



Sen. Cristina Castro

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LRB101 15121 CPF 74645 a

1 AMENDMENT TO HOUSE BILL 3959

2 AMENDMENT NO. _____. Amend House Bill 3959 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The State Officials and Employees Ethics Act is
5 amended by changing Section 5-50 as follows:

6 (5 ILCS 430/5-50)

7 Sec. 5-50. Ex parte communications; special government
8 agents.

9 (a) This Section applies to ex parte communications made to
10 any agency listed in subsection (e).

11 (b) "Ex parte communication" means any written or oral
12 communication by any person that imparts or requests material
13 information or makes a material argument regarding potential
14 action concerning regulatory, quasi-adjudicatory, investment,
15 or licensing matters pending before or under consideration by
16 the agency. "Ex parte communication" does not include the

1 following: (i) statements by a person publicly made in a public
2 forum; (ii) statements regarding matters of procedure and
3 practice, such as format, the number of copies required, the
4 manner of filing, and the status of a matter; and (iii)
5 statements made by a State employee of the agency to the agency
6 head or other employees of that agency.

7 (b-5) An ex parte communication received by an agency,
8 agency head, or other agency employee from an interested party
9 or his or her official representative or attorney shall
10 promptly be memorialized and made a part of the record.

11 (c) An ex parte communication received by any agency,
12 agency head, or other agency employee, other than an ex parte
13 communication described in subsection (b-5), shall immediately
14 be reported to that agency's ethics officer by the recipient of
15 the communication and by any other employee of that agency who
16 responds to the communication. The ethics officer shall require
17 that the ex parte communication be promptly made a part of the
18 record. The ethics officer shall promptly file the ex parte
19 communication with the Executive Ethics Commission, including
20 all written communications, all written responses to the
21 communications, and a memorandum prepared by the ethics officer
22 stating the nature and substance of all oral communications,
23 the identity and job title of the person to whom each
24 communication was made, all responses made, the identity and
25 job title of the person making each response, the identity of
26 each person from whom the written or oral ex parte

1 communication was received, the individual or entity
2 represented by that person, any action the person requested or
3 recommended, and any other pertinent information. The
4 disclosure shall also contain the date of any ex parte
5 communication.

6 (d) "Interested party" means a person or entity whose
7 rights, privileges, or interests are the subject of or are
8 directly affected by a regulatory, quasi-adjudicatory,
9 investment, or licensing matter.

10 (e) This Section applies to the following agencies:

11 Executive Ethics Commission

12 Illinois Commerce Commission

13 Educational Labor Relations Board

14 State Board of Elections

15 Illinois Gaming Board

16 Health Facilities and Services Review Board

17 Illinois Workers' Compensation Commission

18 Illinois Labor Relations Board

19 Illinois Liquor Control Commission

20 Pollution Control Board

21 Property Tax Appeal Board

22 Illinois Racing Board

23 Illinois Purchased Care Review Board

24 Department of State Police Merit Board

25 Motor Vehicle Review Board

26 Prisoner Review Board

1 Civil Service Commission
2 Personnel Review Board for the Treasurer
3 Merit Commission for the Secretary of State
4 Merit Commission for the Office of the Comptroller
5 Court of Claims
6 Board of Review of the Department of Employment Security
7 Department of Insurance
8 Department of Professional Regulation and licensing boards
9 under the Department
10 Department of Public Health and licensing boards under the
11 Department
12 Office of Banks and Real Estate and licensing boards under
13 the Office
14 State Employees Retirement System Board of Trustees
15 Judges Retirement System Board of Trustees
16 General Assembly Retirement System Board of Trustees
17 Illinois Board of Investment

18 State Universities Retirement System Board of Trustees
19 Teachers Retirement System Officers Board of Trustees

20 (f) Any person who fails to (i) report an ex parte
21 communication to an ethics officer, (ii) make information part
22 of the record, or (iii) make a filing with the Executive Ethics
23 Commission as required by this Section or as required by
24 Section 5-165 of the Illinois Administrative Procedure Act
25 violates this Act.

26 (g) Any employee of the Office of the Governor shall follow

1 the requirements in subsection (b-5) to memorialize any ex
2 parte communication regarding an application for a cannabis
3 business establishment license received from an applicant for a
4 cannabis business establishment license, an applicant's
5 official representative or attorney, a person representing
6 that they are an agent of the applicant, or any Illinois
7 elected official. The ex parte communication shall immediately
8 be reported to the ethics officer. The ethics officer shall
9 promptly file the ex parte communication with the Executive
10 Ethics Commission, including all written responses to the
11 communications, and a memorandum prepared by the ethics officer
12 stating the nature and substance of all oral communications,
13 the identity and job title of the person to whom each
14 communication was made, all responses made, the identity and
15 job title of the person making each response, the identity of
16 each person from whom the written or oral ex parte
17 communication was received, the individual or entity
18 represented by that person, any action the person requested or
19 recommended, and any other pertinent information. The
20 disclosure shall also contain the date of any ex parte
21 communication. This reporting requirement only applies to an ex
22 parte communication received during the time period after an
23 application for a cannabis business establishment license is
24 published by the Department of Financial and Professional
25 Regulation or the Department of Agriculture until the
26 department notifies applicants that the application scoring

1 process has concluded.

2 (h) For purposes of subsections (g) and (h), the term
3 "cannabis business establishment" has the meaning as defined in
4 Section 1-10 of the Cannabis Regulation and Tax Act.

5 (Source: P.A. 95-331, eff. 8-21-07; 96-31, eff. 6-30-09.)

6 Section 10. The Tobacco Products Tax Act of 1995 is amended
7 by changing Section 10-5 as follows:

8 (35 ILCS 143/10-5)

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

10 "Business" means any trade, occupation, activity, or
11 enterprise engaged in, at any location whatsoever, for the
12 purpose of selling tobacco products.

13 "Cigarette" has the meaning ascribed to the term in Section
14 1 of the Cigarette Tax Act.

15 "Contraband little cigar" means:

16 (1) packages of little cigars containing 20 or 25
17 little cigars that do not bear a required tax stamp under
18 this Act;

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

22 (3) packages of little cigars containing 20 or 25
23 little cigars that are improperly tax stamped, including
24 packages of little cigars that bear only a tax stamp of

1 another state or taxing jurisdiction; or

2 (4) packages of little cigars containing other than 20
3 or 25 little cigars in the possession of a distributor,
4 retailer or wholesaler, unless the distributor, retailer,
5 or wholesaler possesses, or produces within the time frame
6 provided in Section 10-27 or 10-28 of this Act, an invoice
7 from a stamping distributor, distributor, or wholesaler
8 showing that the tax on the packages has been or will be
9 paid.

10 "Correctional Industries program" means a program run by a
11 State penal institution in which residents of the penal
12 institution produce tobacco products for sale to persons
13 incarcerated in penal institutions or resident patients of a
14 State operated mental health facility.

15 "Department" means the Illinois Department of Revenue.

16 "Distributor" means any of the following:

17 (1) Any manufacturer or wholesaler in this State
18 engaged in the business of selling tobacco products who
19 sells, exchanges, or distributes tobacco products to
20 retailers or consumers in this State.

21 (2) Any manufacturer or wholesaler engaged in the
22 business of selling tobacco products from without this
23 State who sells, exchanges, distributes, ships, or
24 transports tobacco products to retailers or consumers
25 located in this State, so long as that manufacturer or
26 wholesaler has or maintains within this State, directly or

1 by subsidiary, an office, sales house, or other place of
2 business, or any agent or other representative operating
3 within this State under the authority of the person or
4 subsidiary, irrespective of whether the place of business
5 or agent or other representative is located here
6 permanently or temporarily.

7 (3) Any retailer who receives tobacco products on which
8 the tax has not been or will not be paid by another
9 distributor.

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

15 "Electronic cigarette" means:

16 (1) any device that employs a battery or other
17 mechanism to heat a solution or substance to produce a
18 vapor or aerosol intended for inhalation, except any device
19 that contains a solution or substance that contains
20 cannabis subject to tax under the Compassionate Use of
21 Medical Cannabis Program Act or the Cannabis Cultivation
22 Privilege Tax Law;

23 (2) any cartridge or container of a solution or
24 substance intended to be used with or in the device or to
25 refill the device, except any cartridge or container of a
26 solution or substance that contains cannabis subject to tax

1 under the Compassionate Use of Medical Cannabis Program Act
2 or the Cannabis Cultivation Privilege Tax Law; or

3 (3) any solution or substance, whether or not it
4 contains nicotine, intended for use in the device, except
5 any solution or substance that contains cannabis subject to
6 tax under the Compassionate Use of Medical Cannabis Program
7 Act or the Cannabis Cultivation Privilege Tax Law. The
8 changes made to the definition of "electronic cigarette" by
9 this amendatory Act of the 101st General Assembly apply on
10 and after June 28, 2019, but no claim for credit or refund
11 is allowed on or after the effective date of this
12 amendatory Act of the 101st General Assembly for such taxes
13 paid during the period beginning June 28, 2019 and the
14 effective date of this amendatory Act of the 101st General
15 Assembly.

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

1 for that condition that is marketed and sold solely for that
2 approved purpose; or any therapeutic product approved for use
3 under the Compassionate Use of Medical Cannabis Program Act.

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

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

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

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

26 "Place of business" means and includes any place where

1 tobacco products are sold or where tobacco products are
2 manufactured, stored, or kept for the purpose of sale or
3 consumption, including any vessel, vehicle, airplane, train,
4 or vending machine.

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

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

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

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

19 "Tobacco products" means any cigars, including little
20 cigars; cheroots; stogies; periques; granulated, plug cut,
21 crimp cut, ready rubbed, and other smoking tobacco; snuff
22 (including moist snuff) or snuff flour; cavendish; plug and
23 twist tobacco; fine-cut and other chewing tobaccos; shorts;
24 refuse scraps, clippings, cuttings, and sweeping of tobacco;
25 and other kinds and forms of tobacco, prepared in such manner
26 as to be suitable for chewing or smoking in a pipe or

1 otherwise, or both for chewing and smoking; but does not
2 include cigarettes as defined in Section 1 of the Cigarette Tax
3 Act or tobacco purchased for the manufacture of cigarettes by
4 cigarette distributors and manufacturers defined in the
5 Cigarette Tax Act and persons who make, manufacture, or
6 fabricate cigarettes as a part of a Correctional Industries
7 program for sale to residents incarcerated in penal
8 institutions or resident patients of a State operated mental
9 health facility.

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

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

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

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

2 Section 15. The Counties Code is amended by changing
3 Section 5-1006.8 as follows:

4 (55 ILCS 5/5-1006.8)

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

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

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

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

23 (c) Whenever the Department of Revenue determines that a
24 refund should be made under this Section to a claimant instead
25 of issuing a credit memorandum, the Department of Revenue shall
26 notify the State Comptroller, who shall cause the order to be

1 drawn for the amount specified and to the person named in the
2 notification from the Department of Revenue.

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

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

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

10 (f) An ordinance or resolution imposing or discontinuing a
11 tax under this Section or effecting a change in the rate
12 thereof that is adopted on or after June 25, 2019 (the
13 effective date of Public Act 101-27) ~~and~~ for which a certified
14 copy is filed with the Department on or before April 1, 2020
15 shall be administered and enforced by the Department beginning
16 on July 1, 2020, and for which a certified copy must be filed
17 with the Department within 14 days after the effective date of
18 this amendatory Act of the 101st General Assembly, shall be
19 administered and enforced by the Department beginning on the
20 first day of the following month. For ordinances filed with the
21 Department after April 1, 2020, or 15 days after the effective
22 date of this amendatory Act of the 101st General Assembly, an
23 ordinance or resolution imposing or discontinuing a tax under
24 this Section or effecting a change in the rate thereof shall
25 either (i) be adopted and a certified copy thereof filed with
26 the Department on or before the first day of April, whereupon

1 the Department shall proceed to administer and enforce this
2 Section as of the first day of July next following the adoption
3 and filing; or (ii) be adopted and a certified copy thereof
4 filed with the Department on or before the first day of
5 October, whereupon the Department shall proceed to administer
6 and enforce this Section as of the first day of January next
7 following the adoption and filing.

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

10 Section 20. The Civic Center Code is amended by changing
11 Section 245-12 as follows:

12 (70 ILCS 200/245-12)

13 Sec. 245-12. Use and occupation taxes.

14 (a) The Authority may adopt a resolution that authorizes a
15 referendum on the question of whether the Authority shall be
16 authorized to impose a retailers' occupation tax, a service
17 occupation tax, and a use tax in one-quarter percent increments
18 at a rate not to exceed 1%. The Authority shall certify the
19 question to the proper election authorities who shall submit
20 the question to the voters of the metropolitan area at the next
21 regularly scheduled election in accordance with the general
22 election law. The question shall be in substantially the
23 following form:

24 "Shall the Salem Civic Center Authority be authorized to

1 impose a retailers' occupation tax, a service occupation
2 tax, and a use tax at the rate of (rate) for the sole
3 purpose of obtaining funds for the support, construction,
4 maintenance, or financing of a facility of the Authority?"

5 Votes shall be recorded as "yes" or "no".

6 If a majority of all votes cast on the proposition are in
7 favor of the proposition, the Authority is authorized to impose
8 the tax.

9 (b) The Authority shall impose the retailers' occupation
10 tax upon all persons engaged in the business of selling
11 tangible personal property at retail in the metropolitan area,
12 at the rate approved by referendum, on the gross receipts from
13 the sales made in the course of such business within the
14 metropolitan area. Beginning December 1, 2019 and through
15 December 31, 2020, this tax is not imposed on sales of aviation
16 fuel unless the tax revenue is expended for airport-related
17 purposes. If the Authority does not have an airport-related
18 purpose to which it dedicates aviation fuel tax revenue, then
19 aviation fuel is excluded from the tax. The Authority must
20 comply with the certification requirements for airport-related
21 purposes under Section 2-22 of the Retailers' Occupation Tax
22 Act. For purposes of this Section, "airport-related purposes"
23 has the meaning ascribed in Section 6z-20.2 of the State
24 Finance Act. Beginning January 1, 2021, this tax is not imposed
25 on sales of aviation fuel for so long as the revenue use
26 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are

1 binding on the Authority.

2 The tax imposed under this Section and all civil penalties
3 that may be assessed as an incident thereof shall be collected
4 and enforced by the Department of Revenue. The Department has
5 full power to administer and enforce this Section; to collect
6 all taxes and penalties so collected in the manner provided in
7 this Section; and to determine all rights to credit memoranda
8 arising on account of the erroneous payment of tax or penalty
9 hereunder. In the administration of, and compliance with, this
10 Section, the Department and persons who are subject to this
11 Section shall (i) have the same rights, remedies, privileges,
12 immunities, powers and duties, (ii) be subject to the same
13 conditions, restrictions, limitations, penalties, exclusions,
14 exemptions, and definitions of terms, and (iii) employ the same
15 modes of procedure as are prescribed in Sections 1, 1a, 1a-1,
16 1c, 1d, 1e, 1f, 1i, 1j, 1k, 1m, 1n, 2, 2-5, 2-5.5, 2-10 (in
17 respect to all provisions therein other than the State rate of
18 tax), 2-12, 2-15 through 2-70, 2a, 2b, 2c, 3 (except as to the
19 disposition of taxes and penalties collected and provisions
20 related to quarter monthly payments, and except that the
21 retailer's discount is not allowed for taxes paid on aviation
22 fuel that are subject to the revenue use requirements of 49
23 U.S.C. 47107(b) and 49 U.S.C. 47133), 4, 5, 5a, 5b, 5c, 5d, 5e,
24 5f, 5g, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, 11a, 12,
25 and 13 of the Retailers' Occupation Tax Act and Section 3-7 of
26 the Uniform Penalty and Interest Act, as fully as if those

1 provisions were set forth in this subsection.

2 Persons subject to any tax imposed under this subsection
3 may reimburse themselves for their seller's tax liability by
4 separately stating the tax as an additional charge, which
5 charge may be stated in combination, in a single amount, with
6 State taxes that sellers are required to collect, in accordance
7 with such bracket schedules as the Department may prescribe.

8 Whenever the Department determines that a refund should be
9 made under this subsection to a claimant instead of issuing a
10 credit memorandum, the Department shall notify the State
11 Comptroller, who shall cause the warrant to be drawn for the
12 amount specified, and to the person named, in the notification
13 from the Department. The refund shall be paid by the State
14 Treasurer out of the tax fund referenced under paragraph (g) of
15 this Section or the Local Government Aviation Trust Fund, as
16 appropriate.

17 If a tax is imposed under this subsection (b), a tax shall
18 also be imposed at the same rate under subsections (c) and (d)
19 of this Section.

20 For the purpose of determining whether a tax authorized
21 under this Section is applicable, a retail sale, by a producer
22 of coal or other mineral mined in Illinois, is a sale at retail
23 at the place where the coal or other mineral mined in Illinois
24 is extracted from the earth. This paragraph does not apply to
25 coal or other mineral when it is delivered or shipped by the
26 seller to the purchaser at a point outside Illinois so that the

1 sale is exempt under the Federal Constitution as a sale in
2 interstate or foreign commerce.

3 Nothing in this Section shall be construed to authorize the
4 Authority to impose a tax upon the privilege of engaging in any
5 business which under the Constitution of the United States may
6 not be made the subject of taxation by this State.

7 (c) If a tax has been imposed under subsection (b), a
8 service occupation tax shall also be imposed at the same rate
9 upon all persons engaged, in the metropolitan area, in the
10 business of making sales of service, who, as an incident to
11 making those sales of service, transfer tangible personal
12 property within the metropolitan area as an incident to a sale
13 of service. The tax imposed under this subsection and all civil
14 penalties that may be assessed as an incident thereof shall be
15 collected and enforced by the Department of Revenue.

16 Beginning December 1, 2019 and through December 31, 2020,
17 this tax is not imposed on sales of aviation fuel unless the
18 tax revenue is expended for airport-related purposes. If the
19 Authority does not have an airport-related purpose to which it
20 dedicates aviation fuel tax revenue, then aviation fuel is
21 excluded from the tax. The Authority must comply with the
22 certification requirements for airport-related purposes under
23 Section 2-22 of the Retailers' Occupation Tax Act. Beginning
24 January 1, 2021, this tax is not imposed on sales of aviation
25 fuel for so long as the revenue use requirements of 49 U.S.C.
26 47107(b) and 49 U.S.C. 47133 are binding on the Authority.

1 The Department has full power to administer and enforce
2 this paragraph; to collect all taxes and penalties due
3 hereunder; to dispose of taxes and penalties so collected in
4 the manner hereinafter provided; and to determine all rights to
5 credit memoranda arising on account of the erroneous payment of
6 tax or penalty hereunder. In the administration of, and
7 compliance with this paragraph, the Department and persons who
8 are subject to this paragraph shall (i) have the same rights,
9 remedies, privileges, immunities, powers, and duties, (ii) be
10 subject to the same conditions, restrictions, limitations,
11 penalties, exclusions, exemptions, and definitions of terms,
12 and (iii) employ the same modes of procedure as are prescribed
13 in Sections 2 (except that the reference to State in the
14 definition of supplier maintaining a place of business in this
15 State shall mean the metropolitan area), 2a, 2b, 3 through 3-55
16 (in respect to all provisions therein other than the State rate
17 of tax), 4 (except that the reference to the State shall be to
18 the Authority), 5, 7, 8 (except that the jurisdiction to which
19 the tax shall be a debt to the extent indicated in that Section
20 8 shall be the Authority), 9 (except as to the disposition of
21 taxes and penalties collected, and except that the returned
22 merchandise credit for this tax may not be taken against any
23 State tax, and except that the retailer's discount is not
24 allowed for taxes paid on aviation fuel that are subject to the
25 revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C.
26 47133), 11, 12 (except the reference therein to Section 2b of

1 the Retailers' Occupation Tax Act), 13 (except that any
2 reference to the State shall mean the Authority), 15, 16, 17,
3 18, 19 and 20 of the Service Occupation Tax Act and Section 3-7
4 of the Uniform Penalty and Interest Act, as fully as if those
5 provisions were set forth herein.

6 Persons subject to any tax imposed under the authority
7 granted in this subsection may reimburse themselves for their
8 serviceman's tax liability by separately stating the tax as an
9 additional charge, which charge may be stated in combination,
10 in a single amount, with State tax that servicemen are
11 authorized to collect under the Service Use Tax Act, in
12 accordance with such bracket schedules as the Department may
13 prescribe.

14 Whenever the Department determines that a refund should be
15 made under this subsection to a claimant instead of issuing a
16 credit memorandum, the Department shall notify the State
17 Comptroller, who shall cause the warrant to be drawn for the
18 amount specified, and to the person named, in the notification
19 from the Department. The refund shall be paid by the State
20 Treasurer out of the tax fund referenced under paragraph (g) of
21 this Section or the Local Government Aviation Trust Fund, as
22 appropriate.

23 Nothing in this paragraph shall be construed to authorize
24 the Authority to impose a tax upon the privilege of engaging in
25 any business which under the Constitution of the United States
26 may not be made the subject of taxation by the State.

1 (d) If a tax has been imposed under subsection (b), a use
2 tax shall also be imposed at the same rate upon the privilege
3 of using, in the metropolitan area, any item of tangible
4 personal property that is purchased outside the metropolitan
5 area at retail from a retailer, and that is titled or
6 registered at a location within the metropolitan area with an
7 agency of this State's government. "Selling price" is defined
8 as in the Use Tax Act. The tax shall be collected from persons
9 whose Illinois address for titling or registration purposes is
10 given as being in the metropolitan area. The tax shall be
11 collected by the Department of Revenue for the Authority. The
12 tax must be paid to the State, or an exemption determination
13 must be obtained from the Department of Revenue, before the
14 title or certificate of registration for the property may be
15 issued. The tax or proof of exemption may be transmitted to the
16 Department by way of the State agency with which, or the State
17 officer with whom, the tangible personal property must be
18 titled or registered if the Department and the State agency or
19 State officer determine that this procedure will expedite the
20 processing of applications for title or registration.

21 The Department has full power to administer and enforce
22 this paragraph; to collect all taxes, penalties and interest
23 due hereunder; to dispose of taxes, penalties and interest so
24 collected in the manner hereinafter provided; and to determine
25 all rights to credit memoranda or refunds arising on account of
26 the erroneous payment of tax, penalty or interest hereunder. In

1 the administration of, and compliance with, this subsection,
2 the Department and persons who are subject to this paragraph
3 shall (i) have the same rights, remedies, privileges,
4 immunities, powers, and duties, (ii) be subject to the same
5 conditions, restrictions, limitations, penalties, exclusions,
6 exemptions, and definitions of terms, and (iii) employ the same
7 modes of procedure as are prescribed in Sections 2 (except the
8 definition of "retailer maintaining a place of business in this
9 State"), 3, 3-5, 3-10, 3-45, 3-55, 3-65, 3-70, 3-85, 3a, 4, 6,
10 7, 8 (except that the jurisdiction to which the tax shall be a
11 debt to the extent indicated in that Section 8 shall be the
12 Authority), 9 (except provisions relating to quarter monthly
13 payments), 10, 11, 12, 12a, 12b, 13, 14, 15, 19, 20, 21, and 22
14 of the Use Tax Act and Section 3-7 of the Uniform Penalty and
15 Interest Act, that are not inconsistent with this paragraph, as
16 fully as if those provisions were set forth herein.

17 Whenever the Department determines that a refund should be
18 made under this subsection to a claimant instead of issuing a
19 credit memorandum, the Department shall notify the State
20 Comptroller, who shall cause the order to be drawn for the
21 amount specified, and to the person named, in the notification
22 from the Department. The refund shall be paid by the State
23 Treasurer out of the tax fund referenced under paragraph (g) of
24 this Section.

25 (e) A certificate of registration issued by the State
26 Department of Revenue to a retailer under the Retailers'

1 Occupation Tax Act or under the Service Occupation Tax Act
2 shall permit the registrant to engage in a business that is
3 taxed under the tax imposed under paragraphs (b), (c), or (d)
4 of this Section and no additional registration shall be
5 required. A certificate issued under the Use Tax Act or the
6 Service Use Tax Act shall be applicable with regard to any tax
7 imposed under paragraph (c) of this Section.

8 (f) The results of any election authorizing a proposition
9 to impose a tax under this Section or effecting a change in the
10 rate of tax shall be certified by the proper election
11 authorities and filed with the Illinois Department on or before
12 the first day of April. In addition, an ordinance imposing,
13 discontinuing, or effecting a change in the rate of tax under
14 this Section shall be adopted and a certified copy thereof
15 filed with the Department on or before the first day of April.
16 After proper receipt of such certifications, the Department
17 shall proceed to administer and enforce this Section as of the
18 first day of July next following such adoption and filing.

19 (g) Except as otherwise provided, the Department of Revenue
20 shall, upon collecting any taxes and penalties as provided in
21 this Section, pay the taxes and penalties over to the State
22 Treasurer as trustee for the Authority. The taxes and penalties
23 shall be held in a trust fund outside the State Treasury. Taxes
24 and penalties collected on aviation fuel sold on or after
25 December 1, 2019 and through December 31, 2020, shall be
26 immediately paid over by the Department to the State Treasurer,

1 ex officio, as trustee, for deposit into the Local Government
2 Aviation Trust Fund. The Department shall only pay moneys into
3 the Local Government Aviation Trust Fund under this Section for
4 so long as the revenue use requirements of 49 U.S.C. 47107(b)
5 and 49 U.S.C. 47133 are binding on the District. On or before
6 the 25th day of each calendar month, the Department of Revenue
7 shall prepare and certify to the Comptroller of the State of
8 Illinois the amount to be paid to the Authority, which shall be
9 the balance in the fund, less any amount determined by the
10 Department to be necessary for the payment of refunds and not
11 including taxes and penalties collected on aviation fuel sold
12 on or after December 1, 2019. Within 10 days after receipt by
13 the Comptroller of the certification of the amount to be paid
14 to the Authority, the Comptroller shall cause an order to be
15 drawn for payment for the amount in accordance with the
16 directions contained in the certification. Amounts received
17 from the tax imposed under this Section shall be used only for
18 the support, construction, maintenance, or financing of a
19 facility of the Authority.

20 (h) When certifying the amount of a monthly disbursement to
21 the Authority under this Section, the Department shall increase
22 or decrease the amounts by an amount necessary to offset any
23 miscalculation of previous disbursements. The offset amount
24 shall be the amount erroneously disbursed within the previous 6
25 months from the time a miscalculation is discovered.

26 (i) This Section may be cited as the Salem Civic Center Use

1 and Occupation Tax Law.

2 (j) Notwithstanding any other provision of law, no tax may
3 be imposed under this Section on the sale or use of cannabis,
4 as defined in Section 1-10 of the Cannabis Regulation and Tax
5 Act.

6 (Source: P.A. 101-10, eff. 6-5-19; 101-604, eff. 12-13-19.)

7 Section 25. The Flood Prevention District Act is amended by
8 changing Section 25 as follows:

9 (70 ILCS 750/25)

10 Sec. 25. Flood prevention retailers' and service
11 occupation taxes.

12 (a) If the Board of Commissioners of a flood prevention
13 district determines that an emergency situation exists
14 regarding levee repair or flood prevention, and upon an
15 ordinance confirming the determination adopted by the
16 affirmative vote of a majority of the members of the county
17 board of the county in which the district is situated, the
18 county may impose a flood prevention retailers' occupation tax
19 upon all persons engaged in the business of selling tangible
20 personal property at retail within the territory of the
21 district to provide revenue to pay the costs of providing
22 emergency levee repair and flood prevention and to secure the
23 payment of bonds, notes, and other evidences of indebtedness
24 issued under this Act for a period not to exceed 25 years or as

1 required to repay the bonds, notes, and other evidences of
2 indebtedness issued under this Act. The tax rate shall be 0.25%
3 of the gross receipts from all taxable sales made in the course
4 of that business. Beginning December 1, 2019 and through
5 December 31, 2020, this tax is not imposed on sales of aviation
6 fuel unless the tax revenue is expended for airport-related
7 purposes. If the District does not have an airport-related
8 purpose to which it dedicates aviation fuel tax revenue, then
9 aviation fuel is excluded from the tax. The County must comply
10 with the certification requirements for airport-related
11 purposes under Section 2-22 of the Retailers' Occupation Tax
12 Act. The tax imposed under this Section and all civil penalties
13 that may be assessed as an incident thereof shall be collected
14 and enforced by the State Department of Revenue. The Department
15 shall have full power to administer and enforce this Section;
16 to collect all taxes and penalties so collected in the manner
17 hereinafter provided; and to determine all rights to credit
18 memoranda arising on account of the erroneous payment of tax or
19 penalty hereunder.

20 For purposes of this Act, "airport-related purposes" has
21 the meaning ascribed in Section 6z-20.2 of the State Finance
22 Act. Beginning January 1, 2021, this tax is not imposed on
23 sales of aviation fuel for so long as the revenue use
24 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are
25 binding on the District.

26 In the administration of and compliance with this

1 subsection, the Department and persons who are subject to this
2 subsection (i) have the same rights, remedies, privileges,
3 immunities, powers, and duties, (ii) are subject to the same
4 conditions, restrictions, limitations, penalties, and
5 definitions of terms, and (iii) shall employ the same modes of
6 procedure as are set forth in Sections 1 through 1o, 2 through
7 2-70 (in respect to all provisions contained in those Sections
8 other than the State rate of tax), 2a through 2h, 3 (except as
9 to the disposition of taxes and penalties collected, and except
10 that the retailer's discount is not allowed for taxes paid on
11 aviation fuel that are subject to the revenue use requirements
12 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133), 4, 5, 5a, 5b, 5c,
13 5d, 5e, 5f, 5g, 5h, 5i, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11,
14 11a, 12, and 13 of the Retailers' Occupation Tax Act and all
15 provisions of the Uniform Penalty and Interest Act as if those
16 provisions were set forth in this subsection.

17 Persons subject to any tax imposed under this Section may
18 reimburse themselves for their seller's tax liability
19 hereunder by separately stating the tax as an additional
20 charge, which charge may be stated in combination in a single
21 amount with State taxes that sellers are required to collect
22 under the Use Tax Act, under any bracket schedules the
23 Department may prescribe.

24 If a tax is imposed under this subsection (a), a tax shall
25 also be imposed under subsection (b) of this Section.

26 (b) If a tax has been imposed under subsection (a), a flood

1 prevention service occupation tax shall also be imposed upon
2 all persons engaged within the territory of the district in the
3 business of making sales of service, who, as an incident to
4 making the sales of service, transfer tangible personal
5 property, either in the form of tangible personal property or
6 in the form of real estate as an incident to a sale of service
7 to provide revenue to pay the costs of providing emergency
8 levee repair and flood prevention and to secure the payment of
9 bonds, notes, and other evidences of indebtedness issued under
10 this Act for a period not to exceed 25 years or as required to
11 repay the bonds, notes, and other evidences of indebtedness.
12 The tax rate shall be 0.25% of the selling price of all
13 tangible personal property transferred. Beginning December 1,
14 2019 and through December 31, 2020, this tax is not imposed on
15 sales of aviation fuel unless the tax revenue is expended for
16 airport-related purposes. If the District does not have an
17 airport-related purpose to which it dedicates aviation fuel tax
18 revenue, then aviation fuel is excluded from the tax. The
19 County must comply with the certification requirements for
20 airport-related purposes under Section 2-22 of the Retailers'
21 Occupation Tax Act. For purposes of this Act, "airport-related
22 purposes" has the meaning ascribed in Section 6z-20.2 of the
23 State Finance Act. Beginning January 1, 2021, this tax is not
24 imposed on sales of aviation fuel for so long as the revenue
25 use requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are
26 binding on the District.

1 The tax imposed under this subsection and all civil
2 penalties that may be assessed as an incident thereof shall be
3 collected and enforced by the State Department of Revenue. The
4 Department shall have full power to administer and enforce this
5 subsection; to collect all taxes and penalties due hereunder;
6 to dispose of taxes and penalties collected in the manner
7 hereinafter provided; and to determine all rights to credit
8 memoranda arising on account of the erroneous payment of tax or
9 penalty hereunder.

10 In the administration of and compliance with this
11 subsection, the Department and persons who are subject to this
12 subsection shall (i) have the same rights, remedies,
13 privileges, immunities, powers, and duties, (ii) be subject to
14 the same conditions, restrictions, limitations, penalties, and
15 definitions of terms, and (iii) employ the same modes of
16 procedure as are set forth in Sections 2 (except that the
17 reference to State in the definition of supplier maintaining a
18 place of business in this State means the district), 2a through
19 2d, 3 through 3-50 (in respect to all provisions contained in
20 those Sections other than the State rate of tax), 4 (except
21 that the reference to the State shall be to the district), 5,
22 7, 8 (except that the jurisdiction to which the tax is a debt
23 to the extent indicated in that Section 8 is the district), 9
24 (except as to the disposition of taxes and penalties collected,
25 and except that the retailer's discount is not allowed for
26 taxes paid on aviation fuel that are subject to the revenue use

1 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133), 10,
2 11, 12 (except the reference therein to Section 2b of the
3 Retailers' Occupation Tax Act), 13 (except that any reference
4 to the State means the district), Section 15, 16, 17, 18, 19,
5 and 20 of the Service Occupation Tax Act and all provisions of
6 the Uniform Penalty and Interest Act, as fully as if those
7 provisions were set forth herein.

8 Persons subject to any tax imposed under the authority
9 granted in this subsection may reimburse themselves for their
10 serviceman's tax liability hereunder by separately stating the
11 tax as an additional charge, that charge may be stated in
12 combination in a single amount with State tax that servicemen
13 are authorized to collect under the Service Use Tax Act, under
14 any bracket schedules the Department may prescribe.

15 (c) The taxes imposed in subsections (a) and (b) may not be
16 imposed on personal property titled or registered with an
17 agency of the State or on personal property taxed at the 1%
18 rate under the Retailers' Occupation Tax Act and the Service
19 Occupation Tax Act.

20 (d) Nothing in this Section shall be construed to authorize
21 the district to impose a tax upon the privilege of engaging in
22 any business that under the Constitution of the United States
23 may not be made the subject of taxation by the State.

24 (e) The certificate of registration that is issued by the
25 Department to a retailer under the Retailers' Occupation Tax
26 Act or a serviceman under the Service Occupation Tax Act

1 permits the retailer or serviceman to engage in a business that
2 is taxable without registering separately with the Department
3 under an ordinance or resolution under this Section.

4 (f) Except as otherwise provided, the Department shall
5 immediately pay over to the State Treasurer, ex officio, as
6 trustee, all taxes and penalties collected under this Section
7 to be deposited into the Flood Prevention Occupation Tax Fund,
8 which shall be an unappropriated trust fund held outside the
9 State treasury. Taxes and penalties collected on aviation fuel
10 sold on or after December 1, 2019 and through December 31,
11 2020, shall be immediately paid over by the Department to the
12 State Treasurer, ex officio, as trustee, for deposit into the
13 Local Government Aviation Trust Fund. The Department shall only
14 pay moneys into the Local Government Aviation Trust Fund under
15 this Act for so long as the revenue use requirements of 49
16 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the
17 District.

18 On or before the 25th day of each calendar month, the
19 Department shall prepare and certify to the Comptroller the
20 disbursement of stated sums of money to the counties from which
21 retailers or servicemen have paid taxes or penalties to the
22 Department during the second preceding calendar month. The
23 amount to be paid to each county is equal to the amount (not
24 including credit memoranda and not including taxes and
25 penalties collected on aviation fuel sold on or after December
26 1, 2019 and through December 31, 2020) collected from the

1 county under this Section during the second preceding calendar
2 month by the Department, (i) less 2% of that amount (except the
3 amount collected on aviation fuel sold on or after December 1,
4 2019 and through December 31, 2020), which shall be deposited
5 into the Tax Compliance and Administration Fund and shall be
6 used by the Department in administering and enforcing the
7 provisions of this Section on behalf of the county, (ii) plus
8 an amount that the Department determines is necessary to offset
9 any amounts that were erroneously paid to a different taxing
10 body; (iii) less an amount equal to the amount of refunds made
11 during the second preceding calendar month by the Department on
12 behalf of the county; and (iv) less any amount that the
13 Department determines is necessary to offset any amounts that
14 were payable to a different taxing body but were erroneously
15 paid to the county. When certifying the amount of a monthly
16 disbursement to a county under this Section, the Department
17 shall increase or decrease the amounts by an amount necessary
18 to offset any miscalculation of previous disbursements within
19 the previous 6 months from the time a miscalculation is
20 discovered.

21 Within 10 days after receipt by the Comptroller from the
22 Department of the disbursement certification to the counties
23 provided for in this Section, the Comptroller shall cause the
24 orders to be drawn for the respective amounts in accordance
25 with directions contained in the certification.

26 If the Department determines that a refund should be made

1 under this Section to a claimant instead of issuing a credit
2 memorandum, then the Department shall notify the Comptroller,
3 who shall cause the order to be drawn for the amount specified
4 and to the person named in the notification from the
5 Department. The refund shall be paid by the Treasurer out of
6 the Flood Prevention Occupation Tax Fund or the Local
7 Government Aviation Trust Fund, as appropriate.

8 (g) If a county imposes a tax under this Section, then the
9 county board shall, by ordinance, discontinue the tax upon the
10 payment of all indebtedness of the flood prevention district.
11 The tax shall not be discontinued until all indebtedness of the
12 District has been paid.

13 (h) Any ordinance imposing the tax under this Section, or
14 any ordinance that discontinues the tax, must be certified by
15 the county clerk and filed with the Illinois Department of
16 Revenue either (i) on or before the first day of April,
17 whereupon the Department shall proceed to administer and
18 enforce the tax or change in the rate as of the first day of
19 July next following the filing; or (ii) on or before the first
20 day of October, whereupon the Department shall proceed to
21 administer and enforce the tax or change in the rate as of the
22 first day of January next following the filing.

23 (j) County Flood Prevention Occupation Tax Fund. All
24 proceeds received by a county from a tax distribution under
25 this Section must be maintained in a special fund known as the
26 [name of county] flood prevention occupation tax fund. The

1 county shall, at the direction of the flood prevention
2 district, use moneys in the fund to pay the costs of providing
3 emergency levee repair and flood prevention and to pay bonds,
4 notes, and other evidences of indebtedness issued under this
5 Act.

6 (k) This Section may be cited as the Flood Prevention
7 Occupation Tax Law.

8 (l) Notwithstanding any other provision of law, no tax may
9 be imposed under this Section on the sale or use of cannabis,
10 as defined in Section 1-10 of the Cannabis Regulation and Tax
11 Act.

12 (Source: P.A. 100-1171, eff. 1-4-19; 101-10, eff. 6-5-19;
13 101-604, eff. 12-13-19.)

14 Section 30. The Metro-East Park and Recreation District Act
15 is amended by changing Section 30 as follows:

16 (70 ILCS 1605/30)

17 Sec. 30. Taxes.

18 (a) The board shall impose a tax upon all persons engaged
19 in the business of selling tangible personal property, other
20 than personal property titled or registered with an agency of
21 this State's government, at retail in the District on the gross
22 receipts from the sales made in the course of business. This
23 tax shall be imposed only at the rate of one-tenth of one per
24 cent.

1 This additional tax may not be imposed on tangible personal
2 property taxed at the 1% rate under the Retailers' Occupation
3 Tax Act. Beginning December 1, 2019 and through December 31,
4 2020, this tax is not imposed on sales of aviation fuel unless
5 the tax revenue is expended for airport-related purposes. If
6 the District does not have an airport-related purpose to which
7 it dedicates aviation fuel tax revenue, then aviation fuel
8 shall be excluded from tax. The board must comply with the
9 certification requirements for airport-related purposes under
10 Section 2-22 of the Retailers' Occupation Tax Act. For purposes
11 of this Act, "airport-related purposes" has the meaning
12 ascribed in Section 6z-20.2 of the State Finance Act. Beginning
13 January 1, 2021, this tax is not imposed on sales of aviation
14 fuel for so long as the revenue use requirements of 49 U.S.C.
15 47107(b) and 49 U.S.C. 47133 are binding on the District. The
16 tax imposed by the Board under this Section and all civil
17 penalties that may be assessed as an incident of the tax shall
18 be collected and enforced by the Department of Revenue. The
19 certificate of registration that is issued by the Department to
20 a retailer under the Retailers' Occupation Tax Act shall permit
21 the retailer to engage in a business that is taxable without
22 registering separately with the Department under an ordinance
23 or resolution under this Section. The Department has full power
24 to administer and enforce this Section, to collect all taxes
25 and penalties due under this Section, to dispose of taxes and
26 penalties so collected in the manner provided in this Section,

1 and to determine all rights to credit memoranda arising on
2 account of the erroneous payment of a tax or penalty under this
3 Section. In the administration of and compliance with this
4 Section, the Department and persons who are subject to this
5 Section shall (i) have the same rights, remedies, privileges,
6 immunities, powers, and duties, (ii) be subject to the same
7 conditions, restrictions, limitations, penalties, and
8 definitions of terms, and (iii) employ the same modes of
9 procedure as are prescribed in Sections 1, 1a, 1a-1, 1d, 1e,
10 1f, 1i, 1j, 1k, 1m, 1n, 2, 2-5, 2-5.5, 2-10 (in respect to all
11 provisions contained in those Sections other than the State
12 rate of tax), 2-12, 2-15 through 2-70, 2a, 2b, 2c, 3 (except
13 provisions relating to transaction returns and quarter monthly
14 payments, and except that the retailer's discount is not
15 allowed for taxes paid on aviation fuel that are subject to the
16 revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C.
17 47133), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6,
18 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 11a, 12, and 13 of the
19 Retailers' Occupation Tax Act and the Uniform Penalty and
20 Interest Act as if those provisions were set forth in this
21 Section.

22 Persons subject to any tax imposed under the authority
23 granted in this Section may reimburse themselves for their
24 sellers' tax liability by separately stating the tax as an
25 additional charge, which charge may be stated in combination,
26 in a single amount, with State tax which sellers are required

1 to collect under the Use Tax Act, pursuant to such bracketed
2 schedules as the Department may prescribe.

3 Whenever the Department determines that a refund should be
4 made under this Section to a claimant instead of issuing a
5 credit memorandum, the Department shall notify the State
6 Comptroller, who shall cause the order to be drawn for the
7 amount specified and to the person named in the notification
8 from the Department. The refund shall be paid by the State
9 Treasurer out of the State Metro-East Park and Recreation
10 District Fund or the Local Government Aviation Trust Fund, as
11 appropriate.

12 (b) If a tax has been imposed under subsection (a), a
13 service occupation tax shall also be imposed at the same rate
14 upon all persons engaged, in the District, in the business of
15 making sales of service, who, as an incident to making those
16 sales of service, transfer tangible personal property within
17 the District as an incident to a sale of service. This tax may
18 not be imposed on tangible personal property taxed at the 1%
19 rate under the Service Occupation Tax Act. Beginning December
20 1, 2019 and through December 31, 2020, this tax may not be
21 imposed on sales of aviation fuel unless the tax revenue is
22 expended for airport-related purposes. If the District does not
23 have an airport-related purpose to which it dedicates aviation
24 fuel tax revenue, then aviation fuel shall be excluded from
25 tax. The board must comply with the certification requirements
26 for airport-related purposes under Section 2-22 of the

1 Retailers' Occupation Tax Act. For purposes of this Act,
2 "airport-related purposes" has the meaning ascribed in Section
3 6z-20.2 of the State Finance Act. Beginning January 1, 2021,
4 this tax is not imposed on sales of aviation fuel for so long
5 as the revenue use requirements of 49 U.S.C. 47107(b) and 49
6 U.S.C. 47133 are binding on the District. The tax imposed under
7 this subsection and all civil penalties that may be assessed as
8 an incident thereof shall be collected and enforced by the
9 Department of Revenue. The Department has full power to
10 administer and enforce this subsection; to collect all taxes
11 and penalties due hereunder; to dispose of taxes and penalties
12 so collected in the manner hereinafter provided; and to
13 determine all rights to credit memoranda arising on account of
14 the erroneous payment of tax or penalty hereunder. In the
15 administration of, and compliance with this subsection, the
16 Department and persons who are subject to this paragraph shall
17 (i) have the same rights, remedies, privileges, immunities,
18 powers, and duties, (ii) be subject to the same conditions,
19 restrictions, limitations, penalties, exclusions, exemptions,
20 and definitions of terms, and (iii) employ the same modes of
21 procedure as are prescribed in Sections 2 (except that the
22 reference to State in the definition of supplier maintaining a
23 place of business in this State shall mean the District), 2a,
24 2b, 2c, 3 through 3-50 (in respect to all provisions therein
25 other than the State rate of tax), 4 (except that the reference
26 to the State shall be to the District), 5, 7, 8 (except that

1 the jurisdiction to which the tax shall be a debt to the extent
2 indicated in that Section 8 shall be the District), 9 (except
3 as to the disposition of taxes and penalties collected, and
4 except that the retailer's discount is not allowed for taxes
5 paid on aviation fuel that are subject to the revenue use
6 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133), 10,
7 11, 12 (except the reference therein to Section 2b of the
8 Retailers' Occupation Tax Act), 13 (except that any reference
9 to the State shall mean the District), Sections 15, 16, 17, 18,
10 19 and 20 of the Service Occupation Tax Act and the Uniform
11 Penalty and Interest Act, as fully as if those provisions were
12 set forth herein.

13 Persons subject to any tax imposed under the authority
14 granted in this subsection may reimburse themselves for their
15 serviceman's tax liability by separately stating the tax as an
16 additional charge, which charge may be stated in combination,
17 in a single amount, with State tax that servicemen are
18 authorized to collect under the Service Use Tax Act, in
19 accordance with such bracket schedules as the Department may
20 prescribe.

21 Whenever the Department determines that a refund should be
22 made under this subsection to a claimant instead of issuing a
23 credit memorandum, the Department shall notify the State
24 Comptroller, who shall cause the warrant to be drawn for the
25 amount specified, and to the person named, in the notification
26 from the Department. The refund shall be paid by the State

1 Treasurer out of the State Metro-East Park and Recreation
2 District Fund or the Local Government Aviation Trust Fund, as
3 appropriate.

4 Nothing in this subsection shall be construed to authorize
5 the board to impose a tax upon the privilege of engaging in any
6 business which under the Constitution of the United States may
7 not be made the subject of taxation by the State.

8 (c) Except as otherwise provided in this paragraph, the
9 Department shall immediately pay over to the State Treasurer,
10 ex officio, as trustee, all taxes and penalties collected under
11 this Section to be deposited into the State Metro-East Park and
12 Recreation District Fund, which shall be an unappropriated
13 trust fund held outside of the State treasury. Taxes and
14 penalties collected on aviation fuel sold on or after December
15 1, 2019 and through December 31, 2020, shall be immediately
16 paid over by the Department to the State Treasurer, ex officio,
17 as trustee, for deposit into the Local Government Aviation
18 Trust Fund. The Department shall only pay moneys into the Local
19 Government Aviation Trust Fund under this Act for so long as
20 the revenue use requirements of 49 U.S.C. 47107(b) and 49
21 U.S.C. 47133 are binding on the District.

22 As soon as possible after the first day of each month,
23 beginning January 1, 2011, upon certification of the Department
24 of Revenue, the Comptroller shall order transferred, and the
25 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
26 local sales tax increment, as defined in the Innovation

1 Development and Economy Act, collected under this Section
2 during the second preceding calendar month for sales within a
3 STAR bond district. The Department shall make this
4 certification only if the Metro East Park and Recreation
5 District imposes a tax on real property as provided in the
6 definition of "local sales taxes" under the Innovation
7 Development and Economy Act.

8 After the monthly transfer to the STAR Bonds Revenue Fund,
9 on or before the 25th day of each calendar month, the
10 Department shall prepare and certify to the Comptroller the
11 disbursement of stated sums of money pursuant to Section 35 of
12 this Act to the District from which retailers have paid taxes
13 or penalties to the Department during the second preceding
14 calendar month. The amount to be paid to the District shall be
15 the amount (not including credit memoranda and not including
16 taxes and penalties collected on aviation fuel sold on or after
17 December 1, 2019 and through December 31, 2020) collected under
18 this Section during the second preceding calendar month by the
19 Department plus an amount the Department determines is
20 necessary to offset any amounts that were erroneously paid to a
21 different taxing body, and not including (i) an amount equal to
22 the amount of refunds made during the second preceding calendar
23 month by the Department on behalf of the District, (ii) any
24 amount that the Department determines is necessary to offset
25 any amounts that were payable to a different taxing body but
26 were erroneously paid to the District, (iii) any amounts that

1 are transferred to the STAR Bonds Revenue Fund, and (iv) 1.5%
2 of the remainder, which the Department shall transfer into the
3 Tax Compliance and Administration Fund. The Department, at the
4 time of each monthly disbursement to the District, shall
5 prepare and certify to the State Comptroller the amount to be
6 transferred into the Tax Compliance and Administration Fund
7 under this subsection. Within 10 days after receipt by the
8 Comptroller of the disbursement certification to the District
9 and the Tax Compliance and Administration Fund provided for in
10 this Section to be given to the Comptroller by the Department,
11 the Comptroller shall cause the orders to be drawn for the
12 respective amounts in accordance with directions contained in
13 the certification.

14 (d) For the purpose of determining whether a tax authorized
15 under this Section is applicable, a retail sale by a producer
16 of coal or another mineral mined in Illinois is a sale at
17 retail at the place where the coal or other mineral mined in
18 Illinois is extracted from the earth. This paragraph does not
19 apply to coal or another mineral when it is delivered or
20 shipped by the seller to the purchaser at a point outside
21 Illinois so that the sale is exempt under the United States
22 Constitution as a sale in interstate or foreign commerce.

23 (e) Nothing in this Section shall be construed to authorize
24 the board to impose a tax upon the privilege of engaging in any
25 business that under the Constitution of the United States may
26 not be made the subject of taxation by this State.

1 (f) An ordinance imposing a tax under this Section or an
2 ordinance extending the imposition of a tax to an additional
3 county or counties shall be certified by the board and filed
4 with the Department of Revenue either (i) on or before the
5 first day of April, whereupon the Department shall proceed to
6 administer and enforce the tax as of the first day of July next
7 following the filing; or (ii) on or before the first day of
8 October, whereupon the Department shall proceed to administer
9 and enforce the tax as of the first day of January next
10 following the filing.

11 (g) When certifying the amount of a monthly disbursement to
12 the District under this Section, the Department shall increase
13 or decrease the amounts by an amount necessary to offset any
14 misallocation of previous disbursements. The offset amount
15 shall be the amount erroneously disbursed within the previous 6
16 months from the time a misallocation is discovered.

17 (h) Notwithstanding any other provision of law, no tax may
18 be imposed under this Section on the sale or use of cannabis,
19 as defined in Section 1-10 of the Cannabis Regulation and Tax
20 Act.

21 (Source: P.A. 100-23, eff. 7-6-17; 100-587, eff. 6-4-18;
22 100-1171, eff. 1-4-19; 101-10, eff. 6-5-19; 101-81, eff.
23 7-12-19; 101-604, eff. 12-13-19.)

24 Section 35. The Local Mass Transit District Act is amended
25 by changing Section 5.01 as follows:

1 (70 ILCS 3610/5.01) (from Ch. 111 2/3, par. 355.01)

2 Sec. 5.01. Metro East Mass Transit District; use and
3 occupation taxes.

4 (a) The Board of Trustees of any Metro East Mass Transit
5 District may, by ordinance adopted with the concurrence of
6 two-thirds of the then trustees, impose throughout the District
7 any or all of the taxes and fees provided in this Section.
8 Except as otherwise provided, all taxes and fees imposed under
9 this Section shall be used only for public mass transportation
10 systems, and the amount used to provide mass transit service to
11 unserved areas of the District shall be in the same proportion
12 to the total proceeds as the number of persons residing in the
13 unserved areas is to the total population of the District.
14 Except as otherwise provided in this Act, taxes imposed under
15 this Section and civil penalties imposed incident thereto shall
16 be collected and enforced by the State Department of Revenue.
17 The Department shall have the power to administer and enforce
18 the taxes and to determine all rights for refunds for erroneous
19 payments of the taxes.

20 (b) The Board may impose a Metro East Mass Transit District
21 Retailers' Occupation Tax upon all persons engaged in the
22 business of selling tangible personal property at retail in the
23 district at a rate of 1/4 of 1%, or as authorized under
24 subsection (d-5) of this Section, of the gross receipts from
25 the sales made in the course of such business within the

1 district, except that the rate of tax imposed under this
2 Section on sales of aviation fuel on or after December 1, 2019
3 shall be 0.25% in Madison County unless the Metro-East Mass
4 Transit District in Madison County has an "airport-related
5 purpose" and any additional amount authorized under subsection
6 (d-5) is expended for airport-related purposes. If there is no
7 airport-related purpose to which aviation fuel tax revenue is
8 dedicated, then aviation fuel is excluded from any additional
9 amount authorized under subsection (d-5). The rate in St. Clair
10 County shall be 0.25% unless the Metro-East Mass Transit
11 District in St. Clair County has an "airport-related purpose"
12 and the additional 0.50% of the 0.75% tax on aviation fuel
13 imposed in that County is expended for airport-related
14 purposes. If there is no airport-related purpose to which
15 aviation fuel tax revenue is dedicated, then aviation fuel is
16 excluded from the additional 0.50% of the 0.75% tax.

17 The Board must comply with the certification requirements
18 for airport-related purposes under Section 2-22 of the
19 Retailers' Occupation Tax Act. For purposes of this Section,
20 "airport-related purposes" has the meaning ascribed in Section
21 6z-20.2 of the State Finance Act. This exclusion for aviation
22 fuel only applies for so long as the revenue use requirements
23 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the
24 District.

25 The tax imposed under this Section and all civil penalties
26 that may be assessed as an incident thereof shall be collected

1 and enforced by the State Department of Revenue. The Department
2 shall have full power to administer and enforce this Section;
3 to collect all taxes and penalties so collected in the manner
4 hereinafter provided; and to determine all rights to credit
5 memoranda arising on account of the erroneous payment of tax or
6 penalty hereunder. In the administration of, and compliance
7 with, this Section, the Department and persons who are subject
8 to this Section shall have the same rights, remedies,
9 privileges, immunities, powers and duties, and be subject to
10 the same conditions, restrictions, limitations, penalties,
11 exclusions, exemptions and definitions of terms and employ the
12 same modes of procedure, as are prescribed in Sections 1, 1a,
13 1a-1, 1c, 1d, 1e, 1f, 1i, 1j, 2 through 2-65 (in respect to all
14 provisions therein other than the State rate of tax), 2c, 3
15 (except as to the disposition of taxes and penalties collected,
16 and except that the retailer's discount is not allowed for
17 taxes paid on aviation fuel that are subject to the revenue use
18 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133), 4, 5,
19 5a, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d,
20 7, 8, 9, 10, 11, 12, 13, and 14 of the Retailers' Occupation
21 Tax Act and Section 3-7 of the Uniform Penalty and Interest
22 Act, as fully as if those provisions were set forth herein.

23 Persons subject to any tax imposed under the Section may
24 reimburse themselves for their seller's tax liability
25 hereunder by separately stating the tax as an additional
26 charge, which charge may be stated in combination, in a single

1 amount, with State taxes that sellers are required to collect
2 under the Use Tax Act, in accordance with such bracket
3 schedules as the Department may prescribe.

4 Whenever the Department determines that a refund should be
5 made under this Section to a claimant instead of issuing a
6 credit memorandum, the Department shall notify the State
7 Comptroller, who shall cause the warrant to be drawn for the
8 amount specified, and to the person named, in the notification
9 from the Department. The refund shall be paid by the State
10 Treasurer out of the Metro East Mass Transit District tax fund
11 established under paragraph (h) of this Section or the Local
12 Government Aviation Trust Fund, as appropriate.

13 If a tax is imposed under this subsection (b), a tax shall
14 also be imposed under subsections (c) and (d) of this Section.

15 For the purpose of determining whether a tax authorized
16 under this Section is applicable, a retail sale, by a producer
17 of coal or other mineral mined in Illinois, is a sale at retail
18 at the place where the coal or other mineral mined in Illinois
19 is extracted from the earth. This paragraph does not apply to
20 coal or other mineral when it is delivered or shipped by the
21 seller to the purchaser at a point outside Illinois so that the
22 sale is exempt under the Federal Constitution as a sale in
23 interstate or foreign commerce.

24 No tax shall be imposed or collected under this subsection
25 on the sale of a motor vehicle in this State to a resident of
26 another state if that motor vehicle will not be titled in this

1 State.

2 Nothing in this Section shall be construed to authorize the
3 Metro East Mass Transit District to impose a tax upon the
4 privilege of engaging in any business which under the
5 Constitution of the United States may not be made the subject
6 of taxation by this State.

7 (c) If a tax has been imposed under subsection (b), a Metro
8 East Mass Transit District Service Occupation Tax shall also be
9 imposed upon all persons engaged, in the district, in the
10 business of making sales of service, who, as an incident to
11 making those sales of service, transfer tangible personal
12 property within the District, either in the form of tangible
13 personal property or in the form of real estate as an incident
14 to a sale of service. The tax rate shall be 1/4%, or as
15 authorized under subsection (d-5) of this Section, of the
16 selling price of tangible personal property so transferred
17 within the district, except that the rate of tax imposed in
18 these Counties under this Section on sales of aviation fuel on
19 or after December 1, 2019 shall be 0.25% in Madison County
20 unless the Metro-East Mass Transit District in Madison County
21 has an "airport-related purpose" and any additional amount
22 authorized under subsection (d-5) is expended for
23 airport-related purposes. If there is no airport-related
24 purpose to which aviation fuel tax revenue is dedicated, then
25 aviation fuel is excluded from any additional amount authorized
26 under subsection (d-5). The rate in St. Clair County shall be

1 0.25% unless the Metro-East Mass Transit District in St. Clair
2 County has an "airport-related purpose" and the additional
3 0.50% of the 0.75% tax on aviation fuel is expended for
4 airport-related purposes. If there is no airport-related
5 purpose to which aviation fuel tax revenue is dedicated, then
6 aviation fuel is excluded from the additional 0.50% of the
7 0.75% tax.

8 The Board must comply with the certification requirements
9 for airport-related purposes under Section 2-22 of the
10 Retailers' Occupation Tax Act. For purposes of this Section,
11 "airport-related purposes" has the meaning ascribed in Section
12 6z-20.2 of the State Finance Act. This exclusion for aviation
13 fuel only applies for so long as the revenue use requirements
14 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the
15 District.

16 The tax imposed under this paragraph and all civil
17 penalties that may be assessed as an incident thereof shall be
18 collected and enforced by the State Department of Revenue. The
19 Department shall have full power to administer and enforce this
20 paragraph; to collect all taxes and penalties due hereunder; to
21 dispose of taxes and penalties so collected in the manner
22 hereinafter provided; and to determine all rights to credit
23 memoranda arising on account of the erroneous payment of tax or
24 penalty hereunder. In the administration of, and compliance
25 with this paragraph, the Department and persons who are subject
26 to this paragraph shall have the same rights, remedies,

1 privileges, immunities, powers and duties, and be subject to
2 the same conditions, restrictions, limitations, penalties,
3 exclusions, exemptions and definitions of terms and employ the
4 same modes of procedure as are prescribed in Sections 1a-1, 2
5 (except that the reference to State in the definition of
6 supplier maintaining a place of business in this State shall
7 mean the Authority), 2a, 3 through 3-50 (in respect to all
8 provisions therein other than the State rate of tax), 4 (except
9 that the reference to the State shall be to the Authority), 5,
10 7, 8 (except that the jurisdiction to which the tax shall be a
11 debt to the extent indicated in that Section 8 shall be the
12 District), 9 (except as to the disposition of taxes and
13 penalties collected, and except that the returned merchandise
14 credit for this tax may not be taken against any State tax, and
15 except that the retailer's discount is not allowed for taxes
16 paid on aviation fuel that are subject to the revenue use
17 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133), 10,
18 11, 12 (except the reference therein to Section 2b of the
19 Retailers' Occupation Tax Act), 13 (except that any reference
20 to the State shall mean the District), the first paragraph of
21 Section 15, 16, 17, 18, 19 and 20 of the Service Occupation Tax
22 Act and Section 3-7 of the Uniform Penalty and Interest Act, as
23 fully as if those provisions were set forth herein.

24 Persons subject to any tax imposed under the authority
25 granted in this paragraph may reimburse themselves for their
26 serviceman's tax liability hereunder by separately stating the

1 tax as an additional charge, which charge may be stated in
2 combination, in a single amount, with State tax that servicemen
3 are authorized to collect under the Service Use Tax Act, in
4 accordance with such bracket schedules as the Department may
5 prescribe.

6 Whenever the Department determines that a refund should be
7 made under this paragraph to a claimant instead of issuing a
8 credit memorandum, the Department shall notify the State
9 Comptroller, who shall cause the warrant to be drawn for the
10 amount specified, and to the person named, in the notification
11 from the Department. The refund shall be paid by the State
12 Treasurer out of the Metro East Mass Transit District tax fund
13 established under paragraph (h) of this Section or the Local
14 Government Aviation Trust Fund, as appropriate.

15 Nothing in this paragraph shall be construed to authorize
16 the District to impose a tax upon the privilege of engaging in
17 any business which under the Constitution of the United States
18 may not be made the subject of taxation by the State.

19 (d) If a tax has been imposed under subsection (b), a Metro
20 East Mass Transit District Use Tax shall also be imposed upon
21 the privilege of using, in the district, any item of tangible
22 personal property that is purchased outside the district at
23 retail from a retailer, and that is titled or registered with
24 an agency of this State's government, at a rate of 1/4%, or as
25 authorized under subsection (d-5) of this Section, of the
26 selling price of the tangible personal property within the

1 District, as "selling price" is defined in the Use Tax Act. The
2 tax shall be collected from persons whose Illinois address for
3 titling or registration purposes is given as being in the
4 District. The tax shall be collected by the Department of
5 Revenue for the Metro East Mass Transit District. The tax must
6 be paid to the State, or an exemption determination must be
7 obtained from the Department of Revenue, before the title or
8 certificate of registration for the property may be issued. The
9 tax or proof of exemption may be transmitted to the Department
10 by way of the State agency with which, or the State officer
11 with whom, the tangible personal property must be titled or
12 registered if the Department and the State agency or State
13 officer determine that this procedure will expedite the
14 processing of applications for title or registration.

15 The Department shall have full power to administer and
16 enforce this paragraph; to collect all taxes, penalties and
17 interest due hereunder; to dispose of taxes, penalties and
18 interest so collected in the manner hereinafter provided; and
19 to determine all rights to credit memoranda or refunds arising
20 on account of the erroneous payment of tax, penalty or interest
21 hereunder. In the administration of, and compliance with, this
22 paragraph, the Department and persons who are subject to this
23 paragraph shall have the same rights, remedies, privileges,
24 immunities, powers and duties, and be subject to the same
25 conditions, restrictions, limitations, penalties, exclusions,
26 exemptions and definitions of terms and employ the same modes

1 of procedure, as are prescribed in Sections 2 (except the
2 definition of "retailer maintaining a place of business in this
3 State"), 3 through 3-80 (except provisions pertaining to the
4 State rate of tax, and except provisions concerning collection
5 or refunding of the tax by retailers), 4, 11, 12, 12a, 14, 15,
6 19 (except the portions pertaining to claims by retailers and
7 except the last paragraph concerning refunds), 20, 21 and 22 of
8 the Use Tax Act and Section 3-7 of the Uniform Penalty and
9 Interest Act, that are not inconsistent with this paragraph, as
10 fully as if those provisions were set forth herein.

11 Whenever the Department determines that a refund should be
12 made under this paragraph to a claimant instead of issuing a
13 credit memorandum, the Department shall notify the State
14 Comptroller, who shall cause the order to be drawn for the
15 amount specified, and to the person named, in the notification
16 from the Department. The refund shall be paid by the State
17 Treasurer out of the Metro East Mass Transit District tax fund
18 established under paragraph (h) of this Section.

19 (d-5) (A) The county board of any county participating in
20 the Metro East Mass Transit District may authorize, by
21 ordinance, a referendum on the question of whether the tax
22 rates for the Metro East Mass Transit District Retailers'
23 Occupation Tax, the Metro East Mass Transit District Service
24 Occupation Tax, and the Metro East Mass Transit District Use
25 Tax for the District should be increased from 0.25% to 0.75%.
26 Upon adopting the ordinance, the county board shall certify the

1 proposition to the proper election officials who shall submit
2 the proposition to the voters of the District at the next
3 election, in accordance with the general election law.

4 The proposition shall be in substantially the following
5 form:

6 Shall the tax rates for the Metro East Mass Transit
7 District Retailers' Occupation Tax, the Metro East Mass
8 Transit District Service Occupation Tax, and the Metro East
9 Mass Transit District Use Tax be increased from 0.25% to
10 0.75%?

11 (B) Two thousand five hundred electors of any Metro East
12 Mass Transit District may petition the Chief Judge of the
13 Circuit Court, or any judge of that Circuit designated by the
14 Chief Judge, in which that District is located to cause to be
15 submitted to a vote of the electors the question whether the
16 tax rates for the Metro East Mass Transit District Retailers'
17 Occupation Tax, the Metro East Mass Transit District Service
18 Occupation Tax, and the Metro East Mass Transit District Use
19 Tax for the District should be increased from 0.25% to 0.75%.

20 Upon submission of such petition the court shall set a date
21 not less than 10 nor more than 30 days thereafter for a hearing
22 on the sufficiency thereof. Notice of the filing of such
23 petition and of such date shall be given in writing to the
24 District and the County Clerk at least 7 days before the date
25 of such hearing.

26 If such petition is found sufficient, the court shall enter

1 an order to submit that proposition at the next election, in
2 accordance with general election law.

3 The form of the petition shall be in substantially the
4 following form: To the Circuit Court of the County of (name of
5 county):

6 We, the undersigned electors of the (name of transit
7 district), respectfully petition your honor to submit to a
8 vote of the electors of (name of transit district) the
9 following proposition:

10 Shall the tax rates for the Metro East Mass Transit
11 District Retailers' Occupation Tax, the Metro East Mass
12 Transit District Service Occupation Tax, and the Metro East
13 Mass Transit District Use Tax be increased from 0.25% to
14 0.75%?

15 Name	Address, with Street and Number.
16
17

18 (C) The votes shall be recorded as "YES" or "NO". If a
19 majority of all votes cast on the proposition are for the
20 increase in the tax rates, the Metro East Mass Transit District
21 shall begin imposing the increased rates in the District, and
22 the Department of Revenue shall begin collecting the increased
23 amounts, as provided under this Section. An ordinance imposing
24 or discontinuing a tax hereunder or effecting a change in the
25 rate thereof shall be adopted and a certified copy thereof
26 filed with the Department on or before the first day of

1 October, whereupon the Department shall proceed to administer
2 and enforce this Section as of the first day of January next
3 following the adoption and filing, or on or before the first
4 day of April, whereupon the Department shall proceed to
5 administer and enforce this Section as of the first day of July
6 next following the adoption and filing.

7 (D) If the voters have approved a referendum under this
8 subsection, before November 1, 1994, to increase the tax rate
9 under this subsection, the Metro East Mass Transit District
10 Board of Trustees may adopt by a majority vote an ordinance at
11 any time before January 1, 1995 that excludes from the rate
12 increase tangible personal property that is titled or
13 registered with an agency of this State's government. The
14 ordinance excluding titled or registered tangible personal
15 property from the rate increase must be filed with the
16 Department at least 15 days before its effective date. At any
17 time after adopting an ordinance excluding from the rate
18 increase tangible personal property that is titled or
19 registered with an agency of this State's government, the Metro
20 East Mass Transit District Board of Trustees may adopt an
21 ordinance applying the rate increase to that tangible personal
22 property. The ordinance shall be adopted, and a certified copy
23 of that ordinance shall be filed with the Department, on or
24 before October 1, whereupon the Department shall proceed to
25 administer and enforce the rate increase against tangible
26 personal property titled or registered with an agency of this

1 State's government as of the following January 1. After
2 December 31, 1995, any reimposed rate increase in effect under
3 this subsection shall no longer apply to tangible personal
4 property titled or registered with an agency of this State's
5 government. Beginning January 1, 1996, the Board of Trustees of
6 any Metro East Mass Transit District may never reimpose a
7 previously excluded tax rate increase on tangible personal
8 property titled or registered with an agency of this State's
9 government. After July 1, 2004, if the voters have approved a
10 referendum under this subsection to increase the tax rate under
11 this subsection, the Metro East Mass Transit District Board of
12 Trustees may adopt by a majority vote an ordinance that
13 excludes from the rate increase tangible personal property that
14 is titled or registered with an agency of this State's
15 government. The ordinance excluding titled or registered
16 tangible personal property from the rate increase shall be
17 adopted, and a certified copy of that ordinance shall be filed
18 with the Department on or before October 1, whereupon the
19 Department shall administer and enforce this exclusion from the
20 rate increase as of the following January 1, or on or before
21 April 1, whereupon the Department shall administer and enforce
22 this exclusion from the rate increase as of the following July
23 1. The Board of Trustees of any Metro East Mass Transit
24 District may never reimpose a previously excluded tax rate
25 increase on tangible personal property titled or registered
26 with an agency of this State's government.

1 (d-6) If the Board of Trustees of any Metro East Mass
2 Transit District has imposed a rate increase under subsection
3 (d-5) and filed an ordinance with the Department of Revenue
4 excluding titled property from the higher rate, then that Board
5 may, by ordinance adopted with the concurrence of two-thirds of
6 the then trustees, impose throughout the District a fee. The
7 fee on the excluded property shall not exceed \$20 per retail
8 transaction or an amount equal to the amount of tax excluded,
9 whichever is less, on tangible personal property that is titled
10 or registered with an agency of this State's government.
11 Beginning July 1, 2004, the fee shall apply only to titled
12 property that is subject to either the Metro East Mass Transit
13 District Retailers' Occupation Tax or the Metro East Mass
14 Transit District Service Occupation Tax. No fee shall be
15 imposed or collected under this subsection on the sale of a
16 motor vehicle in this State to a resident of another state if
17 that motor vehicle will not be titled in this State.

18 (d-7) Until June 30, 2004, if a fee has been imposed under
19 subsection (d-6), a fee shall also be imposed upon the
20 privilege of using, in the district, any item of tangible
21 personal property that is titled or registered with any agency
22 of this State's government, in an amount equal to the amount of
23 the fee imposed under subsection (d-6).

24 (d-7.1) Beginning July 1, 2004, any fee imposed by the
25 Board of Trustees of any Metro East Mass Transit District under
26 subsection (d-6) and all civil penalties that may be assessed

1 as an incident of the fees shall be collected and enforced by
2 the State Department of Revenue. Reference to "taxes" in this
3 Section shall be construed to apply to the administration,
4 payment, and remittance of all fees under this Section. For
5 purposes of any fee imposed under subsection (d-6), 4% of the
6 fee, penalty, and interest received by the Department in the
7 first 12 months that the fee is collected and enforced by the
8 Department and 2% of the fee, penalty, and interest following
9 the first 12 months (except the amount collected on aviation
10 fuel sold on or after December 1, 2019) shall be deposited into
11 the Tax Compliance and Administration Fund and shall be used by
12 the Department, subject to appropriation, to cover the costs of
13 the Department. No retailers' discount shall apply to any fee
14 imposed under subsection (d-6).

15 (d-8) No item of titled property shall be subject to both
16 the higher rate approved by referendum, as authorized under
17 subsection (d-5), and any fee imposed under subsection (d-6) or
18 (d-7).

19 (d-9) (Blank).

20 (d-10) (Blank).

21 (e) A certificate of registration issued by the State
22 Department of Revenue to a retailer under the Retailers'
23 Occupation Tax Act or under the Service Occupation Tax Act
24 shall permit the registrant to engage in a business that is
25 taxed under the tax imposed under paragraphs (b), (c) or (d) of
26 this Section and no additional registration shall be required

1 under the tax. A certificate issued under the Use Tax Act or
2 the Service Use Tax Act shall be applicable with regard to any
3 tax imposed under paragraph (c) of this Section.

4 (f) (Blank).

5 (g) Any ordinance imposing or discontinuing any tax under
6 this Section shall be adopted and a certified copy thereof
7 filed with the Department on or before June 1, whereupon the
8 Department of Revenue shall proceed to administer and enforce
9 this Section on behalf of the Metro East Mass Transit District
10 as of September 1 next following such adoption and filing.
11 Beginning January 1, 1992, an ordinance or resolution imposing
12 or discontinuing the tax hereunder shall be adopted and a
13 certified copy thereof filed with the Department on or before
14 the first day of July, whereupon the Department shall proceed
15 to administer and enforce this Section as of the first day of
16 October next following such adoption and filing. Beginning
17 January 1, 1993, except as provided in subsection (d-5) of this
18 Section, an ordinance or resolution imposing or discontinuing
19 the tax hereunder shall be adopted and a certified copy thereof
20 filed with the Department on or before the first day of
21 October, whereupon the Department shall proceed to administer
22 and enforce this Section as of the first day of January next
23 following such adoption and filing, or, beginning January 1,
24 2004, on or before the first day of April, whereupon the
25 Department shall proceed to administer and enforce this Section
26 as of the first day of July next following the adoption and

1 filing.

2 (h) Except as provided in subsection (d-7.1), the State
3 Department of Revenue shall, upon collecting any taxes as
4 provided in this Section, pay the taxes over to the State
5 Treasurer as trustee for the District. The taxes shall be held
6 in a trust fund outside the State Treasury. If an
7 airport-related purpose has been certified, taxes and
8 penalties collected in St. Clair County on aviation fuel sold
9 on or after December 1, 2019 from the 0.50% of the 0.75% rate
10 shall be immediately paid over by the Department to the State
11 Treasurer, ex officio, as trustee, for deposit into the Local
12 Government Aviation Trust Fund. The Department shall only pay
13 moneys into the Local Government Aviation Trust Fund under this
14 Act for so long as the revenue use requirements of 49 U.S.C.
15 47107(b) and 49 U.S.C. 47133 are binding on the District.

16 As soon as possible after the first day of each month,
17 beginning January 1, 2011, upon certification of the Department
18 of Revenue, the Comptroller shall order transferred, and the
19 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
20 local sales tax increment, as defined in the Innovation
21 Development and Economy Act, collected under this Section
22 during the second preceding calendar month for sales within a
23 STAR bond district. The Department shall make this
24 certification only if the local mass transit district imposes a
25 tax on real property as provided in the definition of "local
26 sales taxes" under the Innovation Development and Economy Act.

1 After the monthly transfer to the STAR Bonds Revenue Fund,
2 on or before the 25th day of each calendar month, the State
3 Department of Revenue shall prepare and certify to the
4 Comptroller of the State of Illinois the amount to be paid to
5 the District, which shall be the amount (not including credit
6 memoranda and not including taxes and penalties collected on
7 aviation fuel sold on or after December 1, 2019 that are
8 deposited into the Local Government Aviation Trust Fund)
9 collected under this Section during the second preceding
10 calendar month by the Department plus an amount the Department
11 determines is necessary to offset any amounts that were
12 erroneously paid to a different taxing body, and not including
13 any amount equal to the amount of refunds made during the
14 second preceding calendar month by the Department on behalf of
15 the District, and not including any amount that the Department
16 determines is necessary to offset any amounts that were payable
17 to a different taxing body but were erroneously paid to the
18 District, and less any amounts that are transferred to the STAR
19 Bonds Revenue Fund, less 1.5% of the remainder, which the
20 Department shall transfer into the Tax Compliance and
21 Administration Fund. The Department, at the time of each
22 monthly disbursement to the District, shall prepare and certify
23 to the State Comptroller the amount to be transferred into the
24 Tax Compliance and Administration Fund under this subsection.
25 Within 10 days after receipt by the Comptroller of the
26 certification of the amount to be paid to the District and the

1 Tax Compliance and Administration Fund, the Comptroller shall
2 cause an order to be drawn for payment for the amount in
3 accordance with the direction in the certification.

4 (i) Notwithstanding any other provision of law, no tax may
5 be imposed under this Section on the sale or use of cannabis,
6 as defined in Section 1-10 of the Cannabis Regulation and Tax
7 Act.

8 (Source: P.A. 100-23, eff. 7-6-17; 100-587, eff. 6-4-18;
9 101-10, eff. 6-5-19; 101-604, eff. 12-13-19.)

10 Section 38. The Regional Transportation Authority Act is
11 amended by changing Section 4.03 as follows:

12 (70 ILCS 3615/4.03) (from Ch. 111 2/3, par. 704.03)

13 Sec. 4.03. Taxes.

14 (a) In order to carry out any of the powers or purposes of
15 the Authority, the Board may by ordinance adopted with the
16 concurrence of 12 of the then Directors, impose throughout the
17 metropolitan region any or all of the taxes provided in this
18 Section. Except as otherwise provided in this Act, taxes
19 imposed under this Section and civil penalties imposed incident
20 thereto shall be collected and enforced by the State Department
21 of Revenue. The Department shall have the power to administer
22 and enforce the taxes and to determine all rights for refunds
23 for erroneous payments of the taxes. Nothing in Public Act
24 95-708 is intended to invalidate any taxes currently imposed by

1 the Authority. The increased vote requirements to impose a tax
2 shall only apply to actions taken after January 1, 2008 (the
3 effective date of Public Act 95-708).

4 (b) The Board may impose a public transportation tax upon
5 all persons engaged in the metropolitan region in the business
6 of selling at retail motor fuel for operation of motor vehicles
7 upon public highways. The tax shall be at a rate not to exceed
8 5% of the gross receipts from the sales of motor fuel in the
9 course of the business. As used in this Act, the term "motor
10 fuel" shall have the same meaning as in the Motor Fuel Tax Law.
11 The Board may provide for details of the tax. The provisions of
12 any tax shall conform, as closely as may be practicable, to the
13 provisions of the Municipal Retailers Occupation Tax Act,
14 including without limitation, conformity to penalties with
15 respect to the tax imposed and as to the powers of the State
16 Department of Revenue to promulgate and enforce rules and
17 regulations relating to the administration and enforcement of
18 the provisions of the tax imposed, except that reference in the
19 Act to any municipality shall refer to the Authority and the
20 tax shall be imposed only with regard to receipts from sales of
21 motor fuel in the metropolitan region, at rates as limited by
22 this Section.

23 (c) In connection with the tax imposed under paragraph (b)
24 of this Section, the Board may impose a tax upon the privilege
25 of using in the metropolitan region motor fuel for the
26 operation of a motor vehicle upon public highways, the tax to

1 be at a rate not in excess of the rate of tax imposed under
2 paragraph (b) of this Section. The Board may provide for
3 details of the tax.

4 (d) The Board may impose a motor vehicle parking tax upon
5 the privilege of parking motor vehicles at off-street parking
6 facilities in the metropolitan region at which a fee is
7 charged, and may provide for reasonable classifications in and
8 exemptions to the tax, for administration and enforcement
9 thereof and for civil penalties and refunds thereunder and may
10 provide criminal penalties thereunder, the maximum penalties
11 not to exceed the maximum criminal penalties provided in the
12 Retailers' Occupation Tax Act. The Authority may collect and
13 enforce the tax itself or by contract with any unit of local
14 government. The State Department of Revenue shall have no
15 responsibility for the collection and enforcement unless the
16 Department agrees with the Authority to undertake the
17 collection and enforcement. As used in this paragraph, the term
18 "parking facility" means a parking area or structure having
19 parking spaces for more than 2 vehicles at which motor vehicles
20 are permitted to park in return for an hourly, daily, or other
21 periodic fee, whether publicly or privately owned, but does not
22 include parking spaces on a public street, the use of which is
23 regulated by parking meters.

24 (e) The Board may impose a Regional Transportation
25 Authority Retailers' Occupation Tax upon all persons engaged in
26 the business of selling tangible personal property at retail in

1 the metropolitan region. In Cook County, the tax rate shall be
2 1.25% of the gross receipts from sales of tangible personal
3 property taxed at the 1% rate under the Retailers' Occupation
4 Tax Act, and 1% of the gross receipts from other taxable sales
5 made in the course of that business. In DuPage, Kane, Lake,
6 McHenry, and Will counties, the tax rate shall be 0.75% of the
7 gross receipts from all taxable sales made in the course of
8 that business. The rate of tax imposed in DuPage, Kane, Lake,
9 McHenry, and Will counties under this Section on sales of
10 aviation fuel on or after December 1, 2019 shall, however, be
11 0.25% unless the Regional Transportation Authority in DuPage,
12 Kane, Lake, McHenry, and Will counties has an "airport-related
13 purpose" and the additional 0.50% of the 0.75% tax on aviation
14 fuel is expended for airport-related purposes. If there is no
15 airport-related purpose to which aviation fuel tax revenue is
16 dedicated, then aviation fuel is excluded from the additional
17 0.50% of the 0.75% tax. The tax imposed under this Section and
18 all civil penalties that may be assessed as an incident thereof
19 shall be collected and enforced by the State Department of
20 Revenue. The Department shall have full power to administer and
21 enforce this Section; to collect all taxes and penalties so
22 collected in the manner hereinafter provided; and to determine
23 all rights to credit memoranda arising on account of the
24 erroneous payment of tax or penalty hereunder. In the
25 administration of, and compliance with this Section, the
26 Department and persons who are subject to this Section shall

1 have the same rights, remedies, privileges, immunities,
2 powers, and duties, and be subject to the same conditions,
3 restrictions, limitations, penalties, exclusions, exemptions,
4 and definitions of terms, and employ the same modes of
5 procedure, as are prescribed in Sections 1, 1a, 1a-1, 1c, 1d,
6 1e, 1f, 1i, 1j, 2 through 2-65 (in respect to all provisions
7 therein other than the State rate of tax), 2c, 3 (except as to
8 the disposition of taxes and penalties collected, and except
9 that the retailer's discount is not allowed for taxes paid on
10 aviation fuel that are subject to the revenue use requirements
11 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133), 4, 5, 5a, 5b, 5c,
12 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9,
13 10, 11, 12, and 13 of the Retailers' Occupation Tax Act and
14 Section 3-7 of the Uniform Penalty and Interest Act, as fully
15 as if those provisions were set forth herein.

16 The Board and DuPage, Kane, Lake, McHenry, and Will
17 counties must comply with the certification requirements for
18 airport-related purposes under Section 2-22 of the Retailers'
19 Occupation Tax Act. For purposes of this Section,
20 "airport-related purposes" has the meaning ascribed in Section
21 6z-20.2 of the State Finance Act. This exclusion for aviation
22 fuel only applies for so long as the revenue use requirements
23 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the
24 Authority.

25 Persons subject to any tax imposed under the authority
26 granted in this Section may reimburse themselves for their

1 seller's tax liability hereunder by separately stating the tax
2 as an additional charge, which charge may be stated in
3 combination in a single amount with State taxes that sellers
4 are required to collect under the Use Tax Act, under any
5 bracket schedules the Department may prescribe.

6 Whenever the Department determines that a refund should be
7 made under this Section to a claimant instead of issuing a
8 credit memorandum, the Department shall notify the State
9 Comptroller, who shall cause the warrant to be drawn for the
10 amount specified, and to the person named, in the notification
11 from the Department. The refund shall be paid by the State
12 Treasurer out of the Regional Transportation Authority tax fund
13 established under paragraph (n) of this Section or the Local
14 Government Aviation Trust Fund, as appropriate.

15 If a tax is imposed under this subsection (e), a tax shall
16 also be imposed under subsections (f) and (g) of this Section.

17 For the purpose of determining whether a tax authorized
18 under this Section is applicable, a retail sale by a producer
19 of coal or other mineral mined in Illinois, is a sale at retail
20 at the place where the coal or other mineral mined in Illinois
21 is extracted from the earth. This paragraph does not apply to
22 coal or other mineral when it is delivered or shipped by the
23 seller to the purchaser at a point outside Illinois so that the
24 sale is exempt under the Federal Constitution as a sale in
25 interstate or foreign commerce.

26 No tax shall be imposed or collected under this subsection

1 on the sale of a motor vehicle in this State to a resident of
2 another state if that motor vehicle will not be titled in this
3 State.

4 Nothing in this Section shall be construed to authorize the
5 Regional Transportation Authority to impose a tax upon the
6 privilege of engaging in any business that under the
7 Constitution of the United States may not be made the subject
8 of taxation by this State.

9 (f) If a tax has been imposed under paragraph (e), a
10 Regional Transportation Authority Service Occupation Tax shall
11 also be imposed upon all persons engaged, in the metropolitan
12 region in the business of making sales of service, who as an
13 incident to making the sales of service, transfer tangible
14 personal property within the metropolitan region, either in the
15 form of tangible personal property or in the form of real
16 estate as an incident to a sale of service. In Cook County, the
17 tax rate shall be: (1) 1.25% of the serviceman's cost price of
18 food prepared for immediate consumption and transferred
19 incident to a sale of service subject to the service occupation
20 tax by an entity licensed under the Hospital Licensing Act, the
21 Nursing Home Care Act, the Specialized Mental Health
22 Rehabilitation Act of 2013, the ID/DD Community Care Act, or
23 the MC/DD Act that is located in the metropolitan region; (2)
24 1.25% of the selling price of tangible personal property taxed
25 at the 1% rate under the Service Occupation Tax Act; and (3) 1%
26 of the selling price from other taxable sales of tangible

1 personal property transferred. In DuPage, Kane, Lake, McHenry,
2 and Will counties, the rate shall be 0.75% of the selling price
3 of all tangible personal property transferred. The rate of tax
4 imposed in DuPage, Kane, Lake, McHenry, and Will counties under
5 this Section on sales of aviation fuel on or after December 1,
6 2019 shall, however, be 0.25% unless the Regional
7 Transportation Authority in DuPage, Kane, Lake, McHenry, and
8 Will counties has an "airport-related purpose" and the
9 additional 0.50% of the 0.75% tax on aviation fuel is expended
10 for airport-related purposes. If there is no airport-related
11 purpose to which aviation fuel tax revenue is dedicated, then
12 aviation fuel is excluded from the additional 0.5% of the 0.75%
13 tax.

14 The Board and DuPage, Kane, Lake, McHenry, and Will
15 counties must comply with the certification requirements for
16 airport-related purposes under Section 2-22 of the Retailers'
17 Occupation Tax Act. For purposes of this Section,
18 "airport-related purposes" has the meaning ascribed in Section
19 6z-20.2 of the State Finance Act. This exclusion for aviation
20 fuel only applies for so long as the revenue use requirements
21 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the
22 Authority.

23 The tax imposed under this paragraph and all civil
24 penalties that may be assessed as an incident thereof shall be
25 collected and enforced by the State Department of Revenue. The
26 Department shall have full power to administer and enforce this

1 paragraph; to collect all taxes and penalties due hereunder; to
2 dispose of taxes and penalties collected in the manner
3 hereinafter provided; and to determine all rights to credit
4 memoranda arising on account of the erroneous payment of tax or
5 penalty hereunder. In the administration of and compliance with
6 this paragraph, the Department and persons who are subject to
7 this paragraph shall have the same rights, remedies,
8 privileges, immunities, powers, and duties, and be subject to
9 the same conditions, restrictions, limitations, penalties,
10 exclusions, exemptions, and definitions of terms, and employ
11 the same modes of procedure, as are prescribed in Sections
12 1a-1, 2, 2a, 3 through 3-50 (in respect to all provisions
13 therein other than the State rate of tax), 4 (except that the
14 reference to the State shall be to the Authority), 5, 7, 8
15 (except that the jurisdiction to which the tax shall be a debt
16 to the extent indicated in that Section 8 shall be the
17 Authority), 9 (except as to the disposition of taxes and
18 penalties collected, and except that the returned merchandise
19 credit for this tax may not be taken against any State tax, and
20 except that the retailer's discount is not allowed for taxes
21 paid on aviation fuel that are subject to the revenue use
22 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133), 10,
23 11, 12 (except the reference therein to Section 2b of the
24 Retailers' Occupation Tax Act), 13 (except that any reference
25 to the State shall mean the Authority), the first paragraph of
26 Section 15, 16, 17, 18, 19, and 20 of the Service Occupation

1 Tax Act and Section 3-7 of the Uniform Penalty and Interest
2 Act, as fully as if those provisions were set forth herein.

3 Persons subject to any tax imposed under the authority
4 granted in this paragraph may reimburse themselves for their
5 serviceman's tax liability hereunder by separately stating the
6 tax as an additional charge, that charge may be stated in
7 combination in a single amount with State tax that servicemen
8 are authorized to collect under the Service Use Tax Act, under
9 any bracket schedules the Department may prescribe.

10 Whenever the Department determines that a refund should be
11 made under this paragraph to a claimant instead of issuing a
12 credit memorandum, the Department shall notify the State
13 Comptroller, who shall cause the warrant to be drawn for the
14 amount specified, and to the person named in the notification
15 from the Department. The refund shall be paid by the State
16 Treasurer out of the Regional Transportation Authority tax fund
17 established under paragraph (n) of this Section or the Local
18 Government Aviation Trust Fund, as appropriate.

19 Nothing in this paragraph shall be construed to authorize
20 the Authority to impose a tax upon the privilege of engaging in
21 any business that under the Constitution of the United States
22 may not be made the subject of taxation by the State.

23 (g) If a tax has been imposed under paragraph (e), a tax
24 shall also be imposed upon the privilege of using in the
25 metropolitan region, any item of tangible personal property
26 that is purchased outside the metropolitan region at retail

1 from a retailer, and that is titled or registered with an
2 agency of this State's government. In Cook County, the tax rate
3 shall be 1% of the selling price of the tangible personal
4 property, as "selling price" is defined in the Use Tax Act. In
5 DuPage, Kane, Lake, McHenry, and Will counties, the tax rate
6 shall be 0.75% of the selling price of the tangible personal
7 property, as "selling price" is defined in the Use Tax Act. The
8 tax shall be collected from persons whose Illinois address for
9 titling or registration purposes is given as being in the
10 metropolitan region. The tax shall be collected by the
11 Department of Revenue for the Regional Transportation
12 Authority. The tax must be paid to the State, or an exemption
13 determination must be obtained from the Department of Revenue,
14 before the title or certificate of registration for the
15 property may be issued. The tax or proof of exemption may be
16 transmitted to the Department by way of the State agency with
17 which, or the State officer with whom, the tangible personal
18 property must be titled or registered if the Department and the
19 State agency or State officer determine that this procedure
20 will expedite the processing of applications for title or
21 registration.

22 The Department shall have full power to administer and
23 enforce this paragraph; to collect all taxes, penalties, and
24 interest due hereunder; to dispose of taxes, penalties, and
25 interest collected in the manner hereinafter provided; and to
26 determine all rights to credit memoranda or refunds arising on

1 account of the erroneous payment of tax, penalty, or interest
2 hereunder. In the administration of and compliance with this
3 paragraph, the Department and persons who are subject to this
4 paragraph shall have the same rights, remedies, privileges,
5 immunities, powers, and duties, and be subject to the same
6 conditions, restrictions, limitations, penalties, exclusions,
7 exemptions, and definitions of terms and employ the same modes
8 of procedure, as are prescribed in Sections 2 (except the
9 definition of "retailer maintaining a place of business in this
10 State"), 3 through 3-80 (except provisions pertaining to the
11 State rate of tax, and except provisions concerning collection
12 or refunding of the tax by retailers), 4, 11, 12, 12a, 14, 15,
13 19 (except the portions pertaining to claims by retailers and
14 except the last paragraph concerning refunds), 20, 21, and 22
15 of the Use Tax Act, and are not inconsistent with this
16 paragraph, as fully as if those provisions were set forth
17 herein.

18 Whenever the Department determines that a refund should be
19 made under this paragraph to a claimant instead of issuing a
20 credit memorandum, the Department shall notify the State
21 Comptroller, who shall cause the order to be drawn for the
22 amount specified, and to the person named in the notification
23 from the Department. The refund shall be paid by the State
24 Treasurer out of the Regional Transportation Authority tax fund
25 established under paragraph (n) of this Section.

26 (h) The Authority may impose a replacement vehicle tax of

1 \$50 on any passenger car as defined in Section 1-157 of the
2 Illinois Vehicle Code purchased within the metropolitan region
3 by or on behalf of an insurance company to replace a passenger
4 car of an insured person in settlement of a total loss claim.
5 The tax imposed may not become effective before the first day
6 of the month following the passage of the ordinance imposing
7 the tax and receipt of a certified copy of the ordinance by the
8 Department of Revenue. The Department of Revenue shall collect
9 the tax for the Authority in accordance with Sections 3-2002
10 and 3-2003 of the Illinois Vehicle Code.

11 The Department shall immediately pay over to the State
12 Treasurer, ex officio, as trustee, all taxes collected
13 hereunder.

14 As soon as possible after the first day of each month,
15 beginning January 1, 2011, upon certification of the Department
16 of Revenue, the Comptroller shall order transferred, and the
17 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
18 local sales tax increment, as defined in the Innovation
19 Development and Economy Act, collected under this Section
20 during the second preceding calendar month for sales within a
21 STAR bond district.

22 After the monthly transfer to the STAR Bonds Revenue Fund,
23 on or before the 25th day of each calendar month, the
24 Department shall prepare and certify to the Comptroller the
25 disbursement of stated sums of money to the Authority. The
26 amount to be paid to the Authority shall be the amount

1 collected hereunder during the second preceding calendar month
2 by the Department, less any amount determined by the Department
3 to be necessary for the payment of refunds, and less any
4 amounts that are transferred to the STAR Bonds Revenue Fund.
5 Within 10 days after receipt by the Comptroller of the
6 disbursement certification to the Authority provided for in
7 this Section to be given to the Comptroller by the Department,
8 the Comptroller shall cause the orders to be drawn for that
9 amount in accordance with the directions contained in the
10 certification.

11 (i) The Board may not impose any other taxes except as it
12 may from time to time be authorized by law to impose.

13 (j) A certificate of registration issued by the State
14 Department of Revenue to a retailer under the Retailers'
15 Occupation Tax Act or under the Service Occupation Tax Act
16 shall permit the registrant to engage in a business that is
17 taxed under the tax imposed under paragraphs (b), (e), (f) or
18 (g) of this Section and no additional registration shall be
19 required under the tax. A certificate issued under the Use Tax
20 Act or the Service Use Tax Act shall be applicable with regard
21 to any tax imposed under paragraph (c) of this Section.

22 (k) The provisions of any tax imposed under paragraph (c)
23 of this Section shall conform as closely as may be practicable
24 to the provisions of the Use Tax Act, including without
25 limitation conformity as to penalties with respect to the tax
26 imposed and as to the powers of the State Department of Revenue

1 to promulgate and enforce rules and regulations relating to the
2 administration and enforcement of the provisions of the tax
3 imposed. The taxes shall be imposed only on use within the
4 metropolitan region and at rates as provided in the paragraph.

5 (l) The Board in imposing any tax as provided in paragraphs
6 (b) and (c) of this Section, shall, after seeking the advice of
7 the State Department of Revenue, provide means for retailers,
8 users or purchasers of motor fuel for purposes other than those
9 with regard to which the taxes may be imposed as provided in
10 those paragraphs to receive refunds of taxes improperly paid,
11 which provisions may be at variance with the refund provisions
12 as applicable under the Municipal Retailers Occupation Tax Act.
13 The State Department of Revenue may provide for certificates of
14 registration for users or purchasers of motor fuel for purposes
15 other than those with regard to which taxes may be imposed as
16 provided in paragraphs (b) and (c) of this Section to
17 facilitate the reporting and nontaxability of the exempt sales
18 or uses.

19 (m) Any ordinance imposing or discontinuing any tax under
20 this Section shall be adopted and a certified copy thereof
21 filed with the Department on or before June 1, whereupon the
22 Department of Revenue shall proceed to administer and enforce
23 this Section on behalf of the Regional Transportation Authority
24 as of September 1 next following such adoption and filing.
25 Beginning January 1, 1992, an ordinance or resolution imposing
26 or discontinuing the tax hereunder shall be adopted and a

1 certified copy thereof filed with the Department on or before
2 the first day of July, whereupon the Department shall proceed
3 to administer and enforce this Section as of the first day of
4 October next following such adoption and filing. Beginning
5 January 1, 1993, an ordinance or resolution imposing,
6 increasing, decreasing, or discontinuing the tax hereunder
7 shall be adopted and a certified copy thereof filed with the
8 Department, whereupon the Department shall proceed to
9 administer and enforce this Section as of the first day of the
10 first month to occur not less than 60 days following such
11 adoption and filing. Any ordinance or resolution of the
12 Authority imposing a tax under this Section and in effect on
13 August 1, 2007 shall remain in full force and effect and shall
14 be administered by the Department of Revenue under the terms
15 and conditions and rates of tax established by such ordinance
16 or resolution until the Department begins administering and
17 enforcing an increased tax under this Section as authorized by
18 Public Act 95-708. The tax rates authorized by Public Act
19 95-708 are effective only if imposed by ordinance of the
20 Authority.

21 (n) Except as otherwise provided in this subsection (n),
22 the State Department of Revenue shall, upon collecting any
23 taxes as provided in this Section, pay the taxes over to the
24 State Treasurer as trustee for the Authority. The taxes shall
25 be held in a trust fund outside the State Treasury. If an
26 airport-related purpose has been certified, taxes and

1 penalties collected in DuPage, Kane, Lake, McHenry and Will
2 counties on aviation fuel sold on or after December 1, 2019
3 from the 0.50% of the 0.75% rate shall be immediately paid over
4 by the Department to the State Treasurer, ex officio, as
5 trustee, for deposit into the Local Government Aviation Trust
6 Fund. The Department shall only pay moneys into the Local
7 Government Aviation Trust Fund under this Act for so long as
8 the revenue use requirements of 49 U.S.C. 47107(b) and 49
9 U.S.C. 47133 are binding on the Authority. On or before the
10 25th day of each calendar month, the State Department of
11 Revenue shall prepare and certify to the Comptroller of the
12 State of Illinois and to the Authority (i) the amount of taxes
13 collected in each county other than Cook County in the
14 metropolitan region, (not including, if an airport-related
15 purpose has been certified, the taxes and penalties collected
16 from the 0.50% of the 0.75% rate on aviation fuel sold on or
17 after December 1, 2019 that are deposited into the Local
18 Government Aviation Trust Fund) (ii) the amount of taxes
19 collected within the City of Chicago, and (iii) the amount
20 collected in that portion of Cook County outside of Chicago,
21 each amount less the amount necessary for the payment of
22 refunds to taxpayers located in those areas described in items
23 (i), (ii), and (iii), and less 1.5% of the remainder, which
24 shall be transferred from the trust fund into the Tax
25 Compliance and Administration Fund. The Department, at the time
26 of each monthly disbursement to the Authority, shall prepare

1 and certify to the State Comptroller the amount to be
2 transferred into the Tax Compliance and Administration Fund
3 under this subsection. Within 10 days after receipt by the
4 Comptroller of the certification of the amounts, the
5 Comptroller shall cause an order to be drawn for the transfer
6 of the amount certified into the Tax Compliance and
7 Administration Fund and the payment of two-thirds of the
8 amounts certified in item (i) of this subsection to the
9 Authority and one-third of the amounts certified in item (i) of
10 this subsection to the respective counties other than Cook
11 County and the amount certified in items (ii) and (iii) of this
12 subsection to the Authority.

13 In addition to the disbursement required by the preceding
14 paragraph, an allocation shall be made in July 1991 and each
15 year thereafter to the Regional Transportation Authority. The
16 allocation shall be made in an amount equal to the average
17 monthly distribution during the preceding calendar year
18 (excluding the 2 months of lowest receipts) and the allocation
19 shall include the amount of average monthly distribution from
20 the Regional Transportation Authority Occupation and Use Tax
21 Replacement Fund. The distribution made in July 1992 and each
22 year thereafter under this paragraph and the preceding
23 paragraph shall be reduced by the amount allocated and
24 disbursed under this paragraph in the preceding calendar year.
25 The Department of Revenue shall prepare and certify to the
26 Comptroller for disbursement the allocations made in

1 accordance with this paragraph.

2 (o) Failure to adopt a budget ordinance or otherwise to
3 comply with Section 4.01 of this Act or to adopt a Five-year
4 Capital Program or otherwise to comply with paragraph (b) of
5 Section 2.01 of this Act shall not affect the validity of any
6 tax imposed by the Authority otherwise in conformity with law.

7 (p) At no time shall a public transportation tax or motor
8 vehicle parking tax authorized under paragraphs (b), (c), and
9 (d) of this Section be in effect at the same time as any
10 retailers' occupation, use or service occupation tax
11 authorized under paragraphs (e), (f), and (g) of this Section
12 is in effect.

13 Any taxes imposed under the authority provided in
14 paragraphs (b), (c), and (d) shall remain in effect only until
15 the time as any tax authorized by paragraph (e), (f), or (g) of
16 this Section are imposed and becomes effective. Once any tax
17 authorized by paragraph (e), (f), or (g) is imposed the Board
18 may not reimpose taxes as authorized in paragraphs (b), (c),
19 and (d) of the Section unless any tax authorized by paragraph
20 (e), (f), or (g) of this Section becomes ineffective by means
21 other than an ordinance of the Board.

22 (q) Any existing rights, remedies and obligations
23 (including enforcement by the Regional Transportation
24 Authority) arising under any tax imposed under paragraph (b),
25 (c), or (d) of this Section shall not be affected by the
26 imposition of a tax under paragraph (e), (f), or (g) of this

1 Section.

2 (r) Notwithstanding any other provision of law, no tax may
3 be imposed under this Section on the sale or use of cannabis,
4 as defined in Section 1-10 of the Cannabis Regulation and Tax
5 Act.

6 (Source: P.A. 100-23, eff. 7-6-17; 100-587, eff. 6-4-18;
7 100-1171, eff. 1-4-19; 101-10, eff. 6-5-19; 101-81, eff.
8 7-12-19; 101-604, eff. 12-13-19.)

9 Section 40. The Water Commission Act of 1985 is amended by
10 changing Section 4 as follows:

11 (70 ILCS 3720/4) (from Ch. 111 2/3, par. 254)

12 Sec. 4. Taxes.

13 (a) The board of commissioners of any county water
14 commission may, by ordinance, impose throughout the territory
15 of the commission any or all of the taxes provided in this
16 Section for its corporate purposes. However, no county water
17 commission may impose any such tax unless the commission
18 certifies the proposition of imposing the tax to the proper
19 election officials, who shall submit the proposition to the
20 voters residing in the territory at an election in accordance
21 with the general election law, and the proposition has been
22 approved by a majority of those voting on the proposition.

23 The proposition shall be in the form provided in Section 5
24 or shall be substantially in the following form:

1 -----

2 Shall the (insert corporate
3 name of county water commission) YES

4 impose (state type of tax or -----

5 taxes to be imposed) at the NO
6 rate of 1/4%?

7 -----

8 Taxes imposed under this Section and civil penalties
9 imposed incident thereto shall be collected and enforced by the
10 State Department of Revenue. The Department shall have the
11 power to administer and enforce the taxes and to determine all
12 rights for refunds for erroneous payments of the taxes.

13 (b) The board of commissioners may impose a County Water
14 Commission Retailers' Occupation Tax upon all persons engaged
15 in the business of selling tangible personal property at retail
16 in the territory of the commission at a rate of 1/4% of the
17 gross receipts from the sales made in the course of such
18 business within the territory. Beginning January 1, 2021, this
19 tax is not imposed on sales of aviation fuel for so long as the
20 revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C.
21 47133 are binding on the District.

22 The tax imposed under this paragraph and all civil
23 penalties that may be assessed as an incident thereof shall be
24 collected and enforced by the State Department of Revenue. The
25 Department shall have full power to administer and enforce this
26 paragraph; to collect all taxes and penalties due hereunder; to

1 dispose of taxes and penalties so collected in the manner
2 hereinafter provided; and to determine all rights to credit
3 memoranda arising on account of the erroneous payment of tax or
4 penalty hereunder. In the administration of, and compliance
5 with, this paragraph, the Department and persons who are
6 subject to this paragraph shall have the same rights, remedies,
7 privileges, immunities, powers and duties, and be subject to
8 the same conditions, restrictions, limitations, penalties,
9 exclusions, exemptions and definitions of terms, and employ the
10 same modes of procedure, as are prescribed in Sections 1, 1a,
11 1a-1, 1c, 1d, 1e, 1f, 1i, 1j, 2 through 2-65 (in respect to all
12 provisions therein other than the State rate of tax except that
13 tangible personal property taxed at the 1% rate under the
14 Retailers' Occupation Tax Act shall not be subject to tax
15 hereunder), 2c, 3 (except as to the disposition of taxes and
16 penalties collected, and except that the retailer's discount is
17 not allowed for taxes paid on aviation fuel sold on or after
18 December 1, 2019 and through December 31, 2020), 4, 5, 5a, 5b,
19 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8,
20 9, 10, 11, 12, and 13 of the Retailers' Occupation Tax Act and
21 Section 3-7 of the Uniform Penalty and Interest Act, as fully
22 as if those provisions were set forth herein.

23 Persons subject to any tax imposed under the authority
24 granted in this paragraph may reimburse themselves for their
25 seller's tax liability hereunder by separately stating the tax
26 as an additional charge, which charge may be stated in

1 combination, in a single amount, with State taxes that sellers
2 are required to collect under the Use Tax Act and under
3 subsection (e) of Section 4.03 of the Regional Transportation
4 Authority Act, in accordance with such bracket schedules as the
5 Department may prescribe.

6 Whenever the Department determines that a refund should be
7 made under this paragraph to a claimant instead of issuing a
8 credit memorandum, the Department shall notify the State
9 Comptroller, who shall cause the warrant to be drawn for the
10 amount specified, and to the person named, in the notification
11 from the Department. The refund shall be paid by the State
12 Treasurer out of a county water commission tax fund established
13 under subsection (g) of this Section.

14 For the purpose of determining whether a tax authorized
15 under this paragraph is applicable, a retail sale by a producer
16 of coal or other mineral mined in Illinois is a sale at retail
17 at the place where the coal or other mineral mined in Illinois
18 is extracted from the earth. This paragraph does not apply to
19 coal or other mineral when it is delivered or shipped by the
20 seller to the purchaser at a point outside Illinois so that the
21 sale is exempt under the Federal Constitution as a sale in
22 interstate or foreign commerce.

23 If a tax is imposed under this subsection (b), a tax shall
24 also be imposed under subsections (c) and (d) of this Section.

25 No tax shall be imposed or collected under this subsection
26 on the sale of a motor vehicle in this State to a resident of

1 another state if that motor vehicle will not be titled in this
2 State.

3 Nothing in this paragraph shall be construed to authorize a
4 county water commission to impose a tax upon the privilege of
5 engaging in any business which under the Constitution of the
6 United States may not be made the subject of taxation by this
7 State.

8 (c) If a tax has been imposed under subsection (b), a
9 County Water Commission Service Occupation Tax shall also be
10 imposed upon all persons engaged, in the territory of the
11 commission, in the business of making sales of service, who, as
12 an incident to making the sales of service, transfer tangible
13 personal property within the territory. The tax rate shall be
14 1/4% of the selling price of tangible personal property so
15 transferred within the territory. Beginning January 1, 2021,
16 this tax is not imposed on sales of aviation fuel for so long
17 as the revenue use requirements of 49 U.S.C. 47107(b) and 49
18 U.S.C. 47133 are binding on the District.

19 The tax imposed under this paragraph and all civil
20 penalties that may be assessed as an incident thereof shall be
21 collected and enforced by the State Department of Revenue. The
22 Department shall have full power to administer and enforce this
23 paragraph; to collect all taxes and penalties due hereunder; to
24 dispose of taxes and penalties so collected in the manner
25 hereinafter provided; and to determine all rights to credit
26 memoranda arising on account of the erroneous payment of tax or

1 penalty hereunder. In the administration of, and compliance
2 with, this paragraph, the Department and persons who are
3 subject to this paragraph shall have the same rights, remedies,
4 privileges, immunities, powers and duties, and be subject to
5 the same conditions, restrictions, limitations, penalties,
6 exclusions, exemptions and definitions of terms, and employ the
7 same modes of procedure, as are prescribed in Sections 1a-1, 2
8 (except that the reference to State in the definition of
9 supplier maintaining a place of business in this State shall
10 mean the territory of the commission), 2a, 3 through 3-50 (in
11 respect to all provisions therein other than the State rate of
12 tax except that tangible personal property taxed at the 1% rate
13 under the Service Occupation Tax Act shall not be subject to
14 tax hereunder), 4 (except that the reference to the State shall
15 be to the territory of the commission), 5, 7, 8 (except that
16 the jurisdiction to which the tax shall be a debt to the extent
17 indicated in that Section 8 shall be the commission), 9 (except
18 as to the disposition of taxes and penalties collected and
19 except that the returned merchandise credit for this tax may
20 not be taken against any State tax, and except that the
21 retailer's discount is not allowed for taxes paid on aviation
22 fuel sold on or after December 1, 2019 and through December 31,
23 2020), 10, 11, 12 (except the reference therein to Section 2b
24 of the Retailers' Occupation Tax Act), 13 (except that any
25 reference to the State shall mean the territory of the
26 commission), the first paragraph of Section 15, 15.5, 16, 17,

1 18, 19, and 20 of the Service Occupation Tax Act as fully as if
2 those provisions were set forth herein.

3 Persons subject to any tax imposed under the authority
4 granted in this paragraph may reimburse themselves for their
5 serviceman's tax liability hereunder by separately stating the
6 tax as an additional charge, which charge may be stated in
7 combination, in a single amount, with State tax that servicemen
8 are authorized to collect under the Service Use Tax Act, and
9 any tax for which servicemen may be liable under subsection (f)
10 of Section 4.03 of the Regional Transportation Authority Act,
11 in accordance with such bracket schedules as the Department may
12 prescribe.

13 Whenever the Department determines that a refund should be
14 made under this paragraph to a claimant instead of issuing a
15 credit memorandum, the Department shall notify the State
16 Comptroller, who shall cause the warrant to be drawn for the
17 amount specified, and to the person named, in the notification
18 from the Department. The refund shall be paid by the State
19 Treasurer out of a county water commission tax fund established
20 under subsection (g) of this Section.

21 Nothing in this paragraph shall be construed to authorize a
22 county water commission to impose a tax upon the privilege of
23 engaging in any business which under the Constitution of the
24 United States may not be made the subject of taxation by the
25 State.

26 (d) If a tax has been imposed under subsection (b), a tax

1 shall also be imposed upon the privilege of using, in the
2 territory of the commission, any item of tangible personal
3 property that is purchased outside the territory at retail from
4 a retailer, and that is titled or registered with an agency of
5 this State's government, at a rate of 1/4% of the selling price
6 of the tangible personal property within the territory, as
7 "selling price" is defined in the Use Tax Act. The tax shall be
8 collected from persons whose Illinois address for titling or
9 registration purposes is given as being in the territory. The
10 tax shall be collected by the Department of Revenue for a
11 county water commission. The tax must be paid to the State, or
12 an exemption determination must be obtained from the Department
13 of Revenue, before the title or certificate of registration for
14 the property may be issued. The tax or proof of exemption may
15 be transmitted to the Department by way of the State agency
16 with which, or the State officer with whom, the tangible
17 personal property must be titled or registered if the
18 Department and the State agency or State officer determine that
19 this procedure will expedite the processing of applications for
20 title or registration.

21 The Department shall have full power to administer and
22 enforce this paragraph; to collect all taxes, penalties, and
23 interest due hereunder; to dispose of taxes, penalties, and
24 interest so collected in the manner hereinafter provided; and
25 to determine all rights to credit memoranda or refunds arising
26 on account of the erroneous payment of tax, penalty, or

1 interest hereunder. In the administration of and compliance
2 with this paragraph, the Department and persons who are subject
3 to this paragraph shall have the same rights, remedies,
4 privileges, immunities, powers, and duties, and be subject to
5 the same conditions, restrictions, limitations, penalties,
6 exclusions, exemptions, and definitions of terms and employ the
7 same modes of procedure, as are prescribed in Sections 2
8 (except the definition of "retailer maintaining a place of
9 business in this State"), 3 through 3-80 (except provisions
10 pertaining to the State rate of tax, and except provisions
11 concerning collection or refunding of the tax by retailers), 4,
12 11, 12, 12a, 14, 15, 19 (except the portions pertaining to
13 claims by retailers and except the last paragraph concerning
14 refunds), 20, 21, and 22 of the Use Tax Act and Section 3-7 of
15 the Uniform Penalty and Interest Act that are not inconsistent
16 with this paragraph, as fully as if those provisions were set
17 forth herein.

18 Whenever the Department determines that a refund should be
19 made under this paragraph to a claimant instead of issuing a
20 credit memorandum, the Department shall notify the State
21 Comptroller, who shall cause the order to be drawn for the
22 amount specified, and to the person named, in the notification
23 from the Department. The refund shall be paid by the State
24 Treasurer out of a county water commission tax fund established
25 under subsection (g) of this Section.

26 (e) A certificate of registration issued by the State

1 Department of Revenue to a retailer under the Retailers'
2 Occupation Tax Act or under the Service Occupation Tax Act
3 shall permit the registrant to engage in a business that is
4 taxed under the tax imposed under subsection (b), (c), or (d)
5 of this Section and no additional registration shall be
6 required under the tax. A certificate issued under the Use Tax
7 Act or the Service Use Tax Act shall be applicable with regard
8 to any tax imposed under subsection (c) of this Section.

9 (f) Any ordinance imposing or discontinuing any tax under
10 this Section shall be adopted and a certified copy thereof
11 filed with the Department on or before June 1, whereupon the
12 Department of Revenue shall proceed to administer and enforce
13 this Section on behalf of the county water commission as of
14 September 1 next following the adoption and filing. Beginning
15 January 1, 1992, an ordinance or resolution imposing or
16 discontinuing the tax hereunder shall be adopted and a
17 certified copy thereof filed with the Department on or before
18 the first day of July, whereupon the Department shall proceed
19 to administer and enforce this Section as of the first day of
20 October next following such adoption and filing. Beginning
21 January 1, 1993, an ordinance or resolution imposing or
22 discontinuing the tax hereunder shall be adopted and a
23 certified copy thereof filed with the Department on or before
24 the first day of October, whereupon the Department shall
25 proceed to administer and enforce this Section as of the first
26 day of January next following such adoption and filing.

1 (g) The State Department of Revenue shall, upon collecting
2 any taxes as provided in this Section, pay the taxes over to
3 the State Treasurer as trustee for the commission. The taxes
4 shall be held in a trust fund outside the State Treasury.

5 As soon as possible after the first day of each month,
6 beginning January 1, 2011, upon certification of the Department
7 of Revenue, the Comptroller shall order transferred, and the
8 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
9 local sales tax increment, as defined in the Innovation
10 Development and Economy Act, collected under this Section
11 during the second preceding calendar month for sales within a
12 STAR bond district.

13 After the monthly transfer to the STAR Bonds Revenue Fund,
14 on or before the 25th day of each calendar month, the State
15 Department of Revenue shall prepare and certify to the
16 Comptroller of the State of Illinois the amount to be paid to
17 the commission, which shall be the amount (not including credit
18 memoranda) collected under this Section during the second
19 preceding calendar month by the Department plus an amount the
20 Department determines is necessary to offset any amounts that
21 were erroneously paid to a different taxing body, and not
22 including any amount equal to the amount of refunds made during
23 the second preceding calendar month by the Department on behalf
24 of the commission, and not including any amount that the
25 Department determines is necessary to offset any amounts that
26 were payable to a different taxing body but were erroneously

1 paid to the commission, and less any amounts that are
2 transferred to the STAR Bonds Revenue Fund, less 1.5% of the
3 remainder, which shall be transferred into the Tax Compliance
4 and Administration Fund. The Department, at the time of each
5 monthly disbursement to the commission, shall prepare and
6 certify to the State Comptroller the amount to be transferred
7 into the Tax Compliance and Administration Fund under this
8 subsection. Within 10 days after receipt by the Comptroller of
9 the certification of the amount to be paid to the commission
10 and the Tax Compliance and Administration Fund, the Comptroller
11 shall cause an order to be drawn for the payment for the amount
12 in accordance with the direction in the certification.

13 (h) Beginning June 1, 2016, any tax imposed pursuant to
14 this Section may no longer be imposed or collected, unless a
15 continuation of the tax is approved by the voters at a
16 referendum as set forth in this Section.

17 (i) Notwithstanding any other provision of law, no tax may
18 be imposed under this Section on the sale or use of cannabis,
19 as defined in Section 1-10 of the Cannabis Regulation and Tax
20 Act.

21 (Source: P.A. 100-23, eff. 7-6-17; 100-587, eff. 6-4-18;
22 100-863, eff. 8-14-18; 100-1171, eff. 1-4-19; 101-10, eff.
23 6-5-19; 101-81, eff. 7-12-19; 101-604, eff. 12-13-19.)

24 Section 45. The Compassionate Use of Medical Cannabis
25 Program Act is amended by changing Sections 55, 60, 62, 70, 75,

1 100, and 145 as follows:

2 (410 ILCS 130/55)

3 Sec. 55. Registration of qualifying patients and
4 designated caregivers.

5 (a) The Department of Public Health shall issue registry
6 identification cards to qualifying patients and designated
7 caregivers who submit a completed application, and at minimum,
8 the following, in accordance with Department of Public Health
9 rules:

10 (1) A written certification, on a form developed by the
11 Department of Public Health consistent with Section 36 and
12 issued by a certifying health care professional, within 90
13 days immediately preceding the date of an application and
14 submitted by the qualifying patient or his or her
15 designated caregiver;

16 (2) upon the execution of applicable privacy waivers,
17 the patient's medical documentation related to his or her
18 debilitating condition and any other information that may
19 be reasonably required by the Department of Public Health
20 to confirm that the certifying health care professional and
21 patient have a bona fide health care professional-patient
22 relationship, that the qualifying patient is in the
23 certifying health care professional's care for his or her
24 debilitating medical condition, and to substantiate the
25 patient's diagnosis;

1 (3) the application or renewal fee as set by rule;

2 (4) the name, address, date of birth, and social
3 security number of the qualifying patient, except that if
4 the applicant is homeless no address is required;

5 (5) the name, address, and telephone number of the
6 qualifying patient's certifying health care professional;

7 (6) the name, address, and date of birth of the
8 designated caregiver, if any, chosen by the qualifying
9 patient;

10 (7) (blank) ~~the name of the registered medical cannabis~~
11 ~~dispensing organization the qualifying patient designates;~~

12 (8) signed statements from the patient and designated
13 caregiver asserting that they will not divert medical
14 cannabis; and

15 (9) (blank).

16 (b) Notwithstanding any other provision of this Act, a
17 person provided a written certification for a debilitating
18 medical condition who has submitted a completed online
19 application to the Department of Public Health shall receive a
20 provisional registration and be entitled to purchase medical
21 cannabis from a ~~specified~~ licensed dispensing organization for
22 a period of 90 days or until his or her application has been
23 denied or he or she receives a registry identification card,
24 whichever is earlier. However, a person may obtain an
25 additional provisional registration after the expiration of 90
26 days after the date of application if the Department of Public

1 Health does not provide the individual with a registry
2 identification card or deny the individual's application
3 within those 90 days.

4 The provisional registration may not be extended if the
5 individual does not respond to the Department of Public
6 Health's request for additional information or corrections to
7 required application documentation.

8 In order for a person to receive medical cannabis under
9 this subsection, a person must present his or her provisional
10 registration along with a valid driver's license or State
11 identification card to the licensed dispensing organization
12 ~~specified in his or her application.~~ The dispensing
13 organization shall verify the person's provisional
14 registration through the Department of Public Health's online
15 verification system.

16 Upon verification of the provided documents, the
17 dispensing organization shall dispense no more than 2.5 ounces
18 of medical cannabis during a 14-day period to the person for a
19 period of 90 days, until his or her application has been
20 denied, or until he or she receives a registry identification
21 card from the Department of Public Health, whichever is
22 earlier.

23 Persons with provisional registrations must keep their
24 provisional registration in his or her possession at all times
25 when transporting or engaging in the medical use of cannabis.

26 (c) No person or business shall charge a fee for assistance

1 in the preparation, compilation, or submission of an
2 application to the Compassionate Use of Medical Cannabis
3 Program or the Opioid Alternative Pilot Program. A violation of
4 this subsection is a Class C misdemeanor, for which restitution
5 to the applicant and a fine of up to \$1,500 may be imposed. All
6 fines shall be deposited into the Compassionate Use of Medical
7 Cannabis Fund after restitution has been made to the applicant.
8 The Department of Public Health shall refer individuals making
9 complaints against a person or business under this Section to
10 the Illinois State Police, who shall enforce violations of this
11 provision. All application forms issued by the Department shall
12 state that no person or business may charge a fee for
13 assistance in the preparation, compilation, or submission of an
14 application to the Compassionate Use of Medical Cannabis
15 Program or the Opioid Alternative Pilot Program.

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

17 (410 ILCS 130/60)

18 Sec. 60. Issuance of registry identification cards.

19 (a) Except as provided in subsection (b), the Department of
20 Public Health shall:

21 (1) verify the information contained in an application
22 or renewal for a registry identification card submitted
23 under this Act, and approve or deny an application or
24 renewal, within 90 days of receiving a completed
25 application or renewal application and all supporting

1 documentation specified in Section 55;

2 (2) issue registry identification cards to a
3 qualifying patient and his or her designated caregiver, if
4 any, within 15 business days of approving the application
5 or renewal;

6 (3) (blank) ~~enter the registry identification number~~
7 ~~of the registered dispensing organization the patient~~
8 ~~designates into the verification system; and~~

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

12 Notwithstanding any other provision of this Act, the
13 Department of Public Health shall adopt rules for qualifying
14 patients and applicants with life-long debilitating medical
15 conditions, who may be charged annual renewal fees. The
16 Department of Public Health shall not require patients and
17 applicants with life-long debilitating medical conditions to
18 apply to renew registry identification cards.

19 (b) The Department of Public Health may not issue a
20 registry identification card to a qualifying patient who is
21 under 18 years of age, unless that patient suffers from
22 seizures, including those characteristic of epilepsy, or as
23 provided by administrative rule. The Department of Public
24 Health shall adopt rules for the issuance of a registry
25 identification card for qualifying patients who are under 18
26 years of age and suffering from seizures, including those

1 characteristic of epilepsy. The Department of Public Health may
2 adopt rules to allow other individuals under 18 years of age to
3 become registered qualifying patients under this Act with the
4 consent of a parent or legal guardian. Registered qualifying
5 patients under 18 years of age shall be prohibited from
6 consuming forms of cannabis other than medical cannabis infused
7 products and purchasing any usable cannabis.

8 (c) A veteran who has received treatment at a VA hospital
9 is deemed to have a bona fide health care professional-patient
10 relationship with a VA certifying health care professional if
11 the patient has been seen for his or her debilitating medical
12 condition at the VA hospital in accordance with VA hospital
13 protocols. All reasonable inferences regarding the existence
14 of a bona fide health care professional-patient relationship
15 shall be drawn in favor of an applicant who is a veteran and
16 has undergone treatment at a VA hospital.

17 (c-10) An individual who submits an application as someone
18 who is terminally ill shall have all fees waived. The
19 Department of Public Health shall within 30 days after this
20 amendatory Act of the 99th General Assembly adopt emergency
21 rules to expedite approval for terminally ill individuals.
22 These rules shall include, but not be limited to, rules that
23 provide that applications by individuals with terminal
24 illnesses shall be approved or denied within 14 days of their
25 submission.

26 (d) No later than 6 months after the effective date of this

1 amendatory Act of the 101st General Assembly, the Secretary of
2 State shall remove all existing notations on driving records
3 that the person is a registered qualifying patient or his or
4 her caregiver under this Act.

5 (e) Upon the approval of the registration and issuance of a
6 registry card under this Section, the Department of Public
7 Health shall electronically forward the registered qualifying
8 patient's identification card information to the Prescription
9 Monitoring Program established under the Illinois Controlled
10 Substances Act and certify that the individual is permitted to
11 engage in the medical use of cannabis. For the purposes of
12 patient care, the Prescription Monitoring Program shall make a
13 notation on the person's prescription record stating that the
14 person is a registered qualifying patient who is entitled to
15 the lawful medical use of cannabis. If the person no longer
16 holds a valid registry card, the Department of Public Health
17 shall notify the Prescription Monitoring Program and
18 Department of Human Services to remove the notation from the
19 person's record. The Department of Human Services and the
20 Prescription Monitoring Program shall establish a system by
21 which the information may be shared electronically. This
22 confidential list may not be combined or linked in any manner
23 with any other list or database except as provided in this
24 Section.

25 (f) (Blank).

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

1 101-593, eff. 12-4-19.)

2 (410 ILCS 130/62)

3 Sec. 62. Opioid Alternative Pilot Program.

4 (a) The Department of Public Health shall establish the
5 Opioid Alternative Pilot Program. Licensed dispensing
6 organizations shall allow persons with a written certification
7 from a certifying health care professional under Section 36 to
8 purchase medical cannabis upon enrollment in the Opioid
9 Alternative Pilot Program. The Department of Public Health
10 shall adopt rules or establish procedures allowing qualified
11 veterans to participate in the Opioid Alternative Pilot
12 Program. For a person to receive medical cannabis under this
13 Section, the person must present the written certification
14 along with a valid driver's license or state identification
15 card to the licensed dispensing organization ~~specified in his~~
16 ~~or her application~~. The dispensing organization shall verify
17 the person's status as an Opioid Alternative Pilot Program
18 participant through the Department of Public Health's online
19 verification system.

20 (b) The Opioid Alternative Pilot Program shall be limited
21 to participation by Illinois residents age 21 and older.

22 (c) The Department of Financial and Professional
23 Regulation shall specify that all licensed dispensing
24 organizations participating in the Opioid Alternative Pilot
25 Program use the Illinois Cannabis Tracking System. The

1 Department of Public Health shall establish and maintain the
2 Illinois Cannabis Tracking System. The Illinois Cannabis
3 Tracking System shall be used to collect information about all
4 persons participating in the Opioid Alternative Pilot Program
5 and shall be used to track the sale of medical cannabis for
6 verification purposes.

7 Each dispensing organization shall retain a copy of the
8 Opioid Alternative Pilot Program certification and other
9 identifying information as required by the Department of
10 Financial and Professional Regulation, the Department of
11 Public Health, and the Illinois State Police in the Illinois
12 Cannabis Tracking System.

13 The Illinois Cannabis Tracking System shall be accessible
14 to the Department of Financial and Professional Regulation,
15 Department of Public Health, Department of Agriculture, and the
16 Illinois State Police.

17 The Department of Financial and Professional Regulation in
18 collaboration with the Department of Public Health shall
19 specify the data requirements for the Opioid Alternative Pilot
20 Program by licensed dispensing organizations; including, but
21 not limited to, the participant's full legal name, address, and
22 date of birth, date on which the Opioid Alternative Pilot
23 Program certification was issued, length of the participation
24 in the Program, including the start and end date to purchase
25 medical cannabis, name of the issuing physician, copy of the
26 participant's current driver's license or State identification

1 card, and phone number.

2 The Illinois Cannabis Tracking System shall provide
3 verification of a person's participation in the Opioid
4 Alternative Pilot Program for law enforcement at any time and
5 on any day.

6 (d) The certification for Opioid Alternative Pilot Program
7 participant must be issued by a certifying health care
8 professional who is licensed to practice in Illinois under the
9 Medical Practice Act of 1987, the Nurse Practice Act, or the
10 Physician Assistant Practice Act of 1987 and who is in good
11 standing and holds a controlled substances license under
12 Article III of the Illinois Controlled Substances Act.

13 The certification for an Opioid Alternative Pilot Program
14 participant shall be written within 90 days before the
15 participant submits his or her certification to the dispensing
16 organization.

17 The written certification uploaded to the Illinois
18 Cannabis Tracking System shall be accessible to the Department
19 of Public Health.

20 (e) Upon verification of the individual's valid
21 certification and enrollment in the Illinois Cannabis Tracking
22 System, the dispensing organization may dispense the medical
23 cannabis, in amounts not exceeding 2.5 ounces of medical
24 cannabis per 14-day period to the participant ~~at the~~
25 ~~participant's specified dispensary~~ for no more than 90 days.

26 An Opioid Alternative Pilot Program participant shall not

1 be registered as a medical cannabis cardholder. The dispensing
2 organization shall verify that the person is not an active
3 registered qualifying patient prior to enrollment in the Opioid
4 Alternative Pilot Program and each time medical cannabis is
5 dispensed.

6 Upon receipt of a written certification under the Opioid
7 Alternative Pilot Program, the Department of Public Health
8 shall electronically forward the patient's identification
9 information to the Prescription Monitoring Program established
10 under the Illinois Controlled Substances Act and certify that
11 the individual is permitted to engage in the medical use of
12 cannabis. For the purposes of patient care, the Prescription
13 Monitoring Program shall make a notation on the person's
14 prescription record stating that the person has a written
15 certification under the Opioid Alternative Pilot Program and is
16 a patient who is entitled to the lawful medical use of
17 cannabis. If the person is no longer authorized to engage in
18 the medical use of cannabis, the Department of Public Health
19 shall notify the Prescription Monitoring Program and
20 Department of Human Services to remove the notation from the
21 person's record. The Department of Human Services and the
22 Prescription Monitoring Program shall establish a system by
23 which the information may be shared electronically. This
24 confidential list may not be combined or linked in any manner
25 with any other list or database except as provided in this
26 Section.

1 (f) An Opioid Alternative Pilot Program participant shall
2 not be considered a qualifying patient with a debilitating
3 medical condition under this Act and shall be provided access
4 to medical cannabis solely for the duration of the
5 participant's certification. Nothing in this Section shall be
6 construed to limit or prohibit an Opioid Alternative Pilot
7 Program participant who has a debilitating medical condition
8 from applying to the Compassionate Use of Medical Cannabis
9 Program.

10 (g) A person with a provisional registration under Section
11 55 shall not be considered an Opioid Alternative Pilot Program
12 participant.

13 (h) The Department of Financial and Professional
14 Regulation and the Department of Public Health shall submit
15 emergency rulemaking to implement the changes made by this
16 amendatory Act of the 100th General Assembly by December 1,
17 2018. The Department of Financial and Professional Regulation,
18 the Department of Agriculture, the Department of Human
19 Services, the Department of Public Health, and the Illinois
20 State Police shall utilize emergency purchase authority for 12
21 months after the effective date of this amendatory Act of the
22 100th General Assembly for the purpose of implementing the
23 changes made by this amendatory Act of the 100th General
24 Assembly.

25 (i) Dispensing organizations are not authorized to
26 dispense medical cannabis to Opioid Alternative Pilot Program

1 participants until administrative rules are approved by the
2 Joint Committee on Administrative Rules and go into effect.

3 (j) The provisions of this Section are inoperative on and
4 after July 1, 2020.

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

6 (410 ILCS 130/70)

7 Sec. 70. Registry identification cards.

8 (a) A registered qualifying patient or designated
9 caregiver must keep their registry identification card in his
10 or her possession at all times when engaging in the medical use
11 of cannabis.

12 (b) Registry identification cards shall contain the
13 following:

14 (1) the name of the cardholder;

15 (2) a designation of whether the cardholder is a
16 designated caregiver or qualifying patient;

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

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

21 (5) if the cardholder is a designated caregiver, the
22 random alphanumeric identification number of the
23 registered qualifying patient the designated caregiver is
24 receiving the registry identification card to assist; and

25 (6) a photograph of the cardholder, if required by

1 Department of Public Health rules.

2 (c) To maintain a valid registration identification card, a
3 registered qualifying patient and caregiver must annually
4 resubmit, at least 45 days prior to the expiration date stated
5 on the registry identification card, a completed renewal
6 application, renewal fee, and accompanying documentation as
7 described in Department of Public Health rules. The Department
8 of Public Health shall send a notification to a registered
9 qualifying patient or registered designated caregiver 90 days
10 prior to the expiration of the registered qualifying patient's
11 or registered designated caregiver's identification card. If
12 the Department of Public Health fails to grant or deny a
13 renewal application received in accordance with this Section,
14 then the renewal is deemed granted and the registered
15 qualifying patient or registered designated caregiver may
16 continue to use the expired identification card until the
17 Department of Public Health denies the renewal or issues a new
18 identification card.

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

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

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

1 (410 ILCS 130/75)

2 Sec. 75. Notifications to Department of Public Health and
3 responses; civil penalty.

4 (a) The following notifications and Department of Public
5 Health responses are required:

6 (1) A registered qualifying patient shall notify the
7 Department of Public Health of any change in his or her
8 name or address, or if the registered qualifying patient
9 ceases to have his or her debilitating medical condition,
10 within 10 days of the change.

11 (2) A registered designated caregiver shall notify the
12 Department of Public Health of any change in his or her
13 name or address, or if the designated caregiver becomes
14 aware the registered qualifying patient passed away,
15 within 10 days of the change.

16 (3) Before a registered qualifying patient changes his
17 or her designated caregiver, the qualifying patient must
18 notify the Department of Public Health.

19 (4) If a cardholder loses his or her registry
20 identification card, he or she shall notify the Department
21 within 10 days of becoming aware the card has been lost.

22 (b) When a cardholder notifies the Department of Public
23 Health of items listed in subsection (a), but remains eligible
24 under this Act, the Department of Public Health shall issue the
25 cardholder a new registry identification card with a new random

1 alphanumeric identification number within 15 business days of
2 receiving the updated information and a fee as specified in
3 Department of Public Health rules. If the person notifying the
4 Department of Public Health is a registered qualifying patient,
5 the Department shall also issue his or her registered
6 designated caregiver, if any, a new registry identification
7 card within 15 business days of receiving the updated
8 information.

9 (c) If a registered qualifying patient ceases to be a
10 registered qualifying patient or changes his or her registered
11 designated caregiver, the Department of Public Health shall
12 promptly notify the designated caregiver. The registered
13 designated caregiver's protections under this Act as to that
14 qualifying patient shall expire 15 days after notification by
15 the Department.

16 (d) A cardholder who fails to make a notification to the
17 Department of Public Health that is required by this Section is
18 subject to a civil infraction, punishable by a penalty of no
19 more than \$150.

20 (e) (Blank) ~~A registered qualifying patient shall notify~~
21 ~~the Department of Public Health of any change to his or her~~
22 ~~designated registered dispensing organization. The Department~~
23 ~~of Public Health shall provide for immediate changes of a~~
24 ~~registered qualifying patient's designated registered~~
25 ~~dispensing organization. Registered dispensing organizations~~
26 ~~must comply with all requirements of this Act.~~

1 (f) If the registered qualifying patient's ~~certifying~~
2 certifying health care professional notifies the Department in
3 writing that either the registered qualifying patient has
4 ceased to suffer from a debilitating medical condition, that
5 the bona fide health care professional-patient relationship
6 has terminated, or that continued use of medical cannabis would
7 result in contraindication with the patient's other
8 medication, the card shall become null and void. However, the
9 registered qualifying patient shall have 15 days to destroy his
10 or her remaining medical cannabis and related paraphernalia.

11 (Source: P.A. 100-1114, eff. 8-28-18; 101-363, eff. 8-9-19;
12 revised 12-9-19.)

13 (410 ILCS 130/100)

14 Sec. 100. Cultivation center agent identification card.

15 (a) The Department of Agriculture shall:

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

22 (2) issue a cultivation center agent identification
23 card to a qualifying agent within 15 business days of
24 approving the application or renewal;

25 (3) enter the registry identification number of the

1 cultivation center where the agent works; and

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

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

9 (c) The cultivation center agent identification cards
10 shall contain the following:

11 (1) the name of the cardholder;

12 (2) the date of issuance and expiration date of
13 cultivation center agent identification cards;

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

17 (4) a photograph of the cardholder.

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

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

24 (f) An applicant shall be denied a cultivation center agent
25 identification card if he or she has been convicted of an
26 excluded offense.

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

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

9 (410 ILCS 130/145)

10 Sec. 145. Confidentiality.

11 (a) The following information received and records kept by
12 the Department of Public Health, Department of Financial and
13 Professional Regulation, Department of Agriculture, or
14 Department of State Police for purposes of administering this
15 Act are subject to all applicable federal privacy laws,
16 confidential, and exempt from the Freedom of Information Act,
17 and not subject to disclosure to any individual or public or
18 private entity, except as necessary for authorized employees of
19 those authorized agencies to perform official duties under this
20 Act and the following information received and records kept by
21 Department of Public Health, Department of Agriculture,
22 Department of Financial and Professional Regulation, and
23 Department of State Police, excluding any existing or
24 non-existing Illinois or national criminal history record
25 information as defined in subsection (d), may be disclosed to

1 each other upon request:

2 (1) Applications and renewals, their contents, and
3 supporting information submitted by qualifying patients
4 and designated caregivers, including information regarding
5 their designated caregivers and certifying health care
6 professionals.

7 (2) Applications and renewals, their contents, and
8 supporting information submitted by or on behalf of
9 cultivation centers and dispensing organizations in
10 compliance with this Act, including their physical
11 addresses. This does not preclude the release of ownership
12 information of cannabis business establishment licenses or
13 information submitted with an application required to be
14 disclosed pursuant to subsection (c) or pursuant to the
15 Cannabis Regulation and Tax Act.

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

19 (4) Any dispensing information required to be kept
20 under Section 135, Section 150, or Department of Public
21 Health, Department of Agriculture, or Department of
22 Financial and Professional Regulation rules shall identify
23 cardholders and registered cultivation centers by their
24 registry identification numbers and medical cannabis
25 dispensing organizations by their registration number and
26 not contain names or other personally identifying

1 information.

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

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

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

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

20 (A) issued a written certification without a bona
21 fide health care professional-patient relationship
22 under this Act;

23 (B) issued a written certification to a person who
24 was not under the certifying health care
25 professional's care for the debilitating medical
26 condition; or

1 (C) failed to abide by the acceptable and
2 prevailing standard of care when evaluating a
3 patient's medical condition.

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

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

17 (5) Each Department may verify registry identification
18 cards under Section 150.

19 (6) The submission of the report to the General
20 Assembly under Section 160.

21 (c) Each State department responsible for licensure under
22 this Act shall publish on the department's website the
23 ownership information and address of each cannabis business
24 establishment licensed under the department's jurisdiction.
25 The ownership information shall include, but is not limited to,
26 the name of the person or entity holding each cannabis business

1 establishment license and any person or entity exercising
2 control of the cannabis business establishment. ~~It is a Class B~~
3 ~~misdemeanor with a \$1,000 fine for any person, including an~~
4 ~~employee or official of the Department of Public Health,~~
5 ~~Department of Financial and Professional Regulation, or~~
6 ~~Department of Agriculture or another State agency or local~~
7 ~~government, to breach the confidentiality of information~~
8 ~~obtained under this Act.~~

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

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

19 Section 50. The Cannabis Regulation and Tax Act is amended
20 by changing Sections 1-10, 5-45, 15-15, 15-25, 15-35, 15-40,
21 15-50, 15-60, 20-35, 20-50, 25-5, 25-10, 25-35, 30-5, 30-35,
22 35-5, 35-30, 40-30, 55-20, 55-21, 55-28, 55-30, 55-35, 55-85,
23 60-10, and 65-10 and by adding Section 15-30.1 and Article 18
24 as follows:

1 (410 ILCS 705/1-10)

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

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

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

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

19 "Application points" means the number of points a
20 dispensary applicant receives on an application for a
21 Conditional Adult Use Dispensing Organization License.

22 "By lot" means a randomized method of choosing between 2 or
23 more eligible tied applicants or 2 or more qualifying
24 applicants.

25 "BLS Region" means a region in Illinois used by the United
26 States Bureau of Labor Statistics to gather and categorize

1 certain employment and wage data. The 17 such regions in
2 Illinois are: Bloomington, Cape Girardeau, Carbondale-Marion,
3 Champaign-Urbana, Chicago-Naperville-Elgin, Danville,
4 Davenport-Moline-Rock Island, Decatur, Kankakee, Peoria,
5 Rockford, St. Louis, Springfield, Northwest Illinois
6 nonmetropolitan area, West Central Illinois nonmetropolitan
7 area, East Central Illinois nonmetropolitan area, and South
8 Illinois nonmetropolitan area.

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

1 concentrate, and cannabis-infused products.

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

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

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

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

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

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

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

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

25 "Clone" means a plant section from a female cannabis plant
26 not yet rootbound, growing in a water solution or other

1 propagation matrix, that is capable of developing into a new
2 plant.

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

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

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

21 "Conditional Adult Use Cultivation Center License" means a
22 license awarded to top-scoring applicants for an Adult Use
23 Cultivation Center License that reserves the right to an Adult
24 Use Cultivation Center License if the applicant meets certain
25 conditions as determined by the Department of Agriculture by
26 rule, but does not entitle the recipient to begin growing,

1 processing, or selling cannabis or cannabis-infused products.

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

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

25 "Craft Grower Agent Identification Card" means a document
26 issued by the Department of Agriculture that identifies a

1 person as a craft grower agent.

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

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

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

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

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

18 "Dispensary applicant" means the proposed dispensing
19 organization name as stated on an application for a Conditional
20 Adult Use Dispensing Organization License.

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

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

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

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

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

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

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

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

26 (C) at least 20% of the households in the area

1 receive assistance under the Supplemental Nutrition
2 Assistance Program; or

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

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

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

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

1 purchasers as permitted by this Act as of January 1, 2020.

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

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

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

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

25 (1) a space within a residential building that (i) is
26 the primary residence of the individual cultivating 5 or

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

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

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

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

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

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

1 "Individual" means a natural person.

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

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

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

1 This type of agreement shall not mandate a particular method of
2 election or certification of the bona fide labor organization.

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

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

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

26 "Ordinary public view" means within the sight line with

1 normal visual range of a person, unassisted by visual aids,
2 from a public street or sidewalk adjacent to real property, or
3 from within an adjacent property.

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

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

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

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

1 with a profit sharing, financial interest, or revenue sharing
2 arrangement. The definition includes a person with authority to
3 control the cannabis business establishment, a person who
4 assumes responsibility for the debts of the cannabis business
5 establishment and who is further defined in this Act.

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

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

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

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

24 "Purchaser" means a person 21 years of age or older who
25 acquires cannabis for a valuable consideration. "Purchaser"
26 does not include a cardholder under the Compassionate Use of

1 Medical Cannabis Program Act.

2 "Qualifying applicant" means an applicant that submitted
3 an application pursuant to Section 15-30 that received at least
4 80% of 250 available application points pursuant to the
5 application scoring procedure described in subsection (c) of
6 Section 15-30, including any supplemental process to correct
7 deficiencies.

8 "Qualifying Applicant Lottery" means the process for
9 awarding Conditional Adult Use Dispensing Organization
10 licenses among qualifying applicants pursuant to Section
11 15-30.1.

12 "Qualified Social Equity Applicant" means a Social Equity
13 Applicant who has been awarded a conditional license under this
14 Act to operate a cannabis business establishment.

15 "Resided" means an individual's primary residence was
16 located within the relevant geographic area as established by 2
17 of the following:

18 (1) a signed lease agreement that includes the
19 applicant's name;

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

21 (3) school records;

22 (4) a voter registration card;

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

26 (6) a paycheck stub;

1 (7) a utility bill;

2 (8) tax records; or

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

5 "Smoking" means the inhalation of smoke caused by the
6 combustion of cannabis.

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

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

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

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

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

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

22 (i) currently reside in a Disproportionately
23 Impacted Area; or

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

1 impacted family.

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

7 "Special district" means a unit of local government other
8 than a county, municipality, or school district.

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

16 "Tied applicant" means a dispensary applicant that
17 submitted an application pursuant to Section 15-30 that
18 received the same number of application points pursuant to the
19 application scoring procedure described in subsection (c) of
20 Section 15-30 as one or more top-scoring applications in the
21 same BLS Region and would have been awarded a license but for
22 the one or more other top-scoring applications that received
23 the same number of application points, including any
24 applications scored pursuant to a supplemental process to
25 correct deficiencies. Each application score that is attached
26 to a dispensary applicant that has previously paid the required

1 application fee for the application period ending January 2,
2 2020 creates a separate Tied applicant.

3 "Tied Applicant Lottery" means the process established in
4 Sections 1291.10 and 1291.50 of Title 68 of the Illinois
5 Administrative Code for awarding Conditional Adult Use
6 Dispensing Organization Licenses pursuant to Sections 15-25
7 and 15-30 among eligible tied applicants.

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

14 "Transporting organization agent" means a principal
15 officer, board member, employee, or agent of a transporting
16 organization.

17 "Transporting organization agent identification card"
18 means a document issued by the Department of Agriculture that
19 identifies a person as a transporting organization agent.

20 "Unit of local government" means any county, city, village,
21 or incorporated town.

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

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

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

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

10 (410 ILCS 705/5-45)

11 Sec. 5-45. Illinois Cannabis Regulation Oversight Officer.

12 (a) The position of Illinois Cannabis Regulation Oversight
13 Officer is created within the Department of Financial and
14 Professional Regulation under the Secretary of Financial and
15 Professional Regulation. The Illinois Cannabis Regulation
16 Oversight Officer shall be appointed by the Governor with the
17 advice and consent of the Senate. The term of office of the
18 Officer shall expire on the third Monday of January in
19 odd-numbered years provided that he or she shall hold office
20 until a successor is appointed and qualified. In case of
21 vacancy in office during the recess of the Senate, the Governor
22 shall make a temporary appointment until the next meeting of
23 the Senate, when the Governor shall nominate some person to
24 fill the office, and any person so nominated who is confirmed
25 by the Senate shall hold office during the remainder of the

1 term and until his or her successor is appointed and qualified.

2 (b) The Illinois Cannabis Regulation Oversight Officer
3 may:

4 (1) maintain a staff;

5 (2) make recommendations for policy, statute, and rule
6 changes;

7 (3) collect data both in Illinois and outside Illinois
8 regarding the regulation of cannabis;

9 (4) compile or assist in the compilation of any reports
10 required by this Act;

11 (5) ensure the coordination of efforts between various
12 State agencies involved in regulating and taxing the sale
13 of cannabis in Illinois; and

14 (6) encourage, promote, suggest, and report best
15 practices for ensuring diversity in the cannabis industry
16 in Illinois.

17 (c) The Illinois Cannabis Regulation Oversight Officer
18 shall not:

19 (1) participate in the issuance of any business
20 licensing or the making of awards; or

21 (2) participate in any adjudicative decision-making
22 process involving licensing or licensee discipline.

23 (d) Any funding required for the Illinois Cannabis
24 Regulation Oversight Officer, its staff, or its activities
25 shall be drawn from the Cannabis Regulation Fund.

26 (e) The Illinois Cannabis Regulation Oversight Officer

1 shall commission and publish a disparity and availability study
2 by ~~July~~ ~~March~~ 1, 2021 that: (1) evaluates whether there exists
3 discrimination in the State's cannabis industry as of July 1,
4 2020; and (2) if so, evaluates the impact of such
5 discrimination on the State and includes recommendations to the
6 Department of Financial and Professional Regulation and the
7 Department of Agriculture for reducing or eliminating any
8 identified barriers to entry in the cannabis market. The
9 Illinois Cannabis Regulation Oversight Officer shall forward a
10 copy of its findings and recommendations to the Department of
11 Financial and Professional Regulation, the Department of
12 Agriculture, the Department of Commerce and Economic
13 Opportunity, the General Assembly, and the Governor.

14 The Illinois Cannabis Regulation Oversight Officer shall
15 commission and publish additional disparity studies that: (1)
16 evaluate whether there exists discrimination in the State's
17 current cannabis industry; and (2) if so, evaluate the impact
18 of such discrimination on the State and includes
19 recommendations to the Department of Financial and
20 Professional Regulation and the Department of Agriculture for
21 reducing or eliminating any identified barriers to entry in the
22 cannabis market. Such disparity and availability studies shall
23 examine each license type issued pursuant to Section 15-25,
24 Section 15-30.1, subsection (a) of Section 30-5, or subsection
25 (a) of Section 35-5 and shall be initiated within 180 days from
26 the issuance of the first of each license authorized by those

1 Sections.

2 (f) The Illinois Cannabis Regulation Oversight Officer may
3 compile, collect, or otherwise gather data necessary for the
4 administration of this Act and to carry out the Officer's duty
5 relating to the recommendation of policy changes. The Illinois
6 Cannabis Regulation Oversight Officer may direct the
7 Department of Agriculture, Department of Financial and
8 Professional Regulation, Department of Public Health,
9 Department of Human Services, and Department of Commerce and
10 Economic Opportunity to assist in the compilation, collection,
11 and data gathering authorized pursuant to this subsection. The
12 Illinois Cannabis Regulation Oversight Officer shall compile
13 all of the data into a single report and submit the report to
14 the Governor and the General Assembly and publish the report on
15 its website.

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

17 (410 ILCS 705/15-15)

18 Sec. 15-15. Early Approval Adult Use Dispensing
19 Organization License.

20 (a) Any medical cannabis dispensing organization holding a
21 valid registration under the Compassionate Use of Medical
22 Cannabis Program Act as of the effective date of this Act may,
23 within 60 days of the effective date of this Act, apply to the
24 Department for an Early Approval Adult Use Dispensing
25 Organization License to serve purchasers at any medical

1 cannabis dispensing location in operation on the effective date
2 of this Act, pursuant to this Section.

3 (b) A medical cannabis dispensing organization seeking
4 issuance of an Early Approval Adult Use Dispensing Organization
5 License to serve purchasers at any medical cannabis dispensing
6 location in operation as of the effective date of this Act
7 shall submit an application on forms provided by the
8 Department. The application must be submitted by the same
9 person or entity that holds the medical cannabis dispensing
10 organization registration and include the following:

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

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

15 (3) Certification that the applicant will comply with
16 the requirements contained in the Compassionate Use of
17 Medical Cannabis Program Act except as provided in this
18 Act;

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

20 (5) The physical address of the dispensing
21 organization;

22 (6) The name, address, social security number, and date
23 of birth of each principal officer and board member of the
24 dispensing organization, each of whom must be at least 21
25 years of age;

26 (7) A nonrefundable Cannabis Business Development Fee

1 equal to 3% of the dispensing organization's total sales
2 between June 1, 2018 to June 1, 2019, or \$100,000,
3 whichever is less, to be deposited into the Cannabis
4 Business Development Fund; and

5 (8) Identification of one of the following Social
6 Equity Inclusion Plans to be completed by March 31, 2021:

7 (A) Make a contribution of 3% of total sales from
8 June 1, 2018 to June 1, 2019, or \$100,000, whichever is
9 less, to the Cannabis Business Development Fund. This
10 is in addition to the fee required by item (7) of this
11 subsection (b);

12 (B) Make a grant of 3% of total sales from June 1,
13 2018 to June 1, 2019, or \$100,000, whichever is less,
14 to a cannabis industry training or education program at
15 an Illinois community college as defined in the Public
16 Community College Act;

17 (C) Make a donation of \$100,000 or more to a
18 program that provides job training services to persons
19 recently incarcerated or that operates in a
20 Disproportionately Impacted Area;

21 (D) Participate as a host in a cannabis business
22 establishment incubator program approved by the
23 Department of Commerce and Economic Opportunity, and
24 in which an Early Approval Adult Use Dispensing
25 Organization License holder agrees to provide a loan of
26 at least \$100,000 and mentorship to incubate, for at

1 least a year, a Social Equity Applicant intending to
2 seek a license or a licensee that qualifies as a Social
3 Equity Applicant. As used in this Section, "incubate"
4 means providing direct financial assistance and
5 training necessary to engage in licensed cannabis
6 industry activity similar to that of the host licensee.
7 The Early Approval Adult Use Dispensing Organization
8 License holder or the same entity holding any other
9 licenses issued pursuant to this Act shall not take an
10 ownership stake of greater than 10% in any business
11 receiving incubation services to comply with this
12 subsection. If an Early Approval Adult Use Dispensing
13 Organization License holder fails to find a business to
14 incubate to comply with this subsection before its
15 Early Approval Adult Use Dispensing Organization
16 License expires, it may opt to meet the requirement of
17 this subsection by completing another item from this
18 subsection; or

19 (E) Participate in a sponsorship program for at
20 least 2 years approved by the Department of Commerce
21 and Economic Opportunity in which an Early Approval
22 Adult Use Dispensing Organization License holder
23 agrees to provide an interest-free loan of at least
24 \$200,000 to a Social Equity Applicant. The sponsor
25 shall not take an ownership stake in any cannabis
26 business establishment receiving sponsorship services

1 to comply with this subsection.

2 (c) The license fee required by paragraph (1) of subsection
3 (b) of this Section shall be in addition to any license fee
4 required for the renewal of a registered medical cannabis
5 dispensing organization license.

6 (d) Applicants must submit all required information,
7 including the requirements in subsection (b) of this Section,
8 to the Department. Failure by an applicant to submit all
9 required information may result in the application being
10 disqualified.

11 (e) If the Department receives an application that fails to
12 provide the required elements contained in subsection (b), the
13 Department shall issue a deficiency notice to the applicant.
14 The applicant shall have 10 calendar days from the date of the
15 deficiency notice to submit complete information. Applications
16 that are still incomplete after this opportunity to cure may be
17 disqualified.

18 (f) If an applicant meets all the requirements of
19 subsection (b) of this Section, the Department shall issue the
20 Early Approval Adult Use Dispensing Organization License
21 within 14 days of receiving a completed application unless:

22 (1) The licensee or a principal officer is delinquent
23 in filing any required tax returns or paying any amounts
24 owed to the State of Illinois;

25 (2) The Secretary of Financial and Professional
26 Regulation determines there is reason, based on documented

1 compliance violations, the licensee is not entitled to an
2 Early Approval Adult Use Dispensing Organization License;
3 or

4 (3) Any principal officer fails to register and remain
5 in compliance with this Act or the Compassionate Use of
6 Medical Cannabis Program Act.

7 (g) A registered medical cannabis dispensing organization
8 that obtains an Early Approval Adult Use Dispensing
9 Organization License may begin selling cannabis,
10 cannabis-infused products, paraphernalia, and related items to
11 purchasers under the rules of this Act no sooner than January
12 1, 2020.

13 (h) A dispensing organization holding a medical cannabis
14 dispensing organization license issued under the Compassionate
15 Use of Medical Cannabis Program Act must maintain an adequate
16 supply of cannabis and cannabis-infused products for purchase
17 by qualifying patients, caregivers, provisional patients, and
18 Opioid Alternative Pilot Program participants. For the
19 purposes of this subsection, "adequate supply" means a monthly
20 inventory level that is comparable in type and quantity to
21 those medical cannabis products provided to patients and
22 caregivers on an average monthly basis for the 6 months before
23 the effective date of this Act.

24 (i) If there is a shortage of cannabis or cannabis-infused
25 products, a dispensing organization holding both a dispensing
26 organization license under the Compassionate Use of Medical

1 Cannabis Program Act and this Act shall prioritize serving
2 qualifying patients, caregivers, provisional patients, and
3 Opioid Alternative Pilot Program participants before serving
4 purchasers.

5 (j) Notwithstanding any law or rule to the contrary, a
6 person that holds a medical cannabis dispensing organization
7 license issued under the Compassionate Use of Medical Cannabis
8 Program Act and an Early Approval Adult Use Dispensing
9 Organization License may permit purchasers into a limited
10 access area as that term is defined in administrative rules
11 made under the authority in the Compassionate Use of Medical
12 Cannabis Program Act.

13 (k) An Early Approval Adult Use Dispensing Organization
14 License is valid until March 31, 2021. A dispensing
15 organization that obtains an Early Approval Adult Use
16 Dispensing Organization License shall receive written or
17 electronic notice 90 days before the expiration of the license
18 that the license will expire, and that informs the license
19 holder that it may apply to renew its Early Approval Adult Use
20 Dispensing Organization License on forms provided by the
21 Department. The Department shall renew the Early Approval Adult
22 Use Dispensing Organization License within 60 days of the
23 renewal application being deemed complete if:

24 (1) the dispensing organization submits an application
25 and the required nonrefundable renewal fee of \$30,000, to
26 be deposited into the Cannabis Regulation Fund;

1 (2) the Department has not suspended or permanently
2 revoked the Early Approval Adult Use Dispensing
3 Organization License or a medical cannabis dispensing
4 organization license on the same premises for violations of
5 this Act, the Compassionate Use of Medical Cannabis Program
6 Act, or rules adopted pursuant to those Acts;

7 (3) the dispensing organization has completed a Social
8 Equity Inclusion Plan as provided by parts (A), (B), and
9 (C) of paragraph (8) of subsection (b) of this Section or
10 has made substantial progress toward completing a Social
11 Equity Inclusion Plan as provided by parts (D) and (E) of
12 paragraph (8) of subsection (b) of this Section; and

13 (4) the dispensing organization is in compliance with
14 this Act and rules.

15 (1) The Early Approval Adult Use Dispensing Organization
16 License renewed pursuant to subsection (k) of this Section
17 shall expire March 31, 2022. The Early Approval Adult Use
18 Dispensing Organization Licensee shall receive written or
19 electronic notice 90 days before the expiration of the license
20 that the license will expire, and that informs the license
21 holder that it may apply for an Adult Use Dispensing
22 Organization License on forms provided by the Department. The
23 Department shall grant an Adult Use Dispensing Organization
24 License within 60 days of an application being deemed complete
25 if the applicant has met all of the criteria in Section 15-36.

26 (m) If a dispensing organization fails to submit an

1 application for renewal of an Early Approval Adult Use
2 Dispensing Organization License or for an Adult Use Dispensing
3 Organization License before the expiration dates provided in
4 subsections (k) and (l) of this Section, the dispensing
5 organization shall cease serving purchasers and cease all
6 operations until it receives a renewal or an Adult Use
7 Dispensing Organization License, as the case may be.

8 (n) A dispensing organization agent who holds a valid
9 dispensing organization agent identification card issued under
10 the Compassionate Use of Medical Cannabis Program Act and is an
11 officer, director, manager, or employee of the dispensing
12 organization licensed under this Section may engage in all
13 activities authorized by this Article to be performed by a
14 dispensing organization agent.

15 (o) If the Department suspends, permanently revokes, or
16 otherwise disciplines the Early Approval Adult Use Dispensing
17 Organization License of a dispensing organization that also
18 holds a medical cannabis dispensing organization license
19 issued under the Compassionate Use of Medical Cannabis Program
20 Act, the Department may consider the suspension, permanent
21 revocation, or other discipline of the medical cannabis
22 dispensing organization license.

23 (p) All fees collected pursuant to this Section shall be
24 deposited into the Cannabis Regulation Fund, unless otherwise
25 specified.

26 (q) Notwithstanding any limitation set forth in

1 subsections (a) and (b) of this Section, any medical cannabis
2 dispensing organization holding a valid registration on June
3 25, 2019 under the Compassionate Use of Medical Cannabis
4 Program Act that has been awarded an Early Approval Adult Use
5 Dispensing Organization License may apply to the Department to
6 change its location. The new location must be located within
7 the same medical district and BLS Region as the location of the
8 existing registered medical cannabis dispensary associated
9 with the Early Approval Adult Use Dispensing Organization
10 License. The Early Approval Adult Use Dispensing Organization
11 may only apply to relocate under this subsection (q) if one of
12 the following conditions applies:

13 (1) The registered medical cannabis dispensing
14 organization is located in a unit of local government that
15 has restricted the sale of adult use cannabis pursuant to
16 paragraph (5) of Section 55-25 or Section 55-28.

17 (2) The unit of local government in which the Early
18 Approval Adult Use Dispensing Organization is located
19 requests, pursuant to local zoning approval and local
20 authority, that the State allow the Early Approval Adult
21 Use Dispensing Organization to move to a different location
22 within the same unit of local government due to local
23 zoning concerns or the inability of the Early Approval
24 Adult Use Dispensing Organization to service both medical
25 cannabis patients and adult use customers in an orderly and
26 safe manner.

1 (r) A holder of an Early Approval Adult Use Dispensing
2 Organization License applying to change locations under
3 subsection (q) of this Section shall submit the following to
4 the Department:

5 (1) A copy of the unit of local government's ordinance,
6 resolution, or other official document demonstrating that
7 the Early Approval Adult Use Dispensing Organization meets
8 the requirements of either paragraph (1) or (2) of
9 subsection (q).

10 (2) Proof of registration as a medical cannabis
11 dispensing organization that is in good standing.

12 (3) Submission of the application by the same person or
13 entity that holds the medical cannabis dispensing
14 organization registration.

15 (4) The legal name of the medical cannabis dispensing
16 organization.

17 (5) The physical address of the medical cannabis
18 dispensing organization and the proposed physical address
19 of the proposed new site.

20 (6) A copy of the current local zoning ordinance
21 provisions relevant to dispensary operations and
22 documentation of the approval or the conditional approval
23 of the status of a request for zoning approval from the
24 local zoning office that the proposed dispensary location
25 is in compliance with the local zoning rules.

26 (7) A plot plan of the dispensary drawn to scale. The

1 applicant shall submit general specifications of the
2 building exterior and interior layout.

3 (8) A statement that the medical cannabis dispensing
4 organization agrees to respond to the Department's
5 supplemental requests for information.

6 (9) For the building or land to be used as the proposed
7 dispensary:

8 (A) if the property is not owned by the applicant,
9 a written statement from the property owner and
10 landlord, if any, certifying consent that the
11 applicant may operate a dispensary on the premises; or

12 (B) if the property is owned by the applicant,
13 confirmation of ownership and a copy of the proposed
14 operating bylaws.

15 (10) A copy of the proposed business plan that complies
16 with the requirements of this Act, including, at a minimum,
17 the following:

18 (A) a description of services to be offered; and

19 (B) a description of the process of dispensing
20 cannabis.

21 (11) A copy of the proposed security plan that complies
22 with the requirements of this Article, including:

23 (A) a description of the delivery process by which
24 cannabis will be received from a transporting
25 organization, including receipt of manifests and
26 protocols that will be used to avoid diversion, theft,

1 or loss at the dispensary acceptance point;

2 (B) the process or controls that will be
3 implemented to monitor the dispensary, secure the
4 premises, agents, patients, and currency, and prevent
5 the diversion, theft, or loss of cannabis; and

6 (C) the process to ensure that access to the
7 restricted access areas is restricted to registered
8 agents, service professionals, transporting
9 organization agents, Department inspectors, and
10 security personnel.

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

13 (13) The name, address, social security number, and
14 date of birth of each principal officer and board member of
15 the medical cannabis dispensing organization. Each of
16 those individuals must be at least 21 years of age.

17 (s) The Department shall approve any application provided
18 under subsection (q) of this Section upon receipt by the
19 Department of the materials that meet the requirements outlined
20 under subsection (r).

21 (t) An Early Approval Adult Use Dispensing Organization
22 License that has been approved for relocation pursuant to
23 subsection (q) of this Section may begin selling cannabis and
24 cannabis-infused products to purchasers at the approved
25 location and shall be subject to the renewal process under
26 subsections (k) and (l) of this Section.

1 (u) Relocation of an Early Approval Adult Use Dispensing
2 Organization License under subsection (q) shall not occur any
3 sooner than 90 days after awarding the first Conditional Adult
4 Use Dispensing Organization Licenses under Section 15-25.

5 (v) The new location of an Early Approval Adult Use
6 Dispensing Organization relocated under subsection (q) shall
7 comply with paragraph (5) of Section 55-25 and Section 55-28.

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

9 (410 ILCS 705/15-25)

10 Sec. 15-25. Awarding of Conditional Adult Use Dispensing
11 Organization Licenses prior to January 1, 2021.

12 (a) The Department shall issue up to 75 Conditional Adult
13 Use Dispensing Organization Licenses before May 1, 2020.

14 (b) The Department shall make the application for a
15 Conditional Adult Use Dispensing Organization License
16 available no later than October 1, 2019 and shall accept
17 applications no later than January 1, 2020.

18 (c) To ensure the geographic dispersion of Conditional
19 Adult Use Dispensing Organization License holders, the
20 following number of licenses shall be awarded in each BLS
21 Region as determined by each region's percentage of the State's
22 population:

23 (1) Bloomington: 1

24 (2) Cape Girardeau: 1

25 (3) Carbondale-Marion: 1

- 1 (4) Champaign-Urbana: 1
- 2 (5) Chicago-Naperville-Elgin: 47
- 3 (6) Danville: 1
- 4 (7) Davenport-Moline-Rock Island: 1
- 5 (8) Decatur: 1
- 6 (9) Kankakee: 1
- 7 (10) Peoria: 3
- 8 (11) Rockford: 2
- 9 (12) St. Louis: 4
- 10 (13) Springfield: 1
- 11 (14) Northwest Illinois nonmetropolitan: 3
- 12 (15) West Central Illinois nonmetropolitan: 3
- 13 (16) East Central Illinois nonmetropolitan: 2
- 14 (17) South Illinois nonmetropolitan: 2

15 (d) An applicant seeking issuance of a Conditional Adult
16 Use Dispensing Organization License shall submit an
17 application on forms provided by the Department. An applicant
18 must meet the following requirements:

19 (1) Payment of a nonrefundable application fee of
20 \$5,000 for each license for which the applicant is
21 applying, which shall be deposited into the Cannabis
22 Regulation Fund;

23 (2) Certification that the applicant will comply with
24 the requirements contained in this Act;

25 (3) The legal name of the proposed dispensing
26 organization;

1 (4) A statement that the dispensing organization
2 agrees to respond to the Department's supplemental
3 requests for information;

4 (5) From each principal officer, a statement
5 indicating whether that person:

6 (A) has previously held or currently holds an
7 ownership interest in a cannabis business
8 establishment in Illinois; or

9 (B) has held an ownership interest in a dispensing
10 organization or its equivalent in another state or
11 territory of the United States that had the dispensing
12 organization registration or license suspended,
13 revoked, placed on probationary status, or subjected
14 to other disciplinary action;

15 (6) Disclosure of whether any principal officer has
16 ever filed for bankruptcy or defaulted on spousal support
17 or child support obligation;

18 (7) A resume for each principal officer, including
19 whether that person has an academic degree, certification,
20 or relevant experience with a cannabis business
21 establishment or in a related industry;

22 (8) A description of the training and education that
23 will be provided to dispensing organization agents;

24 (9) A copy of the proposed operating bylaws;

25 (10) A copy of the proposed business plan that complies
26 with the requirements in this Act, including, at a minimum,

1 the following:

2 (A) A description of services to be offered; and

3 (B) A description of the process of dispensing
4 cannabis;

5 (11) A copy of the proposed security plan that complies
6 with the requirements in this Article, including:

7 (A) The process or controls that will be
8 implemented to monitor the dispensary, secure the
9 premises, agents, and currency, and prevent the
10 diversion, theft, or loss of cannabis; and

11 (B) The process to ensure that access to the
12 restricted access areas is restricted to, registered
13 agents, service professionals, transporting
14 organization agents, Department inspectors, and
15 security personnel;

16 (12) A proposed inventory control plan that complies
17 with this Section;

18 (13) A proposed floor plan, a square footage estimate,
19 and a description of proposed security devices, including,
20 without limitation, cameras, motion detectors, servers,
21 video storage capabilities, and alarm service providers;

22 (14) The name, address, social security number, and
23 date of birth of each principal officer and board member of
24 the dispensing organization; each of those individuals
25 shall be at least 21 years of age;

26 (15) Evidence of the applicant's status as a Social

1 Equity Applicant, if applicable, and whether a Social
2 Equity Applicant plans to apply for a loan or grant issued
3 by the Department of Commerce and Economic Opportunity;

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

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

15 (18) A plan for community engagement;

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

19 (20) The estimated volume of cannabis it plans to store
20 at the dispensary;

21 (21) A description of the features that will provide
22 accessibility to purchasers as required by the Americans
23 with Disabilities Act;

24 (22) A detailed description of air treatment systems
25 that will be installed to reduce odors;

26 (23) A reasonable assurance that the issuance of a

1 license will not have a detrimental impact on the community
2 in which the applicant wishes to locate;

3 (24) The dated signature of each principal officer;

4 (25) A description of the enclosed, locked facility
5 where cannabis will be stored by the dispensing
6 organization;

7 (26) Signed statements from each dispensing
8 organization agent stating that he or she will not divert
9 cannabis;

10 (27) The number of licenses it is applying for in each
11 BLS Region;

12 (28) A diversity plan that includes a narrative of at
13 least 2,500 words that establishes a goal of diversity in
14 ownership, management, employment, and contracting to
15 ensure that diverse participants and groups are afforded
16 equality of opportunity;

17 (29) A contract with a private security contractor
18 agency that is licensed under Section 10-5 of the Private
19 Detective, Private Alarm, Private Security, Fingerprint
20 Vendor, and Locksmith Act of 2004 in order for the
21 dispensary to have adequate security at its facility; and

22 (30) Other information deemed necessary by the
23 Illinois Cannabis Regulation Oversight Officer to conduct
24 the disparity and availability study referenced in
25 subsection (e) of Section 5-45.

26 (e) An applicant who receives a Conditional Adult Use

1 Dispensing Organization License under this Section has 180 days
2 from the date of award to identify a physical location for the
3 dispensing organization retail storefront. ~~Before a~~
4 ~~conditional licensee receives an authorization to build out the~~
5 ~~dispensing organization from the Department, the Department~~
6 ~~shall inspect the physical space selected by the conditional~~
7 ~~licensee. The Department shall verify the site is suitable for~~
8 ~~public access, the layout promotes the safe dispensing of~~
9 ~~cannabis, the location is sufficient in size, power allocation,~~
10 ~~lighting, parking, handicapped accessible parking spaces,~~
11 ~~accessible entry and exits as required by the Americans with~~
12 ~~Disabilities Act, product handling, and storage. The applicant~~
13 ~~shall also provide a statement of reasonable assurance that the~~
14 ~~issuance of a license will not have a detrimental impact on the~~
15 ~~community.~~ The applicant shall ~~also~~ provide evidence that the
16 location is not within 1,500 feet of an existing dispensing
17 organization. If an applicant is unable to find a suitable
18 physical address in the opinion of the Department within 180
19 days of the issuance of the Conditional Adult Use Dispensing
20 Organization License, the Department may extend the period for
21 finding a physical address another 180 days if the Conditional
22 Adult Use Dispensing Organization License holder demonstrates
23 concrete attempts to secure a location and a hardship. If the
24 Department denies the extension or the Conditional Adult Use
25 Dispensing Organization License holder is unable to find a
26 location or become operational within 360 days of being awarded

1 a conditional license, the Department shall rescind the
2 conditional license and award it to the next highest scoring
3 applicant in the BLS Region for which the license was assigned,
4 provided the applicant receiving the license: (i) confirms a
5 continued interest in operating a dispensing organization;
6 (ii) can provide evidence that the applicant continues to meet
7 all requirements for holding a Conditional Adult Use Dispensing
8 Organization License set forth in this Act; and (iii) has not
9 otherwise become ineligible to be awarded a dispensing
10 organization license. If the new awardee is unable to accept
11 the Conditional Adult Use Dispensing Organization License, the
12 Department shall award the Conditional Adult Use Dispensing
13 Organization License to the next highest scoring applicant in
14 the same manner. The new awardee shall be subject to the same
15 required deadlines as provided in this subsection.

16 (e-5) If, within 180 days of being awarded a Conditional
17 Adult Use Dispensing Organization License, a dispensing
18 organization is unable to find a location within the BLS Region
19 in which it was awarded a Conditional Adult Use Dispensing
20 Organization License because no jurisdiction within the BLS
21 Region allows for the operation of an Adult Use Dispensing
22 Organization, the Department of Financial and Professional
23 Regulation may authorize the Conditional Adult Use Dispensing
24 Organization License holder to transfer its license to a BLS
25 Region specified by the Department.

26 (f) A dispensing organization that is awarded a Conditional

1 Adult Use Dispensing Organization License pursuant to the
2 criteria in Section 15-30 shall not purchase, possess, sell, or
3 dispense cannabis or cannabis-infused products until the
4 person has received an Adult Use Dispensing Organization
5 License issued by the Department pursuant to Section 15-36 of
6 this Act.

7 (g) The Department shall conduct a background check of the
8 prospective organization agents in order to carry out this
9 Article. The Department of State Police shall charge the
10 applicant a fee for conducting the criminal history record
11 check, which shall be deposited into the State Police Services
12 Fund and shall not exceed the actual cost of the record check.
13 Each person applying as a dispensing organization agent shall
14 submit a full set of fingerprints to the Department of State
15 Police for the purpose of obtaining a State and federal
16 criminal records check. These fingerprints shall be checked
17 against the fingerprint records now and hereafter, to the
18 extent allowed by law, filed in the Department of State Police
19 and Federal Bureau of Identification criminal history records
20 databases. The Department of State Police shall furnish,
21 following positive identification, all Illinois conviction
22 information to the Department.

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

24 (410 ILCS 705/15-30.1 new)

25 Sec. 15-30.1. Qualifying Applicant Lottery.

1 (a) Notwithstanding the 75 Conditional Adult Use
2 Dispensing Organization Licenses authorized under subsection
3 (a) of Sections 15-25 of this Act, the Department shall conduct
4 a lottery to award up to an additional 75 Conditional Adult Use
5 Dispensing Organization Licenses through a Qualifying
6 Applicant Lottery to qualifying applicants that applied for,
7 but did not receive, a Conditional Adult Use Dispensing
8 Organization License pursuant to Sections 15-25 and 15-30. Any
9 dispensary applicant who has any principal officer who was
10 named on a dispensary application who participated or was
11 eligible to participate in the Tied Applicant Lottery for the
12 awarding of licenses pursuant to Sections 15-25 and 15-30 may
13 not qualify as a qualifying applicant and may not participate
14 in the lottery for awarding licenses pursuant to this Section,
15 unless that applicant withdraws from the Tied Applicant Lottery
16 pursuant to subsection (f) of this Section. Prior to conducting
17 a Qualifying Applicant Lottery, the Department may adopt rules
18 through emergency rulemaking in accordance with subsection
19 (kk) of Section 5-45 of the Illinois Administrative Procedure
20 Act. The General Assembly finds that the adoption of rules to
21 regulate cannabis use is deemed an emergency and necessary for
22 the public interest, safety, and welfare.

23 (b) There shall be no additional cost to participate in a
24 Qualifying Applicant Lottery. However, the Department may
25 require a dispensary applicant to submit additional
26 documentation in order to participate in a Qualifying Applicant

1 Lottery under this Section.

2 (c) No individual may be listed as a principal officer of
3 more than 2 total entries across all BLS regions in the
4 Qualifying Applicant Lottery. No dispensary applicant may
5 submit more than one entry application in any BLS Region in the
6 Qualifying Applicant Lottery.

7 (d) No qualifying applicant may be awarded more than 2
8 Conditional Adult Use Dispensing Organization Licenses at the
9 conclusion of the Qualifying Applicant Lottery.

10 (e) The 75 Conditional Adult Use Dispensing Organization
11 Licenses established pursuant to this Section shall be
12 geographically allocated in the exact manner as the licenses
13 under subsection (c) of Section 15-25 of this Act and remain
14 subject to all other requirements of Sections 15-25, 15-30, and
15 15-36 unless such requirements conflict with this Section.

16 (f) Any dispensary applicant seeking to participate in the
17 Qualifying Applicant lottery must attest to the Department no
18 later than 5 business days after the resulting final score for
19 all scored applications pursuant to Section 15-30, including
20 any supplemental process to correct deficiencies, is issued to
21 dispensary applicants. The attestation must state that the
22 dispensary applicant is not participating in the Tied Applicant
23 Lottery for awarding licenses pursuant to Sections 15-25 and
24 15-30 and the dispensary applicant meets all of the
25 requirements to participate in a Qualifying Applicant Lottery
26 set forth under this Section. The attestation shall be made on

1 forms approved by the Department. If the Department determines
2 attestations have been submitted that would result in a
3 dispensary applicant exceeding the limits in subsection (c) of
4 this Section, then the dispensary applicant shall be
5 disqualified from participating in both the Tied Applicant
6 Lottery and the Qualifying Applicant Lottery. If the Department
7 determines attestations have been submitted that would result
8 in a principal officer exceeding the limits in subsection (c)
9 of this Section, then all dispensary applicants listing that
10 principal officer shall be disqualified from participating in
11 both the Tied Applicant Lottery and the Qualifying Applicant
12 Lottery.

13 (g) The Qualifying Applicant Lottery shall be conducted no
14 later than 10 business days after the Department publishes a
15 list of qualifying applicants identified by the Department as
16 eligible for the Qualifying Applicant Lottery, including any
17 supplemental process to correct deficiencies.

18 (h) An applicant that applied for, but did not receive, a
19 Conditional Adult Use Dispensing Organization License pursuant
20 to Sections 15-25 and 15-30 may qualify as a qualifying
21 applicant subject to the following:

22 (1) A dispensary applicant is prohibited from becoming
23 a qualifying applicant if a principal officer of the
24 applicant is a principal officer of more qualifying
25 applicants than the number of available licenses.

26 (2) A dispensary applicant is prohibited from becoming

1 a qualifying applicant if a principal officer resigns after
2 the resulting final score for all scored applications
3 pursuant to Sections 15-25 and 15-30, including any
4 supplemental process to correct deficiencies, is issued to
5 dispensary applicants.

6 (3) A dispensary applicant is prohibited from becoming
7 a qualifying applicant if, after the conclusion of the
8 attestation period identified in subsection (f) of this
9 Section, a principal officer of the applicant is a
10 principal officer of more qualifying applicants than the
11 number of available licenses.

12 (4) A dispensary applicant must have received at least
13 80% of total available points on an application submitted
14 pursuant to Section 15-30 to become a qualifying applicant.

15 (i) At the conclusion of the scoring process, the
16 Department may distribute the available licenses established
17 under this Section by lot subject to the following:

18 (1) The drawing by lot for all available licenses
19 established under this Section shall occur on the same day.

20 (2) Within each BLS Region, the first qualifying
21 applicant drawn shall have the first right to an available
22 license. The second qualifying applicant drawn shall have
23 the second right to an available license. The same pattern
24 shall continue for each subsequent qualifying applicant
25 drawn.

26 (3) The process for distributing available licenses

1 established under this Section shall be recorded by the
2 Department in a format selected by the Department.

3 (4) If, upon being selected for an available license
4 established under this Section, the eligible qualifying
5 applicant has a principal officer that is a principal
6 officer in more than 10 Early Approval Adult Use Dispensing
7 Organization Licenses, Conditional Adult Use Dispensing
8 Organization Licenses, or Adult Use Dispensing
9 Organization Licenses, the licensees and eligible
10 qualifying applicant listing that principal officer must
11 choose which license to abandon pursuant to subsection (d)
12 of Section 15-36 of this Act, and notify the Department in
13 writing within 5 business days. If the qualifying applicant
14 or licensees do not notify the Department as required, the
15 Department shall refuse to issue to the qualifying
16 applicant all available licenses established under this
17 Section obtained by lot in all BLS Regions.

18 (5) All available licenses that have been abandoned
19 shall be distributed to the next qualifying applicant drawn
20 by lot.

21 (410 ILCS 705/15-35)

22 Sec. 15-35. Conditional Adult Use Dispensing Organization
23 License after January 1, 2021.

24 (a) In addition to any of the licenses issued in Sections
25 15-15, Section 15-20, ~~or~~ Section 15-25, or Section 15-30.1 of

1 this Act, by December 21, 2021, the Department shall issue up
2 to 110 Conditional Adult Use Dispensing Organization Licenses,
3 pursuant to the application process adopted under this Section.
4 The application process shall:

5 (1) Prohibit any individual from being a principal
6 officer on more than 2 applications for a Conditional Adult
7 Use Dispensing Organization License and prohibit any
8 applicant from submitting more than one application for a
9 Conditional Adult Use Dispensing Organization License in
10 any region or jurisdiction during an application period.

11 (2) Provide that if any principal officer exceeds the
12 application limits provided for in paragraph (1) of this
13 subsection, then all applications on which the principal
14 officer is included in that application period shall be
15 disqualified.

16 (3) Provide that any application that receives at least
17 75% of total available points shall be entered into a
18 system to award by lot a Conditional Adult Use Dispensing
19 Organization License in whatever region or jurisdiction
20 the application was submitted

21 (4) Provide a process for awarding by lot Conditional
22 Adult Use Dispensing Organization Licenses if more
23 applications meet or exceed the percent of total available
24 points provided for in paragraph (3) of subsection (c) of
25 this subsection than the number of Conditional Adult Use
26 Dispensing Organization Licenses available in a region or

1 jurisdiction.

2 (5) Require applicants applying for a Conditional
3 Adult Use Dispensing Organization license pursuant to this
4 subsection to do so on forms created by the Department.

5 (6) Include the following definition for evaluating
6 "ownership and control" of an Adult Use Dispensing
7 Organization: "control" means the exclusive or ultimate
8 and sole control of the business, including, but not
9 limited to: capital investment and all other financial
10 matters; property, acquisitions; contract negotiations;
11 legal matters; officer, director, and employee selection
12 and comprehensive hiring; operating responsibilities;
13 cost-control matters; income and dividend matters;
14 financial transactions; and rights of other shareholders
15 or joint partners. Control shall be real, substantial, and
16 continuing and not pro forma. Control shall include the
17 power to direct or cause the direction of the management
18 and policies of the business and to make the day-to-day as
19 well as major decisions in matters of policy, management,
20 and operations. Control shall be exemplified by possessing
21 the requisite knowledge and expertise to run the particular
22 business. Control shall not include simple majority or
23 absentee ownership.

24 (a-5) Prior to issuing such licenses, the Department may
25 adopt rules through emergency rulemaking in accordance with
26 subsection (kk) ~~(gg)~~ of Section 5-45 of the Illinois

1 Administrative Procedure Act. The General Assembly finds that
2 the adoption of rules to regulate cannabis use is deemed an
3 emergency and necessary for the public interest, safety, and
4 welfare. Such rules may:

5 (1) Modify or change the BLS Regions as they apply to
6 this Article or modify or raise the number of Adult
7 Conditional Use Dispensing Organization Licenses assigned
8 to each region based on the following factors:

9 (A) Purchaser wait times;

10 (B) Travel time to the nearest dispensary for
11 potential purchasers;

12 (C) Percentage of cannabis sales occurring in
13 Illinois not in the regulated market using data from
14 the Substance Abuse and Mental Health Services
15 Administration, National Survey on Drug Use and
16 Health, Illinois Behavioral Risk Factor Surveillance
17 System, and tourism data from the Illinois Office of
18 Tourism to ascertain total cannabis consumption in
19 Illinois compared to the amount of sales in licensed
20 dispensing organizations;

21 (D) Whether there is an adequate supply of cannabis
22 and cannabis-infused products to serve registered
23 medical cannabis patients;

24 (E) Population increases or shifts;

25 (F) Density of dispensing organizations in a
26 region;

1 (G) The Department's capacity to appropriately
2 regulate additional licenses;

3 (H) The findings and recommendations from the
4 disparity and availability study commissioned by the
5 Illinois Cannabis Regulation Oversight Officer in
6 subsection (e) of Section 5-45 to reduce or eliminate
7 any identified barriers to entry in the cannabis
8 industry if the study is complete; ~~and~~

9 (H-5) The requirements set forth in subsection
10 (a); and

11 (I) Any other criteria the Department deems
12 relevant.

13 (2) Modify or change the licensing application process
14 to reduce or eliminate the barriers identified in the
15 available disparity and availability studies ~~study~~
16 commissioned by the Illinois Cannabis Regulation Oversight
17 Officer and make modifications to remedy evidence of
18 discrimination.

19 (b) After January 1, 2022, the Department may by rule
20 modify or raise the number of Adult Use Dispensing Organization
21 Licenses assigned to each region, and modify or change the
22 licensing application process to reduce or eliminate barriers
23 based on the criteria in subsection (a). At no time shall the
24 Department issue more than 500 Adult Use Dispensing
25 Organization Licenses.

26 (c) Upon the completion of the disparity and availability

1 study pertaining to dispensing organizations by the Cannabis
2 Regulation Oversight Officer pursuant to subsection (d) of
3 Section 5-45, the Department may modify or change the licensing
4 application process to reduce or eliminate barriers and remedy
5 evidence of discrimination identified in the study.

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

7 (410 ILCS 705/15-40)

8 Sec. 15-40. Dispensing organization agent identification
9 card; agent training.

10 (a) The Department shall:

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

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

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

23 (4) within one year from the effective date of this
24 Act, allow for an electronic application process and
25 provide a confirmation by electronic or other methods that

1 an application has been submitted; and

2 (5) collect a \$100 nonrefundable fee from the applicant
3 to be deposited into the Cannabis Regulation Fund.

4 (b) A dispensing organization agent must keep his or her
5 identification card visible at all times when in the
6 dispensary.

7 (c) The dispensing organization agent identification cards
8 shall contain the following:

9 (1) the name of the cardholder;

10 (2) the date of issuance and expiration date of the
11 dispensing organization agent identification cards;

12 (3) a random 10-digit alphanumeric identification
13 number containing at least 4 numbers and at least 4 letters
14 that is unique to the cardholder; and

15 (4) a photograph of the cardholder.

16 (d) The dispensing organization agent identification cards
17 shall be immediately returned to the dispensing organization
18 upon termination of employment.

19 (e) The Department shall not issue an agent identification
20 card if the applicant is delinquent in filing any required tax
21 returns or paying any amounts owed to the State of Illinois.

22 (f) Any card lost by a dispensing organization agent shall
23 be reported to the Department of State Police and the
24 Department immediately upon discovery of the loss.

25 (g) An applicant shall be denied a dispensing organization
26 agent identification card renewal if he or she fails to

1 complete the training provided for in this Section.

2 (h) A dispensing organization agent shall only be required
3 to hold one card for the same employer regardless of what type
4 of dispensing organization license the employer holds.

5 (i) Cannabis retail sales training requirements.

6 (1) Within 90 days of September 1, 2019, or 90 days of
7 employment, whichever is later, all owners, managers,
8 employees, and agents involved in the handling or sale of
9 cannabis or cannabis-infused product employed by an adult
10 use dispensing organization or medical cannabis dispensing
11 organization as defined in Section 10 of the Compassionate
12 Use of Medical Cannabis Program Act shall attend and
13 successfully complete a Responsible Vendor Program.

14 (2) Each owner, manager, employee, and agent of an
15 adult use dispensing organization or medical cannabis
16 dispensing organization shall successfully complete the
17 program annually.

18 (3) Responsible Vendor Program Training modules shall
19 include at least 2 hours of instruction time approved by
20 the Department including:

21 (i) Health and safety concerns of cannabis use,
22 including the responsible use of cannabis, its
23 physical effects, onset of physiological effects,
24 recognizing signs of impairment, and appropriate
25 responses in the event of overconsumption.

26 (ii) Training on laws and regulations on driving

1 while under the influence and operating a watercraft or
2 snowmobile while under the influence.

3 (iii) Sales to minors prohibition. Training shall
4 cover all relevant Illinois laws and rules.

5 (iv) Quantity limitations on sales to purchasers.
6 Training shall cover all relevant Illinois laws and
7 rules.

8 (v) Acceptable forms of identification. Training
9 shall include:

10 (I) How to check identification; and

11 (II) Common mistakes made in verification;

12 (vi) Safe storage of cannabis;

13 (vii) Compliance with all inventory tracking
14 system regulations;

15 (viii) Waste handling, management, and disposal;

16 (ix) Health and safety standards;

17 (x) Maintenance of records;

18 (xi) Security and surveillance requirements;

19 (xii) Permitting inspections by State and local
20 licensing and enforcement authorities;

21 (xiii) Privacy issues;

22 (xiv) Packaging and labeling requirement for sales
23 to purchasers; and

24 (xv) Other areas as determined by rule.

25 (j) Blank.

26 (k) Upon the successful completion of the Responsible

1 Vendor Program, the provider shall deliver proof of completion
2 either through mail or electronic communication to the
3 dispensing organization, which shall retain a copy of the
4 certificate.

5 (l) The license of a dispensing organization or medical
6 cannabis dispensing organization whose owners, managers,
7 employees, or agents fail to comply with this Section may be
8 suspended or permanently revoked under Section 15-145 or may
9 face other disciplinary action.

10 (m) The regulation of dispensing organization and medical
11 cannabis dispensing employer and employee training is an
12 exclusive function of the State, and regulation by a unit of
13 local government, including a home rule unit, is prohibited.
14 This subsection (m) is a denial and limitation of home rule
15 powers and functions under subsection (h) of Section 6 of
16 Article VII of the Illinois Constitution.

17 (n) Persons seeking Department approval to offer the
18 training required by paragraph (3) of subsection (i) may apply
19 for such approval between August 1 and August 15 of each
20 odd-numbered year in a manner prescribed by the Department.

21 (o) Persons seeking Department approval to offer the
22 training required by paragraph (3) of subsection (i) shall
23 submit a nonrefundable application fee of \$2,000 to be
24 deposited into the Cannabis Regulation Fund or a fee as may be
25 set by rule. Any changes made to the training module shall be
26 approved by the Department.

1 (p) The Department shall not unreasonably deny approval of
2 a training module that meets all the requirements of paragraph
3 (3) of subsection (i). A denial of approval shall include a
4 detailed description of the reasons for the denial.

5 (q) Any person approved to provide the training required by
6 paragraph (3) of subsection (i) shall submit an application for
7 re-approval between August 1 and August 15 of each odd-numbered
8 year and include a nonrefundable application fee of \$2,000 to
9 be deposited into the Cannabis Regulation Fund or a fee as may
10 be set by rule.

11 (r) All persons applying to become or renewing their
12 registrations to be agents, including agents-in-charge and
13 principal officers, shall disclose any disciplinary action
14 taken against them that may have occurred in Illinois, another
15 state, or another country in relation to their employment at a
16 cannabis business establishment or at any cannabis cultivation
17 center, processor, infuser, dispensary, or other cannabis
18 business establishment.

19 (s) An agent may begin employment at a dispensing
20 organization while the agent's identification card application
21 is pending. Upon approval, the Department shall issue the
22 agent's identification card to the dispensing organization
23 agent applicant. If denied, the dispensing organization and the
24 applicant shall be notified and the applicant must cease all
25 activity at the dispensing organization immediately.

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

1 (410 ILCS 705/15-50)

2 Sec. 15-50. Disclosure of ownership and control.

3 (a) Each dispensing organization applicant and licensee
4 shall file and maintain a Table of Organization, Ownership and
5 Control with the Department. The Table of Organization,
6 Ownership and Control shall contain the information required by
7 this Section in sufficient detail to identify all owners,
8 directors, and principal officers, and the title of each
9 principal officer or business entity that, through direct or
10 indirect means, manages, owns, or controls the applicant or
11 licensee.

12 (b) The Table of Organization, Ownership and Control shall
13 identify the following information:

14 (1) The management structure, ownership, and control
15 of the applicant or license holder including the name of
16 each principal officer or business entity, the office or
17 position held, and the percentage ownership interest, if
18 any. If the business entity has a parent company, the name
19 of each owner, board member, and officer of the parent
20 company and his or her percentage ownership interest in the
21 parent company and the dispensing organization.

22 (2) If the applicant or licensee is a business entity
23 with publicly traded stock, the identification of
24 ownership shall be provided as required in subsection (c).

25 (3) The identity, including the name and address, of

1 every person or entity having a financial or voting
2 interest of 5% or more in the dispensing organization for
3 which the license is sought, whether the person or entity
4 is a trust, corporation, partnership, limited liability
5 company, or sole proprietorship.

6 (c) If a business entity identified in subsection (b) is a
7 publicly traded company, the following information shall be
8 provided in the Table of Organization, Ownership and Control:

9 (1) The name and percentage of ownership interest of
10 each individual or business entity with ownership of more
11 than 5% of the voting shares of the entity, to the extent
12 such information is known or contained in 13D or 13G
13 Securities and Exchange Commission filings.

14 (2) To the extent known, the names and percentage of
15 interest of ownership of persons who are relatives of one
16 another and who together exercise control over or own more
17 than 10% of the voting shares of the entity.

18 (d) A dispensing organization with a parent company or
19 companies, or partially owned or controlled by another entity
20 must disclose to the Department the relationship and all
21 owners, board members, officers, or individuals with control or
22 management of those entities. A dispensing organization shall
23 not shield its ownership or control from the Department.

24 (e) All principal officers must submit a complete online
25 application with the Department within 14 days of the
26 dispensing organization being licensed by the Department or

1 within 14 days of Department notice of approval as a new
2 principal officer.

3 (f) A principal officer may not allow his or her
4 registration to expire.

5 (g) A dispensing organization separating with a principal
6 officer must do so under this Act. The principal officer must
7 communicate the separation to the Department within 5 business
8 days.

9 (h) A principal officer not in compliance with the
10 requirements of this Act shall be removed from his or her
11 position with the dispensing organization or shall otherwise
12 terminate his or her affiliation. Failure to do so may subject
13 the dispensing organization to discipline, suspension, or
14 revocation of its license by the Department.

15 (i) It is the responsibility of the dispensing organization
16 and its principal officers to promptly notify the Department of
17 any change of the principal place of business address, hours of
18 operation, change in ownership or control, or a change of the
19 dispensing organization's primary or secondary contact
20 information. Any changes must be made to the Department in
21 writing.

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

23 (410 ILCS 705/15-60)

24 Sec. 15-60. Changes to a dispensing organization.

25 (a) A license shall be issued to the specific dispensing

1 organization identified on the application and for the specific
2 location proposed. The license is valid only as designated on
3 the license and for the location for which it is issued.

4 (b) A dispensing organization may only add principal
5 officers after being approved by the Department.

6 (c) A dispensing organization shall provide written notice
7 of the removal of a principal officer within 5 business days
8 after removal. The notice shall include the written agreement
9 of the principal officer being removed, unless otherwise
10 approved by the Department, and allocation of ownership shares
11 after removal in an updated ownership chart.

12 (d) A dispensing organization shall provide a written
13 request to the Department for the addition of principal
14 officers. A dispensing organization shall submit proposed
15 principal officer applications on forms approved by the
16 Department.

17 (e) All proposed new principal officers shall be subject to
18 the requirements of this Act, this Article, and any rules that
19 may be adopted pursuant to this Act.

20 (f) The Department may prohibit the addition of a principal
21 officer to a dispensing organization for failure to comply with
22 this Act, this Article, and any rules that may be adopted
23 pursuant to this Act.

24 (g) A dispensing organization may not assign a license.

25 (h) A dispensing organization may not transfer a license
26 without prior Department approval. Such approval may be

1 withheld if the person to whom the license is being transferred
2 does not commit to the same or a similar community engagement
3 plan provided as part of the dispensing organization's
4 application under paragraph (18) of subsection (d) of Section
5 15-25, and such transferee's license shall be conditional upon
6 that commitment.

7 (i) With the addition or removal of principal officers, the
8 Department will review the ownership structure to determine
9 whether the change in ownership has had the effect of a
10 transfer of the license. The dispensing organization shall
11 supply all ownership documents requested by the Department.

12 (j) A dispensing organization, including a medical
13 cannabis dispensing organization registered under the
14 Compassionate Use of Medical Cannabis Program Act, may apply to
15 the Department of Agriculture or the Department of Financial
16 and Professional Regulation for approval of a sale of the
17 dispensing organization. The application shall be approved
18 unless the Department objects to the application within 45 days
19 of its receipt of the application, and such objection may only
20 be provided if the buyer's proposed principal officers do not
21 qualify as such as provided by this Act, or, as the case may
22 be, the Compassionate Use of Medical Cannabis Program Act, or
23 the dispensing organization is delinquent in the payment of
24 taxes to the State of Illinois. may apply to the Department to
25 approve a sale of the dispensing organization. A request to
26 sell the dispensing organization must be on application forms

1 if such forms are provided by the Department. A request for an
2 approval to sell a dispensing organization must comply with the
3 following:

4 (1) New application materials shall comply with this
5 Act and any rules that may be adopted pursuant to this Act;

6 (2) Application materials shall include a change of
7 ownership fee of \$5,000 to be deposited into the Cannabis
8 Regulation Fund;

9 (3) The application materials shall provide proof that
10 the transfer of ownership will not have the effect of
11 granting any of the owners or principal officers direct or
12 indirect ownership or control of more than 10 adult use
13 dispensing organization licenses;

14 (4) New principal officers shall each complete the
15 proposed new principal officer application;

16 (5) If the Department approves the application
17 materials and proposed new principal officer applications,
18 it will perform an inspection before approving the sale and
19 issuing the dispensing organization license;

20 (6) (Blank) ~~If a new license is approved, the~~
21 ~~Department will issue a new license number and certificate~~
22 ~~to the new dispensing organization.~~

23 (k) The dispensing organization shall provide the
24 Department with the personal information for all new dispensing
25 organizations agents as required in this Article and all new
26 dispensing organization agents shall be subject to the

1 requirements of this Article. A dispensing organization agent
2 must obtain an agent identification card from the Department
3 before beginning work at a dispensary.

4 (1) Before remodeling, expansion, reduction, or other
5 physical, noncosmetic alteration of a dispensary, the
6 dispensing organization must notify the Department and confirm
7 the alterations are in compliance with this Act and any rules
8 that may be adopted pursuant to this Act.

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

10 (410 ILCS 705/Art. 18 heading new)

11 Article 18.

12 Tied Applicants

13 (410 ILCS 705/18-1 new)

14 Sec. 18-1. Definitions. In this Article:

15 "Applicant" means the Proposed Dispensing Organization
16 Name as stated on a license application for a Conditional Adult
17 Use Dispensing Organization License issued under subsection
18 (a) of Section 15-25.

19 "Application points" means the number of points an
20 applicant receives at the conclusion of the scoring process.

21 "BLS Region" means a region in Illinois used by the United
22 States Bureau of Labor Statistics to gather and categorize
23 certain employment and wage data. The regions in Illinois are:
24 Bloomington, Cape Girardeau, Carbondale-Marion,

1 Champaign-Urbana, Chicago-Naperville-Elgin, Danville,
2 Davenport-Moline-Rock Island, Decatur, Kankakee, Peoria,
3 Rockford, St. Louis, Springfield, Northwest Illinois
4 nonmetropolitan area, West Central Illinois nonmetropolitan
5 area, East Central Illinois nonmetropolitan area, and South
6 Illinois nonmetropolitan area.

7 "By lot" means a randomized method of choosing between 2 or
8 more eligible applicants.

9 "Department" means the Department of Financial and
10 Professional Regulation.

11 "Dispensing Organization License" means any Early Approval
12 Adult Use Dispensing Organization License, Conditional Adult
13 Use Dispensing Organization License, or Adult Use Dispensing
14 Organization Licenses.

15 "Eligible applicant" means a tied applicant that is
16 eligible to participate in the process by which a remaining
17 available license is distributed by lot.

18 "License" means a Conditional Adult Use Dispensing
19 Organization Licenses issued under subsection (a) of Section
20 15-25.

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

1 secretary, a treasurer, a partner, an officer, a member, a
2 manager member, or a person with a profit sharing, financial
3 interest, or revenue sharing arrangement. "Principal officer"
4 includes a person with authority to control the cannabis
5 business establishment who assumes responsibility for the
6 debts of the cannabis business establishment and who meets the
7 definition of "principal officer" as that term is defined under
8 Section 1-10.

9 "Remaining available license" means a license in a BLS
10 Region that has not been awarded by the Department at the
11 conclusion of the scoring process period. There may be more
12 than one remaining available license in a BLS Region. For
13 example, if 4 licenses are available in a BLS Region and the 5
14 highest-scoring applicants receive scores of 245, 240, 235,
15 235, and 235 points, the applicants receiving 245 and 240
16 application points will be awarded licenses and the 3
17 applicants receiving 235 points may become eligible
18 applicants. Likewise, if one license is available in a BLS
19 Region and there are 5 applicants with the highest score, all 5
20 applicants may become eligible applicants.

21 "Scoring process period" is the period of time between the
22 conclusion of the submission period for a license application
23 and when the Department publishes the following information:

24 (1) the names of applicants that have been awarded
25 licenses based on their receiving the highest number of
26 application points; and

1 (2) the names of tied applicants that may become
2 eligible applicants.

3 "Tied applicant" means an applicant for a Conditional Adult
4 Use Dispensing Organization License issued under subsection
5 (a) of Section 15-25 that has received the same number of
6 application points as one or more other applicants in the same
7 BLS Region and would have been awarded a license but for the
8 one or more other applicants that received the same number of
9 application points.

10 (410 ILCS 705/18-5 new)

11 Sec. 18-5. Method of distribution of licenses; tied
12 applicants in a BLS Region.

13 (a) A tied applicant may qualify as an eligible applicant,
14 subject to the following:

15 (1) A tied applicant is prohibited from becoming an
16 eligible applicant if a principal officer of the tied
17 applicant is a principal officer of more tied applicants
18 than the number of remaining available licenses. For
19 example, if an individual is a principal officer of 4 tied
20 applicants and there are 2 remaining available licenses, no
21 more than 2 of those tied applicants may become eligible
22 applicants.

23 (2) A tied applicant is prohibited from becoming an
24 eligible applicant if a principal officer of a tied
25 applicant resigns after the conclusion of the scoring

1 process period.

2 (3) A tied applicant is prohibited from becoming an
3 eligible applicant if, after the conclusion of the
4 declination period identified pursuant to subsection (b),
5 a principal officer of the applicant is a principal officer
6 of more tied applicants than the number of remaining
7 available licenses.

8 (b) A tied applicant may decline to become an eligible
9 applicant by informing the Department within 5 business days of
10 the conclusion of the scoring process. The declination must be
11 submitted on forms approved by the Department.

12 (c) If at the conclusion of the scoring process period
13 there are 2 or more eligible applicants, the Department may
14 distribute the remaining available licenses by lot, subject to
15 the following:

16 (1) The Department shall publish a list of eligible
17 applicants at least 5 business days before the day the
18 remaining available licenses are distributed.

19 (2) The drawing by lot for all remaining available
20 licenses shall occur on the same day.

21 (3) For each BLS Region, the Department shall draw a
22 number of eligible applicants equal to 5 times the number
23 of remaining eligible applicants.

24 (4) Within each BLS Region, the first eligible
25 applicant drawn shall have the first right to a remaining
26 available license. The second eligible applicant drawn

1 shall have the second right to a remaining available
2 license. The same pattern shall continue for each
3 subsequent eligible applicant drawn.

4 (5) The process for distributing remaining available
5 licenses shall be recorded by the Department in a format at
6 its discretion.

7 (6) If upon being selected for a remaining available
8 license the eligible applicant has a principal officer that
9 is a principal officer in more than 10 Early Approval Adult
10 Use Dispensing Organization Licenses, Early Approval Adult
11 Use Dispensing Organization Licenses at secondary sites,
12 Conditional Adult Use Dispensing Organization Licenses, or
13 Adult Use Dispensing Organization Licenses, the licensees
14 and the eligible applicant listing principal officer must
15 choose which license to abandon pursuant to subsection (d)
16 of Section 15-36 and notify the Department in writing
17 within 5 business days. If the eligible applicant or
18 licensees do not notify the Department as required, the
19 Department shall refuse to issue all remaining available
20 licenses obtained by lot in all BLS Regions to the eligible
21 applicant.

22 (7) All remaining available licenses that are
23 abandoned shall be distributed to the next eligible
24 applicant drawn by lot. If there are no additional eligible
25 applicants, the license shall be awarded to the applicant
26 receiving the next highest number of application points in

1 the BLS Region.

2 (410 ILCS 705/20-35)

3 Sec. 20-35. Cultivation center agent identification card.

4 (a) The Department of Agriculture shall:

5 (1) establish by rule the information required in an
6 initial application or renewal application for an agent
7 identification card submitted under this Act and the
8 nonrefundable fee to accompany the initial application or
9 renewal application;

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

16 (3) issue an agent identification card to a qualifying
17 agent within 15 business days of approving the initial
18 application or renewal application;

19 (4) enter the license number of the cultivation center
20 where the agent works; and

21 (5) allow for an electronic initial application and
22 renewal application process, and provide a confirmation by
23 electronic or other methods that an application has been
24 submitted. The Department of Agriculture may by rule
25 require prospective agents to file their applications by

1 electronic means and provide notices to the agents by
2 electronic means.

3 (b) An agent must keep his or her identification card
4 visible at all times when on the property of the cultivation
5 center at which the agent is employed.

6 (c) The agent identification cards shall contain the
7 following:

8 (1) the name of the cardholder;

9 (2) the date of issuance and expiration date of the
10 identification card;

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

14 (4) a photograph of the cardholder; and

15 (5) the legal name of the cultivation center employing
16 the agent.

17 (d) An agent identification card shall be immediately
18 returned to the cultivation center of the agent upon
19 termination of his or her employment.

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

24 (f) The Department of Agriculture shall not issue an agent
25 identification card if the applicant is delinquent in filing
26 any required tax returns or paying any amounts owed to the

1 State of Illinois.

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

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

10 (410 ILCS 705/20-50)

11 Sec. 20-50. Cultivator taxes; returns.

12 (a) A tax is imposed upon the privilege of cultivating and
13 processing adult use cannabis at the rate of 7% of the gross
14 receipts from the sale of cannabis by a cultivator to a
15 dispensing organization. The sale of any adult use product that
16 contains any amount of cannabis or any derivative thereof is
17 subject to the tax under this Section on the full selling price
18 of the product. The proceeds from this tax shall be deposited
19 into the Cannabis Regulation Fund. This tax shall be paid by
20 the cultivator who makes the first sale and is not the
21 responsibility of a dispensing organization, qualifying
22 patient, or purchaser.

23 (b) In the administration of and compliance with this
24 Section, the Department of Revenue and persons who are subject
25 to this Section: (i) have the same rights, remedies,

1 privileges, immunities, powers, and duties, (ii) are subject to
2 the same conditions, restrictions, limitations, penalties, and
3 definitions of terms, and (iii) shall employ the same modes of
4 procedure as are set forth in the Cannabis Cultivation
5 Privilege Tax Law and the Uniform Penalty and Interest Act as
6 if those provisions were set forth in this Section.

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

11 (d) Notwithstanding any other provision of law, no special
12 district may levy a tax upon the cultivation and processing of
13 adult use cannabis.

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

15 (410 ILCS 705/25-5)

16 (Section scheduled to be repealed on July 1, 2026)

17 Sec. 25-5. Administration.

18 (a) The Department shall establish and administer the
19 Program in coordination with the Illinois Community College
20 Board. The Department may issue up to 12 ~~8~~ Program licenses by
21 September 1, 2021 ~~2020~~.

22 (b) Beginning with the 2022-2023 ~~2021-2022~~ academic year,
23 and subject to subsection (h) of Section 2-12 of the Public
24 Community College Act, community colleges awarded Program
25 licenses may offer qualifying students a Career in Cannabis

1 Certificate, which includes, but is not limited to, courses
2 that allow participating students to work with, study, and grow
3 live cannabis plants so as to prepare students for a career in
4 the legal cannabis industry, and to instruct participating
5 students on the best business practices, professional
6 responsibility, and legal compliance of the cannabis business
7 industry.

8 (c) The Board may issue rules pertaining to the provisions
9 in this Act.

10 (d) Notwithstanding any other provision of this Act,
11 students shall be at least 18 years old in order to enroll in a
12 licensee's Career in Cannabis Certificate's prescribed course
13 of study.

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

15 (410 ILCS 705/25-10)

16 (Section scheduled to be repealed on July 1, 2026)

17 Sec. 25-10. Issuance of Community College Cannabis
18 Vocational Pilot Program licenses.

19 (a) The Department shall issue rules regulating the
20 selection criteria for applicants by January 1, 2020. The
21 Department shall make the application for a Program license
22 available no later than February 1, 2020, and shall require
23 that applicants submit the completed application no later than
24 July 1, 2021 ~~2020~~. ~~The If the Department issues fewer than 8~~
25 ~~Program licenses by September 1, 2020, the~~ Department may

1 accept applications at a future date as prescribed by rule.

2 (b) The Department shall by rule develop a system to score
3 Program licenses to administratively rank applications based
4 on the clarity, organization, and quality of the applicant's
5 responses to required information. Applicants shall be awarded
6 points that are based on or that meet the following categories:

7 (1) Geographic diversity of the applicants;

8 (2) Experience and credentials of the applicant's
9 faculty;

10 (3) At least 5 Program license awardees must have a
11 student population that is more than 50% low-income in each
12 of the past 4 years;

13 (4) Security plan, including a requirement that all
14 cannabis plants be in an enclosed, locked facility;

15 (5) Curriculum plan, including processing and testing
16 curriculum for the Career in Cannabis Certificate;

17 (6) Career advising and placement plan for
18 participating students; and

19 (7) Any other criteria the Department may set by rule.

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

21 (410 ILCS 705/25-35)

22 (Section scheduled to be repealed on July 1, 2026)

23 Sec. 25-35. Community College Cannabis Vocational Training
24 Pilot Program faculty participant agent identification card.

25 (a) The Department shall:

1 (1) establish by rule the information required in an
2 initial application or renewal application for an agent
3 identification card submitted under this Article and the
4 nonrefundable fee to accompany the initial application or
5 renewal application;

6 (2) verify the information contained in an initial
7 application or renewal application for an agent
8 identification card submitted under this Article, and
9 approve or deny an application within 30 days of receiving
10 a completed initial application or renewal application and
11 all supporting documentation required by rule;

12 (3) issue an agent identification card to a qualifying
13 agent within 15 business days of approving the initial
14 application or renewal application;

15 (4) enter the license number of the community college
16 where the agent works; and

17 (5) allow for an electronic initial application and
18 renewal application process, and provide a confirmation by
19 electronic or other methods that an application has been
20 submitted. Each Department may by rule require prospective
21 agents to file their applications by electronic means and
22 to provide notices to the agents by electronic means.

23 (b) An agent must keep his or her identification card
24 visible at all times when in the enclosed, locked facility, or
25 facilities for which he or she is an agent.

26 (c) The agent identification cards shall contain the

1 following:

2 (1) the name of the cardholder;

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

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

8 (4) a photograph of the cardholder; and

9 (5) the legal name of the community college employing
10 the agent.

11 (d) An agent identification card shall be immediately
12 returned to the community college of the agent upon termination
13 of his or her employment.

14 (e) Any agent identification card lost shall be reported to
15 the Department of State Police and the Department of
16 Agriculture immediately upon discovery of the loss.

17 (f) An agent may begin employment at a Community College
18 Cannabis Vocational Training Pilot Program while the agent's
19 identification card application is pending. Upon approval, the
20 Department shall issue the agent's identification card to the
21 Community College Cannabis Vocational Training Pilot Program
22 participant agent applicant. If denied, the Community College
23 Cannabis Vocational Training Pilot Program and the participant
24 applicant shall be notified and the applicant must cease all
25 activity at the cultivation center immediately.

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

1 (410 ILCS 705/30-5)

2 Sec. 30-5. Issuance of licenses.

3 (a) The Department of Agriculture shall issue up to 40
4 craft grower licenses by July 1, 2020. Any person or entity
5 awarded a license pursuant to this subsection shall only hold
6 one craft grower license and may not sell that license until
7 after December 21, 2021.

8 (b) By December 21, 2021, the Department of Agriculture
9 shall issue up to 60 additional craft grower licenses. Any
10 person or entity awarded a license pursuant to this subsection
11 shall not hold more than 2 craft grower licenses. The person or
12 entity awarded a license pursuant to this subsection or
13 subsection (a) of this Section may sell its craft grower
14 license subject to the restrictions of this Act or as
15 determined by administrative rule. Prior to issuing such
16 licenses, the Department may adopt rules through emergency
17 rulemaking in accordance with subsection (gg) of Section 5-45
18 of the Illinois Administrative Procedure Act, to modify or
19 raise the number of craft grower licenses and modify or change
20 the licensing application process to reduce or eliminate
21 barriers. The General Assembly finds that the adoption of rules
22 to regulate cannabis use is deemed an emergency and necessary
23 for the public interest, safety, and welfare. In determining
24 whether to exercise the authority granted by this subsection,
25 the Department of Agriculture must consider the following

1 factors:

2 (1) the percentage of cannabis sales occurring in
3 Illinois not in the regulated market using data from the
4 Substance Abuse and Mental Health Services Administration,
5 National Survey on Drug Use and Health, Illinois Behavioral
6 Risk Factor Surveillance System, and tourism data from the
7 Illinois Office of Tourism to ascertain total cannabis
8 consumption in Illinois compared to the amount of sales in
9 licensed dispensing organizations;

10 (2) whether there is an adequate supply of cannabis and
11 cannabis-infused products to serve registered medical
12 cannabis patients;

13 (3) whether there is an adequate supply of cannabis and
14 cannabis-infused products to serve purchasers;

15 (4) whether there is an oversupply of cannabis in
16 Illinois leading to trafficking of cannabis to states where
17 the sale of cannabis is not permitted by law;

18 (5) population increases or shifts;

19 (6) the density of craft growers in any area of the
20 State;

21 (7) perceived security risks of increasing the number
22 or location of craft growers;

23 (8) the past safety record of craft growers;

24 (9) the Department of Agriculture's capacity to
25 appropriately regulate additional licensees;

26 (10) the findings and recommendations from the

1 available disparity and availability studies ~~study~~
2 commissioned by the Illinois Cannabis Regulation Oversight
3 Officer to reduce or eliminate any identified barriers to
4 entry in the cannabis industry; and

5 (11) any other criteria the Department of Agriculture
6 deems relevant.

7 (c) After January 1, 2022, the Department of Agriculture
8 may by rule modify or raise the number of craft grower licenses
9 and modify or change the licensing application process to
10 reduce or eliminate barriers based on the criteria in
11 subsection (b). At no time may the number of craft grower
12 licenses exceed 150. Any person or entity awarded a license
13 pursuant to this subsection shall not hold more than 3 craft
14 grower licenses. A person or entity awarded a license pursuant
15 to this subsection or subsection (a) or subsection (b) of this
16 Section may sell its craft grower license or licenses subject
17 to the restrictions of this Act or as determined by
18 administrative rule.

19 (d) Upon the completion of the disparity and availability
20 study pertaining to craft growers by the Cannabis Regulation
21 Oversight Officer pursuant to subsection (e) of Section 5-45,
22 the Department of Agriculture may modify or change the
23 licensing application process to reduce or eliminate barriers
24 and remedy evidence of discrimination identified in the study.

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

1 (410 ILCS 705/30-35)

2 Sec. 30-35. Craft grower agent identification card.

3 (a) The Department of Agriculture shall:

4 (1) establish by rule the information required in an
5 initial application or renewal application for an agent
6 identification card submitted under this Act and the
7 nonrefundable fee to accompany the initial application or
8 renewal application;

9 (2) verify the information contained in an initial
10 application or renewal application for an agent
11 identification card submitted under this Act and approve or
12 deny an application within 30 days of receiving a completed
13 initial application or renewal application and all
14 supporting documentation required by rule;

15 (3) issue an agent identification card to a qualifying
16 agent within 15 business days of approving the initial
17 application or renewal application;

18 (4) enter the license number of the craft grower where
19 the agent works; and

20 (5) allow for an electronic initial application and
21 renewal application process, and provide a confirmation by
22 electronic or other methods that an application has been
23 submitted. The Department of Agriculture may by rule
24 require prospective agents to file their applications by
25 electronic means and provide notices to the agents by
26 electronic means.

1 (b) An agent must keep his or her identification card
2 visible at all times when on the property of a cannabis
3 business establishment, including the craft grower
4 organization for which he or she is an agent.

5 (c) The agent identification cards shall contain the
6 following:

7 (1) the name of the cardholder;

8 (2) the date of issuance and expiration date of the
9 identification card;

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

13 (4) a photograph of the cardholder; and

14 (5) the legal name of the craft grower organization
15 employing the agent.

16 (d) An agent identification card shall be immediately
17 returned to the cannabis business establishment of the agent
18 upon termination of his or her employment.

19 (e) Any agent identification card lost by a craft grower
20 agent shall be reported to the Department of State Police and
21 the Department of Agriculture immediately upon discovery of the
22 loss.

23 (f) An agent may begin employment at a craft grower
24 organization while the agent's identification card application
25 is pending. Upon approval, the Department shall issue the
26 agent's identification card to the craft grower organization

1 agent applicant. If denied, the craft grower organization and
2 the applicant shall be notified and the applicant must cease
3 all activity at the craft grower organization immediately.

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

5 (410 ILCS 705/35-5)

6 Sec. 35-5. Issuance of licenses.

7 (a) The Department of Agriculture shall issue up to 40
8 infuser licenses through a process provided for in this Article
9 no later than July 1, 2020.

10 (b) The Department of Agriculture shall make the
11 application for infuser licenses available on January 7, 2020,
12 or if that date falls on a weekend or holiday, the business day
13 immediately succeeding the weekend or holiday and every January
14 7 or succeeding business day thereafter, and shall receive such
15 applications no later than March 15, 2020, or, if that date
16 falls on a weekend or holiday, the business day immediately
17 succeeding the weekend or holiday and every March 15 or
18 succeeding business day thereafter.

19 (c) By December 21, 2021, the Department of Agriculture may
20 issue up to 60 additional infuser licenses. Prior to issuing
21 such licenses, the Department may adopt rules through emergency
22 rulemaking in accordance with subsection (gg) of Section 5-45
23 of the Illinois Administrative Procedure Act, to modify or
24 raise the number of infuser licenses and modify or change the
25 licensing application process to reduce or eliminate barriers.

1 The General Assembly finds that the adoption of rules to
2 regulate cannabis use is deemed an emergency and necessary for
3 the public interest, safety, and welfare.

4 In determining whether to exercise the authority granted by
5 this subsection, the Department of Agriculture must consider
6 the following factors:

7 (1) the percentage of cannabis sales occurring in
8 Illinois not in the regulated market using data from the
9 Substance Abuse and Mental Health Services Administration,
10 National Survey on Drug Use and Health, Illinois Behavioral
11 Risk Factor Surveillance System, and tourism data from the
12 Illinois Office of Tourism to ascertain total cannabis
13 consumption in Illinois compared to the amount of sales in
14 licensed dispensing organizations;

15 (2) whether there is an adequate supply of cannabis and
16 cannabis-infused products to serve registered medical
17 cannabis patients;

18 (3) whether there is an adequate supply of cannabis and
19 cannabis-infused products to serve purchasers;

20 (4) whether there is an oversupply of cannabis in
21 Illinois leading to trafficking of cannabis to any other
22 state;

23 (5) population increases or shifts;

24 (6) changes to federal law;

25 (7) perceived security risks of increasing the number
26 or location of infuser organizations;

1 (8) the past security records of infuser
2 organizations;

3 (9) the Department of Agriculture's capacity to
4 appropriately regulate additional licenses;

5 (10) the findings and recommendations from the
6 available disparity and availability studies ~~study~~
7 commissioned by the Illinois Cannabis Regulation Oversight
8 Officer to reduce or eliminate any identified barriers to
9 entry in the cannabis industry; and

10 (11) any other criteria the Department of Agriculture
11 deems relevant.

12 (d) After January 1, 2022, the Department of Agriculture
13 may by rule modify or raise the number of infuser licenses, and
14 modify or change the licensing application process to reduce or
15 eliminate barriers based on the criteria in subsection (c).

16 (e) Upon the completion of the disparity and availability
17 study pertaining to infusers by the Cannabis Regulation
18 Oversight Officer pursuant to subsection (e) of Section 5-45,
19 the Department of Agriculture may modify or change the
20 licensing application process to reduce or eliminate barriers
21 and remedy evidence of discrimination identified in the study.

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

23 (410 ILCS 705/35-30)

24 Sec. 35-30. Infuser agent identification card.

25 (a) The Department of Agriculture shall:

1 (1) establish by rule the information required in an
2 initial application or renewal application for an agent
3 identification card submitted under this Act and the
4 nonrefundable fee to accompany the initial application or
5 renewal application;

6 (2) verify the information contained in an initial
7 application or renewal application for an agent
8 identification card submitted under this Act, and approve
9 or deny an application within 30 days of receiving a
10 completed initial application or renewal application and
11 all supporting documentation required by rule;

12 (3) issue an agent identification card to a qualifying
13 agent within 15 business days of approving the initial
14 application or renewal application;

15 (4) enter the license number of the infuser where the
16 agent works; and

17 (5) allow for an electronic initial application and
18 renewal application process, and provide a confirmation by
19 electronic or other methods that an application has been
20 submitted. The Department of Agriculture may by rule
21 require prospective agents to file their applications by
22 electronic means and provide notices to the agents by
23 electronic means.

24 (b) An agent must keep his or her identification card
25 visible at all times when on the property of a cannabis
26 business establishment including the cannabis business

1 establishment for which he or she is an agent.

2 (c) The agent identification cards shall contain the
3 following:

4 (1) the name of the cardholder;

5 (2) the date of issuance and expiration date of the
6 identification card;

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

10 (4) a photograph of the cardholder; and

11 (5) the legal name of the infuser organization
12 employing the agent.

13 (d) An agent identification card shall be immediately
14 returned to the infuser organization of the agent upon
15 termination of his or her employment.

16 (e) Any agent identification card lost by a transporting
17 agent shall be reported to the Department of State Police and
18 the Department of Agriculture immediately upon discovery of the
19 loss.

20 (f) An agent may begin employment at an infuser
21 organization while the agent's identification card application
22 is pending. Upon approval, the Department shall issue the
23 agent's identification card to the infuser organization agent
24 applicant. If denied, the infuser organization and the
25 applicant shall be notified and the applicant must cease all
26 activity at the infuser organization immediately.

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

2 (410 ILCS 705/40-30)

3 Sec. 40-30. Transporting agent identification card.

4 (a) The Department of Agriculture shall:

5 (1) establish by rule the information required in an
6 initial application or renewal application for an agent
7 identification card submitted under this Act and the
8 nonrefundable fee to accompany the initial application or
9 renewal application;

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

16 (3) issue an agent identification card to a qualifying
17 agent within 15 business days of approving the initial
18 application or renewal application;

19 (4) enter the license number of the transporting
20 organization where the agent works; and

21 (5) allow for an electronic initial application and
22 renewal application process, and provide a confirmation by
23 electronic or other methods that an application has been
24 submitted. The Department of Agriculture may by rule
25 require prospective agents to file their applications by

1 electronic means and provide notices to the agents by
2 electronic means.

3 (b) An agent must keep his or her identification card
4 visible at all times when on the property of a cannabis
5 business establishment, including the cannabis business
6 establishment for which he or she is an agent.

7 (c) The agent identification cards shall contain the
8 following:

9 (1) the name of the cardholder;

10 (2) the date of issuance and expiration date of the
11 identification card;

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

15 (4) a photograph of the cardholder; and

16 (5) the legal name of the transporting organization
17 employing the agent.

18 (d) An agent identification card shall be immediately
19 returned to the transporting organization of the agent upon
20 termination of his or her employment.

21 (e) Any agent identification card lost by a transporting
22 agent shall be reported to the Department of State Police and
23 the Department of Agriculture immediately upon discovery of the
24 loss.

25 (f) An application for an agent identification card shall
26 be denied if the applicant is delinquent in filing any required

1 tax returns or paying any amounts owed to the State of
2 Illinois.

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

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

11 (410 ILCS 705/55-20)

12 Sec. 55-20. Advertising and promotions.

13 (a) No cannabis business establishment nor any other person
14 or entity shall engage in advertising that contains any
15 statement or illustration that:

16 (1) is false or misleading;

17 (2) promotes overconsumption of cannabis or cannabis
18 products;

19 (3) depicts the actual consumption of cannabis or
20 cannabis products;

21 (4) depicts a person under 21 years of age consuming
22 cannabis;

23 (5) makes any health, medicinal, or therapeutic claims
24 about cannabis or cannabis-infused products;

25 (6) includes the image of a cannabis leaf or bud; or

1 (7) includes any image designed or likely to appeal to
2 minors, including cartoons, toys, animals, or children, or
3 any other likeness to images, characters, or phrases that
4 is designed in any manner to be appealing to or encourage
5 consumption by persons under 21 years of age.

6 (b) No cannabis business establishment nor any other person
7 or entity shall place or maintain, or cause to be placed or
8 maintained, an advertisement of cannabis or a cannabis-infused
9 product in any form or through any medium:

10 (1) within 1,000 feet of the perimeter of school
11 grounds, a playground, a recreation center or facility, a
12 child care center, a public park or public library, or a
13 game arcade to which admission is not restricted to persons
14 21 years of age or older;

15 (2) on or in a public transit vehicle or public transit
16 shelter;

17 (3) on or in publicly owned or publicly operated
18 property; or

19 (4) that contains information that:

20 (A) is false or misleading;

21 (B) promotes excessive consumption;

22 (C) depicts a person under 21 years of age
23 consuming cannabis;

24 (D) includes the image of a cannabis leaf; or

25 (E) includes any image designed or likely to appeal
26 to minors, including cartoons, toys, animals, or

1 children, or any other likeness to images, characters,
2 or phrases that are popularly used to advertise to
3 children, or any imitation of candy packaging or
4 labeling, or that promotes consumption of cannabis.

5 (c) Subsections (a) and (b) do not apply to an educational
6 message.

7 (d) Sales promotions. No cannabis business establishment
8 nor any other person or entity may encourage the sale of
9 cannabis or cannabis products by giving away cannabis or
10 cannabis products, by conducting games or competitions related
11 to the consumption of cannabis or cannabis products, or by
12 providing promotional materials or activities of a manner or
13 type that would be appealing to children.

14 (b-5) Paragraphs (1), (2), and (3) of subsection (b) do not
15 apply if the cannabis business establishment is advertising via
16 marketing directed toward an application on an
17 Internet-capable electronic device, including, but not limited
18 to, a cellular telephone, and the application:

19 (1) is limited to installation and use on an
20 Internet-capable electronic device by an individual who is
21 21 years of age or older; and

22 (2) includes a permanent mechanism to opt out of using
23 or installing the application, including, but not limited
24 to, deleting the application.

25 (b-10) Paragraphs (1), (2), and (3) of subsection (b) do
26 not apply to a newspaper, as defined in Section 5 of the Notice

1 by Publication Act. A cannabis business establishment shall not
2 advertise in a newspaper if more than 30% of the newspaper's
3 readership is reasonably expected to be under the age of 21.

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

5 (410 ILCS 705/55-21)

6 Sec. 55-21. Cannabis product packaging and labeling.

7 (a) Each cannabis product produced for sale shall be
8 registered with the Department of Agriculture on forms provided
9 by the Department of Agriculture. Each product registration
10 shall include a label and the required registration fee at the
11 rate established by the Department of Agriculture for a
12 comparable medical cannabis product, or as established by rule.
13 The registration fee is for the name of the product offered for
14 sale and one fee shall be sufficient for all package sizes.

15 (b) All harvested cannabis intended for distribution to a
16 cannabis enterprise must be packaged in a sealed, labeled
17 container.

18 (c) At point of sale, any ~~Any~~ product containing cannabis
19 shall be packaged in a sealed or resealable, odor-proof, and
20 child-resistant cannabis container consistent with current
21 standards, including the Consumer Product Safety Commission
22 standards referenced by the Poison Prevention Act.

23 (d) All cannabis-infused products shall be individually
24 wrapped or packaged at the original point of preparation. The
25 packaging of the cannabis-infused product shall conform to the

1 labeling requirements of the Illinois Food, Drug and Cosmetic
2 Act, in addition to the other requirements set forth in this
3 Section.

4 (e) Each cannabis product shall be labeled before sale and
5 each label shall be securely affixed to the package and shall
6 state in legible English and any languages required by the
7 Department of Agriculture:

8 (1) the name and post office box of the registered
9 cultivation center or craft grower where the item was
10 manufactured;

11 (2) the common or usual name of the item and the
12 registered name of the cannabis product that was registered
13 with the Department of Agriculture under subsection (a);

14 (3) a unique serial number that will match the product
15 with a cultivation center or craft grower batch and lot
16 number to facilitate any warnings or recalls the Department
17 of Agriculture, cultivation center, or craft grower deems
18 appropriate;

19 (4) the date of final testing and packaging, if
20 sampled, and the identification of the independent testing
21 laboratory;

22 (5) the date of harvest and "use by" date;

23 (6) the quantity (in ounces or grams) of cannabis
24 contained in the product;

25 (7) a pass/fail rating based on the laboratory's
26 microbiological, mycotoxins, and pesticide and solvent

1 residue analyses, if sampled;

2 (8) content list.

3 (A) A list of the following, including the minimum
4 and maximum percentage content by weight for
5 subdivisions (e) (8) (A) (i) through (iv):

6 (i) delta-9-tetrahydrocannabinol (THC);

7 (ii) tetrahydrocannabinolic acid (THCA);

8 (iii) cannabidiol (CBD);

9 (iv) cannabidiolic acid (CBDA); and

10 (v) all other ingredients of the item,
11 including any colors, artificial flavors, and
12 preservatives, listed in descending order by
13 predominance of weight shown with common or usual
14 names.

15 (B) The acceptable tolerances for the minimum
16 percentage printed on the label for any of subdivisions
17 (e) (8) (A) (i) through (iv) shall not be below 85% or
18 above 115% of the labeled amount.

19 (f) Packaging must not contain information that:

20 (1) is false or misleading;

21 (2) promotes excessive consumption;

22 (3) depicts a person under 21 years of age consuming
23 cannabis;

24 (4) includes the image of a cannabis leaf;

25 (5) includes any image designed or likely to appeal to
26 minors, including cartoons, toys, animals, or children, or

1 any other likeness to images, characters, or phrases that
2 are popularly used to advertise to children, or any
3 packaging or labeling that bears reasonable resemblance to
4 any product available for consumption as a commercially
5 available candy, or that promotes consumption of cannabis;

6 (6) contains any seal, flag, crest, coat of arms, or
7 other insignia likely to mislead the purchaser to believe
8 that the product has been endorsed, made, or used by the
9 State of Illinois or any of its representatives except
10 where authorized by this Act.

11 (g) Cannabis products produced by concentrating or
12 extracting ingredients from the cannabis plant shall contain
13 the following information, where applicable:

14 (1) If solvents were used to create the concentrate or
15 extract, a statement that discloses the type of extraction
16 method, including any solvents or gases used to create the
17 concentrate or extract; and

18 (2) Any other chemicals or compounds used to produce or
19 were added to the concentrate or extract.

20 (h) All cannabis products must contain warning statements
21 established for purchasers, of a size that is legible and
22 readily visible to a consumer inspecting a package, which may
23 not be covered or obscured in any way. The Department of Public
24 Health shall define and update appropriate health warnings for
25 packages including specific labeling or warning requirements
26 for specific cannabis products.

1 (i) Unless modified by rule to strengthen or respond to new
2 evidence and science, the following warnings shall apply to all
3 cannabis products unless modified by rule: "This product
4 contains cannabis and is intended for use by adults 21 and
5 over. Its use can impair cognition and may be habit forming.
6 This product should not be used by pregnant or breastfeeding
7 women. It is unlawful to sell or provide this item to any
8 individual, and it may not be transported outside the State of
9 Illinois. It is illegal to operate a motor vehicle while under
10 the influence of cannabis. Possession or use of this product
11 may carry significant legal penalties in some jurisdictions and
12 under federal law."

13 (j) Warnings for each of the following product types must
14 be present on labels when offered for sale to a purchaser:

15 (1) Cannabis that may be smoked must contain a
16 statement that "Smoking is hazardous to your health."

17 (2) Cannabis-infused products (other than those
18 intended for topical application) must contain a statement
19 "CAUTION: This product contains cannabis, and intoxication
20 following use may be delayed 2 or more hours. This product
21 was produced in a facility that cultivates cannabis, and
22 that may also process common food allergens."

23 (3) Cannabis-infused products intended for topical
24 application must contain a statement "DO NOT EAT" in bold,
25 capital letters.

26 (k) Each cannabis-infused product intended for consumption

1 must be individually packaged, must include the total milligram
2 content of THC and CBD, and may not include more than a total
3 of 100 milligrams of THC per package. A package may contain
4 multiple servings of 10 milligrams of THC, indicated by
5 scoring, wrapping, or by other indicators designating
6 individual serving sizes. The Department of Agriculture may
7 change the total amount of THC allowed for each package, or the
8 total amount of THC allowed for each serving size, by rule.

9 (l) No individual other than the purchaser may alter or
10 destroy any labeling affixed to the primary packaging of
11 cannabis or cannabis-infused products.

12 (m) For each commercial weighing and measuring device used
13 at a facility, the cultivation center or craft grower must:

14 (1) Ensure that the commercial device is licensed under
15 the Weights and Measures Act and the associated
16 administrative rules (8 Ill. Adm. Code 600);

17 (2) Maintain documentation of the licensure of the
18 commercial device; and

19 (3) Provide a copy of the license of the commercial
20 device to the Department of Agriculture for review upon
21 request.

22 (n) It is the responsibility of the Department to ensure
23 that packaging and labeling requirements, including product
24 warnings, are enforced at all times for products provided to
25 purchasers. Product registration requirements and container
26 requirements may be modified by rule by the Department of

1 Agriculture.

2 (o) Labeling, including warning labels, may be modified by
3 rule by the Department of Agriculture.

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

5 (410 ILCS 705/55-28)

6 Sec. 55-28. Restricted cannabis zones.

7 (a) As used in this Section:

8 "Legal voter" means a person:

9 (1) who is duly registered to vote in a municipality
10 with a population of over 500,000;

11 (2) whose name appears on a poll list compiled by the
12 city board of election commissioners since the last
13 preceding election, regardless of whether the election was
14 a primary, general, or special election;

15 (3) who, at the relevant time, is a resident of the
16 address at which he or she is registered to vote; and

17 (4) whose address, at the relevant time, is located in
18 the precinct where such person seeks to file a notice of
19 intent to initiate a petition process, circulate a
20 petition, or sign a petition under this Section.

21 As used in the definition of "legal voter", "relevant time"
22 means any time that:

23 (i) a notice of intent is filed, pursuant to subsection
24 (c) of this Section, to initiate the petition process under
25 this Section;

1 (ii) the petition is circulated for signature in the
2 applicable precinct; or

3 (iii) the petition is signed by registered voters in
4 the applicable precinct.

5 "Petition" means the petition described in this Section.

6 "Precinct" means the smallest constituent territory within
7 a municipality with a population of over 500,000 in which
8 electors vote as a unit at the same polling place in any
9 election governed by the Election Code.

10 "Restricted cannabis zone" means a precinct within which
11 home cultivation, one or more types of cannabis business
12 establishments, or both has been prohibited pursuant to an
13 ordinance initiated by a petition under this Section.

14 (b) The legal voters of any precinct within a municipality
15 with a population of over 500,000 may petition their local
16 alderman, using a petition form made available online by the
17 city clerk, to introduce an ordinance establishing the precinct
18 as a restricted zone. Such petition shall specify whether it
19 seeks an ordinance to prohibit, within the precinct: (i) home
20 cultivation; (ii) one or more types of cannabis business
21 establishments; or (iii) home cultivation and one or more types
22 of cannabis business establishments.

23 Upon receiving a petition containing the signatures of at
24 least 25% of the registered voters of the precinct, and
25 concluding that the petition is legally sufficient following
26 the posting and review process in subsection (c) of this

1 Section, the city clerk shall notify the local alderman of the
2 ward in which the precinct is located. Upon being notified,
3 that alderman, following an assessment of relevant factors
4 within the precinct, including but not limited to, its
5 geography, density and character, the prevalence of
6 residentially zoned property, current licensed cannabis
7 business establishments in the precinct, the current amount of
8 home cultivation in the precinct, and the prevailing viewpoint
9 with regard to the issue raised in the petition, may introduce
10 an ordinance to the municipality's governing body creating a
11 restricted cannabis zone in that precinct.

12 (c) A person seeking to initiate the petition process
13 described in this Section shall first submit to the city clerk
14 notice of intent to do so, on a form made available online by
15 the city clerk. That notice shall include a description of the
16 potentially affected area and the scope of the restriction
17 sought. The city clerk shall publicly post the submitted notice
18 online.

19 To be legally sufficient, a petition must contain the
20 requisite number of valid signatures and all such signatures
21 must be obtained within 90 days of the date that the city clerk
22 publicly posts the notice of intent. Upon receipt, the city
23 clerk shall post the petition on the municipality's website for
24 a 30-day comment period. The city clerk is authorized to take
25 all necessary and appropriate steps to verify the legal
26 sufficiency of a submitted petition. Following the petition

1 review and comment period, the city clerk shall publicly post
2 online the status of the petition as accepted or rejected, and
3 if rejected, the reasons therefor. If the city clerk rejects a
4 petition as legally insufficient, a minimum of 12 months must
5 elapse from the time the city clerk posts the rejection notice
6 before a new notice of intent for that same precinct may be
7 submitted.

8 (c-5) Within 3 days after receiving an application for
9 zoning approval to locate a cannabis business establishment
10 within a municipality with a population of over 500,000, the
11 municipality shall post a public notice of the filing on its
12 website and notify the alderman of the ward in which the
13 proposed cannabis business establishment is to be located of
14 the filing. No action shall be taken on the zoning application
15 for 7 business days following the notice of the filing for
16 zoning approval.

17 If a notice of intent to initiate the petition process to
18 prohibit the type of cannabis business establishment proposed
19 in the precinct of the proposed cannabis business establishment
20 is filed prior to the filing of the application or within the
21 7-day period after the filing of the application, the
22 municipality shall not approve the application for at least 90
23 days after the city clerk publicly posts the notice of intent
24 to initiate the petition process. If a petition is filed within
25 the 90-day petition-gathering period described in subsection
26 (c), the municipality shall not approve the application for an

1 additional 90 days after the city clerk's receipt of the
2 petition; provided that if the city clerk rejects a petition as
3 legally insufficient, the municipality may approve the
4 application prior to the end of the 90 days. If a petition is
5 not submitted within the 90-day petition-gathering period
6 described in subsection (c), the municipality may approve the
7 application unless the approval is otherwise stayed pursuant to
8 this subsection by a separate notice of intent to initiate the
9 petition process filed timely within the 7-day period.

10 If no legally sufficient petition is timely filed, a
11 minimum of 12 months must elapse before a new notice of intent
12 for that same precinct may be submitted.

13 (c-10) Notwithstanding any other provision of law, if, at
14 the time the clerk posts the notice of intent or within the
15 90-day petition-gathering period under subsection (c), a
16 disaster proclamation issued by the Governor under Section 7 of
17 the Illinois Emergency Management Agency Act is in effect and
18 the municipality is within the disaster area, the municipality
19 may pass an ordinance suspending the petition-gathering period
20 for the duration of the disaster proclamation. On the day after
21 the expiration of the disaster proclamation, the
22 petition-gathering period shall continue at the point at which
23 it was suspended. Any such delay shall suspend action on the
24 application under subsection (c).

25 (d) Notwithstanding any law to the contrary, the
26 municipality may enact an ordinance creating a restricted

1 cannabis zone. The ordinance shall:

2 (1) identify the applicable precinct boundaries as of
3 the date of the petition;

4 (2) state whether the ordinance prohibits within the
5 defined boundaries of the precinct, and in what
6 combination: (A) one or more types of cannabis business
7 establishments; or (B) home cultivation;

8 (3) be in effect for 4 years, unless repealed earlier;
9 and

10 (4) once in effect, be subject to renewal by ordinance
11 at the expiration of the 4-year period without the need for
12 another supporting petition.

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

14 (410 ILCS 705/55-30)

15 Sec. 55-30. Confidentiality.

16 (a) Information provided by the cannabis business
17 establishment licensees or applicants to the Department of
18 Agriculture, the Department of Public Health, the Department of
19 Financial and Professional Regulation, the Department of
20 Commerce and Economic Opportunity, or other agency shall be
21 limited to information necessary for the purposes of
22 administering this Act. The information is subject to the
23 provisions and limitations contained in the Freedom of
24 Information Act and may be disclosed in accordance with Section
25 55-65.

1 (b) The following information received and records kept by
2 the Department of Agriculture, the Department of Public Health,
3 the Department of State Police, and the Department of Financial
4 and Professional Regulation for purposes of administering this
5 Article are subject to all applicable federal privacy laws, are
6 confidential and exempt from disclosure under the Freedom of
7 Information Act, except as provided in this Act, and not
8 subject to disclosure to any individual or public or private
9 entity, except to the Department of Financial and Professional
10 Regulation, the Department of Agriculture, the Department of
11 Public Health, and the Department of State Police as necessary
12 to perform official duties under this Article and to the
13 Attorney General as necessary to enforce the provisions of this
14 Act. The following information received and kept by the
15 Department of Financial and Professional Regulation or the
16 Department of Agriculture may be disclosed to the Department of
17 Public Health, the Department of Agriculture, the Department of
18 Revenue, the Department of State Police, or the Attorney
19 General upon proper request:

20 (1) Applications and renewals, their contents, and
21 supporting information submitted by or on behalf of
22 cannabis business establishments or Community College
23 Cannabis Vocational Pilot Program licensees ~~dispensing~~
24 ~~organizations~~ in compliance with this Article, including
25 their physical addresses; however, this does not preclude
26 the release of ownership information of cannabis business

1 establishment licenses, or information submitted with an
2 application required to be disclosed pursuant to
3 subsection (f);

4 (2) Any plans, procedures, policies, or other records
5 relating to cannabis business establishment ~~dispensing~~
6 ~~organization~~ security; and

7 (3) Information otherwise exempt from disclosure by
8 State or federal law.

9 Illinois or national criminal history record information,
10 or the nonexistence or lack of such information, may not be
11 disclosed by the Department of Financial and Professional
12 Regulation or the Department of Agriculture, except as
13 necessary to the Attorney General to enforce this Act.

14 (c) The name and address of a dispensing organization
15 licensed under this Act shall be subject to disclosure under
16 the Freedom of Information Act. The name and cannabis business
17 establishment address of the person or entity holding each
18 cannabis business establishment license shall be subject to
19 disclosure.

20 (d) All information collected by the Department of
21 Financial and Professional Regulation or the Department of
22 Agriculture in the course of an examination, inspection, or
23 investigation of a licensee or applicant, including, but not
24 limited to, any complaint against a licensee or applicant filed
25 with the Department of Financial and Professional Regulation or
26 the Department of Agriculture and information collected to

1 investigate any such complaint, shall be maintained for the
2 confidential use of the Department and shall not be disclosed,
3 except as otherwise provided in this Act. A formal complaint
4 against a licensee by the Department of Financial and
5 Professional Regulation or the Department of Agriculture or any
6 disciplinary order issued by the Department of Financial and
7 Professional Regulation or the Department of Agriculture
8 against a licensee or applicant shall be a public record,
9 except as otherwise provided by law. Complaints from consumers
10 or members of the general public received regarding a specific,
11 named licensee or complaints regarding conduct by unlicensed
12 entities shall be subject to disclosure under the Freedom of
13 Information Act.

14 (e) The Department of Agriculture, the Department of State
15 Police, and the Department of Financial and Professional
16 Regulation shall not share or disclose any Illinois or national
17 criminal history record information, or the nonexistence or
18 lack of such information, to any person or entity not expressly
19 authorized by this Act.

20 (f) Each Department responsible for licensure under this
21 Act shall publish on the Department's website ~~a list of~~ the
22 ownership information and address of each cannabis business
23 establishment licensee ~~licensees~~ under the Department's
24 jurisdiction. The ownership information published shall
25 include current versions of the following documents submitted
26 by cannabis business establishments that received a license

1 under the Department's jurisdiction: (i) Tables of
2 Organization, Ownership and Control as provided under Section
3 15-50; (ii) the identity of every person having a financial or
4 voting interest of 5% or greater in a cultivation center
5 operation as provided under paragraph (17) of subsection (a) of
6 Section 20-15; (iii) the identity of every person having a
7 financial or voting interest of 5% or greater in a craft grower
8 operation as provided under paragraph (17) of subsection (a) of
9 Section 30-10; and (iv) the identity of every person having a
10 financial or voting interest of 5% or greater in an infuser
11 operation as provided under paragraph (16) of subsection (a) of
12 Section 35-10. ~~The list shall include, but is not limited to:~~
13 ~~the name of the person or entity holding each cannabis business~~
14 ~~establishment license; and the address at which the entity is~~
15 ~~operating under this Act. This list shall be published and~~
16 ~~updated monthly.~~

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

18 (410 ILCS 705/55-35)

19 Sec. 55-35. Administrative rulemaking.

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

1 responsibilities under this Act. The Department of
2 Agriculture, the Department of State Police, the Department of
3 Financial and Professional Regulation, the Department of
4 Revenue, and the Department of Commerce and Economic
5 Opportunity may adopt rules necessary to regulate personal
6 cannabis use through the use of emergency rulemaking in
7 accordance with subsection (gg) of Section 5-45 of the Illinois
8 Administrative Procedure Act. The General Assembly finds that
9 the adoption of rules to regulate cannabis use is deemed an
10 emergency and necessary for the public interest, safety, and
11 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 ensuring a fair and
16 competitive marketplace and protecting against diversion and
17 theft, without imposing an undue burden on the cultivation
18 centers, craft growers, infuser organizations, or transporting
19 organizations:

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

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

26 (3) security requirements for cultivation centers,

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

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

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

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

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

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

23 (9) standards for distribution and sale to other
24 licensed business establishments, including percentage
25 requirements for distribution and sale to other business
26 establishments with common ownership.

1 (c) The Department of Financial and Professional
2 Regulation rules may address, but are not limited to, the
3 following matters related to dispensing organizations, with
4 the goal of ensuring a fair and competitive marketplace and
5 protecting against diversion and theft, without imposing an
6 undue burden on the dispensing organizations:

7 (1) oversight requirements for dispensing
8 organizations;

9 (2) recordkeeping requirements for dispensing
10 organizations;

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

15 (4) procedures for suspending or revoking the licenses
16 of dispensing organization agents that commit violations
17 of this Act or the rules adopted under this Act;

18 (5) any other matters under oversight by the Department
19 of Financial and Professional Regulation that are
20 necessary for the fair, impartial, stringent, and
21 comprehensive administration of this Act; -

22 (6) standards for distribution and sale to other
23 cannabis business establishments, including percentage
24 requirements for distribution and sale to other cannabis
25 business establishments with common ownership.

26 (d) The Department of Revenue rules may address, but are

1 not limited to, the following matters related to the payment of
2 taxes by cannabis business establishments:

3 (1) recording of sales;

4 (2) documentation of taxable income and expenses;

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

6 (4) any other matter under the oversight of the
7 Department of Revenue.

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

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

21 (g) The Department of Human Services shall develop and
22 disseminate:

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

25 (2) one or more public education campaigns in
26 coordination with local health departments and community

1 organizations, including one or more prevention campaigns
2 directed at children, adolescents, parents, and pregnant
3 or breastfeeding women, to inform them of the potential
4 health risks associated with intentional or unintentional
5 cannabis use.

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

7 (410 ILCS 705/55-85)

8 Sec. 55-85. Medical cannabis.

9 (a) Nothing in this Act shall be construed to limit any
10 privileges or rights of a medical cannabis patient including
11 minor patients, primary caregiver, medical cannabis
12 cultivation center, or medical cannabis dispensing
13 organization under the Compassionate Use of Medical Cannabis
14 Program Act, and where there is conflict between this Act and
15 the Compassionate Use of Medical Cannabis Program Act as they
16 relate to medical cannabis patients, the Compassionate Use of
17 Medical Cannabis Program Act shall prevail. Where there is
18 conflict between this Act and the Compassionate Use of Medical
19 Cannabis Program Act as they relate to cannabis business
20 establishments, this Act shall prevail.

21 (b) Dispensary locations that obtain an Early Approval
22 Adult Use Dispensary Organization License or an Adult Use
23 Dispensary Organization License in accordance with this Act at
24 the same location as a medical cannabis dispensing organization
25 registered under the Compassionate Use of Medical Cannabis

1 Program Act shall maintain an inventory of medical cannabis and
2 medical cannabis products on a monthly basis that is
3 substantially similar in variety and quantity to the products
4 offered at the dispensary during the 6-month period immediately
5 before the effective date of this Act.

6 (c) Beginning June 30, 2020, the Department of Agriculture
7 shall make a quarterly determination whether inventory
8 requirements established for dispensaries in subsection (b)
9 should be adjusted due to changing patient need.

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

11 (410 ILCS 705/60-10)

12 Sec. 60-10. Tax imposed.

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

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

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

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

19 (d) Notwithstanding any other provision of law, no special
20 district may levy a tax upon the cultivation of cannabis.

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

22 (410 ILCS 705/65-10)

23 Sec. 65-10. Tax imposed.

24 (a) Beginning January 1, 2020, a tax is imposed upon
25 purchasers for the privilege of using cannabis at the following

1 rates:

2 (1) Any cannabis, other than a cannabis-infused
3 product, with an adjusted delta-9-tetrahydrocannabinol
4 level at or below 35% shall be taxed at a rate of 10% of the
5 purchase price;

6 (2) Any cannabis, other than a cannabis-infused
7 product, with an adjusted delta-9-tetrahydrocannabinol
8 level above 35% shall be taxed at a rate of 25% of the
9 purchase price; and

10 (3) A cannabis-infused product shall be taxed at a rate
11 of 20% of the purchase price.

12 (b) The purchase of any product that contains any amount of
13 cannabis or any derivative thereof is subject to the tax under
14 subsection (a) of this Section on the full purchase price of
15 the product.

16 (c) The tax imposed under this Section is not imposed on
17 cannabis that is subject to tax under the Compassionate Use of
18 Medical Cannabis Program Act. The tax imposed by this Section
19 is not imposed with respect to any transaction in interstate
20 commerce, to the extent the transaction may not, under the
21 Constitution and statutes of the United States, be made the
22 subject of taxation by this State.

23 (d) The tax imposed under this Article shall be in addition
24 to all other occupation, privilege, or excise taxes imposed by
25 the State of Illinois or by any municipal corporation or
26 political subdivision thereof.

1 (e) The tax imposed under this Article shall not be imposed
2 on any purchase by a purchaser if the cannabis retailer is
3 prohibited by federal or State Constitution, treaty,
4 convention, statute, or court decision from collecting the tax
5 from the purchaser.

6 (f) Notwithstanding any other provision of law, no special
7 district may levy a tax upon purchasers for the use of
8 cannabis.

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

10 Section 55. The Illinois Vehicle Code is amended by
11 changing Sections 11-502.1 and 11-502.15 as follows:

12 (625 ILCS 5/11-502.1)

13 Sec. 11-502.1. Possession of medical cannabis in a motor
14 vehicle.

15 (a) No driver, who is a medical cannabis cardholder, may
16 use medical cannabis within the passenger area of any motor
17 vehicle upon a highway in this State.

18 (b) No driver, who is a medical cannabis cardholder, a
19 medical cannabis designated caregiver, medical cannabis
20 cultivation center agent, or dispensing organization agent may
21 possess medical cannabis within any area of any motor vehicle
22 upon a highway in this State except in a secured, sealed or
23 resealable, odor-proof, and child-resistant medical cannabis
24 container that is inaccessible.

1 (c) No passenger, who is a medical cannabis card holder, a
2 medical cannabis designated caregiver, or medical cannabis
3 dispensing organization agent may possess medical cannabis
4 within any passenger area of any motor vehicle upon a highway
5 in this State except in a secured, sealed or resealable,
6 odor-proof, and child-resistant medical cannabis container
7 that is inaccessible.

8 (d) Any person who violates subsections (a) through (c) of
9 this Section:

10 (1) commits a Class A misdemeanor;

11 (2) shall be subject to revocation of his or her
12 medical cannabis card for a period of 2 years from the end
13 of the sentence imposed; and

14 (3) ~~(4)~~ shall be subject to revocation of his or her
15 status as a medical cannabis caregiver, medical cannabis
16 cultivation center agent, or medical cannabis dispensing
17 organization agent for a period of 2 years from the end of
18 the sentence imposed.

19 (Source: P.A. 101-27, eff. 6-25-19; revised 8-6-19.)

20 (625 ILCS 5/11-502.15)

21 Sec. 11-502.15. Possession of adult use cannabis in a motor
22 vehicle.

23 (a) No driver may use cannabis within the passenger area of
24 any motor vehicle upon a highway in this State.

25 (b) No driver may possess cannabis within any area of any

1 motor vehicle upon a highway in this State except in a secured,
2 sealed or resealable, odor-proof, child-resistant cannabis
3 container that is inaccessible.

4 (c) No passenger may possess cannabis within any passenger
5 area of any motor vehicle upon a highway in this State except
6 in a secured, sealed or resealable, odor-proof,
7 child-resistant cannabis container that is inaccessible.

8 (d) Any person who knowingly violates subsection (a), (b),
9 or (c) of this Section commits a Class A misdemeanor.

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

11 Section 97. Severability. The provisions of this Act are
12 severable under Section 1.31 of the Statute on Statutes.

13 Section 99. Effective date. This Act takes effect upon
14 becoming law."