was not for the purpose of
21 treating or alleviating the qualifying patient's debilitating
22 medical condition or symptoms associated with the debilitating
23 medical condition in compliance with this Act.

24 (e) A certifying health care professional is not subject
25 to arrest, prosecution, or penalty in any manner, or denial of
26 any right or privilege, including, but not limited to, civil

1 penalty or disciplinary action by the Medical Disciplinary
2 Board or by any other occupational or professional licensing
3 board, solely for providing written certifications or for
4 otherwise stating that, in the certifying health care
5 professional's professional opinion, a patient is likely to
6 receive therapeutic or palliative benefit from the medical use
7 of cannabis to treat or alleviate the patient's debilitating
8 medical condition or symptoms associated with the debilitating
9 medical condition, provided that nothing shall prevent a
10 professional licensing or disciplinary board from sanctioning
11 a certifying health care professional for: (1) issuing a
12 written certification to a patient who is not under the
13 certifying health care professional's care for a debilitating
14 medical condition; or (2) failing to properly evaluate a
15 patient's medical condition or otherwise violating the
16 standard of care for evaluating medical conditions.

17 (f) No person may be subject to arrest, prosecution, or
18 denial of any right or privilege, including, but not limited
19 to, civil penalty or disciplinary action by an occupational or
20 professional licensing board, solely for: (1) selling cannabis
21 paraphernalia to a cardholder upon presentation of an
22 unexpired registry identification card in the recipient's
23 name, if employed and registered as a dispensing agent by a
24 registered dispensing organization; (2) being in the presence
25 or vicinity of the medical use of cannabis as allowed under
26 this Act; or (3) assisting a registered qualifying patient

1 with the act of administering cannabis.

2 (g) A registered cultivation center is not subject to
3 prosecution; search or inspection, except by the Department of
4 Agriculture, Department of Public Health, or State or local
5 law enforcement under Section 130; seizure; or penalty in any
6 manner, or denial of any right or privilege, including, but
7 not limited to, civil penalty or disciplinary action by a
8 business licensing board or entity, for acting under this Act
9 and Department of Agriculture rules to: acquire, possess,
10 cultivate, manufacture, deliver, transfer, transport, supply,
11 or sell cannabis to registered dispensing organizations.

12 (h) A registered cultivation center agent is not subject
13 to prosecution, search, or penalty in any manner, or denial of
14 any right or privilege, including, but not limited to, civil
15 penalty or disciplinary action by a business licensing board
16 or entity, for working or volunteering for a registered
17 cannabis cultivation center under this Act and Department of
18 Agriculture rules, including to perform the actions listed
19 under subsection (g).

20 (i) A registered dispensing organization is not subject to
21 prosecution; search or inspection, except by the Department of
22 Financial and Professional Regulation or State or local law
23 enforcement pursuant to Section 130; seizure; or penalty in
24 any manner, or denial of any right or privilege, including,
25 but not limited to, civil penalty or disciplinary action by a
26 business licensing board or entity, for acting under this Act

1 and Department of Financial and Professional Regulation rules
2 to: acquire, possess, or dispense cannabis, or related
3 supplies, and educational materials to registered qualifying
4 patients or registered designated caregivers on behalf of
5 registered qualifying patients.

6 (j) A registered dispensing organization agent is not
7 subject to prosecution, search, or penalty in any manner, or
8 denial of any right or privilege, including, but not limited
9 to, civil penalty or disciplinary action by a business
10 licensing board or entity, for working or volunteering for a
11 dispensing organization under this Act and Department of
12 Financial and Professional Regulation rules, including to
13 perform the actions listed under subsection (i).

14 (k) Any cannabis, cannabis paraphernalia, illegal
15 property, or interest in legal property that is possessed,
16 owned, or used in connection with the medical use of cannabis
17 as allowed under this Act, or acts incidental to that use, may
18 not be seized or forfeited. This Act does not prevent the
19 seizure or forfeiture of cannabis exceeding the amounts
20 allowed under this Act, nor shall it prevent seizure or
21 forfeiture if the basis for the action is unrelated to the
22 cannabis that is possessed, manufactured, transferred, or used
23 under this Act.

24 (l) Mere possession of, or application for, a registry
25 identification card or registration certificate does not
26 constitute probable cause or reasonable suspicion, nor shall

1 it be used as the sole basis to support the search of the
2 person, property, or home of the person possessing or applying
3 for the registry identification card. The possession of, or
4 application for, a registry identification card does not
5 preclude the existence of probable cause if probable cause
6 exists on other grounds.

7 (m) Nothing in this Act shall preclude local or State law
8 enforcement agencies from searching a registered cultivation
9 center where there is probable cause to believe that the
10 criminal laws of this State have been violated and the search
11 is conducted in conformity with the Illinois Constitution, the
12 Constitution of the United States, and all State statutes.

13 (n) Nothing in this Act shall preclude local or State law
14 enforcement agencies from searching a registered dispensing
15 organization where there is probable cause to believe that the
16 criminal laws of this State have been violated and the search
17 is conducted in conformity with the Illinois Constitution, the
18 Constitution of the United States, and all State statutes.

19 (o) No individual employed by the State of Illinois shall
20 be subject to criminal or civil penalties for taking any
21 action in accordance with the provisions of this Act, when the
22 actions are within the scope of his or her employment.
23 Representation and indemnification of State employees shall be
24 provided to State employees as set forth in Section 2 of the
25 State Employee Indemnification Act.

26 (p) No law enforcement or correctional agency, nor any

1 individual employed by a law enforcement or correctional
2 agency, shall be subject to criminal or civil liability,
3 except for willful and wanton misconduct, as a result of
4 taking any action within the scope of the official duties of
5 the agency or individual to prohibit or prevent the possession
6 or use of cannabis by a cardholder incarcerated at a
7 correctional facility, jail, or municipal lockup facility, on
8 parole or mandatory supervised release, or otherwise under the
9 lawful jurisdiction of the agency or individual.

10 (Source: P.A. 101-363, eff. 8-19-19; 101-370, eff. 1-1-20;
11 102-558, eff. 8-20-21.)

12 (410 ILCS 130/30)

13 Sec. 30. Limitations and penalties.

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

17 (1) Undertaking any task under the influence of
18 cannabis, when doing so would constitute negligence,
19 professional malpractice, or professional misconduct;

20 (2) Possessing cannabis:

21 (A) except as provided under Section 22-33 of the
22 School Code, in a school bus;

23 (B) except as provided under Section 22-33 of the
24 School Code, on the grounds of any preschool or
25 primary or secondary school;

1 (C) in any correctional facility;

2 (D) in a vehicle under Section 11-502.1 of the
3 Illinois Vehicle Code;

4 (E) in a vehicle not open to the public unless the
5 medical cannabis is in a reasonably secured, sealed
6 container and reasonably inaccessible while the
7 vehicle is moving; or

8 (F) in a private residence that is used at any time
9 to provide licensed child care or other similar social
10 service care on the premises;

11 (3) Using cannabis:

12 (A) except as provided under Section 22-33 of the
13 School Code, in a school bus;

14 (B) except as provided under Section 22-33 of the
15 School Code, on the grounds of any preschool or
16 primary or secondary school;

17 (C) in any correctional facility;

18 (D) in any motor vehicle;

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

22 (F) except as provided under Section 22-33 of the
23 School Code and Section 31 of this Act, in any public
24 place. "Public place" as used in this subsection means
25 any place where an individual could reasonably be
26 expected to be observed by others. A "public place"

1 includes all parts of buildings owned in whole or in
2 part, or leased, by the State or a local unit of
3 government. A "public place" does not include a
4 private residence unless the private residence is used
5 to provide licensed child care, foster care, or other
6 similar social service care on the premises. For
7 purposes of this subsection, a "public place" does not
8 include a health care facility. For purposes of this
9 Section, a "health care facility" includes, but is not
10 limited to, hospitals, nursing homes, hospice care
11 centers, and long-term care facilities;

12 (G) except as provided under Section 22-33 of the
13 School Code and Section 31 of this Act, knowingly in
14 close physical proximity to anyone under the age of 18
15 years of age;

16 (4) Smoking medical cannabis in any public place where
17 an individual could reasonably be expected to be observed
18 by others, in a health care facility, or any other place
19 where smoking is prohibited under the Smoke Free Illinois
20 Act;

21 (5) Operating, navigating, or being in actual physical
22 control of any motor vehicle, aircraft, or motorboat while
23 using or under the influence of cannabis in violation of
24 Sections 11-501 and 11-502.1 of the Illinois Vehicle Code;

25 (6) Using or possessing cannabis if that person does
26 not have a debilitating medical condition and is not a

1 registered qualifying patient or caregiver;

2 (7) Allowing any person who is not allowed to use
3 cannabis under this Act to use cannabis that a cardholder
4 is allowed to possess under this Act;

5 (8) Transferring cannabis to any person contrary to
6 the provisions of this Act;

7 (9) The use of medical cannabis by an active duty law
8 enforcement officer, correctional officer, correctional
9 probation officer, or firefighter; or

10 (10) The use of medical cannabis by a person who has a
11 school bus permit or a Commercial Driver's License.

12 (b) Nothing in this Act shall be construed to prevent the
13 arrest or prosecution of a registered qualifying patient for
14 reckless driving or driving under the influence of cannabis
15 where probable cause exists.

16 (c) Notwithstanding any other criminal penalties related
17 to the unlawful possession of cannabis, knowingly making a
18 misrepresentation to a law enforcement official of any fact or
19 circumstance relating to the medical use of cannabis to avoid
20 arrest or prosecution is a petty offense punishable by a fine
21 of up to \$1,000, which shall be in addition to any other
22 penalties that may apply for making a false statement or for
23 the use of cannabis other than use undertaken under this Act.

24 (d) Notwithstanding any other criminal penalties related
25 to the unlawful possession of cannabis, any person who makes a
26 misrepresentation of a medical condition to a certifying

1 health care professional or fraudulently provides material
2 misinformation to a certifying health care professional in
3 order to obtain a written certification is guilty of a petty
4 offense punishable by a fine of up to \$1,000.

5 (e) Any cardholder, designated ~~or registered~~ caregiver, or
6 provisional patient who sells cannabis shall have his or her
7 registry identification card revoked and is subject to other
8 penalties for the unauthorized sale of cannabis.

9 (f) Any registered qualifying patient or provisional
10 patient who commits a violation of Section 11-502.1 of the
11 Illinois Vehicle Code or refuses a properly requested test
12 related to operating a motor vehicle while under the influence
13 of cannabis shall have his or her registry identification card
14 revoked.

15 (g) No registered qualifying patient, provisional patient,
16 or designated caregiver shall knowingly obtain, seek to
17 obtain, or possess, individually or collectively, an amount of
18 usable cannabis from a registered medical cannabis dispensing
19 organization that would cause him or her to exceed the
20 authorized adequate medical supply under subsection (a) of
21 Section 10.

22 (h) Nothing in this Act shall prevent a private business
23 from restricting or prohibiting the medical use of cannabis on
24 its property.

25 (i) Nothing in this Act shall prevent a university,
26 college, or other institution of post-secondary education from

1 restricting or prohibiting the use of medical cannabis on its
2 property.

3 (Source: P.A. 101-363, eff. 8-9-19; 102-67, eff. 7-9-21.)

4 (410 ILCS 130/35)

5 Sec. 35. Certifying health care professional requirements.

6 (a) A certifying health care professional who certifies a
7 debilitating medical condition for a qualifying patient shall
8 comply with all of the following requirements:

9 (1) The certifying health care professional shall be
10 currently licensed under the Medical Practice Act of 1987
11 to practice medicine in all its branches, the Nurse
12 Practice Act, or the Physician Assistant Practice Act of
13 1987, shall be in good standing, and must hold a
14 controlled substances license under Article III of the
15 Illinois Controlled Substances Act.

16 (2) A certifying health care professional certifying a
17 patient's condition shall comply with generally accepted
18 standards of medical practice, the provisions of the Act
19 under which he or she is licensed and all applicable
20 rules.

21 (3) The physical examination required by this Act may
22 ~~not~~ be performed by remote means, including telemedicine.

23 (4) The certifying health care professional shall
24 maintain a record-keeping system for all patients for whom
25 the certifying health care professional has certified the

1 patient's medical condition. These records shall be
2 accessible to and subject to review by the Department of
3 Public Health and the Department of Financial and
4 Professional Regulation upon request.

5 (b) A certifying health care professional may not:

6 (1) accept, solicit, or offer any form of remuneration
7 from or to a qualifying patient, provisional patient,
8 primary caregiver, cultivation center, or dispensing
9 organization, including each principal officer, board
10 member, agent, and employee, to certify a patient, other
11 than accepting payment from a patient for the fee
12 associated with the required examination, except for the
13 limited purpose of performing a medical cannabis-related
14 research study;

15 (1.5) accept, solicit, or offer any form of
16 remuneration from or to a medical cannabis cultivation
17 center or dispensary organization for the purposes of
18 referring a patient to a specific dispensary organization;

19 (1.10) engage in any activity that is prohibited under
20 Section 22.2 of the Medical Practice Act of 1987,
21 regardless of whether the certifying health care
22 professional is a physician, advanced practice registered
23 nurse, or physician assistant;

24 (2) offer a discount of any other item of value to a
25 qualifying patient or provisional patient who uses or
26 agrees to use a particular primary caregiver or dispensing

1 organization to obtain medical cannabis;

2 (3) conduct a personal physical examination of a
3 patient for purposes of diagnosing a debilitating medical
4 condition at a location where medical cannabis is sold or
5 distributed or at the address of a principal officer,
6 agent, or employee or a medical cannabis organization;

7 (4) hold a direct or indirect economic interest in a
8 cultivation center or dispensing organization if he or she
9 recommends the use of medical cannabis to qualified
10 patients or is in a partnership or other fee or
11 profit-sharing relationship with a certifying health care
12 professional who recommends medical cannabis, except for
13 the limited purpose of performing a medical
14 cannabis-related research study;

15 (5) serve on the board of directors or as an employee
16 of a cultivation center or dispensing organization;

17 (6) refer patients to a cultivation center, a
18 dispensing organization, or a registered designated
19 caregiver; or

20 (7) advertise in a cultivation center or a dispensing
21 organization.

22 (c) The Department of Public Health may with reasonable
23 cause refer a certifying health care professional, who has
24 certified a debilitating medical condition of a patient, to
25 the Illinois Department of Financial and Professional
26 Regulation for potential violations of this Section.

1 (d) Any violation of this Section or any other provision
2 of this Act or rules adopted under this Act is a violation of
3 the certifying health care professional's licensure act.

4 (e) A certifying health care professional who certifies a
5 debilitating medical condition for a qualifying patient may
6 notify the Department of Public Health in writing: (1) if the
7 certifying health care professional has reason to believe
8 either that the registered qualifying patient has ceased to
9 suffer from a debilitating medical condition; (2) that the
10 bona fide health care professional-patient relationship has
11 terminated; or (3) that continued use of medical cannabis
12 would result in contraindication with the patient's other
13 medication. The registered qualifying patient's registry
14 identification card shall be revoked by the Department of
15 Public Health after receiving the certifying health care
16 professional's notification.

17 (f) Nothing in this Act shall preclude a certifying health
18 care professional from referring a patient for health
19 services, except when the referral is limited to certification
20 purposes only, under this Act.

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

22 (410 ILCS 130/57)

23 Sec. 57. Caregivers for qualifying ~~Qualifying~~ patients and
24 provisional patients.

25 (a) Qualifying patients or provisional patients that are

1 under the age of 18 years shall not be prohibited from
2 appointing up to 3 designated caregivers who meet the
3 definition of "designated caregiver" under Section 10 so long
4 as at least one designated caregiver is a biological parent or
5 legal guardian.

6 (b) Qualifying patients or provisional patients that are
7 18 years of age or older shall not be prohibited from
8 appointing up to 3 designated caregivers who meet the
9 definition of "designated caregiver" under Section 10.

10 (c) Beginning January 1, 2025, designated caregivers,
11 qualifying patients, or provisional patients registered under
12 this Act may purchase an adequate medical supply at a
13 dispensing organization licensed by the Department of
14 Financial and Professional Regulation.

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

16 (410 ILCS 130/70)

17 Sec. 70. Registry identification cards.

18 (a) A registered qualifying patient or designated
19 caregiver must keep their registry identification card in his
20 or her possession at all times when engaging in the medical use
21 of cannabis.

22 (b) Registry identification cards shall contain the
23 following:

24 (1) the name of the cardholder;

25 (2) a designation of whether the cardholder is a

1 designated caregiver or qualifying patient;

2 (3) the date of issuance and expiration date of the
3 registry identification card;

4 (4) a random alphanumeric identification number that
5 is unique to the cardholder;

6 (5) if the cardholder is a designated caregiver, the
7 random alphanumeric identification number of the
8 registered qualifying patient the designated caregiver is
9 receiving the registry identification card to assist; and

10 (6) a photograph of the cardholder, if required by
11 Department of Public Health rules.

12 (c) To maintain a valid registration identification card,
13 a registered qualifying patient and caregiver must annually
14 resubmit, at least 45 days prior to the expiration date stated
15 on the registry identification card, a completed renewal
16 application, renewal fee, and accompanying documentation as
17 described in Department of Public Health rules. The Department
18 of Public Health shall send a notification to a registered
19 qualifying patient or registered designated caregiver 90 days
20 prior to the expiration of the registered qualifying patient's
21 or registered designated caregiver's identification card. If
22 the Department of Public Health fails to grant or deny a
23 renewal application received in accordance with this Section,
24 then the renewal is deemed granted and the registered
25 qualifying patient or registered designated caregiver may
26 continue to use the expired identification card until the

1 Department of Public Health denies the renewal or issues a new
2 identification card.

3 (d) Except as otherwise provided in this Section, the
4 expiration date is 3 years after the date of issuance.

5 (e) The Department of Public Health may electronically
6 store in the card any or all of the information listed in
7 subsection (b), along with the address and date of birth of the
8 cardholder ~~and the qualifying patient's designated dispensary~~
9 ~~organization~~, to allow it to be read by law enforcement
10 agents.

11 (Source: P.A. 98-122, eff. 1-1-14; 99-519, eff. 6-30-16.)

12 (410 ILCS 130/85)

13 Sec. 85. Issuance and denial of medical cannabis
14 cultivation permit.

15 (a) The Department of Agriculture may register up to 22
16 cultivation center registrations for operation. The Department
17 of Agriculture may not issue more than one registration per
18 each Illinois State Police District boundary as specified on
19 the date of January 1, 2013. The Department of Agriculture may
20 not issue less than the 22 registrations if there are
21 qualified applicants who have applied with the Department.

22 (b) The registrations shall be issued and renewed annually
23 as determined by administrative rule.

24 (c) The Department of Agriculture shall determine a
25 registration fee by rule.

1 (d) A cultivation center may only operate if it has been
2 issued a valid registration from the Department of
3 Agriculture. When applying for a cultivation center
4 registration, the applicant shall submit the following in
5 accordance with Department of Agriculture rules:

6 (1) the proposed legal name of the cultivation center;

7 (2) the proposed physical address of the cultivation
8 center and description of the enclosed, locked facility as
9 it applies to cultivation centers where medical cannabis
10 will be grown, harvested, manufactured, packaged, or
11 otherwise prepared for distribution to a dispensing
12 organization;

13 (3) the name, address, and date of birth of each
14 principal officer and board member of the cultivation
15 center, provided that all those individuals shall be at
16 least 21 years of age;

17 (4) any instance in which a business that any of the
18 prospective board members of the cultivation center had
19 managed or served on the board of the business and was
20 convicted, fined, censured, or had a registration or
21 license suspended or revoked in any administrative or
22 judicial proceeding;

23 (5) cultivation, inventory, and packaging plans;

24 (6) proposed operating by-laws that include procedures
25 for the oversight of the cultivation center, development
26 and implementation of a plant monitoring system, medical

1 cannabis container tracking system, accurate record
2 keeping, staffing plan, and security plan reviewed by the
3 Illinois State Police that are in accordance with the
4 rules issued by the Department of Agriculture under this
5 Act. A physical inventory shall be performed of all plants
6 and medical cannabis containers on a weekly basis;

7 (7) experience with agricultural cultivation
8 techniques and industry standards;

9 (8) any academic degrees, certifications, or relevant
10 experience with related businesses;

11 (9) the identity of every person, association, trust,
12 or corporation having any direct or indirect pecuniary
13 interest in the cultivation center operation with respect
14 to which the registration is sought. If the disclosed
15 entity is a trust, the application shall disclose the
16 names and addresses of the beneficiaries; if a
17 corporation, the names and addresses of all stockholders
18 and directors; if a partnership, the names and addresses
19 of all partners, both general and limited;

20 (10) verification from the Illinois State Police that
21 all background checks of the principal officer, board
22 members, and registered agents have been conducted ~~and~~
23 ~~those individuals have not been convicted of an excluded~~
24 ~~offense;~~

25 (11) provide a copy of the current local zoning
26 ordinance to the Department of Agriculture and verify that

1 proposed cultivation center is in compliance with the
2 local zoning rules issued in accordance with Section 140;

3 (12) an application fee set by the Department of
4 Agriculture by rule; and

5 (13) any other information required by Department of
6 Agriculture rules, including, but not limited to a
7 cultivation center applicant's experience with the
8 cultivation of agricultural or horticultural products,
9 operating an agriculturally related business, or operating
10 a horticultural business.

11 (e) An application for a cultivation center permit must be
12 denied if any of the following conditions are met:

13 (1) the applicant failed to submit the materials
14 required by this Section, including if the applicant's
15 plans do not satisfy the security, oversight, inventory,
16 or recordkeeping rules issued by the Department of
17 Agriculture;

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

20 (3) (blank) ~~one or more of the prospective principal~~
21 ~~officers or board members has been convicted of an~~
22 ~~excluded offense;~~

23 (4) one or more of the prospective principal officers
24 or board members has served as a principal officer or
25 board member for a registered dispensing organization or
26 cultivation center that has had its registration revoked;

1 (5) one or more of the principal officers or board
2 members is under 21 years of age;

3 (6) (blank) ~~a principal officer or board member of the~~
4 ~~cultivation center has been convicted of a felony under~~
5 ~~the laws of this State, any other state, or the United~~
6 ~~States;~~

7 (7) (blank) ~~a principal officer or board member of the~~
8 ~~cultivation center has been convicted of any violation of~~
9 ~~Article 28 of the Criminal Code of 2012, or substantially~~
10 ~~similar laws of any other jurisdiction; or~~

11 (8) the person has submitted an application for a
12 certificate under this Act which contains false
13 information.

14 (Source: P.A. 102-538, eff. 8-20-21.)

15 (410 ILCS 130/100)

16 Sec. 100. Cultivation center agent identification card.

17 (a) The Department of Agriculture shall:

18 (1) verify the information contained in an application
19 or renewal for a cultivation center identification card
20 submitted under this Act, and approve or deny an
21 application or renewal, within 30 days of receiving a
22 completed application or renewal application and all
23 supporting documentation required by rule;

24 (2) issue a cultivation center agent identification
25 card to a qualifying agent within 15 business days of

1 approving the application or renewal;

2 (3) enter the registry identification number of the
3 cultivation center where the agent works; and

4 (4) allow for an electronic application process, and
5 provide a confirmation by electronic or other methods that
6 an application has been submitted.

7 (b) A cultivation center agent must keep his or her
8 identification card visible at all times when on the property
9 of a cultivation center and during the transportation of
10 medical cannabis to a registered dispensary organization.

11 (c) The cultivation center agent identification cards
12 shall contain the following:

13 (1) the name of the cardholder;

14 (2) the date of issuance and expiration date of
15 cultivation center agent identification cards;

16 (3) a random 10-digit alphanumeric identification
17 number containing at least 4 numbers and at least 4
18 letters that is unique to the holder; and

19 (4) a photograph of the cardholder.

20 (d) The cultivation center agent identification cards
21 shall be immediately returned to the cultivation center upon
22 termination of employment.

23 (e) Any card lost by a cultivation center agent shall be
24 reported to the Illinois State Police and the Department of
25 Agriculture immediately upon discovery of the loss.

26 (f) (Blank). ~~An applicant shall be denied a cultivation~~

1 ~~center agent identification card if he or she has been~~
2 ~~convicted of an excluded offense.~~

3 (g) An agent applicant may begin employment at a
4 cultivation center while the agent applicant's identification
5 card application is pending. Upon approval, the Department
6 shall issue the agent's identification card to the agent. If
7 denied, the cultivation center and the agent applicant shall
8 be notified and the agent applicant must cease all activity at
9 the cultivation center immediately.

10 (Source: P.A. 102-98, eff. 7-15-21; 102-538, eff. 8-20-21;
11 102-813, eff. 5-13-22.)

12 (410 ILCS 130/105)

13 Sec. 105. Requirements; prohibitions; penalties for
14 cultivation centers.

15 (a) The operating documents of a registered cultivation
16 center shall include procedures for the oversight of the
17 cultivation center, a cannabis plant monitoring system
18 including a physical inventory recorded weekly, a cannabis
19 container system including a physical inventory recorded
20 weekly, accurate record keeping, and a staffing plan.

21 (b) A registered cultivation center shall implement a
22 security plan reviewed by the Illinois State Police and
23 including but not limited to: facility access controls,
24 perimeter intrusion detection systems, personnel
25 identification systems, 24-hour surveillance system to monitor

1 the interior and exterior of the registered cultivation center
2 facility and accessible to authorized law enforcement and the
3 Department of Agriculture in real-time.

4 (c) A registered cultivation center may not be located
5 within 2,500 feet of the property line of a pre-existing
6 public or private preschool or elementary or secondary school
7 or day care center, day care home, group day care home, part
8 day child care facility, or an area zoned for residential use.

9 (d) All cultivation of cannabis for distribution to a
10 registered dispensing organization must take place in an
11 enclosed, locked facility as it applies to cultivation centers
12 at the physical address provided to the Department of
13 Agriculture during the registration process. The cultivation
14 center location shall only be accessed by the cultivation
15 center agents working for the registered cultivation center,
16 Department of Agriculture staff performing inspections,
17 Department of Public Health staff performing inspections, law
18 enforcement or other emergency personnel, and contractors
19 working on jobs unrelated to medical cannabis, such as
20 installing or maintaining security devices or performing
21 electrical wiring.

22 (e) A cultivation center may not sell or distribute any
23 cannabis to any individual or entity other than another
24 cultivation center, a dispensing organization registered under
25 this Act, or a laboratory licensed by the Department of
26 Agriculture.

1 (f) All harvested cannabis intended for distribution to a
2 dispensing organization must be packaged in a labeled medical
3 cannabis container and entered into a data collection system.

4 (g) (Blank). ~~No person who has been convicted of an~~
5 ~~excluded offense may be a cultivation center agent.~~

6 (h) Registered cultivation centers are subject to random
7 inspection by the Illinois State Police.

8 (i) Registered cultivation centers are subject to random
9 inspections by the Department of Agriculture and the
10 Department of Public Health.

11 (j) A cultivation center agent shall notify local law
12 enforcement, the Illinois State Police, and the Department of
13 Agriculture within 24 hours of the discovery of any loss or
14 theft. Notification shall be made by phone or in-person, or by
15 written or electronic communication.

16 (k) A cultivation center shall comply with all State and
17 federal rules and regulations regarding the use of pesticides.
18 (Source: P.A. 101-363, eff. 8-9-19; 102-538, eff. 8-20-21.)

19 (410 ILCS 130/115)

20 Sec. 115. Registration of dispensing organizations.

21 (a) The Department of Financial and Professional
22 Regulation may issue up to 60 dispensing organization
23 registrations for operation. The Department of Financial and
24 Professional Regulation may not issue less than the 60
25 registrations if there are qualified applicants who have

1 applied with the Department of Financial and Professional
2 Regulation. The organizations shall be geographically
3 dispersed throughout the State to allow all registered
4 qualifying patients reasonable proximity and access to a
5 dispensing organization.

6 (a-1) Beginning January 1, 2025, a dispensing organization
7 registered under this Act shall be deemed a dispensing
8 organization or a dispensary as defined in the Cannabis
9 Regulation and Tax Act. Dispensing organizations registered
10 under this Act shall have the same rights, privileges, duties,
11 and responsibilities as dispensing organizations licensed
12 under Section 15-36 of the Cannabis Regulation and Tax Act.
13 Dispensing organizations licensed under Section 15-36 of the
14 Cannabis Regulation and Tax Act may sell cannabis and
15 cannabis-infused products to purchasers over 21 years of age
16 and to qualifying patients, provisional patients, and
17 designated caregivers registered under this Act.

18 (a-5) The Department of Financial and Professional
19 Regulation may ~~shall~~ adopt rules to create a registration
20 process for Social Equity Justice Involved Applicants and
21 Qualifying Applicants, a streamlined application, and a Social
22 Equity Justice Involved Medical Lottery under Section 115.5 to
23 issue the remaining available 5 dispensing organization
24 registrations for operation. For purposes of this Section:

25 "Disproportionately Impacted Area" means a census tract or
26 comparable geographic area that satisfies the following

1 criteria as determined by the Department of Commerce and
2 Economic Opportunity, that:

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

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

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

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

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

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

23 "Qualifying Applicant" means an applicant that: (i)
24 submitted an application pursuant to Section 15-30 of the
25 Cannabis Regulation and Tax Act that received at least 85% of
26 250 application points available under Section 15-30 of the

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

10 "Social Equity Justice Involved Applicant" means an
11 applicant that is an Illinois resident and one of the
12 following:

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

17 (2) an applicant with at least 51% of ownership and
18 control by one or more individuals who have been arrested
19 for, convicted of, or adjudicated delinquent for any
20 offense that is eligible for expungement under subsection
21 (i) of Section 5.2 of the Criminal Identification Act; or

22 (3) an applicant with at least 51% ownership and
23 control by one or more members of an impacted family.

24 (b) A dispensing organization may only operate if it has
25 been issued a registration from the Department of Financial
26 and Professional Regulation. The Department of Financial and

1 Professional Regulation shall adopt rules establishing the
2 procedures for applicants for dispensing organizations.

3 (c) When applying for a dispensing organization
4 registration, the applicant shall submit, at a minimum, the
5 following in accordance with Department of Financial and
6 Professional Regulation rules:

7 (1) a non-refundable application fee established by
8 rule;

9 (2) the proposed legal name of the dispensing
10 organization;

11 (3) the proposed physical address of the dispensing
12 organization;

13 (4) the name, address, and date of birth of each
14 principal officer and board member of the dispensing
15 organization, provided that all those individuals shall be
16 at least 21 years of age;

17 (5) (blank);

18 (6) (blank); and

19 (7) (blank).

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

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

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

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

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

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

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

26 (4) (blank) ~~one or more of the prospective principal~~

1 ~~officers or board members has been convicted of an~~
2 ~~excluded offense;~~

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

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

9 (Source: P.A. 101-363, eff. 8-9-19; 102-98, eff. 7-15-21.)

10 (410 ILCS 130/115.5)

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

13 (a) In this Section:

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

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

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

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

1 (b) The Department of Financial and Professional
2 Regulation may ~~shall~~ conduct a Social Equity Justice Involved
3 Medical Lottery to award up to 5 medical cannabis dispensing
4 organization registrations by lot in accordance with Section
5 115.

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

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

26 (e) No applicant may be awarded more than one medical

1 cannabis dispensing organization registration at the
2 conclusion of the lottery conducted under this Section.

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

6 (Source: P.A. 102-98, eff. 7-15-21.)

7 (410 ILCS 130/120)

8 Sec. 120. Dispensing organization agent identification
9 card.

10 (a) The Department of Financial and Professional
11 Regulation shall:

12 (1) verify the information contained in an application
13 or renewal for a dispensing organization agent
14 identification card submitted under this Act, and approve
15 or deny an application or renewal, within 30 days of
16 receiving a completed application or renewal application
17 and all supporting documentation required by rule;

18 (2) issue a dispensing organization agent
19 identification card to a qualifying agent within 15
20 business days of approving the application or renewal;

21 (3) enter the registry identification number of the
22 dispensing organization where the agent works; and

23 (4) allow for an electronic application process, and
24 provide a confirmation by electronic or other methods that
25 an application has been submitted.

1 (b) A dispensing agent must keep his or her identification
2 card visible at all times when on the property of a dispensing
3 organization.

4 (c) The dispensing organization agent identification cards
5 shall contain the following:

6 (1) the name of the cardholder;

7 (2) the date of issuance and expiration date of the
8 dispensing organization agent identification cards;

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

12 (4) a photograph of the cardholder.

13 (d) The dispensing organization agent identification cards
14 shall be immediately returned to the dispensing organization
15 upon termination of employment.

16 (e) Any card lost by a dispensing organization agent shall
17 be reported to the Illinois State Police and the Department of
18 Financial and Professional Regulation immediately upon
19 discovery of the loss.

20 (f) (Blank). ~~An applicant shall be denied a dispensing~~
21 ~~organization agent identification card if he or she has been~~
22 ~~convicted of an excluded offense.~~

23 Subsections (a) through (e) are inoperative on January 1,
24 2025.

25 (h) The Department of Financial and Professional
26 Regulation shall, pursuant to Section 15-40 of the Cannabis

1 Regulation and Tax Act and subject to the agent meeting all
2 other licensing requirements, issue all dispensing
3 organization agents a new license number at the time of their
4 first renewal after January 1, 2025. Beginning January 1,
5 2025, a dispensing organization agent registered under this
6 Act shall be deemed to be a dispensing organization agent
7 under the Cannabis Regulation and Tax Act. Dispensing
8 organization agents registered under this Act shall have the
9 same rights, privileges, duties, and responsibilities as
10 dispensing organization agents licensed under the Cannabis
11 Regulation and Tax Act. Dispensing organization agents are
12 subject to the Cannabis Regulation and Tax Act and any rules
13 adopted under that Act.

14 (Source: P.A. 98-122, eff. 1-1-14; 98-1172, eff. 1-12-15.)

15 (410 ILCS 130/130)

16 Sec. 130. Requirements; prohibitions; penalties;
17 dispensing organizations.

18 (a) The Department of Financial and Professional
19 Regulation shall implement the provisions of this Section by
20 rule.

21 (b) A dispensing organization shall maintain operating
22 documents which shall include procedures for the oversight of
23 the registered dispensing organization and procedures to
24 ensure accurate recordkeeping.

25 (c) A dispensing organization shall implement appropriate

1 security measures, as provided by rule, to deter and prevent
2 the theft of cannabis and unauthorized entrance into areas
3 containing cannabis.

4 (d) A dispensing organization may not be located within
5 1,000 feet of the property line of a pre-existing public or
6 private preschool or elementary or secondary school or day
7 care center, day care home, group day care home, or part day
8 child care facility. A registered dispensing organization may
9 not be located in a house, apartment, condominium, or an area
10 zoned for residential use. This subsection shall not apply to
11 any dispensing organizations registered on or after July 1,
12 2019.

13 (e) A dispensing organization is prohibited from acquiring
14 cannabis from anyone other than a cultivation center, craft
15 grower, processing organization, another dispensing
16 organization, or transporting organization licensed or
17 registered under this Act or the Cannabis Regulation and Tax
18 Act. A dispensing organization is prohibited from obtaining
19 cannabis from outside the State of Illinois.

20 (f) A registered dispensing organization is prohibited
21 from dispensing cannabis for any purpose except to assist
22 registered qualifying patients with the medical use of
23 cannabis directly or through the qualifying patients'
24 designated caregivers.

25 (g) The area in a dispensing organization where medical
26 cannabis is stored can only be accessed by dispensing

1 organization agents working for the dispensing organization,
2 Department of Financial and Professional Regulation staff
3 performing inspections, law enforcement or other emergency
4 personnel, and contractors working on jobs unrelated to
5 medical cannabis, such as installing or maintaining security
6 devices or performing electrical wiring.

7 (h) A dispensing organization may not dispense more than
8 2.5 ounces of cannabis to a registered qualifying patient,
9 directly or via a designated caregiver, in any 14-day period
10 unless the qualifying patient has a Department of Public
11 Health-approved quantity waiver. Any Department of Public
12 Health-approved quantity waiver process must be made available
13 to qualified veterans.

14 (i) Except as provided in subsection (i-5), before medical
15 cannabis may be dispensed to a designated caregiver or a
16 registered qualifying patient, a dispensing organization agent
17 must determine that the individual is a current cardholder in
18 the verification system and must verify each of the following:

19 (1) that the registry identification card presented to
20 the registered dispensing organization is valid;

21 (2) that the person presenting the card is the person
22 identified on the registry identification card presented
23 to the dispensing organization agent;

24 (3) (blank); and

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

1 (i-5) A dispensing organization may dispense medical
2 cannabis to an Opioid Alternative Pilot Program participant
3 under Section 62 and to a person presenting proof of
4 provisional registration under Section 55. Before dispensing
5 medical cannabis, the dispensing organization shall comply
6 with the requirements of Section 62 or Section 55, whichever
7 is applicable, and verify the following:

8 (1) that the written certification presented to the
9 registered dispensing organization is valid and an
10 original document;

11 (2) that the person presenting the written
12 certification is the person identified on the written
13 certification; and

14 (3) that the participant has not exceeded his or her
15 adequate supply.

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

24 (k) The health care professional-patient privilege as set
25 forth by Section 8-802 of the Code of Civil Procedure shall
26 apply between a qualifying patient and a registered dispensing

1 organization and its agents with respect to communications and
2 records concerning qualifying patients' debilitating
3 conditions.

4 (l) A dispensing organization may not permit any person to
5 consume cannabis on the property of a medical cannabis
6 organization.

7 (m) A dispensing organization may not share office space
8 with or refer patients to a certifying health care
9 professional.

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

1 the Code of Civil Procedure.

2 (o) Dispensing organizations are subject to random
3 inspection and cannabis testing by the Department of Financial
4 and Professional Regulation, the Illinois State Police, the
5 Department of Revenue, the Department of Public Health, the
6 Department of Agriculture, or as provided by rule.

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

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

25 (r) Subsections (a) through (q) are inoperative on January
26 1, 2025.

1 (s) Beginning January 1, 2025, a dispensing organization
2 registered under this Act shall be deemed to be a dispensing
3 organization or a dispensary as defined in the Cannabis
4 Regulation and Tax Act. Dispensing organizations registered
5 under this Act shall have the same rights, privileges, duties,
6 and responsibilities as a dispensing organization licensed
7 under Section 15-36 of the Cannabis Regulation and Tax Act.
8 Dispensing organizations are subject to the Cannabis
9 Regulation and Tax Act and any rules adopted under that Act.

10 (Source: P.A. 101-363, eff. 8-9-19; 102-98, eff. 7-15-21.)

11 (410 ILCS 130/145)

12 Sec. 145. Confidentiality.

13 (a) The following information received and records kept by
14 the Department of Public Health, Department of Financial and
15 Professional Regulation, Department of Agriculture, Department
16 of Commerce and Economic Opportunity, Office of Executive
17 Inspector General, or Illinois State Police for purposes of
18 administering this Act are subject to all applicable federal
19 privacy laws, confidential, and exempt from the Freedom of
20 Information Act, and not subject to disclosure to any
21 individual or public or private entity, except as necessary
22 for authorized employees of those authorized agencies to
23 perform official duties under this Act and except as necessary
24 to those involved in enforcing the State Officials and
25 Employees Ethics Act, and the following information received

1 and records kept by Department of Public Health, Department of
2 Agriculture, Department of Commerce and Economic Opportunity,
3 Department of Financial and Professional Regulation, Office of
4 Executive Inspector General, and Illinois State Police,
5 excluding any existing or non-existing Illinois or national
6 criminal history record information as defined in subsection
7 (d), may be disclosed to each other upon request:

8 (1) Applications and renewals, their contents, and
9 supporting information submitted by qualifying patients, provisional patients,
10 provisional patients, and designated caregivers, including
11 information regarding their designated caregivers and
12 certifying health care professionals.

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

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

22 (4) Any dispensing information required to be kept
23 under Section 135, Section 150, or Department of Public
24 Health, Department of Agriculture, or Department of
25 Financial and Professional Regulation rules shall identify
26 cardholders and registered cultivation centers by their

1 registry identification numbers and medical cannabis
2 dispensing organizations by their registration number and
3 not contain names or other personally identifying
4 information.

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

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

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

17 (2) If the employee conferred with his or her
18 supervisor and both agree that circumstances exist that
19 warrant reporting, Department of Public Health employees
20 may notify the Department of Financial and Professional
21 Regulation if there is reasonable cause to believe a
22 certifying health care professional:

23 (A) issued a written certification without a bona
24 fide health care professional-patient relationship
25 under this Act;

26 (B) issued a written certification to a person who

1 was not under the certifying health care
2 professional's care for the debilitating medical
3 condition; or

4 (C) failed to abide by the acceptable and
5 prevailing standard of care when evaluating a
6 patient's medical condition.

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

14 (4) Medical cannabis cultivation center agents and
15 medical cannabis dispensing organizations may notify the
16 Department of Public Health, Department of Financial and
17 Professional Regulation, or Department of Agriculture of a
18 suspected violation or attempted violation of this Act or
19 the rules issued under it.

20 (5) Each Department may verify registry identification
21 cards under Section 150.

22 (6) The submission of the report to the General
23 Assembly under Section 160.

24 (b-5) Each Department responsible for licensure under this
25 Act shall publish on the Department's website a list of the
26 ownership information of cannabis business establishment

1 licensees under the Department's jurisdiction. The list shall
2 include, but shall not be limited to, the name of the person or
3 entity holding each cannabis business establishment license
4 and the address at which the entity is operating under this
5 Act. This list shall be published and updated monthly.

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

14 (d) The Department of Public Health, the Department of
15 Agriculture, the Illinois State Police, and the Department of
16 Financial and Professional Regulation shall not share or
17 disclose any existing or non-existing Illinois or national
18 criminal history record information. For the purposes of this
19 Section, "any existing or non-existing Illinois or national
20 criminal history record information" means any Illinois or
21 national criminal history record information, including but
22 not limited to the lack of or non-existence of these records.

23 (Source: P.A. 101-363, eff. 8-9-19; 102-98, eff. 7-15-21;
24 102-538, eff. 8-20-21; 102-813, eff. 5-13-22.)

1 Sec. 150. Registry identification and registration
2 certificate verification.

3 (a) The Department of Public Health shall maintain a
4 confidential list of the persons to whom the Department of
5 Public Health has issued registry identification cards and
6 their addresses, phone numbers, and registry identification
7 numbers. This confidential list may not be combined or linked
8 in any manner with any other list or database except as
9 provided in this Section.

10 (b) Within 180 days of the effective date of this Act, the
11 Department of Public Health, Department of Financial and
12 Professional Regulation, and Department of Agriculture shall
13 together establish a computerized database or verification
14 system. The database or verification system must allow law
15 enforcement personnel and medical cannabis dispensary
16 organization agents to determine whether or not the
17 identification number corresponds with a current, valid
18 registry identification card. The system shall only disclose
19 whether the identification card is valid, whether the
20 cardholder is a registered qualifying patient, provisional
21 patient, or a registered designated caregiver, ~~the registry~~
22 ~~identification number of the registered medical cannabis~~
23 ~~dispensing organization designated to serve the registered~~
24 ~~qualifying patient who holds the card,~~ and the registry
25 identification number of the patient who is assisted by a
26 registered designated caregiver who holds the card. The

1 Department of Public Health, the Department of Agriculture,
2 the Illinois State Police, and the Department of Financial and
3 Professional Regulation shall not share or disclose any
4 existing or non-existing Illinois or national criminal history
5 record information. Notwithstanding any other requirements
6 established by this subsection, the Department of Public
7 Health shall issue registry cards to qualifying patients, ~~the~~
8 ~~Department of Financial and Professional Regulation may issue~~
9 ~~registration to medical cannabis dispensing organizations for~~
10 ~~the period during which the database is being established,~~ and
11 the Department of Agriculture may issue registration cards to
12 medical cannabis cultivation organizations for the period
13 during which the database is being established.

14 (c) For the purposes of this Section, "any existing or
15 non-existing Illinois or national criminal history record
16 information" means any Illinois or national criminal history
17 record information, including but not limited to the lack of
18 or non-existence of these records.

19 (Source: P.A. 102-538, eff. 8-20-21.)

20 (410 ILCS 130/165)

21 Sec. 165. Administrative rulemaking.

22 (a) Not later than 120 days after the effective date of
23 this Act, the Department of Public Health, Department of
24 Agriculture, and the Department of Financial and Professional
25 Regulation shall develop rules in accordance to their

1 responsibilities under this Act and file those rules with the
2 Joint Committee on Administrative Rules.

3 (b) The Department of Public Health rules shall address,
4 but not be limited to, the following:

5 (1) fees for applications for registration as a
6 qualified patient or caregiver;

7 (2) establishing the form and content of registration
8 and renewal applications submitted under this Act,
9 including a standard form for written certifications;

10 (3) governing the manner in which it shall consider
11 applications for and renewals of registry identification
12 cards;

13 (4) the manufacture of medical cannabis-infused
14 products;

15 (5) fees for the application and renewal of registry
16 identification cards. Fee revenue may be offset or
17 supplemented by private donations;

18 (6) any other matters as are necessary for the fair,
19 impartial, stringent, and comprehensive administration of
20 this Act; and

21 (7) reasonable rules concerning the medical use of
22 cannabis at a nursing care institution, hospice, assisted
23 living center, assisted living facility, assisted living
24 home, residential care institution, or adult day health
25 care facility.

26 (c) The Department of Agriculture rules shall address, but

1 not be limited to the following related to registered
2 cultivation centers, with the goal of protecting against
3 diversion and theft, without imposing an undue burden on the
4 registered cultivation centers:

5 (1) oversight requirements for registered cultivation
6 centers;

7 (2) recordkeeping requirements for registered
8 cultivation centers;

9 (3) security requirements for registered cultivation
10 centers, which shall include that each registered
11 cultivation center location must be protected by a fully
12 operational security alarm system;

13 (4) rules and standards for what constitutes an
14 enclosed, locked facility under this Act;

15 (5) procedures for suspending or revoking the
16 registration certificates or registry identification cards
17 of registered cultivation centers and their agents that
18 commit violations of the provisions of this Act or the
19 rules adopted under this Section;

20 (6) rules concerning the intrastate transportation of
21 medical cannabis from a cultivation center to a dispensing
22 organization;

23 (7) standards concerning the testing, quality, and
24 cultivation of medical cannabis;

25 (8) any other matters as are necessary for the fair,
26 impartial, stringent, and comprehensive administration of

1 this Act;

2 (9) application and renewal fees for cultivation
3 center agents; and

4 (10) application, renewal, and registration fees for
5 cultivation centers.

6 (d) Beginning January 1, 2025, a dispensing organization
7 registered under this Act shall be deemed to be a dispensing
8 organization or a dispensary under the Cannabis Regulation and
9 Tax Act. Dispensing organizations registered under this Act
10 shall have the same rights, privileges, duties, and
11 responsibilities as a dispensing organization licensed under
12 Section 15-36 of the Cannabis Regulation and Tax Act.
13 Dispensing organizations are subject to the Cannabis
14 Regulation and Tax Act and any rules adopted under that Act.
15 ~~The Department of Financial and Professional Regulation rules~~
16 ~~shall address, but not be limited to the following matters~~
17 ~~related to registered dispensing organizations, with the goal~~
18 ~~of protecting against diversion and theft, without imposing an~~
19 ~~undue burden on the registered dispensing organizations or~~
20 ~~compromising the confidentiality of cardholders:~~

21 ~~(1) application and renewal and registration fees for~~
22 ~~dispensing organizations and dispensing organizations~~
23 ~~agents;~~

24 ~~(2) medical cannabis dispensing agent in charge~~
25 ~~oversight requirements for dispensing organizations;~~

26 ~~(3) recordkeeping requirements for dispensing~~

1 ~~organizations;~~

2 ~~(4) security requirements for medical cannabis~~
3 ~~dispensing organizations, which shall include that each~~
4 ~~registered dispensing organization location must be~~
5 ~~protected by a fully operational security alarm system;~~

6 ~~(5) procedures for suspending or revoking the~~
7 ~~registrations of dispensing organizations and dispensing~~
8 ~~organization agents that commit violations of the~~
9 ~~provisions of this Act or the rules adopted under this~~
10 ~~Act;~~

11 ~~(6) application and renewal fees for dispensing~~
12 ~~organizations; and~~

13 ~~(7) application and renewal fees for dispensing~~
14 ~~organization agents.~~

15 (e) The Department of Public Health may establish a
16 sliding scale of patient application and renewal fees based
17 upon a qualifying patient's household income. The Department
18 of Public health may accept donations from private sources to
19 reduce application and renewal fees, and registry
20 identification card fees shall include an additional fee set
21 by rule which shall be used to develop and disseminate
22 educational information about the health risks associated with
23 the abuse of cannabis and prescription medications.

24 (f) During the rule-making process, each Department shall
25 make a good faith effort to consult with stakeholders
26 identified in the rule-making analysis as being impacted by

1 the rules, including patients or a representative of an
2 organization advocating on behalf of patients.

3 (g) The Department of Public Health shall develop and
4 disseminate educational information about the health risks
5 associated with the abuse of cannabis and prescription
6 medications.

7 (Source: P.A. 98-122, eff. 1-1-14; 98-1172, eff. 1-12-15.)

8 (410 ILCS 130/170)

9 Sec. 170. Enforcement of this Act.

10 (a) If a Department fails to adopt rules to implement this
11 Act within the times provided for in this Act, any citizen may
12 commence a mandamus action in the Circuit Court to compel the
13 Departments to perform the actions mandated under the
14 provisions of this Act.

15 (b) If the Department of Public Health or the 7 Department
16 of Agriculture, ~~or Department of Financial and Professional~~
17 ~~Regulation~~ fails to issue a valid identification card in
18 response to a valid application or renewal submitted under
19 this Act or fails to issue a verbal or written notice of denial
20 of the application within 30 days of its submission, the
21 identification card is deemed granted, and a copy of the
22 registry identification application, including a valid written
23 certification in the case of patients, or renewal shall be
24 deemed a valid registry identification card.

25 (c) Authorized employees of State or local law enforcement

1 agencies shall immediately notify the Department of Public
2 Health when any person in possession of a registry
3 identification card has been determined by a court of law to
4 have willfully violated the provisions of this Act or has pled
5 guilty to the offense.

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

7 (410 ILCS 130/180)

8 Sec. 180. Destruction of medical cannabis.

9 (a) All cannabis byproduct, scrap, and harvested cannabis
10 not intended for distribution to a medical cannabis
11 organization must be destroyed and disposed of pursuant to
12 State law. Documentation of destruction and disposal shall be
13 retained at the cultivation center for a period of not less
14 than 5 years.

15 (b) A cultivation center shall prior to the destruction,
16 notify the Department of Agriculture and the Illinois State
17 Police.

18 (c) The cultivation center shall keep record of the date
19 of destruction and how much was destroyed.

20 (d) (Blank). ~~A dispensary organization shall destroy all~~
21 ~~cannabis, including cannabis-infused products, that are not~~
22 ~~sold to registered qualifying patients. Documentation of~~
23 ~~destruction and disposal shall be retained at the dispensary~~
24 ~~organization for a period of not less than 5 years.~~

25 (e) (Blank). ~~A dispensary organization shall prior to the~~

1 ~~destruction, notify the Department of Financial and~~
2 ~~Professional Regulation and the Illinois State Police.~~

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

4 (410 ILCS 130/200)

5 Sec. 200. Tax imposed.

6 (a) Beginning on the effective date of this Act and until
7 January 1, 2025, a tax is imposed upon the privilege of
8 cultivating medical cannabis at a rate of 7% of the sales price
9 per ounce. Beginning on January 1, 2025, a tax is imposed upon
10 the privilege of cultivating medical cannabis at the rate of
11 7% of the gross receipts from the first sale of medical
12 cannabis by a cultivator. The sale of any product that
13 contains any amount of medical cannabis or any derivative
14 thereof is subject to the tax under this Section on the full
15 selling price of the product. The Department may determine the
16 selling price of the medical cannabis when the seller and
17 purchaser are affiliated persons, when the sale and purchase
18 of cannabis is not an arm's length transaction, or when
19 medical cannabis is transferred by a craft grower to the craft
20 grower's dispensing organization or infuser organization and a
21 value is not established for the cannabis. The value
22 determined by the Department shall be commensurate with the
23 actual price received for products of like quality, character,
24 and use in the area. If there are no sales of medical cannabis
25 of like quality, character, and use in the same area, then the

1 Department shall establish a reasonable value based on sales
2 of products of like quality, character, and use in other areas
3 of the State, taking into consideration any other relevant
4 factors. The proceeds from this tax shall be deposited into
5 the Compassionate Use of Medical Cannabis Fund created under
6 the Compassionate Use of Medical Cannabis Program Act. This
7 tax shall be paid by a cultivation center and is not the
8 responsibility of a dispensing organization or a qualifying
9 patient.

10 (b) The tax imposed under this Act shall be in addition to
11 all other occupation or privilege taxes imposed by the State
12 of Illinois or by any municipal corporation or political
13 subdivision thereof.

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

15 (410 ILCS 130/210)

16 Sec. 210. Returns.

17 (a) This subsection (a) applies to returns due on or
18 before June 25, 2019 (the effective date of Public Act 101-27)
19 ~~this amendatory Act of the 101st General Assembly.~~ On or
20 before the twentieth day of each calendar month, every person
21 subject to the tax imposed under this Law during the preceding
22 calendar month shall file a return with the Department,
23 stating:

24 (1) The name of the taxpayer;

25 (2) The number of ounces of medical cannabis sold to a

1 dispensing organization or a registered qualifying patient
2 during the preceding calendar month;

3 (3) The amount of tax due;

4 (4) The signature of the taxpayer; and

5 (5) Such other reasonable information as the
6 Department may require.

7 If a taxpayer fails to sign a return within 30 days after
8 the proper notice and demand for signature by the Department,
9 the return shall be considered valid and any amount shown to be
10 due on the return shall be deemed assessed.

11 The taxpayer shall remit the amount of the tax due to the
12 Department at the time the taxpayer files his or her return.

13 (b) Beginning on June 25, 2019 (the effective date of
14 Public Act 101-27) ~~this amendatory Act of the 101st General~~
15 ~~Assembly~~, Section 60-20 ~~65-20~~ of the Cannabis Regulation and
16 Tax Act shall apply to returns filed and taxes paid under this
17 Act to the same extent as if those provisions were set forth in
18 full in this Section.

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

20 (410 ILCS 130/125 rep.)

21 Section 50. The Compassionate Use of Medical Cannabis
22 Program Act is amended by repealing Section 125.

23 Section 55. The Cannabis Regulation and Tax Act is amended
24 by changing Sections 1-10, 5-10, 5-15, 7-10, 7-15, 10-10,

1 10-15, 15-15, 15-20, 15-25, 15-35, 15-35.10, 15-36, 15-40,
2 15-50, 15-60, 15-70, 15-85, 15-100, 15-145, 20-15, 20-30,
3 20-35, 20-45, 25-35, 30-10, 30-30, 30-35, 30-45, 35-25, 35-30,
4 40-25, 45-5, 50-5, 55-30, 55-65, 60-10, 65-10, 65-38, and
5 65-42 and adding Sections 15-13, 15-17, 15-23, 15-24, and
6 40-50 as follows:

7 (410 ILCS 705/1-10)

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

9 "Adequate medical supply" means:

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

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

23 (3) This subsection may not be construed to authorize
24 the possession of more than 2.5 ounces at any time without
25 authority from the Department of Public Health.

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

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

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

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

21 "Application points" means the number of points a
22 Dispensary Applicant receives on an application for a
23 Conditional Adult Use Dispensing Organization License.

24 "BLS Region" means a region in Illinois used by the United
25 States Bureau of Labor Statistics to gather and categorize
26 certain employment and wage data. The 17 such regions in

1 Illinois are: ~~Bloomington, Cape Girardeau, Carbondale-Marion,~~
2 ~~Champaign-Urbana, Chicago-Naperville-Elgin, Danville,~~
3 ~~Davenport-Moline-Rock Island, Decatur, Kankakee, Peoria,~~
4 ~~Rockford, St. Louis, Springfield, Northwest Illinois~~
5 ~~nonmetropolitan area, West Central Illinois nonmetropolitan~~
6 ~~area, East Central Illinois nonmetropolitan area, and South~~
7 ~~Illinois nonmetropolitan area.~~

8 (1) Bloomington (DeWitt County; McLean County);

9 (2) Cape Girardeau (Alexander County);

10 (3) Carbondale-Marion (Jackson County; Williamson
11 County);

12 (4) Champaign-Urbana (Champaign County; Ford County;
13 Piatt County);

14 (5) Chicago-Naperville-Elgin (Cook County; DeKalb
15 County; DuPage County; Grundy County; Kane County; Kendall
16 County; Lake County; McHenry County; Will County);

17 (6) Danville (Vermilion County);

18 (7) Davenport-Moline-Rock Island (Henry County; Mercer
19 County; Rock Island County);

20 (8) Decatur (Macon County);

21 (9) Kankakee (Kankakee County);

22 (10) Peoria (Marshall County; Peoria County; Stark
23 County; Tazewell County; Woodford County);

24 (11) Rockford (Boone County; Winnebago County);

25 (12) St. Louis (Bond County; Calhoun County; Clinton
26 County; Jersey County; Madison County; Macoupin County);

1 Monroe County; St. Clair County),

2 (13) Springfield (Menard County; Sangamon County);

3 (14) Northwest Illinois nonmetropolitan area (Bureau
4 County; Carroll County; Jo Daviess County; LaSalle County;
5 Lee County; Ogle County; Putnam County; Stephenson County;
6 Whiteside County);

7 (15) West Central Illinois nonmetropolitan area (Adams
8 County; Brown County; Cass County; Christian County;
9 Fulton County; Greene County; Hancock County; Henderson
10 County; Knox County; Livingston County; Logan County;
11 Mason County; McDonough County; Montgomery County; Morgan
12 County; Moultrie County; Pike County; Schuyler County;
13 Scott County; Shelby County; Warren County);

14 (16) East Central Illinois nonmetropolitan area (Clark
15 County; Clay County; Coles County; Crawford County;
16 Cumberland County; Douglas County; Edgar County; Effingham
17 County; Fayette County; Iroquois County; Jasper County;
18 Lawrence County; Marion County; Richland County); and

19 (17) Southern Illinois nonmetropolitan area (Edwards
20 County; Franklin County; Gallatin County; Hamilton County;
21 Hardin County; Jefferson County; Johnson County; Massac
22 County; Perry County; Pope County; Pulaski County;
23 Randolph County; Saline County; Union County; Wabash
24 County; Wayne County; White County).

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

1 Applicants.

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

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

25 "Cannabis concentrate" means a product derived from
26 cannabis that is produced by extracting cannabinoids,

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

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

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

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

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

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

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

15 "Cannabis testing facility" means an entity licensed
16 ~~registered~~ by the Department of Agriculture to test cannabis
17 for potency and contaminants. Licensed cannabis testing
18 facilities are authorized under this Act to transport cannabis
19 from licensed cannabis business establishments to the licensed
20 cannabis testing facility and are exempt from the transporting
21 organization license requirements.

22 "Cannabis transport GPS tracking system" means a system
23 that includes, but is not limited to, real-time tracking,
24 tracing, and recording of global positioning system data for
25 licensed transporter vehicles registered with the Department
26 of Agriculture to transport cannabis and cannabis-infused

1 products.

2 "Certifying health care professional" has the meaning
3 given to that term under the Compassionate Use of Medical
4 Cannabis Program Act.

5 "Clone" means a plant section from a female cannabis plant
6 not yet rootbound, growing in a water solution or other
7 propagation matrix, that is capable of developing into a new
8 plant.

9 "Community College Cannabis Vocational Training Pilot
10 Program faculty participant" means a person who is 21 years of
11 age or older, licensed by the Department of Agriculture, and
12 is employed or contracted by an Illinois community college to
13 provide student instruction using cannabis plants at an
14 Illinois Community College.

15 "Community College Cannabis Vocational Training Pilot
16 Program faculty participant Agent Identification Card" means a
17 document issued by the Department of Agriculture that
18 identifies a person as a Community College Cannabis Vocational
19 Training Pilot Program faculty participant.

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

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

8 "Consolidated transport center" means a facility licensed
9 by the Department of Agriculture that is: (i) integrated with
10 access controls, cameras, and alarms; (ii) owned and operated
11 by an independent social equity transporting organization; and
12 (iii) used for unloading products from vehicles, sorting and
13 securely storing products, and reloading products onto
14 licensed and registered transport vehicles before being
15 shipped to cannabis business establishments.

16 "Craft grower" means a facility operated by an
17 organization or business that is licensed by the Department of
18 Agriculture to cultivate, dry, cure, and package cannabis and
19 perform other necessary activities to make cannabis available
20 for sale at a dispensing organization or use at an infuser ~~a~~
21 ~~processing~~ organization. A craft grower may contain up to
22 14,000 ~~5,000~~ square feet of canopy space on its premises for
23 plants in the flowering state. ~~The Department of Agriculture~~
24 ~~may authorize an increase or decrease of flowering stage~~
25 ~~cultivation space in increments of 3,000 square feet by rule~~
26 ~~based on market need, craft grower capacity, and the~~

1 ~~licensee's history of compliance or noncompliance, with a~~
2 ~~maximum space of 14,000 square feet for cultivating plants in~~
3 ~~the flowering stage,~~ which must be cultivated in all stages of
4 growth in an enclosed and secure area. A craft grower may share
5 premises with an infuser ~~a processing~~ organization or a
6 dispensing organization, or both, provided each licensee
7 stores currency and cannabis or cannabis-infused products in a
8 separate secured vault to which the other licensee does not
9 have access or all licensees sharing a vault share more than
10 50% of the same ownership.

11 "Craft grower agent" means a principal officer, board
12 member, employee, or other agent of a craft grower who is 21
13 years of age or older.

14 "Craft Grower Agent Identification Card" means a document
15 issued by the Department of Agriculture that identifies a
16 person as a craft grower agent.

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

23 "Cultivation center agent" means a principal officer,
24 board member, employee, or other agent of a cultivation center
25 who is 21 years of age or older.

26 "Cultivation Center Agent Identification Card" means a

1 document issued by the Department of Agriculture that
2 identifies a person as a cultivation center agent.

3 "Currency" means currency and coins ~~coin~~ of the United
4 States.

5 "Debilitating medical condition" has the meaning given to
6 that term under the Compassionate Use of Medical Cannabis
7 Program Act.

8 "Designated caregiver" means a person who:

9 (1) is at least 21 years of age;

10 (2) has agreed to assist with a patient's medical use
11 of cannabis; and

12 (3) assists no more than one registered qualifying
13 patient with the patient's medical use of cannabis.

14 Beginning January 1, 2025, a designated caregiver
15 registered under the Compassionate Use of Medical Cannabis
16 Program Act may perform the designated caregiver's duties at
17 any dispensary or dispensing organization licensed by the
18 Department of Financial and Professional Regulation under the
19 Cannabis Regulation and Tax Act.

20 ~~"Dispensary" means a facility operated by a dispensing~~
21 ~~organization at which activities licensed by this Act may~~
22 ~~occur.~~

23 "Dispensary Applicant" means the Proposed Dispensing
24 Organization Name as stated on an application for a
25 Conditional Adult Use Dispensing Organization License.

26 "Dispensing organization" or "dispensary" means a facility

1 operated by an organization or business that is licensed by
2 the Department of Financial and Professional Regulation to
3 acquire cannabis from a cultivation center, craft grower,
4 infuser ~~processing~~ organization, or another dispensary for the
5 purpose of selling or dispensing cannabis, cannabis-infused
6 products, cannabis seeds, paraphernalia, or related supplies
7 under this Act to purchasers or to qualified ~~registered~~
8 ~~medical cannabis~~ patients, and designated caregivers, and
9 provisional patients to purchase an adequate medical supply.
10 Beginning on January 1, 2025, As used in this Act, "dispensing
11 organization" or "dispensary" includes those medical cannabis
12 dispensing organizations as licensed under ~~includes a~~
13 ~~registered medical cannabis organization as defined in the~~
14 ~~Compassionate Use of Medical Cannabis Program Act or its~~
15 ~~successor Act that has obtained an Early Approval Adult Use~~
16 ~~Dispensing Organization License.~~

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

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

24 "Disproportionately Impacted Area" means a census tract or
25 comparable geographic area that satisfies the following
26 criteria as determined by the Department of Commerce and

1 Economic Opportunity, that:

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

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

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

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

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

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

22 "Early Approval Adult Use Cultivation Center License"
23 means a license that permits a medical cannabis cultivation
24 center licensed under the Compassionate Use of Medical
25 Cannabis Program Act as of the effective date of this Act to
26 begin cultivating, infusing, packaging, transporting (unless

1 otherwise provided in this Act), processing, and selling
2 cannabis or cannabis-infused product to cannabis business
3 establishments for resale to purchasers as permitted by this
4 Act as of January 1, 2020.

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

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

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

23 "Enclosed, locked facility" means a room, greenhouse,
24 building, or other enclosed area equipped with locks or other
25 security devices that permit access only by cannabis business
26 establishment agents working for the licensed cannabis

1 business establishment or acting pursuant to this Act to
2 cultivate, process, store, or distribute cannabis.

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

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

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

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

26 "Flowering stage" means the stage of cultivation where and

1 when a cannabis plant is cultivated to produce plant material
2 for cannabis products. This includes mature plants as follows:

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

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

10 "Individual" means a natural person.

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

16 "Independent social equity transporting organization"
17 means a transporting organization that is licensed by the
18 Department of Agriculture and that is not owned or controlled,
19 in whole or in part, by (i) any other cannabis business
20 establishment, or (ii) any individual who serves as a
21 principal officer of a cannabis business establishment or who
22 has ownership in or control of a cannabis business
23 establishment

24 "Infuser organization agent" means a principal officer,
25 board member, employee, or other agent of an infuser
26 organization.

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

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

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

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

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

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

24 "Ordinary public view" means within the sight line with
25 normal visual range of a person, unassisted by visual aids,
26 from a public street or sidewalk adjacent to real property, or

1 from within an adjacent property.

2 "Ownership and control" means ownership of at least 51% of
3 the business, including corporate stock if a corporation, and
4 control over the management and day-to-day operations of the
5 business and an interest in the capital, assets, and profits
6 and losses of the business proportionate to percentage of
7 ownership.

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

13 "Possession limit" means the amount of cannabis under
14 Section 10-10 that may be possessed at any one time by a person
15 21 years of age or older or who is a registered qualifying
16 medical cannabis patient or caregiver under the Compassionate
17 Use of Medical Cannabis Program Act.

18 "Principal officer" includes a cannabis business
19 establishment applicant or licensed cannabis business
20 establishment's board member, owner with more than 1% interest
21 of the total cannabis business establishment or more than 5%
22 interest of the total cannabis business establishment of a
23 publicly traded company, president, vice president, secretary,
24 treasurer, partner, officer, member, manager member, or person
25 with a profit sharing, financial interest, or revenue sharing
26 arrangement. The definition includes a person with authority

1 to control the cannabis business establishment, a person who
2 assumes responsibility for the debts of the cannabis business
3 establishment and who is further defined in this Act.

4 "Primary residence" means a dwelling where a person
5 usually stays or stays more often than other locations. It may
6 be determined by, without limitation, presence, tax filings;
7 address on an Illinois driver's license, an Illinois
8 Identification Card, or an Illinois Person with a Disability
9 Identification Card; or voter registration. No person may have
10 more than one primary residence.

11 "Processor license" means a license issued to an infuser
12 organization that is licensed by the Department of Agriculture
13 under subsection (f) of Section 35-31 to extract raw materials
14 from cannabis flower.

15 "Provisional registration" means a document issued by the
16 Department of Public Health to a qualifying patient who has
17 submitted (i) an online application and paid a fee to
18 participate in Compassionate Use of Medical Cannabis Program
19 pending approval or denial of the patient's application or
20 (ii) a completed application for terminal illness.

21 "Provisional patient" means a qualifying patient who has
22 received a provisional registration from the Department of
23 Public Health.

24 ~~"Processing organization" or "processor" means a facility~~
25 ~~operated by an organization or business that is licensed by~~
26 ~~the Department of Agriculture to either extract constituent~~

1 ~~chemicals or compounds to produce cannabis concentrate or~~
2 ~~incorporate cannabis or cannabis concentrate into a product~~
3 ~~formulation to produce a cannabis product.~~

4 ~~"Processing organization agent" means a principal officer,~~
5 ~~board member, employee, or agent of a processing organization.~~

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

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

13 "Qualifying Applicant" means an applicant that submitted
14 an application pursuant to Section 15-30 that received at
15 least 85% of 250 application points available under Section
16 15-30 as the applicant's final score and meets the definition
17 of "Social Equity Applicant" as set forth under this Section.

18 "Qualifying Social Equity Justice Involved Applicant"
19 means an applicant that submitted an application pursuant to
20 Section 15-30 that received at least 85% of 250 application
21 points available under Section 15-30 as the applicant's final
22 score and meets the criteria of either paragraph (1) or (2) of
23 the definition of "Social Equity Applicant" as set forth under
24 this Section.

25 "Qualified Social Equity Applicant" means a Social Equity
26 Applicant who has been awarded a license or conditional

1 license under this Act to operate a cannabis business
2 establishment.

3 "Qualifying patient" or "qualified patient" means a person
4 who has been diagnosed by a certifying health care
5 professional as having a debilitating medical condition.
6 Beginning on January 1, 2025, all "qualifying patients"
7 registered under the Compassionate Use of Medical Cannabis
8 Program Act shall be permitted to purchase cannabis and
9 cannabis-infused products at any dispensary or dispensing
10 organization licensed by the Department of Financial and
11 Professional Regulation pursuant to this Act.

12 "Resided" means an individual's primary residence was
13 located within the relevant geographic area as established by
14 2 of the following:

15 (1) a signed lease agreement that includes the
16 applicant's name;

17 (2) a property deed that includes the applicant's
18 name;

19 (3) school records;

20 (4) a voter registration card;

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

24 (6) a paycheck stub;

25 (7) a utility bill;

26 (8) tax records; or

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

3 "Smoking" means the inhalation of smoke caused by the
4 combustion of cannabis.

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

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

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

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

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

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

20 (i) currently reside in a Disproportionately
21 Impacted Area; or

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

26 Nothing in this Act shall be construed to preempt or limit

1 the duties of any employer under the Job Opportunities for
2 Qualified Applicants Act. Nothing in this Act shall permit an
3 employer to require an employee to disclose sealed or expunged
4 offenses, unless otherwise required by law.

5 "Social Equity Criteria Lottery Licensee" means a holder
6 of an adult use cannabis dispensary license awarded through a
7 lottery held under subsection (c) of Section 15-35.20.

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

19 "Tied Applicant Lottery" means the process established
20 under 68 Ill. Adm. Code 1291.50 for awarding Conditional Adult
21 Use Dispensing Organization Licenses pursuant to Sections
22 15-25 and 15-30 among Eligible Tied Applicants.

23 "Tincture" means a cannabis-infused solution, typically
24 composed ~~comprised~~ of alcohol, glycerin, or vegetable oils,
25 derived either directly from the cannabis plant or from a
26 processed cannabis extract. A tincture is not an alcoholic

1 liquor as defined in the Liquor Control Act of 1934. A tincture
2 shall include a calibrated dropper or other similar device
3 capable of accurately measuring servings.

4 "Transporting organization" or "transporter" means an
5 organization or business that is licensed by the Department of
6 Agriculture to transport cannabis or cannabis-infused product
7 on behalf of a cannabis business establishment or a community
8 college licensed under the Community College Cannabis
9 Vocational Training Pilot Program.

10 "Transporting organization agent" means a principal
11 officer, board member, employee, or agent of a transporting
12 organization.

13 "Transporting organization agent identification card"
14 means a document issued by the Department of Agriculture that
15 identifies a person as a transporting organization agent.

16 "Unit of local government" means any county, city,
17 village, or incorporated town.

18 "Vegetative stage" means the stage of cultivation in which
19 a cannabis plant is propagated to produce additional cannabis
20 plants or reach a sufficient size for production. This
21 includes seedlings, clones, mothers, and other immature
22 cannabis plants as follows:

23 (1) if the cannabis plant is in an area that has not
24 been intentionally deprived of light for a period of time
25 intended to produce flower buds and induce maturation, it
26 has no more than 2 stigmas visible at each internode of the

1 cannabis plant; or

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

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 705/5-10)

9 Sec. 5-10. Department of Agriculture.

10 (a) The Department of Agriculture shall administer and
11 enforce provisions of this Act relating to the oversight and
12 registration of cultivation centers, craft growers, infuser
13 organizations, and transporting organizations and agents,
14 including the issuance of identification cards and
15 establishing limits on potency or serving size for cannabis or
16 cannabis products. The Department of Agriculture may suspend
17 or revoke the license of, or impose other penalties upon
18 cannabis testing facilities, cultivation centers, craft
19 growers, infuser organizations, transporting organizations,
20 and their principal officers, Agents-in-Charge, and agents for
21 violations of this Act and any rules adopted under this Act.

22 (b) The Department of Agriculture may establish, by rule,
23 market protections that protect against unfair business
24 practices, including, but not limited to, price-fixing, bid
25 rigging, boycotts, agreements to not compete, exclusive

1 wholesale arrangements for cannabis concentrate, cannabis
2 flower, cannabis-infused products, and any product that is
3 licensed under this Act to ensure all license types have equal
4 access to the market without unfair competition.

5 (c) The Department of Agriculture may adopt rules and
6 emergency rules in accordance with the Illinois Administrative
7 Procedure Act and prescribe forms and fees relating to the
8 administration and enforcement of this amendatory Act of the
9 103rd General Assembly, as it deems appropriate.

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

11 (410 ILCS 705/5-15)

12 Sec. 5-15. Department of Financial and Professional
13 Regulation.

14 (a) The Department of Financial and Professional
15 Regulation shall enforce the provisions of this Act relating
16 to the oversight and registration of dispensing organizations
17 and agents, including the issuance of identification cards for
18 dispensing organization agents. The Department of Financial
19 and Professional Regulation may suspend or revoke the license
20 of, or otherwise discipline dispensing organizations,
21 principal officers, agents-in-charge, and agents for
22 violations of this Act and any rules adopted under this Act.

23 (b) The Department of Financial and Professional
24 Regulation may establish, by rule, market protections that
25 protect against unfair business practices, including, but not

1 limited to, price-fixing, bid rigging, boycotts, agreements to
2 not compete, exclusive wholesale arrangements for cannabis
3 concentrate, cannabis flower, cannabis-infused products, and
4 any product that is licensed under this Act to ensure all
5 license types have equal access to the market without unfair
6 competition.

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

8 (410 ILCS 705/7-10)

9 Sec. 7-10. Cannabis Business Development Fund.

10 (a) There is created in the State treasury a special fund,
11 which shall be held separate and apart from all other State
12 moneys, to be known as the Cannabis Business Development Fund.
13 The Cannabis Business Development Fund shall be exclusively
14 used for the following purposes:

15 (1) to provide low-interest rate loans to Qualified
16 Social Equity Applicants and Social Equity Criteria
17 Lottery Licensees to pay for ordinary and necessary
18 expenses to start and operate a cannabis business
19 establishment permitted by this Act;

20 (2) to provide grants to Qualified Social Equity
21 Applicants to pay for ordinary and necessary expenses to
22 start and operate a cannabis business establishment
23 permitted by this Act;

24 (3) to compensate the Department of Commerce and
25 Economic Opportunity for any costs related to the

1 provision of low-interest loans and grants to Qualified
2 Social Equity Applicants and Social Equity Criteria
3 Lottery Licensees;

4 (4) to pay for outreach that may be provided or
5 targeted to attract and support Social Equity Applicants,
6 ~~and~~ Qualified Social Equity Applicants, and Social Equity
7 Criteria Lottery Licensees;

8 (5) (blank);

9 (5.5) to provide financial assistance that supports
10 lending to or private investment in Qualified Social
11 Equity Applicants and Social Equity Criteria Lottery
12 Licensees or that facilitates access to the facilities
13 needed to commence operations as a cannabis business
14 establishment;

15 (6) to conduct any study or research concerning the
16 participation of minorities, women, veterans, or people
17 with disabilities in the cannabis industry, including,
18 without limitation, barriers to such individuals entering
19 the industry as equity owners of cannabis business
20 establishments;

21 (7) (blank); and

22 (8) to assist with job training and technical
23 assistance for residents in Disproportionately Impacted
24 Areas.

25 (b) All moneys collected under Sections 15-15 and 15-20
26 for Early Approval Adult Use Dispensing Organization Licenses

1 issued before January 1, 2021 and remunerations made as a
2 result of transfers of permits awarded to Qualified Social
3 Equity Applicants shall be deposited into the Cannabis
4 Business Development Fund.

5 (c) (Blank).

6 (c-5) In addition to any other transfers that may be
7 provided for by law, on July 1, 2023, or as soon thereafter as
8 practical, the State Comptroller shall direct and the State
9 Treasurer shall transfer the sum of \$40,000,000 from the
10 Compassionate Use of Medical Cannabis Fund to the Cannabis
11 Business Development Fund.

12 (d) Notwithstanding any other law to the contrary, the
13 Cannabis Business Development Fund is not subject to sweeps,
14 administrative charge-backs, or any other fiscal or budgetary
15 maneuver that would in any way transfer any amounts from the
16 Cannabis Business Development Fund into any other fund of the
17 State.

18 (Source: P.A. 103-8, eff. 6-7-23.)

19 (410 ILCS 705/7-15)

20 Sec. 7-15. Loans, financial assistance, ~~and~~ grants to
21 Qualified Social Equity Applicants and Social Equity Criteria
22 Lottery Licensees.

23 (a) The Department of Commerce and Economic Opportunity
24 shall establish grant, ~~and~~ loan, and financial assistance
25 programs, subject to appropriations from the Cannabis Business

1 Development Fund, for the purposes of providing financial
2 assistance, loans, grants, and technical assistance to
3 Qualified Social Equity Applicants and Social Equity Criteria
4 Lottery Licensees.

5 (b) The Department of Commerce and Economic Opportunity
6 has the power to:

7 (1) provide Cannabis Social Equity loans, financial
8 assistance, and grants from appropriations from the
9 Cannabis Business Development Fund to assist Qualified
10 Social Equity Applicants and Social Equity Criteria
11 Lottery Licensees in gaining entry to, and successfully
12 operating in, the State's regulated cannabis marketplace;

13 (2) enter into agreements that set forth terms and
14 conditions of the financial assistance, accept funds or
15 grants, and engage in cooperation with private entities
16 and agencies of State or local government to carry out the
17 purposes of this Section;

18 (3) fix, determine, charge, and collect any premiums,
19 fees, charges, costs and expenses, including application
20 fees, commitment fees, program fees, financing charges, or
21 publication fees in connection with its activities under
22 this Section;

23 (4) coordinate assistance under these financial
24 assistance ~~loan~~ programs with activities of the Illinois
25 Department of Financial and Professional Regulation, the
26 Illinois Department of Agriculture, and other agencies as

1 needed to maximize the effectiveness and efficiency of
2 this Act;

3 (5) provide staff, administration, and related support
4 required to administer this Section;

5 (6) take whatever actions are necessary or appropriate
6 to protect the State's interest in the event of
7 bankruptcy, default, foreclosure, or noncompliance with
8 the terms and conditions of financial assistance provided
9 under this Section, including the ability to recapture
10 funds if the recipient is found to be noncompliant with
11 the terms and conditions of the financial assistance
12 agreement;

13 (6.5) enter into financial intermediary agreements to
14 facilitate lending to or investment in Qualified Social
15 Equity Applicants, Social Equity Criteria Lottery
16 Licensees, or their subsidiaries or affiliates to ensure
17 the availability of facilities necessary to operate a
18 cannabis business establishment;

19 (7) establish application, notification, contract, and
20 other forms, procedures, or rules deemed necessary and
21 appropriate; and

22 (8) utilize vendors or contract work to carry out the
23 purposes of this Act.

24 (c) Loans made under this Section:

25 (1) shall only be made if, in the Department's
26 judgment, the project furthers the goals set forth in this

1 Act; ~~and~~

2 (2) shall be in such principal amount and form and
3 contain such terms and provisions with respect to
4 security, insurance, reporting, delinquency charges,
5 default remedies, forgiveness, and other matters as the
6 Department shall determine appropriate to protect the
7 public interest and to be consistent with the purposes of
8 this Section. The terms and provisions may be less than
9 required for similar loans not covered by this Section;
10 and-

11 (3) may be distributed by a lottery if the Department
12 determines that the amount of funding available is
13 insufficient to provide an adequate amount of funding for
14 all of the applicants eligible to receive a loan.

15 The Department may determine the number of loans available
16 based on the amount of funding available and communicate the
17 number of loans available on the loan application. The
18 Department may use competitive criteria to establish which
19 applicants are eligible to receive a grant, loan, or financial
20 assistance.

21 (d) Grants made under this Section shall be awarded on a
22 competitive and annual basis under the Grant Accountability
23 and Transparency Act. Grants made under this Section shall
24 further and promote the goals of this Act, including promotion
25 of Social Equity Applicants, Qualified Social Equity
26 Applicants, or Social Equity Criteria Lottery Licensees, job

1 training and workforce development, and technical assistance
2 to Social Equity Applicants. To the extent registration with
3 the federal System for Award Management requires a grant
4 applicant to certify compliance with all federal laws, the
5 grant applicants under this Section shall not be required to
6 register for a unique entity identifier through the federal
7 System for Award Management to be qualified to receive a grant
8 so long as federal law prohibits the cultivation and sale of
9 cannabis.

10 (d-5) Financial intermediary agreements to provide
11 financial assistance must further the goals set forth in this
12 Act and result in financing or lease costs that are affordable
13 or below market rate.

14 (e) Beginning January 1, 2021 and each year thereafter,
15 the Department shall annually report to the Governor and the
16 General Assembly on the outcomes and effectiveness of this
17 Section that shall include the following:

18 (1) the number of persons or businesses receiving
19 financial assistance under this Section;

20 (2) the amount in financial assistance awarded in the
21 aggregate, in addition to the amount of loans made that
22 are outstanding and the amount of grants awarded;

23 (3) the location of the project engaged in by the
24 person or business; and

25 (4) if applicable, the number of new jobs and other
26 forms of economic output created as a result of the

1 financial assistance.

2 (f) The Department of Commerce and Economic Opportunity
3 shall include engagement with individuals with limited English
4 proficiency as part of its outreach provided or targeted to
5 attract and support Social Equity Applicants.

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

7 (410 ILCS 705/10-10)

8 Sec. 10-10. Possession limit.

9 (a) Except if otherwise authorized by this Act, for a
10 person who is 21 years of age or older and a resident of this
11 State, the possession limit is as follows:

12 (1) 30 grams of cannabis flower;

13 (2) no more than 500 milligrams of THC contained in
14 cannabis-infused product;

15 (3) 5 grams of cannabis concentrate; and

16 (4) for registered qualifying patients, any cannabis
17 produced by cannabis plants grown under subsection (b) of
18 Section 10-5, provided any amount of cannabis produced in
19 excess of 30 grams of raw cannabis or its equivalent must
20 remain secured within the residence or residential
21 property in which it was grown.

22 (b) For a person who is 21 years of age or older and who is
23 not a resident of this State, the possession limit is:

24 (1) 15 grams of cannabis flower;

25 (2) 2.5 grams of cannabis concentrate; and

1 (3) 250 milligrams of THC contained in a
2 cannabis-infused product.

3 (c) The possession limits found in subsections (a) and (b)
4 of this Section are to be considered cumulative.

5 (d) No person shall knowingly obtain, seek to obtain, or
6 possess an amount of cannabis from a dispensing organization
7 or craft grower that would cause him or her to exceed the
8 possession limit under this Section, including cannabis that
9 is cultivated by a person under this Act or obtained under the
10 Compassionate Use of Medical Cannabis Program Act.

11 (e) Cannabis and cannabis-derived substances regulated
12 under the Industrial Hemp Act are not covered by this Act.

13 (f) No registered qualifying patient, provisional patient,
14 or designated caregiver shall knowingly obtain, seek to
15 obtain, or possess, individually or collectively, an amount of
16 usable cannabis from a dispensing organization that would
17 cause the person to exceed the person's adequate medical
18 supply.

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

20 (410 ILCS 705/10-15)

21 Sec. 10-15. Persons under 21 years of age.

22 (a) Nothing in this Act is intended to permit the transfer
23 of cannabis, with or without remuneration, to a person under
24 21 years of age, or to allow a person under 21 years of age to
25 purchase, possess, use, process, transport, grow, or consume

1 cannabis except where authorized by this Act, the
2 Compassionate Use of Medical Cannabis Program Act, or ~~by~~ the
3 Community College Cannabis Vocational Pilot Program.

4 (b) Notwithstanding any other provisions of law
5 authorizing the possession of medical cannabis, nothing in
6 this Act authorizes a person who is under 21 years of age to
7 possess cannabis. A person under 21 years of age with cannabis
8 in his or her possession is guilty of a civil law violation as
9 outlined in paragraph (a) of Section 4 of the Cannabis Control
10 Act.

11 (c) If the person under the age of 21 was in a motor
12 vehicle at the time of the offense, the Secretary of State may
13 suspend or revoke the driving privileges of any person for a
14 violation of this Section under Section 6-206 of the Illinois
15 Vehicle Code and the rules adopted under it.

16 (d) It is unlawful for any parent or guardian to knowingly
17 permit his or her residence, any other private property under
18 his or her control, or any vehicle, conveyance, or watercraft
19 under his or her control to be used by an invitee of the
20 parent's child or the guardian's ward, if the invitee is under
21 the age of 21, in a manner that constitutes a violation of this
22 Section. A parent or guardian is deemed to have knowingly
23 permitted his or her residence, any other private property
24 under his or her control, or any vehicle, conveyance, or
25 watercraft under his or her control to be used in violation of
26 this Section if he or she knowingly authorizes or permits

1 consumption of cannabis by underage invitees. Any person who
2 violates this subsection (d) is guilty of a Class A
3 misdemeanor and the person's sentence shall include, but shall
4 not be limited to, a fine of not less than \$500. If a violation
5 of this subsection (d) directly or indirectly results in great
6 bodily harm or death to any person, the person violating this
7 subsection is guilty of a Class 4 felony. In this subsection
8 (d), where the residence or other property has an owner and a
9 tenant or lessee, the trier of fact may infer that the
10 residence or other property is occupied only by the tenant or
11 lessee.

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

13 (410 ILCS 705/15-13 new)

14 Sec. 15-13. Adult Use and medical cannabis dispensing
15 organization license merger; medical patient prioritization.

16 (a) Beginning January 1, 2025, all medical dispensing
17 organizations registered under the Compassionate Use of
18 Medical Cannabis Program Act shall be deemed to be an adult use
19 dispensing organization licensed pursuant to Section 15-36 of
20 this Act. In addition to selling cannabis and cannabis-infused
21 products to persons 21 years of age or older, beginning
22 January 1, 2025, all dispensing organizations licensed
23 pursuant to Section 15-36 of this Act shall also offer service
24 to registered qualifying patients, provisional patients, and
25 designated caregivers.

1 (b) Beginning on January 1, 2025, all dispensing
2 organization agents registered under the Compassionate Use of
3 Medical Cannabis Program Act shall be deemed to be a
4 dispensing organization agent as that term is defined in this
5 Act. All dispensing organization agents registered under the
6 Compassionate Use of Medical Cannabis Program Act shall then
7 have the same rights, privileges, duties, and responsibilities
8 of dispensing organization agents licensed under this Act. All
9 dispensing organization agents shall be subject to this Act
10 and any administrative rules adopted under this Act.

11 (c) At the date of a dispensing organization's first
12 renewal after January 1, 2025, the dispensing organization
13 shall renew its license under Section 15-45.

14 (d) By April 1, 2025, all dispensing organizations shall
15 pay a one-time fee of \$10,000 to be deposited into the
16 Compassionate Use of Medical Cannabis Fund. After this
17 one-time fee, all dispensing organizations shall renew under
18 Section 15-45. The Department may approve payment plans that
19 extend beyond April 1, 2025 for the fee paid under this
20 subsection if the first payment under the payment plan is
21 remitted by April 1, 2025.

22 (e) All dispensing organizations must maintain an adequate
23 supply of cannabis and cannabis-infused products for purchase
24 by qualifying patients, designated caregivers, and provisional
25 patients.

26 (f) If there is a shortage of cannabis or cannabis-infused

1 products, a dispensing organization shall prioritize serving
2 qualifying patients, designated caregivers, and provisional
3 patients before serving purchasers.

4 (g) Beginning on January 1, 2025, cannabis and
5 cannabis-infused products purchased from a registered
6 dispensing organization by a qualified patient, provisional
7 patient, or designated caregiver are not subject to Section
8 65-10.

9 (410 ILCS 705/15-15)

10 Sec. 15-15. Early Approval Adult Use Dispensing
11 Organization License.

12 (a) Any medical cannabis dispensing organization holding a
13 valid registration under the Compassionate Use of Medical
14 Cannabis Program Act as of the effective date of this Act may,
15 within 60 days of the effective date of this Act, apply to the
16 Department for an Early Approval Adult Use Dispensing
17 Organization License to serve purchasers at any medical
18 cannabis dispensing location in operation on the effective
19 date of this Act, pursuant to this Section.

20 (b) A medical cannabis dispensing organization seeking
21 issuance of an Early Approval Adult Use Dispensing
22 Organization License to serve purchasers at any medical
23 cannabis dispensing location in operation as of the effective
24 date of this Act shall submit an application on forms provided
25 by the Department. The application must be submitted by the

1 same person or entity that holds the medical cannabis
2 dispensing organization registration and include the
3 following:

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

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

8 (3) Certification that the applicant will comply with
9 the requirements contained in the Compassionate Use of
10 Medical Cannabis Program Act except as provided in this
11 Act;

12 (4) The legal name of the dispensing organization;

13 (5) The physical address of the dispensing
14 organization;

15 (6) The name, address, social security number, and
16 date of birth of each principal officer and board member
17 of the dispensing organization, each of whom must be at
18 least 21 years of age;

19 (7) A nonrefundable Cannabis Business Development Fee
20 equal to 3% of the dispensing organization's total sales
21 between June 1, 2018 to June 1, 2019, or \$100,000,
22 whichever is less, to be deposited into the Cannabis
23 Business Development Fund; and

24 (8) Identification of one of the following Social
25 Equity Inclusion Plans to be completed by March 31, 2021:

26 (A) Make a contribution of 3% of total sales from

1 June 1, 2018 to June 1, 2019, or \$100,000, whichever is
2 less, to the Cannabis Business Development Fund. This
3 is in addition to the fee required by item (7) of this
4 subsection (b);

5 (B) Make a grant of 3% of total sales from June 1,
6 2018 to June 1, 2019, or \$100,000, whichever is less,
7 to a cannabis industry training or education program
8 at an Illinois community college as defined in the
9 Public Community College Act;

10 (C) Make a donation of \$100,000 or more to a
11 program that provides job training services to persons
12 recently incarcerated or that operates in a
13 Disproportionately Impacted Area;

14 (D) Participate as a host in a cannabis business
15 establishment incubator program approved by the
16 Department of Commerce and Economic Opportunity, and
17 in which an Early Approval Adult Use Dispensing
18 Organization License holder agrees to provide a loan
19 of at least \$100,000 and mentorship to incubate, for
20 at least a year, a Social Equity Applicant intending
21 to seek a license or a licensee that qualifies as a
22 Social Equity Applicant. As used in this Section,
23 "incubate" means providing direct financial assistance
24 and training necessary to engage in licensed cannabis
25 industry activity similar to that of the host
26 licensee. The Early Approval Adult Use Dispensing

1 Organization License holder or the same entity holding
2 any other licenses issued pursuant to this Act shall
3 not take an ownership stake of greater than 10% in any
4 business receiving incubation services to comply with
5 this subsection. If an Early Approval Adult Use
6 Dispensing Organization License holder fails to find a
7 business to incubate to comply with this subsection
8 before its Early Approval Adult Use Dispensing
9 Organization License expires, it may opt to meet the
10 requirement of this subsection by completing another
11 item from this subsection; or

12 (E) Participate in a sponsorship program for at
13 least 2 years approved by the Department of Commerce
14 and Economic Opportunity in which an Early Approval
15 Adult Use Dispensing Organization License holder
16 agrees to provide an interest-free loan of at least
17 \$200,000 to a Social Equity Applicant. The sponsor
18 shall not take an ownership stake in any cannabis
19 business establishment receiving sponsorship services
20 to comply with this subsection.

21 (b-5) Beginning 90 days after the effective date of this
22 amendatory Act of the 102nd General Assembly, an Early
23 Approval Adult Use Dispensing Organization licensee whose
24 license was issued pursuant to this Section may apply to
25 relocate within the same geographic district where its
26 existing associated medical cannabis dispensing organization

1 dispensary licensed under the Compassionate Use of Medical
2 Cannabis Program Act is authorized to operate. A request to
3 relocate under this subsection is subject to approval by the
4 Department. An Early Approval Adult Use Dispensing
5 Organization's application to relocate its license under this
6 subsection shall be deemed approved 30 days following the
7 submission of a complete application to relocate, unless
8 sooner approved or denied in writing by the Department. If an
9 application to relocate is denied, the Department shall
10 provide, in writing, the specific reason for denial.

11 An Early Approval Adult Use Dispensing Organization may
12 request to relocate under this subsection if:

13 (1) its existing location is within the boundaries of
14 a unit of local government that prohibits the sale of
15 adult use cannabis; or

16 (2) the Early Approval Adult Use Dispensing
17 Organization has obtained the approval of the municipality
18 or, if outside the boundaries of a municipality in an
19 unincorporated area of the county, the approval of the
20 county where the existing license is located to move to
21 another location within that unit of local government.

22 At no time may an Early Approval Adult Use Dispensing
23 Organization dispensary licensed under this Section operate in
24 a separate facility from its associated medical cannabis
25 dispensing organization dispensary licensed under the
26 Compassionate Use of Medical Cannabis Program Act. The

1 relocation of an Early Approval Adult Use Dispensing
2 Organization License under this subsection shall be subject to
3 Sections 55-25 and 55-28 of this Act.

4 (c) The license fee required by paragraph (1) of
5 subsection (b) of this Section shall be in addition to any
6 license fee required for the renewal of a registered medical
7 cannabis dispensing organization license.

8 (d) Applicants must submit all required information,
9 including the requirements in subsection (b) of this Section,
10 to the Department. Failure by an applicant to submit all
11 required information may result in the application being
12 disqualified.

13 (e) If the Department receives an application that fails
14 to provide the required elements contained in subsection (b),
15 the Department shall issue a deficiency notice to the
16 applicant. The applicant shall have 10 calendar days from the
17 date of the deficiency notice to submit complete information.
18 Applications that are still incomplete after this opportunity
19 to cure may be disqualified.

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

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

1 (2) The Secretary of Financial and Professional
2 Regulation determines there is reason, based on documented
3 compliance violations, the licensee is not entitled to an
4 Early Approval Adult Use Dispensing Organization License;
5 or

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

9 (g) A registered medical cannabis dispensing organization
10 that obtains an Early Approval Adult Use Dispensing
11 Organization License may begin selling cannabis,
12 cannabis-infused products, paraphernalia, and related items to
13 purchasers under the rules of this Act no sooner than January
14 1, 2020.

15 (h) A dispensing organization holding a medical cannabis
16 dispensing organization license issued under the Compassionate
17 Use of Medical Cannabis Program Act must maintain an adequate
18 supply of cannabis and cannabis-infused products for purchase
19 by qualifying patients, designated caregivers, provisional
20 patients, and Opioid Alternative Pilot Program participants.
21 For the purposes of this subsection, "adequate supply" means a
22 monthly inventory level that is comparable in type and
23 quantity to those medical cannabis products provided to
24 qualified patients, provisional patients, and designated
25 caregivers on an average monthly basis for the 6 months before
26 the effective date of this Act.

1 (i) If there is a shortage of cannabis or cannabis-infused
2 products, a dispensing organization holding both a dispensing
3 organization license under the Compassionate Use of Medical
4 Cannabis Program Act and this Act shall prioritize serving
5 qualifying patients, designated caregivers, provisional
6 patients, and Opioid Alternative Pilot Program participants
7 before serving purchasers.

8 (j) Notwithstanding any law or rule to the contrary, a
9 person that holds a medical cannabis dispensing organization
10 license issued under the Compassionate Use of Medical Cannabis
11 Program Act and an Early Approval Adult Use Dispensing
12 Organization License may permit purchasers into a limited
13 access area as that term is defined in administrative rules
14 made under the authority in the Compassionate Use of Medical
15 Cannabis Program Act.

16 (k) An Early Approval Adult Use Dispensing Organization
17 License is valid until March 31, 2021. A dispensing
18 organization that obtains an Early Approval Adult Use
19 Dispensing Organization License shall receive written or
20 electronic notice 90 days before the expiration of the license
21 that the license will expire, and that informs the license
22 holder that it may apply to renew its Early Approval Adult Use
23 Dispensing Organization License on forms provided by the
24 Department. The Department shall renew the Early Approval
25 Adult Use Dispensing Organization License within 60 days of
26 the renewal application being deemed complete if:

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

4 (2) the Department has not suspended or permanently
5 revoked the Early Approval Adult Use Dispensing
6 Organization License or a medical cannabis dispensing
7 organization license on the same premises for violations
8 of this Act, the Compassionate Use of Medical Cannabis
9 Program Act, or rules adopted pursuant to those Acts;

10 (3) the dispensing organization has completed a Social
11 Equity Inclusion Plan as provided by parts (A), (B), and
12 (C) of paragraph (8) of subsection (b) of this Section or
13 has made substantial progress toward completing a Social
14 Equity Inclusion Plan as provided by parts (D) and (E) of
15 paragraph (8) of subsection (b) of this Section; and

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

18 (1) The Early Approval Adult Use Dispensing Organization
19 License renewed pursuant to subsection (k) of this Section
20 shall expire March 31, 2022. The Early Approval Adult Use
21 Dispensing Organization Licensee shall receive written or
22 electronic notice 90 days before the expiration of the license
23 that the license will expire, and that informs the license
24 holder that it may apply for an Adult Use Dispensing
25 Organization License on forms provided by the Department. The
26 Department shall grant an Adult Use Dispensing Organization

1 License within 60 days of an application being deemed complete
2 if the applicant has met all of the criteria in Section 15-36.

3 (m) If a dispensing organization fails to submit an
4 application for renewal of an Early Approval Adult Use
5 Dispensing Organization License or for an Adult Use Dispensing
6 Organization License before the expiration dates provided in
7 subsections (k) and (l) of this Section, the dispensing
8 organization shall cease serving purchasers and cease all
9 operations until it receives a renewal or an Adult Use
10 Dispensing Organization License, as the case may be.

11 (n) A dispensing organization agent who holds a valid
12 dispensing organization agent identification card issued under
13 the Compassionate Use of Medical Cannabis Program Act and is
14 an officer, director, manager, or employee of the dispensing
15 organization licensed under this Section may engage in all
16 activities authorized by this Article to be performed by a
17 dispensing organization agent.

18 (o) If the Department suspends, permanently revokes, or
19 otherwise disciplines the Early Approval Adult Use Dispensing
20 Organization License of a dispensing organization that also
21 holds a medical cannabis dispensing organization license
22 issued under the Compassionate Use of Medical Cannabis Program
23 Act, the Department may consider the suspension, permanent
24 revocation, or other discipline of the medical cannabis
25 dispensing organization license.

26 (p) All fees collected pursuant to this Section shall be

1 deposited into the Cannabis Regulation Fund, unless otherwise
2 specified.

3 (q) Beginning January 1, 2025, all dispensing
4 organization license holders that were or are issued an Early
5 Approval Adult Use Dispensing Organization license under this
6 Section shall be a dispensing organization or a dispensary as
7 those terms are defined under this Act and shall be an adult
8 use dispensing organization license holder under Section
9 15-36.

10 (r) This Section is inoperative one year after the
11 effective date of this amendatory Act of the 103rd General
12 Assembly.

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 705/15-17 new)

16 Sec. 15-17. Early Approval Adult Use Dispensing
17 Organization license merger with Adult Use Dispensing
18 Organization license.

19 (a) Beginning January 1, 2025, all dispensing
20 organizations previously registered as an Early Approval Adult
21 Use Dispensing Organization license holder shall be a
22 dispensing organization or a dispensary under this Act and
23 shall be an Adult Use Dispensing Organization license holder
24 under Section 15-36.

25 (b) The BLS Region in which the dispensing organization

1 licensee's Early Approval Adult Use Dispensing Organization
2 License was originally issued shall be considered the
3 licensee's BLS Region. The dispensing organization shall
4 remain in that BLS Region even if the license or licensee
5 changes its ownership, is sold, is relocated under Section
6 15-24 of this Act, or receives authorization under subsection
7 (e-5) of Section 15-25.

8 (410 ILCS 705/15-20)

9 Sec. 15-20. Early Approval Adult Use Dispensing
10 Organization License; secondary site.

11 (a) Any medical cannabis dispensing organization holding a
12 valid registration under the Compassionate Use of Medical
13 Cannabis Program Act as of the effective date of this Act may,
14 within 60 days of the effective date of this Act, apply to the
15 Department for an Early Approval Adult Use Dispensing
16 Organization License to operate a dispensing organization to
17 serve purchasers at a secondary site not within 1,500 feet of
18 another medical cannabis dispensing organization or adult use
19 dispensing organization. The Early Approval Adult Use
20 Dispensing Organization secondary site shall be within any BLS
21 Region that shares territory with the dispensing organization
22 district to which the medical cannabis dispensing organization
23 is assigned under the administrative rules for dispensing
24 organizations under the Compassionate Use of Medical Cannabis
25 Program Act.

1 (a-5) If, within 360 days of the effective date of this
2 Act, a dispensing organization is unable to find a location
3 within the BLS Regions prescribed in subsection (a) of this
4 Section in which to operate an Early Approval Adult Use
5 Dispensing Organization at a secondary site because no
6 jurisdiction within the prescribed area allows the operation
7 of an Adult Use Cannabis Dispensing Organization, the
8 Department of Financial and Professional Regulation may waive
9 the geographic restrictions of subsection (a) of this Section
10 and specify another BLS Region into which the dispensary may
11 be placed.

12 (b) (Blank).

13 (c) A medical cannabis dispensing organization seeking
14 issuance of an Early Approval Adult Use Dispensing
15 Organization License at a secondary site to serve purchasers
16 at a secondary site as prescribed in subsection (a) of this
17 Section shall submit an application on forms provided by the
18 Department. The application must meet or include the following
19 qualifications:

20 (1) a payment of a nonrefundable application fee of
21 \$30,000;

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

24 (3) submission of the application by the same person
25 or entity that holds the medical cannabis dispensing
26 organization registration;

1 (4) the legal name of the medical cannabis dispensing
2 organization;

3 (5) the physical address of the medical cannabis
4 dispensing organization and the proposed physical address
5 of the secondary site;

6 (6) a copy of the current local zoning ordinance
7 Sections relevant to dispensary operations and
8 documentation of the approval, the conditional approval or
9 the status of a request for zoning approval from the local
10 zoning office that the proposed dispensary location is in
11 compliance with the local zoning rules;

12 (7) a plot plan of the dispensary drawn to scale. The
13 applicant shall submit general specifications of the
14 building exterior and interior layout;

15 (8) a statement that the dispensing organization
16 agrees to respond to the Department's supplemental
17 requests for information;

18 (9) for the building or land to be used as the proposed
19 dispensary:

20 (A) if the property is not owned by the applicant,
21 a written statement from the property owner and
22 landlord, if any, certifying consent that the
23 applicant may operate a dispensary on the premises; or

24 (B) if the property is owned by the applicant,
25 confirmation of ownership;

26 (10) a copy of the proposed operating bylaws;

1 (11) a copy of the proposed business plan that
2 complies with the requirements in this Act, including, at
3 a minimum, the following:

4 (A) a description of services to be offered; and

5 (B) a description of the process of dispensing
6 cannabis;

7 (12) a copy of the proposed security plan that
8 complies with the requirements in this Article, including:

9 (A) a description of the delivery process by which
10 cannabis will be received from a transporting
11 organization, including receipt of manifests and
12 protocols that will be used to avoid diversion, theft,
13 or loss at the dispensary acceptance point; and

14 (B) the process or controls that will be
15 implemented to monitor the dispensary, secure the
16 premises, agents, patients, and currency, and prevent
17 the diversion, theft, or loss of cannabis; and

18 (C) the process to ensure that access to the
19 restricted access areas is restricted to, registered
20 agents, service professionals, transporting
21 organization agents, Department inspectors, and
22 security personnel;

23 (13) a proposed inventory control plan that complies
24 with this Section;

25 (14) the name, address, social security number, and
26 date of birth of each principal officer and board member

1 of the dispensing organization; each of those individuals
2 shall be at least 21 years of age;

3 (15) a nonrefundable Cannabis Business Development Fee
4 equal to \$200,000, to be deposited into the Cannabis
5 Business Development Fund; and

6 (16) a commitment to completing one of the following
7 Social Equity Inclusion Plans in subsection (d).

8 (d) Before receiving an Early Approval Adult Use
9 Dispensing Organization License at a secondary site, a
10 dispensing organization shall indicate the Social Equity
11 Inclusion Plan that the applicant plans to achieve before the
12 expiration of the Early Approval Adult Use Dispensing
13 Organization License from the list below:

14 (1) make a contribution of 3% of total sales from June
15 1, 2018 to June 1, 2019, or \$100,000, whichever is less, to
16 the Cannabis Business Development Fund. This is in
17 addition to the fee required by paragraph (16) of
18 subsection (c) of this Section;

19 (2) make a grant of 3% of total sales from June 1, 2018
20 to June 1, 2019, or \$100,000, whichever is less, to a
21 cannabis industry training or education program at an
22 Illinois community college as defined in the Public
23 Community College Act;

24 (3) make a donation of \$100,000 or more to a program
25 that provides job training services to persons recently
26 incarcerated or that operates in a Disproportionately

1 Impacted Area;

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

1 avoid a penalty; or

2 (5) participate in a sponsorship program for at least
3 2 years approved by the Department of Commerce and
4 Economic Opportunity in which an Early Approval Adult Use
5 Dispensing Organization License at a secondary site holder
6 agrees to provide an interest-free loan of at least
7 \$200,000 to a Social Equity Applicant. The sponsor shall
8 not take an ownership stake of greater than 10% in any
9 business receiving sponsorship services to comply with
10 this subsection.

11 (e) The license fee required by paragraph (1) of
12 subsection (c) of this Section is in addition to any license
13 fee required for the renewal of a registered medical cannabis
14 dispensing organization license.

15 (f) Applicants must submit all required information,
16 including the requirements in subsection (c) of this Section,
17 to the Department. Failure by an applicant to submit all
18 required information may result in the application being
19 disqualified. Principal officers shall not be required to
20 submit to the fingerprint and background check requirements of
21 Section 5-20.

22 (g) If the Department receives an application that fails
23 to provide the required elements contained in subsection (c),
24 the Department shall issue a deficiency notice to the
25 applicant. The applicant shall have 10 calendar days from the
26 date of the deficiency notice to submit complete information.

1 Applications that are still incomplete after this opportunity
2 to cure may be disqualified.

3 (h) Once all required information and documents have been
4 submitted, the Department will review the application. The
5 Department may request revisions and retains final approval
6 over dispensary features. Once the application is complete and
7 meets the Department's approval, the Department shall
8 conditionally approve the license. Final approval is
9 contingent on the build-out and Department inspection.

10 (i) Upon submission of the Early Approval Adult Use
11 Dispensing Organization at a secondary site application, the
12 applicant shall request an inspection and the Department may
13 inspect the Early Approval Adult Use Dispensing Organization's
14 secondary site to confirm compliance with the application and
15 this Act.

16 (j) The Department shall only issue an Early Approval
17 Adult Use Dispensing Organization License at a secondary site
18 after the completion of a successful inspection.

19 (k) If an applicant passes the inspection under this
20 Section, the Department shall issue the Early Approval Adult
21 Use Dispensing Organization License at a secondary site within
22 10 business days unless:

23 (1) The licensee, any principal officer or board
24 member of the licensee, or any person having a financial
25 or voting interest of 5% or greater in the licensee is
26 delinquent in filing any required tax returns or paying

1 any amounts owed to the State of Illinois; or

2 (2) The Secretary of Financial and Professional
3 Regulation determines there is reason, based on documented
4 compliance violations, the licensee is not entitled to an
5 Early Approval Adult Use Dispensing Organization License
6 at its secondary site.

7 (1) Once the Department has issued a license, the
8 dispensing organization shall notify the Department of the
9 proposed opening date.

10 (m) A registered medical cannabis dispensing organization
11 that obtains an Early Approval Adult Use Dispensing
12 Organization License at a secondary site may begin selling
13 cannabis, cannabis-infused products, paraphernalia, and
14 related items to purchasers under the rules of this Act no
15 sooner than January 1, 2020.

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

22 (o) An Early Approval Adult Use Dispensing Organization
23 License at a secondary site is valid until March 31, 2021. A
24 dispensing organization that obtains an Early Approval Adult
25 Use Dispensing Organization License at a secondary site shall
26 receive written or electronic notice 90 days before the

1 expiration of the license that the license will expire, and
2 inform the license holder that it may renew its Early Approval
3 Adult Use Dispensing Organization License at a secondary site.
4 The Department shall renew an Early Approval Adult Use
5 Dispensing Organization License at a secondary site within 60
6 days of submission of the renewal application being deemed
7 complete if:

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

11 (2) the Department has not suspended or permanently
12 revoked the Early Approval Adult Use Dispensing
13 Organization License or a medical cannabis dispensing
14 organization license held by the same person or entity for
15 violating this Act or rules adopted under this Act or the
16 Compassionate Use of Medical Cannabis Program Act or rules
17 adopted under that Act; and

18 (3) the dispensing organization has completed a Social
19 Equity Inclusion Plan provided by paragraph (1), (2), or
20 (3) of subsection (d) of this Section or has made
21 substantial progress toward completing a Social Equity
22 Inclusion Plan provided by paragraph (4) or (5) of
23 subsection (d) of this Section.

24 (p) The Early Approval Adult Use Dispensing Organization
25 Licensee at a secondary site renewed pursuant to subsection
26 (o) shall receive written or electronic notice 90 days before

1 the expiration of the license that the license will expire,
2 and that informs the license holder that it may apply for an
3 Adult Use Dispensing Organization License on forms provided by
4 the Department. The Department shall grant an Adult Use
5 Dispensing Organization License within 60 days of an
6 application being deemed complete if the applicant has meet
7 all of the criteria in Section 15-36.

8 (q) If a dispensing organization fails to submit an
9 application for renewal of an Early Approval Adult Use
10 Dispensing Organization License or for an Adult Use Dispensing
11 Organization License before the expiration dates provided in
12 subsections (o) and (p) of this Section, the dispensing
13 organization shall cease serving purchasers until it receives
14 a renewal or an Adult Use Dispensing Organization License.

15 (r) A dispensing organization agent who holds a valid
16 dispensing organization agent identification card issued under
17 the Compassionate Use of Medical Cannabis Program Act and is
18 an officer, director, manager, or employee of the dispensing
19 organization licensed under this Section may engage in all
20 activities authorized by this Article to be performed by a
21 dispensing organization agent.

22 (s) If the Department suspends, permanently revokes, or
23 otherwise disciplines the Early Approval Adult Use Dispensing
24 Organization License of a dispensing organization that also
25 holds a medical cannabis dispensing organization license
26 issued under the Compassionate Use of Medical Cannabis Program

1 Act, the Department may consider the suspension, permanent
2 revocation, or other discipline as grounds to take
3 disciplinary action against the medical cannabis dispensing
4 organization.

5 (t) All fees collected pursuant to this Section shall be
6 deposited into the Cannabis Regulation Fund, unless otherwise
7 specified.

8 (u) Beginning January 1, 2025, all dispensing organization
9 licensees that were or are issued Early Approval Adult Use
10 Dispensing Organization licenses at a secondary site under
11 this Section shall be a dispensing organization or a
12 dispensary as those terms are defined under this Act and shall
13 be an adult use dispensing organization license holder under
14 Section 15-36.

15 (v) This Section is inoperative one year after the
16 effective date of this amendatory Act of the 103rd General
17 Assembly.

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

19 (410 ILCS 705/15-23 new)

20 Sec. 15-23. Medical dispensary merger for Early Approval
21 Adult Use Dispensing Organization Licenses at a Secondary
22 Site.

23 (a) Beginning January 1, 2025, all dispensing
24 organizations previously registered as an Early Approval Adult
25 Use Dispensing Organization licensee at a secondary site shall

1 be a dispensing organization or a dispensary and shall be an
2 adult use dispensing organization license holder under Section
3 15-36.

4 (b) The BLS Region in which the dispensing organization
5 licensee's Early Approval Adult Use Dispensing Organization
6 License at a secondary site was originally issued shall be
7 considered the licensee's BLS Region. The dispensing
8 organization shall remain in that BLS Region even if the
9 license or licensee changes its ownership, is sold, is
10 relocated under Section 15-24 of this Act, or receives
11 authorization under subsection (e-5) of Section 15-25.

12 (410 ILCS 705/15-24 new)

13 Sec. 15-24. Adult Use Dispensing Organization licensees
14 relocation.

15 (a) An Adult Use Dispensing Organization licensee may apply to
16 relocate within the licensee's specific BLS Region. A request
17 to relocate under this Section is subject to approval by the
18 Department. An Adult Use Dispensing Organization's application
19 to relocate its license under this Section shall be considered
20 to be approved 30 days following the submission of a complete
21 application to relocate, unless the request is sooner approved
22 or denied in writing by the Department. If an application to
23 relocate is denied, the Department shall provide, in writing,
24 the specific reason for denial. An Adult Use Dispensing
25 Organization may request to relocate under this Section if:

1 (1) the Adult Use Dispensing Organization's existing
2 location is within the boundaries of a unit of local
3 government that prohibits the sale of adult use cannabis;

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

10 (3) the Adult Use Dispensing Organization has obtained
11 the approval, as evidenced by a letter of intent or full
12 zoning approval, to operate within the boundaries of a new
13 unit of local government, so long as the new unit of local
14 government is within the dispensing organization's
15 specific BLS Region.

16 (b) The relocation of an Adult Use Dispensing Organization
17 Licensee under this Section shall be subject to Sections 55-25
18 and 55-28.

19 (410 ILCS 705/15-25)

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

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

24 (b) The Department shall make the application for a
25 Conditional Adult Use Dispensing Organization License

1 available no later than October 1, 2019 and shall accept
2 applications no later than January 1, 2020.

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

8 (1) Bloomington: 1

9 (2) Cape Girardeau: 1

10 (3) Carbondale-Marion: 1

11 (4) Champaign-Urbana: 1

12 (5) Chicago-Naperville-Elgin: 47

13 (6) Danville: 1

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

15 (8) Decatur: 1

16 (9) Kankakee: 1

17 (10) Peoria: 3

18 (11) Rockford: 2

19 (12) St. Louis: 4

20 (13) Springfield: 1

21 (14) Northwest Illinois nonmetropolitan: 3

22 (15) West Central Illinois nonmetropolitan: 3

23 (16) East Central Illinois nonmetropolitan: 2

24 (17) South Illinois nonmetropolitan: 2

25 (d) An applicant seeking issuance of a Conditional Adult
26 Use Dispensing Organization License shall submit an

1 application on forms provided by the Department. An applicant
2 must meet the following requirements:

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

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

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

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

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

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

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

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

1 or child support obligation;

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

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

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

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

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

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

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

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

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

26 (12) A proposed inventory control plan that complies

1 with this Section;

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

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

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

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

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

25 (18) A plan for community engagement;

26 (19) Procedures to ensure accurate recordkeeping and

1 security measures that are in accordance with this Article
2 and Department rules;

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

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

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

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

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

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

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

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

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

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

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

10 (e) An applicant who receives a Conditional Adult Use
11 Dispensing Organization License under this Section has 180
12 days from the date of award to identify a physical location for
13 the dispensing organization retail storefront. The applicant
14 shall provide evidence that the location is not within 1,500
15 feet of an existing dispensing organization, unless the
16 applicant is a Social Equity Applicant or Social Equity
17 Justice Involved Applicant located or seeking to locate within
18 1,500 feet of a dispensing organization licensed under Section
19 15-15 or Section 15-20. If an applicant is unable to find a
20 suitable physical address in the opinion of the Department
21 within 180 days of the issuance of the Conditional Adult Use
22 Dispensing Organization License, the Department may extend the
23 period for finding a physical address an additional 540 days
24 if the Conditional Adult Use Dispensing Organization License
25 holder demonstrates concrete attempts to secure a location and
26 a hardship. If the Department denies the extension or the

1 Conditional Adult Use Dispensing Organization License holder
2 is either unable to find a location within 720 days of being
3 awarded a conditional license and become operational within
4 180 days thereafter, or unable to become operational within
5 720 days of being awarded a conditional license, the
6 Department shall rescind the conditional license and award it
7 to the next highest scoring applicant in the BLS Region for
8 which the license was assigned, provided the applicant
9 receiving the license: (i) confirms a continued interest in
10 operating a dispensing organization; (ii) can provide evidence
11 that the applicant continues to meet all requirements for
12 holding a Conditional Adult Use Dispensing Organization
13 License set forth in this Act; and (iii) has not otherwise
14 become ineligible to be awarded a dispensing organization
15 license. If the new awardee is unable to accept the
16 Conditional Adult Use Dispensing Organization License, the
17 Department shall award the Conditional Adult Use Dispensing
18 Organization License to the next highest scoring applicant in
19 the same manner. The new awardee shall be subject to the same
20 required deadlines as provided in this subsection.

21 (e-5) If, within 720 days of being awarded a Conditional
22 Adult Use Dispensing Organization License, a dispensing
23 organization is unable to find a location within the BLS
24 Region in which it was awarded a Conditional Adult Use
25 Dispensing Organization License because no jurisdiction within
26 the BLS Region allows for the operation of an Adult Use

1 Dispensing Organization, the Department of Financial and
2 Professional Regulation may authorize the Conditional Adult
3 Use Dispensing Organization License holder to transfer its
4 license to a BLS Region specified by the Department.

5 (f) A dispensing organization that is awarded a
6 Conditional Adult Use Dispensing Organization License pursuant
7 to the criteria in Section 15-30 shall not purchase, possess,
8 sell, or dispense cannabis or cannabis-infused products until
9 the person has received an Adult Use Dispensing Organization
10 License issued by the Department pursuant to Section 15-36 of
11 this Act.

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

1 Department.

2 (Source: P.A. 102-98, eff. 7-15-21; 102-538, eff. 8-20-21;
3 102-813, eff. 5-13-22; 103-8, eff. 6-7-23.)

4 (410 ILCS 705/15-35)

5 Sec. 15-35. Qualifying Applicant Lottery for Conditional
6 Adult Use Dispensing Organization Licenses.

7 (a) In addition to any of the licenses issued under
8 Section 15-15, Section 15-20, Section 15-25, Section 15-30.20,
9 or Section 15-35.10 of this Act, within 10 business days after
10 the resulting final scores for all scored applications
11 pursuant to Sections 15-25 and 15-30 are released, the
12 Department shall issue up to 55 Conditional Adult Use
13 Dispensing Organization Licenses by lot, pursuant to the
14 application process adopted under this Section. In order to be
15 eligible to be awarded a Conditional Adult Use Dispensing
16 Organization License by lot under this Section, a Dispensary
17 Applicant must be a Qualifying Applicant.

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

- 20 (1) Bloomington: 1.
21 (2) Cape Girardeau: 1.
22 (3) Carbondale-Marion: 1.
23 (4) Champaign-Urbana: 1.
24 (5) Chicago-Naperville-Elgin: 36.
25 (6) Danville: 1.

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

12 (a-5) Prior to issuing licenses under subsection (a), the
13 Department may adopt rules through emergency rulemaking in
14 accordance with subsection (kk) of Section 5-45 of the
15 Illinois Administrative Procedure Act. The General Assembly
16 finds that the adoption of rules to regulate cannabis use is
17 deemed an emergency and necessary for the public interest,
18 safety, and welfare.

19 (b) The Department shall distribute the available licenses
20 established under this Section subject to the following:

21 (1) The drawing by lot for all available licenses
22 issued under this Section shall occur on the same day when
23 practicable.

24 (2) Within each BLS Region, the first Qualifying
25 Applicant drawn will have the first right to an available
26 license. The second Qualifying Applicant drawn will have

1 the second right to an available license. The same pattern
2 will continue for each subsequent Qualifying Applicant
3 drawn.

4 (3) The process for distributing available licenses
5 under this Section shall be recorded by the Department in
6 a format selected by the Department.

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

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

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

18 (7) If, upon being selected for an available license
19 established under this Section, a Qualifying Applicant
20 exceeds the limits under paragraph (5) or (6), the
21 Qualifying Applicant must choose which license to abandon
22 and notify the Department in writing within 5 business
23 days. If the Qualifying Applicant does not notify the
24 Department as required, the Department shall refuse to
25 issue the Qualifying Applicant all available licenses
26 established under this Section obtained by lot in all BLS

1 Regions.

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

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

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

22 (c) An applicant who receives a Conditional Adult Use
23 Dispensing Organization License under this Section has 180
24 days from the date it is awarded to identify a physical
25 location for the dispensing organization's retail storefront.
26 The applicant shall provide evidence that the location is not

1 within 1,500 feet of an existing dispensing organization,
2 unless the applicant is a Social Equity Applicant or Social
3 Equity Justice Involved Applicant located or seeking to locate
4 within 1,500 feet of a dispensing organization licensed under
5 Section 15-15 or Section 15-20. If an applicant is unable to
6 find a suitable physical address in the opinion of the
7 Department within 180 days from the issuance of the
8 Conditional Adult Use Dispensing Organization License, the
9 Department may extend the period for finding a physical
10 address an additional 540 days if the Conditional Adult Use
11 Dispensing Organization License holder demonstrates a concrete
12 attempt to secure a location and a hardship. If the Department
13 denies the extension or the Conditional Adult Use Dispensing
14 Organization License holder is either unable to find a
15 location within 720 days of being awarded a conditional
16 license and become operational within 180 days thereafter, or
17 unable to become operational within 720 days of being awarded
18 a Conditional Adult Use Dispensing Organization License under
19 this Section, the Department shall rescind the Conditional
20 Adult Use Dispensing Organization License and award it
21 pursuant to subsection (b), provided the applicant receiving
22 the Conditional Adult Use Dispensing Organization License: (i)
23 confirms a continued interest in operating a dispensing
24 organization; (ii) can provide evidence that the applicant
25 continues to meet all requirements for holding a Conditional
26 Adult Use Dispensing Organization License set forth in this

1 Act; and (iii) has not otherwise become ineligible to be
2 awarded a Conditional Adult Use Dispensing Organization
3 License. If the new awardee is unable to accept the
4 Conditional Adult Use Dispensing Organization License, the
5 Department shall award the Conditional Adult Use Dispensing
6 Organization License pursuant to subsection (b). The new
7 awardee shall be subject to the same required deadlines as
8 provided in this subsection.

9 (d) If, within 720 days of being awarded a Conditional
10 Adult Use Dispensing Organization License, a dispensing
11 organization is unable to find a location within the BLS
12 Region in which it was awarded a Conditional Adult Use
13 Dispensing Organization License because no jurisdiction within
14 the BLS Region allows for the operation of an Adult Use
15 Dispensing Organization, the Department may authorize the
16 Conditional Adult Use Dispensing Organization License holder
17 to transfer its Conditional Adult Use Dispensing Organization
18 License to a BLS Region specified by the Department.

19 (e) A dispensing organization that is awarded a
20 Conditional Adult Use Dispensing Organization License under
21 this Section shall not purchase, possess, sell, or dispense
22 cannabis or cannabis-infused products until the dispensing
23 organization has received an Adult Use Dispensing Organization
24 License issued by the Department pursuant to Section 15-36.

25 (f) The Department shall conduct a background check of the
26 prospective dispensing organization agents in order to carry

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

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

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

22 (1) An applicant who is unqualified to perform the
23 duties required of the applicant.

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

26 (3) An applicant who has been found guilty of a

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

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

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

24 (j) The Department shall verify an applicant's compliance
25 with the requirements of this Article and rules adopted under
26 this Article before issuing a Conditional Adult Use Dispensing

1 Organization License under this Section.

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

23 (l) If an applicant has not begun operating as a
24 dispensing organization within one year after the issuance of
25 the Conditional Adult Use Dispensing Organization License
26 under this Section, the Department may permanently revoke the

1 Conditional Adult Use Dispensing Organization License and
2 award it to the next highest scoring applicant in the BLS
3 Region if a suitable applicant indicates a continued interest
4 in the Conditional Adult Use Dispensing Organization License
5 or may begin a new selection process to award a Conditional
6 Adult Use Dispensing Organization License.

7 (Source: P.A. 102-98, eff. 7-15-21; 103-8, eff. 6-7-23.)

8 (410 ILCS 705/15-35.10)

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

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

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

24 (1) Bloomington: 1.

25 (2) Cape Girardeau: 1.

- 1 (3) Carbondale-Marion: 1.
- 2 (4) Champaign-Urbana: 1.
- 3 (5) Chicago-Naperville-Elgin: 36.
- 4 (6) Danville: 1.
- 5 (7) Davenport-Moline-Rock Island: 1.
- 6 (8) Decatur: 1.
- 7 (9) Kankakee: 1.
- 8 (10) Peoria: 2.
- 9 (11) Rockford: 1.
- 10 (12) St. Louis: 3.
- 11 (13) Springfield: 1.
- 12 (14) Northwest Illinois nonmetropolitan: 1.
- 13 (15) West Central Illinois nonmetropolitan: 1.
- 14 (16) East Central Illinois nonmetropolitan: 1.
- 15 (17) South Illinois nonmetropolitan: 1.

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

23 (b) The Department shall distribute the available licenses
24 established under this Section subject to the following:

25 (1) The drawing by lot for all available licenses
26 established under this Section shall occur on the same day

1 when practicable.

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

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

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

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

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

24 (7) If, upon being selected for an available license
25 established under this Section, a Qualifying Social Equity
26 Justice Involved Applicant exceeds the limits under

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

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

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

5 Any and all rights conferred or obtained under this
6 subsection shall be limited to the provisions of this
7 subsection.

8 (c) An applicant who receives a Conditional Adult Use
9 Dispensing Organization License under this Section has 180
10 days from the date of the award to identify a physical location
11 for the dispensing organization's retail storefront. The
12 applicant shall provide evidence that the location is not
13 within 1,500 feet of an existing dispensing organization,
14 unless the applicant is a Social Equity Applicant or Social
15 Equity Justice Involved Applicant located or seeking to locate
16 within 1,500 feet of a dispensing organization licensed under
17 Section 15-15 or Section 15-20. If an applicant is unable to
18 find a suitable physical address in the opinion of the
19 Department within 180 days from the issuance of the
20 Conditional Adult Use Dispensing Organization License, the
21 Department may extend the period for finding a physical
22 address an additional 540 days if the Conditional Adult Use
23 Dispensing Organization License holder demonstrates a concrete
24 attempt to secure a location and a hardship. If the Department
25 denies the extension or the Conditional Adult Use Dispensing
26 Organization License holder is either unable to find a

1 location within 720 days of being awarded a conditional
2 license and become operational within 180 days thereafter, or
3 unable to become operational within 720 days of being awarded
4 a Conditional Adult Use Dispensing Organization License under
5 this Section, the Department shall rescind the Conditional
6 Adult Use Dispensing Organization License and award it
7 pursuant to subsection (b) and notify the new awardee at the
8 email address provided in the awardee's application, provided
9 the applicant receiving the Conditional Adult Use Dispensing
10 Organization License: (i) confirms a continued interest in
11 operating a dispensing organization; (ii) can provide evidence
12 that the applicant continues to meet all requirements for
13 holding a Conditional Adult Use Dispensing Organization
14 License set forth in this Act; and (iii) has not otherwise
15 become ineligible to be awarded a Conditional Adult Use
16 Dispensing Organization License. If the new awardee is unable
17 to accept the Conditional Adult Use Dispensing Organization
18 License, the Department shall award the Conditional Adult Use
19 Dispensing Organization License pursuant to subsection (b).
20 The new awardee shall be subject to the same required
21 deadlines as provided in this subsection.

22 (d) If, within 720 ~~180~~ days of being awarded a Conditional
23 Adult Use Dispensing Organization License, a dispensing
24 organization is unable to find a location within the BLS
25 Region in which it was awarded a Conditional Adult Use
26 Dispensing Organization License under this Section because no

1 jurisdiction within the BLS Region allows for the operation of
2 an Adult Use Dispensing Organization, the Department may
3 authorize the Conditional Adult Use Dispensing Organization
4 License holder to transfer its Conditional Adult Use
5 Dispensing Organization License to a BLS Region specified by
6 the Department.

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

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

1 identification, all Illinois conviction information to the
2 Department.

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

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

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

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

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

1 suspended, restricted, revoked, or denied in any other
2 state.

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

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

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

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

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

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

21 (Source: P.A. 102-98, eff. 7-15-21; 103-8, eff. 6-7-23.)

22 (410 ILCS 705/15-36)

23 Sec. 15-36. Adult Use Dispensing Organization License.

24 (a) A person is only eligible to receive or hold an Adult
25 Use Dispensing Organization if the person has been awarded a

1 Conditional Adult Use Dispensing Organization License pursuant
2 to this Act or has renewed its license pursuant to Section
3 15-45 subsection (k) of Section 15-15 or subsection (p) of
4 Section 15-20.

5 (a-5) Beginning January 1, 2025, all dispensing
6 organizations registered under the Compassionate Use of
7 Medical Cannabis Program Act and Section 15-15 and 15-20 shall
8 be a dispensing organization or a dispensary as those terms
9 are defined in this Act and shall be an adult use dispensing
10 organization license holder under this Section. Beginning on
11 the January 1, 2025, all dispensing organizations registered
12 under the Compassionate Use of Medical Cannabis Program Act
13 and Section 15-15 and 15-20 shall have the same rights,
14 privileges, duties, and responsibilities of dispensing
15 organizations licensed pursuant to this Section and shall be
16 subject to the rules adopted under this Act.

17 (a-10) In addition to selling cannabis and
18 cannabis-infused products to persons 21 years of age or older,
19 beginning January 1, 2025, all dispensing organizations
20 licensed pursuant to this Act shall also offer service to
21 registered qualifying patients, provisional patients, and
22 designated caregivers.

23 (a-15) By April 1, 2025, all dispensing organizations
24 licensed under Section 15-36 shall pay the fee under
25 subsection (d) of Section 15-10 or shall have entered into an
26 approved payment plan with the Department to pay the fee.

1 (b) The Department shall not issue an Adult Use Dispensing
2 Organization License until:

3 (1) the Department has inspected the dispensary site
4 and proposed operations and verified that they are in
5 compliance with this Act and local zoning laws;

6 (2) the Conditional Adult Use Dispensing Organization
7 License holder has paid a license fee of \$70,000 ~~\$60,000~~
8 or a prorated amount accounting for the difference of time
9 between when the Adult Use Dispensing Organization License
10 is issued and March 31 of the next even-numbered year and
11 \$60,000, or the proportional prorated amount paid, shall
12 be remitted into the Cannabis Business Development Fund
13 and \$10,000, or the proportional prorated amount paid,
14 shall be remitted into the Compassionate Use of Medical
15 Cannabis Fund; and

16 (3) the Conditional Adult Use Dispensing Organization
17 License holder has met all the requirements in this Act
18 and rules.

19 (c) No person or entity shall hold any legal, equitable,
20 ownership, or beneficial interest, directly or indirectly, of
21 more than 10 dispensing organizations licensed under this
22 Article. Further, no person or entity that is:

23 (1) employed by, is an agent of, or participates in
24 the management of a dispensing organization ~~or registered~~
25 ~~medical cannabis dispensing organization;~~

26 (2) a principal officer of a dispensing organization

1 ~~or registered medical cannabis dispensing organization;~~ or
2 (3) an entity controlled by or affiliated with a
3 principal officer of a dispensing organization ~~or~~
4 ~~registered medical cannabis dispensing organization;~~
5 shall hold any legal, equitable, ownership, or beneficial
6 interest, directly or indirectly, in a dispensing organization
7 that would result in such person or entity owning or
8 participating in the management of more than 10 ~~Early Approval~~
9 ~~Adult Use Dispensing Organization Licenses, Early Approval~~
10 ~~Adult Use Dispensing Organization Licenses at a secondary~~
11 ~~site,~~ Conditional Adult Use Dispensing Organization Licenses,
12 or Adult Use Dispensing Organization Licenses. For the purpose
13 of this subsection, participating in management may include,
14 without limitation, controlling decisions regarding staffing,
15 pricing, purchasing, marketing, store design, hiring, and
16 website design.

17 (d) The Department shall deny an application if granting
18 that application would result in a person or entity obtaining
19 direct or indirect financial interest in more than 10 ~~Early~~
20 ~~Approval Adult Use Dispensing Organization Licenses,~~
21 Conditional Adult Use Dispensing Organization Licenses, Adult
22 Use Dispensing Organization Licenses, or any combination
23 thereof. If a person or entity is awarded a Conditional Adult
24 Use Dispensing Organization License that would cause the
25 person or entity to be in violation of this subsection, he,
26 she, or it shall choose which license application it wants to

1 abandon and such licenses shall become available to the next
2 qualified applicant in the region in which the abandoned
3 license was awarded.

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

5 (410 ILCS 705/15-40)

6 Sec. 15-40. Dispensing organization agent identification
7 card; agent training.

8 (a) The Department shall:

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

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

19 (3) enter the registry identification number of the
20 dispensing organization where the agent works;

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

25 (5) collect a \$100 nonrefundable fee from the

1 applicant to be deposited into the Cannabis Regulation
2 Fund.

3 (b) A dispensing organization agent must keep his or her
4 identification card visible at all times when in the
5 dispensary.

6 (c) The dispensing organization agent identification cards
7 shall contain the following:

8 (1) the name of the cardholder;

9 (2) the date of issuance and expiration date of the
10 dispensing organization agent identification cards;

11 (3) a random 10-digit alphanumeric identification
12 number containing at least 4 numbers and at least 4
13 letters that is unique to the cardholder; and

14 (4) a photograph of the cardholder.

15 (d) The dispensing organization agent identification cards
16 shall be immediately returned to the dispensing organization
17 upon termination of employment.

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

21 (f) Any card lost by a dispensing organization agent shall
22 be reported to the Illinois State Police and the Department
23 immediately upon discovery of the loss.

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

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

4 (i) Cannabis retail sales training requirements.

5 (1) Within 90 days of September 1, 2019, or 90 days of
6 employment, whichever is later, all owners, managers,
7 employees, and agents involved in the handling or sale of
8 cannabis or cannabis-infused product employed by an adult
9 use dispensing organization or medical cannabis dispensing
10 organization as defined in Section 10 of the Compassionate
11 Use of Medical Cannabis Program Act shall attend and
12 successfully complete a Responsible Vendor Program.

13 (2) Each owner, manager, employee, and agent of an
14 adult use dispensing organization or medical cannabis
15 dispensing organization shall successfully complete the
16 program annually.

17 (3) Responsible Vendor Program Training modules shall
18 include at least 2 hours of instruction time approved by
19 the Department including:

20 (i) Health and safety concerns of cannabis use,
21 including the responsible use of cannabis, its
22 physical effects, onset of physiological effects,
23 recognizing signs of impairment, and appropriate
24 responses in the event of overconsumption.

25 (ii) Training on laws and regulations on driving
26 while under the influence and operating a watercraft

1 or snowmobile while under the influence.

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

4 (iv) Quantity limitations on sales to purchasers.
5 Training shall cover all relevant Illinois laws and
6 rules.

7 (v) Acceptable forms of identification. Training
8 shall include:

9 (I) How to check identification; and

10 (II) Common mistakes made in verification;

11 (vi) Safe storage of cannabis;

12 (vii) Compliance with all inventory tracking
13 system regulations;

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

15 (ix) Health and safety standards;

16 (x) Maintenance of records;

17 (xi) Security and surveillance requirements;

18 (xii) Permitting inspections by State and local
19 licensing and enforcement authorities;

20 (xiii) Privacy issues, including, but not limited
21 to the safe storage and handling of confidential
22 information such as qualifying patient information;

23 (xiv) Packaging and labeling requirement for sales
24 to purchasers; ~~and~~

25 (xv) Prioritizing the needs of a qualifying
26 patient; and

1 (xvi) ~~(xv)~~ Other areas as determined by rule.

2 (j) Blank.

3 (k) Upon the successful completion of the Responsible
4 Vendor Program, the provider shall deliver proof of completion
5 either through mail or electronic communication to the
6 dispensing organization, which shall retain a copy of the
7 certificate.

8 (l) The license of a dispensing organization or medical
9 cannabis dispensing organization whose owners, managers,
10 employees, or agents fail to comply with this Section may be
11 suspended or permanently revoked under Section 15-145 or may
12 face other disciplinary action.

13 (m) The regulation of dispensing organization and medical
14 cannabis dispensing employer and employee training is an
15 exclusive function of the State, and regulation by a unit of
16 local government, including a home rule unit, is prohibited.
17 This subsection (m) is a denial and limitation of home rule
18 powers and functions under subsection (h) of Section 6 of
19 Article VII of the Illinois Constitution.

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

24 (o) Persons seeking Department approval to offer the
25 training required by paragraph (3) of subsection (i) shall
26 submit a nonrefundable application fee of \$2,000 to be

1 deposited into the Cannabis Regulation Fund or a fee as may be
2 set by rule. Any changes made to the training module shall be
3 approved by the Department.

4 (p) The Department shall not unreasonably deny approval of
5 a training module that meets all the requirements of paragraph
6 (3) of subsection (i). A denial of approval shall include a
7 detailed description of the reasons for the denial.

8 (q) Any person approved to provide the training required
9 by paragraph (3) of subsection (i) shall submit an application
10 for re-approval between August 1 and August 15 of each
11 odd-numbered year and include a nonrefundable application fee
12 of \$2,000 to be deposited into the Cannabis Regulation Fund or
13 a fee as may be set by rule.

14 (r) All persons applying to become or renewing their
15 registrations to be agents, including agents-in-charge and
16 principal officers, shall disclose any disciplinary action
17 taken against them that may have occurred in Illinois, another
18 state, or another country in relation to their employment at a
19 cannabis business establishment or at any cannabis cultivation
20 center, ~~processor~~, infuser, dispensary, or other cannabis
21 business establishment.

22 (s) An agent applicant may begin employment at a
23 dispensing organization while the agent applicant's
24 identification card application is pending. Upon approval, the
25 Department shall issue the agent's identification card to the
26 agent. If denied, the dispensing organization and the agent

1 applicant shall be notified and the agent applicant must cease
2 all activity at the dispensing organization immediately.

3 (t) The Department and the Department of Agriculture may
4 develop and implement an integrated system to issue an agent
5 identification card which identifies a dispensary agent
6 licensed by the Department as well as any cultivator, craft
7 grower, transporter, community college program or infuser
8 license or registration the agent may simultaneously hold.

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 705/15-50)

13 Sec. 15-50. Disclosure of ownership and control.

14 (a) Each dispensing organization applicant and licensee
15 shall file and maintain a Table of Organization, Ownership,
16 and Control with the 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
24 shall 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 dispensing organization.

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 dispensing organization with a parent company or
24 companies, or partially owned or controlled by another entity
25 must disclose to the Department the relationship and all
26 owners, board members, officers, or individuals with control

1 or management of those entities. A dispensing organization
2 shall not shield its ownership or control from the Department.

3 (e) All principal officers must submit a complete online
4 application with the Department within 14 days of the
5 dispensing organization being licensed by the Department or
6 within 14 days of Department notice of approval as a new
7 principal officer.

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

10 (g) A dispensing organization separating with a principal
11 officer must do so under this Act. The principal officer must
12 communicate the separation to the Department within 5 business
13 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 dispensing organization or shall otherwise
17 terminate his or her affiliation. Failure to do so may subject
18 the dispensing organization to discipline, suspension, or
19 revocation of its license by the Department.

20 (i) It is the responsibility of the dispensing
21 organization and its principal officers to promptly notify the
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 dispensing organization's primary or
25 secondary contact information. Any changes must be made to the
26 Department in writing.

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

2 (410 ILCS 705/15-60)

3 Sec. 15-60. Changes to a dispensing organization.

4 (a) A Conditional Adult Use Dispensing Organization
5 License may not be sold, transferred, assigned, used as
6 collateral, and the organization holding the license may not
7 add new principal officers to its ownership structure or
8 change its ownership structure. Notwithstanding the foregoing,
9 this prohibition does not preclude third parties who are not
10 registered as principal officers from investing in, lending
11 to, or otherwise providing capital to the Conditional Adult
12 Use Dispensing Organization License holder. Pursuant to this
13 subsection, third parties are not required to register as
14 principal officers of the Conditional Adult Use Dispensing
15 Organization License holder so long as any third party
16 interest cannot be realized or otherwise vest until the
17 Conditional Adult Use Dispensing Organization License holder
18 is issued a corresponding Adult Use Dispensing Organization
19 License under Section 15-36. In order to realize that interest
20 or have the interest vest, all third parties are subject to the
21 Department's approval processes in this Section, either
22 through the sale or transfer of the Adult Use Dispensing
23 Organization License to the third party or through the third
24 party's registration and approval as principal officer to the
25 Adult Use Dispensing Organization License holder.

1 (a-5) ~~(a)~~ A license shall be issued to the specific
2 dispensing organization identified on the application and for
3 the specific location proposed. The license is valid only as
4 designated on the license and for the location for which it is
5 issued.

6 (b) A dispensing organization may only add principal
7 officers after being approved by the Department.

8 (c) A dispensing organization shall provide written notice
9 of the removal of a principal officer within 5 business days
10 after removal. The notice shall include the written agreement
11 of the principal officer being removed, unless otherwise
12 approved by the Department, and allocation of ownership shares
13 after removal in an updated ownership chart.

14 (d) A dispensing organization shall provide a written
15 request to the Department for the addition of principal
16 officers. A dispensing organization shall submit proposed
17 principal officer applications on forms approved by the
18 Department.

19 (e) All proposed new principal officers shall be subject
20 to the requirements of this Act, this Article, and any rules
21 that may be adopted pursuant to this Act.

22 (f) The Department may prohibit the addition of a
23 principal officer to a dispensing organization for failure to
24 comply with this Act, this Article, and any rules that may be
25 adopted pursuant to this Act.

26 (g) A dispensing organization may not assign a license.

1 (h) A dispensing organization may not transfer a license
2 without prior Department approval. Such approval may be
3 withheld if the person to whom the license is being
4 transferred does not commit to the same or a similar community
5 engagement plan provided as part of the dispensing
6 organization's application under paragraph (18) of subsection
7 (d) of Section 15-25, and such transferee's license shall be
8 conditional upon that commitment.

9 (i) With the addition or removal of principal officers,
10 the Department will review the ownership structure to
11 determine whether the change in ownership has had the effect
12 of a transfer of the license. The dispensing organization
13 shall supply all ownership documents requested by the
14 Department.

15 (j) A dispensing organization may apply to the Department
16 to approve a sale of the dispensing organization. A request to
17 sell the dispensing organization must be on application forms
18 provided by the Department. A request for an approval to sell a
19 dispensing organization must comply with the following:

20 (1) New application materials shall comply with this
21 Act and any rules that may be adopted pursuant to this Act;

22 (2) Application materials shall include a change of
23 ownership fee of \$5,000 to be deposited into the Cannabis
24 Regulation Fund;

25 (3) The application materials shall provide proof that
26 the transfer of ownership will not have the effect of

1 granting any of the owners or principal officers direct or
2 indirect ownership or control of more than 10 adult use
3 dispensing organization licenses;

4 (4) New principal officers shall each complete the
5 proposed new principal officer application;

6 (5) If the Department approves the application
7 materials and proposed new principal officer applications,
8 it will perform an inspection before approving the sale
9 and issuing the dispensing organization license;

10 (6) If a new license is approved, the Department will
11 issue a new license number and certificate to the new
12 dispensing organization.

13 (k) The dispensing organization shall provide the
14 Department with the personal information for all new
15 dispensing organizations agents as required in this Article
16 and all new dispensing organization agents shall be subject to
17 the requirements of this Article. A dispensing organization
18 agent must obtain an agent identification card from the
19 Department before beginning work at a dispensary.

20 (l) Before remodeling, expansion, reduction, or other
21 physical, noncosmetic alteration of a dispensary, the
22 dispensing organization must notify the Department and confirm
23 the alterations are in compliance with this Act and any rules
24 that may be adopted pursuant to this Act.

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

1 (410 ILCS 705/15-70)

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

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

6 (b) (Blank). ~~A dispensing organization must include the~~
7 ~~legal name of the dispensary on the packaging of any cannabis~~
8 ~~product it sells.~~

9 (c) All cannabis, cannabis-infused products, and cannabis
10 seeds must be obtained from an Illinois registered ~~adult use~~
11 cultivation center, craft grower, infuser, or another
12 dispensary.

13 (c-5) A dispensing organization may sell cannabis and
14 cannabis-infused products purchased from any cultivation
15 center, craft grower, infuser, or other dispensary to persons
16 over 21 years of age and to qualifying patients, designated
17 caregivers, and provisional patients.

18 (d) Dispensing organizations are prohibited from selling
19 any product containing alcohol except tinctures, which must be
20 limited to containers that are no larger than 100 milliliters.

21 (e) A dispensing organization shall inspect and count
22 product received from a transporting organization, adult use
23 cultivation center, craft grower, infuser organization, or
24 other dispensing organization before dispensing it.

25 (f) A dispensing organization may only accept cannabis
26 deliveries into a restricted access area. Deliveries may not

1 be accepted through the public or limited access areas unless
2 otherwise approved by the Department.

3 (g) A dispensing organization shall maintain compliance
4 with State and local building, fire, and zoning requirements
5 or regulations.

6 (h) A dispensing organization shall submit a list to the
7 Department of the names of all service professionals that will
8 work at the dispensary. The list shall include a description
9 of the type of business or service provided. Changes to the
10 service professional list shall be promptly provided. No
11 service professional shall work in the dispensary until the
12 name is provided to the Department on the service professional
13 list.

14 (i) A dispensing organization's license allows for a
15 dispensary to be operated only at a single location.

16 (j) A dispensary may operate between 6 a.m. and 10 p.m.
17 local time.

18 (k) A dispensing organization must keep all lighting
19 outside and inside the dispensary in good working order and
20 wattage sufficient for security cameras.

21 (l) A dispensing organization must keep all air treatment
22 systems that will be installed to reduce odors in good working
23 order.

24 (m) A dispensing organization must contract with a private
25 security contractor that is licensed under Section 10-5 of the
26 Private Detective, Private Alarm, Private Security,

1 Fingerprint Vendor, and Locksmith Act of 2004 to provide
2 on-site security at all hours of the dispensary's operation.

3 (n) A dispensing organization shall ensure that any
4 building or equipment used by a dispensing organization for
5 the storage or sale of cannabis is maintained in a clean and
6 sanitary condition.

7 (o) The dispensary shall be free from infestation by
8 insects, rodents, or pests.

9 (p) A dispensing organization shall not:

10 (1) Produce or manufacture cannabis;

11 (2) Accept a cannabis product from a ~~an adult use~~
12 cultivation center, craft grower, infuser, dispensing
13 organization, or transporting organization unless it is
14 pre-packaged and labeled in accordance with this Act and
15 any rules that may be adopted pursuant to this Act;

16 (3) Obtain cannabis or cannabis-infused products from
17 outside the State of Illinois;

18 (4) Sell cannabis or cannabis-infused products to a
19 purchaser unless the purchaser has been verified to be 21
20 years of age or older, or beginning January 1, 2025, the
21 person is verified to be a qualifying patient, provisional
22 patient, or designated caregiver ~~the dispensing~~
23 ~~organization is licensed under the Compassionate Use of~~
24 ~~Medical Cannabis Program Act, and the individual is~~
25 ~~registered under the Compassionate Use of Medical Cannabis~~
26 ~~Program or the purchaser has been verified to be 21 years~~

1 ~~of age or older;~~

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

17 (6) Refuse to conduct business with an adult use
18 cultivation center, craft grower, transporting
19 organization, or infuser that has the ability to properly
20 deliver the product and is permitted by the Department of
21 Agriculture, on the same terms as other adult use
22 cultivation centers, craft growers, infusers, or
23 transporters with whom it is dealing;

24 (7) (Blank) ~~Operate drive through windows;~~

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

1 (9) Transport cannabis to residences or transport
2 cannabis to other locations where purchasers may be for
3 delivery, except for the limited circumstances provided in
4 paragraph (5.5) of subsection (c) of Section 15-100;

5 (10) Enter into agreements to allow persons who are
6 not dispensing organization agents to deliver cannabis or
7 to transport cannabis to purchasers;

8 (11) Operate a dispensary if its video surveillance
9 equipment is inoperative;

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

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

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

16 (15) Be located within 1,500 feet of the property line
17 of a pre-existing dispensing organization, unless the
18 applicant is a Social Equity Applicant or Social Equity
19 Justice Involved Applicant located or seeking to locate
20 within 1,500 feet of a dispensing organization licensed
21 under Section 15-15 or Section 15-20;

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

23 (17) Sell cannabis, cannabis concentrate, or
24 cannabis-infused products in combination or bundled with
25 each other or any other items for one price, and each item
26 of cannabis, concentrate, or cannabis-infused product must

1 be separately identified by quantity and price on the
2 receipt;

3 (18) Violate any other requirements or prohibitions
4 set by Department rules.

5 (19) Beginning January 1, 2025, fail to prioritize
6 qualifying patients, designated caregivers, and
7 provisional patients.

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

26 (r) It is unlawful for any person having an Early Approval

1 Adult Use Cannabis Dispensing Organization License, a
2 Conditional Adult Use Cannabis Dispensing Organization, 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 to enter into
6 any contract with any person licensed to cultivate, process,
7 or transport cannabis whereby such dispensing organization
8 agrees not to sell any cannabis cultivated, processed,
9 transported, manufactured, or distributed by any other
10 cultivator, transporter, or infuser, and any provision in any
11 contract violative of this Section shall render the whole of
12 such contract void and no action shall be brought thereon in
13 any court.

14 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19;
15 102-98, eff. 7-15-21.)

16 (410 ILCS 705/15-85)

17 Sec. 15-85. Dispensing cannabis.

18 (a) Before a dispensing organization agent dispenses
19 cannabis to a purchaser, the agent shall:

20 (1) Verify the age of the purchaser by checking a
21 government-issued identification card by use of an
22 electronic reader or electronic scanning device to scan a
23 purchaser's government-issued identification, if
24 applicable, to determine the purchaser's age and the
25 validity of the identification;

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

7 (3) Offer any appropriate purchaser education or
8 support materials;

9 (3.5) Verify the qualifying patient, provisional
10 patient, or designated caregiver registration card, if
11 applicable;

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

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

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

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

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

25 (b) A dispensing organization shall refuse to sell
26 cannabis or cannabis-infused products to any person unless the

1 person produces a valid identification showing that the person
2 is 21 years of age or older. Beginning on January 1, 2025, a
3 dispensing organization may sell an adequate medical supply to
4 qualifying patients, provisional patients, and designated
5 caregivers registered under the Compassionate Use of Medical
6 Cannabis Program Act ~~A medical cannabis dispensing~~
7 ~~organization may sell cannabis or cannabis infused products to~~
8 ~~a person who is under 21 years of age if the sale complies with~~
9 ~~the provisions of the Compassionate Use of Medical Cannabis~~
10 ~~Program Act and rules.~~

11 (c) For the purposes of this Section, valid identification
12 must:

13 (1) Be valid and unexpired;

14 (2) Contain a photograph and the date of birth of the
15 person.

16 (d) Notwithstanding any other provision of law, a
17 dispensing organization may offer pickup or drive-through
18 locations for cannabis or cannabis-infused products to
19 purchasers over 21 years of age, qualifying patients,
20 provisional patients, and designated caregivers, in accordance
21 with Section 15-100.

22 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19;
23 102-98, eff. 7-15-21.)

24 (410 ILCS 705/15-100)

25 Sec. 15-100. Security.

1 (a) A dispensing organization shall implement security
2 measures to deter and prevent entry into and theft of cannabis
3 or currency.

4 (b) A dispensing organization shall submit any changes to
5 the floor plan or security plan to the Department for
6 pre-approval. All cannabis shall be maintained and stored in a
7 restricted access area during construction.

8 (c) The dispensing organization shall implement security
9 measures to protect the premises, purchasers, and dispensing
10 organization agents including, but not limited to the
11 following:

12 (1) Establish a locked door or barrier between the
13 facility's entrance and the limited access area;

14 (2) Prevent individuals from remaining on the premises
15 if they are not engaging in activity permitted by this Act
16 or rules;

17 (3) Develop a policy that addresses the maximum
18 capacity and purchaser flow in the waiting rooms and
19 limited access areas;

20 (4) Dispose of cannabis in accordance with this Act
21 and rules;

22 (5) During hours of operation, store ~~and dispense~~ all
23 cannabis in ~~from~~ the restricted access area. ~~During~~
24 ~~operational hours, cannabis shall be stored~~ in an enclosed
25 locked room or cabinet and accessible only to specifically
26 authorized dispensing organization agents;

1 (5.5) During hours of operation, dispense all cannabis
2 from the restricted access area, including a drive-through
3 window, or from a pickup location in close proximity to
4 the restricted access area if (i) all orders in the pickup
5 or drive-through location are placed in advance, (ii) no
6 in-person or on-site ordering is permitted, and (iii) the
7 dispensing organization confirms that the purchaser,
8 registered qualifying patient, provisional patient, or
9 designated caregiver complies with Section 15-85; as used
10 in this paragraph, "pickup location in close proximity"
11 means an area contiguous to the real property of the
12 dispensary, such as a sidewalk or parking lot;

13 (6) When the dispensary is closed, store all cannabis
14 and currency in a reinforced vault room in the restricted
15 access area and in a manner as to prevent diversion,
16 theft, or loss;

17 (7) Keep the reinforced vault room and any other
18 equipment or cannabis storage areas securely locked and
19 protected from unauthorized entry;

20 (8) Keep an electronic daily log of dispensing
21 organization agents with access to the reinforced vault
22 room and knowledge of the access code or combination;

23 (9) Keep all locks and security equipment in good
24 working order;

25 (10) Maintain an operational security and alarm system
26 at all times;

1 (11) Prohibit keys, if applicable, from being left in
2 the locks, or stored or placed in a location accessible to
3 persons other than specifically authorized personnel;

4 (12) Prohibit accessibility of security measures,
5 including combination numbers, passwords, or electronic or
6 biometric security systems to persons other than
7 specifically authorized dispensing organization agents;

8 (13) Ensure that the dispensary interior and exterior
9 premises are sufficiently lit to facilitate surveillance;

10 (14) Ensure that trees, bushes, and other foliage
11 outside of the dispensary premises do not allow for a
12 person or persons to conceal themselves from sight;

13 (15) Develop emergency policies and procedures for
14 securing all product and currency following any instance
15 of diversion, theft, or loss of cannabis, and conduct an
16 assessment to determine whether additional safeguards are
17 necessary; ~~and~~

18 (16) Develop sufficient additional safeguards in
19 response to any special security concerns, or as required
20 by the Department; and -

21 (17) Maintain a security plan for qualifying patient
22 information which complies with all applicable rules and
23 regulations.

24 (d) The Department may request or approve alternative
25 security provisions that it determines are an adequate
26 substitute for a security requirement specified in this

1 Article. Any additional protections may be considered by the
2 Department in evaluating overall security measures.

3 (e) A dispensing organization may share premises with a
4 craft grower or an infuser organization, or both, provided
5 each licensee stores currency and cannabis or cannabis-infused
6 products in a separate secured vault to which the other
7 licensee does not have access or all licensees sharing a vault
8 share more than 50% of the same ownership.

9 (f) A dispensing organization shall provide additional
10 security as needed and in a manner appropriate for the
11 community where it operates.

12 (g) Restricted access areas.

13 (1) All restricted access areas must be identified by
14 the posting of a sign that is a minimum of 12 inches by 12
15 inches and that states "Do Not Enter - Restricted Access
16 Area - Authorized Personnel Only" in lettering no smaller
17 than one inch in height.

18 (2) All restricted access areas shall be clearly
19 described in the floor plan of the premises, in the form
20 and manner determined by the Department, reflecting walls,
21 partitions, counters, and all areas of entry and exit. The
22 floor plan shall show all storage, disposal, and retail
23 sales areas.

24 (3) All restricted access areas must be secure, with
25 locking devices that prevent access from the limited
26 access areas.

1 (h) Security and alarm.

2 (1) A dispensing organization shall have an adequate
3 security plan and security system to prevent and detect
4 diversion, theft, or loss of cannabis, currency, or
5 unauthorized intrusion using commercial grade equipment
6 installed by an Illinois licensed private alarm contractor
7 or private alarm contractor agency that shall, at a
8 minimum, include:

9 (i) A perimeter alarm on all entry points and
10 glass break protection on perimeter windows;

11 (ii) Security shatterproof tinted film on exterior
12 windows;

13 (iii) A failure notification system that provides
14 an audible, text, or visual notification of any
15 failure in the surveillance system, including, but not
16 limited to, panic buttons, alarms, and video
17 monitoring system. The failure notification system
18 shall provide an alert to designated dispensing
19 organization agents within 5 minutes after the
20 failure, either by telephone or text message;

21 (iv) A duress alarm, panic button, and alarm, or
22 holdup alarm and after-hours intrusion detection alarm
23 that by design and purpose will directly or indirectly
24 notify, by the most efficient means, the Public Safety
25 Answering Point for the law enforcement agency having
26 primary jurisdiction;

1 (v) Security equipment to deter and prevent
2 unauthorized entrance into the dispensary, including
3 electronic door locks on the limited and restricted
4 access areas that include devices or a series of
5 devices to detect unauthorized intrusion that may
6 include a signal system interconnected with a radio
7 frequency method, cellular, private radio signals or
8 other mechanical or electronic device.

9 (2) All security system equipment and recordings shall
10 be maintained in good working order, in a secure location
11 so as to prevent theft, loss, destruction, or alterations.

12 (3) Access to surveillance monitoring recording
13 equipment shall be limited to persons who are essential to
14 surveillance operations, law enforcement authorities
15 acting within their jurisdiction, security system service
16 personnel, and the Department. A current list of
17 authorized dispensing organization agents and service
18 personnel that have access to the surveillance equipment
19 must be available to the Department upon request.

20 (4) All security equipment shall be inspected and
21 tested at regular intervals, not to exceed one month from
22 the previous inspection, and tested to ensure the systems
23 remain functional.

24 (5) The security system shall provide protection
25 against theft and diversion that is facilitated or hidden
26 by tampering with computers or electronic records.

1 (6) The dispensary shall ensure all access doors are
2 not solely controlled by an electronic access panel to
3 ensure that locks are not released during a power outage.

4 (i) To monitor the dispensary, the dispensing organization
5 shall incorporate continuous electronic video monitoring
6 including the following:

7 (1) All monitors must be 19 inches or greater;

8 (2) Unobstructed video surveillance of all enclosed
9 dispensary areas, unless prohibited by law, including all
10 points of entry and exit that shall be appropriate for the
11 normal lighting conditions of the area under surveillance.
12 The cameras shall be directed so all areas are captured,
13 including, but not limited to, safes, vaults, sales areas,
14 and areas where cannabis is stored, handled, dispensed, or
15 destroyed. Cameras shall be angled to allow for facial
16 recognition, the capture of clear and certain
17 identification of any person entering or exiting the
18 dispensary area and in lighting sufficient during all
19 times of night or day;

20 (3) Unobstructed video surveillance of outside areas,
21 the storefront, and the parking lot, that shall be
22 appropriate for the normal lighting conditions of the area
23 under surveillance. Cameras shall be angled so as to allow
24 for the capture of facial recognition, clear and certain
25 identification of any person entering or exiting the
26 dispensary and the immediate surrounding area, and license

1 plates of vehicles in the parking lot;

2 (4) 24-hour recordings from all video cameras
3 available for immediate viewing by the Department upon
4 request. Recordings shall not be destroyed or altered and
5 shall be retained for at least 90 days. Recordings shall
6 be retained as long as necessary if the dispensing
7 organization is aware of the loss or theft of cannabis or a
8 pending criminal, civil, or administrative investigation
9 or legal proceeding for which the recording may contain
10 relevant information;

11 (5) The ability to immediately produce a clear, color
12 still photo from the surveillance video, either live or
13 recorded;

14 (6) A date and time stamp embedded on all video
15 surveillance recordings. The date and time shall be
16 synchronized and set correctly and shall not significantly
17 obscure the picture;

18 (7) The ability to remain operational during a power
19 outage and ensure all access doors are not solely
20 controlled by an electronic access panel to ensure that
21 locks are not released during a power outage;

22 (8) All video surveillance equipment shall allow for
23 the exporting of still images in an industry standard
24 image format, including .jpg, .bmp, and .gif. Exported
25 video shall have the ability to be archived in a
26 proprietary format that ensures authentication of the

1 video and guarantees that no alteration of the recorded
2 image has taken place. Exported video shall also have the
3 ability to be saved in an industry standard file format
4 that can be played on a standard computer operating
5 system. All recordings shall be erased or destroyed before
6 disposal;

7 (9) The video surveillance system shall be operational
8 during a power outage with a 4-hour minimum battery
9 backup;

10 (10) A video camera or cameras recording at each
11 point-of-sale location allowing for the identification of
12 the dispensing organization agent distributing the
13 cannabis and any purchaser. The camera or cameras shall
14 capture the sale, the individuals and the computer
15 monitors used for the sale;

16 (11) A failure notification system that provides an
17 audible and visual notification of any failure in the
18 electronic video monitoring system; and

19 (12) All electronic video surveillance monitoring must
20 record at least the equivalent of 8 frames per second and
21 be available as recordings to the Department and the
22 Illinois State Police 24 hours a day via a secure
23 web-based portal with reverse functionality.

24 (j) The requirements contained in this Act are minimum
25 requirements for operating a dispensing organization. The
26 Department may establish additional requirements by rule.

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 705/15-145)

4 Sec. 15-145. Grounds for discipline.

5 (a) The Department may deny issuance, refuse to renew or
6 restore, or may reprimand, place on probation, suspend,
7 revoke, or take other disciplinary or nondisciplinary action
8 against any license or agent identification card or may impose
9 a fine for any of the following:

10 (1) Material misstatement in furnishing information to
11 the Department;

12 (2) Violations of this Act or rules;

13 (3) Obtaining an authorization or license by fraud or
14 misrepresentation;

15 (4) A pattern of conduct that demonstrates
16 incompetence or that the applicant has engaged in conduct
17 or actions that would constitute grounds for discipline
18 under this Act;

19 (5) Aiding or assisting another person in violating
20 any provision of this Act or rules;

21 (6) Failing to respond to a written request for
22 information by the Department within 30 days;

23 (7) Engaging in unprofessional, dishonorable, or
24 unethical conduct of a character likely to deceive,
25 defraud, or harm the public;

1 (8) Adverse action by another United States
2 jurisdiction or foreign nation;

3 (9) A finding by the Department that the licensee,
4 after having his or her license placed on suspended or
5 probationary status, has violated the terms of the
6 suspension or probation;

7 (10) Conviction, entry of a plea of guilty, nolo
8 contendere, or the equivalent in a State or federal court
9 of a principal officer or agent-in-charge of a felony
10 offense in accordance with Sections 2105-131, 2105-135,
11 and 2105-205 of the Department of Professional Regulation
12 Law of the Civil Administrative Code of Illinois;

13 (11) Excessive use of or addiction to alcohol,
14 narcotics, stimulants, or any other chemical agent or
15 drug;

16 (12) A finding by the Department of a discrepancy in a
17 Department audit of cannabis;

18 (13) A finding by the Department of a discrepancy in a
19 Department audit of capital or funds;

20 (14) A finding by the Department of acceptance of
21 cannabis from a source other than an Adult Use Cultivation
22 Center, craft grower, infuser, or transporting
23 organization licensed by the Department of Agriculture, or
24 a dispensing organization licensed by the Department;

25 (15) An inability to operate using reasonable
26 judgment, skill, or safety due to physical or mental

1 illness or other impairment or disability, including,
2 without limitation, deterioration through the aging
3 process or loss of motor skills or mental incompetence;

4 (16) Failing to report to the Department within the
5 time frames established, or if not identified, 14 days, of
6 any adverse action taken against the dispensing
7 organization or an agent by a licensing jurisdiction in
8 any state or any territory of the United States or any
9 foreign jurisdiction, any governmental agency, any law
10 enforcement agency or any court defined in this Section;

11 (17) Any violation of the dispensing organization's
12 policies and procedures submitted to the Department
13 annually as a condition for licensure;

14 (18) Failure to inform the Department of any change of
15 address within 10 business days;

16 (19) Disclosing customer names, personal information,
17 or protected health information in violation of any State
18 or federal law;

19 (20) Operating a dispensary before obtaining a license
20 from the Department;

21 (21) Performing duties authorized by this Act prior to
22 receiving a license to perform such duties;

23 (22) Dispensing cannabis when prohibited by this Act
24 or rules;

25 (23) Any fact or condition that, if it had existed at
26 the time of the original application for the license,

1 would have warranted the denial of the license;

2 (24) Permitting a person without a valid agent
3 identification card to perform licensed activities under
4 this Act;

5 (25) Failure to assign an agent-in-charge as required
6 by this Article;

7 (26) Failure to provide the training required by
8 paragraph (3) of subsection (i) of Section 15-40 within
9 the provided timeframe;

10 (27) Personnel insufficient in number or unqualified
11 in training or experience to properly operate the
12 dispensary business;

13 (28) Any pattern of activity that causes a harmful
14 impact on the community; ~~and~~

15 (29) Failing to prevent diversion, theft, or loss of
16 cannabis; and -

17 (30) Engaging in a pattern of nonpayment or late
18 payment for goods or services to a cannabis business
19 establishment.

20 (b) All fines and fees imposed under this Section shall be
21 paid within 60 days after the effective date of the order
22 imposing the fine or as otherwise specified in the order.

23 (c) A circuit court order establishing that an
24 agent-in-charge or principal officer holding an agent
25 identification card is subject to involuntary admission as
26 that term is defined in Section 1-119 or 1-119.1 of the Mental

1 Health and Developmental Disabilities Code shall operate as a
2 suspension of that card.

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

4 (410 ILCS 705/20-15)

5 Sec. 20-15. Conditional Adult Use Cultivation Center
6 application.

7 (a) If the Department of Agriculture makes available
8 additional cultivation center licenses pursuant to Section
9 20-5, applicants for a Conditional Adult Use Cultivation
10 Center License shall electronically submit the following in
11 such form as the Department of Agriculture may direct:

12 (1) the nonrefundable application fee set by rule by
13 the Department of Agriculture, to be deposited into the
14 Cannabis Regulation Fund;

15 (2) the legal name of the cultivation center;

16 (3) the proposed physical address of the cultivation
17 center;

18 (4) the name, address, social security number, and
19 date of birth of each principal officer and board member
20 of the cultivation center; each principal officer and
21 board member shall be at least 21 years of age;

22 (5) the details of any administrative or judicial
23 proceeding in which any of the principal officers or board
24 members of the cultivation center (i) pled guilty, were
25 convicted, were fined, or had a registration or license

1 suspended or revoked, or (ii) managed or served on the
2 board of a business or non-profit organization that pled
3 guilty, was convicted, was fined, or had a registration or
4 license suspended or revoked;

5 (6) proposed operating bylaws that include procedures
6 for the oversight of the cultivation center, including the
7 development and implementation of a plant monitoring
8 system, accurate recordkeeping, staffing plan, and
9 security plan approved by the Illinois State Police that
10 are in accordance with the rules issued by the Department
11 of Agriculture under this Act. A physical inventory shall
12 be performed of all plants and cannabis on a weekly basis
13 by the cultivation center;

14 (7) verification from the Illinois State Police that
15 all background checks of the prospective principal
16 officers, board members, and agents of the cannabis
17 business establishment have been conducted;

18 (8) a copy of the current local zoning ordinance or
19 permit and verification that the proposed cultivation
20 center is in compliance with the local zoning rules and
21 distance limitations established by the local
22 jurisdiction;

23 (9) proposed employment practices, in which the
24 applicant must demonstrate a plan of action to inform,
25 hire, and educate minorities, women, veterans, and persons
26 with disabilities, engage in fair labor practices, and

1 provide worker protections;

2 (10) whether an applicant can demonstrate experience
3 in or business practices that promote economic empowerment
4 in Disproportionately Impacted Areas;

5 (11) experience with the cultivation of agricultural
6 or horticultural products, operating an agriculturally
7 related business, or operating a horticultural business;

8 (12) a description of the enclosed, locked facility
9 where cannabis will be grown, harvested, manufactured,
10 processed, packaged, or otherwise prepared for
11 distribution to a dispensing organization;

12 (13) a survey of the enclosed, locked facility,
13 including the space used for cultivation;

14 (14) cultivation, processing, inventory, and packaging
15 plans;

16 (15) a description of the applicant's experience with
17 agricultural cultivation techniques and industry
18 standards;

19 (16) a list of any academic degrees, certifications,
20 or relevant experience of all prospective principal
21 officers, board members, and agents of the related
22 business;

23 (17) the identity of every person having a financial
24 or voting interest of 5% or greater in the cultivation
25 center operation with respect to which the license is
26 sought, whether a trust, corporation, partnership, limited

1 liability company, or sole proprietorship, including the
2 name and address of each person;

3 (18) a plan describing how the cultivation center will
4 address each of the following:

5 (i) energy needs, including estimates of monthly
6 electricity and gas usage, to what extent it will
7 procure energy from a local utility or from on-site
8 generation, and if it has or will adopt a sustainable
9 energy use and energy conservation policy;

10 (ii) water needs, including estimated water draw
11 and if it has or will adopt a sustainable water use and
12 water conservation policy; and

13 (iii) waste management, including if it has or
14 will adopt a waste reduction policy;

15 (19) a diversity plan that includes a narrative of not
16 more than 2,500 words that establishes a goal of diversity
17 in ownership, management, employment, and contracting to
18 ensure that diverse participants and groups are afforded
19 equality of opportunity;

20 (20) any other information required by rule;

21 (21) a recycling plan:

22 (A) Purchaser packaging, including cartridges,
23 shall be accepted by the applicant and recycled.

24 (B) Any recyclable waste generated by the cannabis
25 cultivation facility shall be recycled per applicable
26 State and local laws, ordinances, and rules.

1 (C) Any cannabis waste, liquid waste, or hazardous
2 waste shall be disposed of in accordance with 8 Ill.
3 Adm. Code 1000.460, except, to the greatest extent
4 feasible, all cannabis plant waste will be rendered
5 unusable by grinding and incorporating the cannabis
6 plant waste with compostable mixed waste to be
7 disposed of in accordance with 8 Ill. Adm. Code
8 1000.460 (g) (1);

9 (22) commitment to comply with local waste provisions:
10 a cultivation facility must remain in compliance with
11 applicable State and federal environmental requirements,
12 including, but not limited to:

13 (A) storing, securing, and managing all
14 recyclables and waste, including organic waste
15 composed of or containing finished cannabis and
16 cannabis products, in accordance with applicable State
17 and local laws, ordinances, and rules; and

18 (B) disposing liquid waste containing cannabis or
19 byproducts of cannabis processing in compliance with
20 all applicable State and federal requirements,
21 including, but not limited to, the cannabis
22 cultivation facility's permits under Title X of the
23 Environmental Protection Act; and

24 (23) a commitment to a technology standard for
25 resource efficiency of the cultivation center facility.

26 (A) A cannabis cultivation facility commits to use

1 resources efficiently, including energy and water. For
2 the following, a cannabis cultivation facility commits
3 to meet or exceed the technology standard identified
4 in items (i), (ii), (iii), and (iv), which may be
5 modified by rule:

6 (i) lighting systems, including light bulbs;

7 (ii) HVAC system;

8 (iii) water application system to the crop;

9 and

10 (iv) filtration system for removing
11 contaminants from wastewater.

12 (B) Lighting. The Lighting Power Densities (LPD)
13 for cultivation space commits to not exceed an average
14 of 36 watts per gross square foot of active and growing
15 space canopy, or all installed lighting technology
16 shall meet a photosynthetic photon efficacy (PPE) of
17 no less than 2.2 micromoles per joule fixture and
18 shall be featured on the DesignLights Consortium (DLC)
19 Horticultural Specification Qualified Products List
20 (QPL). In the event that DLC requirement for minimum
21 efficacy exceeds 2.2 micromoles per joule fixture,
22 that PPE shall become the new standard.

23 (C) HVAC. The ~~(i) For cannabis grow operations~~
24 ~~with less than 6,000 square feet of canopy, the~~
25 licensee commits that all HVAC units will be
26 high-efficiency ductless split HVAC units~~7~~ or other

1 more energy efficient equipment.

2 ~~(ii) For cannabis grow operations with 6,000~~
3 ~~square feet of canopy or more, the licensee~~
4 ~~commits that all HVAC units will be variable~~
5 ~~refrigerant flow HVAC units, or other more energy~~
6 ~~efficient equipment.~~

7 (D) Water application.

8 (i) The cannabis cultivation facility commits
9 to use automated watering systems, including, but
10 not limited to, drip irrigation and flood tables,
11 to irrigate cannabis crops ~~crop~~.

12 (ii) The cannabis cultivation facility commits
13 to measure runoff from watering events and report
14 this volume in its water usage plan, and that on
15 average, watering events shall have no more than
16 20% of runoff of water.

17 (E) Filtration. The cultivator commits that HVAC
18 condensate, dehumidification water, excess runoff, and
19 other wastewater produced by the cannabis cultivation
20 facility shall be captured and filtered to the best of
21 the facility's ability to achieve the quality needed
22 to be reused in subsequent watering rounds.

23 (F) Reporting energy use and efficiency as
24 required by rule.

25 (b) Applicants must submit all required information,
26 including the information required in Section 20-10, to the

1 Department of Agriculture. Failure by an applicant to submit
2 all required information may result in the application being
3 disqualified.

4 (c) If the Department of Agriculture receives an
5 application with missing information, the Department of
6 Agriculture may issue a deficiency notice to the applicant.
7 The applicant shall have 10 calendar days from the date of the
8 deficiency notice to resubmit the incomplete information.
9 Applications that are still incomplete after this opportunity
10 to cure will not be scored and will be disqualified.

11 (e) A cultivation center that is awarded a Conditional
12 Adult Use Cultivation Center License pursuant to the criteria
13 in Section 20-20 shall not grow, purchase, possess, or sell
14 cannabis or cannabis-infused products until the person has
15 received an Adult Use Cultivation Center License issued by the
16 Department of Agriculture pursuant to Section 20-21 of this
17 Act.

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 705/20-30)

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

22 (a) The operating documents of a cultivation center shall
23 include procedures for the oversight of the cultivation
24 center, a cannabis plant monitoring system including a
25 physical inventory recorded weekly, accurate recordkeeping,

1 and a staffing plan.

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

11 (c) All cultivation of cannabis by a cultivation center
12 must take place in an enclosed, locked facility at the
13 physical address provided to the Department of Agriculture
14 during the licensing process. The cultivation center location
15 shall only be accessed by the agents working for the
16 cultivation center, the Department of Agriculture staff
17 performing inspections, the Department of Public Health staff
18 performing inspections, local and State law enforcement or
19 other emergency personnel, contractors working on jobs
20 unrelated to cannabis, such as installing or maintaining
21 security devices or performing electrical wiring, transporting
22 organization agents as provided in this Act, individuals in a
23 mentoring or educational program approved by the State, or
24 other individuals as provided by rule.

25 (d) A cultivation center may not sell or distribute any
26 cannabis or cannabis-infused products to any person other than

1 a dispensing organization, craft grower, infuser organization,
2 transporter, or as otherwise authorized by rule.

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

12 (f) All cannabis harvested by a cultivation center and
13 intended for distribution to a dispensing organization must be
14 entered into a data collection system, packaged and labeled
15 under Section 55-21, and placed into a cannabis container for
16 transport. All cannabis harvested by a cultivation center and
17 intended for distribution to a craft grower or infuser
18 organization must be packaged in a labeled cannabis container
19 and entered into a data collection system before transport.

20 (g) Cultivation centers are subject to random inspections
21 by the Department of Agriculture, the Department of Public
22 Health, local safety or health inspectors, the Illinois State
23 Police, or as provided by rule.

24 (h) A cultivation center agent shall notify local law
25 enforcement, the Illinois State Police, and the Department of
26 Agriculture within 24 hours of the discovery of any loss or

1 theft. Notification shall be made by phone or in person, or by
2 written or electronic communication.

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

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

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

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

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

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

1 License, or a medical cannabis dispensing organization license
2 issued under the Compassionate Use of Medical Cannabis Program
3 Act to obtain preferential placement within the dispensing
4 organization, including, without limitation, on shelves and in
5 display cases where purchasers can view products, or on the
6 dispensing organization's website.

7 (o) A cultivation center must comply with any other
8 requirements or prohibitions set by administrative rule of the
9 Department of Agriculture.

10 (p) Cannabis business establishments shall adhere to the
11 traceability and consumer protection guidelines established by
12 the Department of Agriculture when utilizing the cannabis
13 plant monitoring system or cannabis transport GPS tracking
14 system.

15 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19;
16 102-98, eff. 7-15-21; 102-538, eff. 8-20-21; 102-813, eff.
17 5-13-22.)

18 (410 ILCS 705/20-35)

19 Sec. 20-35. Cultivation center agent identification card.

20 (a) The Department of Agriculture shall:

21 (1) establish by rule the information required in an
22 initial application or renewal application for an agent
23 identification card submitted under this Act and the
24 nonrefundable fee to accompany the initial application or
25 renewal application;

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

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

10 (4) enter the license number of the cultivation center
11 where the agent works; and

12 (5) allow for an electronic initial application and
13 renewal application process, and provide a confirmation by
14 electronic or other methods that an application has been
15 submitted. The Department of Agriculture may by rule
16 require prospective agents to file their applications by
17 electronic means and provide notices to the agents by
18 electronic means.

19 (b) An agent must keep his or her identification card
20 visible at all times when on the property of the cultivation
21 center at which the agent is employed.

22 (c) The agent identification cards shall contain the
23 following:

24 (1) the name of the cardholder;

25 (2) the date of issuance and expiration date of the
26 identification card;

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

4 (4) a photograph of the cardholder; and

5 (5) the legal name of the cultivation center employing
6 the agent.

7 (d) An agent identification card shall be immediately
8 returned to the cultivation center of the agent upon
9 termination of his or her employment.

10 (e) Any agent identification card lost by a cultivation
11 center agent shall be reported to the Illinois State Police
12 and the Department of Agriculture immediately upon discovery
13 of the loss.

14 (f) The Department of Agriculture shall not issue an agent
15 identification card if the applicant is delinquent in filing
16 any required tax returns or paying any amounts owed to the
17 State of Illinois.

18 (g) The Department and the Department of Financial and
19 Professional Regulation may develop and implement an
20 integrated system to issue an agent identification card which
21 identifies a cultivation center agent licensed by the
22 Department as well as any craft grower, transporter,
23 dispensing organization, community college program, or infuser
24 license or registration the agent may simultaneously hold.

25 (Source: P.A. 101-27, eff. 6-25-19; 102-538, eff. 8-20-21.)

1 (410 ILCS 705/20-45)

2 Sec. 20-45. Renewal of cultivation center licenses and
3 agent identification cards.

4 (a) Licenses and identification cards issued under this
5 Act shall be renewed annually. A cultivation center shall
6 receive written or electronic notice 90 days before the
7 expiration of its current license that the license will
8 expire. The Department of Agriculture shall grant a renewal
9 within 45 days of submission of a renewal application if:

10 (1) the cultivation center submits a renewal
11 application and the required nonrefundable renewal fee of
12 \$100,000, or another amount as the Department of
13 Agriculture may set by rule after January 1, 2021, to be
14 deposited into the Cannabis Regulation Fund.

15 (2) the Department of Agriculture has not suspended
16 the license of the cultivation center or suspended or
17 revoked the license for violating this Act or rules
18 adopted under this Act;

19 (3) the cultivation center has continued to operate in
20 accordance with all plans submitted as part of its
21 application and approved by the Department of Agriculture
22 or any amendments thereto that have been approved by the
23 Department of Agriculture;

24 (4) the cultivation center has submitted an agent,
25 employee, contracting, and subcontracting diversity report
26 as required by the Department; and

1 (5) the cultivation center has submitted an
2 environmental impact report.

3 (b) If a cultivation center fails to renew its license
4 before expiration, it shall cease operations until its license
5 is renewed.

6 (c) If a cultivation center agent fails to renew his or her
7 identification card before its expiration, he or she shall
8 cease to work as an agent of the cultivation center until his
9 or her identification card is renewed.

10 (d) Any cultivation center that continues to operate, or
11 any cultivation center agent who continues to work as an
12 agent, after the applicable license or identification card has
13 expired without renewal is subject to the penalties provided
14 under Section 45-5.

15 (e) The Department of Agriculture shall not renew a
16 license or an agent identification card if the applicant is
17 delinquent in filing any required tax returns or paying any
18 amounts owed to the State.

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

20 (410 ILCS 705/25-35)

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

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

24 (a) The Department shall:

25 (1) establish by rule the information required in an

1 initial application or renewal application for an agent
2 identification card submitted under this Article and the
3 nonrefundable fee to accompany the initial application or
4 renewal application;

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

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

14 (4) enter the license number of the community college
15 where the agent works; and

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

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

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

- 1 (1) the name of the cardholder;
- 2 (2) the date of issuance and expiration date of the
3 identification card;
- 4 (3) a random 10-digit alphanumeric identification
5 number containing at least 4 numbers and at least 4
6 letters that is unique to the holder;
- 7 (4) a photograph of the cardholder; and
- 8 (5) the legal name of the community college employing
9 the agent.

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

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

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

25 (g) The Department of Agriculture shall not issue an agent
26 identification card if the applicant is delinquent in filing

1 any required tax returns or paying any amounts owed to the
2 State.

3 (h) The Department of Agriculture and the Department of
4 Financial and Professional Regulation may develop and
5 implement an integrated system to issue an agent
6 identification card which identifies a community college
7 program agent licensed by the Department as well as any
8 cultivation center, craft grower, transporter, dispensing
9 organization, or infuser license or registration the agent may
10 simultaneously hold.

11 (Source: P.A. 101-27, eff. 6-25-19; 102-98, eff. 7-15-21;
12 102-538, eff. 8-20-21; 102-813, eff. 5-13-22.)

13 (410 ILCS 705/30-10)

14 Sec. 30-10. Application.

15 (a) When applying for a license, the applicant shall
16 electronically submit the following in such form as the
17 Department of Agriculture may direct:

18 (1) the nonrefundable application fee of \$5,000 to be
19 deposited into the Cannabis Regulation Fund, or another
20 amount as the Department of Agriculture may set by rule
21 after January 1, 2021;

22 (2) the legal name of the craft grower;

23 (3) the proposed physical address of the craft grower;

24 (4) the name, address, social security number, and
25 date of birth of each principal officer and board member

1 of the craft grower; each principal officer and board
2 member shall be at least 21 years of age;

3 (5) the details of any administrative or judicial
4 proceeding in which any of the principal officers or board
5 members of the craft grower (i) pled guilty, were
6 convicted, were fined, or had a registration or license
7 suspended or revoked or (ii) managed or served on the
8 board of a business or non-profit organization that pled
9 guilty, was convicted, was fined, or had a registration or
10 license suspended or revoked;

11 (6) proposed operating bylaws that include procedures
12 for the oversight of the craft grower, including the
13 development and implementation of a plant monitoring
14 system, accurate recordkeeping, staffing plan, and
15 security plan approved by the Illinois State Police that
16 are in accordance with the rules issued by the Department
17 of Agriculture under this Act; a physical inventory shall
18 be performed of all plants and on a weekly basis by the
19 craft grower;

20 (7) verification from the Illinois State Police that
21 all background checks of the prospective principal
22 officers, board members, and agents of the cannabis
23 business establishment have been conducted;

24 (8) a copy of the current local zoning ordinance or
25 permit and verification that the proposed craft grower is
26 in compliance with the local zoning rules and distance

1 limitations established by the local jurisdiction;

2 (9) proposed employment practices, in which the
3 applicant must demonstrate a plan of action to inform,
4 hire, and educate minorities, women, veterans, and persons
5 with disabilities, engage in fair labor practices, and
6 provide worker protections;

7 (10) whether an applicant can demonstrate experience
8 in or business practices that promote economic empowerment
9 in Disproportionately Impacted Areas;

10 (11) experience with the cultivation of agricultural
11 or horticultural products, operating an agriculturally
12 related business, or operating a horticultural business;

13 (12) a description of the enclosed, locked facility
14 where cannabis will be grown, harvested, manufactured,
15 packaged, or otherwise prepared for distribution to a
16 dispensing organization or other cannabis business
17 establishment;

18 (13) a survey of the enclosed, locked facility,
19 including the space used for cultivation;

20 (14) cultivation, processing, inventory, and packaging
21 plans;

22 (15) a description of the applicant's experience with
23 agricultural cultivation techniques and industry
24 standards;

25 (16) a list of any academic degrees, certifications,
26 or relevant experience of all prospective principal

1 officers, board members, and agents of the related
2 business;

3 (17) the identity of every person having a financial
4 or voting interest of 5% or greater in the craft grower
5 operation, whether a trust, corporation, partnership,
6 limited liability company, or sole proprietorship,
7 including the name and address of each person;

8 (18) a plan describing how the craft grower will
9 address each of the following:

10 (i) energy needs, including estimates of monthly
11 electricity and gas usage, to what extent it will
12 procure energy from a local utility or from on-site
13 generation, and if it has or will adopt a sustainable
14 energy use and energy conservation policy;

15 (ii) water needs, including estimated water draw
16 and if it has or will adopt a sustainable water use and
17 water conservation policy; and

18 (iii) waste management, including if it has or
19 will adopt a waste reduction policy;

20 (19) a recycling plan:

21 (A) Purchaser packaging, including cartridges,
22 shall be accepted by the applicant and recycled.

23 (B) Any recyclable waste generated by the craft
24 grower facility shall be recycled per applicable State
25 and local laws, ordinances, and rules.

26 (C) Any cannabis waste, liquid waste, or hazardous

1 waste shall be disposed of in accordance with 8 Ill.
2 Adm. Code 1000.460, except, to the greatest extent
3 feasible, all cannabis plant waste will be rendered
4 unusable by grinding and incorporating the cannabis
5 plant waste with compostable mixed waste to be
6 disposed of in accordance with 8 Ill. Adm. Code
7 1000.460(g)(1);

8 (20) a commitment to comply with local waste
9 provisions: a craft grower facility must remain in
10 compliance with applicable State and federal environmental
11 requirements, including, but not limited to:

12 (A) storing, securing, and managing all
13 recyclables and waste, including organic waste
14 composed of or containing finished cannabis and
15 cannabis products, in accordance with applicable State
16 and local laws, ordinances, and rules; and

17 (B) disposing liquid waste containing cannabis or
18 byproducts of cannabis processing in compliance with
19 all applicable State and federal requirements,
20 including, but not limited to, the cannabis
21 cultivation facility's permits under Title X of the
22 Environmental Protection Act;

23 (21) a commitment to a technology standard for
24 resource efficiency of the craft grower facility.

25 (A) A craft grower facility commits to use
26 resources efficiently, including energy and water. For

1 the following, a cannabis cultivation facility commits
2 to meet or exceed the technology standard identified
3 in paragraphs (i), (ii), (iii), and (iv), which may be
4 modified by rule:

5 (i) lighting systems, including light bulbs;

6 (ii) HVAC system;

7 (iii) water application system to the crop;

8 and

9 (iv) filtration system for removing
10 contaminants from wastewater.

11 (B) Lighting. The Lighting Power Densities (LPD)
12 for cultivation space commits to not exceed an average
13 of 36 watts per gross square foot of active and growing
14 space canopy, or all installed lighting technology
15 shall meet a photosynthetic photon efficacy (PPE) of
16 no less than 2.2 micromoles per joule fixture and
17 shall be featured on the DesignLights Consortium (DLC)
18 Horticultural Specification Qualified Products List
19 (QPL). In the event that DLC requirement for minimum
20 efficacy exceeds 2.2 micromoles per joule fixture,
21 that PPE shall become the new standard.

22 (C) HVAC.

23 (i) ~~The For cannabis grow operations with less~~
24 ~~than 6,000 square feet of canopy, the licensee~~
25 commits that all HVAC units will be
26 high-efficiency ductless split HVAC units, or

1 other more energy efficient equipment.

2 (ii) (Blank). ~~For cannabis grow operations~~
3 ~~with 6,000 square feet of canopy or more, the~~
4 ~~licensee commits that all HVAC units will be~~
5 ~~variable refrigerant flow HVAC units, or other~~
6 ~~more energy efficient equipment.~~

7 (D) Water application.

8 (i) The craft grower facility commits to use
9 automated watering systems, including, but not
10 limited to, drip irrigation and flood tables, to
11 irrigate cannabis crop.

12 (ii) The craft grower facility commits to
13 measure runoff from watering events and report
14 this volume in its water usage plan, and that on
15 average, watering events shall have no more than
16 20% of runoff of water.

17 (E) Filtration. The craft grower commits that HVAC
18 condensate, dehumidification water, excess runoff, and
19 other wastewater produced by the craft grower facility
20 shall be captured and filtered to the best of the
21 facility's ability to achieve the quality needed to be
22 reused in subsequent watering rounds.

23 (F) Reporting energy use and efficiency as
24 required by rule; and

25 (22) any other information required by rule.

26 (b) Applicants must submit all required information,

1 including the information required in Section 30-15, to the
2 Department of Agriculture. Failure by an applicant to submit
3 all required information may result in the application being
4 disqualified.

5 (c) If the Department of Agriculture receives an
6 application with missing information, the Department of
7 Agriculture may issue a deficiency notice to the applicant.
8 The applicant shall have 10 calendar days from the date of the
9 deficiency notice to resubmit the incomplete information.
10 Applications that are still incomplete after this opportunity
11 to cure will not be scored and will be disqualified.

12 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19;
13 102-538, eff. 8-20-21.)

14 (410 ILCS 705/30-30)

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

16 (a) The operating documents of a craft grower shall
17 include procedures for the oversight of the craft grower, a
18 cannabis plant monitoring system including a physical
19 inventory recorded weekly, accurate recordkeeping, and a
20 staffing plan.

21 (b) A craft grower shall implement a security plan
22 reviewed by the Illinois State Police that includes, but is
23 not limited to: facility access controls, perimeter intrusion
24 detection systems, personnel identification systems, and a
25 24-hour surveillance system to monitor the interior and

1 exterior of the craft grower facility and that is accessible
2 to authorized law enforcement and the Department of
3 Agriculture in real time.

4 (c) All cultivation of cannabis by a craft grower must
5 take place in an enclosed, locked facility at the physical
6 address provided to the Department of Agriculture during the
7 licensing process. The craft grower location shall only be
8 accessed by the agents working for the craft grower, the
9 Department of Agriculture staff performing inspections, the
10 Department of Public Health staff performing inspections,
11 State and local law enforcement or other emergency personnel,
12 contractors working on jobs unrelated to cannabis, such as
13 installing or maintaining security devices or performing
14 electrical wiring, transporting organization agents as
15 provided in this Act, or participants in the incubator
16 program, individuals in a mentoring or educational program
17 approved by the State, or other individuals as provided by
18 rule. However, if a craft grower shares a premises with an
19 infuser or dispensing organization, agents from those other
20 licensees may access the craft grower portion of the premises
21 if that is the location of common bathrooms, lunchrooms,
22 locker rooms, or other areas of the building where work or
23 cultivation of cannabis is not performed. At no time may an
24 infuser or dispensing organization agent perform work at a
25 craft grower without being a registered agent of the craft
26 grower.

1 (d) A craft grower may not sell or distribute any cannabis
2 to any person other than a cultivation center, a craft grower,
3 an infuser organization, a dispensing organization, or as
4 otherwise authorized by rule.

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

7 (f) A craft grower may not either directly or indirectly
8 discriminate in price between different cannabis business
9 establishments that are purchasing a like grade, strain,
10 brand, and quality of cannabis or cannabis-infused product.
11 Nothing in this subsection (f) prevents a craft grower from
12 pricing cannabis differently based on differences in the cost
13 of manufacturing or processing, the quantities sold, such as
14 volume discounts, or the way the products are delivered.

15 (g) All cannabis harvested by a craft grower and intended
16 for distribution to a dispensing organization must be entered
17 into a data collection system, packaged and labeled under
18 Section 55-21, and, if distribution is to a dispensing
19 organization that does not share a premises with the
20 dispensing organization receiving the cannabis, placed into a
21 cannabis container for transport. All cannabis harvested by a
22 craft grower and intended for distribution to a cultivation
23 center, to an infuser organization, or to a craft grower with
24 which it does not share a premises, must be packaged in a
25 labeled cannabis container and entered into a data collection
26 system before transport.

1 (h) Craft growers are subject to random inspections by the
2 Department of Agriculture, local safety or health inspectors,
3 the Illinois State Police, or as provided by rule.

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

9 (j) A craft grower shall comply with all State and any
10 applicable federal rules and regulations regarding the use of
11 pesticides.

12 (k) A craft grower or craft grower agent shall not
13 transport cannabis or cannabis-infused products to any other
14 cannabis business establishment without a transport
15 organization license unless:

16 (i) If the craft grower is located in a county with a
17 population of 3,000,000 or more, the cannabis business
18 establishment receiving the cannabis is within 2,000 feet
19 of the property line of the craft grower;

20 (ii) If the craft grower is located in a county with a
21 population of more than 700,000 but fewer than 3,000,000,
22 the cannabis business establishment receiving the cannabis
23 is within 2 miles of the craft grower; or

24 (iii) If the craft grower is located in a county with a
25 population of fewer than 700,000, the cannabis business
26 establishment receiving the cannabis is within 15 miles of

1 the craft grower.

2 (l) A craft grower may enter into a contract with a
3 transporting organization to transport cannabis to a
4 consolidated transport center, a different transporting
5 organization at the consolidated transport center, a
6 cultivation center, a craft grower, an infuser organization, a
7 dispensing organization, or a laboratory. All products
8 received and shipped to and from a consolidated transport
9 center shall be tracked within the cannabis plant monitoring
10 system.

11 (m) No person or entity shall hold any legal, equitable,
12 ownership, or beneficial interest, directly or indirectly, of
13 more than 3 craft grower licenses. Further, no person or
14 entity that is employed by, an agent of, or has a contract to
15 receive payment from or participate in the management of a
16 craft grower, is a principal officer of a craft grower, or
17 entity controlled by or affiliated with a principal officer of
18 a craft grower shall hold any legal, equitable, ownership, or
19 beneficial interest, directly or indirectly, in a craft grower
20 license that would result in the person or entity owning or
21 controlling in combination with any craft grower, principal
22 officer of a craft grower, or entity controlled or affiliated
23 with a principal officer of a craft grower by which he, she, or
24 it is employed, is an agent of, or participates in the
25 management of more than 3 craft grower licenses.

26 (n) It is unlawful for any person having a craft grower

1 license or any officer, associate, member, representative, or
2 agent of the licensee to offer or deliver money, or anything
3 else of value, directly or indirectly, to any person having an
4 Early Approval Adult Use Dispensing Organization License, a
5 Conditional Adult Use Dispensing Organization License, an
6 Adult Use Dispensing Organization License, or a medical
7 cannabis dispensing organization license issued under the
8 Compassionate Use of Medical Cannabis Program Act, or to any
9 person connected with or in any way representing, or to any
10 member of the family of, the person holding an Early Approval
11 Adult Use Dispensing Organization License, a Conditional Adult
12 Use Dispensing Organization License, an Adult Use Dispensing
13 Organization License, or a medical cannabis dispensing
14 organization license issued under the Compassionate Use of
15 Medical Cannabis Program Act, or to any stockholders in any
16 corporation engaged in the retail sale of cannabis, or to any
17 officer, manager, agent, or representative of the Early
18 Approval Adult Use Dispensing Organization License, a
19 Conditional Adult Use Dispensing Organization License, an
20 Adult Use Dispensing Organization License, or a medical
21 cannabis dispensing organization license issued under the
22 Compassionate Use of Medical Cannabis Program Act to obtain
23 preferential placement within the dispensing organization,
24 including, without limitation, on shelves and in display cases
25 where purchasers can view products, or on the dispensing
26 organization's website.

1 (o) A craft grower shall not be located within 1,500 feet
2 of another craft grower or a cultivation center.

3 (p) A craft grower may process cannabis, cannabis
4 concentrates, and cannabis-infused products.

5 (q) A craft grower must comply with any other requirements
6 or prohibitions set by administrative rule of the Department
7 of Agriculture.

8 (r) Cannabis business establishments shall adhere to the
9 traceability and consumer protection guidelines established by
10 the Department of Agriculture when utilizing the cannabis
11 plant monitoring system or cannabis transport GPS tracking
12 system.

13 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19;
14 102-98, eff. 7-15-21; 102-538, eff. 8-20-21; 102-813, eff.
15 5-13-22.)

16 (410 ILCS 705/30-35)

17 Sec. 30-35. Craft grower agent identification card.

18 (a) The Department of Agriculture shall:

19 (1) establish by rule the information required in an
20 initial application or renewal application for an agent
21 identification card submitted under this Act and the
22 nonrefundable fee to accompany the initial application or
23 renewal application;

24 (2) verify the information contained in an initial
25 application or renewal application for an agent

1 identification card submitted under this Act and approve
2 or deny an application within 30 days of receiving a
3 completed initial application or renewal application and
4 all supporting documentation required by rule;

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

8 (4) enter the license number of the craft grower where
9 the agent works; and

10 (5) allow for an electronic initial application and
11 renewal application process, and provide a confirmation by
12 electronic or other methods that an application has been
13 submitted. The Department of Agriculture may by rule
14 require prospective agents to file their applications by
15 electronic means and provide notices to the agents by
16 electronic means.

17 (b) An agent must keep his or her identification card
18 visible at all times when on the property of a cannabis
19 business establishment, including the craft grower
20 organization for which he or she is an agent.

21 (c) The agent identification cards shall contain the
22 following:

23 (1) the name of the cardholder;

24 (2) the date of issuance and expiration date of the
25 identification card;

26 (3) a random 10-digit alphanumeric identification

1 number containing at least 4 numbers and at least 4
2 letters that is unique to the holder;

3 (4) a photograph of the cardholder; and

4 (5) the legal name of the craft grower organization
5 employing the agent.

6 (d) An agent identification card shall be immediately
7 returned to the cannabis business establishment of the agent
8 upon termination of his or her employment.

9 (e) Any agent identification card lost by a craft grower
10 agent shall be reported to the Illinois State Police and the
11 Department of Agriculture immediately upon discovery of the
12 loss.

13 (f) The Department of Agriculture shall not issue an agent
14 identification card to an applicant if the applicant is
15 delinquent in filing any required tax returns or paying any
16 amounts owed to the State.

17 (Source: P.A. 101-27, eff. 6-25-19; 102-538, eff. 8-20-21.)

18 (410 ILCS 705/30-45)

19 Sec. 30-45. Renewal of craft grower licenses and agent
20 identification cards.

21 (a) Licenses and identification cards issued under this
22 Act shall be renewed annually. A craft grower shall receive
23 written or electronic notice 90 days before the expiration of
24 its current license that the license will expire. The
25 Department of Agriculture shall grant a renewal within 45 days

1 of submission of a renewal application if:

2 (1) the craft grower submits a renewal application and
3 the required nonrefundable renewal fee of \$40,000, or
4 another amount as the Department of Agriculture may set by
5 rule after January 1, 2021;

6 (2) the Department of Agriculture has not suspended
7 the license of the craft grower or suspended or revoked
8 the license for violating this Act or rules adopted under
9 this Act;

10 (3) the craft grower has continued to operate in
11 accordance with all plans submitted as part of its
12 application and approved by the Department of Agriculture
13 or any amendments thereto that have been approved by the
14 Department of Agriculture;

15 (4) the craft grower has submitted an agent, employee,
16 contracting, and subcontracting diversity report as
17 required by the Department; and

18 (5) the craft grower has submitted an environmental
19 impact report.

20 (b) If a craft grower fails to renew its license before
21 expiration, it shall cease operations until its license is
22 renewed.

23 (c) If a craft grower agent fails to renew his or her
24 identification card before its expiration, he or she shall
25 cease to work as an agent of the craft grower organization
26 until his or her identification card is renewed.

1 (d) Any craft grower that continues to operate, or any
2 craft grower agent who continues to work as an agent, after the
3 applicable license or identification card has expired without
4 renewal is subject to the penalties provided under Section
5 45-5.

6 (e) All fees or fines collected from the renewal of a craft
7 grower license shall be deposited into the Cannabis Regulation
8 Fund.

9 (f) The Department of Agriculture shall not renew an
10 applicant's license or agent identification card if the
11 applicant is delinquent in filing any required tax returns or
12 paying any amounts owed to the State.

13 (g) The Department and the Department of Financial and
14 Professional Regulation may develop and implement an
15 integrated system to issue an agent identification card which
16 identifies a craft grower agent licensed by the Department as
17 well as any cultivator, dispensary, transporter, community
18 college program, or infuser license or registration the agent
19 may simultaneously hold.

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

21 (410 ILCS 705/35-25)

22 Sec. 35-25. Infuser organization requirements;
23 prohibitions.

24 (a) The operating documents of an infuser shall include
25 procedures for the oversight of the infuser, an inventory

1 monitoring system including a physical inventory recorded
2 weekly, accurate recordkeeping, and a staffing plan.

3 (b) An infuser shall implement a security plan reviewed by
4 the Illinois State Police that includes, but is not limited
5 to: facility access controls, perimeter intrusion detection
6 systems, personnel identification systems, and a 24-hour
7 surveillance system to monitor the interior and exterior of
8 the infuser facility and that is accessible to authorized law
9 enforcement, the Department of Public Health, and the
10 Department of Agriculture in real time.

11 (c) All processing of cannabis by an infuser must take
12 place in an enclosed, locked facility at the physical address
13 provided to the Department of Agriculture during the licensing
14 process. The infuser location shall only be accessed by the
15 agents working for the infuser, the Department of Agriculture
16 staff performing inspections, the Department of Public Health
17 staff performing inspections, State and local law enforcement
18 or other emergency personnel, contractors working on jobs
19 unrelated to cannabis, such as installing or maintaining
20 security devices or performing electrical wiring, transporting
21 organization agents as provided in this Act, participants in
22 the incubator program, individuals in a mentoring or
23 educational program approved by the State, local safety or
24 health inspectors, or other individuals as provided by rule.
25 However, if an infuser shares a premises with a craft grower or
26 dispensing organization, agents from these other licensees may

1 access the infuser portion of the premises if that is the
2 location of common bathrooms, lunchrooms, locker rooms, or
3 other areas of the building where processing of cannabis is
4 not performed. At no time may a craft grower or dispensing
5 organization agent perform work at an infuser without being a
6 registered agent of the infuser.

7 (d) An infuser may not sell or distribute any cannabis to
8 any person other than a dispensing organization, or as
9 otherwise authorized by rule.

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

18 (f) All cannabis infused by an infuser and intended for
19 distribution to a dispensing organization must be entered into
20 a data collection system, packaged and labeled under Section
21 55-21, and, if distribution is to a dispensing organization
22 that does not share a premises with the infuser, placed into a
23 cannabis container for transport. All cannabis produced by an
24 infuser and intended for distribution to a cultivation center,
25 infuser organization, or craft grower with which it does not
26 share a premises, must be packaged in a labeled cannabis

1 container and entered into a data collection system before
2 transport.

3 (g) Infusers are subject to random inspections by the
4 Department of Agriculture, the Department of Public Health,
5 the Illinois State Police, local law enforcement, or as
6 provided by rule.

7 (h) An infuser agent shall notify local law enforcement,
8 the Illinois State Police, and the Department of Agriculture
9 within 24 hours of the discovery of any loss or theft.
10 Notification shall be made by phone, in person, or by written
11 or electronic communication.

12 (i) An infuser organization may not be located in an area
13 zoned for residential use.

14 (j) An infuser or infuser agent shall not transport
15 cannabis or cannabis-infused products to any other cannabis
16 business establishment without a transport organization
17 license unless:

18 (i) If the infuser is located in a county with a
19 population of 3,000,000 or more, the cannabis business
20 establishment receiving the cannabis or cannabis-infused
21 product is within 2,000 feet of the property line of the
22 infuser;

23 (ii) If the infuser is located in a county with a
24 population of more than 700,000 but fewer than 3,000,000,
25 the cannabis business establishment receiving the cannabis
26 or cannabis-infused product is within 2 miles of the

1 infuser; or

2 (iii) If the infuser is located in a county with a
3 population of fewer than 700,000, the cannabis business
4 establishment receiving the cannabis or cannabis-infused
5 product is within 15 miles of the infuser.

6 (k) An infuser may enter into a contract with a
7 transporting organization to transport cannabis to a
8 consolidated transport center, a different transporting
9 organization at a consolidated transport center, a dispensing
10 organization, or a laboratory. All products received and
11 shipped to and from a consolidated transport center shall be
12 tracked within the cannabis plant monitoring system.

13 (l) An infuser organization may share premises with a
14 craft grower or a dispensing organization, or both, provided
15 each licensee stores currency and cannabis or cannabis-infused
16 products in a separate secured vault to which the other
17 licensee does not have access or all licensees sharing a vault
18 share more than 50% of the same ownership.

19 (m) It is unlawful for any person or entity having an
20 infuser organization license or any officer, associate,
21 member, representative or agent of such licensee to offer or
22 deliver money, or anything else of value, directly or
23 indirectly to any person having an Early Approval Adult Use
24 Dispensing Organization License, a Conditional Adult Use
25 Dispensing Organization License, an Adult Use Dispensing
26 Organization License, or a medical cannabis dispensing

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

20 (n) At no time shall an infuser organization or an infuser
21 agent perform the extraction of cannabis concentrate from
22 cannabis flower except if the infuser organization has also
23 been issued a processor license under subsection (f) of
24 Section 35-31.

25 (o) Cannabis business establishments shall adhere to the
26 traceability and consumer protection guidelines established by

1 the Department of Agriculture when utilizing the cannabis
2 plant monitoring system or cannabis transport GPS tracking
3 system.

4 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19;
5 102-98, eff. 7-15-21; 102-538, eff. 8-20-21; 102-813, eff.
6 5-13-22.)

7 (410 ILCS 705/35-30)

8 Sec. 35-30. Infuser agent identification card.

9 (a) The Department of Agriculture shall:

10 (1) establish by rule the information required in an
11 initial application or renewal application for an agent
12 identification card submitted under this Act and the
13 nonrefundable fee to accompany the initial application or
14 renewal application;

15 (2) verify the information contained in an initial
16 application or renewal application for an agent
17 identification card submitted under this Act, and approve
18 or deny an application within 30 days of receiving a
19 completed initial application or renewal application and
20 all supporting documentation required by rule;

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

24 (4) enter the license number of the infuser where the
25 agent works; and

1 (5) allow for an electronic initial application and
2 renewal application process, and provide a confirmation by
3 electronic or other methods that an application has been
4 submitted. The Department of Agriculture may by rule
5 require prospective agents to file their applications by
6 electronic means and provide notices to the agents by
7 electronic means.

8 (b) An agent must keep his or her identification card
9 visible at all times when on the property of a cannabis
10 business establishment including the cannabis business
11 establishment for which he or she is an agent.

12 (c) The agent identification cards shall contain the
13 following:

14 (1) the name of the cardholder;

15 (2) the date of issuance and expiration date of the
16 identification card;

17 (3) a random 10-digit alphanumeric identification
18 number containing at least 4 numbers and at least 4
19 letters that is unique to the holder;

20 (4) a photograph of the cardholder; and

21 (5) the legal name of the infuser organization
22 employing the agent.

23 (d) An agent identification card shall be immediately
24 returned to the infuser organization of the agent upon
25 termination of his or her employment.

26 (e) Any agent identification card lost by a transporting

1 agent shall be reported to the Illinois State Police and the
2 Department of Agriculture immediately upon discovery of the
3 loss.

4 (f) An agent applicant may begin employment at an infuser
5 organization while the agent applicant's identification card
6 application is pending. Upon approval, the Department shall
7 issue the agent's identification card to the agent. If denied,
8 the infuser organization and the agent applicant shall be
9 notified and the agent applicant must cease all activity at
10 the infuser organization immediately.

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

15 (h) The Department and the Department of Financial and
16 Professional Regulation may develop and implement an
17 integrated system to issue an agent identification card which
18 identifies an infuser agent licensed by the Department as well
19 as any cultivation center, craft grower, transporter,
20 dispensing organization, or community college program license
21 or registration the agent may simultaneously hold.

22 (Source: P.A. 101-27, eff. 6-25-19; 102-98, eff. 7-15-21;
23 102-538, eff. 8-20-21; 102-813, eff. 5-13-22.)

24 (410 ILCS 705/40-25)

25 Sec. 40-25. Transporting organization requirements;

1 prohibitions.

2 (a) The operating documents of a transporting organization
3 shall include procedures for the oversight of the transporter,
4 an inventory monitoring system including a physical inventory
5 recorded weekly, accurate recordkeeping, and a staffing plan.

6 (b) A transporting organization may not transport cannabis
7 or cannabis-infused products to any person other than a
8 cultivation center, a craft grower, an infuser organization, a
9 dispensing organization, a testing facility, a consolidated
10 transport center, or as otherwise authorized by rule.

11 (c) All cannabis transported by a transporting
12 organization must be entered into a data collection system and
13 placed into a cannabis container for transport.

14 (d) Transporters are subject to random inspections by the
15 Department of Agriculture, the Department of Public Health,
16 the Illinois State Police, or as provided by rule.

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

22 (f) No person under the age of 21 years shall be in a
23 commercial vehicle or trailer transporting cannabis goods.

24 (g) No person or individual who is not a transporting
25 organization agent shall be in a vehicle while transporting
26 cannabis goods.

1 (h) Transporters may not use commercial motor vehicles
2 with a weight rating of over 10,001 pounds.

3 (i) It is unlawful for any person to offer or deliver
4 money, or anything else of value, directly or indirectly, to
5 any of the following persons to obtain preferential placement
6 within the dispensing organization, including, without
7 limitation, on shelves and in display cases where purchasers
8 can view products, or on the dispensing organization's
9 website:

10 (1) a person having a transporting organization
11 license, or any officer, associate, member,
12 representative, or agent of the licensee;

13 (2) a person having an Early Applicant Adult Use
14 Dispensing Organization License, an Adult Use Dispensing
15 Organization License, or a medical cannabis dispensing
16 organization license issued under the Compassionate Use of
17 Medical Cannabis Program Act;

18 (3) a person connected with or in any way
19 representing, or a member of the family of, a person
20 holding an Early Applicant Adult Use Dispensing
21 Organization License, an Adult Use Dispensing Organization
22 License, or a medical cannabis dispensing organization
23 license issued under the Compassionate Use of Medical
24 Cannabis Program Act; or

25 (4) a stockholder, officer, manager, agent, or
26 representative of a corporation engaged in the retail sale

1 of cannabis, an Early Applicant Adult Use Dispensing
2 Organization License, an Adult Use Dispensing Organization
3 License, or a medical cannabis dispensing organization
4 license issued under the Compassionate Use of Medical
5 Cannabis Program Act.

6 (j) A transporting organization agent must keep his or her
7 identification card visible at all times when on the property
8 of a cannabis business establishment and during the
9 transporting of cannabis when acting under his or her duties
10 as a transportation organization agent. During these times,
11 the transporting organization agent must also provide the
12 identification card upon request of any law enforcement
13 officer engaged in his or her official duties.

14 (j-5) A transporting organization agent may not be
15 required to remain on the property of a cannabis business
16 establishment after transferring cannabis goods into the
17 control of the cannabis business establishment. A cannabis
18 business establishment may examine the cannabis goods from the
19 delivery after the transporting organization has transferred
20 control of the cannabis goods to the cannabis business
21 establishment.

22 (k) A copy of the transporting organization's registration
23 and a manifest for the delivery shall be present in any vehicle
24 transporting cannabis. A manifest for the delivery may be
25 amended under rules adopted by the Department.

26 (l) Cannabis shall be transported so it is not visible or

1 recognizable from outside the vehicle.

2 (m) A vehicle transporting cannabis must not bear any
3 markings to indicate the vehicle contains cannabis or bear the
4 name or logo of the cannabis business establishment.

5 (n) Cannabis must be transported in an enclosed, locked
6 storage compartment that is secured or affixed to the vehicle.

7 (o) The Department of Agriculture may, by rule, impose any
8 other requirements or prohibitions on the transportation of
9 cannabis.

10 (p) No person, cannabis business establishment, or entity
11 other than an entity with a transporting license may transport
12 cannabis or cannabis-infused products on behalf of a cannabis
13 business establishment to or from a consolidated transport
14 center, unless otherwise authorized by rule.

15 (q) At least 50% of deliveries from a consolidated
16 transport center to a dispensing organization must be
17 allocated to at least 4 distinct independent social equity
18 transporting organizations other than the transporter that
19 operates the consolidated transport center.

20 (r) Cannabis business establishments shall adhere to the
21 traceability and consumer protection guidelines established by
22 the Department of Agriculture when utilizing the cannabis
23 plant monitoring system or cannabis transport GPS tracking
24 system.

25 (s) A cannabis business establishment may not schedule any
26 delivery from a transporting organization within 1 hour of the

1 cannabis business establishment's close of business on any
2 business day.

3 (s) A transporting organization may begin a delivery to a
4 cannabis business establishment at any time during the day. A
5 transporting organization may not be restricted from beginning
6 a delivery based on a cannabis business establishment's listed
7 business hours.

8 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19;
9 102-98, eff. 7-15-21; 102-538, eff. 8-20-21; 102-813, eff.
10 5-13-22.)

11 (410 ILCS 705/40-50 new)

12 Sec. 40-50. Consolidated transport center requirements;
13 prohibitions.

14 (a) The operating documents of a consolidated transport
15 center shall include procedures for the oversight of the
16 consolidated transport center and a cannabis or
17 cannabis-infused products monitoring system, including, a
18 physical inventory recorded weekly, accurate recordkeeping,
19 and a staffing plan that is available to the Department of
20 Revenue, the Department of Agriculture, the Department of
21 Financial and Professional Regulation, and the Illinois State
22 Police.

23 (b) A consolidated transport center shall implement a
24 security plan reviewed by the Illinois State Police that
25 includes, but is not limited to, facility access controls,

1 perimeter intrusion detection systems, personnel
2 identification systems, 24-hour surveillance system to monitor
3 the interior and exterior of the consolidated transport
4 center, and accessibility to authorized law enforcement
5 agencies and officers, and the Department of Agriculture in
6 real time.

7 (c) All consolidating transport center activities by a
8 consolidated transport center must take place in an enclosed,
9 fenced, and locked facility at the physical address provided
10 to the Department of Agriculture during the licensing process.
11 The consolidated transport center location shall only be
12 accessed by the agents working for the consolidated transport
13 center, the Department of Agriculture staff performing
14 inspections, local and State law enforcement or other
15 emergency personnel, contractors working on jobs unrelated to
16 cannabis, such as installing or maintaining security devices
17 or performing electrical wiring, transporting organization
18 agents as provided in this Act, individuals in a mentoring or
19 educational program approved by the State, or other
20 individuals as provided by rule.

21 (d) A consolidated transport center may not store cannabis
22 for more than 48 hours, excluding weekends or holidays.

23 (e) A consolidated transport center may not distribute any
24 cannabis or cannabis-infused products to any person other than
25 a dispensing organization, craft grower, infuser organization,
26 transporter, consolidated transport center, or as otherwise

1 authorized by rule.

2 (f) A consolidated transport center shall enter into a
3 contract with, and allocate at least 50% of all transport
4 routes to, at least 4 separate independent social equity
5 transporting organizations to deliver product to receiving
6 dispensaries. The contracted independent social equity
7 transporting organizations may not own a consolidated
8 transport center. The transport routes may not be completed by
9 the transporter that operates that consolidated transport
10 center.

11 (g) All cannabis or cannabis-infused products received by
12 a consolidated transport center for distribution to a cannabis
13 business establishment must be entered into the cannabis plant
14 monitoring system, packaged and labeled under Section 55-21,
15 and placed into a cannabis container for transport.

16 (h) Consolidated transport centers are subject to random
17 inspections by the Department of Agriculture, local safety or
18 health inspectors, and the Illinois State Police.

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

24 (j) No person or entity shall hold any legal, equitable,
25 ownership, or beneficial interest, directly or indirectly, of
26 more than 3 consolidated transport center licenses under this

1 Act. Further, no person or entity that is employed by a
2 cannabis business establishment, an agent of a cannabis
3 business establishment, has a contract to receive payment in
4 any form from a cannabis business establishment, is a
5 principal officer of a cannabis business establishment, or is
6 an entity controlled by or affiliated with a principal officer
7 of a cannabis business establishment shall hold any legal,
8 equitable, ownership, or beneficial interest, directly or
9 indirectly, in a cannabis business establishment that would
10 result in the person or entity owning or controlling in
11 combination with any cannabis business establishment,
12 principal officer of a cannabis business establishment, or
13 entity controlled or affiliated with a principal officer of a
14 cannabis business establishment by which he, she, or it is
15 employed, is an agent of, or participates in the management
16 of, more than 3 consolidated transport center licenses.

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

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

18 (l) A consolidated transport center must comply with the
19 application process, mandatory fees, compliance requirements,
20 and prohibitions set by administrative rules of the Department
21 of Agriculture.

22 (m) All fees and fines collected under this Section shall
23 be deposited into the Cannabis Regulation Fund, unless
24 otherwise specified by rule by the Department of Agriculture.

25 (n) A consolidated transport center may not transfer an
26 ownership interest in a license without prior Department

1 approval. Such approval may be withheld if the person or
2 entity to whom the license is being transferred does not meet
3 the definition of independent social equity transporting
4 organization under this Act.

5 (o) The Department of Agriculture shall award up to 10
6 statewide licenses to consolidated transport centers.

7 (p) The Department of Agriculture shall adopt rules to
8 implement and administer a program permitting independent
9 social equity transporting organizations may temporarily store
10 rejected product until a consolidated transportation center is
11 operational.

12 (q) The Department of Agriculture may not impose a maximum
13 size limit for a consolidated transport center.

14 (410 ILCS 705/45-5)

15 Sec. 45-5. License suspension; revocation; other
16 penalties.

17 (a) Notwithstanding any other criminal penalties related
18 to the unlawful possession of cannabis, the Department of
19 Financial and Professional Regulation and the Department of
20 Agriculture may revoke, suspend, place on probation,
21 reprimand, issue cease and desist orders, refuse to issue or
22 renew a license, or take any other disciplinary or
23 nondisciplinary action as each department may deem proper with
24 regard to a cannabis business establishment or cannabis
25 business establishment agent, including fines not to exceed:

1 (1) \$50,000 for each violation of this Act or rules
2 adopted under this Act by a cultivation center or
3 cultivation center agent;

4 (2) \$20,000 for each violation of this Act or rules
5 adopted under this Act by a dispensing organization or
6 dispensing organization agent;

7 (3) \$15,000 for each violation of this Act or rules
8 adopted under this Act by a craft grower or craft grower
9 agent;

10 (4) \$10,000 for each violation of this Act or rules
11 adopted under this Act by an infuser organization or
12 infuser organization agent; and

13 (5) \$10,000 for each violation of this Act or rules
14 adopted under this Act by a transporting organization or
15 transporting organization agent.

16 (6) \$15,000 for each violation of this Act or rules
17 adopted under this Act by a cannabis testing facility.

18 (b) The Department of Financial and Professional
19 Regulation and the Department of Agriculture, as the case may
20 be, shall consider licensee cooperation in any agency or other
21 investigation in its determination of penalties imposed under
22 this Section.

23 (c) The procedures for disciplining a cannabis business
24 establishment or cannabis business establishment agent and for
25 administrative hearings shall be determined by rule, and shall
26 provide for the review of final decisions under the

1 Administrative Review Law.

2 (d) The Attorney General may also enforce a violation of
3 Section 55-20, Section 55-21, and Section 15-155 as an
4 unlawful practice under the Consumer Fraud and Deceptive
5 Business Practices Act.

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

7 (410 ILCS 705/50-5)

8 Sec. 50-5. Laboratory testing.

9 (a) Notwithstanding any other provision of law, the
10 following acts, when performed by a cannabis testing facility
11 with a current, valid license ~~registration~~, or a person 21
12 years of age or older who is acting in his or her capacity as
13 an owner, employee, or agent of a cannabis testing facility,
14 are not unlawful and shall not be an offense under Illinois law
15 or be a basis for seizure or forfeiture of assets under
16 Illinois law:

17 (1) possessing, repackaging, transporting, storing, or
18 displaying cannabis or cannabis-infused products;

19 (2) receiving or transporting cannabis or
20 cannabis-infused products from a cannabis business
21 establishment, a community college licensed under the
22 Community College Cannabis Vocational Training Pilot
23 Program, or a person 21 years of age or older; and

24 (3) returning or transporting cannabis or
25 cannabis-infused products to a cannabis business

1 establishment, a community college licensed under the
2 Community College Cannabis Vocational Training Pilot
3 Program, or a person 21 years of age or older.

4 (b) (1) No laboratory shall handle, test, or analyze
5 cannabis unless approved by the Department of Agriculture in
6 accordance with this Section.

7 (2) No laboratory shall be approved to handle, test, or
8 analyze cannabis unless the laboratory:

9 (A) is licensed by the Department of Agriculture;

10 (A-5) is accredited by a private laboratory
11 accrediting organization;

12 (B) is independent from all other persons involved in
13 the cannabis industry in Illinois and no person with a
14 direct or indirect interest in the laboratory has a direct
15 or indirect financial, management, or other interest in an
16 Illinois cultivation center, craft grower, dispensary,
17 infuser, transporter, certifying physician, or any other
18 entity in the State that may benefit from the production,
19 manufacture, dispensing, sale, purchase, or use of
20 cannabis; and

21 (C) has employed at least one person to oversee and be
22 responsible for the laboratory testing who has earned,
23 from a college or university accredited by a national or
24 regional certifying authority, at least:

25 (i) a master's level degree in chemical or
26 biological sciences and a minimum of 2 years'

1 post-degree laboratory experience; or

2 (ii) a bachelor's degree in chemical or biological
3 sciences and a minimum of 4 years' post-degree
4 laboratory experience.

5 (3) Each independent testing laboratory that claims to be
6 accredited must provide the Department of Agriculture with a
7 copy of the most recent annual inspection report granting
8 accreditation and every annual report thereafter.

9 (c) Immediately before manufacturing or natural processing
10 of any cannabis or cannabis-infused product or packaging
11 cannabis for sale to a dispensary, each batch shall be made
12 available by the cultivation center, craft grower, or infuser
13 for an employee of an approved laboratory to select a random
14 sample, which shall be tested by the approved laboratory for:

15 (1) microbiological contaminants;

16 (2) mycotoxins;

17 (3) pesticide active ingredients;

18 (4) residual solvent; and

19 (5) an active ingredient analysis.

20 (d) The Department of Agriculture may select a random
21 sample that shall, for the purposes of conducting an active
22 ingredient analysis, be tested by the Department of
23 Agriculture for verification of label information and any
24 other testing deemed necessary by the Department.

25 (e) A laboratory shall immediately return or dispose of
26 any cannabis upon the completion of any testing, use, or

1 research. If cannabis is disposed of, it shall be done in
2 compliance with Department of Agriculture rule.

3 (f) If a sample of cannabis does not pass the
4 microbiological, mycotoxin, pesticide chemical residue, or
5 solvent residue test, based on the standards established by
6 the Department of Agriculture, the following shall apply:

7 (1) If the sample failed the pesticide chemical
8 residue test, the entire batch from which the sample was
9 taken shall, if applicable, be recalled as provided by
10 rule.

11 (2) If the sample failed any other test, the batch may
12 be used to make a CO₂-based or solvent based extract. After
13 processing, the CO₂-based or solvent based extract must
14 still pass all required tests.

15 (g) The Department of Agriculture shall establish
16 standards for microbial, mycotoxin, pesticide residue, solvent
17 residue, or other standards for the presence of possible
18 contaminants, in addition to labeling requirements for
19 contents and potency.

20 (h) The laboratory shall file with the Department of
21 Agriculture an electronic copy of each laboratory test result
22 for any batch that does not pass the microbiological,
23 mycotoxin, or pesticide chemical residue test, at the same
24 time that it transmits those results to the cultivation
25 center. In addition, the laboratory shall maintain the
26 laboratory test results for at least 5 years and make them

1 available at the Department of Agriculture's request.

2 (i) A cultivation center, craft grower, and infuser shall
3 provide to a dispensing organization the laboratory test
4 results for each batch of cannabis product purchased by the
5 dispensing organization, if sampled. Each dispensing
6 organization must have those laboratory results available upon
7 request to purchasers.

8 (j) The Department of Agriculture may adopt rules related
9 to testing and licensing of laboratories in furtherance of
10 this Act.

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

12 (410 ILCS 705/55-30)

13 Sec. 55-30. Confidentiality.

14 (a) Information provided by the cannabis business
15 establishment licensees or applicants to the Department of
16 Agriculture, the Department of Public Health, the Department
17 of Financial and Professional Regulation, the Department of
18 Commerce and Economic Opportunity, or other agency shall be
19 limited to information necessary for the purposes of
20 administering this Act. The information is subject to the
21 provisions and limitations contained in the Freedom of
22 Information Act and may be disclosed in accordance with
23 Section 55-65.

24 (b) The following information received and records kept by
25 the Department of Agriculture, the Department of Public

1 Health, the Illinois State Police, and the Department of
2 Financial and Professional Regulation for purposes of
3 administering this Article are subject to all applicable
4 federal privacy laws, are confidential and exempt from
5 disclosure under the Freedom of Information Act, except as
6 provided in this Act, and not subject to disclosure to any
7 individual or public or private entity, except to the
8 Department of Financial and Professional Regulation, the
9 Department of Agriculture, the Department of Public Health,
10 the Department of Commerce and Economic Opportunity, the
11 Office of Executive Inspector General, and the Illinois State
12 Police as necessary to perform official duties under this
13 Article, ~~and~~ to the Attorney General as necessary to enforce
14 the provisions of this Act, and except as necessary to those
15 involved in enforcing the State Officials and Employees Ethics
16 Act. The following information received and kept by the
17 Department of Financial and Professional Regulation or the
18 Department of Agriculture may be disclosed to the Department
19 of Public Health, the Department of Agriculture, the
20 Department of Revenue, the Department of Commerce and Economic
21 Opportunity, the Illinois State Police, the Office of
22 Executive Inspector General, or the Attorney General upon
23 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 Department of Financial and Professional
15 Regulation or the Department of Agriculture, except as
16 necessary to the Attorney General to enforce this Act.

17 (c) The name and address of a dispensing organization
18 licensed under this Act shall be subject to disclosure under
19 the Freedom of Information Act. The name and cannabis business
20 establishment address of the person or entity holding each
21 cannabis business establishment license shall be subject to
22 disclosure.

23 (d) All information collected by the Department of
24 Financial and Professional Regulation or the Department of
25 Agriculture in the course of an examination, inspection, or
26 investigation of a licensee or applicant, including, but not

1 limited to, any complaint against a licensee or applicant
2 filed with the Department of Financial and Professional
3 Regulation or the Department of Agriculture and information
4 collected to investigate any such complaint, shall be
5 maintained for the confidential use of the Department of
6 Financial and Professional Regulation or the Department of
7 Agriculture and shall not be disclosed, except to those
8 involved in enforcing the State Officials and Employees Ethics
9 Act and as otherwise provided in this Act. A formal complaint
10 against a licensee by the Department of Financial and
11 Professional Regulation or the Department of Agriculture or
12 any disciplinary order issued by the Department of Financial
13 and Professional Regulation or the Department of Agriculture
14 against a licensee or applicant shall be a public record,
15 except as otherwise provided by law. Complaints from consumers
16 or members of the general public received regarding a
17 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 Department of Agriculture, the Illinois State
21 Police, and the Department of Financial and Professional
22 Regulation shall not share or disclose any Illinois or
23 national criminal history record information, or the
24 nonexistence or lack of such information, to any person or
25 entity not expressly authorized by this Act.

26 (f) Each Department responsible for licensure under this

1 Act shall publish on the Department's website a list of the
2 ownership information of cannabis business establishment
3 licensees under the Department's jurisdiction. The list shall
4 include, but is not limited to: the name of the person or
5 entity holding each cannabis business establishment license;
6 and the address at which the entity is operating under this
7 Act. This list shall be published and updated monthly.

8 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19;
9 102-98, eff. 7-15-21; 102-538, eff. 8-20-21; 102-813, eff.
10 5-13-22.)

11 (410 ILCS 705/55-65)

12 Sec. 55-65. Financial institutions.

13 (a) A financial institution that provides financial
14 services customarily provided by financial institutions to a
15 cannabis business establishment authorized under this Act or
16 the Compassionate Use of Medical Cannabis Program Act, or to a
17 person that is affiliated with such cannabis business
18 establishment, is exempt from any criminal law of this State
19 as it relates to cannabis-related conduct authorized under
20 State law.

21 (b) Upon request of a financial institution, a cannabis
22 business establishment or proposed cannabis business
23 establishment may provide to the financial institution the
24 following information:

25 (1) Whether a cannabis business establishment with

1 which the financial institution is doing or is considering
2 doing business holds a license under this Act or the
3 Compassionate Use of Medical Cannabis Program Act;

4 (2) The name of any other business or individual
5 affiliate with the cannabis business establishment;

6 (3) A copy of the application, and any supporting
7 documentation submitted with the application, for a
8 license or a permit submitted on behalf of the proposed
9 cannabis business establishment;

10 (4) If applicable, data relating to sales and the
11 volume of product sold by the cannabis business
12 establishment;

13 (5) Any past or pending violation by the person of
14 this Act, the Compassionate Use of Medical Cannabis
15 Program Act, or the rules adopted under these Acts where
16 applicable; and

17 (6) Any penalty imposed upon the person for violating
18 this Act, the Compassionate Use of Medical Cannabis
19 Program Act, or the rules adopted under these Acts.

20 (c) (Blank).

21 (d) (Blank).

22 (e) Information received by a financial institution under
23 this Section is confidential. Except as otherwise required or
24 permitted by this Act, State law or rule, or federal law or
25 regulation, a financial institution may not make the
26 information available to any person other than:

1 (1) the customer to whom the information applies;

2 (2) a trustee, conservator, guardian, personal
3 representative, or agent of the customer to whom the
4 information applies; a federal or State regulator when
5 requested in connection with an examination of the
6 financial institution or if otherwise necessary for
7 complying with federal or State law;

8 (3) a federal or State regulator when requested in
9 connection with an examination of the financial
10 institution or if otherwise necessary for complying with
11 federal or State law; ~~and~~

12 (4) a third party performing services for the
13 financial institution, provided the third party is
14 performing such services under a written agreement that
15 expressly or by operation of law prohibits the third
16 party's sharing and use of such confidential information
17 for any purpose other than as provided in its agreement to
18 provide services to the financial institution; and.

19 (5) the Office of Executive Inspector General pursuant
20 to an investigation.

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

22 (410 ILCS 705/60-10)

23 Sec. 60-10. Tax imposed.

24 (a) Beginning September 1, 2019, a tax is imposed upon the
25 privilege of cultivating cannabis at the rate of 7% of the

1 gross receipts from the first sale of cannabis by a
2 cultivator. The sale of any product that contains any amount
3 of cannabis or any derivative thereof is subject to the tax
4 under this Section on the full selling price of the product.
5 The Department may determine the selling price of the cannabis
6 when the seller and purchaser are affiliated persons, when the
7 sale and purchase of cannabis is not an arm's length
8 transaction, or when cannabis is transferred by a craft grower
9 to the craft grower's dispensing organization or infuser ~~or~~
10 ~~processing~~ organization and a value is not established for the
11 cannabis. The value determined by the Department shall be
12 commensurate with the actual price received for products of
13 like quality, character, and use in the area. If there are no
14 sales of cannabis of like quality, character, and use in the
15 same area, then the Department shall establish a reasonable
16 value based on sales of products of like quality, character,
17 and use in other areas of the State, taking into consideration
18 any other relevant factors.

19 (b) The Cannabis Cultivation Privilege Tax imposed under
20 this Article is solely the responsibility of the cultivator
21 who makes the first sale and is not the responsibility of a
22 subsequent purchaser, a dispensing organization, or an
23 infuser. Persons subject to the tax imposed under this Article
24 may, however, reimburse themselves for their tax liability
25 hereunder by separately stating reimbursement for their tax
26 liability as an additional charge.

1 (c) The tax imposed under this Article shall be in
2 addition to all other occupation, privilege, or excise taxes
3 imposed by the State of Illinois or by any unit of local
4 government.

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

6 (410 ILCS 705/65-10)

7 Sec. 65-10. Tax imposed.

8 (a) Beginning January 1, 2020, a tax is imposed upon
9 purchasers for the privilege of using cannabis, and not for
10 the purpose of resale, at the following rates:

11 (1) Any cannabis, other than a cannabis-infused
12 product, with an adjusted delta-9-tetrahydrocannabinol
13 level at or below 35% shall be taxed at a rate of 10% of
14 the purchase price;

15 (2) Any cannabis, other than a cannabis-infused
16 product, with an adjusted delta-9-tetrahydrocannabinol
17 level above 35% shall be taxed at a rate of 25% of the
18 purchase price; and

19 (3) A cannabis-infused product shall be taxed at a
20 rate of 20% of the purchase price.

21 (b) The purchase of any product that contains any amount
22 of cannabis or any derivative thereof is subject to the tax
23 under subsection (a) of this Section on the full purchase
24 price of the product.

25 (c) The tax imposed under this Section is not imposed on

1 cannabis that is subject to tax under the Compassionate Use of
2 Medical Cannabis Program Act. The tax imposed by this Section
3 is not imposed with respect to any transaction in interstate
4 commerce, to the extent the transaction may not, under the
5 Constitution and statutes of the United States, be made the
6 subject of taxation by this State.

7 (d) The tax imposed under this Article shall be in
8 addition to all other occupation, privilege, or excise taxes
9 imposed by the State of Illinois or by any municipal
10 corporation or political subdivision thereof.

11 (e) The tax imposed under this Article shall not be
12 imposed on any purchase by a purchaser if the cannabis
13 retailer is prohibited by federal or State Constitution,
14 treaty, convention, statute, or court decision from collecting
15 the tax from the purchaser.

16 (f) The tax imposed under this Article shall not be
17 imposed on cannabis or cannabis infused products purchased by
18 a qualified patient, designated caregiver, or provisional
19 patient when purchasing cannabis as part of their adequate
20 medical supply as these terms are defined under the
21 Compassionate Use of Medical Cannabis Program Act and this
22 Act.

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

24 (410 ILCS 705/65-38)

25 Sec. 65-38. Violations and penalties.

1 (a) When the amount due is under \$300, any retailer of
2 cannabis who fails to file a return, willfully fails or
3 refuses to make any payment to the Department of the tax
4 imposed by this Article, or files a fraudulent return, or any
5 officer or agent of a corporation engaged in the business of
6 selling cannabis to purchasers located in this State who signs
7 a fraudulent return filed on behalf of the corporation, or any
8 accountant or other agent who knowingly enters false
9 information on the return of any taxpayer under this Article
10 is guilty of a Class 4 felony.

11 (b) When the amount due is \$300 or more, any retailer of
12 cannabis who files, or causes to be filed, a fraudulent
13 return, or any officer or agent of a corporation engaged in the
14 business of selling cannabis to purchasers located in this
15 State who files or causes to be filed or signs or causes to be
16 signed a fraudulent return filed on behalf of the corporation,
17 or any accountant or other agent who knowingly enters false
18 information on the return of any taxpayer under this Article
19 is guilty of a Class 3 felony.

20 (c) Any person who violates any provision of Section
21 65-20, fails to keep books and records as required under this
22 Article, or willfully violates a rule of the Department for
23 the administration and enforcement of this Article is guilty
24 of a Class 4 felony. A person commits a separate offense on
25 each day that he or she engages in business in violation of
26 Section 65-20 or a rule of the Department for the

1 administration and enforcement of this Article. If a person
2 fails to produce the books and records for inspection by the
3 Department upon request, a prima facie presumption shall arise
4 that the person has failed to keep books and records as
5 required under this Article. A person who is unable to rebut
6 this presumption is in violation of this Article and is
7 subject to the penalties provided in this Section.

8 (d) Any person who violates any provision of Sections
9 ~~65-20, fails to keep books and records as required under this~~
10 ~~Article,~~ or willfully violates a rule of the Department for
11 the administration and enforcement of this Article, is guilty
12 of a business offense and may be fined up to \$5,000. ~~If a~~
13 ~~person fails to produce books and records for inspection by~~
14 ~~the Department upon request, a prima facie presumption shall~~
15 ~~arise that the person has failed to keep books and records as~~
16 ~~required under this Article. A person who is unable to rebut~~
17 ~~this presumption is in violation of this Article and is~~
18 ~~subject to the penalties provided in this Section.~~ A person
19 commits a separate offense on each day that he or she engages
20 in business in violation of Section 65-20.

21 (e) Any taxpayer or agent of a taxpayer who with the intent
22 to defraud purports to make a payment due to the Department by
23 issuing or delivering a check or other order upon a real or
24 fictitious depository for the payment of money, knowing that
25 it will not be paid by the depository, is guilty of a deceptive
26 practice in violation of Section 17-1 of the Criminal Code of

1 2012.

2 (f) Any person who fails to keep books and records or fails
3 to produce books and records for inspection, as required by
4 Section 65-36, is liable to pay to the Department, for deposit
5 in the Tax Compliance and Administration Fund, a penalty of
6 \$1,000 for the first failure to keep books and records or
7 failure to produce books and records for inspection, as
8 required by Section 65-36, and \$3,000 for each subsequent
9 failure to keep books and records or failure to produce books
10 and records for inspection, as required by Section 65-36.

11 (g) Any person who knowingly acts as a retailer of
12 cannabis in this State without first having obtained a
13 certificate of registration to do so in compliance with
14 Section 65-20 of this Article shall be guilty of a Class 4
15 felony.

16 (h) A person commits the offense of tax evasion under this
17 Article when he or she knowingly attempts in any manner to
18 evade or defeat the tax imposed on him or her or on any other
19 person, or the payment thereof, and he or she commits an
20 affirmative act in furtherance of the evasion. As used in this
21 Section, "affirmative act in furtherance of the evasion" means
22 an act designed in whole or in part to (i) conceal,
23 misrepresent, falsify, or manipulate any material fact or (ii)
24 tamper with or destroy documents or materials related to a
25 person's tax liability under this Article. Two or more acts of
26 sales tax evasion may be charged as a single count in any

1 indictment, information, or complaint and the amount of tax
2 deficiency may be aggregated for purposes of determining the
3 amount of tax that is attempted to be or is evaded and the
4 period between the first and last acts may be alleged as the
5 date of the offense.

6 (1) When the amount of tax, the assessment or payment
7 of which is attempted to be or is evaded is less than \$500,
8 a person is guilty of a Class 4 felony.

9 (2) When the amount of tax, the assessment or payment
10 of which is attempted to be or is evaded is \$500 or more
11 but less than \$10,000, a person is guilty of a Class 3
12 felony.

13 (3) When the amount of tax, the assessment or payment
14 of which is attempted to be or is evaded is \$10,000 or more
15 but less than \$100,000, a person is guilty of a Class 2
16 felony.

17 (4) When the amount of tax, the assessment or payment
18 of which is attempted to be or is evaded is \$100,000 or
19 more, a person is guilty of a Class 1 felony.

20 Any person who knowingly sells, purchases, installs,
21 transfers, possesses, uses, or accesses any automated sales
22 suppression device, zapper, or phantom-ware in this State is
23 guilty of a Class 3 felony.

24 As used in this Section:

25 "Automated sales suppression device" or "zapper" means a
26 software program that falsifies the electronic records of an

1 electronic cash register or other point-of-sale system,
2 including, but not limited to, transaction data and
3 transaction reports. The term includes the software program,
4 any device that carries the software program, or an Internet
5 link to the software program.

6 "Phantom-ware" means a hidden programming option embedded
7 in the operating system of an electronic cash register or
8 hardwired into an electronic cash register that can be used to
9 create a second set of records or that can eliminate or
10 manipulate transaction records in an electronic cash register.

11 "Electronic cash register" means a device that keeps a
12 register or supporting documents through the use of an
13 electronic device or computer system designed to record
14 transaction data for the purpose of computing, compiling, or
15 processing retail sales transaction data in any manner.

16 "Transaction data" includes: items purchased by a
17 purchaser; the price of each item; a taxability determination
18 for each item; a segregated tax amount for each taxed item; the
19 amount of cash or credit tendered; the net amount returned to
20 the customer in change; the date and time of the purchase; the
21 name, address, and identification number of the vendor; and
22 the receipt or invoice number of the transaction.

23 "Transaction report" means a report that documents,
24 without limitation, the sales, taxes, or fees collected, media
25 totals, and discount voids at an electronic cash register and
26 that is printed on a cash register tape at the end of a day or

1 shift, or a report that documents every action at an
2 electronic cash register and is stored electronically.

3 A prosecution for any act in violation of this Section may
4 be commenced at any time within 5 years of the commission of
5 that act.

6 (i) The Department may adopt rules to administer the
7 penalties under this Section.

8 (j) Any person whose principal place of business is in
9 this State and who is charged with a violation under this
10 Section shall be tried in the county where his or her principal
11 place of business is located unless he or she asserts a right
12 to be tried in another venue.

13 (k) Except as otherwise provided in subsection (h), a
14 prosecution for a violation described in this Section may be
15 commenced within 3 years after the commission of the act
16 constituting the violation.

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

18 (410 ILCS 705/65-42)

19 Sec. 65-42. Seizure and forfeiture. After seizing any
20 cannabis as provided in Section 65-41, the Department must
21 hold a hearing and determine whether (i) the retailer was
22 properly registered to sell the cannabis; (ii) the retailer
23 possessed the cannabis in violation of this Act; (iii) the
24 retailer possessed the cannabis in violation of any reasonable
25 rule or regulation adopted by the Department for the

1 enforcement of this Act; or (iv) the tax imposed by Article 60
2 had been paid on the cannabis at the time of its seizure by the
3 Department. The Department shall give not less than 20 days'
4 notice of the time and place of the hearing to the owner of the
5 cannabis, if the owner is known, and also to the person in
6 whose possession the cannabis was found, if that person is
7 known and if the person in possession is not the owner of the
8 cannabis. If neither the owner nor the person in possession of
9 the cannabis is known, the Department must cause publication
10 of the time and place of the hearing to be made at least once
11 in each week for 3 weeks successively in a newspaper of general
12 circulation in the county where the hearing is to be held.

13 If, as the result of the hearing, the Department makes any
14 of the findings listed in items (i) through (iv) above
15 ~~determines that the retailer was not properly registered at~~
16 ~~the time the cannabis was seized~~, the Department must enter an
17 order declaring the cannabis confiscated and forfeited to the
18 State, to be held by the Department for disposal by it as
19 provided in Section 65-43. The Department must give notice of
20 the order to the owner of the cannabis, if the owner is known,
21 and also to the person in whose possession the cannabis was
22 found, if that person is known and if the person in possession
23 is not the owner of the cannabis. If neither the owner nor the
24 person in possession of the cannabis is known, the Department
25 must cause publication of the order to be made at least once in
26 each week for 3 weeks successively in a newspaper of general

1 circulation in the county where the hearing was held.

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

3 (410 ILCS 705/15-10 rep.)

4 (410 ILCS 705/20-50 rep.)

5 (410 ILCS 705/30-50 rep.)

6 Section 60. The Cannabis Regulation and Tax Act is amended
7 by repealing Sections 15-10, 20-50, and 30-50.

8 Section 65. The Illinois Vehicle Code is amended by
9 changing Sections 11-502.1 and 11-502.15 as follows:

10 (625 ILCS 5/11-502.1)

11 Sec. 11-502.1. Possession of medical cannabis in a motor
12 vehicle.

13 (a) No driver, who is a medical cannabis cardholder, may
14 use medical cannabis within the passenger area of any motor
15 vehicle upon a highway in this State.

16 (b) No driver, who is a medical cannabis cardholder,
17 medical cannabis provisional patient, a medical cannabis
18 designated caregiver, medical cannabis cultivation center
19 agent, or dispensing organization agent may possess ~~medical~~
20 cannabis within any area of any motor vehicle upon a highway in
21 this State except in a secured, sealed or resealable,
22 ~~odor proof,~~ and child-resistant ~~medical-cannabis~~ container
23 that is inaccessible.

1 (c) No passenger, who is a medical cannabis card holder,
2 medical cannabis provisional patient, a medical cannabis
3 designated caregiver, or medical cannabis dispensing
4 organization agent may possess ~~medical~~ cannabis within any
5 passenger area of any motor vehicle upon a highway in this
6 State except in a secured, sealed or resealable, ~~odor proof~~,
7 and child-resistant ~~medical-cannabis~~ container that is
8 inaccessible.

9 (d) Any person who violates subsections (a) through (c) of
10 this Section:

11 (1) commits a Class A misdemeanor;

12 (2) shall be subject to revocation of his or her
13 medical cannabis card for a period of 2 years from the end
14 of the sentence imposed; and

15 (3) shall be subject to revocation of his or her
16 status as a designated ~~medical-cannabis~~ caregiver, medical
17 cannabis cultivation center agent, or medical cannabis
18 dispensing organization agent for a period of 2 years from
19 the end of the sentence imposed.

20 (Source: P.A. 101-27, eff. 6-25-19; 102-98, eff. 7-15-21;
21 102-558, eff. 8-20-21.)

22 (625 ILCS 5/11-502.15)

23 Sec. 11-502.15. Possession of adult use cannabis in a
24 motor vehicle.

25 (a) No driver may use cannabis within the passenger area

1 of any motor vehicle upon a highway in this State.

2 (b) No driver may possess cannabis within any area of any
3 motor vehicle upon a highway in this State except in a secured,
4 sealed or resealable, and ~~odor-proof,~~ child-resistant ~~cannabis~~
5 container that is inaccessible.

6 (c) No passenger may possess cannabis within any passenger
7 area of any motor vehicle upon a highway in this State except
8 in a secured, sealed or resealable, and ~~odor-proof,~~
9 child-resistant ~~cannabis~~ container that is inaccessible.

10 (d) Any person who knowingly violates subsection (a), (b),
11 or (c) of this Section commits a Class A misdemeanor.

12 (Source: P.A. 101-27, eff. 6-25-19; 102-98, eff. 7-15-21.)

13 Section 70. The Tobacco Accessories and Smoking Herbs
14 Control Act is amended by changing Section 2 as follows:

15 (720 ILCS 685/2) (from Ch. 23, par. 2358-2)

16 Sec. 2. Purpose. The sale and possession of ~~marijuana,~~
17 ~~hashish,~~ cocaine, opium, and their derivatives, is not only
18 prohibited by Illinois Law, but the use of these substances
19 has been deemed injurious to the health of the user.

20 It has further been determined by the Surgeon General of
21 the United States that the use of tobacco is hazardous to human
22 health.

23 The ready availability of smoking herbs to persons under
24 21 years of age could lead to the use of tobacco and illegal

1 drugs.

2 It is in the best interests of the citizens of the State of
3 Illinois to seek to prohibit the spread of illegal drugs,
4 tobacco or smoking materials to persons under 21 years of age.
5 The prohibition of the sale of tobacco and snuff accessories
6 and smoking herbs to persons under 21 years of age would help
7 to curb the usage of illegal drugs and tobacco products, among
8 our youth.

9 (Source: P.A. 101-2, eff. 7-1-19.)

10 Section 999. Effective date. This Act takes effect upon
11 becoming law.".