



Sen. Kimberly A. Lightford

Filed: 5/22/2024

10300HB4293sam002

LRB103 35932 RJT 73988 a

1 AMENDMENT TO HOUSE BILL 4293

2 AMENDMENT NO. _____. Amend House Bill 4293, AS AMENDED,
3 by replacing everything after the enacting clause with the
4 following:

5 "Section 1. Short title. This Act may be cited as the Hemp
6 Consumer Products Act.

7 Section 5. Definitions. In this Act:

8 "Accreditation body" means an impartial non-profit
9 organization that operates in conformance with the
10 International Organization for Standardization
11 (ISO)/International Electrotechnical Commission (IEC)
12 standard 17011 and is a signatory to the International
13 Laboratory Accreditation Cooperation (ILAC) Mutual Recognition
14 Arrangement (MRA) for Testing.

15 "Artificially derived cannabinoid" means a cannabinoid
16 that is created by a chemical or physical reaction that

1 changes the molecular structure of any chemical substance
2 derived from Cannabis sativa.

3 "Department" means the Department of Agriculture.

4 "Director" means the Director of Agriculture.

5 "Hemp cannabinoid" means a naturally occurring
6 phytocannabinoid derived from the hemp plant that does not
7 have an intoxicating effect on the mind and body, as
8 determined by the Department by rule, including:

9 (1) cannabidiol (CBD);

10 (2) cannabichromene (CBC);

11 (3) cannabicitran (CBT);

12 (4) cannabicyclol (CBL);

13 (5) cannabielsoin (CBE);

14 (6) cannabigerol (CBG);

15 (7) cannabidivarin (CBDV); or

16 (8) cannabinol (CBN).

17 "Hemp consumer CBD product" means a product offered for
18 sale or distribution that:

19 (1) contains naturally occurring hemp
20 phytocannabinoids;

21 (2) is intended for consumption by any means,
22 including, but not limited to, oral ingestion, inhalation,
23 smoking, or topical absorption;

24 (3) contains a total tetrahydrocannabinol
25 concentration of no greater than:

26 (a) 0.3% for any intermediate or finished plant

1 product or material, or any hemp consumer CBD product
2 intended for consumption by inhalation or smoking; or

3 (b) 0.5 milligrams per serving or individual
4 product unit, and 2 milligrams per package for
5 products sold in multiple servings or units, for any
6 beverage, food, oil, ointment, tincture, topical
7 formation, or any other product that is intended for
8 human consumption by means other than inhalation or
9 smoking; and

10 (4) contains a total hemp cannabinoid concentration
11 that is at least 25 times greater than the total
12 tetrahydrocannabinol concentration per serving and per
13 package.

14 "Hemp consumer CBD product registrant" means a person or
15 entity that manufactures, processes, packages, handles,
16 distributes or otherwise adds value to the hemp consumer CBD
17 product, and made the first sale of the hemp consumer CBD
18 product in Illinois to an Illinois wholesaler, processor,
19 distributor, retailer, or consumer, or as otherwise defined by
20 rule. A hemp consumer CBD product registrant is required to
21 register hemp consumer CBD products with the Department of
22 Agriculture prior to sale of hemp consumer CBD products in
23 Illinois.

24 "Hemp consumer products processor" means a person or
25 entity located in Illinois licensed to source industrial hemp
26 plant material from a licensed state, tribal, or USDA hemp

1 cultivator, and process, manufacture, and distribute hemp
2 products for human or animal consumption.

3 "Hemp-derived intoxicating product" means a beverage,
4 food, oil, ointment, tincture, topical formulation, or other
5 product intended for human consumption that is derived from
6 hemp extract and does not contain more than 5 milligrams per
7 serving or 10 milligrams per package of delta-9 THC derived
8 from any naturally occurring cannabinoids found in hemp that
9 may only be offered for sale at a dispensing organization
10 under the Cannabis Regulation and Tax Act.

11 "Scope of accreditation" means a document issued by an
12 accreditation body that attests to a testing laboratory's
13 competence to carry out specific testing and analysis.

14 "Synthetic cannabinoid" means a cannabinoid-like compound
15 that was produced using chemical synthesis, chemical
16 modification, or chemical conversion, including in vitro
17 biosynthesis or other bioconversion of such a method.
18 "Synthetic cannabinoid" includes cannabinoids converted from
19 one chemical structure into another, such as
20 tetrahydrocannabinol produced by the conversion of
21 cannabidiol.

22 "Testing laboratory" means an independent, third-party
23 laboratory approved and registered with the Department that is
24 contracted to test hemp consumer CBD products. A testing
25 laboratory may include laboratories approved by the Department
26 under the Cannabis Regulation and Tax Act or a laboratory

1 operated by the State.

2 "Tetrahydrocannabinol" or "THC" means any naturally
3 occurring or synthetic tetrahydrocannabinol, including its
4 salts, isomers, and salts of isomers whenever the existence of
5 such salts, isomers, and salts of isomers is possible within
6 the specific chemical designation and any preparation,
7 mixture, or substance containing, or mixed or infused with,
8 any detectable amount of tetrahydrocannabinol or
9 tetrahydrocannabinolic acid, including, but not limited to,
10 delta-8-tetrahydrocannabinol, delta-9-tetrahydrocannabinol,
11 delta-10-tetrahydrocannabinol, tetrahydrocannabinolic acid,
12 tetrahydrocannabipheryl, or hexahydrocannabinol, however
13 derived, or any other substance determined to have similar
14 intoxicating effects on the mind or body by the Department. As
15 used in this definition, "isomer" means the optical, position,
16 and geometric isomers.

17 Section 10. Prohibitions; compliance.

18 (a) Beginning on the effective date of this Act, no
19 person, retailer, or entity shall distribute for sale, sell,
20 offer for sale, market, or advertise any hemp product intended
21 for human or animal consumption within this State unless the
22 hemp product meets the definition of hemp consumer CBD product
23 or is sold by a licensed cannabis business establishment under
24 the Cannabis Regulation and Tax Act or Compassionate Use of
25 Medical Cannabis Act.

1 (b) Effective July 1, 2025 or upon the first date that a
2 hemp consumer CBD product registration application is made
3 available by the Department, whichever is sooner, all hemp
4 consumer CBD products shall comply with all of the hemp
5 consumer CBD product requirements of this Act.

6 (c) A product that has a THC concentration greater than
7 the limits set forth for hemp consumer CBD products as defined
8 in this Act shall be regulated as cannabis as defined in the
9 Cannabis Regulation and Tax Act, whether or not the product is
10 made with or derived from hemp, industrial hemp, or derived
11 from natural or synthetic sources unless otherwise provided
12 under this Act.

13 (d) A product derived from hemp cannabinoids and sold by a
14 cannabis business establishment as authorized by the Cannabis
15 Regulation and Tax Act shall be cannabis as that term is used
16 under the Cannabis Regulation and Tax Act and may only be sold
17 by a licensed dispensing organization.

18 Section 15. Hemp consumer product processors; applications
19 and licensing.

20 (a) By January 1, 2025, the Department shall create
21 applicable rules, guidance, and forms for licensing hemp
22 consumer products processors and a process to transition
23 industrial hemp processors registered under the Industrial
24 Hemp Act that processes or manufactures products derived from
25 hemp intended for human or animal consumption to a hemp

1 consumer product license.

2 (b) An application for licensure shall be submitted to the
3 Department on a form prescribed by the Department, which shall
4 include:

5 (1) the name, address, email address, and telephone
6 number of the applicant;

7 (2) identification of the facility that will be used
8 for the processing, manufacturing, distribution, or retail
9 sale of hemp, as applicable;

10 (3) a copy of the current local zoning ordinance or
11 permit and verification that the proposed hemp consumer
12 products processor is in compliance with the local zoning
13 rules and distance limitations established by the local
14 jurisdiction for hemp consumer products processing;

15 (4) the federal employer identification number of the
16 applicant;

17 (5) a copy and description of any other license or
18 licenses issued by state or federal authorities related to
19 hemp or cannabis operations or ancillary services;

20 (6) a summary of the sources of industrial processes,
21 hemp materials, hemp consumer CBD products, and hemp
22 extract to be used, as applicable;

23 (7) a description of any other businesses or business
24 activities conducted on the premises to be licensed;

25 (8) identification of the person or persons with the
26 ability to direct the activity of the applicant or

1 licensee, including principals, officers, or others with
2 such control; and

3 (9) any other information required by the Department.

4 (c) The Department may reject or deny an application if it
5 determines that the information contained therein does not
6 meet the requirements or is incomplete, false, inaccurate, or
7 omits a material fact.

8 (f) Licenses shall not be transferable or assignable
9 without prior written approval of the Department including,
10 without limitation, to another licensee.

11 (g) Licenses are valid for a period of one year and must be
12 renewed annually at a fee of \$5,000 or as otherwise determined
13 by rule.

14 (h) The Department may revoke any license issued under
15 this Act for failure to adhere to the requirements of this Act
16 and the rules adopted by the Department.

17 Section 20. Requirements for hemp consumer products
18 processor licensees.

19 (a) The Department shall license and regulate hemp
20 consumer products processors for the purpose of allowing
21 processors to obtain and source lawful industrial hemp and
22 hemp plant materials for manufacturing and processing finished
23 hemp consumer products in accordance with this Act.

24 (b) All hemp consumer products processors shall:

25 (1) maintain sufficient records to demonstrate that

1 any hemp or hemp extract used by the licensee was grown,
2 derived, extracted, and transported in accordance with
3 applicable laws and licensing requirements of the
4 jurisdiction or jurisdictions from which such hemp or hemp
5 extract was sourced and for hemp received from an
6 out-of-state grower, processors shall also maintain
7 records of the out-of-state grower registration or license
8 number in the respective jurisdiction;

9 (4) keep all designated extracting and manufacturing
10 areas safe and sanitary, including, but not limited to,
11 ensuring that those areas are adequately lit, cleaned, and
12 smoke-free;

13 (5) not use, in the extraction or manufacturing of any
14 hemp consumer CBD products, synthetic cannabinoids,
15 artificially derived cannabinoids, or
16 tetrahydrocannabinol created through isomerization; and

17 (6) maintain any and all records required by this Act
18 for at least 3 years and immediately produce such records
19 upon request of the Department.

20 (c) A hemp product processor shall not offer for sale or
21 distribution products to a location where prohibited by law or
22 to a business that is not permitted to sell products made by
23 the licensee.

24 (d) The Department may conduct announced or unannounced
25 premises or product inspections, including, but not limited
26 to, inspection, audits, sampling, and testing of hemp, hemp

1 extract, hemp consumer CBD products, or any solvents,
2 chemicals, or materials used by the licensee.

3 (e) A hemp consumer product processor shall comply with
4 any other requirements or prohibitions set by administrative
5 rule by the Department.

6 Section 25. Registration of hemp consumer CBD products.

7 (a) Upon the availability of a hemp consumer CBD product
8 registration application, all establishments, including
9 physical and online establishments, shall register all hemp
10 consumer CBD products offered for sale in the State with the
11 Department. Hemp consumer CBD products must comply with
12 registration requirements under this Act.

13 (b) The Department shall create an online hemp consumer
14 CBD product registration application. The Department may
15 reject an application if the product hemp consumer CBD product
16 does not meet the definition of a hemp consumer CBD product or
17 meet any other hemp consumer CBD product requirements under
18 this Act or under rules.

19 (c) The product registration application shall include,
20 but is not limited to:

21 (1) the name of the hemp consumer CBD product;
22 (2) recently conducted certificate of analysis; and
23 (3) depiction of the label on the hemp consumer CBD
24 product.

25 (d) The Department shall maintain a list of registered

1 hemp consumer CBD products on its website.

2 (e) A new registration shall be submitted if there is a
3 change to the name, label, recipe, or chemical composition of
4 the hemp consumer CBD product.

5 (f) Any registered hemp consumer CBD product offered for
6 sale in the State may be subject to product inspection and
7 sampling by the Department to ensure compliance with the
8 registration requirements. Any retailer of a hemp consumer CBD
9 product shall provide the Department with a reasonable sample
10 upon request not to exceed 2 units per product type.

11 (g) The Department may deregister any registered hemp
12 consumer CBD product that is found not to be in compliance with
13 the Act. The Department shall maintain a list of hemp consumer
14 CBD product that have been deregistered on its website. Retail
15 establishments shall have 30 days to remove from sale all hemp
16 consumer CBD products that have been deregistered.

17 (h) The Department may prohibit a hemp consumer CBD
18 product registrant from registering hemp consumer CBD products
19 if the registrant has had 3 hemp consumer CBD products
20 deregistered in a one-year period, or as otherwise provided
21 for by rule.

22 (i) The Department shall set a fee of \$150 and shall be
23 deposited into the Industrial Hemp Regulatory Fund. The
24 Department may adjust the fee by rule.

25 (j) The Department may promulgate rules regarding the
26 registration of hemp consumer CBD products.

1 (k) Retailers or entities that offer for sale products
2 that are found to meet the definition of a hemp consumer CBD
3 product but are not registered are subject to a \$500 fine per
4 product.

5 Section 30. Requirements of hemp consumer CBD products.

6 (a) All hemp consumer CBD products manufactured,
7 processed, distributed, sold, or offered for sale in this
8 State shall be subject to the following minimum requirements:

9 (1) the hemp consumer CBD product shall:

10 (A) contain naturally occurring hemp
11 phytocannabinoids;

12 (B) be intended for consumption by any means,
13 including, but not limited to, oral ingestion,
14 inhalation, smoking, or topical absorption;

15 (C) contain a total tetrahydrocannabinol
16 concentration of no greater than:

17 (i) 0.3% for any intermediate or finished
18 plant product or material, or any hemp consumer
19 CBD product intended for consumption by inhalation
20 or smoking; or

21 (ii) 0.5 milligrams per serving or individual
22 product unit, and 2 milligrams per package for
23 products sold in multiple servings or units, for
24 any beverage, food, oil, ointment, tincture,
25 topical formation, or any other product that is

1 intended for human consumption by means other than
2 inhalation or smoking;

3 (D) contain an amount of total hemp cannabinoid
4 concentration that is at least 25 times greater than
5 the amount of total tetrahydrocannabinol concentration
6 per serving and per package;

7 (2) not contain liquor, wine, beer, or cider or meet
8 the definition of alcoholic liquor under the Liquor
9 Control Act of 1934;

10 (3) not contain tobacco or nicotine in the product;

11 (4) accurately reflect testing results and not contain
12 less than 90% or more than 110% of the concentration of
13 total cannabinoid content as listed on the product label;

14 (5) be prepackaged and not added to food or any other
15 consumable products at the point of sale;

16 (6) comply with product testing standards set forth in
17 this Act; and

18 (7) not contain synthetic cannabinoids, artificially
19 derived cannabinoids.

20 (b) All concentrated hemp consumer CBD products intended
21 for inhalation or vaporization shall meet the following
22 additional requirements:

23 (1) except for hemp-derived terpenes, excipients and
24 ingredients must be pharmaceutical grade, unless otherwise
25 approved by the Department, and shall not include:

26 (A) synthetic terpenes;

- 1 (B) polyethylene glycol (PEG);
2 (C) vitamin E acetate;
3 (D) medium chain triglycerides (MCT oil);
4 (E) medicinal compounds;
5 (F) illegal or controlled substances;
6 (G) artificial food coloring;
7 (H) benzoic acid;
8 (I) diketones; or
9 (J) any other compound or ingredient as determined
10 by the Department in rules; and
11 (2) not contain any flavors or flavoring agents,
12 except for hemp-derived terpenes;

13 Section 35. Packaging and labeling of hemp consumer CBD
14 products.

15 (a) All hemp consumer CBD products distributed or offered
16 for retail sale in this State shall include the following
17 information on the product label or packaging:

18 (2) a list of all ingredients in descending order of
19 predominance by weight in the product;

20 (3) The serving size and number of servings per
21 package or container, including the milligrams per serving
22 of detectable:

- 23 (A) individual hemp cannabinoids;
24 (B) total hemp cannabinoids;
25 (C) individual THC cannabinoids;

- 1 (D) total THC;
- 2 (E) any other cannabinoids;
- 3 (F) an expiration date;
- 4 (H) the name of the hemp processor, whether
- 5 in-state or out-of-state;
- 6 (K) a means for reporting serious adverse events;
- 7 and
- 8 (L) any other marking, statement, or symbol
- 9 required by the Department, by rule.

10 (b) No hemp consumer CBD product offered for retail sale

11 shall be made attractive to children, imitate a candy label,

12 widely available food label, or use fruit, cartoons, or other

13 images popularly used to advertise to children or otherwise be

14 marketed to children.

15 (c) No hemp consumer CBD product shall be marketed,

16 advertised, or offered for sale in a manner that would cause a

17 reasonable consumer:

18 (1) to be confused as to whether the hemp consumer CBD

19 product is trademarked, marked or labeled in a manner that

20 violates any federal trademark law or regulation; or

21 (2) to believe that a hemp consumer CBD product is

22 cannabis, or medical cannabis, or that a licensee is

23 authorized to sell or dispense cannabis or medical

24 cannabis, as those terms are defined in the Cannabis

25 Regulation and Tax Act or the Compassionate Use of Medical

26 Cannabis Program Act.

1 (d) All hemp consumer CBD products offered for retail sale
2 shall include the following warnings on the product label or
3 packaging, in a manner that is clear and conspicuous:

4 (1) this product must be kept out of the reach of
5 children and pets;

6 (2) this product has not been evaluated or approved by
7 the Food and Drug Administration for safety or efficacy;

8 (3) if you are pregnant or nursing you should consult
9 your health care provider before use;

10 (4) for hemp consumer CBD products intended to be
11 inhaled or vaporized, a warning stating that smoking or
12 vaping is hazardous to your health; and

13 (5) any other warning required by the Department.

14 Section 40. Laboratory testing requirements for hemp
15 consumer CBD products.

16 (a) The Department shall approve hemp consumer CBD product
17 testing laboratories to be contracted by licensees under this
18 Act for testing of hemp consumer CBD products. All approved
19 testing laboratories shall be listed on the Department's
20 website. Out-of-state laboratories may be approved by the
21 Department.

22 (b) All approved testing laboratories shall meet the
23 following minimum requirements:

24 (1) maintain ISO/IEC 17025 accreditation for the
25 physical testing location and for the testing of one or

1 more of the analytes determined by the department;

2 (2) maintain a valid scope of accreditation, issued by
3 an accreditation body, that attests to the laboratory's
4 competence to perform testing of hemp consumer CBD
5 products;

6 (3) maintain method validation records for all testing
7 conducted;

8 (4) maintain standard operating procedures for the
9 sampling of hemp consumer CBD products; and

10 (5) maintain testing methodologies to ascertain the
11 presence of synthetic cannabinoids, artificially derived
12 cannabinoids, or cannabinoids created through
13 isomerization, including tetrahydrocannabinol created
14 through isomerization.

15 (c) Hemp cannabinoid products shall not be sold within
16 this State if hemp cannabinoid, THC, or other contaminants are
17 detected at levels greater than provided for by this Act or
18 rules or guidance adopted by the Department.

19 (d) Hemp cannabinoid products shall be considered
20 adulterated and shall not be sold within this State if there is
21 the presence of synthetic cannabinoids, artificially derived
22 cannabinoids, or cannabinoids created through isomerization,
23 including tetrahydrocannabinol created through isomerization.

24 (e) The Department may impose additional testing
25 requirements, including, but not limited to, testing for
26 additional analytes, setting stricter analyte, and mandating

1 the use of specific sampling methodologies per lot, analyte
2 per process, or batch manufactured.

3 (f) The Department shall make available a list of required
4 analytes, their acceptable limits, and approved testing
5 methods on the Department's website and in any other manner as
6 determined by the Department.

7 (g) The total tetrahydrocannabinol concentration for hemp
8 consumer CBD products shall not exceed the limits established
9 in this Act.

10 (h) If a hemp consumer CBD product fails testing, the
11 processor may elect to reformulate the failing batch to reduce
12 the total tetrahydrocannabinol of the batch to comply with the
13 THC limits established by this Act. If the reformulated batch
14 still exceeds the THC limits, the processor shall destroy the
15 batch.

16 (i) If a hemp consumer CBD product is found to contain
17 levels of any pathogen, toxicant, residual solvent, metal, or
18 pesticide not enumerated in this Section or by other State
19 law, then the product may not be sold in this State.

20 Section 45. Advertising requirements. An advertisement for
21 a hemp consumer CBD product shall not:

22 (1) include any false or misleading statements,
23 images, or other content, including, but not limited to,
24 any health claims;

25 (2) contain claims that hemp consumption or a hemp

1 consumer CBD product can, or is intended to, diagnose,
2 cure, mitigate, treat, or prevent disease;

3 (3) lead a reasonable consumer to believe that a hemp
4 consumer CBD product is cannabis or medical cannabis,
5 including any product that exceeds the THC limits
6 established under this Act for lawful hemp consumer CBD
7 products, or that a licensee is authorized to sell or
8 dispense cannabis or medical cannabis; or

9 (4) have the purpose or effect of targeting or being
10 attractive to individuals under 21 years of age. The use
11 of images of children or minors consuming hemp consumer
12 CBD products and the use of words, designs, or brands that
13 resemble products commonly associated with children,
14 minors, or marketed to children or minors, is prohibited.

15 Section 50. Sale of hemp-derived products to cannabis
16 business establishments.

17 (a) A hemp product processor may sell final hemp-derived
18 intoxicating products to a craft grower and infuser
19 organization licensed under the Cannabis Regulation and Tax
20 Act to be sold as a cannabis-infused product to a dispensing
21 organization.

22 (b) A hemp-derived intoxicating product may contain up to
23 5 milligrams per serving and 10 milligrams per serving of
24 delta-9-tetrahydrocannabinol. A hemp derived intoxicating
25 product may not contain any other form of THC except

1 delta-9-tetrahydrocannabinol.

2 (c) A hemp-derived intoxicating product received by a
3 craft grower or infuser must comply with all requirements of
4 the Cannabis Regulation and Tax Act before sale to a
5 dispensing organization.

6 (d) The sale of hemp-derived intoxicating product to
7 cannabis business establishments shall be subject to any
8 requirements and prohibitions set by administrative rule by
9 the Department.

10 (e) A hemp-derived intoxicating product, in addition to
11 meeting any label requirement of the Cannabis Regulation and
12 Tax Act, must indicate on the label that the product was
13 derived from hemp.

14 Section 55. License suspension; revocation; other
15 penalties.

16 (a) Notwithstanding any other criminal penalties related
17 to the unlawful possession of cannabis, the Department may
18 revoke, suspend, place on probation, reprimand, issue cease
19 and desist orders, refuse to issue or renew a license, or take
20 any other disciplinary or nondisciplinary action as the
21 Department may deem proper with regard to a hemp consumer
22 product processor, including fines not to exceed \$15,000 for
23 each violation of this Act or rules adopted under this Act.

24 (b) The Department, as the case may be, shall consider
25 licensee cooperation in any agency or other investigation in

1 its determination of penalties imposed under this Section.

2 (c) The procedures for disciplining a hemp consumer
3 product processor and for administrative hearings shall be
4 determined by rule, and shall provide for the review of final
5 decisions under the Administrative Review Law.

6 Section 60. Administration and enforcement; rules;
7 emergency rules; inspections.

8 (a) The Department shall administer and enforce this Act
9 and may adopt rules under the Illinois Administrative
10 Procedure Act for the purpose of administering and enforcing
11 this Act.

12 (b) The Department shall update, through official guidance
13 and publish publicly on its website, the cannabinoids that it
14 deems tetrahydrocannabinol or THC on or before January 1 and
15 July 1 of each calendar year.

16 (c) The Department may develop rules setting forth
17 labeling, packaging, and minimum testing requirements of
18 cannabinoid products.

19 (d) In order to provide for the expeditious and timely
20 implementation of the provisions of this Act, the Department
21 may adopt emergency rules in accordance with Section 5-45 of
22 the Illinois Administrative Procedure Act to the extent
23 necessary to administer the Department's responsibilities
24 under this Act. The adoption of emergency rules authorized by
25 this subsection (c) is deemed to be necessary for the public

1 interest, safety, and welfare to regulate consumer safety over
2 hemp consumer CBD products.

3 (e) The Department of Public Health, local health
4 departments, the Illinois State Police, local sheriff's
5 departments, municipal police departments, and the Department
6 of Revenue may inspect any business that manufactures,
7 processes, or offers for sale cannabinoid products in the
8 State if a formal complaint is registered with the appropriate
9 agency in order to ensure compliance with this Act. The
10 Department may inspect any business that manufactures,
11 processes, or offers for sale cannabinoid products in the
12 State to ensure compliance with this Act. The Department may
13 enter into intergovernmental agreements to enforce this Act
14 and any rules adopted under this Act.

15 Section 70. Temporary restraining order or injunction. The
16 Director, through the Attorney General or any unit of local
17 government, may file a complaint and apply to the circuit
18 court for, and the court upon hearing and for cause shown may
19 grant, a temporary restraining order or a preliminary or
20 permanent injunction restraining any person from violating
21 this Act.

22 Section 800. The Illinois Administrative Procedure Act is
23 amended by adding Section 5-45.55 as follows:

1 (5 ILCS 100/5-45.55 new)

2 Sec. 5-45.55. Emergency rulemaking; Hemp Consumer Products
3 Act. To provide for the expeditious and timely implementation
4 of the Hemp Consumer Products Act, emergency rules
5 implementing the Hemp Consumer Products Act may be adopted in
6 accordance with Section 5-45 by the Department of Agriculture.
7 The adoption of emergency rules authorized by Section 5-45 and
8 this Section is deemed to be necessary for the public
9 interest, safety, and welfare.

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

12 Section 805. The Illinois Procurement Code is amended by
13 changing Section 1-10 as follows:

14 (30 ILCS 500/1-10)

15 Sec. 1-10. Application.

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

1 solicited between the effective date of Articles 50 and 99 and
2 July 1, 1998 shall be substantially in accordance with this
3 Code and its intent.

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

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

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

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

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

19 (5) Collective bargaining contracts.

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

1 contract.

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

11 (8) (Blank).

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

14 (10) (Blank).

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

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

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

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

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

1 subcontracting shall be followed.

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

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

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

1 as that term is defined in Section 11-117-2 of the
2 Illinois Municipal Code.

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

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

16 (18) This Code does not apply to any procurements
17 necessary for the Department of Agriculture or ~~the~~ the
18 Department of Financial and Professional Regulation, ~~the~~
19 ~~Department of Human Services, the Department of Commerce~~
20 ~~and Economic Opportunity, and the Department of Public~~
21 ~~Health~~ to implement the Cannabis Regulation and Tax Act
22 and the Department of Agriculture to implement the Hemp
23 Consumer Products Act, if the applicable agency has made a
24 good faith determination that it is necessary and
25 appropriate for the expenditure to fall within this
26 exemption and if the process is conducted in a manner

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

1 Chief Procurement Officer. This exemption becomes
2 inoperative 7 ~~5~~ years after June 25, 2019 (the effective
3 date of Public Act 101-27).

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

21 For purposes of this paragraph (19):

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

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

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

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

16 (21) Procurement expenditures for the purchase,
17 renewal, and expansion of software, software licenses, or
18 software maintenance agreements that support the efforts
19 of the Illinois State Police to enforce, regulate, and
20 administer the Firearm Owners Identification Card Act, the
21 Firearm Concealed Carry Act, the Firearms Restraining
22 Order Act, the Firearm Dealer License Certification Act,
23 the Law Enforcement Agencies Data System (LEADS), the
24 Uniform Crime Reporting Act, the Criminal Identification
25 Act, the Illinois Uniform Conviction Information Act, and
26 the Gun Trafficking Information Act, or establish or

1 maintain record management systems necessary to conduct
2 human trafficking investigations or gun trafficking or
3 other stolen firearm investigations. This paragraph (21)
4 applies to contracts entered into on or after January 10,
5 2023 (the effective date of Public Act 102-1116) and the
6 renewal of contracts that are in effect on January 10,
7 2023 (the effective date of Public Act 102-1116).

8 (22) Contracts for project management services and
9 system integration services required for the completion of
10 the State's enterprise resource planning project. This
11 exemption becomes inoperative 5 years after June 7, 2023
12 (the effective date of the changes made to this Section by
13 Public Act 103-8). This paragraph (22) applies to
14 contracts entered into on or after June 7, 2023 (the
15 effective date of the changes made to this Section by
16 Public Act 103-8) and the renewal of contracts that are in
17 effect on June 7, 2023 (the effective date of the changes
18 made to this Section by Public Act 103-8).

19 (23) Procurements necessary for the Department of
20 Insurance to implement the Illinois Health Benefits
21 Exchange Law if the Department of Insurance has made a
22 good faith determination that it is necessary and
23 appropriate for the expenditure to fall within this
24 exemption. The procurement process shall be conducted in a
25 manner substantially in accordance with the requirements
26 of Sections 20-160 and 25-60 and Article 50 of this Code. A

1 copy of these contracts shall be made available to the
2 Chief Procurement Officer immediately upon request. This
3 paragraph is inoperative 5 years after June 27, 2023 (the
4 effective date of Public Act 103-103).

5 (24) ~~(22)~~ Contracts for public education programming,
6 noncommercial sustaining announcements, public service
7 announcements, and public awareness and education
8 messaging with the nonprofit trade associations of the
9 providers of those services that inform the public on
10 immediate and ongoing health and safety risks and hazards.

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

24 (c) This Code does not apply to the electric power
25 procurement process provided for under Section 1-75 of the
26 Illinois Power Agency Act and Section 16-111.5 of the Public

1 Utilities Act. This Code does not apply to the procurement of
2 technical and policy experts pursuant to Section 1-129 of the
3 Illinois Power Agency Act.

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

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

20 (f) (Blank).

21 (g) (Blank).

22 (h) This Code does not apply to the process to procure or
23 contracts entered into in accordance with Sections 11-5.2 and
24 11-5.3 of the Illinois Public Aid Code.

25 (i) Each chief procurement officer may access records
26 necessary to review whether a contract, purchase, or other

1 expenditure is or is not subject to the provisions of this
2 Code, unless such records would be subject to attorney-client
3 privilege.

4 (j) This Code does not apply to the process used by the
5 Capital Development Board to retain an artist or work or works
6 of art as required in Section 14 of the Capital Development
7 Board Act.

8 (k) This Code does not apply to the process to procure
9 contracts, or contracts entered into, by the State Board of
10 Elections or the State Electoral Board for hearing officers
11 appointed pursuant to the Election Code.

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

18 (m) This Code shall apply regardless of the source of
19 funds with which contracts are paid, including federal
20 assistance moneys. Except as specifically provided in this
21 Code, this Code shall not apply to procurement expenditures
22 necessary for the Department of Public Health to conduct the
23 Healthy Illinois Survey in accordance with Section 2310-431 of
24 the Department of Public Health Powers and Duties Law of the
25 Civil Administrative Code of Illinois.

26 (Source: P.A. 102-175, eff. 7-29-21; 102-483, eff 1-1-22;

1 102-558, eff. 8-20-21; 102-600, eff. 8-27-21; 102-662, eff.
2 9-15-21; 102-721, eff. 1-1-23; 102-813, eff. 5-13-22;
3 102-1116, eff. 1-10-23; 103-8, eff. 6-7-23; 103-103, eff.
4 6-27-23; 103-570, eff. 1-1-24; 103-580, eff. 12-8-23; revised
5 1-2-24.)

6 Section 810. The State Finance Act is amended by changing
7 Section 6z-112 as follows:

8 (30 ILCS 105/6z-112)

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

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

17 (b) Whenever the Department of Revenue determines that a
18 refund should be made under the Cannabis Regulation and Tax
19 Act to a claimant, the Department of Revenue shall submit a
20 voucher for payment to the State Comptroller, who shall cause
21 the order to be drawn for the amount specified and to the
22 person named in the notification from the Department of
23 Revenue. This subsection (b) shall constitute an irrevocable
24 and continuing appropriation of all amounts necessary for the

1 payment of refunds out of the Fund as authorized under this
2 subsection (b).

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

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

26 (2) After the allocations have been made as provided

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

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

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

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

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

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

1 for these purposes shall be subject to appropriations.

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

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

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

19 As soon as may be practical, but no later than 10 days
20 after receipt, by the State Comptroller of the transfer
21 certification provided for in this subsection (c) to be given
22 to the State Comptroller by the Department of Revenue, the
23 State Comptroller shall direct and the State Treasurer shall
24 transfer the respective amounts in accordance with the
25 directions contained in such certification.

26 (d) On July 1, 2019 the Department of Revenue shall

1 certify to the State Comptroller and the State Treasurer shall
2 transfer \$5,000,000 from the Compassionate Use of Medical
3 Cannabis Fund to the Cannabis Regulation Fund.

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

9 (f) The Cannabis Regulation Fund shall retain a balance of
10 \$1,000,000 for the purposes of administrative costs.

11 (g) In Fiscal Year 2024 the allocations in subsection (c)
12 of this Section shall be reviewed and adjusted if the General
13 Assembly finds there is a greater need for funding for a
14 specific purpose in the State as it relates to Public Act
15 101-27.

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

17 Section 815. The Cannabis Regulation and Tax Act is
18 amended by changing Sections 1-10, 15-155, 55-35, and 60-10
19 and by adding Sections 20-60, 30-30, 35-25, and 55-5.5 as
20 follows:

21 (410 ILCS 705/1-10)

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

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

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

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

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

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

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

1 Illinois nonmetropolitan area.

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

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

1 concentration greater than the THC limit set forth in the Hemp
2 Consumer Products Act.

3 "Cannabis business establishment" means a cultivation
4 center, craft grower, processing organization, infuser
5 organization, dispensing organization, or transporting
6 organization.

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

16 "Cannabis container" means a sealed or resealable,
17 traceable, container, or package used for the purpose of
18 containment of cannabis or cannabis-infused product during
19 transportation.

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

1 seeds, or resin.

2 "Cannabis-infused product" means a beverage, food, oil,
3 ointment, tincture, topical formulation, or another product
4 containing cannabis or cannabis concentrate that is not
5 intended to be smoked.

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

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

23 "Cannabis testing facility" means an entity registered by
24 the Department of Agriculture to test cannabis for potency and
25 contaminants.

26 "Clone" means a plant section from a female cannabis plant

1 not yet rootbound, growing in a water solution or other
2 propagation matrix, that is capable of developing into a new
3 plant.

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

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

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

22 "Conditional Adult Use Cultivation Center License" means a
23 license awarded to top-scoring applicants for an Adult Use
24 Cultivation Center License that reserves the right to an Adult
25 Use Cultivation Center License if the applicant meets certain
26 conditions as determined by the Department of Agriculture by

1 rule, but does not entitle the recipient to begin growing,
2 processing, or selling cannabis or cannabis-infused products.

3 "Craft grower" means a facility operated by an
4 organization or business that is licensed by the Department of
5 Agriculture to cultivate, dry, cure, and package cannabis and
6 perform other necessary activities to make cannabis available
7 for sale at a dispensing organization or use at a processing
8 organization. A craft grower may contain up to 5,000 square
9 feet of canopy space on its premises for plants in the
10 flowering state. The Department of Agriculture may authorize
11 an increase or decrease of flowering stage cultivation space
12 in increments of 3,000 square feet by rule based on market
13 need, craft grower capacity, and the licensee's history of
14 compliance or noncompliance, with a maximum space of 14,000
15 square feet for cultivating plants in the flowering stage,
16 which must be cultivated in all stages of growth in an enclosed
17 and secure area. A craft grower may share premises with a
18 processing organization or a dispensing organization, or both,
19 provided each licensee stores currency and cannabis or
20 cannabis-infused products in a separate secured vault to which
21 the other licensee does not have access or all licensees
22 sharing a vault share more than 50% of the same ownership.

23 "Craft grower agent" means a principal officer, board
24 member, employee, or other agent of a craft grower who is 21
25 years of age or older.

26 "Craft Grower Agent Identification Card" means a document

1 issued by the Department of Agriculture that identifies a
2 person as a craft grower agent.

3 "Cultivation center" means a facility operated by an
4 organization or business that is licensed by the Department of
5 Agriculture to cultivate, process, transport (unless otherwise
6 limited by this Act), and perform other necessary activities
7 to provide cannabis and cannabis-infused products to cannabis
8 business establishments.

9 "Cultivation center agent" means a principal officer,
10 board member, employee, or other agent of a cultivation center
11 who is 21 years of age or older.

12 "Cultivation Center Agent Identification Card" means a
13 document issued by the Department of Agriculture that
14 identifies a person as a cultivation center agent.

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

16 "Dispensary" means a facility operated by a dispensing
17 organization at which activities licensed by this Act may
18 occur.

19 "Dispensary Applicant" means the Proposed Dispensing
20 Organization Name as stated on an application for a
21 Conditional Adult Use Dispensing Organization License.

22 "Dispensing organization" means a facility operated by an
23 organization or business that is licensed by the Department of
24 Financial and Professional Regulation to acquire cannabis from
25 a cultivation center, craft grower, processing organization,
26 or another dispensary for the purpose of selling or dispensing

1 cannabis, cannabis-infused products, cannabis seeds,
2 paraphernalia, or related supplies under this Act to
3 purchasers or to qualified registered medical cannabis
4 patients and caregivers. As used in this Act, "dispensing
5 organization" includes a registered medical cannabis
6 organization as defined in the Compassionate Use of Medical
7 Cannabis Program Act or its successor Act that has obtained an
8 Early Approval Adult Use Dispensing Organization License.

9 "Dispensing organization agent" means a principal officer,
10 employee, or agent of a dispensing organization who is 21
11 years of age or older.

12 "Dispensing organization agent identification card" means
13 a document issued by the Department of Financial and
14 Professional Regulation that identifies a person as a
15 dispensing organization agent.

16 "Disproportionately Impacted Area" means a census tract or
17 comparable geographic area that satisfies the following
18 criteria as determined by the Department of Commerce and
19 Economic Opportunity, that:

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

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

23 (B) 75% or more of the children in the area
24 participate in the federal free lunch program
25 according to reported statistics from the State Board
26 of Education; or

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

4 (D) the area has an average unemployment rate, as
5 determined by the Illinois Department of Employment
6 Security, that is more than 120% of the national
7 unemployment average, as determined by the United
8 States Department of Labor, for a period of at least 2
9 consecutive calendar years preceding the date of the
10 application; and

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

14 "Early Approval Adult Use Cultivation Center License"
15 means a license that permits a medical cannabis cultivation
16 center licensed under the Compassionate Use of Medical
17 Cannabis Program Act as of the effective date of this Act to
18 begin cultivating, infusing, packaging, transporting (unless
19 otherwise provided in this Act), processing, and selling
20 cannabis or cannabis-infused product to cannabis business
21 establishments for resale to purchasers as permitted by this
22 Act as of January 1, 2020.

23 "Early Approval Adult Use Dispensing Organization License"
24 means a license that permits a medical cannabis dispensing
25 organization licensed under the Compassionate Use of Medical
26 Cannabis Program Act as of the effective date of this Act to

1 begin selling cannabis or cannabis-infused product to
2 purchasers as permitted by this Act as of January 1, 2020.

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

11 "Eligible Tied Applicant" means a Tied Applicant that is
12 eligible to participate in the process by which a remaining
13 available license is distributed by lot pursuant to a Tied
14 Applicant Lottery.

15 "Enclosed, locked facility" means a room, greenhouse,
16 building, or other enclosed area equipped with locks or other
17 security devices that permit access only by cannabis business
18 establishment agents working for the licensed cannabis
19 business establishment or acting pursuant to this Act to
20 cultivate, process, store, or distribute cannabis.

21 "Enclosed, locked space" means a closet, room, greenhouse,
22 building, or other enclosed area equipped with locks or other
23 security devices that permit access only by authorized
24 individuals under this Act. "Enclosed, locked space" may
25 include:

26 (1) a space within a residential building that (i) is

1 the primary residence of the individual cultivating 5 or
2 fewer cannabis plants that are more than 5 inches tall and
3 (ii) includes sleeping quarters and indoor plumbing. The
4 space must only be accessible by a key or code that is
5 different from any key or code that can be used to access
6 the residential building from the exterior; or

7 (2) a structure, such as a shed or greenhouse, that
8 lies on the same plot of land as a residential building
9 that (i) includes sleeping quarters and indoor plumbing
10 and (ii) is used as a primary residence by the person
11 cultivating 5 or fewer cannabis plants that are more than
12 5 inches tall, such as a shed or greenhouse. The structure
13 must remain locked when it is unoccupied by people.

14 "Financial institution" has the same meaning as "financial
15 organization" as defined in Section 1501 of the Illinois
16 Income Tax Act, and also includes the holding companies,
17 subsidiaries, and affiliates of such financial organizations.

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

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

23 (2) if the cannabis plant is in an area that has been
24 intentionally deprived of light for a period of time
25 intended to produce flower buds and induce maturation,
26 from the moment the light deprivation began through the

1 remainder of the marijuana plant growth cycle.

2 "Individual" means a natural person.

3 "Infuser organization" or "infuser" means a facility
4 operated by an organization or business that is licensed by
5 the Department of Agriculture to directly incorporate cannabis
6 or cannabis concentrate into a product formulation to produce
7 a cannabis-infused product.

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

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

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

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

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

24 "Mother plant" means a cannabis plant that is cultivated
25 or maintained for the purpose of generating clones, and that
26 will not be used to produce plant material for sale to an

1 infuser or dispensing organization.

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

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

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

17 "Possession limit" means the amount of cannabis under
18 Section 10-10 that may be possessed at any one time by a person
19 21 years of age or older or who is a registered qualifying
20 medical cannabis patient or caregiver under the Compassionate
21 Use of Medical Cannabis Program Act.

22 "Principal officer" includes a cannabis business
23 establishment applicant or licensed cannabis business
24 establishment's board member, owner with more than 1% interest
25 of the total cannabis business establishment or more than 5%
26 interest of the total cannabis business establishment of a

1 publicly traded company, president, vice president, secretary,
2 treasurer, partner, officer, member, manager member, or person
3 with a profit sharing, financial interest, or revenue sharing
4 arrangement. The definition includes a person with authority
5 to control the cannabis business establishment, a person who
6 assumes responsibility for the debts of the cannabis business
7 establishment and who is further defined in this Act.

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

15 "Processing organization" or "processor" means a facility
16 operated by an organization or business that is licensed by
17 the Department of Agriculture to either extract constituent
18 chemicals or compounds to produce cannabis concentrate or
19 incorporate cannabis or cannabis concentrate into a product
20 formulation to produce a cannabis product.

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

23 "Processing organization agent identification card" means
24 a document issued by the Department of Agriculture that
25 identifies a person as a processing organization agent.

26 "Purchaser" means a person 21 years of age or older who

1 acquires cannabis for a valuable consideration. "Purchaser"
2 does not include a cardholder under the Compassionate Use of
3 Medical Cannabis Program Act.

4 "Qualifying Applicant" means an applicant that submitted
5 an application pursuant to Section 15-30 that received at
6 least 85% of 250 application points available under Section
7 15-30 as the applicant's final score and meets the definition
8 of "Social Equity Applicant" as set forth under this Section.

9 "Qualifying Social Equity Justice Involved Applicant"
10 means an applicant that submitted an application pursuant to
11 Section 15-30 that received at least 85% of 250 application
12 points available under Section 15-30 as the applicant's final
13 score and meets the criteria of either paragraph (1) or (2) of
14 the definition of "Social Equity Applicant" as set forth under
15 this Section.

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

19 "Resided" means an individual's primary residence was
20 located within the relevant geographic area as established by
21 2 of the following:

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

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

26 (3) school records;

1 (4) a voter registration card;

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

5 (6) a paycheck stub;

6 (7) a utility bill;

7 (8) tax records; or

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

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

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

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

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

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

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

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

1 (i) currently reside in a Disproportionately
2 Impacted Area; or

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

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

12 "Tetrahydrocannabinol" or "THC" means any naturally
13 occurring or synthetic tetrahydrocannabinol, including its
14 salts, isomers, and salts of isomers whenever the existence of
15 such salts, isomers, and salts of isomers is possible within
16 the specific chemical designation and any preparation,
17 mixture, or substance containing, or mixed or infused with,
18 any detectable amount of tetrahydrocannabinol or
19 tetrahydrocannabinolic acid, including, but not limited to,
20 delta-8-tetrahydrocannabinol, delta-9-tetrahydrocannabinol,
21 delta-10-tetrahydrocannabinol, tetrahydrocannabinolic acid,
22 tetrahydrocannabipheryl, or hexahydrocannabinol, however
23 derived, or any other substance determined to have similar
24 intoxicating effects on the mind or body by the Department.
25 For the purposes of this definition, "isomer" means the
26 optical, position, and geometric isomers.

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

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

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

23 "Transporting organization" or "transporter" means an
24 organization or business that is licensed by the Department of
25 Agriculture to transport cannabis or cannabis-infused product
26 on behalf of a cannabis business establishment or a community

1 college licensed under the Community College Cannabis
2 Vocational Training Pilot Program.

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

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

9 "Unit of local government" means any county, city,
10 village, or incorporated town.

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

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

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

24 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19;
25 102-98, eff. 7-15-21; 102-538, eff. 8-20-21; 102-813, eff.
26 5-13-22.)

1 (410 ILCS 705/15-155)

2 Sec. 15-155. Unlicensed practice; violation; civil
3 penalty.

4 (a) In addition to any other penalty provided by law, any
5 person who practices, offers to practice, attempts to
6 practice, or holds oneself out to practice as a licensed
7 dispensing organization owner, principal officer,
8 agent-in-charge, or agent, cultivates, processes, distributes,
9 sells, or offers for sale cannabis, cannabis-infused products,
10 cannabis concentrates, or cannabis flower without being
11 licensed under this Act shall, in addition to any other
12 penalty provided by law, pay a civil penalty to the Department
13 of Financial and Professional Regulation in an amount not to
14 exceed \$10,000 for each offense as determined by the
15 Department. Each day a person engages in unlicensed practice
16 in violation of the provisions of this Section constitutes a
17 separate offense. The civil penalty shall be assessed by the
18 Department after a hearing is held in accordance with the
19 provisions set forth in this Act regarding the provision of a
20 hearing for the discipline of a licensee.

21 (b) The Department, the Attorney General, any State or
22 local law enforcement agency, or any State's Attorney has the
23 authority and power to investigate any and all unlicensed
24 activity.

25 (c) The civil penalty shall be paid within 60 days after

1 the effective date of the order imposing the civil penalty or
2 in accordance with the order imposing the civil penalty. The
3 order shall constitute a judgment and may be filed and
4 execution had thereon in the same manner as any judgment from
5 any court of this State.

6 (d) A violation of subsection (a) is an unlawful practice
7 under Section 2 of the Consumer Fraud and Deceptive Business
8 Practices Act. All remedies, penalties, and authority granted
9 to the Attorney General under that Act shall be available for
10 the enforcement of this Act.

11 (e) Nothing in this Section prohibits a unit of local
12 government from enacting a local law or ordinance to carry out
13 enforcement activities and assess civil penalties against
14 unlicensed cannabis sales.

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

16 (410 ILCS 705/20-60 new)

17 Sec. 20-60. Unlicensed practice; violation; civil penalty.

18 (a) In addition to any other penalty provided by law, any
19 person who practices, offers to practice, attempts to
20 practice, or holds oneself out to practice as a licensed
21 cultivation center, infuser, or craft grower owner, principal
22 officer, agent-in-charge, or agent or who cultivates,
23 processes, distributes, sells, or offers for sale cannabis,
24 cannabis-infused products, cannabis concentrates, or cannabis
25 flower without being licensed under this Act shall, in

1 addition to any other penalty provided by law, pay a civil
2 penalty to the Department of Agriculture in an amount not to
3 exceed \$10,000 for each offense. Each day any person engages
4 in unlicensed practice in violation of the provisions of this
5 Section constitutes a separate offense. The civil penalty
6 shall be assessed by the Department after a hearing is held in
7 accordance with the provisions set forth in this Act regarding
8 hearings for the discipline of a licensee.

9 (b) The Department, the Attorney General, any State or
10 local law enforcement agency, or any State's Attorney has the
11 authority and power to investigate any and all unlicensed
12 activity.

13 (c) The civil penalty shall be paid within 60 days after
14 the effective date of the order imposing the civil penalty or
15 in accordance with the order imposing the civil penalty. The
16 order shall constitute a judgment and may be filed and
17 execution had thereon in the same manner as any judgment from
18 any court of this State.

19 (d) In addition to any other remedies or penalties
20 provided by law, a unit of local government may suspend or
21 revoke any locally established licenses held by the person,
22 and prohibit the person from further operations and seize any
23 cannabis or THC product.

24 (410 ILCS 705/30-30)

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

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

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

14 (c) All cultivation of cannabis by a craft grower must
15 take place in an enclosed, locked facility at the physical
16 address provided to the Department of Agriculture during the
17 licensing process. The craft grower location shall only be
18 accessed by the agents working for the craft grower, the
19 Department of Agriculture staff performing inspections, the
20 Department of Public Health staff performing inspections,
21 State and local law enforcement or other emergency personnel,
22 contractors working on jobs unrelated to cannabis, such as
23 installing or maintaining security devices or performing
24 electrical wiring, transporting organization agents as
25 provided in this Act, or participants in the incubator
26 program, individuals in a mentoring or educational program

1 approved by the State, or other individuals as provided by
2 rule. However, if a craft grower shares a premises with an
3 infuser or dispensing organization, agents from those other
4 licensees may access the craft grower portion of the premises
5 if that is the location of common bathrooms, lunchrooms,
6 locker rooms, or other areas of the building where work or
7 cultivation of cannabis is not performed. At no time may an
8 infuser or dispensing organization agent perform work at a
9 craft grower without being a registered agent of the craft
10 grower.

11 (d) A craft grower may not sell or distribute any cannabis
12 to any person other than a cultivation center, a craft grower,
13 an infuser organization, a dispensing organization, or as
14 otherwise authorized by rule.

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

17 (f) A craft grower may not either directly or indirectly
18 discriminate in price between different cannabis business
19 establishments that are purchasing a like grade, strain,
20 brand, and quality of cannabis or cannabis-infused product.
21 Nothing in this subsection (f) prevents a craft grower from
22 pricing cannabis differently based on differences in the cost
23 of manufacturing or processing, the quantities sold, such as
24 volume discounts, or the way the products are delivered.

25 (g) All cannabis harvested by a craft grower and intended
26 for distribution to a dispensing organization must be entered

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

11 (h) Craft growers are subject to random inspections by the
12 Department of Agriculture, local safety or health inspectors,
13 the Illinois State Police, or as provided by rule.

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

19 (j) A craft grower shall comply with all State and any
20 applicable federal rules and regulations regarding the use of
21 pesticides.

22 (k) A craft grower or craft grower agent shall not
23 transport cannabis or cannabis-infused products to any other
24 cannabis business establishment without a transport
25 organization license unless:

26 (i) If the craft grower is located in a county with a

1 population of 3,000,000 or more, the cannabis business
2 establishment receiving the cannabis is within 2,000 feet
3 of the property line of the craft grower;

4 (ii) If the craft grower is located in a county with a
5 population of more than 700,000 but fewer than 3,000,000,
6 the cannabis business establishment receiving the cannabis
7 is within 2 miles of the craft grower; or

8 (iii) If the craft grower is located in a county with a
9 population of fewer than 700,000, the cannabis business
10 establishment receiving the cannabis is within 15 miles of
11 the craft grower.

12 (l) A craft grower may enter into a contract with a
13 transporting organization to transport cannabis to a
14 cultivation center, a craft grower, an infuser organization, a
15 dispensing organization, or a laboratory.

16 (m) No person or entity shall hold any legal, equitable,
17 ownership, or beneficial interest, directly or indirectly, of
18 more than 3 craft grower licenses. Further, no person or
19 entity that is employed by, an agent of, or has a contract to
20 receive payment from or participate in the management of a
21 craft grower, is a principal officer of a craft grower, or
22 entity controlled by or affiliated with a principal officer of
23 a craft grower shall hold any legal, equitable, ownership, or
24 beneficial interest, directly or indirectly, in a craft grower
25 license that would result in the person or entity owning or
26 controlling in combination with any craft grower, principal

1 officer of a craft grower, or entity controlled or affiliated
2 with a principal officer of a craft grower by which he, she, or
3 it is employed, is an agent of, or participates in the
4 management of more than 3 craft grower licenses.

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

1 Compassionate Use of Medical Cannabis Program Act to obtain
2 preferential placement within the dispensing organization,
3 including, without limitation, on shelves and in display cases
4 where purchasers can view products, or on the dispensing
5 organization's website.

6 (o) A craft grower shall not be located within 1,500 feet
7 of another craft grower or a cultivation center.

8 (p) A craft grower may process cannabis, cannabis
9 concentrates, and cannabis-infused products.

10 (q) A craft grower must comply with any other requirements
11 or prohibitions set by administrative rule of the Department
12 of Agriculture.

13 (r) A craft grower may purchase a hemp derived
14 intoxicating product from a hemp consumer product processor
15 and offer a hemp derived intoxicating product for sale to
16 another cannabis business establishment. Once a hemp derived
17 intoxicating product is delivered to a craft grower, it is
18 considered cannabis and the craft grower is responsible for
19 ensuring the product meets all requirements of this Act.

20 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19;
21 102-98, eff. 7-15-21; 102-538, eff. 8-20-21; 102-813, eff.
22 5-13-22.)

23 (410 ILCS 705/35-25)

24 Sec. 35-25. Infuser organization requirements;
25 prohibitions.

1 (a) The operating documents of an infuser shall include
2 procedures for the oversight of the infuser, an inventory
3 monitoring system including a physical inventory recorded
4 weekly, accurate recordkeeping, and a staffing plan.

5 (b) An infuser shall implement a security plan reviewed by
6 the Illinois State Police that includes, but is not limited
7 to: facility access controls, perimeter intrusion detection
8 systems, personnel identification systems, and a 24-hour
9 surveillance system to monitor the interior and exterior of
10 the infuser facility and that is accessible to authorized law
11 enforcement, the Department of Public Health, and the
12 Department of Agriculture in real time.

13 (c) All processing of cannabis by an infuser must take
14 place in an enclosed, locked facility at the physical address
15 provided to the Department of Agriculture during the licensing
16 process. The infuser location shall only be accessed by the
17 agents working for the infuser, the Department of Agriculture
18 staff performing inspections, the Department of Public Health
19 staff performing inspections, State and local law enforcement
20 or other emergency personnel, contractors working on jobs
21 unrelated to cannabis, such as installing or maintaining
22 security devices or performing electrical wiring, transporting
23 organization agents as provided in this Act, participants in
24 the incubator program, individuals in a mentoring or
25 educational program approved by the State, local safety or
26 health inspectors, or other individuals as provided by rule.

1 However, if an infuser shares a premises with a craft grower or
2 dispensing organization, agents from these other licensees may
3 access the infuser portion of the premises if that is the
4 location of common bathrooms, lunchrooms, locker rooms, or
5 other areas of the building where processing of cannabis is
6 not performed. At no time may a craft grower or dispensing
7 organization agent perform work at an infuser without being a
8 registered agent of the infuser.

9 (d) An infuser may not sell or distribute any cannabis to
10 any person other than a dispensing organization, or as
11 otherwise authorized by rule.

12 (e) An infuser may not either directly or indirectly
13 discriminate in price between different cannabis business
14 establishments that are purchasing a like grade, strain,
15 brand, and quality of cannabis or cannabis-infused product.
16 Nothing in this subsection (e) prevents an infuser from
17 pricing cannabis differently based on differences in the cost
18 of manufacturing or processing, the quantities sold, such
19 volume discounts, or the way the products are delivered.

20 (f) All cannabis infused by an infuser and intended for
21 distribution to a dispensing organization must be entered into
22 a data collection system, packaged and labeled under Section
23 55-21, and, if distribution is to a dispensing organization
24 that does not share a premises with the infuser, placed into a
25 cannabis container for transport. All cannabis produced by an
26 infuser and intended for distribution to a cultivation center,

1 infuser organization, or craft grower with which it does not
2 share a premises, must be packaged in a labeled cannabis
3 container and entered into a data collection system before
4 transport.

5 (g) Infusers are subject to random inspections by the
6 Department of Agriculture, the Department of Public Health,
7 the Illinois State Police, local law enforcement, or as
8 provided by rule.

9 (h) An infuser agent shall notify local law enforcement,
10 the Illinois State Police, and the Department of Agriculture
11 within 24 hours of the discovery of any loss or theft.
12 Notification shall be made by phone, in person, or by written
13 or electronic communication.

14 (i) An infuser organization may not be located in an area
15 zoned for residential use.

16 (j) An infuser or infuser agent shall not transport
17 cannabis or cannabis-infused products to any other cannabis
18 business establishment without a transport organization
19 license unless:

20 (i) If the infuser is located in a county with a
21 population of 3,000,000 or more, the cannabis business
22 establishment receiving the cannabis or cannabis-infused
23 product is within 2,000 feet of the property line of the
24 infuser;

25 (ii) If the infuser is located in a county with a
26 population of more than 700,000 but fewer than 3,000,000,

1 the cannabis business establishment receiving the cannabis
2 or cannabis-infused product is within 2 miles of the
3 infuser; or

4 (iii) If the infuser is located in a county with a
5 population of fewer than 700,000, the cannabis business
6 establishment receiving the cannabis or cannabis-infused
7 product is within 15 miles of the infuser.

8 (k) An infuser may enter into a contract with a
9 transporting organization to transport cannabis to a
10 dispensing organization or a laboratory.

11 (l) An infuser organization may share premises with a
12 craft grower or a dispensing organization, or both, provided
13 each licensee stores currency and cannabis or cannabis-infused
14 products in a separate secured vault to which the other
15 licensee does not have access or all licensees sharing a vault
16 share more than 50% of the same ownership.

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

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

18 (n) At no time shall an infuser organization or an infuser
19 agent perform the extraction of cannabis concentrate from
20 cannabis flower.

21 (o) An infuser may purchase a hemp derived intoxicating
22 product from a hemp consumer product processor and offer a
23 hemp derived intoxicating product for sale to another cannabis
24 business establishment. Once a hemp derived intoxicating
25 product is delivered to an infuser, it is considered cannabis
26 and the infuser is responsible for ensuring the product meets

1 all requirements of this Act.

2 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19;
3 102-98, eff. 7-15-21; 102-538, eff. 8-20-21; 102-813, eff.
4 5-13-22.)

5 (410 ILCS 705/55-5.5 new)

6 Sec. 55-5.5. Use of hemp in cannabis-infused products.

7 (a) For purposes of this Section, "industrial hemp" has
8 the meaning given to it under the Industrial Hemp Act.

9 (b) Cannabis business establishments licensed by the
10 Department of Agriculture for cultivation, growing,
11 processing, manufacturing, or infusing of medical or adult use
12 cannabis products pursuant to this Act or the Compassionate
13 Use of Medical Cannabis Program Act may use industrial hemp as
14 an ingredient in cannabis-infused products offered for sale at
15 licensed dispensaries in Illinois. Hemp flower shall not be
16 sold to dispensaries.

17 (c) All hemp obtained under this Section must be used in
18 extracted form and in infused cannabis products only.

19 (d) Industrial hemp may be procured from third-party
20 licensed growers or processors from within the State or any
21 other state with a regulated industrial hemp program.

22 (e) All hemp and hemp derivatives shall be obtained from a
23 licensed or registered hemp grower or processor, regardless of
24 the home state of the grower or processor. Cannabis producers
25 shall provide a copy of the hemp grower's or processor's

1 state-issued license upon demand of the Department of
2 Agriculture or the Illinois State Police.

3 (f) Industrial hemp flower and biomass may be purchased
4 and extracted by licensed cannabis cultivation centers or
5 licensed craft growers.

6 (g) Licensed cannabis cultivation centers and licensed
7 craft growers may procure or process industrial hemp in the
8 form of distillate or isolate. Licensed infusers may procure
9 industrial hemp in the form of distillate or isolate.

10 (h) Hemp and hemp derivatives may not be used to
11 concentrate or to synthesize intoxicating compounds and may
12 not exceed 0.3% THC.

13 (l) Final products containing hemp or hemp derivatives
14 sold by a cannabis business establishment shall be
15 cannabis-infused products and shall be subject to the
16 requirements of the Compassionate Use of Medical Cannabis Act
17 and the Cannabis Regulation and Tax Act and any applicable
18 administrative rules.

19 (410 ILCS 705/55-35)

20 Sec. 55-35. Administrative rulemaking.

21 (a) No later than 180 days after the effective date of this
22 Act, the Department of Agriculture, the Illinois State Police,
23 the Department of Financial and Professional Regulation, the
24 Department of Revenue, the Department of Commerce and Economic
25 Opportunity, and the Treasurer's Office shall adopt permanent

1 rules in accordance with their responsibilities under this
2 Act. The Department of Agriculture, the Illinois State Police,
3 the Department of Financial and Professional Regulation, the
4 Department of Revenue, and the Department of Commerce and
5 Economic Opportunity may adopt rules necessary to regulate
6 personal cannabis use through the use of emergency rulemaking
7 in accordance with subsection (gg) of Section 5-45 of the
8 Illinois Administrative Procedure Act. The General Assembly
9 finds that the adoption of rules to regulate cannabis use is
10 deemed an emergency and necessary for the public interest,
11 safety, and welfare.

12 (b) The Department of Agriculture rules may address, but
13 are not limited to, the following matters related to
14 cultivation centers, craft growers, infuser organizations, and
15 transporting organizations with the goal of protecting against
16 diversion and theft, without imposing an undue burden on the
17 cultivation centers, craft growers, infuser organizations, or
18 transporting organizations:

19 (1) oversight requirements for cultivation centers,
20 craft growers, infuser organizations, and transporting
21 organizations;

22 (2) recordkeeping requirements for cultivation
23 centers, craft growers, infuser organizations, and
24 transporting organizations;

25 (3) security requirements for cultivation centers,
26 craft growers, infuser organizations, and transporting

1 organizations, which shall include that each cultivation
2 center, craft grower, infuser organization, and
3 transporting organization location must be protected by a
4 fully operational security alarm system;

5 (4) standards for enclosed, locked facilities under
6 this Act;

7 (5) procedures for suspending or revoking the
8 identification cards of agents of cultivation centers,
9 craft growers, infuser organizations, and transporting
10 organizations that commit violations of this Act or the
11 rules adopted under this Section;

12 (6) rules concerning the intrastate transportation of
13 cannabis from a cultivation center, craft grower, infuser
14 organization, and transporting organization to a
15 dispensing organization;

16 (7) standards concerning the testing, quality,
17 cultivation, and processing of cannabis; ~~and~~

18 (7.5) standards and rules for the investigation and
19 enforcement of unregulated and unlicensed sale of cannabis
20 and cannabis products; and

21 (8) any other matters under oversight by the
22 Department of Agriculture as are necessary for the fair,
23 impartial, stringent, and comprehensive administration of
24 this Act.

25 (b-5) Notwithstanding any standards and rules developed
26 under paragraph (7.5) of subsection (b) of this Section, the

1 Department of Agriculture shall update through official
2 guidance and publish publicly on its website the cannabinoids
3 that it deems tetrahydrocannabinol or THC on or before January
4 1 and July 1 of each calendar year.

5 (c) The Department of Financial and Professional
6 Regulation rules may address, but are not limited to, the
7 following matters related to dispensing organizations, with
8 the goal of protecting against diversion and theft, without
9 imposing an undue burden on the dispensing organizations:

10 (1) oversight requirements for dispensing
11 organizations;

12 (2) recordkeeping requirements for dispensing
13 organizations;

14 (3) security requirements for dispensing
15 organizations, which shall include that each dispensing
16 organization location must be protected by a fully
17 operational security alarm system;

18 (4) procedures for suspending or revoking the licenses
19 of dispensing organization agents that commit violations
20 of this Act or the rules adopted under this Act;

21 (4.5) standards and rules for the investigation and
22 enforcement of unregulated and unlicensed sale of cannabis
23 and cannabis products; and

24 (5) any other matters under oversight by the
25 Department of Financial and Professional Regulation that
26 are necessary for the fair, impartial, stringent, and

1 comprehensive administration of this Act.

2 (d) The Department of Revenue rules may address, but are
3 not limited to, the following matters related to the payment
4 of taxes by cannabis business establishments:

5 (1) recording of sales;

6 (2) documentation of taxable income and expenses;

7 (3) transfer of funds for the payment of taxes; or

8 (4) any other matter under the oversight of the
9 Department of Revenue.

10 (e) The Department of Commerce and Economic Opportunity
11 rules may address, but are not limited to, a loan program or
12 grant program to assist Social Equity Applicants access the
13 capital needed to start a cannabis business establishment. The
14 names of recipients and the amounts of any moneys received
15 through a loan program or grant program shall be a public
16 record.

17 (f) The Illinois State Police rules may address
18 enforcement of its authority under this Act. The Illinois
19 State Police shall not make rules that infringe on the
20 exclusive authority of the Department of Financial and
21 Professional Regulation or the Department of Agriculture over
22 licensees under this Act.

23 (g) The Department of Human Services shall develop and
24 disseminate:

25 (1) educational information about the health risks
26 associated with the use of cannabis; and

1 (2) one or more public education campaigns in
2 coordination with local health departments and community
3 organizations, including one or more prevention campaigns
4 directed at children, adolescents, parents, and pregnant
5 or breastfeeding women, to inform them of the potential
6 health risks associated with intentional or unintentional
7 cannabis use.

8 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19;
9 102-538, eff. 8-20-21.)

10 (410 ILCS 705/60-10)

11 Sec. 60-10. Tax imposed.

12 (a) Beginning September 1, 2019, a tax is imposed upon the
13 privilege of cultivating cannabis at the rate of 7% of the
14 gross receipts from the first sale of cannabis by a
15 cultivator. The sale of any product that contains any amount
16 of cannabis or any derivative thereof is subject to the tax
17 under this Section on the full selling price of the product.
18 The Department may determine the selling price of the cannabis
19 when the seller and purchaser are affiliated persons, when the
20 sale and purchase of cannabis is not an arm's length
21 transaction, or when cannabis is transferred by a craft grower
22 to the craft grower's dispensing organization or infuser or
23 processing organization and a value is not established for the
24 cannabis. The value determined by the Department shall be
25 commensurate with the actual price received for products of

1 like quality, character, and use in the area. If there are no
2 sales of cannabis of like quality, character, and use in the
3 same area, then the Department shall establish a reasonable
4 value based on sales of products of like quality, character,
5 and use in other areas of the State, taking into consideration
6 any other relevant factors.

7 (b) The Cannabis Cultivation Privilege Tax imposed under
8 this Article is solely the responsibility of the cultivator
9 who makes the first sale and is not the responsibility of a
10 subsequent purchaser, a dispensing organization, or an
11 infuser. Persons subject to the tax imposed under this Article
12 may, however, reimburse themselves for their tax liability
13 hereunder by separately stating reimbursement for their tax
14 liability as an additional charge.

15 (c) The tax imposed under this Article shall be in
16 addition to all other occupation, privilege, or excise taxes
17 imposed by the State of Illinois or by any unit of local
18 government.

19 (d) A tax shall be imposed on hemp-derived intoxicating
20 products on the sale of the product to a craft grower or
21 infuser at a rate of 7%.

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

23 Section 820. The Industrial Hemp Act is amended by
24 changing Sections 5, 10, and 20 and by adding Section 30 as
25 follows:

1 (505 ILCS 89/5)

2 Sec. 5. Definitions. In this Act:

3 "Department" means the Department of Agriculture.

4 "Director" means the Director of Agriculture.

5 "Hemp" or "industrial hemp" means the plant Cannabis
6 sativa L. and any part of that plant, whether growing or not,
7 with a delta-9 tetrahydrocannabinol concentration of not more
8 than 0.3 percent on a dry weight basis and includes any
9 intermediate or finished product made or derived from
10 industrial hemp.

11 "Hemp production plan" means a plan submitted by the
12 Department to the Secretary of the United States Department of
13 Agriculture pursuant to the federal Agriculture Improvement
14 Act of 2018, Public Law 115-334, and consistent with the
15 Domestic Hemp Production Program pursuant to 7 CFR Part 990
16 wherein the Department establishes its desire to have primary
17 regulatory authority over the production of hemp.

18 "Industrial hemp processor" means any entity that
19 processes or handles industrial hemp into a final product not
20 intended for human or animal consumption that is registered
21 with the Department. "Industrial hemp processor" includes,
22 until the availability of a hemp consumer product processor
23 license under the Hemp Consumer Product Act, any entity that
24 processes or handles industrial hemp.

25 "Industrial Hemp product" means any finished product made

1 or derived from industrial hemp that is not intended for human
2 or animal consumption by any means.

3 "Land area" means a farm as defined in Section 1-60 of the
4 Property Tax Code in this State or land or facilities under the
5 control of an institution of higher education.

6 "Person" means any individual, partnership, firm,
7 corporation, company, society, association, the State or any
8 department, agency, or subdivision thereof, or any other
9 entity.

10 ~~"Process" means the conversion of raw industrial hemp~~
11 ~~plant material into a form that is presently legal to import~~
12 ~~from outside the United States under federal law.~~

13 "THC" means delta-9 tetrahydrocannabinol.

14 (Source: P.A. 102-690, eff. 12-17-21.)

15 (505 ILCS 89/10)

16 Sec. 10. Licenses and registration.

17 (a) No person shall cultivate industrial hemp in this
18 State without a license issued by the Department.

19 (b) The application for a license shall include:

20 (1) the name and address of the applicant;

21 (2) the legal description of the land area, including
22 Global Positioning System coordinates, to be used to
23 cultivate industrial hemp; and

24 (3) if federal law requires a research purpose for the
25 cultivation of industrial hemp, a description of one or

1 more research purposes planned for the cultivation of
2 industrial hemp which may include the study of the growth,
3 cultivation, or marketing of industrial hemp; however, the
4 research purpose requirement shall not be construed to
5 limit the commercial sale of industrial hemp.

6 (b-5) A person shall not process industrial hemp in this
7 State without registering with the Department as an industrial
8 hemp processor on a form prescribed by the Department.

9 (c) The Department may determine, by rule, the duration of
10 a license or registration; application, registration, and
11 license fees; and the requirements for license or registration
12 renewal.

13 (Source: P.A. 102-690, eff. 12-17-21.)

14 (505 ILCS 89/20)

15 Sec. 20. Hemp products. Nothing in this Act shall alter
16 the legality of industrial hemp or hemp products not intended
17 for human or animal consumption by any means. The manufacture,
18 sale, and advertisement of all hemp or hemp products that are
19 intended for human or animal consumption by any means are
20 regulated under the Hemp Consumer Products Act ~~hemp or hemp~~
21 ~~products that are presently legal to possess or own.~~

22 (Source: P.A. 100-1091, eff. 8-26-18.)

23 (505 ILCS 89/30 new)

24 Sec. 30. Hemp processing.

1 (a) A person may not process industrial hemp in this State
2 without registering for a license with the Department on a
3 form prescribed by the Department.

4 (b) The application for a license shall include:

5 (1) the name and address of the applicant; and

6 (2) the address of the location at which hemp will be
7 processed

8 (c) The Department may determine, by rule, the duration of
9 a hemp processor registration, application, and registration
10 fees, and the requirements for registration renewal.

11 (d) Beginning January 1, 2025, all active hemp processing
12 registrations that process or manufacture products derived
13 from hemp intended for human or animal consumption shall be
14 regulated under the Hemp Consumer Products Act. Hemp
15 processing shall not be regulated under the Industrial Hemp
16 Act. By January 1, 2025, the Department of Agriculture shall
17 create a process to provide each active hemp processor
18 registrant that processes or produces products intended for
19 human or animal consumption by any means with a Hemp Consumer
20 Products Act hemp consumer product processing license.

21 (e) The Department may revoke the registration of any
22 industrial hemp processor that processes or manufactures
23 products derived from hemp intended for human or animal
24 consumption and fails to register as a hemp consumer product
25 processor under the Hemp Consumer Products Act by March 1,
26 2025.

1 Section 825. The Cannabis Control Act is amended by
2 changing Sections 4, 5, and 5.1 as follows:

3 (720 ILCS 550/4) (from Ch. 56 1/2, par. 704)

4 Sec. 4. Except as otherwise provided in the Cannabis
5 Regulation and Tax Act, Hemp Consumer Products Act, and the
6 Industrial Hemp Act, it is unlawful for any person knowingly
7 to possess cannabis.

8 Any person who violates this Section with respect to:

9 (a) not more than 10 grams of any substance containing
10 cannabis is guilty of a civil law violation punishable by
11 a minimum fine of \$100 and a maximum fine of \$200. The
12 proceeds of the fine shall be payable to the clerk of the
13 circuit court. Within 30 days after the deposit of the
14 fine, the clerk shall distribute the proceeds of the fine
15 as follows:

16 (1) \$10 of the fine to the circuit clerk and \$10 of
17 the fine to the law enforcement agency that issued the
18 citation; the proceeds of each \$10 fine distributed to
19 the circuit clerk and each \$10 fine distributed to the
20 law enforcement agency that issued the citation for
21 the violation shall be used to defer the cost of
22 automatic expungements under paragraph (2.5) of
23 subsection (a) of Section 5.2 of the Criminal
24 Identification Act;

1 (2) \$15 to the county to fund drug addiction
2 services;

3 (3) \$10 to the Office of the State's Attorneys
4 Appellate Prosecutor for use in training programs;

5 (4) \$10 to the State's Attorney; and

6 (5) any remainder of the fine to the law
7 enforcement agency that issued the citation for the
8 violation.

9 With respect to funds designated for the Illinois
10 State Police, the moneys shall be remitted by the circuit
11 court clerk to the Illinois State Police within one month
12 after receipt for deposit into the State Police Operations
13 Assistance Fund. With respect to funds designated for the
14 Department of Natural Resources, the Department of Natural
15 Resources shall deposit the moneys into the Conservation
16 Police Operations Assistance Fund;

17 (b) more than 10 grams but not more than 30 grams of
18 any substance containing cannabis is guilty of a Class B
19 misdemeanor;

20 (c) more than 30 grams but not more than 100 grams of
21 any substance containing cannabis is guilty of a Class A
22 misdemeanor; provided, that if any offense under this
23 subsection (c) is a subsequent offense, the offender shall
24 be guilty of a Class 4 felony;

25 (d) more than 100 grams but not more than 500 grams of
26 any substance containing cannabis is guilty of a Class 4

1 felony; provided that if any offense under this subsection
2 (d) is a subsequent offense, the offender shall be guilty
3 of a Class 3 felony;

4 (e) more than 500 grams but not more than 2,000 grams
5 of any substance containing cannabis is guilty of a Class
6 3 felony;

7 (f) more than 2,000 grams but not more than 5,000
8 grams of any substance containing cannabis is guilty of a
9 Class 2 felony;

10 (g) more than 5,000 grams of any substance containing
11 cannabis is guilty of a Class 1 felony.

12 Fines and assessments, such as fees or administrative
13 costs, authorized under this Section shall not be ordered or
14 imposed against a minor subject to Article III, IV, or V of the
15 Juvenile Court Act of 1987, or a minor under the age of 18
16 transferred to adult court or excluded from juvenile court
17 jurisdiction under Article V of the Juvenile Court Act of
18 1987, or the minor's parent, guardian, or legal custodian.

19 (Source: P.A. 102-538, eff. 8-20-21; 103-379, eff. 7-28-23.)

20 (720 ILCS 550/5) (from Ch. 56 1/2, par. 705)

21 Sec. 5. Except as otherwise provided in the Cannabis
22 Regulation and Tax Act, Hemp Consumer Products Act, and the
23 Industrial Hemp Act, it is unlawful for any person knowingly
24 to manufacture, deliver, or possess with intent to deliver, or
25 manufacture, cannabis. Any person who violates this Section

1 with respect to:

2 (a) not more than 2.5 grams of any substance
3 containing cannabis is guilty of a Class B misdemeanor;

4 (b) more than 2.5 grams but not more than 10 grams of
5 any substance containing cannabis is guilty of a Class A
6 misdemeanor;

7 (c) more than 10 grams but not more than 30 grams of
8 any substance containing cannabis is guilty of a Class 4
9 felony;

10 (d) more than 30 grams but not more than 500 grams of
11 any substance containing cannabis is guilty of a Class 3
12 felony for which a fine not to exceed \$50,000 may be
13 imposed;

14 (e) more than 500 grams but not more than 2,000 grams
15 of any substance containing cannabis is guilty of a Class
16 2 felony for which a fine not to exceed \$100,000 may be
17 imposed;

18 (f) more than 2,000 grams but not more than 5,000
19 grams of any substance containing cannabis is guilty of a
20 Class 1 felony for which a fine not to exceed \$150,000 may
21 be imposed;

22 (g) more than 5,000 grams of any substance containing
23 cannabis is guilty of a Class X felony for which a fine not
24 to exceed \$200,000 may be imposed.

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

1 (720 ILCS 550/5.1) (from Ch. 56 1/2, par. 705.1)

2 Sec. 5.1. Cannabis trafficking.

3 (a) Except for purposes authorized by this Act, the
4 Industrial Hemp Act, the Hemp Consumer Products Act, or the
5 Cannabis Regulation and Tax Act, any person who knowingly
6 brings or causes to be brought into this State for the purpose
7 of manufacture or delivery or with the intent to manufacture
8 or deliver 2,500 grams or more of cannabis in this State or any
9 other state or country is guilty of cannabis trafficking.

10 (b) A person convicted of cannabis trafficking shall be
11 sentenced to a term of imprisonment not less than twice the
12 minimum term and fined an amount as authorized by subsection
13 (f) or (g) of Section 5 of this Act, based upon the amount of
14 cannabis brought or caused to be brought into this State, and
15 not more than twice the maximum term of imprisonment and fined
16 twice the amount as authorized by subsection (f) or (g) of
17 Section 5 of this Act, based upon the amount of cannabis
18 brought or caused to be brought into this State.

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

20 Section 830. The Consumer Fraud and Deceptive Business
21 Practices Act is amended by changing Section 2Z as follows:

22 (815 ILCS 505/2Z) (from Ch. 121 1/2, par. 262Z)

23 Sec. 2Z. Violations of other Acts. Any person who
24 knowingly violates the Automotive Repair Act, the Automotive

1 Collision Repair Act, the Home Repair and Remodeling Act, the
2 Dance Studio Act, the Physical Fitness Services Act, the
3 Hearing Instrument Consumer Protection Act, the Illinois Union
4 Label Act, the Installment Sales Contract Act, the Job
5 Referral and Job Listing Services Consumer Protection Act, the
6 Travel Promotion Consumer Protection Act, the Credit Services
7 Organizations Act, the Automatic Telephone Dialers Act, the
8 Pay-Per-Call Services Consumer Protection Act, the Telephone
9 Solicitations Act, the Illinois Funeral or Burial Funds Act,
10 the Cemetery Oversight Act, the Cemetery Care Act, the Safe
11 and Hygienic Bed Act, the Illinois Pre-Need Cemetery Sales
12 Act, the High Risk Home Loan Act, the Payday Loan Reform Act,
13 the Predatory Loan Prevention Act, the Mortgage Rescue Fraud
14 Act, subsection (a) or (b) of Section 3-10 of the Cigarette Tax
15 Act, subsection (a) or (b) of Section 3-10 of the Cigarette Use
16 Tax Act, the Electronic Mail Act, the Internet Caller
17 Identification Act, paragraph (6) of subsection (k) of Section
18 6-305 of the Illinois Vehicle Code, Section 11-1431, 18d-115,
19 18d-120, 18d-125, 18d-135, 18d-150, or 18d-153 of the Illinois
20 Vehicle Code, Article 3 of the Residential Real Property
21 Disclosure Act, the Automatic Contract Renewal Act, the
22 Reverse Mortgage Act, Section 25 of the Youth Mental Health
23 Protection Act, the Personal Information Protection Act, ~~or~~
24 the Student Online Personal Protection Act, or subsection (a)
25 of Section 15-155 of the Cannabis Regulation and Tax Act
26 commits an unlawful practice within the meaning of this Act.

1 (Source: P.A. 100-315, eff. 8-24-17; 100-416, eff. 1-1-18;
2 100-863, eff. 8-14-18; 101-658, eff. 3-23-21.)

3 Section 999. Effective date. This Act takes effect upon
4 becoming law.".