

104TH GENERAL ASSEMBLY**State of Illinois****2025 and 2026****HB3682**

Introduced 2/18/2025, by Rep. Bob Morgan

SYNOPSIS AS INTRODUCED:

See Index

Amends the Use Tax Act, the Service Use Tax Act, the Service Occupation Tax Act, and the Retailers' Occupation Tax Act. Provides that, beginning on July 1, 2025, "prescription and nonprescription medicines and drugs" includes cannabis purchased by a qualified registered patient, provisional patient, or designated caregiver from a dispensing organization registered under the Compassionate Use of Medical Cannabis Program Act or the Cannabis Regulation and Tax Act. Amends the Compassionate Use of Medical Cannabis Program Act. Adds, changes, and provides for the repeal of certain definitions. Makes conforming changes to terms in the Act. Sunsets certain provisions on June 30, 2025. Adds references to the Cannabis Regulation and Tax Act, supplanting certain provisions in the Act on July 1, 2025. Provides for repeal of certain provisions on January 1, 2026, subjecting certain activities to the Cannabis Regulation and Tax Act. Repeals certain provisions. Amends the Cannabis Regulation and Tax Act. Adds and changes definitions. Makes conforming changes to terms in the Act. Removes certain references and provides for repeal of certain provisions related to the Compassionate Use of Medical Cannabis Program Act. Makes provisions regarding mergers of certain licenses and medical patient prioritization. Provides for Adult Use Dispensing Organization licensee relocation. Provides for rescission of a conditional license, with certain requirements. Makes changes to provisions regarding Adult Use Dispensing Organization Licenses. Adds to requirements for Responsible Vendor Program Training modules. Adds new prohibitions and exceptions to provisions regarding changes to a dispensing organization. Requires prioritizing qualifying patients, provisional patients, and dedicated caregivers, with certain requirements. Adds certain State agencies and local health officials to provisions regarding investigations. Makes changes to provisions regarding Cultivation Center Licenses. Makes other changes.

LRB104 09747 BDA 19813 b

1 AN ACT concerning health.

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

4 Section 5. The Use Tax Act is amended by changing Section
5 3-10 as follows:

6 (35 ILCS 105/3-10) from Ch. 120, par. 439.33-10

7 Sec. 3-10. Rate of tax. Unless otherwise provided in this
8 Section, the tax imposed by this Act is at the rate of 6.25% of
9 either the selling price or the fair market value, if any, of
10 the tangible personal property, which, on and after January 1,
11 2025, includes leases of tangible personal property. In all
12 cases where property functionally used or consumed is the same
13 as the property that was purchased at retail, then the tax is
14 imposed on the selling price of the property. In all cases
15 where property functionally used or consumed is a by-product
16 or waste product that has been refined, manufactured, or
17 produced from property purchased at retail, then the tax is
18 imposed on the lower of the fair market value, if any, of the
19 specific property so used in this State or on the selling price
20 of the property purchased at retail. For purposes of this
21 Section "fair market value" means the price at which property
22 would change hands between a willing buyer and a willing
23 seller, neither being under any compulsion to buy or sell and

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

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

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

15 With respect to gasohol, the tax imposed by this Act
16 applies to (i) 70% of the proceeds of sales made on or after
17 January 1, 1990, and before July 1, 2003, (ii) 80% of the
18 proceeds of sales made on or after July 1, 2003 and on or
19 before July 1, 2017, (iii) 100% of the proceeds of sales made
20 after July 1, 2017 and prior to January 1, 2024, (iv) 90% of
21 the proceeds of sales made on or after January 1, 2024 and on
22 or before December 31, 2028, and (v) 100% of the proceeds of
23 sales made after December 31, 2028. If, at any time, however,
24 the tax under this Act on sales of gasohol is imposed at the
25 rate of 1.25%, then the tax imposed by this Act applies to 100%
26 of the proceeds of sales of gasohol made during that time.

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

9 With respect to majority blended ethanol fuel, the tax
10 imposed by this Act does not apply to the proceeds of sales
11 made on or after July 1, 2003 and on or before December 31,
12 2028 but applies to 100% of the proceeds of sales made
13 thereafter.

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

1 biodiesel made during that time.

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

9 Until July 1, 2022 and from July 1, 2023 through December
10 31, 2025, with respect to food for human consumption that is to
11 be consumed off the premises where it is sold (other than
12 alcoholic beverages, food consisting of or infused with adult
13 use cannabis, soft drinks, and food that has been prepared for
14 immediate consumption), the tax is imposed at the rate of 1%.
15 Beginning on July 1, 2022 and until July 1, 2023, with respect
16 to food for human consumption that is to be consumed off the
17 premises where it is sold (other than alcoholic beverages,
18 food consisting of or infused with adult use cannabis, soft
19 drinks, and food that has been prepared for immediate
20 consumption), the tax is imposed at the rate of 0%. On and
21 after January 1, 2026, food for human consumption that is to be
22 consumed off the premises where it is sold (other than
23 alcoholic beverages, food consisting of or infused with adult
24 use cannabis, soft drinks, candy, and food that has been
25 prepared for immediate consumption) is exempt from the tax
26 imposed by this Act.

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

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

1 than 50% of vegetable or fruit juice by volume.

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

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

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

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

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

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

14 Beginning on January 1, 2014 (the effective date of Public
15 Act 98-122), and through June 30, 2025, "prescription and
16 nonprescription medicines and drugs" includes medical cannabis
17 purchased from a registered dispensing organization under the
18 Compassionate Use of Medical Cannabis Program Act.

19 Beginning on July 1, 2025, "prescription and
20 nonprescription medicines and drugs" includes cannabis
21 purchased by a qualified registered patient, provisional
22 patient, or designated caregiver from a dispensing
23 organization registered under the Compassionate Use of Medical
24 Cannabis Program Act or the Cannabis Regulation and Tax Act.

25 As used in this Section through June 30, 2025,, "adult use
26 cannabis" means cannabis subject to tax under the Cannabis

1 Cultivation Privilege Tax Law and the Cannabis Purchaser
2 Excise Tax Law and does not include cannabis subject to tax
3 under the Compassionate Use of Medical Cannabis Program Act.

4 Beginning July 1, 2025, as used in this Section, "adult
5 use cannabis" means cannabis subject to tax under the Cannabis
6 Cultivation Privilege Tax Law and the Cannabis Purchaser
7 Excise Tax Law and does not include cannabis purchased by a
8 qualified registered patient, provisional patient, or
9 designated caregiver.

10 If the property that is purchased at retail from a
11 retailer is acquired outside Illinois and used outside
12 Illinois before being brought to Illinois for use here and is
13 taxable under this Act, the "selling price" on which the tax is
14 computed shall be reduced by an amount that represents a
15 reasonable allowance for depreciation for the period of prior
16 out-of-state use. No depreciation is allowed in cases where
17 the tax under this Act is imposed on lease receipts.

18 (Source: P.A. 102-4, eff. 4-27-21; 102-700, Article 20,
19 Section 20-5, eff. 4-19-22; 102-700, Article 60, Section
20 60-15, eff. 4-19-22; 102-700, Article 65, Section 65-5, eff.
21 4-19-22; 103-9, eff. 6-7-23; 103-154, eff. 6-30-23; 103-592,
22 eff. 1-1-25; 103-781, eff. 8-5-24; revised 11-26-24.)

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

1 (35 ILCS 110/3-10) (from Ch. 120, par. 439.33-10)

2 Sec. 3-10. Rate of tax. Unless otherwise provided in this
3 Section, the tax imposed by this Act is at the rate of 6.25% of
4 the selling price of tangible personal property transferred,
5 including, on and after January 1, 2025, transferred by lease,
6 as an incident to the sale of service, but, for the purpose of
7 computing this tax, in no event shall the selling price be less
8 than the cost price of the property to the serviceman.

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

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

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

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

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

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

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

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

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

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

6 Until July 1, 2022 and from July 1, 2023 through December
7 31, 2025, the tax shall be imposed at the rate of 1% on food
8 prepared for immediate consumption and transferred incident to
9 a sale of service subject to this Act or the Service Occupation
10 Tax Act by an entity licensed under the Hospital Licensing
11 Act, the Nursing Home Care Act, the Assisted Living and Shared
12 Housing Act, the ID/DD Community Care Act, the MC/DD Act, the
13 Specialized Mental Health Rehabilitation Act of 2013, or the
14 Child Care Act of 1969, or an entity that holds a permit issued
15 pursuant to the Life Care Facilities Act. Until July 1, 2022
16 and from July 1, 2023 through December 31, 2025, the tax shall
17 also be imposed at the rate of 1% on food for human consumption
18 that is to be consumed off the premises where it is sold (other
19 than alcoholic beverages, food consisting of or infused with
20 adult use cannabis, soft drinks, and food that has been
21 prepared for immediate consumption and is not otherwise
22 included in this paragraph).

23 Beginning on July 1, 2022 and until July 1, 2023, the tax
24 shall be imposed at the rate of 0% on food prepared for
25 immediate consumption and transferred incident to a sale of
26 service subject to this Act or the Service Occupation Tax Act

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

14 On and ~~on~~ after January 1, 2026, food prepared for
15 immediate consumption and transferred incident to a sale of
16 service subject to this Act or the Service Occupation Tax Act
17 by an entity licensed under the Hospital Licensing Act, the
18 Nursing Home Care Act, the Assisted Living and Shared Housing
19 Act, the ID/DD Community Care Act, the MC/DD Act, the
20 Specialized Mental Health Rehabilitation Act of 2013, or the
21 Child Care Act of 1969, or by an entity that holds a permit
22 issued pursuant to the Life Care Facilities Act is exempt from
23 the tax under this Act. On and after January 1, 2026, food for
24 human consumption that is to be consumed off the premises
25 where it is sold (other than alcoholic beverages, food
26 consisting of or infused with adult use cannabis, soft drinks,

1 candy, and food that has been prepared for immediate
2 consumption and is not otherwise included in this paragraph)
3 is exempt from the tax under this Act.

4 The tax shall be imposed at the rate of 1% on prescription
5 and nonprescription medicines, drugs, medical appliances,
6 products classified as Class III medical devices by the United
7 States Food and Drug Administration that are used for cancer
8 treatment pursuant to a prescription, as well as any
9 accessories and components related to those devices,
10 modifications to a motor vehicle for the purpose of rendering
11 it usable by a person with a disability, and insulin, blood
12 sugar testing materials, syringes, and needles used by human
13 diabetics. For the purposes of this Section, until September
14 1, 2009: the term "soft drinks" means any complete, finished,
15 ready-to-use, non-alcoholic drink, whether carbonated or not,
16 including, but not limited to, soda water, cola, fruit juice,
17 vegetable juice, carbonated water, and all other preparations
18 commonly known as soft drinks of whatever kind or description
19 that are contained in any closed or sealed bottle, can,
20 carton, or container, regardless of size; but "soft drinks"
21 does not include coffee, tea, non-carbonated water, infant
22 formula, milk or milk products as defined in the Grade A
23 Pasteurized Milk and Milk Products Act, or drinks containing
24 50% or more natural fruit or vegetable juice.

25 Notwithstanding any other provisions of this Act,
26 beginning September 1, 2009, "soft drinks" means non-alcoholic

1 beverages that contain natural or artificial sweeteners. "Soft
2 drinks" does not include beverages that contain milk or milk
3 products, soy, rice or similar milk substitutes, or greater
4 than 50% of vegetable or fruit juice by volume.

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

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

26 Notwithstanding any other provisions of this Act,

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

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

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

17 Beginning on January 1, 2014 (the effective date of Public
18 Act 98-122), and through June 30, 2025, "prescription and
19 nonprescription medicines and drugs" includes medical cannabis
20 purchased from a registered dispensing organization under the
21 Compassionate Use of Medical Cannabis Program Act.

22 Beginning on July 1, 2025, "prescription and
23 nonprescription medicines and drugs" includes cannabis
24 purchased by a qualified registered patient, provisional
25 patient, or designated caregiver from a dispensing
26 organization registered under the Compassionate Use of Medical

1 Cannabis Program Act or the Cannabis Regulation and Tax Act.

2 As used in this Section, through June 30,2025, "adult use
3 cannabis" means cannabis subject to tax under the Cannabis
4 Cultivation Privilege Tax Law and the Cannabis Purchaser
5 Excise Tax Law and does not include cannabis subject to tax
6 under the Compassionate Use of Medical Cannabis Program Act.

7 Beginning July 1, 2025, as used in this Section, "adult
8 use cannabis" means cannabis subject to tax under the Cannabis
9 Cultivation Privilege Tax Law and the Cannabis Purchaser
10 Excise Tax Law and does not include cannabis purchased by a
11 qualified registered patient, provisional patient, or
12 designated caregiver.

13 If the property that is acquired from a serviceman is
14 acquired outside Illinois and used outside Illinois before
15 being brought to Illinois for use here and is taxable under
16 this Act, the "selling price" on which the tax is computed
17 shall be reduced by an amount that represents a reasonable
18 allowance for depreciation for the period of prior
19 out-of-state use. No depreciation is allowed in cases where
20 the tax under this Act is imposed on lease receipts.

21 (Source: P.A. 102-4, eff. 4-27-21; 102-16, eff. 6-17-21;
22 102-700, Article 20, Section 20-10, eff. 4-19-22; 102-700,
23 Article 60, Section 60-20, eff. 4-19-22; 103-9, eff. 6-7-23;
24 103-154, eff. 6-30-23; 103-592, eff. 1-1-25; 103-781, eff.
25 8-5-24; revised 11-26-24.)

1 Section 15. The Service Occupation Tax Act is amended by
2 changing Section 3-10 as follows:

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

4 Sec. 3-10. Rate of tax. Unless otherwise provided in this
5 Section, the tax imposed by this Act is at the rate of 6.25% of
6 the "selling price", as defined in Section 2 of the Service Use
7 Tax Act, of the tangible personal property, including, on and
8 after January 1, 2025, tangible personal property transferred
9 by lease. For the purpose of computing this tax, in no event
10 shall the "selling price" be less than the cost price to the
11 serviceman of the tangible personal property transferred. The
12 selling price of each item of tangible personal property
13 transferred as an incident of a sale of service may be shown as
14 a distinct and separate item on the serviceman's billing to
15 the service customer. If the selling price is not so shown, the
16 selling price of the tangible personal property is deemed to
17 be 50% of the serviceman's entire billing to the service
18 customer. When, however, a serviceman contracts to design,
19 develop, and produce special order machinery or equipment, the
20 tax imposed by this Act shall be based on the serviceman's cost
21 price of the tangible personal property transferred incident
22 to the completion of the contract.

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

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

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

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

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

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

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

1 and no more than 10% biodiesel made during that time.

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

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

22 Until July 1, 2022 and from July 1, 2023 through December
23 31, 2025, the tax shall be imposed at the rate of 1% on food
24 prepared for immediate consumption and transferred incident to
25 a sale of service subject to this Act or the Service Use Tax
26 Act by an entity licensed under the Hospital Licensing Act,

1 the Nursing Home Care Act, the Assisted Living and Shared
2 Housing Act, the ID/DD Community Care Act, the MC/DD Act, the
3 Specialized Mental Health Rehabilitation Act of 2013, or the
4 Child Care Act of 1969, or an entity that holds a permit issued
5 pursuant to the Life Care Facilities Act. Until July 1, 2022
6 and from July 1, 2023 through December 31, 2025, the tax shall
7 also be imposed at the rate of 1% on food for human consumption
8 that is to be consumed off the premises where it is sold (other
9 than alcoholic beverages, food consisting of or infused with
10 adult use cannabis, soft drinks, and food that has been
11 prepared for immediate consumption and is not otherwise
12 included in this paragraph).

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

1 drinks, and food that has been prepared for immediate
2 consumption and is not otherwise included in this paragraph).

3 On and after January 1, 2026, food prepared for immediate
4 consumption and transferred incident to a sale of service
5 subject to this Act or the Service Use Tax Act by an entity
6 licensed under the Hospital Licensing Act, the Nursing Home
7 Care Act, the Assisted Living and Shared Housing Act, the
8 ID/DD Community Care Act, the MC/DD Act, the Specialized
9 Mental Health Rehabilitation Act of 2013, or the Child Care
10 Act of 1969, or an entity that holds a permit issued pursuant
11 to the Life Care Facilities Act is exempt from the tax imposed
12 by this Act. On and after January 1, 2026, food for human
13 consumption that is to be consumed off the premises where it is
14 sold (other than alcoholic beverages, food consisting of or
15 infused with adult use cannabis, soft drinks, candy, and food
16 that has been prepared for immediate consumption and is not
17 otherwise included in this paragraph) is exempt from the tax
18 imposed by this Act.

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

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

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

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

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

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

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

1 label includes:

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

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

6 Beginning on January 1, 2014 and through June 30, 2025,
7 (the effective date of Public Act 98-122), "prescription and
8 nonprescription medicines and drugs" includes medical cannabis
9 purchased from a registered dispensing organization under the
10 Compassionate Use of Medical Cannabis Program Act.

11 Beginning on July 1, 2025, "prescription and
12 nonprescription medicines and drugs" includes cannabis
13 purchased by a qualified registered patient, provisional
14 patient, or designated caregiver from a dispensing
15 organization registered under the Compassionate Use of Medical
16 Cannabis Program Act or the Cannabis Regulation and Tax Act.

17 As used in this Section, and through June 30, 2025, "adult
18 use cannabis" means cannabis subject to tax under the Cannabis
19 Cultivation Privilege Tax Law and the Cannabis Purchaser
20 Excise Tax Law and does not include cannabis subject to tax
21 under the Compassionate Use of Medical Cannabis Program Act.

22 Beginning July 1, 2025, as used in this Section, "adult
23 use cannabis" means cannabis subject to tax under the Cannabis
24 Cultivation Privilege Tax Law and the Cannabis Purchaser
25 Excise Tax Law and does not include cannabis purchased by a
26 qualified registered patient, provisional patient, or

1 designated caregiver.

2 (Source: P.A. 102-4, eff. 4-27-21; 102-16, eff. 6-17-21;
3 102-700, Article 20, Section 20-15, eff. 4-19-22; 102-700,
4 Article 60, Section 60-25, eff. 4-19-22; 103-9, eff. 6-7-23;
5 103-154, eff. 6-30-23; 103-592, eff. 1-1-25; 103-781, eff.
6 8-5-24; revised 11-26-24.)

7 Section 20. The Retailers' Occupation Tax Act is amended
8 by changing Section 2-10 as follows:

9 (35 ILCS 120/2-10) from Ch. 120, par. 441-10

10 Sec. 2-10. Rate of tax. Unless otherwise provided in this
11 Section, the tax imposed by this Act is at the rate of 6.25% of
12 gross receipts from sales, which, on and after January 1,
13 2025, includes leases, of tangible personal property made in
14 the course of business.

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

19 Beginning on August 6, 2010 through August 15, 2010, and
20 beginning again on August 5, 2022 through August 14, 2022,
21 with respect to sales tax holiday items as defined in Section
22 2-8 of this Act, the tax is imposed at the rate of 1.25%.

23 Within 14 days after July 1, 2000 (the effective date of
24 Public Act 91-872), each retailer of motor fuel and gasohol

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

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

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

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

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

1 of 1.25%, then the tax imposed by this Act applies to 100% of
2 the proceeds of sales of biodiesel blends with no less than 1%
3 and no more than 10% biodiesel made during that time.

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

12 Until July 1, 2022 and from July 1, 2023 through December
13 31, 2025, with respect to food for human consumption that is to
14 be consumed off the premises where it is sold (other than
15 alcoholic beverages, food consisting of or infused with adult
16 use cannabis, soft drinks, and food that has been prepared for
17 immediate consumption), the tax is imposed at the rate of 1%.
18 Beginning July 1, 2022 and until July 1, 2023, with respect to
19 food for human consumption that is to be consumed off the
20 premises where it is sold (other than alcoholic beverages,
21 food consisting of or infused with adult use cannabis, soft
22 drinks, and food that has been prepared for immediate
23 consumption), the tax is imposed at the rate of 0%. On and
24 after January 1, 2026, food for human consumption that is to be
25 consumed off the premises where it is sold (other than
26 alcoholic beverages, food consisting of or infused with adult

1 use cannabis, soft drinks, candy, and food that has been
2 prepared for immediate consumption) is exempt from the tax
3 imposed by this Act.

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

25 Notwithstanding any other provisions of this Act,
26 beginning September 1, 2009, "soft drinks" means non-alcoholic

1 beverages that contain natural or artificial sweeteners. "Soft
2 drinks" does not include beverages that contain milk or milk
3 products, soy, rice or similar milk substitutes, or greater
4 than 50% of vegetable or fruit juice by volume.

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

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

26 Notwithstanding any other provisions of this Act,

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

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

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

17 Beginning on January 1, 2014 (the effective date of Public
18 Act 98-122), and through June 30, 2025, "prescription and
19 nonprescription medicines and drugs" includes medical cannabis
20 purchased from a registered dispensing organization under the
21 Compassionate Use of Medical Cannabis Program Act.

22 Beginning on July 1, 2025, "prescription and
23 nonprescription medicines and drugs" includes cannabis
24 purchased by a qualified registered patient, provisional
25 patient, or designated caregiver from a dispensing
26 organization registered under the Compassionate Use of Medical

1 Cannabis Program Act or the Cannabis Regulation and Tax Act.

2 As used in this Section, and through June 30, 2025, "adult
3 use cannabis" means cannabis subject to tax under the Cannabis
4 Cultivation Privilege Tax Law and the Cannabis Purchaser
5 Excise Tax Law and does not include cannabis subject to tax
6 under the Compassionate Use of Medical Cannabis Program Act.

7 Beginning July 1, 2025, as used in this Section, "adult
8 use cannabis" means cannabis subject to tax under the Cannabis
9 Cultivation Privilege Tax Law and the Cannabis Purchaser
10 Excise Tax Law and does not include cannabis purchased by a
11 qualified registered patient, provisional patient, or
12 designated caregiver.

13 (Source: P.A. 102-4, eff. 4-27-21; 102-700, Article 20,
14 Section 20-20, eff. 4-19-22; 102-700, Article 60, Section
15 60-30, eff. 4-19-22; 102-700, Article 65, Section 65-10, eff.
16 4-19-22; 103-9, eff. 6-7-23; 103-154, eff. 6-30-23; 103-592,
17 eff. 1-1-25; 103-781, eff. 8-5-24; revised 11-26-24.)

18 Section 25. The Compassionate Use of Medical Cannabis
19 Program Act is amended by changing Sections 7, 10, 15, 25, 30,
20 35, 57, 60, 70, 75, 85, 90, 95, 100, 105, 110, 115, 120, 125,
21 130, 140, 150, 180, 200, 205, and 210 as follows:

22 (410 ILCS 130/7)

23 Sec. 7. Lawful user and lawful products. For the purposes
24 of this Act and to clarify the legislative findings on the

1 lawful use of cannabis:

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

6 (2) All ~~medical~~ cannabis products purchased by a
7 qualifying patient, provisional patient, or designated
8 caregiver at a licensed dispensing organization shall be
9 lawful products ~~and a distinction shall be made between~~
10 ~~medical and non medical uses of cannabis as a result of~~
11 ~~the qualifying patient's cardholder status, provisional~~
12 ~~registration for qualifying patient cardholder status, or~~
13 ~~participation in the Opioid Alternative Pilot Program~~
14 ~~under the authorized use granted under State law.~~

15 (3) An individual with a provisional registration for
16 qualifying patient cardholder status, a qualifying patient
17 in the Compassionate Use of Medical Cannabis Program, or
18 an Opioid Alternative Pilot Program participant under
19 Section 62 shall not be considered an unlawful user or
20 addicted to narcotics solely as a result of his or her
21 application to or participation in the program.

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

23 (410 ILCS 130/10)

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

1 (a) "Adequate medical supply" means:

2 (1) 2.5 ounces of usable cannabis during a period of
3 14 days and that is derived solely from an intrastate
4 source.

5 (2) Subject to the rules of the Department of Public
6 Health, a patient may apply for a waiver where a
7 certifying health care professional provides a substantial
8 medical basis in a signed, written statement asserting
9 that, based on the patient's medical history, in the
10 certifying health care professional's professional
11 judgment, 2.5 ounces is an insufficient adequate medical
12 supply for a 14-day period to properly alleviate the
13 patient's debilitating medical condition or symptoms
14 associated with the debilitating medical condition.

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

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

22 (a-5) "Advanced practice registered nurse" means a person
23 who is licensed under the Nurse Practice Act as an advanced
24 practice registered nurse and has a controlled substances
25 license under Article III of the Illinois Controlled
26 Substances Act.

1 (b) "Cannabis" has the same meaning given to that term in
2 Section 1-10 ~~3~~ of the Cannabis Regulation and Tax ~~Control~~ Act.

3 (b-5) "Cannabis business establishment" has the same
4 meaning given to that term in Section 1-10 of the Cannabis
5 Regulation and Tax Act.

6 (c) "Cannabis plant monitoring system" means a system that
7 includes, but is not limited to, testing and data collection
8 established and maintained by the registered cultivation
9 center and available to the Department for the purposes of
10 documenting each cannabis plant and for monitoring plant
11 development throughout the life cycle of a cannabis plant
12 cultivated for the intended use by a qualifying patient from
13 seed planting to final packaging.

14 (d) "Cardholder" means a qualifying patient, provisional
15 patient, or a designated caregiver who has been issued and
16 possesses a valid registry identification card by the
17 Department of Public Health.

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

21 (e) "Cultivation center" means a facility operated by an
22 organization or business that is registered by the Department
23 of Agriculture to perform necessary activities to provide only
24 registered medical cannabis dispensing organizations with
25 usable medical cannabis. Beginning July 1, 2025, cultivation
26 centers registered under this Act are subject to regulation

1 exclusively as a cultivation center under the Cannabis
2 Regulation and Tax Act. Cultivation center registrations under
3 this Act shall not be renewed after July 1, 2025.

4 (f) "Cultivation center agent" means a principal officer,
5 board member, employee, or agent of a registered cultivation
6 center who is 21 years of age. This paragraph shall be repealed
7 on January 1, 2026 ~~or older and has not been convicted of an~~
8 ~~excluded offense.~~

9 (g) "Cultivation center agent identification card" means a
10 document issued by the Department of Agriculture that
11 identifies a person as a cultivation center agent. This
12 paragraph shall be repealed on January 1, 2026.

13 (h) "Debilitating medical condition" means one or more of
14 the following:

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

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

16 (1.5) terminal illness with a diagnosis of 6 months or
17 less; if the terminal illness is not one of the qualifying
18 debilitating medical conditions, then the certifying
19 health care professional shall on the certification form
20 identify the cause of the terminal illness; or

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

24 (i) "Designated caregiver" means a person who: (1) is at
25 least 21 years of age; (2) has agreed to assist with a
26 patient's medical use of cannabis; ~~(3) has not been convicted~~

1 ~~of an excluded offense;~~ and (3) ~~(4)~~ assists no more than one
2 registered qualifying patient with his or her medical use of
3 cannabis. Beginning July 1, 2025, a designated caregiver
4 registered under this Act may perform the designated
5 caregiver's duties at any dispensary licensed by the
6 Department of Financial and Professional Regulation under the
7 Cannabis Regulation and Tax Act.

8 (j) "Dispensing organization agent identification card"
9 means a document issued by the Department of Financial and
10 Professional Regulation that identifies a person as a medical
11 cannabis dispensing organization agent. This definition shall
12 be repealed on January 1, 2026.

13 (k) "Enclosed, locked facility" means a room, greenhouse,
14 building, or other enclosed area equipped with locks or other
15 security devices that permit access only by a cultivation
16 center's agents or a dispensing organization's agent working
17 for the registered cultivation center or the registered
18 dispensing organization to cultivate, store, and distribute
19 cannabis for registered qualifying patients. This definition
20 shall be repealed on January 1, 2026.

21 (l) (Blank). ~~"Excluded offense" for cultivation center~~
22 ~~agents and dispensing organizations means:~~

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

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

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

~~(1-5) (Blank).~~

(1-10) "Illinois Cannabis Tracking System" means a web-based system established and maintained by the Department of Public Health that is available to the Department of Agriculture, the Department of Financial and Professional Regulation, the Illinois State Police, and registered medical cannabis dispensing organizations on a 24-hour basis to upload written certifications for Opioid Alternative Pilot Program participants, to verify Opioid Alternative Pilot Program participants, to verify Opioid Alternative Pilot Program

1 participants' available cannabis allotment ~~and assigned~~
2 ~~dispensary~~, and the tracking of the date of sale, amount, and
3 price of medical cannabis purchased by an Opioid Alternative
4 Pilot Program participant.

5 (m) "Medical cannabis cultivation center registration"
6 means a registration issued by the Department of Agriculture.
7 This definition shall be repealed on January 1, 2026.

8 (n) "Medical cannabis container" means a sealed,
9 traceable, food compliant, tamper resistant, tamper evident
10 container, or package used for the purpose of containment of
11 medical cannabis from a cultivation center to a dispensing
12 organization. This definition shall be repealed on January 1,
13 2026.

14 (o) "Medical cannabis dispensing organization", or
15 "dispensing organization", or "dispensary organization",
16 through June 30, 2025, means a facility operated by an
17 organization or business that is registered by the Department
18 of Financial and Professional Regulation to acquire medical
19 cannabis from a registered cultivation center for the purpose
20 of dispensing cannabis, paraphernalia, or related supplies and
21 educational materials to registered qualifying patients,
22 individuals with a provisional registration for qualifying
23 patient cardholder status, or an Opioid Alternative Pilot
24 Program participant. Beginning July 1, 2025, medical cannabis
25 dispensing organizations licensed under this Act are subject
26 to regulation as a dispensary under the Cannabis Regulation

1 and Tax Act.

2 (p) "Medical cannabis dispensing organization agent" or
3 "dispensing organization agent" means a principal officer,
4 board member, employee, or agent of a registered medical
5 cannabis dispensing organization who is 21 years of age or
6 older and has not been convicted of an excluded offense.
7 Beginning July 1, 2025, medical cannabis dispensing
8 organization agents licensed under this Act are subject to
9 regulation as a dispensary organization agent under the
10 Cannabis Regulation and Tax Act.

11 (q) "Medical cannabis infused product" means food, oils,
12 ointments, or other products containing usable cannabis that
13 are not smoked.

14 (r) "Medical use" means the acquisition; administration;
15 delivery; possession; transfer; transportation; or use of
16 cannabis to treat or alleviate a registered qualifying
17 patient's debilitating medical condition or symptoms
18 associated with the patient's debilitating medical condition.

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

23 (r-10) "Opioid Alternative Pilot Program participant"
24 means an individual who has received a valid written
25 certification to participate in the Opioid Alternative Pilot
26 Program for a medical condition for which an opioid has been or

1 could be prescribed by a certifying health care professional
2 based on generally accepted standards of care.

3 (s) "Physician" means a doctor of medicine or doctor of
4 osteopathy licensed under the Medical Practice Act of 1987 to
5 practice medicine and who has a controlled substances license
6 under Article III of the Illinois Controlled Substances Act.
7 It does not include a licensed practitioner under any other
8 Act including but not limited to the Illinois Dental Practice
9 Act.

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

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

20 (s-10) "Provisional patient" means a qualifying patient
21 who has received a provisional registration from the
22 Department of Public Health.

23 (t) "Qualifying patient" or "registered qualifying
24 patient" means a person who has been diagnosed by a certifying
25 health care professional as having a debilitating medical
26 condition.

1 (u) "Registered" means licensed, permitted, or otherwise
2 certified by the Department of Agriculture, Department of
3 Public Health, or Department of Financial and Professional
4 Regulation.

5 (v) "Registry identification card" means a document issued
6 by the Department of Public Health that identifies a person as
7 a registered qualifying patient, provisional patient, or
8 registered designated caregiver.

9 (w) "Usable cannabis" means the seeds, leaves, buds, and
10 flowers of the cannabis plant and any mixture or preparation
11 thereof, but does not include the stalks, and roots of the
12 plant. It does not include the weight of any non-cannabis
13 ingredients combined with cannabis, such as ingredients added
14 to prepare a topical administration, food, or drink.

15 (x) "Verification system" means a Web-based system
16 established and maintained by the Department of Public Health
17 that is available to the Department of Agriculture, the
18 Department of Financial and Professional Regulation, law
19 enforcement personnel, and registered medical cannabis
20 dispensing organization agents on a 24-hour basis for the
21 verification of registry identification cards, the tracking of
22 delivery of medical cannabis to medical cannabis dispensing
23 organizations, and the tracking of the date of sale, amount,
24 and price of medical cannabis purchased by a registered
25 qualifying patient.

26 (y) "Written certification" means a document dated and

1 signed by a certifying health care professional, stating (1)
2 that the qualifying patient has a debilitating medical
3 condition and specifying the debilitating medical condition
4 the qualifying patient has; and (2) that (A) the certifying
5 health care professional is treating or managing treatment of
6 the patient's debilitating medical condition; or (B) an Opioid
7 Alternative Pilot Program participant has a medical condition
8 for which opioids have been or could be prescribed. A written
9 certification shall be made only in the course of a bona fide
10 health care professional-patient relationship, after the
11 certifying health care professional has completed an
12 assessment of either a qualifying patient's medical history or
13 Opioid Alternative Pilot Program participant, reviewed
14 relevant records related to the patient's debilitating
15 condition, and conducted a physical examination.

16 (z) "Bona fide health care professional-patient
17 relationship" means a relationship established at a hospital,
18 certifying health care professional's office, or other health
19 care facility in which the certifying health care professional
20 has an ongoing responsibility for the assessment, care, and
21 treatment of a patient's debilitating medical condition or a
22 symptom of the patient's debilitating medical condition.

23 A veteran who has received treatment at a VA hospital
24 shall be deemed to have a bona fide health care
25 professional-patient relationship with a VA certifying health
26 care professional if the patient has been seen for his or her

1 debilitating medical condition at the VA Hospital in
2 accordance with VA Hospital protocols.

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

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

7 (410 ILCS 130/15)

8 Sec. 15. Authority.

9 (a) It is the duty of the Department of Public Health to
10 enforce the following provisions of this Act unless otherwise
11 provided for by this Act:

12 (1) establish and maintain a confidential registry of
13 qualifying patients authorized to engage in the medical
14 use of cannabis and their caregivers;

15 (2) distribute educational materials about the health
16 benefits and risks associated with the use of cannabis and
17 prescription medications;

18 (3) adopt rules to administer the patient and
19 caregiver registration program; and

20 (4) adopt rules establishing food handling
21 requirements for cannabis-infused products that are
22 prepared for human consumption.

23 (b) Through July 1, 2025, it ~~it~~ is the duty of the
24 Department of Agriculture to enforce the provisions of this
25 Act relating to the registration and oversight of cultivation

1 centers unless otherwise provided for in this Act.

2 (c) Through July 1, 2025, it ~~it~~ is the duty of the
3 Department of Financial and Professional Regulation to enforce
4 the provisions of this Act relating to the registration and
5 oversight of dispensing organizations unless otherwise
6 provided for in this Act.

7 (d) Through July 1, 2025, the ~~The~~ Department of Public
8 Health, the Department of Agriculture, or the Department of
9 Financial and Professional Regulation shall enter into
10 intergovernmental agreements, as necessary, to carry out the
11 provisions of this Act including, but not limited to, the
12 provisions relating to the registration and oversight of
13 cultivation centers, dispensing organizations, and qualifying
14 patients and caregivers. Beginning July 1, 2025, the
15 Department of Public Health may enter into intergovernmental
16 agreements, as necessary, to carry out the provisions of this
17 Act, including, but not limited to, the provisions relating to
18 qualifying patients and caregivers.

19 (e) The Department of Public Health, the Department of
20 Agriculture through July 1, 2025, or the Department of
21 Financial and Professional Regulation through July 1, 2025 may
22 suspend, revoke, or impose other penalties upon a registration
23 for violations of this Act and any rules adopted in accordance
24 thereto. The suspension or revocation of, or imposition of any
25 other penalty upon, a registration is a final Agency action,
26 subject to judicial review. Jurisdiction and venue for

1 judicial review are vested in the Circuit Court.

2 (Source: P.A. 98-122, eff. 1-1-14; 98-1172, eff. 1-12-15;
3 99-519, eff. 6-30-16.)

4 (410 ILCS 130/25)

5 Sec. 25. Immunities and presumptions related to the
6 medical use of cannabis.

7 (a) A registered qualifying patient is not subject to
8 arrest, prosecution, or denial of any right or privilege,
9 including, but not limited to, civil penalty or disciplinary
10 action by an occupational or professional licensing board, for
11 the medical use of cannabis in accordance with this Act, if the
12 registered qualifying patient possesses an amount of cannabis
13 that does not exceed an adequate medical supply as defined in
14 subsection (a) of Section 10 of this Act of usable cannabis
15 and, where the registered qualifying patient is a licensed
16 professional, the use of cannabis does not impair that
17 licensed professional when he or she is engaged in the
18 practice of the profession for which he or she is licensed.

19 (b) A registered designated caregiver is not subject to
20 arrest, prosecution, or denial of any right or privilege,
21 including, but not limited to, civil penalty or disciplinary
22 action by an occupational or professional licensing board, for
23 acting in accordance with this Act to assist a registered
24 qualifying patient to whom he or she is connected through the
25 Department's registration process with the medical use of

1 cannabis if the designated caregiver possesses an amount of
2 cannabis that does not exceed an adequate medical supply as
3 defined in subsection (a) of Section 10 of this Act of usable
4 cannabis. A school nurse or school administrator is not
5 subject to arrest, prosecution, or denial of any right or
6 privilege, including, but not limited to, a civil penalty, for
7 acting in accordance with Section 22-33 of the School Code
8 relating to administering or assisting a student in
9 self-administering a medical cannabis infused product. The
10 total amount possessed between the qualifying patient and
11 caregiver shall not exceed the patient's adequate supply as
12 defined in subsection (a) of Section 10 of this Act.

13 (c) A registered qualifying patient or registered
14 designated caregiver is not subject to arrest, prosecution, or
15 denial of any right or privilege, including, but not limited
16 to, civil penalty or disciplinary action by an occupational or
17 professional licensing board for possession of cannabis that
18 is incidental to medical use, but is not usable cannabis as
19 defined in this Act.

20 (d) (1) There is a rebuttable presumption that a registered
21 qualifying patient is engaged in, or a designated caregiver is
22 assisting with, the medical use of cannabis in accordance with
23 this Act if the qualifying patient or designated caregiver:

24 (A) is in possession of a valid registry
25 identification card; and

26 (B) is in possession of an amount of cannabis that

1 does not exceed the amount allowed under subsection (a) of
2 Section 10.

3 (2) The presumption may be rebutted by evidence that
4 conduct related to cannabis was not for the purpose of
5 treating or alleviating the qualifying patient's debilitating
6 medical condition or symptoms associated with the debilitating
7 medical condition in compliance with this Act.

8 (e) A certifying health care professional is not subject
9 to arrest, prosecution, or penalty in any manner, or denial of
10 any right or privilege, including, but not limited to, civil
11 penalty or disciplinary action by the Medical Disciplinary
12 Board or by any other occupational or professional licensing
13 board, solely for providing written certifications or for
14 otherwise stating that, in the certifying health care
15 professional's professional opinion, a patient is likely to
16 receive therapeutic or palliative benefit from the medical use
17 of cannabis to treat or alleviate the patient's debilitating
18 medical condition or symptoms associated with the debilitating
19 medical condition, provided that nothing shall prevent a
20 professional licensing or disciplinary board from sanctioning
21 a certifying health care professional for: (1) issuing a
22 written certification to a patient who is not under the
23 certifying health care professional's care for a debilitating
24 medical condition; or (2) failing to properly evaluate a
25 patient's medical condition or otherwise violating the
26 standard of care for evaluating medical conditions.

1 (f) No person may be subject to arrest, prosecution, or
2 denial of any right or privilege, including, but not limited
3 to, civil penalty or disciplinary action by an occupational or
4 professional licensing board, solely for: (1) selling cannabis
5 paraphernalia to a cardholder upon presentation of an
6 unexpired registry identification card in the recipient's
7 name, if employed and registered as a dispensing agent by a
8 registered dispensing organization; (2) being in the presence
9 or vicinity of the medical use of cannabis as allowed under
10 this Act; or (3) assisting a registered qualifying patient
11 with the act of administering cannabis.

12 (g) A registered cultivation center is not subject to
13 prosecution; search or inspection, except by the Department of
14 Agriculture, Department of Public Health, or State or local
15 law enforcement under Section 130; seizure; or penalty in any
16 manner, or denial of any right or privilege, including, but
17 not limited to, civil penalty or disciplinary action by a
18 business licensing board or entity, for acting under this Act
19 and Department of Agriculture rules to: acquire, possess,
20 cultivate, manufacture, deliver, transfer, transport, supply,
21 or sell cannabis to registered dispensing organizations. This
22 subsection does not apply to events occurring on and after
23 July 1, 2025; however, the authority granted in this
24 subsection remains in force and effect for events occurring on
25 or before June 30, 2025.

26 (h) A registered cultivation center agent is not subject

1 to prosecution, search, or penalty in any manner, or denial of
2 any right or privilege, including, but not limited to, civil
3 penalty or disciplinary action by a business licensing board
4 or entity, for working or volunteering for a registered
5 cannabis cultivation center under this Act and Department of
6 Agriculture rules, including to perform the actions listed
7 under subsection (g). This subsection does not apply to events
8 occurring on and after July 1, 2025; however, the authority
9 granted in this subsection remains in force and effect for
10 events occurring on or before June 30, 2025.

11 (i) A registered dispensing organization is not subject to
12 prosecution; search or inspection, except by the Department of
13 Financial and Professional Regulation or State or local law
14 enforcement pursuant to Section 130; seizure; or penalty in
15 any manner, or denial of any right or privilege, including,
16 but not limited to, civil penalty or disciplinary action by a
17 business licensing board or entity, for acting under this Act
18 and Department of Financial and Professional Regulation rules
19 to: acquire, possess, or dispense cannabis, or related
20 supplies, and educational materials to registered qualifying
21 patients or registered designated caregivers on behalf of
22 registered qualifying patients. This subsection does not apply
23 to events occurring on and after July 1, 2025; however, the
24 authority granted in this subsection remains in force and
25 effect for events occurring on or before June 30, 2025.

26 (j) A registered dispensing organization agent is not

1 subject to prosecution, search, or penalty in any manner, or
2 denial of any right or privilege, including, but not limited
3 to, civil penalty or disciplinary action by a business
4 licensing board or entity, for working or volunteering for a
5 dispensing organization under this Act and Department of
6 Financial and Professional Regulation rules, including to
7 perform the actions listed under subsection (i). This
8 subsection does not apply to events occurring on and after
9 July 1, 2025; however, the authority granted in this
10 subsection remains in force and effect for events occurring on
11 or before June 30, 2025.

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

23 (l) Mere possession of, or application for, a registry
24 identification card or registration certificate does not
25 constitute probable cause or reasonable suspicion, nor shall
26 it be used as the sole basis to support the search of the

1 person, property, or home of the person possessing or applying
2 for the registry identification card. The possession of, or
3 application for, a registry identification card does not
4 preclude the existence of probable cause if probable cause
5 exists on other grounds.

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

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

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

25 (p) No law enforcement or correctional agency, nor any
26 individual employed by a law enforcement or correctional

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

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

11 (410 ILCS 130/30)

12 Sec. 30. Limitations and penalties.

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

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

19 (2) Possessing cannabis:

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

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

25 (C) in any correctional facility;

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

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

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

10 (3) Using cannabis:

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

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

16 (C) in any correctional facility;

17 (D) in any motor vehicle;

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

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

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

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

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

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

24 (6) Using or possessing cannabis if that person does
25 not have a debilitating medical condition and is not a
26 registered qualifying patient or caregiver;

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

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

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

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

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

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

23 (d) Notwithstanding any other criminal penalties related
24 to the unlawful possession of cannabis, any person who makes a
25 misrepresentation of a medical condition to a certifying
26 health care professional or fraudulently provides material

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

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

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

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

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

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

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

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

4 (410 ILCS 130/35)

5 Sec. 35. Certifying health care professional requirements.

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

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

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

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

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

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

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

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

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

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

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

1 dispensing organization to obtain medical cannabis;

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

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

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

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

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

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

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

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

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

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

22 (410 ILCS 130/57)

23 Sec. 57. Designated Caregivers ~~Qualifying patients~~.

24 (a) Qualifying patients or provisional patients that are
25 under the age of 18 years shall not be prohibited from

1 appointing up to 3 designated caregivers who meet the
2 definition of "designated caregiver" under Section 10 so long
3 as at least one designated caregiver is a biological parent or
4 legal guardian.

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

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

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

16 (410 ILCS 130/60)

17 Sec. 60. Issuance of registry identification cards.

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

20 (1) verify the information contained in an application
21 or renewal for a registry identification card submitted
22 under this Act, and approve or deny an application or
23 renewal, within 90 days of receiving a completed
24 application or renewal application and all supporting
25 documentation specified in Section 55;

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

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

8 (3) ~~(4)~~ allow for an electronic application process,
9 and provide a confirmation by electronic or other methods
10 that an application has been submitted.

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

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

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

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

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

25 (d) No later than 6 months after the effective date of this
26 amendatory Act of the 101st General Assembly, the Secretary of

1 State shall remove all existing notations on driving records
2 that the person is a registered qualifying patient or his or
3 her caregiver under this Act.

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

24 (f) (Blank).

25 (Source: P.A. 100-1114, eff. 8-28-18; 101-363, eff. 8-9-19;
26 101-593, eff. 12-4-19.)

1 (410 ILCS 130/70)

2 Sec. 70. Registry identification cards.

3 (a) A registered qualifying patient or designated
4 caregiver must keep their registry identification card in his
5 or her possession at all times when engaging in the medical use
6 of cannabis.

7 (b) Registry identification cards shall contain the
8 following:

9 (1) the name of the cardholder;

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

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

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

16 (5) if the cardholder is a designated caregiver, the
17 random alphanumeric identification number of the
18 registered qualifying patient the designated caregiver is
19 receiving the registry identification card to assist; and

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

22 (c) To maintain a valid registration identification card,
23 a registered qualifying patient and designated caregiver must
24 annually resubmit, at least 45 days prior to the expiration
25 date stated on the registry identification card, a completed

1 renewal application, renewal fee, and accompanying
2 documentation as described in Department of Public Health
3 rules. The Department of Public Health shall send a
4 notification to a registered qualifying patient or registered
5 designated caregiver 90 days prior to the expiration of the
6 registered qualifying patient's or registered designated
7 caregiver's identification card. If the Department of Public
8 Health fails to grant or deny a renewal application received
9 in accordance with this Section, then the renewal is deemed
10 granted and the registered qualifying patient or registered
11 designated caregiver may continue to use the expired
12 identification card until the Department of Public Health
13 denies the renewal or issues a new identification card.

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

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

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

23 (410 ILCS 130/75)

24 Sec. 75. Notifications to Department of Public Health and
25 responses; civil penalty.

1 (a) The following notifications and Department of Public
2 Health responses are required:

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

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

13 (3) Before a registered qualifying patient changes his
14 or her designated caregiver, the qualifying patient must
15 notify the Department of Public Health.

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

19 (b) When a cardholder notifies the Department of Public
20 Health of items listed in subsection (a), but remains eligible
21 under this Act, the Department of Public Health shall issue
22 the cardholder a new registry identification card with a new
23 random alphanumeric identification number within 15 business
24 days of receiving the updated information and a fee as
25 specified in Department of Public Health rules. If the person
26 notifying the Department of Public Health is a registered

1 qualifying patient, the Department shall also issue his or her
2 registered designated caregiver, if any, a new registry
3 identification card within 15 business days of receiving the
4 updated information.

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

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

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

23 (f) If the registered qualifying patient's certifying
24 health care professional notifies the Department in writing
25 that either the registered qualifying patient has ceased to
26 suffer from a debilitating medical condition, that the bona

1 fide health care professional-patient relationship has
2 terminated, or that continued use of medical cannabis would
3 result in contraindication with the patient's other
4 medication, the card shall become null and void. However, the
5 registered qualifying patient shall have 15 days to destroy
6 his or her remaining medical cannabis and related
7 paraphernalia.

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

9 (410 ILCS 130/85)

10 Sec. 85. Issuance and denial of medical cannabis
11 cultivation permit.

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

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

21 (c) The Department of Agriculture shall determine a
22 registration fee by rule.

23 (d) A cultivation center may only operate if it has been
24 issued a valid registration from the Department of
25 Agriculture. When applying for a cultivation center

1 registration, the applicant shall submit the following in
2 accordance with Department of Agriculture rules:

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

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

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

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

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

21 (6) proposed operating by-laws that include procedures
22 for the oversight of the cultivation center, development
23 and implementation of a plant monitoring system, medical
24 cannabis container tracking system, accurate record
25 keeping, staffing plan, and security plan reviewed by the
26 Illinois State Police that are in accordance with the

1 rules issued by the Department of Agriculture under this
2 Act. A physical inventory shall be performed of all plants
3 and medical cannabis containers on a weekly basis;

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

6 (8) any academic degrees, certifications, or relevant
7 experience with related businesses;

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

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

22 (11) provide a copy of the current local zoning
23 ordinance to the Department of Agriculture and verify that
24 proposed cultivation center is in compliance with the
25 local zoning rules issued in accordance with Section 140;

26 (12) an application fee set by the Department of

1 Agriculture by rule; and

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

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

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

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

17 (3) (blank); ~~one or more of the prospective principal~~
18 ~~officers or board members has been convicted of an~~
19 ~~excluded offense;~~

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

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

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

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

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

12 (f) Beginning July 1, 2025, the Department shall cease to
13 issue or renew any medical cannabis cultivation permit.
14 Licenses that hold dual medical cannabis cultivation permits
15 and Adult use cultivation center licenses may continue all
16 operations with a valid cultivation center license issued
17 under the Cannabis Regulation and Tax Act.

18 (g) This section shall be repealed on January 1, 2026.

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

20 (410 ILCS 130/90)

21 Sec. 90. Renewal of cultivation center registrations.

22 (a) Registrations shall be renewed annually. The
23 registered cultivation center shall receive written notice 90
24 days prior to the expiration of its current registration that
25 the registration will expire. The Department of Agriculture

1 shall grant a renewal application within 45 days of its
2 submission if the following conditions are satisfied:

3 (1) the registered cultivation center submits a
4 renewal application and the required renewal fee
5 established by the Department of Agriculture by rule; and

6 (2) the Department of Agriculture has not suspended
7 the registration of the cultivation center or suspended or
8 revoked the registration for violation of this Act or
9 rules adopted under this Act.

10 (b) Beginning July 1, 2025, all cultivation center permits
11 issued under Section 85 shall be renewed in accordance with
12 Section 20-45 of the Cannabis Regulation and Tax Act and shall
13 be subject to the requirements and prohibitions of the
14 Cannabis Regulation and Tax Act.

15 (c) This section shall be repealed on January 1, 2026.

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

17 (410 ILCS 130/95)

18 Sec. 95. Background checks.

19 (a) The Department of Agriculture through the Illinois
20 State Police shall conduct a background check of the
21 prospective cultivation center agents. The Illinois State
22 Police shall charge a fee for conducting the criminal history
23 record check, which shall be deposited in the State Police
24 Services Fund and shall not exceed the actual cost of the
25 record check. In order to carry out this provision, each

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

11 (b) When applying for the initial permit, the background
12 checks for the principal officer, board members, and
13 registered agents shall be completed prior to submitting the
14 application to the Department of Agriculture.

15 (c) This Section shall be repealed on January 1, 2026.

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

17 (410 ILCS 130/100)

18 Sec. 100. Cultivation center agent identification card.

19 (a) The Department of Agriculture shall:

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

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

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

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

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

13 (c) The cultivation center agent identification cards
14 shall contain the following:

15 (1) the name of the cardholder;

16 (2) the date of issuance and expiration date of
17 cultivation center agent identification cards;

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

21 (4) a photograph of the cardholder.

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

25 (e) Any card lost by a cultivation center agent shall be
26 reported to the Illinois State Police and the Department of

1 Agriculture immediately upon discovery of the loss.

2 (f) (Blank). ~~An applicant shall be denied a cultivation~~
3 ~~center agent identification card if he or she has been~~
4 ~~convicted of an excluded offense.~~

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

12 (h) Beginning July 1, 2025, all cultivation center
13 identification cards and renewals shall be renewed in
14 accordance with Section 20-45 of the CRTA.

15 (i) This Section shall be repealed on January 1, 2026.

16 (Source: P.A. 102-98, eff. 7-15-21; 102-538, eff. 8-20-21;
17 102-813, eff. 5-13-22.)

18 (410 ILCS 130/105)

19 Sec. 105. Requirements; prohibitions; penalties for
20 cultivation centers.

21 (a) The operating documents of a registered cultivation
22 center shall include procedures for the oversight of the
23 cultivation center, a cannabis plant monitoring system
24 including a physical inventory recorded weekly, a cannabis
25 container system including a physical inventory recorded

1 weekly, accurate record keeping, and a staffing plan.

2 (b) A registered cultivation center shall implement a
3 security plan reviewed by the Illinois State Police and
4 including but not limited to: facility access controls,
5 perimeter intrusion detection systems, personnel
6 identification systems, 24-hour surveillance system to monitor
7 the interior and exterior of the registered cultivation center
8 facility and accessible to authorized law enforcement and the
9 Department of Agriculture in real-time.

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

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

1 electrical wiring.

2 (e) A cultivation center may not sell or distribute any
3 cannabis to any individual or entity other than another
4 cultivation center, a dispensing organization registered under
5 this Act, or a laboratory licensed by the Department of
6 Agriculture.

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

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

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

14 (i) Registered cultivation centers are subject to random
15 inspections by the Department of Agriculture and the
16 Department of Public Health.

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

22 (k) A cultivation center shall comply with all State and
23 federal rules and regulations regarding the use of pesticides.

24 (l) This Section shall be repealed on January 1, 2026.

25 (Source: P.A. 101-363, eff. 8-9-19; 102-538, eff. 8-20-21.)

1 (410 ILCS 130/110)

2 Sec. 110. Suspension; revocation; other penalties for
3 cultivation centers and agents. Notwithstanding any other
4 criminal penalties related to the unlawful possession of
5 cannabis, the Department of Agriculture may revoke, suspend,
6 place on probation, reprimand, issue cease and desist orders,
7 refuse to issue or renew a registration, or take any other
8 disciplinary or non-disciplinary action as the Department of
9 Agriculture may deem proper with regard to a registered
10 cultivation center or cultivation center agent, including
11 imposing fines not to exceed \$50,000 for each violation, for
12 any violations of this Act and rules adopted under this Act.
13 The procedures for disciplining a registered cultivation
14 center or cultivation center agent and for administrative
15 hearings shall be determined by rule. All final administrative
16 decisions of the Department of Agriculture are subject to
17 judicial review under the Administrative Review Law and its
18 rules. The term "administrative decision" is defined as in
19 Section 3-101 of the Code of Civil Procedure. This Section
20 shall be repealed on January 1, 2026.

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

22 (410 ILCS 130/115)

23 Sec. 115. Registration of dispensing organizations.

24 (a) The Department of Financial and Professional
25 Regulation may issue up to 60 dispensing organization

1 registrations for operation. The Department of Financial and
2 Professional Regulation may not issue less than the 60
3 registrations if there are qualified applicants who have
4 applied with the Department of Financial and Professional
5 Regulation. The organizations shall be geographically
6 dispersed throughout the State to allow all registered
7 qualifying patients reasonable proximity and access to a
8 dispensing organization.

9 (a-5) The Department of Financial and Professional
10 Regulation shall adopt rules to create a registration process
11 for Social Equity Justice Involved Applicants and Qualifying
12 Applicants, a streamlined application, and a Social Equity
13 Justice Involved Medical Lottery under Section 115.5 to issue
14 the remaining available 5 dispensing organization
15 registrations for operation. For purposes of this Section:

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

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

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

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

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

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

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

14 "Qualifying Applicant" means an applicant that: (i)
15 submitted an application pursuant to Section 15-30 of the
16 Cannabis Regulation and Tax Act that received at least 85% of
17 250 application points available under Section 15-30 of the
18 Cannabis Regulation and Tax Act as the applicant's final
19 score; (ii) received points at the conclusion of the scoring
20 process for meeting the definition of a "Social Equity
21 Applicant" as set forth under the Cannabis Regulation and Tax
22 Act; and (iii) is an applicant that did not receive a
23 Conditional Adult Use Dispensing Organization License through
24 a Qualifying Applicant Lottery pursuant to Section 15-35 of
25 the Cannabis Regulation and Tax Act or any Tied Applicant
26 Lottery conducted under the Cannabis Regulation and Tax Act.

1 "Social Equity Justice Involved Applicant" means an
2 applicant that is an Illinois resident and one of the
3 following:

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

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

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

15 (b) A dispensing organization may only operate if it has
16 been issued a registration from the Department of Financial
17 and Professional Regulation. The Department of Financial and
18 Professional Regulation shall adopt rules establishing the
19 procedures for applicants for dispensing organizations.

20 (c) When applying for a dispensing organization
21 registration, the applicant shall submit, at a minimum, the
22 following in accordance with Department of Financial and
23 Professional Regulation rules:

24 (1) a non-refundable application fee established by
25 rule;

26 (2) the proposed legal name of the dispensing

1 organization;

2 (3) the proposed physical address of the dispensing
3 organization;

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

8 (5) (blank);

9 (6) (blank); and

10 (7) (blank).

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

1 to the Department of Financial and Professional Regulation.

2 (e) A dispensing organization must pay a registration fee
3 set by the Department of Financial and Professional
4 Regulation.

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

8 (1) the applicant failed to submit the materials
9 required by this Section, including if the applicant's
10 plans do not satisfy the security, oversight, or
11 recordkeeping rules issued by the Department of Financial
12 and Professional Regulation;

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

15 (3) the applicant does not meet the requirements of
16 Section 130;

17 (4) one or more of the prospective principal officers
18 or board members has been convicted of an excluded
19 offense;

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

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

26 (g) This section shall be repealed on January 1, 2026.

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

2 (410 ILCS 130/120)

3 Sec. 120. Dispensing organization agent identification
4 card.

5 (a) The Department of Financial and Professional
6 Regulation shall:

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

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

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

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

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

24 (c) The dispensing organization agent identification cards
25 shall contain the following:

1 (1) the name of the cardholder;

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

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

7 (4) a photograph of the cardholder.

8 (d) The dispensing organization agent identification cards
9 shall be immediately returned to the dispensing organization
10 upon termination of employment.

11 (e) Any card lost by a dispensing organization agent shall
12 be reported to the Illinois State Police and the Department of
13 Financial and Professional Regulation immediately upon
14 discovery of the loss.

15 (f) Agent renewal on and after July 1, 2025 shall be in
16 accordance with Section 15-40 of the Cannabis Regulation Tax
17 Act. ~~An applicant shall be denied a dispensing organization~~
18 ~~agent identification card if he or she has been convicted of an~~
19 ~~excluded offense.~~

20 (g) This section shall be repealed on January 1, 2026.

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

22 (410 ILCS 130/125)

23 Sec. 125. Medical cannabis dispensing organization
24 certification renewal.

25 (a) The registered dispensing organization shall receive

1 written notice 90 days prior to the expiration of its current
2 registration that the registration will expire. The Department
3 of Financial and Professional Regulation shall grant a renewal
4 application within 45 days of its submission if the following
5 conditions are satisfied:

6 (1) the registered dispensing organization submits a
7 renewal application and the required renewal fee
8 established by the Department of Financial and
9 Professional Regulation rules; and

10 (2) the Department of Financial and Professional
11 Regulation has not suspended the registered dispensing
12 organization or suspended or revoked the registration for
13 violation of this Act or rules adopted under this Act.

14 (b) If a dispensing organization fails to renew its
15 registration prior to expiration, the dispensing organization
16 shall cease operations until registration is renewed.

17 (c) If a dispensing organization agent fails to renew his
18 or her registration prior to its expiration, he or she shall
19 cease to work or volunteer at a dispensing organization until
20 his or her registration is renewed.

21 (d) Any dispensing organization that continues to operate
22 or dispensing agent that continues to work or volunteer at a
23 dispensing organization that fails to renew its registration
24 shall be subject to penalty as provided in Section 130.

25 (e) A dispensing organization licensed under this Act
26 shall renew its license in accordance with Section 15-45 of

1 the Cannabis Regulation Tax Act on and after July 1, 2025.

2 (f) This section shall be repealed on January 1, 2026.

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

4 (410 ILCS 130/130)

5 Sec. 130. Requirements; prohibitions; penalties;
6 dispensing organizations.

7 (a) The Department of Financial and Professional
8 Regulation shall implement the provisions of this Section by
9 rule.

10 (b) A dispensing organization shall maintain operating
11 documents which shall include procedures for the oversight of
12 the registered dispensing organization and procedures to
13 ensure accurate recordkeeping.

14 (c) A dispensing organization shall implement appropriate
15 security measures, as provided by rule, to deter and prevent
16 the theft of cannabis and unauthorized entrance into areas
17 containing cannabis.

18 (d) A dispensing organization may not be located within
19 1,000 feet of the property line of a pre-existing public or
20 private preschool or elementary or secondary school or day
21 care center, day care home, group day care home, or part day
22 child care facility. A registered dispensing organization may
23 not be located in a house, apartment, condominium, or an area
24 zoned for residential use. This subsection shall not apply to
25 any dispensing organizations registered on or after July 1,

1 2019.

2 (e) A dispensing organization is prohibited from acquiring
3 cannabis from anyone other than a cultivation center, craft
4 grower, processing organization, another dispensing
5 organization, or transporting organization licensed or
6 registered under this Act or the Cannabis Regulation and Tax
7 Act. A dispensing organization is prohibited from obtaining
8 cannabis from outside the State of Illinois.

9 (f) A registered dispensing organization is prohibited
10 from dispensing cannabis for any purpose except to assist
11 registered qualifying patients with the medical use of
12 cannabis directly or through the qualifying patients'
13 designated caregivers.

14 (g) The area in a dispensing organization where medical
15 cannabis is stored can only be accessed by dispensing
16 organization agents working for the dispensing organization,
17 Department of Financial and Professional Regulation staff
18 performing inspections, law enforcement or other emergency
19 personnel, and contractors working on jobs unrelated to
20 medical cannabis, such as installing or maintaining security
21 devices or performing electrical wiring.

22 (h) A dispensing organization may not dispense more than
23 2.5 ounces of cannabis to a registered qualifying patient,
24 directly or via a designated caregiver, in any 14-day period
25 unless the qualifying patient has a Department of Public
26 Health-approved quantity waiver. Any Department of Public

1 Health-approved quantity waiver process must be made available
2 to qualified veterans.

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

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

10 (2) that the person presenting the card is the person
11 identified on the registry identification card presented
12 to the dispensing organization agent;

13 (3) (blank); and

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

16 (i-5) A dispensing organization may dispense medical
17 cannabis to an Opioid Alternative Pilot Program participant
18 under Section 62 and to a person presenting proof of
19 provisional registration under Section 55. Before dispensing
20 medical cannabis, the dispensing organization shall comply
21 with the requirements of Section 62 or Section 55, whichever
22 is applicable, and verify the following:

23 (1) that the written certification presented to the
24 registered dispensing organization is valid and an
25 original document;

26 (2) that the person presenting the written

1 certification is the person identified on the written
2 certification; and

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

5 (j) Dispensing organizations shall ensure compliance with
6 this limitation by maintaining internal, confidential records
7 that include records specifying how much medical cannabis is
8 dispensed to the registered qualifying patient and whether it
9 was dispensed directly to the registered qualifying patient or
10 to the designated caregiver. Each entry must include the date
11 and time the cannabis was dispensed. Additional recordkeeping
12 requirements may be set by rule.

13 (k) The health care professional-patient privilege as set
14 forth by Section 8-802 of the Code of Civil Procedure shall
15 apply between a qualifying patient and a registered dispensing
16 organization and its agents with respect to communications and
17 records concerning qualifying patients' debilitating
18 conditions.

19 (l) A dispensing organization may not permit any person to
20 consume cannabis on the property of a medical cannabis
21 organization.

22 (m) A dispensing organization may not share office space
23 with or refer patients to a certifying health care
24 professional.

25 (n) Notwithstanding any other criminal penalties related
26 to the unlawful possession of cannabis, the Department of

1 Financial and Professional Regulation may revoke, suspend,
2 place on probation, reprimand, refuse to issue or renew, or
3 take any other disciplinary or non-disciplinary action as the
4 Department of Financial and Professional Regulation may deem
5 proper with regard to the registration of any person issued
6 under this Act to operate a dispensing organization or act as a
7 dispensing organization agent, including imposing fines not to
8 exceed \$10,000 for each violation, for any violations of this
9 Act and rules adopted in accordance with this Act. The
10 procedures for disciplining a registered dispensing
11 organization shall be determined by rule. All final
12 administrative decisions of the Department of Financial and
13 Professional Regulation are subject to judicial review under
14 the Administrative Review Law and its rules. The term
15 "administrative decision" is defined as in Section 3-101 of
16 the Code of Civil Procedure.

17 (o) Dispensing organizations are subject to random
18 inspection and cannabis testing by the Department of Financial
19 and Professional Regulation, the Illinois State Police, the
20 Department of Revenue, the Department of Public Health, the
21 Department of Agriculture, or as provided by rule.

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

25 (q) The Department of Financial and Professional
26 Regulation may issue nondisciplinary citations for minor

1 violations which may be accompanied by a civil penalty not to
2 exceed \$10,000 per violation. The penalty shall be a civil
3 penalty or other condition as established by rule. The
4 citation shall be issued to the licensee and shall contain the
5 licensee's name, address, and license number, a brief factual
6 statement, the Sections of the law or rule allegedly violated,
7 and the civil penalty, if any, imposed. The citation must
8 clearly state that the licensee may choose, in lieu of
9 accepting the citation, to request a hearing. If the licensee
10 does not dispute the matter in the citation with the
11 Department of Financial and Professional Regulation within 30
12 days after the citation is served, then the citation shall
13 become final and shall not be subject to appeal.

14 (r) This section shall be repealed on January 1, 2026.

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

16 (410 ILCS 130/140)

17 Sec. 140. Local ordinances. A unit of local government may
18 enact reasonable zoning ordinances or resolutions, not in
19 conflict with this Act or with Department of Agriculture or
20 Department of Financial and Professional Regulation rules,
21 regulating registered medical cannabis cultivation center or
22 medical cannabis dispensing organizations. No unit of local
23 government, including a home rule unit, or school district may
24 regulate registered medical cannabis organizations other than
25 as provided in this Act and may not unreasonably prohibit the

1 cultivation, dispensing, and use of medical cannabis
2 authorized by this Act. This Section is a denial and
3 limitation under subsection (i) of Section 6 of Article VII of
4 the Illinois Constitution on the concurrent exercise by home
5 rule units of powers and functions exercised by the State.

6 This Section shall be repealed on January 1, 2026.

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

8 (410 ILCS 130/150)

9 Sec. 150. Registry identification and registration
10 certificate verification.

11 (a) The Department of Public Health shall maintain a
12 confidential list of the persons to whom the Department of
13 Public Health has issued registry identification cards and
14 their addresses, phone numbers, and registry identification
15 numbers. This confidential list may not be combined or linked
16 in any manner with any other list or database except as
17 provided in this Section.

18 (b) Within 180 days of the effective date of this Act, the
19 Department of Public Health, Department of Financial and
20 Professional Regulation, and Department of Agriculture shall
21 together establish a computerized database or verification
22 system. The database or verification system must allow law
23 enforcement personnel and medical cannabis dispensary
24 organization agents to determine whether or not the
25 identification number corresponds with a current, valid

1 registry identification card. The system shall only disclose
2 whether the identification card is valid, whether the
3 cardholder is a registered qualifying patient, provisional
4 patient, or a registered designated caregiver, ~~the registry~~
5 ~~identification number of the registered medical cannabis~~
6 ~~dispensing organization designated to serve the registered~~
7 ~~qualifying patient who holds the card~~, and the registry
8 identification number of the patient who is assisted by a
9 registered designated caregiver who holds the card. The
10 Department of Public Health, the Department of Agriculture,
11 the Illinois State Police, and the Department of Financial and
12 Professional Regulation shall not share or disclose any
13 existing or non-existing Illinois or national criminal history
14 record information. Notwithstanding any other requirements
15 established by this subsection, the Department of Public
16 Health shall issue registry cards to qualifying patients, the
17 Department of Financial and Professional Regulation may issue
18 registration cards to medical cannabis dispensing
19 organizations for the period during which the database is
20 being established, and the Department of Agriculture may issue
21 registration to medical cannabis cultivation organizations for
22 the period during which the database is being established.

23 (c) For the purposes of this Section, "any existing or
24 non-existing Illinois or national criminal history record
25 information" means any Illinois or national criminal history
26 record information, including but not limited to the lack of

1 or non-existence of these records.

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

3 (410 ILCS 130/180)

4 Sec. 180. Destruction of medical cannabis.

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

11 (b) A cultivation center shall prior to the destruction,
12 notify the Department of Agriculture and the Illinois State
13 Police.

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

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

21 (e) A dispensary organization shall prior to the
22 destruction, notify the Department of Financial and
23 Professional Regulation and the Illinois State Police.

24 (f) This Section shall be repealed on January 1, 2026.

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

1 (410 ILCS 130/200)

2 Sec. 200. Tax imposed.

3 (a) Beginning on January 1, 2014 and through June 30, 2025
4 ~~the effective date of this Act~~, a tax is imposed upon the
5 privilege of cultivating medical cannabis at a rate of 7% of
6 the sales price per ounce. Beginning July 1, 2025, the
7 privilege of cultivating cannabis shall be subject to the tax
8 imposed under Section 60-10 of the Cannabis Regulation and Tax
9 Act. Through June 30, 2025, The proceeds from this tax shall be
10 deposited into the Compassionate Use of Medical Cannabis Fund
11 created under the Compassionate Use of Medical Cannabis
12 Program Act. This tax shall be paid by a cultivation center and
13 is not the responsibility of a dispensing organization or a
14 qualifying patient.

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

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

20 (410 ILCS 130/205)

21 Sec. 205. Department enforcement.

22 (a) Every person subject to the tax under this Law shall
23 apply to the Department (upon a form prescribed and furnished
24 by the Department) for a certificate of registration under

1 this Law. Application for a certificate of registration shall
2 be made to the Department upon forms furnished by the
3 Department. The certificate of registration which is issued by
4 the Department to a retailer under the Retailers' Occupation
5 Tax Act shall permit the taxpayer to engage in a business which
6 is taxable under this Law without registering separately with
7 the Department. Beginning July 1, 2025, a person licensed as a
8 cultivation center or dispensing organization under the
9 Cannabis Regulation and Tax Act shall be deemed to be
10 sufficiently licensed under this Law by virtue of his or her
11 being properly licensed under the Cannabis Regulation and Tax
12 Act.

13 (b) The Department shall have full power to administer and
14 enforce this Law, to collect all taxes and penalties due
15 hereunder, to dispose of taxes and penalties so collected in
16 the manner hereinafter provided, and to determine all rights
17 to credit memoranda, arising on account of the erroneous
18 payment of tax or penalty hereunder. In the administration of,
19 and compliance with, this Law, the Department and persons who
20 are subject to this Law shall have the same rights, remedies,
21 privileges, immunities, powers and duties, and be subject to
22 the same conditions, restrictions, limitations, penalties and
23 definitions of terms, and employ the same modes of procedure,
24 as are prescribed in Sections 1, 1a, 2 through 2-65 (in respect
25 to all provisions therein other than the State rate of tax),
26 2a, 2b, 2c, 3 (except provisions relating to transaction

1 returns and quarter monthly payments, and except for
2 provisions that are inconsistent with this Law), 4, 5, 5a, 5b,
3 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11,
4 11a, 12 and 13 of the Retailers' Occupation Tax Act and Section
5 3-7 of the Uniform Penalty and Interest Act as fully as if
6 those provisions were set forth herein.

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

8 (410 ILCS 130/210)

9 Sec. 210. Returns.

10 (a) This subsection (a) applies to returns due on or
11 before the effective date of this amendatory Act of the 101st
12 General Assembly. On or before the twentieth day of each
13 calendar month, every person subject to the tax imposed under
14 this Law during the preceding calendar month shall file a
15 return with the Department, stating:

16 (1) The name of the taxpayer;

17 (2) The number of ounces of medical cannabis sold to a
18 dispensing organization or a registered qualifying patient
19 during the preceding calendar month;

20 (3) The amount of tax due;

21 (4) The signature of the taxpayer; and

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

24 If a taxpayer fails to sign a return within 30 days after
25 the proper notice and demand for signature by the Department,

1 the return shall be considered valid and any amount shown to be
2 due on the return shall be deemed assessed.

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

5 (b) Beginning on the effective date of this amendatory Act
6 of the 101st General Assembly, Section 60-20 ~~65-20~~ of the
7 Cannabis Regulation and Tax Act shall apply to returns filed
8 and taxes paid under this Act to the same extent as if those
9 provisions were set forth in full in this Section.

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

11 (410 ILCS 130/80 rep.)

12 (410 ILCS 130/115.5 rep.)

13 (410 ILCS 130/135 rep.)

14 (410 ILCS 130/162 rep.)

15 Section 30. The Compassionate Use of Medical Cannabis
16 Program Act is amended by repealing Sections 80, 115.5, 135,
17 and 162.

18 Section 35. The Cannabis Regulation and Tax Act is amended
19 by changing Sections 1-10, 10-10, 10-15, 15-10, 15-15, 15-20,
20 15-25, 15-35, 15-35.10, 15-36, 15-40, 15-45, 15-60, 15-65,
21 15-70, 15-75, 15-85, 15-100, 15-135, and 15-145 and the
22 heading of Article 20 and Sections 20-10, 20-15, 20-20, 20-21,
23 20-30, and 20-45 and by adding Sections 15-13, 15-17, 15-23,
24 and 15-24 as follows:

1 (410 ILCS 705/1-10)

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

3 "Adequate medical supply" means:

4 (1) 2.5 ounces of usable cannabis during a period of
5 14 days and that is derived solely from an intrastate
6 source.

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

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

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

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

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

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

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

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

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

1 Illinois nonmetropolitan area.

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

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

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

1 organization.

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

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

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

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

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

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

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

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

25 "Community College Cannabis Vocational Training Pilot
26 Program faculty participant" means a person who is 21 years of

1 age or older, licensed by the Department of Agriculture, and
2 is employed or contracted by an Illinois community college to
3 provide student instruction using cannabis plants at an
4 Illinois Community College.

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

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

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

25 "Craft grower" means a facility operated by an
26 organization or business that is licensed by the Department of

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

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

23 "Craft Grower Agent Identification Card" means a document
24 issued by the Department of Agriculture that identifies a
25 person as a craft grower agent.

26 "Cultivation center" means a facility operated by an

1 organization or business that is licensed by the Department of
2 Agriculture to cultivate, process, transport (unless otherwise
3 limited by this Act), and perform other necessary activities
4 to provide cannabis and cannabis-infused products to cannabis
5 business establishments. As used in this Act, "cultivation
6 center" includes any cultivation center which prior to July 1,
7 2025, was a cultivation center as defined in the Compassionate
8 Use of Medical Cannabis Program Act.

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

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

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

16 "Designated caregiver" means a person who: (1) is at least
17 21 years of age; (2) has agreed to assist with a patient's
18 medical use of cannabis; (3) and assists no more than one
19 registered qualifying patient with his or her medical use of
20 cannabis.

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

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

1 "Dispensing organization" or "dispensary" means a facility
2 operated by an organization or business that is licensed by
3 the Department of Financial and Professional Regulation to
4 acquire cannabis from a cultivation center, craft grower, or
5 infuser ~~processing~~ organization licensed by the Department of
6 Agriculture, or another dispensary licensed by the Department
7 of Financial and Professional Regulation, for the purpose of
8 selling or dispensing cannabis, cannabis-infused products,
9 cannabis seeds, paraphernalia, or related supplies under this
10 Act to purchasers or to qualified registered medical cannabis
11 patients and caregivers. As used in this Act, "dispensing
12 organization" includes any dispensary which, prior to July 1,
13 2025, was a ~~a~~ registered medical cannabis organization as
14 defined in the Compassionate Use of Medical Cannabis Program
15 Act or its successor Act or that ~~has~~ obtained an Early Approval
16 Adult Use Dispensing Organization License or Early Approval
17 Adult Use Dispensing Organization License at a Secondary Site
18 under this Act.

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

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

26 "Disproportionately Impacted Area" means a census tract or

1 comparable geographic area that satisfies the following
2 criteria as determined by the Department of Commerce and
3 Economic Opportunity, that:

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

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

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

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

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

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

24 "Early Approval Adult Use Cultivation Center License"
25 means a license that permits a medical cannabis cultivation
26 center licensed under the Compassionate Use of Medical

1 Cannabis Program Act as of the effective date of this Act to
2 begin cultivating, infusing, packaging, transporting (unless
3 otherwise provided in this Act), processing, and selling
4 cannabis or cannabis-infused product to cannabis business
5 establishments for resale to purchasers as permitted by this
6 Act as of January 1, 2020.

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

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

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

25 "Enclosed, locked facility" means a room, greenhouse,
26 building, or other enclosed area equipped with locks or other

1 security devices that permit access only by cannabis business
2 establishment agents working for the licensed cannabis
3 business establishment or acting pursuant to this Act to
4 cultivate, process, store, or distribute cannabis.

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

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

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

24 "Financial institution" has the same meaning as "financial
25 organization" as defined in Section 1501 of the Illinois
26 Income Tax Act, and also includes the holding companies,

1 subsidiaries, and affiliates of such financial organizations.

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

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

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

12 "Individual" means a natural person.

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

18 "Infuser organization agent" means a principal officer,
19 board member, employee, or other agent of an infuser
20 organization.

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

24 "Kief" means the resinous crystal-like trichomes that are
25 found on cannabis and that are accumulated, resulting in a
26 higher concentration of cannabinoids, untreated by heat or

1 pressure, or extracted using a solvent.

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

21 "Limited access area" means a room or other area under the
22 control of a cannabis dispensing organization licensed under
23 this Act and upon the licensed premises where cannabis sales
24 occur with access limited to purchasers, dispensing
25 organization owners and other dispensing organization agents,
26 or service professionals conducting business with the

1 dispensing organization, or, if sales to registered qualifying
2 patients, caregivers, provisional patients, and Opioid
3 Alternative Pilot Program participants licensed pursuant to
4 the Compassionate Use of Medical Cannabis Program Act are also
5 permitted at the dispensary, registered qualifying patients,
6 caregivers, provisional patients, and Opioid Alternative Pilot
7 Program participants.

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

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

18 "Ordinary public view" means within the sight line with
19 normal visual range of a person, unassisted by visual aids,
20 from a public street or sidewalk adjacent to real property, or
21 from within an adjacent property.

22 "Ownership and control" means ownership of at least 51% of
23 the business, including corporate stock if a corporation, and
24 control over the management and day-to-day operations of the
25 business and an interest in the capital, assets, and profits
26 and losses of the business proportionate to percentage of

1 ownership.

2 "Person" means a natural individual, firm, partnership,
3 association, joint stock company, joint venture, public or
4 private corporation, limited liability company, or a receiver,
5 executor, trustee, guardian, or other representative appointed
6 by order of any court.

7 "Possession limit" means the amount of cannabis under
8 Section 10-10 that may be possessed at any one time by a person
9 21 years of age or older or who is a registered qualifying
10 medical cannabis patient or caregiver under the Compassionate
11 Use of Medical Cannabis Program Act.

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

24 "Primary residence" means a dwelling where a person
25 usually stays or stays more often than other locations. It may
26 be determined by, without limitation, presence, tax filings;

1 address on an Illinois driver's license, an Illinois
2 Identification Card, or an Illinois Person with a Disability
3 Identification Card; or voter registration. No person may have
4 more than one primary residence.

5 "Provisional patient" means a qualifying patient who has
6 received a provisional registration from the Department of
7 Public Health.

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

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

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

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

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

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

6 "Qualifying patient" or "qualified patient" means a person
7 who has been diagnosed by a certifying health care
8 professional as having a debilitating medical condition as
9 defined under the Compassionate Use of Medical Cannabis
10 Program Act.

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

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

21 "Resided" means an individual's primary residence was
22 located within the relevant geographic area as established by
23 2 of the following:

24 (1) a signed lease agreement that includes the
25 applicant's name;

26 (2) a property deed that includes the applicant's

1 name;

2 (3) school records;

3 (4) a voter registration card;

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

7 (6) a paycheck stub;

8 (7) a utility bill;

9 (8) tax records; or

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

12 "Smoking" means the inhalation of smoke caused by the
13 combustion of cannabis.

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

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

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

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

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

26 (3) for applicants with a minimum of 10 full-time

1 employees, an applicant with at least 51% of current
2 employees who:

3 (i) currently reside in a Disproportionately
4 Impacted Area; or

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

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

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

25 "Tied Applicant Lottery" means the process established
26 under 68 Ill. Adm. Code 1291.50 for awarding Conditional Adult

1 Use Dispensing Organization Licenses pursuant to Sections
2 15-25 and 15-30 among Eligible Tied Applicants.

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

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

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

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

22 "Unit of local government" means any county, city,
23 village, or incorporated town.

24 "Vegetative stage" means the stage of cultivation in which
25 a cannabis plant is propagated to produce additional cannabis
26 plants or reach a sufficient size for production. This

1 includes seedlings, clones, mothers, and other immature
2 cannabis plants as follows:

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

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

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

14 (410 ILCS 705/10-10)

15 Sec. 10-10. Possession limit.

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

19 (1) 30 grams of cannabis flower;

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

22 (3) 5 grams of cannabis concentrate; and

23 (4) for registered qualifying patients, any cannabis
24 produced by cannabis plants grown under subsection (b) of
25 Section 10-5, provided any amount of cannabis produced in

1 excess of 30 grams of raw cannabis or its equivalent must
2 remain secured within the residence or residential
3 property in which it was grown.

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

6 (1) 15 grams of cannabis flower;

7 (2) 2.5 grams of cannabis concentrate; and

8 (3) 250 milligrams of THC contained in a
9 cannabis-infused product.

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

12 (d) No person shall knowingly obtain, seek to obtain, or
13 possess an amount of cannabis from a dispensing organization
14 or craft grower that would cause him or her to exceed the
15 possession limit under this Section, including cannabis that
16 is cultivated by a person under this Act or obtained as a
17 qualified registered medical patient, provisional patient, or
18 designated caregiver.

19 (d-1) No qualified registered patient, provisional
20 patient, or designated caregiver shall knowingly obtain, seek
21 to obtain, or possess, individually or collectively, an amount
22 that would cause the individual to exceed their adequate
23 medical supply ~~under the Compassionate Use of Medical Cannabis~~
24 ~~Program Act.~~

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

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

(410 ILCS 705/10-15)

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

(a) Nothing in this Act is intended to permit the transfer of cannabis, with or without remuneration, to a person under 21 years of age, or to allow a person under 21 years of age to purchase, possess, use, process, transport, grow, or consume cannabis except where authorized by this Act, the Compassionate Use of Medical Cannabis Program Act or ~~by~~ the Community College Cannabis Vocational Pilot Program.

(b) Notwithstanding any other provisions of law authorizing ~~the~~ possession of ~~medical~~ cannabis or cannabis-infused products by a qualified registered medical patient, provisional patient, or designated caregiver, nothing in this Act authorizes a person who is under 21 years of age to possess cannabis. A person under 21 years of age with cannabis in his or her possession is guilty of a civil law violation as outlined in paragraph (a) of Section 4 of the Cannabis Control Act.

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

(d) It is unlawful for any parent or guardian to knowingly

1 permit his or her residence, any other private property under
2 his or her control, or any vehicle, conveyance, or watercraft
3 under his or her control to be used by an invitee of the
4 parent's child or the guardian's ward, if the invitee is under
5 the age of 21, in a manner that constitutes a violation of this
6 Section. A parent or guardian is deemed to have knowingly
7 permitted his or her residence, any other private property
8 under his or her control, or any vehicle, conveyance, or
9 watercraft under his or her control to be used in violation of
10 this Section if he or she knowingly authorizes or permits
11 consumption of cannabis by underage invitees. Any person who
12 violates this subsection (d) is guilty of a Class A
13 misdemeanor and the person's sentence shall include, but shall
14 not be limited to, a fine of not less than \$500. If a violation
15 of this subsection (d) directly or indirectly results in great
16 bodily harm or death to any person, the person violating this
17 subsection is guilty of a Class 4 felony. In this subsection
18 (d), where the residence or other property has an owner and a
19 tenant or lessee, the trier of fact may infer that the
20 residence or other property is occupied only by the tenant or
21 lessee.

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

23 (410 ILCS 705/15-10)

24 Sec. 15-10. Medical cannabis dispensing organization
25 exemption. This Article does not apply to medical cannabis

1 dispensing organizations registered under the Compassionate
2 Use of Medical Cannabis ~~Pilot~~ Program Act, except where
3 otherwise specified. This section shall be repealed on January
4 1, 2026.

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

6 (410 ILCS 705/15-13 new)

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

9 (a) Beginning July 1, 2025, all medical cannabis
10 dispensing organizations registered under the Compassionate
11 Use of Medical Cannabis Program Act and that have received an
12 Early Approval Adult Use Dispensing Organization License shall
13 be deemed to be an adult use dispensing organization licensed
14 pursuant to Section 15-36 of this Act. In addition to selling
15 cannabis and cannabis-infused products to persons 21 years of
16 age or older, beginning July 1, 2025, but no later than October
17 1, 2025, all dispensing organizations licensed pursuant to
18 Section 15-36 of this Act shall also offer services to
19 registered qualifying patients, provisional patients, and
20 designated caregivers.

21 (b) Beginning July 1, 2025, all dispensing organization
22 agents registered under the Compassionate Use of Medical
23 Cannabis Program Act shall be deemed to be a dispensing
24 organization agent as that term is defined in this Act. All
25 dispensing organization agents registered under the

1 Compassionate Use of Medical Cannabis Program Act shall have
2 the same rights, privileges, duties, and responsibilities of
3 dispensing organization agents licensed under this Act. All
4 dispensing organization agents shall be subject to this Act
5 and any administrative rules adopted under this Act.

6 (c) On and after July 1, 2025, any dispensing organization
7 previously registered as an Early Approval Adult Use
8 Dispensing Organization License or an Early Approval Adult Use
9 Dispensing Organization at a secondary site shall renew
10 pursuant to Section 15-45 of this Act. The Department shall
11 prorate any dispensing organization previously registered as
12 an Early Approval Adult Use Dispensing Organization License or
13 an Early Approval Adult Use Dispensing Organization at a
14 secondary site's first renewal fee due under Section 15-45.

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

23 (e) All dispensing organizations must maintain an adequate
24 supply of cannabis and cannabis-infused products for purchase
25 by qualifying patients, designated caregivers, and provisional
26 patients. For the purposes of this subsection, the Department

1 may promulgate administrative rules establishing what
2 constitutes an adequate supply.

3 (f) If there is a shortage of cannabis or cannabis-infused
4 products, a dispensing organization shall prioritize serving
5 qualifying patients, designated caregivers, and provisional
6 patients before serving purchasers.

7 (g) Beginning July 1, 2025, cannabis and cannabis-infused
8 products purchased from a dispensing organization by a
9 qualified patient, provisional patient, or designated
10 caregiver are not subject to tax under Section 65-10 of this
11 Act.

12 (410 ILCS 705/15-15)

13 Sec. 15-15. Early Approval Adult Use Dispensing
14 Organization License.

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

23 (b) A medical cannabis dispensing organization seeking
24 issuance of an Early Approval Adult Use Dispensing
25 Organization License to serve purchasers at any medical

1 cannabis dispensing location in operation as of the effective
2 date of this Act shall submit an application on forms provided
3 by the Department. The application must be submitted by the
4 same person or entity that holds the medical cannabis
5 dispensing organization registration and include the
6 following:

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

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

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

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

16 (5) The physical address of the dispensing
17 organization;

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

22 (7) A nonrefundable Cannabis Business Development Fee
23 equal to 3% of the dispensing organization's total sales
24 between June 1, 2018 to June 1, 2019, or \$100,000,
25 whichever is less, to be deposited into the Cannabis
26 Business Development Fund; and

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

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

8 (B) Make a grant of 3% of total sales from June 1,
9 2018 to June 1, 2019, or \$100,000, whichever is less,
10 to a cannabis industry training or education program
11 at an Illinois community college as defined in the
12 Public Community College Act;

13 (C) Make a donation of \$100,000 or more to a
14 program that provides job training services to persons
15 recently incarcerated or that operates in a
16 Disproportionately Impacted Area;

17 (D) Participate as a host in a cannabis business
18 establishment incubator program approved by the
19 Department of Commerce and Economic Opportunity, and
20 in which an Early Approval Adult Use Dispensing
21 Organization License holder agrees to provide a loan
22 of at least \$100,000 and mentorship to incubate, for
23 at least a year, a Social Equity Applicant intending
24 to seek a license or a licensee that qualifies as a
25 Social Equity Applicant. As used in this Section,
26 "incubate" means providing direct financial assistance

1 and training necessary to engage in licensed cannabis
2 industry activity similar to that of the host
3 licensee. The Early Approval Adult Use Dispensing
4 Organization License holder or the same entity holding
5 any other licenses issued pursuant to this Act shall
6 not take an ownership stake of greater than 10% in any
7 business receiving incubation services to comply with
8 this subsection. If an Early Approval Adult Use
9 Dispensing Organization License holder fails to find a
10 business to incubate to comply with this subsection
11 before its Early Approval Adult Use Dispensing
12 Organization License expires, it may opt to meet the
13 requirement of this subsection by completing another
14 item from this subsection; or

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

24 (b-5) Beginning 90 days after the effective date of this
25 amendatory Act of the 102nd General Assembly, an Early
26 Approval Adult Use Dispensing Organization licensee whose

1 license was issued pursuant to this Section may apply to
2 relocate within the same geographic district where its
3 existing associated medical cannabis dispensing organization
4 dispensary licensed under the Compassionate Use of Medical
5 Cannabis Act is authorized to operate. A request to relocate
6 under this subsection is subject to approval by the
7 Department. An Early Approval Adult Use Dispensing
8 Organization's application to relocate its license under this
9 subsection shall be deemed approved 30 days following the
10 submission of a complete application to relocate, unless
11 sooner approved or denied in writing by the Department. If an
12 application to relocate is denied, the Department shall
13 provide, in writing, the specific reason for denial.

14 An Early Approval Adult Use Dispensing Organization may
15 request to relocate under this subsection if:

16 (1) its existing location is within the boundaries of
17 a unit of local government that prohibits the sale of
18 adult use cannabis; or

19 (2) the Early Approval Adult Use Dispensing
20 Organization has obtained the approval of the municipality
21 or, if outside the boundaries of a municipality in an
22 unincorporated area of the county, the approval of the
23 county where the existing license is located to move to
24 another location within that unit of local government.

25 At no time may an Early Approval Adult Use Dispensing
26 Organization dispensary licensed under this Section operate in

1 a separate facility from its associated medical cannabis
2 dispensing organization dispensary licensed under the
3 Compassionate Use of Medical Cannabis Act. The relocation of
4 an Early Approval Adult Use Dispensing Organization License
5 under this subsection shall be subject to Sections 55-25 and
6 55-28 of this Act.

7 (c) The license fee required by paragraph (1) of
8 subsection (b) of this Section shall be in addition to any
9 license fee required for the renewal of a registered medical
10 cannabis dispensing organization license.

11 (d) Applicants must submit all required information,
12 including the requirements in subsection (b) of this Section,
13 to the Department. Failure by an applicant to submit all
14 required information may result in the application being
15 disqualified.

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

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

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

4 (2) The Secretary of Financial and Professional
5 Regulation determines there is reason, based on documented
6 compliance violations, the licensee is not entitled to an
7 Early Approval Adult Use Dispensing Organization License;
8 or

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

12 (g) A registered medical cannabis dispensing organization
13 that obtains an Early Approval Adult Use Dispensing
14 Organization License may begin selling cannabis,
15 cannabis-infused products, paraphernalia, and related items to
16 purchasers under the rules of this Act no sooner than January
17 1, 2020.

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

1 caregivers on an average monthly basis for the 6 months before
2 the effective date of this Act.

3 (i) If there is a shortage of cannabis or cannabis-infused
4 products, a dispensing organization holding both a dispensing
5 organization license under the Compassionate Use of Medical
6 Cannabis Program Act and this Act shall prioritize serving
7 qualifying patients, caregivers, provisional patients, and
8 Opioid Alternative Pilot Program participants before serving
9 purchasers.

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

18 (k) An Early Approval Adult Use Dispensing Organization
19 License is valid until March 31, 2021. A dispensing
20 organization that obtains an Early Approval Adult Use
21 Dispensing Organization License shall receive written or
22 electronic notice 90 days before the expiration of the license
23 that the license will expire, and that informs the license
24 holder that it may apply to renew its Early Approval Adult Use
25 Dispensing Organization License on forms provided by the
26 Department. The Department shall renew the Early Approval

1 Adult Use Dispensing Organization License within 60 days of
2 the renewal application being deemed complete if:

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

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

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

18 (4) the dispensing organization is in compliance with
19 this Act and rules.

20 (1) The Early Approval Adult Use Dispensing Organization
21 License renewed pursuant to subsection (k) of this Section
22 shall expire March 31, 2022. The Early Approval Adult Use
23 Dispensing Organization Licensee shall receive written or
24 electronic notice 90 days before the expiration of the license
25 that the license will expire, and that informs the license
26 holder that it may apply for an Adult Use Dispensing

1 Organization License on forms provided by the Department. The
2 Department shall grant an Adult Use Dispensing Organization
3 License within 60 days of an application being deemed complete
4 if the applicant has met all of the criteria in Section 15-36.

5 (m) If a dispensing organization fails to submit an
6 application for renewal of an Early Approval Adult Use
7 Dispensing Organization License or for an Adult Use Dispensing
8 Organization License before the expiration dates provided in
9 subsections (k) and (l) of this Section, the dispensing
10 organization shall cease serving purchasers and cease all
11 operations until it receives a renewal or an Adult Use
12 Dispensing Organization License, as the case may be.

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

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

1 dispensing organization license.

2 (p) All fees collected pursuant to this Section shall be
3 deposited into the Cannabis Regulation Fund, unless otherwise
4 specified.

5 (q) On and after July 1, 2025, all dispensaries which were
6 previously issued an Early Approval Adult Use Dispensing
7 Organization License pursuant to this Section shall be deemed
8 to be a dispensary pursuant to Section 15-36 of this Act.

9 (r) This section shall be repealed on January 1, 2026.

10 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19;
11 102-98, eff. 7-15-21.)

12 (410 ILCS 705/15-17 new)

13 Sec. 15-17. Early Approval Adult Use Dispensing
14 Organization License merger with Adult Use Dispensing
15 Organization License.

16 (a) On and after July 1, 2025, all dispensing
17 organizations previously registered as an Early Approval Adult
18 Use Dispensing Organization License shall be a dispensing
19 organization or a dispensary under this Act and shall be an
20 Adult Use Dispensing Organization License holder under Section
21 15-36 of this Act.

22 (b) The BLS Region in which the dispensing organization
23 licensee's Early Approval Adult Use Dispensing Organization
24 License was originally issued shall be considered the
25 licensee's BLS Region. The dispensing organization shall

1 remain in that BLS Region even if the license or licensee
2 changes its ownership, is sold, is relocated under Section
3 15-24 of this Act, or receives authorization under subsection
4 7 (e-5) of Section 15-25.

5 (410 ILCS 705/15-20)

6 Sec. 15-20. Early Approval Adult Use Dispensing
7 Organization License; secondary site.

8 (a) Any medical cannabis dispensing organization holding a
9 valid registration under the Compassionate Use of Medical
10 Cannabis Program Act as of the effective date of this Act may,
11 within 60 days of the effective date of this Act, apply to the
12 Department for an Early Approval Adult Use Dispensing
13 Organization License to operate a dispensing organization to
14 serve purchasers at a secondary site not within 1,500 feet of
15 another medical cannabis dispensing organization or adult use
16 dispensing organization. The Early Approval Adult Use
17 Dispensing Organization secondary site shall be within any BLS
18 Region that shares territory with the dispensing organization
19 district to which the medical cannabis dispensing organization
20 is assigned under the administrative rules for dispensing
21 organizations under the Compassionate Use of Medical Cannabis
22 Program Act.

23 (a-5) If, within 360 days of the effective date of this
24 Act, a dispensing organization is unable to find a location
25 within the BLS Regions prescribed in subsection (a) of this

1 Section in which to operate an Early Approval Adult Use
2 Dispensing Organization at a secondary site because no
3 jurisdiction within the prescribed area allows the operation
4 of an Adult Use ~~Cannabis~~ Dispensing Organization, the
5 Department of Financial and Professional Regulation may waive
6 the geographic restrictions of subsection (a) of this Section
7 and specify another BLS Region into which the dispensary may
8 be placed.

9 (b) (Blank).

10 (c) A medical cannabis dispensing organization seeking
11 issuance of an Early Approval Adult Use Dispensing
12 Organization License at a secondary site to serve purchasers
13 at a secondary site as prescribed in subsection (a) of this
14 Section shall submit an application on forms provided by the
15 Department. The application must meet or include the following
16 qualifications:

17 (1) a payment of a nonrefundable application fee of
18 \$30,000;

19 (2) proof of registration as a medical cannabis
20 dispensing organization that is in good standing;

21 (3) submission of the application by the same person
22 or entity that holds the medical cannabis dispensing
23 organization registration;

24 (4) the legal name of the medical cannabis dispensing
25 organization;

26 (5) the physical address of the medical cannabis

1 dispensing organization and the proposed physical address
2 of the secondary site;

3 (6) a copy of the current local zoning ordinance
4 Sections relevant to dispensary operations and
5 documentation of the approval, the conditional approval or
6 the status of a request for zoning approval from the local
7 zoning office that the proposed dispensary location is in
8 compliance with the local zoning rules;

9 (7) a plot plan of the dispensary drawn to scale. The
10 applicant shall submit general specifications of the
11 building exterior and interior layout;

12 (8) a statement that the dispensing organization
13 agrees to respond to the Department's supplemental
14 requests for information;

15 (9) for the building or land to be used as the proposed
16 dispensary:

17 (A) if the property is not owned by the applicant,
18 a written statement from the property owner and
19 landlord, if any, certifying consent that the
20 applicant may operate a dispensary on the premises; or

21 (B) if the property is owned by the applicant,
22 confirmation of ownership;

23 (10) a copy of the proposed operating bylaws;

24 (11) a copy of the proposed business plan that
25 complies with the requirements in this Act, including, at
26 a minimum, the following:

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

2 (B) a description of the process of dispensing
3 cannabis;

4 (12) a copy of the proposed security plan that
5 complies with the requirements in this Article, including:

6 (A) a description of the delivery process by which
7 cannabis will be received from a transporting
8 organization, including receipt of manifests and
9 protocols that will be used to avoid diversion, theft,
10 or loss at the dispensary acceptance point; and

11 (B) the process or controls that will be
12 implemented to monitor the dispensary, secure the
13 premises, agents, patients, and currency, and prevent
14 the diversion, theft, or loss of cannabis; and

15 (C) the process to ensure that access to the
16 restricted access areas is restricted to, registered
17 agents, service professionals, transporting
18 organization agents, Department inspectors, and
19 security personnel;

20 (13) a proposed inventory control plan that complies
21 with this Section;

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

26 (15) a nonrefundable Cannabis Business Development Fee

1 equal to \$200,000, to be deposited into the Cannabis
2 Business Development Fund; and

3 (16) a commitment to completing one of the following
4 Social Equity Inclusion Plans in subsection (d).

5 (d) Before receiving an Early Approval Adult Use
6 Dispensing Organization License at a secondary site, a
7 dispensing organization shall indicate the Social Equity
8 Inclusion Plan that the applicant plans to achieve before the
9 expiration of the Early Approval Adult Use Dispensing
10 Organization License from the list below:

11 (1) make a contribution of 3% of total sales from June
12 1, 2018 to June 1, 2019, or \$100,000, whichever is less, to
13 the Cannabis Business Development Fund. This is in
14 addition to the fee required by paragraph (16) of
15 subsection (c) of this Section;

16 (2) make a grant of 3% of total sales from June 1, 2018
17 to June 1, 2019, or \$100,000, whichever is less, to a
18 cannabis industry training or education program at an
19 Illinois community college as defined in the Public
20 Community College Act;

21 (3) make a donation of \$100,000 or more to a program
22 that provides job training services to persons recently
23 incarcerated or that operates in a Disproportionately
24 Impacted Area;

25 (4) participate as a host in a cannabis business
26 establishment incubator program approved by the Department

1 of Commerce and Economic Opportunity, and in which an
2 Early Approval Adult Use Dispensing Organization License
3 at a secondary site holder agrees to provide a loan of at
4 least \$100,000 and mentorship to incubate, for at least a
5 year, a Social Equity Applicant intending to seek a
6 license or a licensee that qualifies as a Social Equity
7 Applicant. In this paragraph (4), "incubate" means
8 providing direct financial assistance and training
9 necessary to engage in licensed cannabis industry activity
10 similar to that of the host licensee. The Early Approval
11 Adult Use Dispensing Organization License holder or the
12 same entity holding any other licenses issued under this
13 Act shall not take an ownership stake of greater than 10%
14 in any business receiving incubation services to comply
15 with this subsection. If an Early Approval Adult Use
16 Dispensing Organization License at a secondary site holder
17 fails to find a business to incubate in order to comply
18 with this subsection before its Early Approval Adult Use
19 Dispensing Organization License at a secondary site
20 expires, it may opt to meet the requirement of this
21 subsection by completing another item from this subsection
22 before the expiration of its Early Approval Adult Use
23 Dispensing Organization License at a secondary site to
24 avoid a penalty; or

25 (5) participate in a sponsorship program for at least
26 2 years approved by the Department of Commerce and

1 Economic Opportunity in which an Early Approval Adult Use
2 Dispensing Organization License at a secondary site holder
3 agrees to provide an interest-free loan of at least
4 \$200,000 to a Social Equity Applicant. The sponsor shall
5 not take an ownership stake of greater than 10% in any
6 business receiving sponsorship services to comply with
7 this subsection.

8 (e) The license fee required by paragraph (1) of
9 subsection (c) of this Section is in addition to any license
10 fee required for the renewal of a registered medical cannabis
11 dispensing organization license.

12 (f) Applicants must submit all required information,
13 including the requirements in subsection (c) of this Section,
14 to the Department. Failure by an applicant to submit all
15 required information may result in the application being
16 disqualified. Principal officers shall not be required to
17 submit to the fingerprint and background check requirements of
18 Section 5-20.

19 (g) If the Department receives an application that fails
20 to provide the required elements contained in subsection (c),
21 the Department shall issue a deficiency notice to the
22 applicant. The applicant shall have 10 calendar days from the
23 date of the deficiency notice to submit complete information.
24 Applications that are still incomplete after this opportunity
25 to cure may be disqualified.

26 (h) Once all required information and documents have been

1 submitted, the Department will review the application. The
2 Department may request revisions and retains final approval
3 over dispensary features. Once the application is complete and
4 meets the Department's approval, the Department shall
5 conditionally approve the license. Final approval is
6 contingent on the build-out and Department inspection.

7 (i) Upon submission of the Early Approval Adult Use
8 Dispensing Organization at a secondary site application, the
9 applicant shall request an inspection and the Department may
10 inspect the Early Approval Adult Use Dispensing Organization's
11 secondary site to confirm compliance with the application and
12 this Act.

13 (j) The Department shall only issue an Early Approval
14 Adult Use Dispensing Organization License at a secondary site
15 after the completion of a successful inspection.

16 (k) If an applicant passes the inspection under this
17 Section, the Department shall issue the Early Approval Adult
18 Use Dispensing Organization License at a secondary site within
19 10 business days unless:

20 (1) the ~~The~~ licensee, any principal officer or board
21 member of the licensee, or any person having a financial
22 or voting interest of 5% or greater in the licensee is
23 delinquent in filing any required tax returns or paying
24 any amounts owed to the State of Illinois; or

25 (2) the ~~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 at its secondary site.

4 (l) Once the Department has issued a license, the
5 dispensing organization shall notify the Department of the
6 proposed opening date.

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

13 (n) If there is a shortage of cannabis or cannabis-infused
14 products, a dispensing organization holding both a dispensing
15 organization license under the Compassionate Use of Medical
16 Cannabis Program Act and this Article shall prioritize serving
17 qualifying patients and caregivers before serving purchasers.

18 (o) An Early Approval Adult Use Dispensing Organization
19 License at a secondary site is valid until March 31, 2021. A
20 dispensing organization that obtains an Early Approval Adult
21 Use Dispensing Organization License at a secondary site shall
22 receive written or electronic notice 90 days before the
23 expiration of the license that the license will expire, and
24 inform the license holder that it may renew its Early Approval
25 Adult Use Dispensing Organization License at a secondary site.
26 The Department shall renew an Early Approval Adult Use

1 Dispensing Organization License at a secondary site within 60
2 days of submission of the renewal application being deemed
3 complete if:

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

7 (2) the Department has not suspended or permanently
8 revoked the Early Approval Adult Use Dispensing
9 Organization License or a medical cannabis dispensing
10 organization license held by the same person or entity for
11 violating this Act or rules adopted under this Act or the
12 Compassionate Use of Medical Cannabis Program Act or rules
13 adopted under that Act; and

14 (3) the dispensing organization has completed a Social
15 Equity Inclusion Plan provided by paragraph (1), (2), or
16 (3) of subsection (d) of this Section or has made
17 substantial progress toward completing a Social Equity
18 Inclusion Plan provided by paragraph (4) or (5) of
19 subsection (d) of this Section.

20 (p) The Early Approval Adult Use Dispensing Organization
21 Licensee at a secondary site renewed pursuant to subsection
22 (o) shall receive written or electronic notice 90 days before
23 the expiration of the license that the license will expire,
24 and that informs the license holder that it may apply for an
25 Adult Use Dispensing Organization License on forms provided by
26 the Department. The Department shall grant an Adult Use

1 Dispensing Organization License within 60 days of an
2 application being deemed complete if the applicant has meet
3 all of the criteria in Section 15-36.

4 (q) If a dispensing organization fails to submit an
5 application for renewal of an Early Approval Adult Use
6 Dispensing Organization License or for an Adult Use Dispensing
7 Organization License before the expiration dates provided in
8 subsections (o) and (p) of this Section, the dispensing
9 organization shall cease serving purchasers until it receives
10 a renewal or an Adult Use Dispensing Organization License.

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

18 (s) If the Department suspends, permanently revokes, or
19 otherwise disciplines the Early Approval Adult Use Dispensing
20 Organization License of a dispensing organization that also
21 holds a medical cannabis dispensing organization license
22 issued under the Compassionate Use of Medical Cannabis Program
23 Act, the Department may consider the suspension, permanent
24 revocation, or other discipline as grounds to take
25 disciplinary action against the medical cannabis dispensing
26 organization.

1 (t) All fees collected pursuant to this Section shall be
2 deposited into the Cannabis Regulation Fund, unless otherwise
3 specified.

4 (u) On and after July 1, 2025, all dispensaries that were
5 previously issued an Early Approval Adult Use Dispensing
6 Organization at a secondary site license pursuant to this
7 Section shall be deemed to be a dispensary pursuant to Section
8 15-36 of this Act.

9 (v) This section shall be repealed on January 1, 2026.

10 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19;
11 revised 7-19-24.)

12 (410 ILCS 705/15-23 new)

13 Sec. 15-23. Early Approval Adult Use Dispensing
14 Organization at a secondary site license merger with Adult Use
15 Dispensing Organization license.

16 (a) On and after July 1, 2025, all dispensing
17 organizations previously registered as an Early Approval Adult
18 Use Dispensing Organization at a secondary site license shall
19 be a dispensing organization or a dispensary under this Act
20 and shall be an Adult Use Dispensing Organization License
21 holder under Section 15-36 of this Act.

22 (b) The BLS Region in which the dispensing organization
23 licensee's Early Approval Adult Use Dispensing Organization at
24 a secondary site license was originally issued shall be
25 considered the licensee's BLS Region. The dispensing

1 organization shall remain in that BLS Region even if the
2 license or licensee changes its ownership, is sold, is
3 relocated under Section 15-24 of this Act, or receives
4 authorization under subsection 7 (e-5) of Section 15-25

5 (410 ILCS 705/15-24 new)

6 Sec. 15-24. Adult Use Dispensing Organization Licensee
7 relocation.

8 (a) An Adult Use Dispensing Organization licensee may
9 apply to relocate within the Licensee's specific BLS Region
10 consistent with this Section. A request to relocate under this
11 Section is subject to approval by the Department. An Adult Use
12 Dispensing Organization's application to relocate its license
13 under this Section shall be considered to be approved 30 days
14 following the submission of a complete application to
15 relocate, unless the request is sooner approved or denied in
16 writing by the Department. If an application to relocate is
17 denied, the Department shall provide, in writing, the specific
18 reason for denial. An Adult Use Dispensing Organization may
19 request to relocate under this Section only if:

20 (1) the Adult Use Dispensing Organization's existing
21 location is within the boundaries of a unit of local
22 government that prohibits the sale of adult use cannabis;

23 (2) the Adult Use Dispensing Organization has obtained
24 the zoning approval of a new location by the municipality
25 it currently operates in if the new location is within

1 that same municipality, or if outside the boundaries of a
2 municipality in an unincorporated area of the county, the
3 zoning approval of a new location by the county where it
4 currently operates in if the new location is within the
5 same county, to move to a different location within that
6 unit of local government; or

7 (3) the Adult Use Dispensing Organization has obtained
8 the approval, as evidenced by a letter of intent or full
9 zoning approval, to operate within the boundaries of a new
10 unit of local government, so long as the new unit of local
11 government is within the dispensing organization's
12 specific BLS Region.

13 (b) The relocation of an Adult Use Dispensing Organization
14 Licensee under this Section shall be subject to Sections 55-25
15 and 55-28.

16 (410 ILCS 705/15-25)

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

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

21 (b) The Department shall make the application for a
22 Conditional Adult Use Dispensing Organization License
23 available no later than October 1, 2019 and shall accept
24 applications no later than January 1, 2020.

25 (c) To ensure the geographic dispersion of Conditional

1 Adult Use Dispensing Organization License holders, the
2 following number of licenses shall be awarded in each BLS
3 Region as determined by each region's percentage of the
4 State's population:

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

22 (d) An applicant seeking issuance of a Conditional Adult
23 Use Dispensing Organization License shall submit an
24 application on forms provided by the Department. An applicant
25 must meet the following requirements:

- 26 (1) Payment of a nonrefundable application fee of

1 \$5,000 for each license for which the applicant is
2 applying, which shall be deposited into the Cannabis
3 Regulation Fund;

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

6 (3) The legal name of the proposed dispensing
7 organization;

8 (4) A statement that the dispensing organization
9 agrees to respond to the Department's supplemental
10 requests for information;

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

13 (A) has previously held or currently holds an
14 ownership interest in a cannabis business
15 establishment in Illinois; or

16 (B) has held an ownership interest in a dispensing
17 organization or its equivalent in another state or
18 territory of the United States that had the dispensing
19 organization registration or license suspended,
20 revoked, placed on probationary status, or subjected
21 to other disciplinary action;

22 (6) Disclosure of whether any principal officer has
23 ever filed for bankruptcy or defaulted on spousal support
24 or child support obligation;

25 (7) A resume for each principal officer, including
26 whether that person has an academic degree, certification,

1 or relevant experience with a cannabis business
2 establishment or in a related industry;

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

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

6 (10) A copy of the proposed business plan that
7 complies with the requirements in this Act, including, at
8 a minimum, the following:

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

10 (B) A description of the process of dispensing
11 cannabis;

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

14 (A) The process or controls that will be
15 implemented to monitor the dispensary, secure the
16 premises, agents, and currency, and prevent the
17 diversion, theft, or loss of cannabis; and

18 (B) The process to ensure that access to the
19 restricted access areas is restricted to, registered
20 agents, service professionals, transporting
21 organization agents, Department inspectors, and
22 security personnel;

23 (12) A proposed inventory control plan that complies
24 with this Section;

25 (13) A proposed floor plan, a square footage estimate,
26 and a description of proposed security devices, including,

1 without limitation, cameras, motion detectors, servers,
2 video storage capabilities, and alarm service providers;

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

7 (15) Evidence of the applicant's status as a Social
8 Equity Applicant, if applicable, and whether a Social
9 Equity Applicant plans to apply for a loan or grant issued
10 by the Department of Commerce and Economic Opportunity;

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

14 (17) Written summaries of any information regarding
15 instances in which a business or not-for-profit that a
16 prospective board member previously managed or served on
17 were fined or censured, or any instances in which a
18 business or not-for-profit that a prospective board member
19 previously managed or served on had its registration
20 suspended or revoked in any administrative or judicial
21 proceeding;

22 (18) A plan for community engagement;

23 (19) Procedures to ensure accurate recordkeeping and
24 security measures that are in accordance with this Article
25 and Department rules;

26 (20) The estimated volume of cannabis it plans to

1 store at the dispensary;

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

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

7 (23) A reasonable assurance that the issuance of a
8 license will not have a detrimental impact on the
9 community in which the applicant wishes to locate;

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

11 (25) A description of the enclosed, locked facility
12 where cannabis will be stored by the dispensing
13 organization;

14 (26) Signed statements from each dispensing
15 organization agent stating that he or she will not divert
16 cannabis;

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

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

24 (29) A contract with a private security contractor
25 agency that is licensed under Section 10-5 of the Private
26 Detective, Private Alarm, Private Security, Fingerprint

1 Vendor, and Locksmith Act of 2004 in order for the
2 dispensary to have adequate security at its facility; and

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

7 (e) An applicant who receives a Conditional Adult Use
8 Dispensing Organization License under this Section has 180
9 days from the date of award to identify a physical location for
10 the dispensing organization retail storefront. The applicant
11 shall provide evidence that the location is not within 1,500
12 feet of an existing dispensing organization, unless the
13 applicant is a Social Equity Applicant or Social Equity
14 Justice Involved Applicant located or seeking to locate within
15 1,500 feet of a dispensing organization licensed under Section
16 15-15 or Section 15-20. If an applicant is unable to find a
17 suitable physical address in the opinion of the Department
18 within 180 days of the issuance of the Conditional Adult Use
19 Dispensing Organization License, the Department may extend the
20 period for finding a physical address an additional 540 days
21 if the Conditional Adult Use Dispensing Organization License
22 holder demonstrates concrete attempts to secure a location and
23 a hardship. If the Department denies the extension or the
24 Conditional Adult Use Dispensing Organization License holder
25 is unable to either find a location within 720 days of being
26 awarded a conditional license and become operational within

1 180 days thereafter, or become operational within 720 days of
2 being awarded a conditional license, the Department may,
3 considering the totality of the circumstances, rescind the
4 conditional license. If the conditional license holder does
5 not become operational within 365 days after having found a
6 location, the Department may mandate a date by which the
7 conditional license holder shall become operational prior to
8 the Department rescinding the conditional license. If the
9 Department rescinds ~~shall rescind~~ the conditional license, it
10 may issue ~~and award~~ it to the next highest scoring applicant in
11 the BLS Region for which the license was assigned, provided
12 the applicant receiving the license: (i) confirms a continued
13 interest in operating a dispensing organization; (ii) can
14 provide evidence that the applicant continues to meet all
15 requirements for holding a Conditional Adult Use Dispensing
16 Organization License set forth in this Act; and (iii) has not
17 otherwise become ineligible to be awarded a dispensing
18 organization license. If the new awardee is unable to accept
19 the Conditional Adult Use Dispensing Organization License, the
20 Department may issue ~~shall award~~ the Conditional Adult Use
21 Dispensing Organization License to the next highest scoring
22 applicant in the same manner. The new awardee shall be subject
23 to the same required deadlines as provided in this subsection.

24 (e-5) If, within 720 days of being awarded a Conditional
25 Adult Use Dispensing Organization License, a dispensing
26 organization is unable to find a location within the BLS

1 Region in which it was awarded a Conditional Adult Use
2 Dispensing Organization License because no jurisdiction within
3 the BLS Region allows for the operation of an Adult Use
4 Dispensing Organization, the Department of Financial and
5 Professional Regulation may authorize the Conditional Adult
6 Use Dispensing Organization License holder to transfer its
7 license to a BLS Region specified by the Department.

8 (f) A dispensing organization that is awarded a
9 Conditional Adult Use Dispensing Organization License pursuant
10 to the criteria in Section 15-30 shall not purchase, possess,
11 sell, or dispense cannabis or cannabis-infused products until
12 the person has received an Adult Use Dispensing Organization
13 License issued by the Department pursuant to Section 15-36 of
14 this Act.

15 (g) The Department shall conduct a background check of the
16 prospective organization agents in order to carry out this
17 Article. The Illinois State Police shall charge the applicant
18 a fee for conducting the criminal history record check, which
19 shall be deposited into the State Police Services Fund and
20 shall not exceed the actual cost of the record check. Each
21 person applying as a dispensing organization agent shall
22 submit a full set of fingerprints to the Illinois State Police
23 for the purpose of obtaining a State and federal criminal
24 records check. These fingerprints shall be checked against the
25 fingerprint records now and hereafter, to the extent allowed
26 by law, filed in the Illinois State Police and Federal Bureau

1 of Identification criminal history records databases. The
2 Illinois State Police shall furnish, following positive
3 identification, all Illinois conviction information to the
4 Department.

5 (Source: P.A. 102-98, eff. 7-15-21; 102-538, eff. 8-20-21;
6 102-813, eff. 5-13-22; 103-8, eff. 6-7-23.)

7 (410 ILCS 705/15-35)

8 Sec. 15-35. Qualifying Applicant Lottery for Conditional
9 Adult Use Dispensing Organization Licenses.

10 (a) In addition to any of the licenses issued under
11 Section 15-15, Section 15-20, Section 15-25, Section 15-30.20,
12 or Section 15-35.10 of this Act, within 10 business days after
13 the resulting final scores for all scored applications
14 pursuant to Sections 15-25 and 15-30 are released, the
15 Department shall issue up to 55 Conditional Adult Use
16 Dispensing Organization Licenses by lot, pursuant to the
17 application process adopted under this Section. In order to be
18 eligible to be awarded a Conditional Adult Use Dispensing
19 Organization License by lot under this Section, a Dispensary
20 Applicant must be a Qualifying Applicant.

21 The licenses issued under this Section shall be awarded in
22 each BLS Region in the following amounts:

23 (1) Bloomington: 1.

24 (2) Cape Girardeau: 1.

25 (3) Carbondale-Marion: 1.

- 1 (4) Champaign-Urbana: 1.
- 2 (5) Chicago-Naperville-Elgin: 36.
- 3 (6) Danville: 1.
- 4 (7) Davenport-Moline-Rock Island: 1.
- 5 (8) Decatur: 1.
- 6 (9) Kankakee: 1.
- 7 (10) Peoria: 2.
- 8 (11) Rockford: 1.
- 9 (12) St. Louis: 3.
- 10 (13) Springfield: 1.
- 11 (14) Northwest Illinois nonmetropolitan: 1.
- 12 (15) West Central Illinois nonmetropolitan: 1.
- 13 (16) East Central Illinois nonmetropolitan: 1.
- 14 (17) South Illinois nonmetropolitan: 1.

15 (a-5) Prior to issuing licenses under subsection (a), the
16 Department may adopt rules through emergency rulemaking in
17 accordance with subsection (kk) of Section 5-45 of the
18 Illinois Administrative Procedure Act. The General Assembly
19 finds that the adoption of rules to regulate cannabis use is
20 deemed an emergency and necessary for the public interest,
21 safety, and welfare.

22 (b) The Department shall distribute the available licenses
23 established under this Section subject to the following:

- 24 (1) The drawing by lot for all available licenses
25 issued under this Section shall occur on the same day when
26 practicable.

1 (2) Within each BLS Region, the first Qualifying
2 Applicant drawn will have the first right to an available
3 license. The second Qualifying Applicant drawn will have
4 the second right to an available license. The same pattern
5 will continue for each subsequent Qualifying Applicant
6 drawn.

7 (3) The process for distributing available licenses
8 under this Section shall be recorded by the Department in
9 a format selected by the Department.

10 (4) A Dispensary Applicant is prohibited from becoming
11 a Qualifying Applicant if a principal officer resigns
12 after the resulting final scores for all scored
13 applications pursuant to Sections 15-25 and 15-30 are
14 released.

15 (5) No Qualifying Applicant may be awarded more than 2
16 Conditional Adult Use Dispensing Organization Licenses at
17 the conclusion of a lottery conducted under this Section.

18 (6) No individual may be listed as a principal officer
19 of more than 2 Conditional Adult Use Dispensing
20 Organization Licenses awarded under this Section.

21 (7) If, upon being selected for an available license
22 established under this Section, a Qualifying Applicant
23 exceeds the limits under paragraph (5) or (6), the
24 Qualifying Applicant must choose which license to abandon
25 and notify the Department in writing within 5 business
26 days. If the Qualifying Applicant does not notify the

1 Department as required, the Department shall refuse to
2 issue the Qualifying Applicant all available licenses
3 established under this Section obtained by lot in all BLS
4 Regions.

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

20 (9) All available licenses that have been abandoned
21 under paragraph (7) or (8) shall be distributed to the
22 next Qualifying Applicant drawn by lot.

23 Any and all rights conferred or obtained under this
24 Section shall be limited to the provisions of this Section.

25 (c) An applicant who receives a Conditional Adult Use
26 Dispensing Organization License under this Section has 180

1 days from the date it is awarded to identify a physical
2 location for the dispensing organization's retail storefront.
3 The applicant shall provide evidence that the location is not
4 within 1,500 feet of an existing dispensing organization,
5 unless the applicant is a Social Equity Applicant or Social
6 Equity Justice Involved Applicant located or seeking to locate
7 within 1,500 feet of a dispensing organization licensed under
8 Section 15-15 or Section 15-20. If an applicant is unable to
9 find a suitable physical address in the opinion of the
10 Department within 180 days from the issuance of the
11 Conditional Adult Use Dispensing Organization License, the
12 Department may extend the period for finding a physical
13 address an additional 540 days if the Conditional Adult Use
14 Dispensing Organization License holder demonstrates a concrete
15 attempt to secure a location and a hardship. If the Department
16 denies the extension or the Conditional Adult Use Dispensing
17 Organization License holder is unable to either find a
18 location within 720 days of being awarded a conditional
19 license and become operational within 180 days thereafter, or
20 become operational within 720 days of being awarded a
21 Conditional Adult Use Dispensing Organization License under
22 this Section, the Department may, considering the totality of
23 the circumstances, rescind the conditional license. If the
24 conditional license holder does not become operational within
25 365 days after having found a location, the Department may
26 mandate a date by which the conditional license holder shall

1 become operational prior to the Department rescinding the
2 conditional license. If the Department rescinds ~~shall rescind~~
3 the Conditional Adult Use Dispensing Organization License, it
4 may issue ~~and award~~ it pursuant to subsection (b), provided
5 the applicant receiving the Conditional Adult Use Dispensing
6 Organization License: (i) confirms a continued interest in
7 operating a dispensing organization; (ii) can provide evidence
8 that the applicant continues to meet all requirements for
9 holding a Conditional Adult Use Dispensing Organization
10 License set forth in this Act; and (iii) has not otherwise
11 become ineligible to be awarded a Conditional Adult Use
12 Dispensing Organization License. If the new awardee is unable
13 to accept the Conditional Adult Use Dispensing Organization
14 License, the Department may issue ~~shall award~~ the Conditional
15 Adult Use Dispensing Organization License pursuant to
16 subsection (b). The new conditional license holder ~~awardee~~
17 shall be subject to the same required deadlines as provided in
18 this subsection.

19 (d) If, within 720 days of being awarded a Conditional
20 Adult Use Dispensing Organization License, a dispensing
21 organization is unable to find a location within the BLS
22 Region in which it was awarded a Conditional Adult Use
23 Dispensing Organization License because no jurisdiction within
24 the BLS Region allows for the operation of an Adult Use
25 Dispensing Organization, the Department may authorize the
26 Conditional Adult Use Dispensing Organization License holder

1 to transfer its Conditional Adult Use Dispensing Organization
2 License to a BLS Region specified by the Department.

3 (e) A dispensing organization that is awarded a
4 Conditional Adult Use Dispensing Organization License under
5 this Section shall not purchase, possess, sell, or dispense
6 cannabis or cannabis-infused products until the dispensing
7 organization has received an Adult Use Dispensing Organization
8 License issued by the Department pursuant to Section 15-36.

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

25 (g) The Department may verify information contained in
26 each application and accompanying documentation to assess the

1 applicant's veracity and fitness to operate a dispensing
2 organization.

3 (h) The Department may, in its discretion, refuse to issue
4 authorization to an applicant who meets any of the following
5 criteria:

6 (1) An applicant who is unqualified to perform the
7 duties required of the applicant.

8 (2) An applicant who fails to disclose or states
9 falsely any information called for in the application.

10 (3) An applicant who has been found guilty of a
11 violation of this Act, who has had any disciplinary order
12 entered against the applicant by the Department, who has
13 entered into a disciplinary or nondisciplinary agreement
14 with the Department, whose medical cannabis dispensing
15 organization, medical cannabis cultivation organization,
16 Early Approval Adult Use Dispensing Organization License,
17 Early Approval Adult Use Dispensing Organization License
18 at a secondary site, Early Approval Cultivation Center
19 License, Conditional Adult Use Dispensing Organization
20 License, or Adult Use Dispensing Organization License was
21 suspended, restricted, revoked, or denied for just cause,
22 or whose cannabis business establishment license was
23 suspended, restricted, revoked, or denied in any other
24 state.

25 (4) An applicant who has engaged in a pattern or
26 practice of unfair or illegal practices, methods, or

1 activities in the conduct of owning a cannabis business
2 establishment or other business.

3 (i) The Department shall deny issuance of a license under
4 this Section if any principal officer, board member, or person
5 having a financial or voting interest of 5% or greater in the
6 licensee is delinquent in filing any required tax return or
7 paying any amount owed to the State of Illinois.

8 (j) The Department shall verify an applicant's compliance
9 with the requirements of this Article and rules adopted under
10 this Article before issuing a Conditional Adult Use Dispensing
11 Organization License under this Section.

12 (k) If an applicant is awarded a Conditional Adult Use
13 Dispensing Organization License under this Section, the
14 information and plans provided in the application, including
15 any plans submitted for bonus points, shall become a condition
16 of the Conditional Adult Use Dispensing Organization License
17 and any Adult Use Dispensing Organization License issued to
18 the holder of the Conditional Adult Use Dispensing
19 Organization License, except as otherwise provided by this Act
20 or by rule. A dispensing organization has a duty to disclose
21 any material changes to the application. The Department shall
22 review all material changes disclosed by the dispensing
23 organization and may reevaluate its prior decision regarding
24 the awarding of a Conditional Adult Use Dispensing
25 Organization License, including, but not limited to,
26 suspending or permanently revoking a Conditional Adult Use

1 Dispensing Organization License. Failure to comply with the
2 conditions or requirements in the application may subject the
3 dispensing organization to discipline up to and including
4 suspension or permanent revocation of its authorization or
5 Conditional Adult Use Dispensing Organization License by the
6 Department.

7 (1) If an applicant has not begun operating as a
8 dispensing organization within one year after the issuance of
9 the Conditional Adult Use Dispensing Organization License
10 under this Section, the Department may permanently revoke the
11 Conditional Adult Use Dispensing Organization License and
12 award it to the next highest scoring applicant in the BLS
13 Region if a suitable applicant indicates a continued interest
14 in the Conditional Adult Use Dispensing Organization License
15 or may begin a new selection process to award a Conditional
16 Adult Use Dispensing Organization License.

17 (Source: P.A. 102-98, eff. 7-15-21; 103-8, eff. 6-7-23.)

18 (410 ILCS 705/15-35.10)

19 Sec. 15-35.10. Social Equity Justice Involved Lottery for
20 Conditional Adult Use Dispensing Organization Licenses.

21 (a) In addition to any of the licenses issued under
22 Section 15-15, Section 15-20, Section 15-25, Section 15-30.20,
23 or Section 15-35, within 10 business days after the resulting
24 final scores for all scored applications pursuant to Sections
25 15-25 and 15-30 are released, the Department shall issue up to

1 55 Conditional Adult Use Dispensing Organization Licenses by
2 lot, pursuant to the application process adopted under this
3 Section. In order to be eligible to be awarded a Conditional
4 Adult Use Dispensing Organization License by lot, a Dispensary
5 Applicant must be a Qualifying Social Equity Justice Involved
6 Applicant.

7 The licenses issued under this Section shall be awarded in
8 each BLS Region in the following amounts:

- 9 (1) Bloomington: 1.
- 10 (2) Cape Girardeau: 1.
- 11 (3) Carbondale-Marion: 1.
- 12 (4) Champaign-Urbana: 1.
- 13 (5) Chicago-Naperville-Elgin: 36.
- 14 (6) Danville: 1.
- 15 (7) Davenport-Moline-Rock Island: 1.
- 16 (8) Decatur: 1.
- 17 (9) Kankakee: 1.
- 18 (10) Peoria: 2.
- 19 (11) Rockford: 1.
- 20 (12) St. Louis: 3.
- 21 (13) Springfield: 1.
- 22 (14) Northwest Illinois nonmetropolitan: 1.
- 23 (15) West Central Illinois nonmetropolitan: 1.
- 24 (16) East Central Illinois nonmetropolitan: 1.
- 25 (17) South Illinois nonmetropolitan: 1.

26 (a-5) Prior to issuing licenses under subsection (a), the

1 Department may adopt rules through emergency rulemaking in
2 accordance with subsection (kk) of Section 5-45 of the
3 Illinois Administrative Procedure Act. The General Assembly
4 finds that the adoption of rules to regulate cannabis use is
5 deemed an emergency and necessary for the public interest,
6 safety, and welfare.

7 (b) The Department shall distribute the available licenses
8 established under this Section subject to the following:

9 (1) The drawing by lot for all available licenses
10 established under this Section shall occur on the same day
11 when practicable.

12 (2) Within each BLS Region, the first Qualifying
13 Social Equity Justice Involved Applicant drawn will have
14 the first right to an available license. The second
15 Qualifying Social Equity Justice Involved Applicant drawn
16 will have the second right to an available license. The
17 same pattern will continue for each subsequent applicant
18 drawn.

19 (3) The process for distributing available licenses
20 under this Section shall be recorded by the Department in
21 a format selected by the Department.

22 (4) A Dispensary Applicant is prohibited from becoming
23 a Qualifying Social Equity Justice Involved Applicant if a
24 principal officer resigns after the resulting final scores
25 for all scored applications pursuant to Sections 15-25 and
26 15-30 are released.

1 (5) No Qualifying Social Equity Justice Involved
2 Applicant may be awarded more than 2 Conditional Adult Use
3 Dispensing Organization Licenses at the conclusion of a
4 lottery conducted under this Section.

5 (6) No individual may be listed as a principal officer
6 of more than 2 Conditional Adult Use Dispensing
7 Organization Licenses awarded under this Section.

8 (7) If, upon being selected for an available license
9 established under this Section, a Qualifying Social Equity
10 Justice Involved Applicant exceeds the limits under
11 paragraph (5) or (6), the Qualifying Social Equity Justice
12 Involved Applicant must choose which license to abandon
13 and notify the Department in writing within 5 business
14 days on forms prescribed by the Department. If the
15 Qualifying Social Equity Justice Involved Applicant does
16 not notify the Department as required, the Department
17 shall refuse to issue the Qualifying Social Equity Justice
18 Involved Applicant all available licenses established
19 under this Section obtained by lot in all BLS Regions.

20 (8) If, upon being selected for an available license
21 established under this Section, a Qualifying Social Equity
22 Justice Involved Applicant has a principal officer who is
23 a principal officer in more than 10 Early Approval Adult
24 Use Dispensing Organization Licenses, Conditional Adult
25 Use Dispensing Organization Licenses, Adult Use Dispensing
26 Organization Licenses, or any combination thereof, the

1 licensees and the Qualifying Social Equity Justice
2 Involved Applicant listing that principal officer must
3 choose which license to abandon pursuant to subsection (d)
4 of Section 15-36 and notify the Department in writing
5 within 5 business days on forms prescribed by the
6 Department. If the Dispensary Applicant or licensees do
7 not notify the Department as required, the Department
8 shall refuse to issue the Qualifying Social Equity Justice
9 Involved Applicant all available licenses established
10 under this Section obtained by lot in all BLS Regions.

11 (9) All available licenses that have been abandoned
12 under paragraph (7) or (8) shall be distributed to the
13 next Qualifying Social Equity Justice Involved Applicant
14 drawn by lot.

15 Any and all rights conferred or obtained under this
16 subsection shall be limited to the provisions of this
17 subsection.

18 (c) An applicant who receives a Conditional Adult Use
19 Dispensing Organization License under this Section has 180
20 days from the date of the award to identify a physical location
21 for the dispensing organization's retail storefront. The
22 applicant shall provide evidence that the location is not
23 within 1,500 feet of an existing dispensing organization,
24 unless the applicant is a Social Equity Applicant or Social
25 Equity Justice Involved Applicant located or seeking to locate
26 within 1,500 feet of a dispensing organization licensed under

1 Section 15-15 or Section 15-20. If an applicant is unable to
2 find a suitable physical address in the opinion of the
3 Department within 180 days from the issuance of the
4 Conditional Adult Use Dispensing Organization License, the
5 Department may extend the period for finding a physical
6 address an additional 540 days if the Conditional Adult Use
7 Dispensing Organization License holder demonstrates a concrete
8 attempt to secure a location and a hardship. If the Department
9 denies the extension or the Conditional Adult Use Dispensing
10 Organization License holder is unable to either find a
11 location within 720 days and become operational within 180
12 days thereafter, or become operational within 720 days of
13 being awarded a Conditional Adult Use Dispensing Organization
14 License under this Section, the Department may, considering
15 the totality of the circumstances, rescind the conditional
16 license. If the conditional license holder does not become
17 operational within 365 days after having found a location, the
18 Department may mandate a date by which the conditional license
19 holder shall become operational prior to the Department
20 rescinding the conditional license. If the Department rescinds
21 ~~shall rescind~~ the Conditional Adult Use Dispensing
22 Organization License, it may issue and award it pursuant to
23 subsection (b) and notify the new awardee at the email address
24 provided in the awardee's application, provided the applicant
25 receiving the Conditional Adult Use Dispensing Organization
26 License: (i) confirms a continued interest in operating a

1 dispensing organization; (ii) can provide evidence that the
2 applicant continues to meet all requirements for holding a
3 Conditional Adult Use Dispensing Organization License set
4 forth in this Act; and (iii) has not otherwise become
5 ineligible to be awarded a Conditional Adult Use Dispensing
6 Organization License. If the new awardee is unable to accept
7 the Conditional Adult Use Dispensing Organization License, the
8 Department may issue ~~shall award~~ the Conditional Adult Use
9 Dispensing Organization License pursuant to subsection (b).
10 The new conditional license holder ~~awardee~~ shall be subject to
11 the same required deadlines as provided in this subsection.

12 (d) If, within 720 ~~180~~ days of being awarded a Conditional
13 Adult Use Dispensing Organization License, a dispensing
14 organization is unable to find a location within the BLS
15 Region in which it was awarded a Conditional Adult Use
16 Dispensing Organization License under this Section because no
17 jurisdiction within the BLS Region allows for the operation of
18 an Adult Use Dispensing Organization, the Department may
19 authorize the Conditional Adult Use Dispensing Organization
20 License holder to transfer its Conditional Adult Use
21 Dispensing Organization License to a BLS Region specified by
22 the Department.

23 (e) A dispensing organization that is awarded a
24 Conditional Adult Use Dispensing Organization License under
25 this Section shall not purchase, possess, sell, or dispense
26 cannabis or cannabis-infused products until the dispensing

1 organization has received an Adult Use Dispensing Organization
2 License issued by the Department pursuant to Section 15-36.

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

19 (g) The Department may verify information contained in
20 each application and accompanying documentation to assess the
21 applicant's veracity and fitness to operate a dispensing
22 organization.

23 (h) The Department may, in its discretion, refuse to issue
24 an authorization to an applicant who meets any of the
25 following criteria:

26 (1) An applicant who is unqualified to perform the

1 duties required of the applicant.

2 (2) An applicant who fails to disclose or states
3 falsely any information called for in the application.

4 (3) An applicant who has been found guilty of a
5 violation of this Act, who has had any disciplinary order
6 entered against the applicant by the Department, who has
7 entered into a disciplinary or nondisciplinary agreement
8 with the Department, whose medical cannabis dispensing
9 organization, medical cannabis cultivation organization,
10 Early Approval Adult Use Dispensing Organization License,
11 Early Approval Adult Use Dispensing Organization License
12 at a secondary site, Early Approval Cultivation Center
13 License, Conditional Adult Use Dispensing Organization
14 License, or Adult Use Dispensing Organization License was
15 suspended, restricted, revoked, or denied for just cause,
16 or whose cannabis business establishment license was
17 suspended, restricted, revoked, or denied in any other
18 state.

19 (4) An applicant who has engaged in a pattern or
20 practice of unfair or illegal practices, methods, or
21 activities in the conduct of owning a cannabis business
22 establishment or other business.

23 (i) The Department shall deny the license if any principal
24 officer, board member, or person having a financial or voting
25 interest of 5% or greater in the licensee is delinquent in
26 filing any required tax return or paying any amount owed to the

1 State of Illinois.

2 (j) The Department shall verify an applicant's compliance
3 with the requirements of this Article and rules adopted under
4 this Article before issuing a Conditional Adult Use Dispensing
5 Organization License.

6 (k) If an applicant is awarded a Conditional Adult Use
7 Dispensing Organization License under this Section, the
8 information and plans provided in the application, including
9 any plans submitted for bonus points, shall become a condition
10 of the Conditional Adult Use Dispensing Organization License
11 and any Adult Use Dispensing Organization License issued to
12 the holder of the Conditional Adult Use Dispensing
13 Organization License, except as otherwise provided by this Act
14 or by rule. Dispensing organizations have a duty to disclose
15 any material changes to the application. The Department shall
16 review all material changes disclosed by the dispensing
17 organization and may reevaluate its prior decision regarding
18 the awarding of a Conditional Adult Use Dispensing
19 Organization License, including, but not limited to,
20 suspending or permanently revoking a Conditional Adult Use
21 Dispensing Organization License. Failure to comply with the
22 conditions or requirements in the application may subject the
23 dispensing organization to discipline up to and including
24 suspension or permanent revocation of its authorization or
25 Conditional Adult Use Dispensing Organization License by the
26 Department.

(1) If an applicant has not begun operating as a dispensing organization within one year after the issuance of the Conditional Adult Use Dispensing Organization License under this Section, the Department may permanently revoke the Conditional Adult Use Dispensing Organization License and award it to the next highest scoring applicant in the BLS Region if a suitable applicant indicates a continued interest in the Conditional Adult Use Dispensing Organization License or may begin a new selection process to award a Conditional Adult Use Dispensing Organization License.

(Source: P.A. 102-98, eff. 7-15-21; 103-8, eff. 6-7-23.)

(410 ILCS 705/15-36)

Sec. 15-36. Adult Use Dispensing Organization License.

(a) A person is only eligible to receive or hold an Adult Use Dispensing Organization License if the person has been issued ~~awarded~~ a Conditional Adult Use Dispensing Organization License pursuant to this Act or its administrative rules, was issued an Early Approval Adult Use Dispensing Organization License, an Early Approval Adult Use Dispensing Organization License at a Secondary Site, or was a registered medical dispensing organization as defined under the Compassionate Use of Medical Cannabis Act ~~or has renewed its license pursuant to subsection (k) of Section 15-15 or subsection (p) of Section 15-20.~~

(a-5) Beginning July 1, 2025, all dispensing organizations

1 registered under the Compassionate Use of Medical Cannabis
2 Program Act and Sections 15-15 and 15-20 of this Act shall be a
3 dispensing organization or a dispensary as those terms are
4 defined in this Act and shall be an Adult Use Dispensing
5 Organization License holder under this Section. Beginning July
6 1, 2025, all dispensing organizations registered under the
7 Compassionate Use of Medical Cannabis Program Act and Sections
8 15-15 and 15-20 of this Act shall have the same rights,
9 privileges, duties, and responsibilities of dispensing
10 organizations licensed pursuant to this Section and shall be
11 subject to any administrative rules adopted under this Act.

12 (a-10) In addition to selling cannabis and
13 cannabis-infused products to persons 21 years of age or older,
14 beginning July 1, 2025, but no later than October 1, 2025, all
15 dispensing organizations licensed pursuant to this Act shall
16 also offer cannabis and cannabis-infused products for sale to
17 registered qualifying patients, provisional patients, and
18 designated caregivers.

19 (a-15) By October 1, 2025, all dispensing organizations
20 licensed under Section 15-36 shall pay the fee under
21 subsection (d) of Section 15-13 of this Act or shall have
22 entered into an approved payment plan with the Department to
23 pay the fee.

24 (b) The Department shall not issue an Adult Use Dispensing
25 Organization License until:

26 (1) the Department has inspected the dispensary site

1 and proposed operations and verified that they are in
2 compliance with this Act and local zoning laws;

3 (2) the Conditional Adult Use Dispensing Organization
4 License holder has paid a license fee of \$70,000 ~~\$60,000~~
5 or a prorated amount accounting for the difference of time
6 between when the Adult Use Dispensing Organization License
7 is issued and March 31 of the next even-numbered year;
8 \$60,000 (or the proportional prorated amount paid) of the
9 fee shall be remitted into the Cannabis Regulation Fund,
10 and \$10,000 (or the proportional prorated amount paid) of
11 the fee shall be remitted into the Compassionate Use of
12 Medical Cannabis Fund; and

13 (3) the Conditional Adult Use Dispensing Organization
14 License holder has met all the requirements in this Act
15 and rules.

16 (c) No person or entity shall hold any legal, equitable,
17 ownership, or beneficial interest, directly or indirectly, of
18 more than 10 dispensing organizations licensed under this
19 Article. Further, no person or entity that is:

20 (1) employed by, is an agent of, or participates in
21 the management of a dispensing organization or registered
22 medical cannabis dispensing organization;

23 (2) a principal officer of a dispensing organization
24 or registered medical cannabis dispensing organization; or

25 (3) an entity controlled by or affiliated with a
26 principal officer of a dispensing organization or

1 registered medical cannabis dispensing organization;
2 shall hold any legal, equitable, ownership, or beneficial
3 interest, directly or indirectly, in a dispensing organization
4 that would result in such person or entity owning or
5 participating in the management of more than 10 Early Approval
6 Adult Use Dispensing Organization Licenses, Early Approval
7 Adult Use Dispensing Organization Licenses at a secondary
8 site, Conditional Adult Use Dispensing Organization Licenses,
9 or Adult Use Dispensing Organization Licenses. For the purpose
10 of this subsection, participating in management may include,
11 without limitation, controlling decisions regarding staffing,
12 pricing, purchasing, marketing, store design, hiring, and
13 website design.

14 (d) The Department shall deny an application if granting
15 that application would result in a person or entity obtaining
16 direct or indirect financial interest in more than 10 Early
17 Approval Adult Use Dispensing Organization Licenses,
18 Conditional Adult Use Dispensing Organization Licenses, Adult
19 Use Dispensing Organization Licenses, or any combination
20 thereof. If a person or entity is awarded a Conditional Adult
21 Use Dispensing Organization License that would cause the
22 person or entity to be in violation of this subsection, he,
23 she, or it shall choose which license application it wants to
24 abandon and such licenses shall become available to the next
25 qualified applicant in the region in which the abandoned
26 license was awarded.

1 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19;
2 revised 7-19-24.)

3 (410 ILCS 705/15-40)

4 Sec. 15-40. Dispensing organization agent identification
5 card; agent training.

6 (a) The Department shall:

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

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

17 (3) enter the registry identification number of the
18 dispensing organization where the agent works;

19 (4) within one year from the effective date of this
20 Act, allow for an electronic application process and
21 provide a confirmation by electronic or other methods that
22 an application has been submitted; and

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

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

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

6 (1) the name of the cardholder;

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

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

12 (4) a photograph of the cardholder.

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

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

19 (f) Any card lost by a dispensing organization agent shall
20 be reported to the Illinois State Police and the Department
21 immediately upon discovery of the loss.

22 (g) An applicant shall be denied a dispensing organization
23 agent identification card renewal if he or she fails to
24 complete the training provided for in this Section.

25 (h) A dispensing organization agent shall only be required
26 to hold one card for the same employer regardless of what type

1 of dispensing organization license the employer holds.

2 (i) Cannabis retail sales training requirements.

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

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

15 (3) Responsible Vendor Program Training modules shall
16 include at least 2 hours of instruction time approved by
17 the Department including:

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

23 (ii) Training on laws and regulations on driving
24 while under the influence and operating a watercraft
25 or snowmobile while under the influence.

26 (iii) Sales to minors prohibition. Training shall

1 cover all relevant Illinois laws and rules.

2 (iv) Quantity limitations on sales to purchasers.
3 Training shall cover all relevant Illinois laws and
4 rules.

5 (v) Acceptable forms of identification. Training
6 shall include:

7 (I) How to check identification; and

8 (II) Common mistakes made in verification;

9 (vi) Safe storage of cannabis;

10 (vii) Compliance with all inventory tracking
11 system regulations;

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

13 (ix) Health and safety standards;

14 (x) Maintenance of records;

15 (xi) Security and surveillance requirements;

16 (xii) Permitting inspections by State and local
17 licensing and enforcement authorities;

18 (xiii) Privacy issues, including, but not limited
19 to, the safe storage and handling of confidential
20 information such as qualifying patient information;

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

23 (xv) Prioritizing the needs of a qualifying
24 patient, provisional patient, or designated caregiver;
25 and

26 (xvi) Other areas as determined by rule.

1 (j) Blank.

2 (k) Upon the successful completion of the Responsible
3 Vendor Program, the provider shall deliver proof of completion
4 either through mail or electronic communication to the
5 dispensing organization, which shall retain a copy of the
6 certificate.

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

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

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

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

1 set by rule. Any changes made to the training module shall be
2 approved by the Department.

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

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

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

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

1 all activity at the dispensing organization immediately.

2 (t) Beginning July 1, 2025, all dispensing organization
3 agents registered under the Compassionate Use of Medical
4 Cannabis Program Act shall, subject to the agent being in good
5 standing with all licensing requirements, be deemed to be an
6 agent under this Act. The Department shall issue all agents
7 previously registered as an agent under the Compassionate Use
8 of Medical Cannabis Program Act a new license number at the
9 time of their first renewal on or after July 1, 2025.

10 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19;
11 102-98, eff. 7-15-21; 102-538, eff. 8-20-21; 102-813, eff.
12 5-13-22.)

13 (410 ILCS 705/15-45)

14 Sec. 15-45. Renewal.

15 (a) Adult Use Dispensing Organization Licenses shall
16 expire on March 31 of even-numbered years.

17 (b) Agent identification cards shall expire one year from
18 the date they are issued.

19 (c) Licensees and dispensing agents shall submit a renewal
20 application as provided by the Department and pay the required
21 renewal fee. The Department shall require an agent, employee,
22 contracting, and subcontracting diversity report and an
23 environmental impact report with its renewal application. No
24 license or agent identification card shall be renewed if it is
25 currently under revocation or suspension for violation of this

1 Article or any rules that may be adopted under this Article or
2 the licensee, principal officer, board member, person having a
3 financial or voting interest of 5% or greater in the licensee,
4 or agent is delinquent in filing any required tax returns or
5 paying any amounts owed to the State of Illinois.

6 (d) Renewal fees are:

7 (1) For a dispensing organization, \$60,000, to be
8 deposited into the Cannabis Regulation Fund; and \$10,000
9 to be deposited into Compassionate Use of Medical Cannabis
10 Fund.

11 (2) For an agent identification card, \$100, to be
12 deposited into the Cannabis Regulation Fund.

13 (e) If a dispensing organization fails to renew its
14 license before expiration, the dispensing organization shall
15 cease operations until the license is renewed.

16 (f) If a dispensing organization agent fails to renew his
17 or her registration before its expiration, he or she shall
18 cease to perform duties authorized by this Article at a
19 dispensing organization until his or her registration is
20 renewed.

21 (g) Any dispensing organization that continues to operate
22 or dispensing agent that continues to perform duties
23 authorized by this Article at a dispensing organization that
24 fails to renew its license is subject to penalty as provided in
25 this Article, or any rules that may be adopted pursuant to this
26 Article.

1 (h) The Department shall not renew a license if the
2 applicant is delinquent in filing any required tax returns or
3 paying any amounts owed to the State of Illinois. The
4 Department shall not renew a dispensing agent identification
5 card if the applicant is delinquent in filing any required tax
6 returns or paying any amounts owed to the State of Illinois.

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

8 (410 ILCS 705/15-60)

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

10 (a) A Conditional Adult Use Dispensing Organization
11 License may not be sold, transferred, assigned, or used as
12 collateral, and the organization holding the license may not
13 add new principal officers to its ownership structure or
14 change its ownership structure. Notwithstanding the foregoing,
15 this prohibition does not preclude third parties who are not
16 registered as principal officers from investing in, lending
17 to, or otherwise providing capital to the Conditional Adult
18 Use Dispensing Organization License holder. Pursuant to this
19 subsection, third parties are not required to register as
20 principal officers of the Conditional Adult Use Dispensing
21 Organization License holder so long as any third party
22 interest cannot be realized or otherwise vest until the
23 Conditional Adult Use Dispensing Organization License holder
24 is issued a corresponding Adult Use Dispensing Organization
25 License under Section 15-36. In order to realize that interest

1 or have the interest vest, all third parties are subject to the
2 Department's approval processes in this Section, either
3 through the sale or transfer of the Adult Use Dispensing
4 Organization License to the third party or through the third
5 party's registration and approval as principal officer to the
6 Adult Use Dispensing Organization License holder.

7 (a-5) A license shall be issued to the specific dispensing
8 organization identified on the application and for the
9 specific location proposed. The license is valid only as
10 designated on the license and for the location for which it is
11 issued.

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

14 (c) A dispensing organization shall provide written notice
15 of the removal of a principal officer within 5 business days
16 after removal. The notice shall include the written agreement
17 of the principal officer being removed, unless otherwise
18 approved by the Department, and allocation of ownership shares
19 after removal in an updated ownership chart.

20 (d) A dispensing organization shall provide a written
21 request to the Department for the addition of principal
22 officers. A dispensing organization shall submit proposed
23 principal officer applications on forms approved by the
24 Department.

25 (e) All proposed new principal officers shall be subject
26 to the requirements of this Act, this Article, and any rules

1 that may be adopted pursuant to this Act.

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

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

7 (h) A dispensing organization may not transfer a license
8 without prior Department approval. Such approval may be
9 withheld if the person to whom the license is being
10 transferred does not commit to the same or a similar community
11 engagement plan provided as part of the dispensing
12 organization's application under paragraph (18) of subsection
13 (d) of Section 15-25, and such transferee's license shall be
14 conditional upon that commitment.

15 (i) With the addition or removal of principal officers,
16 the Department will review the ownership structure to
17 determine whether the change in ownership has had the effect
18 of a transfer of the license. The dispensing organization
19 shall supply all ownership documents requested by the
20 Department.

21 (j) A dispensing organization may apply to the Department
22 to approve a sale of the dispensing organization. A request to
23 sell the dispensing organization must be on application forms
24 provided by the Department. A request for an approval to sell a
25 dispensing organization must comply with the following:

26 (1) New application materials shall comply with this

1 Act and any rules that may be adopted pursuant to this Act;

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

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

10 (4) New principal officers shall each complete the
11 proposed new principal officer application;

12 (5) If the Department approves the application
13 materials and proposed new principal officer applications,
14 it will perform an inspection before approving the sale
15 and issuing the dispensing organization license;

16 (6) If a new license is approved, the Department will
17 issue a new license number and certificate to the new
18 dispensing organization.

19 (k) The dispensing organization shall provide the
20 Department with the personal information for all new
21 dispensing organizations agents as required in this Article
22 and all new dispensing organization agents shall be subject to
23 the requirements of this Article. A dispensing organization
24 agent must obtain an agent identification card from the
25 Department before beginning work at a dispensary.

26 (l) Before remodeling, expansion, reduction, or other

1 physical, noncosmetic alteration of a dispensary, the
2 dispensing organization must notify the Department and confirm
3 the alterations are in compliance with this Act and any rules
4 that may be adopted pursuant to this Act.

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

6 (410 ILCS 705/15-65)

7 Sec. 15-65. Administration.

8 (a) A dispensing organization shall establish, maintain,
9 and comply with written policies and procedures as submitted
10 in the Business, Financial and Operating plan as required in
11 this Article or by rules established by the Department, and
12 approved by the Department, for the security, storage,
13 inventory, and distribution of cannabis. These policies and
14 procedures shall include methods for identifying, recording,
15 and reporting diversion, theft, or loss, and for correcting
16 errors and inaccuracies in inventories. At a minimum,
17 dispensing organizations shall ensure the written policies and
18 procedures provide for the following:

19 (1) Mandatory and voluntary recalls of cannabis
20 products. The policies shall be adequate to deal with
21 recalls due to any action initiated at the request of the
22 Department and any voluntary action by the dispensing
23 organization to remove defective or potentially defective
24 cannabis from the market or any action undertaken to
25 promote public health and safety, including:

1 (i) A mechanism reasonably calculated to contact
2 purchasers who have, or likely have, obtained the
3 product from the dispensary, including information on
4 the policy for return of the recalled product;

5 (ii) A mechanism to identify and contact the ~~adult~~
6 ~~use~~ cultivation center, craft grower, or infuser that
7 manufactured the cannabis;

8 (iii) Policies for communicating with the
9 Department, the Department of Agriculture, and the
10 Department of Public Health within 24 hours of
11 discovering defective or potentially defective
12 cannabis; and

13 (iv) Policies for destruction of any recalled
14 cannabis product;

15 (2) Responses to local, State, or national
16 emergencies, including natural disasters, that affect the
17 security or operation of a dispensary;

18 (3) Segregation and destruction of outdated, damaged,
19 deteriorated, misbranded, or adulterated cannabis. This
20 procedure shall provide for written documentation of the
21 cannabis disposition;

22 (4) Ensure the oldest stock of a cannabis product is
23 distributed first. The procedure may permit deviation from
24 this requirement, if such deviation is temporary and
25 appropriate;

26 (5) Training of dispensing organization agents in the

1 provisions of this Act and rules, to effectively operate
2 the point-of-sale system and the State's verification
3 system, proper inventory handling and tracking, specific
4 uses of cannabis or cannabis-infused products, instruction
5 regarding regulatory inspection preparedness and law
6 enforcement interaction, awareness of the legal
7 requirements for maintaining status as an agent, and other
8 topics as specified by the dispensing organization or the
9 Department. The dispensing organization shall maintain
10 evidence of all training provided to each agent in its
11 files that is subject to inspection and audit by the
12 Department. The dispensing organization shall ensure
13 agents receive a minimum of 8 hours of training subject to
14 the requirements in subsection (i) of Section 15-40
15 annually, unless otherwise approved by the Department;

16 (6) Maintenance of business records consistent with
17 industry standards, including bylaws, consents, manual or
18 computerized records of assets and liabilities, audits,
19 monetary transactions, journals, ledgers, and supporting
20 documents, including agreements, checks, invoices,
21 receipts, and vouchers. Records shall be maintained in a
22 manner consistent with this Act and shall be retained for
23 5 years;

24 (7) Inventory control, including:

25 (i) Tracking purchases and denials of sale;

26 (ii) Disposal of unusable or damaged cannabis as

1 required by this Act and rules; and

2 (8) Purchaser education and support, including:

3 (i) Whether possession of cannabis is illegal
4 under federal law;

5 (ii) Current educational information issued by the
6 Department of Public Health about the health risks
7 associated with the use or abuse of cannabis;

8 (iii) Information about possible side effects;

9 (iv) Prohibition on smoking cannabis in public
10 places; and

11 (v) Offering any other appropriate purchaser
12 education or support materials.

13 (b) Blank.

14 (c) A dispensing organization shall maintain copies of the
15 policies and procedures on the dispensary premises and provide
16 copies to the Department upon request. The dispensing
17 organization shall review the dispensing organization policies
18 and procedures at least once every 12 months from the issue
19 date of the license and update as needed due to changes in
20 industry standards or as requested by the Department.

21 (d) A dispensing organization shall ensure that each
22 principal officer and each dispensing organization agent has a
23 current agent identification card in the agent's immediate
24 possession when the agent is at the dispensary.

25 (e) A dispensing organization shall provide prompt written
26 notice to the Department, including the date of the event,

1 when a dispensing organization agent no longer is employed by
2 the dispensing organization.

3 (f) A dispensing organization shall promptly document and
4 report any loss or theft of cannabis from the dispensary to the
5 Illinois State Police and the Department. It is the duty of any
6 dispensing organization agent who becomes aware of the loss or
7 theft to report it as provided in this Article.

8 (g) A dispensing organization shall post the following
9 information in a conspicuous location in an area of the
10 dispensary accessible to consumers:

11 (1) The dispensing organization's license;

12 (2) The hours of operation.

13 (h) Signage that shall be posted inside the premises.

14 (1) All dispensing organizations must display a
15 placard that states the following: "Cannabis consumption
16 can impair cognition and driving, is for adult use only,
17 may be habit forming, and should not be used by pregnant or
18 breastfeeding women.".

19 (2) Any dispensing organization that sells edible
20 cannabis-infused products must display a placard that
21 states the following:

22 (A) "Edible cannabis-infused products were
23 produced in a kitchen that may also process common
24 food allergens."; and

25 (B) "The effects of cannabis products can vary
26 from person to person, and it can take as long as two

1 hours to feel the effects of some cannabis-infused
2 products. Carefully review the portion size
3 information and warnings contained on the product
4 packaging before consuming.".

5 (3) All of the required signage in this subsection (h)
6 shall be no smaller than 24 inches tall by 36 inches wide,
7 with typed letters no smaller than 2 inches. The signage
8 shall be clearly visible and readable by customers. The
9 signage shall be placed in the area where cannabis and
10 cannabis-infused products are sold and may be translated
11 into additional languages as needed. The Department may
12 require a dispensary to display the required signage in a
13 different language, other than English, if the Secretary
14 deems it necessary.

15 (i) A dispensing organization shall prominently post
16 notices inside the dispensing organization that state
17 activities that are strictly prohibited and punishable by law,
18 including, but not limited to:

19 (1) no minors permitted on the premises unless the
20 minor is a minor qualifying patient under the
21 Compassionate Use of Medical Cannabis Program Act;

22 (2) distribution to persons under the age of 21 is
23 prohibited;

24 (3) transportation of cannabis or cannabis products
25 across state lines is prohibited.

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

102-538, eff. 8-20-21.)

(410 ILCS 705/15-70)

Sec. 15-70. Operational requirements; prohibitions.

(a) A dispensing organization shall operate in accordance with the representations made in its application and license materials. It shall be in compliance with this Act and rules.

(b) Beginning July 1, 2025, but no later than October 1, 2025, all dispensaries shall have a patient prioritization plan demonstrating that the dispensary is prioritizing qualifying patients, provisional patients, and dedicated caregivers. Prioritization may include, but is not limited to, the following: a dedicated service line for patients or caregivers; a dedicated time of the day for patients or caregivers, so long as the dispensary remains open at all other hours of operation to serve patients and caregivers; and a dedicated register for patients or caregivers ~~A dispensing organization must include the legal name of the dispensary on the packaging of any cannabis product it sells.~~

(c) All cannabis, cannabis-infused products, and cannabis seeds must be obtained from an Illinois registered adult use cultivation center, craft grower, infuser, or another dispensary.

(c-5) A dispensing organization may sell cannabis and cannabis-infused products purchased from any cultivation center, craft grower, infuser, or other dispensary to persons

1 over 21 years of age and to qualifying patients, designated
2 caregivers, and provisional patients.

3 (d) Dispensing organizations are prohibited from selling
4 any product containing alcohol except tinctures, which must be
5 limited to containers that are no larger than 100 milliliters.

6 (e) A dispensing organization shall inspect and count
7 product received from a transporting organization, ~~adult-use~~
8 cultivation center, craft grower, infuser organization, or
9 other dispensing organization before dispensing it.

10 (f) A dispensing organization may only accept cannabis
11 deliveries into a restricted access area. Deliveries may not
12 be accepted through the public or limited access areas unless
13 otherwise approved by the Department.

14 (g) A dispensing organization shall maintain compliance
15 with State and local building, fire, and zoning requirements
16 or regulations.

17 (h) A dispensing organization shall submit a list to the
18 Department of the names of all service professionals that will
19 work at the dispensary. The list shall include a description
20 of the type of business or service provided. Changes to the
21 service professional list shall be promptly provided. No
22 service professional shall work in the dispensary until the
23 name is provided to the Department on the service professional
24 list.

25 (i) A dispensing organization's license allows for a
26 dispensary to be operated only at a single location.

1 (j) All dispensaries' hours of operation may be A
2 ~~dispensary may operate~~ between 6 a.m. and 10 p.m. local time.

3 (k) A dispensing organization must keep all lighting
4 outside and inside the dispensary in good working order and
5 wattage sufficient for security cameras.

6 (l) A dispensing organization must keep all air treatment
7 systems that will be installed to reduce odors in good working
8 order.

9 (m) A dispensing organization must contract with a private
10 security contractor that is licensed under Section 10-5 of the
11 Private Detective, Private Alarm, Private Security,
12 Fingerprint Vendor, and Locksmith Act of 2004 to provide
13 on-site security at all hours of the dispensary's operation.

14 (n) A dispensing organization shall ensure that any
15 building or equipment used by a dispensing organization for
16 the storage or sale of cannabis is maintained in a clean and
17 sanitary condition.

18 (o) The dispensary shall be free from infestation by
19 insects, rodents, or pests.

20 (p) A dispensing organization shall not:

21 (1) Produce or manufacture cannabis;

22 (2) Accept a cannabis product from a ~~an adult use~~
23 cultivation center, craft grower, infuser, dispensing
24 organization, or transporting organization unless it is
25 pre-packaged and labeled in accordance with this Act and
26 any rules that may be adopted pursuant to this Act;

1 (3) Obtain cannabis or cannabis-infused products from
2 outside the State of Illinois;

3 (4) Sell cannabis or cannabis-infused products to a
4 purchaser unless the purchaser has been verified to be 21
5 years of age or older, or beginning July 1, 2025, the
6 person is verified to be a qualifying patient, provisional
7 patient, or designated caregiver ~~the dispensing~~
8 ~~organization is licensed under the Compassionate Use of~~
9 ~~Medical Cannabis Program Act, and the individual is~~
10 ~~registered under the Compassionate Use of Medical Cannabis~~
11 ~~Program or the purchaser has been verified to be 21 years~~
12 ~~of age or older;~~

13 (5) Enter into an exclusive agreement with any adult
14 use cultivation center, craft grower, or infuser.
15 Dispensaries shall provide consumers an assortment of
16 products from various cannabis business establishment
17 licensees such that the inventory available for sale at
18 any dispensary from any single cultivation center, craft
19 grower, ~~processor,~~ transporter, or infuser entity shall
20 not be more than 40% of the total inventory available for
21 sale. For the purpose of this subsection, a cultivation
22 center, craft grower, ~~processor,~~ or infuser shall be
23 considered part of the same entity if the licensees share
24 at least one principal officer. The Department may request
25 that a dispensary diversify its products as needed or
26 otherwise discipline a dispensing organization for

1 violating this requirement;

2 (6) Refuse to conduct business with an adult use
3 cultivation center, craft grower, transporting
4 organization, or infuser that has the ability to properly
5 deliver the product and is permitted by the Department of
6 Agriculture, on the same terms as other ~~adult-use~~
7 cultivation centers, craft growers, infusers, or
8 transporters with whom it is dealing;

9 (7) (Blank); ~~Operate drive through windows;~~

10 (8) Allow for the dispensing of cannabis or
11 cannabis-infused products in vending machines;

12 (9) Transport cannabis to residences or other
13 locations where purchasers may be for delivery;

14 (10) Enter into agreements to allow persons who are
15 not dispensing organization agents to deliver cannabis or
16 to transport cannabis to purchasers;

17 (11) Operate a dispensary if its video surveillance
18 equipment is inoperative;

19 (12) Operate a dispensary if the point-of-sale
20 equipment is inoperative;

21 (13) Operate a dispensary if the State's cannabis
22 electronic verification system is inoperative;

23 (14) Have fewer than 2 people working at the
24 dispensary at any time while the dispensary is open;

25 (15) Be located within 1,500 feet of the property line
26 of a pre-existing dispensing organization, unless the

1 applicant is a Social Equity Applicant or Social Equity
2 Justice Involved Applicant located or seeking to locate
3 within 1,500 feet of a dispensing organization licensed
4 under Section 15-15 or Section 15-20;

5 (16) Sell clones or any other live plant material;

6 (17) Sell cannabis, cannabis concentrate, or
7 cannabis-infused products in combination or bundled with
8 each other or any other items for one price, and each item
9 of cannabis, concentrate, or cannabis-infused product must
10 be separately identified by quantity and price on the
11 receipt;

12 (18) Have a certifying health care professional
13 on-site at the dispensary, make referrals to a certifying
14 health care professional, include links to a certifying
15 health care professional on the dispensary's website, or
16 otherwise direct patients to a certifying health care
17 professional;

18 (19) Beginning July 1, 2025, fail to prioritize
19 qualifying patients, provisional patients, and designated
20 caregivers; or

21 (20) Violate any other requirements or prohibitions
22 set by Department rules.

23 (q) It is unlawful for any person having an Early Approval
24 Adult Use ~~Cannabis~~ Dispensing Organization License, a
25 Conditional Adult Use ~~Cannabis~~ Dispensing Organization
26 License, an Adult Use Dispensing Organization License, or a

1 medical cannabis dispensing organization license issued under
2 the Compassionate Use of Medical Cannabis Program Act or any
3 officer, associate, member, representative, or agent of such
4 licensee to accept, receive, or borrow money or anything else
5 of value or accept or receive credit (other than merchandising
6 credit in the ordinary course of business for a period not to
7 exceed 30 days) directly or indirectly from any ~~adult-use~~
8 cultivation center, craft grower, infuser, or transporting
9 organization in exchange for preferential placement on the
10 dispensing organization's shelves, display cases, or website.
11 This includes anything received or borrowed or from any
12 stockholders, officers, agents, or persons connected with a ~~an~~
13 ~~adult-use~~ cultivation center, craft grower, infuser, or
14 transporting organization.

15 (r) It is unlawful for any person having an Early Approval
16 Adult Use ~~Cannabis~~ Dispensing Organization License, a
17 Conditional Adult Use ~~Cannabis~~ Dispensing Organization
18 License, an Adult Use Dispensing Organization License, or a
19 medical cannabis dispensing organization license issued under
20 the Compassionate Use of Medical Cannabis Program to enter
21 into any contract with any person licensed to cultivate,
22 process, or transport cannabis whereby such dispensing
23 organization agrees not to sell any cannabis cultivated,
24 processed, transported, manufactured, or distributed by any
25 other cultivator, transporter, or infuser, and any provision
26 in any contract violative of this Section shall render the

1 whole of such contract void and no action shall be brought
2 thereon in any court.

3 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19;
4 102-98, eff. 7-15-21; revised 7-23-24.)

5 (410 ILCS 705/15-75)

6 Sec. 15-75. Inventory control system.

7 (a) A dispensing organization agent-in-charge shall have
8 primary oversight of the dispensing organization's cannabis
9 inventory verification system, and its point-of-sale system.
10 The inventory point-of-sale system shall be real-time,
11 web-based, and accessible by the Department at any time. The
12 point-of-sale system shall track, at a minimum the date of
13 sale, amount, price, and currency.

14 (b) A dispensing organization shall establish an account
15 with the State's verification system that documents:

16 (1) Each sales transaction at the time of sale and
17 each day's beginning inventory, acquisitions, sales,
18 disposal, and ending inventory.

19 (2) Acquisition of cannabis and cannabis-infused
20 products from a licensed ~~adult-use~~ cultivation center,
21 craft grower, infuser, or transporter, including:

22 (i) A description of the products, including the
23 quantity, strain, variety, and batch number of each
24 product received;

25 (ii) The name and registry identification number

1 of the licensed ~~adult-use~~ cultivation center, craft
2 grower, or infuser providing the cannabis and
3 cannabis-infused products;

4 (iii) The name and registry identification number
5 of the licensed ~~adult-use~~ cultivation center, craft
6 grower, infuser, or transporting agent delivering the
7 cannabis;

8 (iv) The name and registry identification number
9 of the dispensing organization agent receiving the
10 cannabis; and

11 (v) The date of acquisition.

12 (3) The disposal of cannabis, including:

13 (i) A description of the products, including the
14 quantity, strain, variety, batch number, and reason
15 for the cannabis being disposed;

16 (ii) The method of disposal; and

17 (iii) The date and time of disposal.

18 (c) Upon cannabis delivery, a dispensing organization
19 shall confirm the product's name, strain name, weight, and
20 identification number on the manifest matches the information
21 on the cannabis product label and package. The product name
22 listed and the weight listed in the State's verification
23 system shall match the product packaging.

24 (d) The agent-in-charge shall conduct daily inventory
25 reconciliation documenting and balancing cannabis inventory by
26 confirming the State's verification system matches the

1 dispensing organization's point-of-sale system and the amount
2 of physical product at the dispensary.

3 (1) A dispensing organization must receive Department
4 approval before completing an inventory adjustment. It
5 shall provide a detailed reason for the adjustment.
6 Inventory adjustment documentation shall be kept at the
7 dispensary for 2 years from the date performed.

8 (2) If the dispensing organization identifies an
9 imbalance in the amount of cannabis after the daily
10 inventory reconciliation due to mistake, the dispensing
11 organization shall determine how the imbalance occurred
12 and immediately upon discovery take and document
13 corrective action. If the dispensing organization cannot
14 identify the reason for the mistake within 2 calendar days
15 after first discovery, it shall inform the Department
16 immediately in writing of the imbalance and the corrective
17 action taken to date. The dispensing organization shall
18 work diligently to determine the reason for the mistake.

19 (3) If the dispensing organization identifies an
20 imbalance in the amount of cannabis after the daily
21 inventory reconciliation or through other means due to
22 theft, criminal activity, or suspected criminal activity,
23 the dispensing organization shall immediately determine
24 how the reduction occurred and take and document
25 corrective action. Within 24 hours after the first
26 discovery of the reduction due to theft, criminal

1 activity, or suspected criminal activity, the dispensing
2 organization shall inform the Department and the Illinois
3 State Police in writing.

4 (4) The dispensing organization shall file an annual
5 compilation report with the Department, including a
6 financial statement that shall include, but not be limited
7 to, an income statement, balance sheet, profit and loss
8 statement, statement of cash flow, wholesale cost and
9 sales, and any other documentation requested by the
10 Department in writing. The financial statement shall
11 include any other information the Department deems
12 necessary in order to effectively administer this Act and
13 all rules, orders, and final decisions promulgated under
14 this Act. Statements required by this Section shall be
15 filed with the Department within 60 days after the end of
16 the calendar year. The compilation report shall include a
17 letter authored by a licensed certified public accountant
18 that it has been reviewed and is accurate based on the
19 information provided. The dispensing organization,
20 financial statement, and accompanying documents are not
21 required to be audited unless specifically requested by
22 the Department.

23 (e) A dispensing organization shall:

24 (1) Maintain the documentation required in this
25 Section in a secure locked location at the dispensing
26 organization for 5 years from the date on the document;

1 (2) Provide any documentation required to be
2 maintained in this Section to the Department for review
3 upon request; and

4 (3) If maintaining a bank account, retain for a period
5 of 5 years a record of each deposit or withdrawal from the
6 account.

7 (f) If a dispensing organization chooses to have a return
8 policy for cannabis and cannabis products, the dispensing
9 organization shall seek prior approval from the Department.

10 (g) Beginning July 1, 2025, all dispensing organizations
11 shall maintain internal, confidential records that record a
12 registered qualifying patient, provisional patient, or
13 designated caregiver's transactions for the patient's adequate
14 medical supply and whether it was dispensed directly to the
15 patient or to the designated caregiver. Each entry must
16 include the amount and the date and time the cannabis was
17 dispensed. Additional recordkeeping requirements may be set by
18 rule.

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

21 (410 ILCS 705/15-85)

22 Sec. 15-85. Dispensing cannabis.

23 (a) Before a dispensing organization agent dispenses
24 cannabis to a purchaser, the agent shall:

25 (1) Verify the age of the purchaser by checking a

1 government-issued identification card by use of an
2 electronic reader or electronic scanning device to scan a
3 purchaser's government-issued identification, if
4 applicable, to determine the purchaser's age and the
5 validity of the identification;

6 (2) Verify the validity of the government-issued
7 identification card by use of an electronic reader or
8 electronic scanning device to scan a purchaser's
9 government-issued identification, if applicable, to
10 determine the purchaser's age and the validity of the
11 identification;

12 (3) Offer any appropriate purchaser education or
13 support materials;

14 (3-5) Verify the qualifying patient, provisional
15 patient, or designated caregiver's registration card, if
16 purchasing as a patient or caregiver;

17 (4) Enter the following information into the State's
18 cannabis electronic verification system:

19 (i) The dispensing organization agent's
20 identification number, or if the agent's card
21 application is pending the Department's approval, a
22 temporary and unique identifier until the agent's card
23 application is approved or denied by the Department;

24 (ii) The dispensing organization's identification
25 number;

26 (iii) The amount, type (including strain, if

1 applicable) of cannabis or cannabis-infused product
2 dispensed;

3 (iv) The date and time the cannabis was dispensed.

4 (b) A dispensing organization shall refuse to sell
5 cannabis or cannabis-infused products to any person unless the
6 person produces a valid identification showing that the person
7 is 21 years of age or older or a qualifying patient,
8 provisional patient, or designated caregivers registered under
9 the Compassionate Use of Medical Cannabis Program Act. ~~A~~
10 ~~medical cannabis dispensing organization may sell cannabis or~~
11 ~~cannabis-infused products to a person who is under 21 years of~~
12 ~~age if the sale complies with the provisions of the~~
13 ~~Compassionate Use of Medical Cannabis Program Act and rules.~~

14 (c) For the purposes of this Section, valid identification
15 must:

16 (d) A dispensing organization shall not dispense to a
17 registered qualifying patient, provisional patient, or a
18 designated caregiver, an amount exceeding the patient's
19 adequate medical supply unless the qualifying patient has a
20 Department of Public Health-approved quantity waiver.

21 (e) Notwithstanding any other provision of law, a
22 dispensing organization may offer pickup or drive-through
23 locations for cannabis or cannabis-infused products to
24 purchasers over 21 years of age, qualifying patients,
25 provisional patients, and designated caregivers in accordance
26 with Section 15-100 of this Act.

1 (1) Be valid and unexpired;

2 (2) Contain a photograph and the date of birth of the
3 person.

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

6 (410 ILCS 705/15-100)

7 Sec. 15-100. Security.

8 (a) A dispensing organization shall implement security
9 measures to deter and prevent entry into and theft of cannabis
10 or currency.

11 (b) A dispensing organization shall submit any changes to
12 the floor plan or security plan to the Department for
13 pre-approval. All cannabis shall be maintained and stored in a
14 restricted access area during construction.

15 (c) The dispensing organization shall implement security
16 measures to protect the premises, purchasers, and dispensing
17 organization agents including, but not limited to the
18 following:

19 (1) Establish a locked door or barrier between the
20 facility's entrance and the limited access area;

21 (2) Prevent individuals from remaining on the premises
22 if they are not engaging in activity permitted by this Act
23 or rules;

24 (3) Develop a policy that addresses the maximum
25 capacity and purchaser flow in the waiting rooms and

1 limited access areas;

2 (4) Dispose of cannabis in accordance with this Act
3 and rules;

4 (5) During hours of operation, store ~~and dispense~~ all
5 cannabis in ~~from~~ the restricted access area. ~~During~~
6 ~~operational hours, cannabis shall be stored~~ in an enclosed
7 locked room or cabinet and accessible only to specifically
8 authorized dispensing organization agents;

9 (5.5) During hours of operation, dispense all cannabis
10 from the restricted access area, including a drive-through
11 window, or from a pickup location in close proximity to
12 the restricted access area. Orders in the pickup or
13 drive-through location may only be placed by the purchaser
14 or patient in advance, and the dispensing organization
15 shall, prior to dispensing the cannabis, confirm that the
16 purchaser, registered qualifying patient, provisional
17 patient, or designated caregiver is in compliance with
18 Section 15-85 of this Act. As used in this paragraph,
19 "pickup location in close proximity" means an area
20 contiguous to the real property of the dispensary, such as
21 a sidewalk or parking lot;

22 (6) When the dispensary is closed, store all cannabis
23 and currency in a reinforced vault room in the restricted
24 access area and in a manner as to prevent diversion,
25 theft, or loss;

26 (7) Keep the reinforced vault room and any other

1 equipment or cannabis storage areas securely locked and
2 protected from unauthorized entry;

3 (8) Keep an electronic daily log of dispensing
4 organization agents with access to the reinforced vault
5 room and knowledge of the access code or combination;

6 (9) Keep all locks and security equipment in good
7 working order;

8 (10) Maintain an operational security and alarm system
9 at all times;

10 (11) Prohibit keys, if applicable, from being left in
11 the locks, or stored or placed in a location accessible to
12 persons other than specifically authorized personnel;

13 (12) Prohibit accessibility of security measures,
14 including combination numbers, passwords, or electronic or
15 biometric security systems to persons other than
16 specifically authorized dispensing organization agents;

17 (13) Ensure that the dispensary interior and exterior
18 premises are sufficiently lit to facilitate surveillance;

19 (14) Ensure that trees, bushes, and other foliage
20 outside of the dispensary premises do not allow for a
21 person or persons to conceal themselves from sight;

22 (15) Develop emergency policies and procedures for
23 securing all product and currency following any instance
24 of diversion, theft, or loss of cannabis, and conduct an
25 assessment to determine whether additional safeguards are
26 necessary; ~~and~~

1 (16) Develop sufficient additional safeguards in
2 response to any special security concerns, or as required
3 by the Department; and

4 (17) Maintain a security and safe storage plan for
5 qualifying patient information. The health care
6 professional-patient privilege as set forth by Section
7 8-802 of the Code of Civil Procedure shall apply between a
8 qualifying patient, provisional patient, and a dispensing
9 organization and its agents with respect to communications
10 and records concerning patients' debilitating conditions.

11 (d) The Department may request or approve alternative
12 security provisions that it determines are an adequate
13 substitute for a security requirement specified in this
14 Article. Any additional protections may be considered by the
15 Department in evaluating overall security measures.

16 (e) A dispensing organization may share premises with a
17 craft grower or an infuser 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 (f) A dispensing organization shall provide additional
23 security as needed and in a manner appropriate for the
24 community where it operates.

25 (g) Restricted access areas.

26 (1) All restricted access areas must be identified by

1 the posting of a sign that is a minimum of 12 inches by 12
2 inches and that states "Do Not Enter - Restricted Access
3 Area - Authorized Personnel Only" in lettering no smaller
4 than one inch in height.

5 (2) All restricted access areas shall be clearly
6 described in the floor plan of the premises, in the form
7 and manner determined by the Department, reflecting walls,
8 partitions, counters, and all areas of entry and exit. The
9 floor plan shall show all storage, disposal, and retail
10 sales areas.

11 (3) All restricted access areas must be secure, with
12 locking devices that prevent access from the limited
13 access areas.

14 (h) Security and alarm.

15 (1) A dispensing organization shall have an adequate
16 security plan and security system to prevent and detect
17 diversion, theft, or loss of cannabis, currency, or
18 unauthorized intrusion using commercial grade equipment
19 installed by an Illinois licensed private alarm contractor
20 or private alarm contractor agency that shall, at a
21 minimum, include:

22 (i) A perimeter alarm on all entry points and
23 glass break protection on perimeter windows;

24 (ii) Security shatterproof tinted film on exterior
25 windows;

26 (iii) A failure notification system that provides

1 an audible, text, or visual notification of any
2 failure in the surveillance system, including, but not
3 limited to, panic buttons, alarms, and video
4 monitoring system. The failure notification system
5 shall provide an alert to designated dispensing
6 organization agents within 5 minutes after the
7 failure, either by telephone or text message;

8 (iv) A duress alarm, panic button, and alarm, or
9 holdup alarm and after-hours intrusion detection alarm
10 that by design and purpose will directly or indirectly
11 notify, by the most efficient means, the Public Safety
12 Answering Point for the law enforcement agency having
13 primary jurisdiction;

14 (v) Security equipment to deter and prevent
15 unauthorized entrance into the dispensary, including
16 electronic door locks on the limited and restricted
17 access areas that include devices or a series of
18 devices to detect unauthorized intrusion that may
19 include a signal system interconnected with a radio
20 frequency method, cellular, private radio signals or
21 other mechanical or electronic device.

22 (2) All security system equipment and recordings shall
23 be maintained in good working order, in a secure location
24 so as to prevent theft, loss, destruction, or alterations.

25 (3) Access to surveillance monitoring recording
26 equipment shall be limited to persons who are essential to

1 surveillance operations, law enforcement authorities
2 acting within their jurisdiction, security system service
3 personnel, and the Department. A current list of
4 authorized dispensing organization agents and service
5 personnel that have access to the surveillance equipment
6 must be available to the Department upon request.

7 (4) All security equipment shall be inspected and
8 tested at regular intervals, not to exceed one month from
9 the previous inspection, and tested to ensure the systems
10 remain functional.

11 (5) The security system shall provide protection
12 against theft and diversion that is facilitated or hidden
13 by tampering with computers or electronic records.

14 (6) The dispensary shall ensure all access doors are
15 not solely controlled by an electronic access panel to
16 ensure that locks are not released during a power outage.

17 (i) To monitor the dispensary, the dispensing organization
18 shall incorporate continuous electronic video monitoring
19 including the following:

20 (1) All monitors must be 19 inches or greater;

21 (2) Unobstructed video surveillance of all enclosed
22 dispensary areas, unless prohibited by law, including all
23 points of entry and exit that shall be appropriate for the
24 normal lighting conditions of the area under surveillance.
25 The cameras shall be directed so all areas are captured,
26 including, but not limited to, safes, vaults, sales areas,

1 and areas where cannabis is stored, handled, dispensed, or
2 destroyed. Cameras shall be angled to allow for facial
3 recognition, the capture of clear and certain
4 identification of any person entering or exiting the
5 dispensary area and in lighting sufficient during all
6 times of night or day;

7 (3) Unobstructed video surveillance of outside areas,
8 the storefront, and the parking lot, that shall be
9 appropriate for the normal lighting conditions of the area
10 under surveillance. Cameras shall be angled so as to allow
11 for the capture of facial recognition, clear and certain
12 identification of any person entering or exiting the
13 dispensary and the immediate surrounding area, and license
14 plates of vehicles in the parking lot;

15 (4) 24-hour recordings from all video cameras
16 available for immediate viewing by the Department upon
17 request. Recordings shall not be destroyed or altered and
18 shall be retained for at least 90 days. Recordings shall
19 be retained as long as necessary if the dispensing
20 organization is aware of the loss or theft of cannabis or a
21 pending criminal, civil, or administrative investigation
22 or legal proceeding for which the recording may contain
23 relevant information;

24 (5) The ability to immediately produce a clear, color
25 still photo from the surveillance video, either live or
26 recorded;

1 (6) A date and time stamp embedded on all video
2 surveillance recordings. The date and time shall be
3 synchronized and set correctly and shall not significantly
4 obscure the picture;

5 (7) The ability to remain operational during a power
6 outage and ensure all access doors are not solely
7 controlled by an electronic access panel to ensure that
8 locks are not released during a power outage;

9 (8) All video surveillance equipment shall allow for
10 the exporting of still images in an industry standard
11 image format, including .jpg, .bmp, and .gif. Exported
12 video shall have the ability to be archived in a
13 proprietary format that ensures authentication of the
14 video and guarantees that no alteration of the recorded
15 image has taken place. Exported video shall also have the
16 ability to be saved in an industry standard file format
17 that can be played on a standard computer operating
18 system. All recordings shall be erased or destroyed before
19 disposal;

20 (9) The video surveillance system shall be operational
21 during a power outage with a 4-hour minimum battery
22 backup;

23 (10) A video camera or cameras recording at each
24 point-of-sale location allowing for the identification of
25 the dispensing organization agent distributing the
26 cannabis and any purchaser. The camera or cameras shall

1 capture the sale, the individuals and the computer
2 monitors used for the sale;

3 (11) A failure notification system that provides an
4 audible and visual notification of any failure in the
5 electronic video monitoring system; and

6 (12) All electronic video surveillance monitoring must
7 record at least the equivalent of 8 frames per second and
8 be available as recordings to the Department and the
9 Illinois State Police 24 hours a day via a secure
10 web-based portal with reverse functionality.

11 (j) The requirements contained in this Act are minimum
12 requirements for operating a dispensing organization. The
13 Department may establish additional requirements by rule.

14 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19;
15 102-538, eff. 8-20-21.)

16 (410 ILCS 705/15-135)

17 Sec. 15-135. Investigations.

18 (a) Dispensing organizations are subject to random and
19 unannounced dispensary inspections and cannabis testing by the
20 Department, the Department of Agriculture, the Department of
21 Revenue, the Department of Public Health, the Illinois State
22 Police, local law enforcement, local health officials, or as
23 provided by rule.

24 (b) The Department and its authorized representatives may
25 enter any place, including a vehicle, in which cannabis is

1 held, stored, dispensed, sold, produced, delivered,
2 transported, manufactured, or disposed of and inspect, in a
3 reasonable manner, the place and all pertinent equipment,
4 containers and labeling, and all things including records,
5 files, financial data, sales data, shipping data, pricing
6 data, personnel data, research, papers, processes, controls,
7 and facility, and inventory any stock of cannabis and obtain
8 samples of any cannabis or cannabis-infused product, any
9 labels or containers for cannabis, or paraphernalia.

10 (c) The Department may conduct an investigation of an
11 applicant, application, dispensing organization, principal
12 officer, dispensary agent, third party vendor, or any other
13 party associated with a dispensing organization for an alleged
14 violation of this Act or rules or to determine qualifications
15 to be granted a registration by the Department.

16 (d) The Department may require an applicant or holder of
17 any license issued pursuant to this Article to produce
18 documents, records, or any other material pertinent to the
19 investigation of an application or alleged violations of this
20 Act or rules. Failure to provide the required material may be
21 grounds for denial or discipline.

22 (e) Every person charged with preparation, obtaining, or
23 keeping records, logs, reports, or other documents in
24 connection with this Act and rules and every person in charge,
25 or having custody, of those documents shall, upon request by
26 the Department, make the documents immediately available for

1 inspection and copying by the Department, the Department's
2 authorized representative, or others authorized by law to
3 review the documents.

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

6 (410 ILCS 705/15-145)

7 Sec. 15-145. Grounds for discipline.

8 (a) The Department may deny issuance, refuse to renew or
9 restore, or may reprimand, place on probation, suspend,
10 revoke, or take other disciplinary or nondisciplinary action
11 against any license or agent identification card or may impose
12 a fine for any of the following:

13 (1) Material misstatement in furnishing information to
14 the Department;

15 (2) Violations of this Act or rules;

16 (3) Obtaining an authorization or license by fraud or
17 misrepresentation;

18 (4) A pattern of conduct that demonstrates
19 incompetence or that the applicant has engaged in conduct
20 or actions that would constitute grounds for discipline
21 under this Act;

22 (5) Aiding or assisting another person in violating
23 any provision of this Act or rules;

24 (6) Failing to respond to a written request for
25 information by the Department within 30 days;

1 (7) Engaging in unprofessional, dishonorable, or
2 unethical conduct of a character likely to deceive,
3 defraud, or harm the public;

4 (8) Adverse action by another United States
5 jurisdiction or foreign nation;

6 (9) A finding by the Department that the licensee,
7 after having his or her license placed on suspended or
8 probationary status, has violated the terms of the
9 suspension or probation;

10 (10) Conviction, entry of a plea of guilty, nolo
11 contendere, or the equivalent in a State or federal court
12 of a principal officer or agent-in-charge of a felony
13 offense in accordance with Sections 2105-131, 2105-135,
14 and 2105-205 of the Department of Professional Regulation
15 Law of the Civil Administrative Code of Illinois;

16 (11) Excessive use of or addiction to alcohol,
17 narcotics, stimulants, or any other chemical agent or
18 drug;

19 (12) A finding by the Department of a discrepancy in a
20 Department audit of cannabis;

21 (13) A finding by the Department of a discrepancy in a
22 Department audit of capital or funds;

23 (14) A finding by the Department of acceptance of
24 cannabis from a source other than a cultivation center ~~an~~
25 ~~Adult Use Cultivation Center~~, craft grower, infuser, or
26 transporting organization licensed by the Department of

1 Agriculture, or a dispensing organization licensed by the
2 Department;

3 (15) An inability to operate using reasonable
4 judgment, skill, or safety due to physical or mental
5 illness or other impairment or disability, including,
6 without limitation, deterioration through the aging
7 process or loss of motor skills or mental incompetence;

8 (16) Failing to report to the Department within the
9 time frames established, or if not identified, 14 days, of
10 any adverse action taken against the dispensing
11 organization or an agent by a licensing jurisdiction in
12 any state or any territory of the United States or any
13 foreign jurisdiction, any governmental agency, any law
14 enforcement agency or any court defined in this Section;

15 (17) Any violation of the dispensing organization's
16 policies and procedures submitted to the Department
17 annually as a condition for licensure;

18 (18) Failure to inform the Department of any change of
19 address within 10 business days;

20 (19) Disclosing customer names, personal information,
21 or protected health information in violation of any State
22 or federal law;

23 (20) Operating a dispensary before obtaining a license
24 from the Department;

25 (21) Performing duties authorized by this Act prior to
26 receiving a license to perform such duties;

1 (22) Dispensing cannabis when prohibited by this Act
2 or rules;

3 (23) Any fact or condition that, if it had existed at
4 the time of the original application for the license,
5 would have warranted the denial of the license;

6 (24) Permitting a person without a valid agent
7 identification card to perform licensed activities under
8 this Act;

9 (25) Failure to assign an agent-in-charge as required
10 by this Article;

11 (26) Failure to provide the training required by
12 paragraph (3) of subsection (i) of Section 15-40 within
13 the provided timeframe;

14 (27) Personnel insufficient in number or unqualified
15 in training or experience to properly operate the
16 dispensary business;

17 (28) Any pattern of activity that causes a harmful
18 impact on the community; and

19 (29) Failing to prevent diversion, theft, or loss of
20 cannabis.

21 (b) All fines and fees imposed under this Section shall be
22 paid within 60 days after the effective date of the order
23 imposing the fine or as otherwise specified in the order.

24 (c) A circuit court order establishing that an
25 agent-in-charge or principal officer holding an agent
26 identification card is subject to involuntary admission as

1 that term is defined in Section 1-119 or 1-119.1 of the Mental
2 Health and Developmental Disabilities Code shall operate as a
3 suspension of that card.

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

5 (410 ILCS 705/Art. 20 heading)

6 Article 20.

7 ~~Adult Use~~ Cultivation Centers

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

9 (410 ILCS 705/20-10)

10 Sec. 20-10. Early Approval of Adult Use Cultivation Center
11 License.

12 (a) Any medical cannabis cultivation center registered and
13 in good standing under the Compassionate Use of Medical
14 Cannabis Program Act as of the effective date of this Act may,
15 within 60 days of the effective date of this Act but no later
16 than 180 days from the effective date of this Act, apply to the
17 Department of Agriculture for an Early Approval Adult Use
18 Cultivation Center License to produce cannabis and
19 cannabis-infused products at its existing facilities as of the
20 effective date of this Act.

21 (b) A medical cannabis cultivation center seeking issuance
22 of an Early Approval Adult Use Cultivation Center License
23 shall submit an application on forms provided by the
24 Department of Agriculture. The application must meet or

1 include the following qualifications:

2 (1) Payment of a nonrefundable application fee of
3 \$100,000 to be deposited into the Cannabis Regulation
4 Fund;

5 (2) Proof of registration as a medical cannabis
6 cultivation center that is in good standing;

7 (3) Submission of the application by the same person
8 or entity that holds the medical cannabis cultivation
9 center registration;

10 (4) Certification that the applicant will comply with
11 the requirements of Section 20-30;

12 (5) The legal name of the cultivation center;

13 (6) The physical address of the cultivation center;

14 (7) The name, address, social security number, and
15 date of birth of each principal officer and board member
16 of the cultivation center; each of those individuals shall
17 be at least 21 years of age;

18 (8) A nonrefundable Cannabis Business Development Fee
19 equal to 5% of the cultivation center's total sales
20 between June 1, 2018 to June 1, 2019 or \$750,000,
21 whichever is less, but at not less than \$250,000, to be
22 deposited into the Cannabis Business Development Fund; and

23 (9) A commitment to completing one of the following
24 Social Equity Inclusion Plans provided for in this
25 subsection (b) before the expiration of the Early Approval
26 Adult Use Cultivation Center License:

1 (A) A contribution of 5% of the cultivation
2 center's total sales from June 1, 2018 to June 1, 2019,
3 or \$100,000, whichever is less, to one of the
4 following:

5 (i) the Cannabis Business Development Fund.
6 This is in addition to the fee required by item (8)
7 of this subsection (b);

8 (ii) a cannabis industry training or education
9 program at an Illinois community college as
10 defined in the Public Community College Act;

11 (iii) a program that provides job training
12 services to persons recently incarcerated or that
13 operates in a Disproportionately Impacted Area.

14 (B) Participate as a host in a cannabis business
15 incubator program for at least one year approved by
16 the Department of Commerce and Economic Opportunity,
17 and in which an Early Approval Adult Use Cultivation
18 Center License holder agrees to provide a loan of at
19 least \$100,000 and mentorship to incubate, for at
20 least a year, a Social Equity Applicant intending to
21 seek a license or a licensee that qualifies as a Social
22 Equity Applicant. As used in this Section, "incubate"
23 means providing direct financial assistance and
24 training necessary to engage in licensed cannabis
25 industry activity similar to that of the host
26 licensee. The Early Approval Adult Use Cultivation

1 Center License holder or the same entity holding any
2 other licenses issued pursuant to this Act shall not
3 take an ownership stake of greater than 10% in any
4 business receiving incubation services to comply with
5 this subsection. If an Early Approval Adult Use
6 Cultivation Center License holder fails to find a
7 business to incubate to comply with this subsection
8 before its Early Approval Adult Use Cultivation Center
9 License expires, it may opt to meet the requirement of
10 this subsection by completing another item from this
11 subsection prior to the expiration of its Early
12 Approval Adult Use Cultivation Center License to avoid
13 a penalty.

14 (c) An Early Approval Adult Use Cultivation Center License
15 is valid until March 31, 2021. A cultivation center that
16 obtains an Early Approval Adult Use Cultivation Center License
17 shall receive written or electronic notice 90 days before the
18 expiration of the license that the license will expire, and
19 inform the license holder that it may renew its Early Approval
20 Adult Use Cultivation Center License. The Department of
21 Agriculture shall grant a renewal of an Early Approval Adult
22 Use Cultivation Center License within 60 days of submission of
23 an application if:

24 (1) the cultivation center submits an application and
25 the required renewal fee of \$100,000 for an Early Approval
26 Adult Use Cultivation Center License;

1 (2) the Department of Agriculture has not suspended
2 the license of the cultivation center or suspended or
3 revoked the license for violating this Act or rules
4 adopted under this Act; and

5 (3) the cultivation center has completed a Social
6 Equity Inclusion Plan as required by item (9) of
7 subsection (b) of this Section.

8 (c-5) The Early Approval Adult Use Cultivation Center
9 License renewed pursuant to subsection (c) of this Section
10 shall expire March 31, 2022. The Early Approval Adult Use
11 Cultivation Center Licensee shall receive written or
12 electronic notice 90 days before the expiration of the license
13 that the license will expire, and inform the license holder
14 that it may apply for a ~~an Adult Use~~ Cultivation Center
15 License. The Department of Agriculture shall grant a
16 Cultivation Center ~~an Adult Use Dispensing Organization~~
17 License within 60 days of an application being deemed complete
18 if the applicant meets all of the criteria in Section 20-21.

19 (d) The license fee required by paragraph (1) of
20 subsection (c) of this Section shall be in addition to any
21 license fee required for the renewal of a registered medical
22 cannabis cultivation center license that expires during the
23 effective period of the Early Approval Adult Use Cultivation
24 Center License.

25 (e) Applicants must submit all required information,
26 including the requirements in subsection (b) of this Section,

1 to the Department of Agriculture. Failure by an applicant to
2 submit all required information may result in the application
3 being disqualified.

4 (f) If the Department of Agriculture receives an
5 application with missing information, the Department may issue
6 a deficiency notice to the applicant. The applicant shall have
7 10 calendar days from the date of the deficiency notice to
8 submit complete information. Applications that are still
9 incomplete after this opportunity to cure may be disqualified.

10 (g) If an applicant meets all the requirements of
11 subsection (b) of this Section, the Department of Agriculture
12 shall issue the Early Approval Adult Use Cultivation Center
13 License within 14 days of receiving the application unless:

14 (1) The licensee; principal officer, board member, or
15 person having a financial or voting interest of 5% or
16 greater in the licensee; or agent is delinquent in filing
17 any required tax returns or paying any amounts owed to the
18 State of Illinois;

19 (2) The Director of Agriculture determines there is
20 reason, based on an inordinate number of documented
21 compliance violations, the licensee is not entitled to an
22 Early Approval Adult Use Cultivation Center License; or

23 (3) The licensee fails to commit to the Social Equity
24 Inclusion Plan.

25 (h) A cultivation center may begin producing cannabis and
26 cannabis-infused products once the Early Approval Adult Use

1 Cultivation Center License is approved. A cultivation center
2 that obtains an Early Approval Adult Use Cultivation Center
3 License may begin selling cannabis and cannabis-infused
4 products on December 1, 2019.

5 (i) An Early Approval Adult Use Cultivation Center License
6 holder must continue to produce and provide an adequate supply
7 of cannabis and cannabis-infused products for purchase by
8 qualifying patients and caregivers. For the purposes of this
9 subsection, "adequate supply" means a monthly production level
10 that is comparable in type and quantity to those medical
11 cannabis products produced for patients and caregivers on an
12 average monthly basis for the 6 months before the effective
13 date of this Act.

14 (j) If there is a shortage of cannabis or cannabis-infused
15 products, a license holder shall prioritize patients
16 registered under the Compassionate Use of Medical Cannabis
17 Program Act over adult use purchasers.

18 (k) If an Early Approval Adult Use Cultivation Center
19 licensee fails to submit an application for a ~~an Adult Use~~
20 Cultivation Center License before the expiration of the Early
21 Approval Adult Use Cultivation Center License pursuant to
22 subsection (c-5) of this Section, the cultivation center shall
23 cease all ~~adult-use~~ cultivation until it receives a ~~an Adult~~
24 ~~Use~~ Cultivation Center License.

25 (l) A cultivation center agent who holds a valid
26 cultivation center agent identification card issued under the

1 Compassionate Use of Medical Cannabis Program Act and is an
2 officer, director, manager, or employee of the cultivation
3 center licensed under this Section may engage in all
4 activities authorized by this Article to be performed by a
5 cultivation center agent.

6 (m) If the Department of Agriculture suspends or revokes
7 the Early Approval Adult Use Cultivation Center License of a
8 cultivation center that also holds a medical cannabis
9 cultivation center license issued under the Compassionate Use
10 of Medical Cannabis Program Act, the Department of Agriculture
11 may suspend or revoke the medical cannabis cultivation center
12 license concurrently with the Early Approval Adult Use
13 Cultivation Center License.

14 (n) All fees or fines collected from an Early Approval
15 Adult Use Cultivation Center License holder as a result of a
16 disciplinary action in the enforcement of this Act shall be
17 deposited into the Cannabis Regulation Fund.

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

19 (410 ILCS 705/20-15)

20 Sec. 20-15. Conditional ~~Adult Use~~ Cultivation Center
21 application.

22 (a) If the Department of Agriculture makes available
23 additional cultivation center licenses pursuant to Section
24 20-5, applicants for a Conditional ~~Adult Use~~ Cultivation
25 Center License shall electronically submit the following in

1 such form as the Department of Agriculture may direct:

2 (1) the nonrefundable application fee set by rule by
3 the Department of Agriculture, to be deposited into the
4 Cannabis Regulation Fund;

5 (2) the legal name of the cultivation center;

6 (3) the proposed physical address of the cultivation
7 center;

8 (4) the name, address, social security number, and
9 date of birth of each principal officer and board member
10 of the cultivation center; each principal officer and
11 board member shall be at least 21 years of age;

12 (5) the details of any administrative or judicial
13 proceeding in which any of the principal officers or board
14 members of the cultivation center (i) pled guilty, were
15 convicted, were fined, or had a registration or license
16 suspended or revoked, or (ii) managed or served on the
17 board of a business or non-profit organization that pled
18 guilty, was convicted, was fined, or had a registration or
19 license suspended or revoked;

20 (6) proposed operating bylaws that include procedures
21 for the oversight of the cultivation center, including the
22 development and implementation of a plant monitoring
23 system, accurate recordkeeping, staffing plan, and
24 security plan approved by the Illinois State Police that
25 are in accordance with the rules issued by the Department
26 of Agriculture under this Act. A physical inventory shall

1 be performed of all plants and cannabis on a weekly basis
2 by the cultivation center;

3 (7) verification from the Illinois State Police that
4 all background checks of the prospective principal
5 officers, board members, and agents of the cannabis
6 business establishment have been conducted;

7 (8) a copy of the current local zoning ordinance or
8 permit and verification that the proposed cultivation
9 center is in compliance with the local zoning rules and
10 distance limitations established by the local
11 jurisdiction;

12 (9) proposed employment practices, in which the
13 applicant must demonstrate a plan of action to inform,
14 hire, and educate minorities, women, veterans, and persons
15 with disabilities, engage in fair labor practices, and
16 provide worker protections;

17 (10) whether an applicant can demonstrate experience
18 in or business practices that promote economic empowerment
19 in Disproportionately Impacted Areas;

20 (11) experience with the cultivation of agricultural
21 or horticultural products, operating an agriculturally
22 related business, or operating a horticultural business;

23 (12) a description of the enclosed, locked facility
24 where cannabis will be grown, harvested, manufactured,
25 processed, packaged, or otherwise prepared for
26 distribution to a dispensing organization;

1 (13) a survey of the enclosed, locked facility,
2 including the space used for cultivation;

3 (14) cultivation, processing, inventory, and packaging
4 plans;

5 (15) a description of the applicant's experience with
6 agricultural cultivation techniques and industry
7 standards;

8 (16) a list of any academic degrees, certifications,
9 or relevant experience of all prospective principal
10 officers, board members, and agents of the related
11 business;

12 (17) the identity of every person having a financial
13 or voting interest of 5% or greater in the cultivation
14 center operation with respect to which the license is
15 sought, whether a trust, corporation, partnership, limited
16 liability company, or sole proprietorship, including the
17 name and address of each person;

18 (18) a plan describing how the cultivation center will
19 address each of the following:

20 (i) energy needs, including estimates of monthly
21 electricity and gas usage, to what extent it will
22 procure energy from a local utility or from on-site
23 generation, and if it has or will adopt a sustainable
24 energy use and energy conservation policy;

25 (ii) water needs, including estimated water draw
26 and if it has or will adopt a sustainable water use and

1 water conservation policy; and

2 (iii) waste management, including if it has or
3 will adopt a waste reduction policy;

4 (19) a diversity plan that includes a narrative of not
5 more than 2,500 words that establishes a goal of diversity
6 in ownership, management, employment, and contracting to
7 ensure that diverse participants and groups are afforded
8 equality of opportunity;

9 (20) any other information required by rule;

10 (21) a recycling plan:

11 (A) Purchaser packaging, including cartridges,
12 shall be accepted by the applicant and recycled.

13 (B) Any recyclable waste generated by the cannabis
14 cultivation facility shall be recycled per applicable
15 State and local laws, ordinances, and rules.

16 (C) Any cannabis waste, liquid waste, or hazardous
17 waste shall be disposed of in accordance with 8 Ill.
18 Adm. Code 1000.460, except, to the greatest extent
19 feasible, all cannabis plant waste will be rendered
20 unusable by grinding and incorporating the cannabis
21 plant waste with compostable mixed waste to be
22 disposed of in accordance with 8 Ill. Adm. Code
23 1000.460(g)(1);

24 (22) commitment to comply with local waste provisions:
25 a cultivation facility must remain in compliance with
26 applicable State and federal environmental requirements,

1 including, but not limited to:

2 (A) storing, securing, and managing all
3 recyclables and waste, including organic waste
4 composed of or containing finished cannabis and
5 cannabis products, in accordance with applicable State
6 and local laws, ordinances, and rules; and

7 (B) disposing liquid waste containing cannabis or
8 byproducts of cannabis processing in compliance with
9 all applicable State and federal requirements,
10 including, but not limited to, the cannabis
11 cultivation facility's permits under Title X of the
12 Environmental Protection Act; and

13 (23) a commitment to a technology standard for
14 resource efficiency of the cultivation center facility.

15 (A) A cannabis cultivation facility commits to use
16 resources efficiently, including energy and water. For
17 the following, a cannabis cultivation facility commits
18 to meet or exceed the technology standard identified
19 in items (i), (ii), (iii), and (iv), which may be
20 modified by rule:

21 (i) lighting systems, including light bulbs;

22 (ii) HVAC system;

23 (iii) water application system to the crop;

24 and

25 (iv) filtration system for removing
26 contaminants from wastewater.

1 (B) Lighting. The Lighting Power Densities (LPD)
2 for cultivation space commits to not exceed an average
3 of 36 watts per gross square foot of active and growing
4 space canopy, or all installed lighting technology
5 shall meet a photosynthetic photon efficacy (PPE) of
6 no less than 2.2 micromoles per joule fixture and
7 shall be featured on the DesignLights Consortium (DLC)
8 Horticultural Specification Qualified Products List
9 (QPL). In the event that DLC requirement for minimum
10 efficacy exceeds 2.2 micromoles per joule fixture,
11 that PPE shall become the new standard.

12 (C) HVAC.

13 (i) For cannabis grow operations with less
14 than 6,000 square feet of canopy, the licensee
15 commits that all HVAC units will be
16 high-efficiency ductless split HVAC units, or
17 other more energy efficient equipment.

18 (ii) For cannabis grow operations with 6,000
19 square feet of canopy or more, the licensee
20 commits that all HVAC units will be variable
21 refrigerant flow HVAC units, or other more energy
22 efficient equipment.

23 (D) Water application.

24 (i) The cannabis cultivation facility commits
25 to use automated watering systems, including, but
26 not limited to, drip irrigation and flood tables,

1 to irrigate cannabis crop.

2 (ii) The cannabis cultivation facility commits
3 to measure runoff from watering events and report
4 this volume in its water usage plan, and that on
5 average, watering events shall have no more than
6 20% of runoff of water.

7 (E) Filtration. The cultivator commits that HVAC
8 condensate, dehumidification water, excess runoff, and
9 other wastewater produced by the cannabis cultivation
10 facility shall be captured and filtered to the best of
11 the facility's ability to achieve the quality needed
12 to be reused in subsequent watering rounds.

13 (F) Reporting energy use and efficiency as
14 required by rule.

15 (b) Applicants must submit all required information,
16 including the information required in Section 20-10, to the
17 Department of Agriculture. Failure by an applicant to submit
18 all required information may result in the application being
19 disqualified.

20 (c) If the Department of Agriculture receives an
21 application with missing information, the Department of
22 Agriculture may issue a deficiency notice to the applicant.
23 The applicant shall have 10 calendar days from the date of the
24 deficiency notice to resubmit the incomplete information.
25 Applications that are still incomplete after this opportunity
26 to cure will not be scored and will be disqualified.

1 (d) (Blank).

2 (e) A cultivation center that is awarded a Conditional
3 Adult Use Cultivation Center License pursuant to the criteria
4 in Section 20-20 shall not grow, purchase, possess, or sell
5 cannabis or cannabis-infused products until the person has
6 received an Adult Use Cultivation Center License issued by the
7 Department of Agriculture pursuant to Section 20-21 of this
8 Act.

9 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19;
10 102-538, eff. 8-20-21; revised 7-23-24.)

11 (410 ILCS 705/20-20)

12 Sec. 20-20. Conditional Cultivation Center ~~Adult Use~~
13 License scoring applications.

14 (a) The Department of Agriculture shall by rule develop a
15 system to score cultivation center applications to
16 administratively rank applications based on the clarity,
17 organization, and quality of the applicant's responses to
18 required information. Applicants shall be awarded points based
19 on the following categories:

- 20 (1) Suitability of the proposed facility;
21 (2) Suitability of employee training plan;
22 (3) Security and recordkeeping;
23 (4) Cultivation plan;
24 (5) Product safety and labeling plan;
25 (6) Business plan;

1 (7) The applicant's status as a Social Equity
2 Applicant, which shall constitute no less than 20% of
3 total available points;

4 (8) Labor and employment practices, which shall
5 constitute no less than 2% of total available points;

6 (9) Environmental plan as described in paragraphs
7 (18), (21), (22), and (23) of subsection (a) of Section
8 20-15;

9 (10) The applicant is 51% or more owned and controlled
10 by an individual or individuals who have been an Illinois
11 resident for the past 5 years as proved by tax records or 2
12 of the following:

13 (A) a signed lease agreement that includes the
14 applicant's name;

15 (B) a property deed that includes the applicant's
16 name;

17 (C) school records;

18 (D) a voter registration card;

19 (E) an Illinois driver's license, an Illinois
20 Identification Card, or an Illinois Person with a
21 Disability Identification Card;

22 (F) a paycheck stub;

23 (G) a utility bill; or

24 (H) any other proof of residency or other
25 information necessary to establish residence as
26 provided by rule;

1 (11) The applicant is 51% or more controlled and owned
2 by an individual or individuals who meet the
3 qualifications of a veteran as defined by Section 45-57 of
4 the Illinois Procurement Code;

5 (12) a diversity plan that includes a narrative of not
6 more than 2,500 words that establishes a goal of diversity
7 in ownership, management, employment, and contracting to
8 ensure that diverse participants and groups are afforded
9 equality of opportunity; and

10 (13) Any other criteria the Department of Agriculture
11 may set by rule for points.

12 (b) The Department may also award bonus points for the
13 applicant's plan to engage with the community. Bonus points
14 will only be awarded if the Department receives applications
15 that receive an equal score for a particular region.

16 (c) Should the applicant be awarded a cultivation center
17 license, the information and plans that an applicant provided
18 in its application, including any plans submitted for the
19 acquiring of bonus points, becomes a mandatory condition of
20 the permit. Any variation from or failure to perform such
21 plans may result in discipline, including the revocation or
22 nonrenewal of a license.

23 (d) Should the applicant be awarded a cultivation center
24 license, it shall pay a fee of \$100,000 prior to receiving the
25 license, to be deposited into the Cannabis Regulation Fund.
26 The Department of Agriculture may by rule adjust the fee in

1 this Section after January 1, 2021.

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

3 (410 ILCS 705/20-21)

4 Sec. 20-21. ~~Adult-Use~~ Cultivation Center License.

5 (a) A person or entity is only eligible to receive a ~~an~~
6 ~~Adult-Use~~ Cultivation Center License if the person or entity
7 has first been awarded a Conditional ~~Adult-Use~~ Cultivation
8 Center License pursuant to this Act or the person or entity has
9 renewed its Early Approval Cultivation Center License pursuant
10 to subsection (c) of Section 20-10.

11 (b) The Department of Agriculture shall not issue a ~~an~~
12 ~~Adult-Use~~ Cultivation Center License until:

13 (1) the Department of Agriculture has inspected the
14 cultivation center site and proposed operations and
15 verified that they are in compliance with this Act and
16 local zoning laws;

17 (2) the Conditional ~~Adult-Use~~ Cultivation Center
18 License holder has paid a registration fee of \$100,000 or
19 a prorated amount accounting for the difference of time
20 between when the ~~Adult-Use~~ Cultivation Center License is
21 issued and March 31 of the next even-numbered year; and

22 (3) The Conditional ~~Adult-Use~~ Cultivation Center
23 License holder has met all the requirements in the Act and
24 rules.

25 (c) Notwithstanding any other provision of law, on and

1 after July 1, 2025, the Department shall cease to issue or
2 renew any medical cannabis cultivation permit issued under the
3 Compassionate Use of Medical Cannabis Act. Licensees that hold
4 dual Medical Cannabis Cultivation Permits and Adult Use
5 Cultivation Center Licenses may continue all operations with a
6 valid Cultivation Center License issued under this Act that is
7 in good standing.

8 (1) The Department shall create a process for licenses
9 to transition to sole operation as Cultivation Centers;
10 including refund or proration of medical cultivation
11 center permit fees.

12 (2) Any statements or plans submitted as part of an
13 initial application for a medical cannabis cultivation
14 permit as well as all subsequent modifications and
15 alterations shall remain a mandatory condition of the
16 cultivation center license.

17 (3) Cultivation Centers shall not relocate except
18 within the same Illinois State Police District boundary as
19 specified on the date of January 1, 2013 in which the
20 initial Medical Cannabis Cultivation Permit was initially
21 issued.

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

23 (410 ILCS 705/20-30)

24 Sec. 20-30. Cultivation center requirements; prohibitions.

25 (a) The operating documents of a cultivation center shall

1 include procedures for the oversight of the cultivation
2 center, a cannabis plant monitoring system including a
3 physical inventory recorded weekly, accurate recordkeeping,
4 and a staffing plan.

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

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

1 other individuals as provided by rule.

2 (d) A cultivation center may not sell or distribute any
3 cannabis or cannabis-infused products to any person other than
4 a dispensing organization, craft grower, infuser organization,
5 transporter, or as otherwise authorized by rule.

6 (e) A cultivation center may not either directly or
7 indirectly discriminate in price between different dispensing
8 organizations, craft growers, or infuser organizations that
9 are purchasing a like grade, strain, brand, and quality of
10 cannabis or cannabis-infused product. Nothing in this
11 subsection (e) prevents a cultivation center from pricing
12 cannabis differently based on differences in the cost of
13 manufacturing or processing, the quantities sold, such as
14 volume discounts, or the way the products are delivered.

15 (f) All cannabis harvested by a cultivation center and
16 intended for distribution to a dispensing organization must be
17 entered into a data collection system, packaged and labeled
18 under Section 55-21, and placed into a cannabis container for
19 transport. All cannabis harvested by a cultivation center and
20 intended for distribution to a craft grower or infuser
21 organization must be packaged in a labeled cannabis container
22 and entered into a data collection system before transport.

23 (g) Cultivation centers are subject to random inspections
24 by the Department of Agriculture, the Department of Public
25 Health, local safety or health inspectors, the Illinois State
26 Police, or as provided by rule.

1 (h) A cultivation center agent shall notify local law
2 enforcement, the Illinois State Police, and the Department of
3 Agriculture within 24 hours of the discovery of any loss or
4 theft. Notification shall be made by phone or in person, or by
5 written or electronic communication.

6 (i) A cultivation center shall comply with all State and
7 any applicable federal rules and regulations regarding the use
8 of pesticides on cannabis plants.

9 (j) No person or entity shall hold any legal, equitable,
10 ownership, or beneficial interest, directly or indirectly, of
11 more than 3 cultivation centers licensed under this Article.
12 Further, no person or entity that is employed by, an agent of,
13 has a contract to receive payment in any form from a
14 cultivation center, is a principal officer of a cultivation
15 center, or entity controlled by or affiliated with a principal
16 officer of a cultivation shall hold any legal, equitable,
17 ownership, or beneficial interest, directly or indirectly, in
18 a cultivation that would result in the person or entity owning
19 or controlling in combination with any cultivation center,
20 principal officer of a cultivation center, or entity
21 controlled or affiliated with a principal officer of a
22 cultivation center by which he, she, or it is employed, is an
23 agent of, or participates in the management of, more than 3
24 cultivation center licenses.

25 (k) A cultivation center may not contain more than 210,000
26 square feet of canopy space for plants in the flowering stage

1 for cultivation of adult use cannabis as provided in this Act.

2 (l) A cultivation center may process cannabis, cannabis
3 concentrates, and cannabis-infused products.

4 (m) Beginning July 1, 2020, a cultivation center shall not
5 transport cannabis or cannabis-infused products to a craft
6 grower, dispensing organization, infuser organization, or
7 laboratory licensed under this Act, unless it has obtained a
8 transporting organization license.

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

1 representative of the Early Approval Adult Use Dispensing
2 Organization License, a Conditional Adult Use Dispensing
3 Organization License, an Adult Use Dispensing Organization
4 License, or a medical cannabis dispensing organization license
5 issued under the Compassionate Use of Medical Cannabis Program
6 Act to obtain preferential placement within the dispensing
7 organization, including, without limitation, on shelves and in
8 display cases where purchasers can view products, or on the
9 dispensing organization's website.

10 (o) A cultivation center must comply with any other
11 requirements or prohibitions set by administrative rule of the
12 Department of Agriculture.

13 (p) A cultivation center may not be located within 2,500
14 feet of the property line of a pre-existing public or private
15 preschool or elementary or secondary school or day care
16 center, day care home, group day care home, part day child care
17 facility, or an area zoned for residential use.

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

21 (410 ILCS 705/20-45)

22 Sec. 20-45. Renewal of cultivation center licenses and
23 agent identification cards.

24 (a) Licenses and identification cards issued under this
25 Act shall be renewed annually. A cultivation center shall

1 receive written or electronic notice 90 days before the
2 expiration of its current license that the license will
3 expire. The Department of Agriculture shall grant a renewal
4 within 45 days of submission of a renewal application if:

5 (1) the cultivation center submits a renewal
6 application and the required nonrefundable renewal fee of
7 \$100,000, or another amount as the Department of
8 Agriculture may set by rule after January 1, 2021, to be
9 deposited into the Cannabis Regulation Fund. On or after
10 July 1, 2025, the Cultivation Center License renewal fee
11 shall be \$200,000 to be deposited into the Cannabis
12 Regulation Fund. Licensees that have not yet renewed their
13 medical permit in calendar year 2025 by July 1, 2025 shall
14 remit \$100,000 by December 31, 2025 to be deposited into
15 the Cannabis Regulation Fund. Licensees that renewed both
16 a Cultivation Center License and a Medical Cultivation
17 Center Permit under the Compassionate Use of Medical
18 Cannabis Act between March 1, 2025 and July 1, 2025 do not
19 owe any additional fees until the next renewal period.

20 (2) the Department of Agriculture has not suspended
21 the license of the cultivation center or suspended or
22 revoked the license for violating this Act or rules
23 adopted under this Act;

24 (3) the cultivation center has continued to operate in
25 accordance with all plans submitted as part of its
26 application and approved by the Department of Agriculture

1 or any amendments thereto that have been approved by the
2 Department of Agriculture;

3 (4) the cultivation center has submitted an agent,
4 employee, contracting, and subcontracting diversity report
5 as required by the Department; and

6 (5) the cultivation center has submitted an
7 environmental impact report.

8 (b) If a cultivation center fails to renew its license
9 before expiration, it shall cease operations until its license
10 is renewed.

11 (c) If a cultivation center agent fails to renew his or her
12 identification card before its expiration, he or she shall
13 cease to work as an agent of the cultivation center until his
14 or her identification card is renewed.

15 (d) Any cultivation center that continues to operate, or
16 any cultivation center agent who continues to work as an
17 agent, after the applicable license or identification card has
18 expired without renewal is subject to the penalties provided
19 under Section 45-5.

20 (e) The Department of Agriculture shall not renew a
21 license or an agent identification card if the applicant is
22 delinquent in filing any required tax returns or paying any
23 amounts owed to the State of Illinois

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

25 (410 ILCS 705/20-50 rep.)

1 Section 40. The Cannabis Regulation and Tax Act is amended
2 by repealing Section 20-50.

3 Section 45. The Cannabis Regulation and Tax Act is amended
4 by changing Sections 25-35, 30-35, and 30-45 as follows:

5 (410 ILCS 705/25-35)

6 (Section scheduled to be repealed on July 1, 2026)

7 Sec. 25-35. Community College Cannabis Vocational Training
8 Pilot Program faculty participant agent identification card.

9 (a) The Department shall:

10 (1) establish by rule the information required in an
11 initial application or renewal application for an agent
12 identification card submitted under this Article and the
13 nonrefundable fee to accompany the initial application or
14 renewal application;

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

21 (3) issue an agent identification card to a qualifying
22 agent within 15 business days of approving the initial
23 application or renewal application;

24 (4) enter the license number of the community college

1 where the agent works; and

2 (5) allow for an electronic initial application and
3 renewal application process, and provide a confirmation by
4 electronic or other methods that an application has been
5 submitted. Each Department may by rule require prospective
6 agents to file their applications by electronic means and
7 to provide notices to the agents by electronic means.

8 (b) An agent must keep his or her identification card
9 visible at all times when in the enclosed, locked facility, or
10 facilities for which he or she is an agent.

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

13 (1) the name of the cardholder;

14 (2) the date of issuance and expiration date of the
15 identification card;

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

19 (4) a photograph of the cardholder; and

20 (5) the legal name of the community college employing
21 the agent.

22 (d) An agent identification card shall be immediately
23 returned to the community college of the agent upon
24 termination of his or her employment.

25 (e) Any agent identification card lost shall be reported
26 to the Illinois State Police and the Department of Agriculture

1 immediately upon discovery of the loss.

2 (f) An agent applicant may begin employment at a Community
3 College Cannabis Vocational Training Pilot Program while the
4 agent applicant's identification card application is pending.
5 Upon approval, the Department shall issue the agent's
6 identification card to the agent. If denied, the Community
7 College Cannabis Vocational Training Pilot Program and the
8 agent applicant shall be notified and the agent applicant must
9 cease all activity at the Community College Cannabis
10 Vocational Training Pilot Program immediately.

11 (g) The Department of Agriculture shall not issue an agent
12 identification card if the applicant is delinquent in filing
13 any required tax returns or paying any amounts owed to the
14 State of Illinois.

15 (Source: P.A. 101-27, eff. 6-25-19; 102-98, eff. 7-15-21;
16 102-538, eff. 8-20-21; 102-813, eff. 5-13-22.)

17 (410 ILCS 705/30-35)

18 Sec. 30-35. Craft grower agent identification card.

19 (a) The Department of Agriculture shall:

20 (1) establish by rule the information required in an
21 initial application or renewal application for an agent
22 identification card submitted under this Act and the
23 nonrefundable fee to accompany the initial application or
24 renewal application;

25 (2) verify the information contained in an initial

1 application or renewal application for an agent
2 identification card submitted under this Act and approve
3 or deny an application within 30 days of receiving a
4 completed initial application or renewal application and
5 all supporting documentation required by rule;

6 (3) issue an agent identification card to a qualifying
7 agent within 15 business days of approving the initial
8 application or renewal application;

9 (4) enter the license number of the craft grower where
10 the agent works; and

11 (5) allow for an electronic initial application and
12 renewal application process, and provide a confirmation by
13 electronic or other methods that an application has been
14 submitted. The Department of Agriculture may by rule
15 require prospective agents to file their applications by
16 electronic means and provide notices to the agents by
17 electronic means.

18 (b) An agent must keep his or her identification card
19 visible at all times when on the property of a cannabis
20 business establishment, including the craft grower
21 organization for which he or she is an agent.

22 (c) The agent identification cards shall contain the
23 following:

24 (1) the name of the cardholder;

25 (2) the date of issuance and expiration date of the
26 identification card;

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

4 (4) a photograph of the cardholder; and

5 (5) the legal name of the craft grower organization
6 employing the agent.

7 (d) An agent identification card shall be immediately
8 returned to the cannabis business establishment of the agent
9 upon termination of his or her employment.

10 (e) Any agent identification card lost by a craft grower
11 agent shall be reported to the Illinois State Police and the
12 Department of Agriculture immediately upon discovery of the
13 loss.

14 (f) The Department of Agriculture shall not issue an agent
15 identification card if the applicant is delinquent in filing
16 any required tax returns or paying any amounts owed to the
17 State of Illinois.

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

19 (410 ILCS 705/30-45)

20 Sec. 30-45. Renewal of craft grower licenses and agent
21 identification cards.

22 (a) Licenses and identification cards issued under this
23 Act shall be renewed annually. A craft grower shall receive
24 written or electronic notice 90 days before the expiration of
25 its current license that the license will expire. The

1 Department of Agriculture shall grant a renewal within 45 days
2 of submission of a renewal application if:

3 (1) the craft grower submits a renewal application and
4 the required nonrefundable renewal fee of \$40,000, or
5 another amount as the Department of Agriculture may set by
6 rule after January 1, 2021;

7 (2) the Department of Agriculture has not suspended
8 the license of the craft grower or suspended or revoked
9 the license for violating this Act or rules adopted under
10 this Act;

11 (3) the craft grower has continued to operate in
12 accordance with all plans submitted as part of its
13 application and approved by the Department of Agriculture
14 or any amendments thereto that have been approved by the
15 Department of Agriculture;

16 (4) the craft grower has submitted an agent, employee,
17 contracting, and subcontracting diversity report as
18 required by the Department; and

19 (5) the craft grower has submitted an environmental
20 impact report.

21 (b) If a craft grower fails to renew its license before
22 expiration, it shall cease operations until its license is
23 renewed.

24 (c) If a craft grower agent fails to renew his or her
25 identification card before its expiration, he or she shall
26 cease to work as an agent of the craft grower organization

1 until his or her identification card is renewed.

2 (d) Any craft grower that continues to operate, or any
3 craft grower agent who continues to work as an agent, after the
4 applicable license or identification card has expired without
5 renewal is subject to the penalties provided under Section
6 45-5.

7 (e) All fees or fines collected from the renewal of a craft
8 grower license shall be deposited into the Cannabis Regulation
9 Fund.

10 (f) The Department of Agriculture shall not renew a
11 license or an agent identification card if the applicant is
12 delinquent in filing any required tax returns or paying any
13 amounts owed to the State of Illinois

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

15 (410 ILCS 705/30-50 rep.)

16 Section 50. The Cannabis Regulation and Tax Act is amended
17 by repealing Section 30-50.

18 Section 55. The Cannabis Regulation and Tax Act is amended
19 by changing Sections 35-25, 35-30, 55-5, 55-10, 55-85, 60-5,
20 60-10, 65-5, 65-10, 65-30, 65-38, and 65-42 as follows:

21 (410 ILCS 705/35-25)

22 Sec. 35-25. Infuser organization requirements;
23 prohibitions.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

18 (n) At no time shall an infuser organization or an infuser
19 agent perform the extraction of cannabis concentrate from
20 cannabis flower, except if the infuser organization has also
21 been issued a processor license under Section 35-31(f).

22 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19;
23 102-98, eff. 7-15-21; 102-538, eff. 8-20-21; 102-813, eff.
24 5-13-22.)

1 Sec. 35-30. Infuser agent identification card.

2 (a) The Department of Agriculture shall:

3 (1) establish by rule the information required in an
4 initial application or renewal application for an agent
5 identification card submitted under this Act and the
6 nonrefundable fee to accompany the initial application or
7 renewal application;

8 (2) verify the information contained in an initial
9 application or renewal application for an agent
10 identification card submitted under this Act, and approve
11 or deny an application within 30 days of receiving a
12 completed initial application or renewal application and
13 all supporting documentation required by rule;

14 (3) issue an agent identification card to a qualifying
15 agent within 15 business days of approving the initial
16 application or renewal application;

17 (4) enter the license number of the infuser where the
18 agent works; and

19 (5) allow for an electronic initial application and
20 renewal application process, and provide a confirmation by
21 electronic or other methods that an application has been
22 submitted. The Department of Agriculture may by rule
23 require prospective agents to file their applications by
24 electronic means and provide notices to the agents by
25 electronic means.

26 (b) An agent must keep his or her identification card

1 visible at all times when on the property of a cannabis
2 business establishment including the cannabis business
3 establishment for which he or she is an agent.

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

6 (1) the name of the cardholder;

7 (2) the date of issuance and expiration date of the
8 identification card;

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

12 (4) a photograph of the cardholder; and

13 (5) the legal name of the infuser organization
14 employing the agent.

15 (d) An agent identification card shall be immediately
16 returned to the infuser organization of the agent upon
17 termination of his or her employment.

18 (e) Any agent identification card lost by a transporting
19 agent shall be reported to the Illinois State Police and the
20 Department of Agriculture immediately upon discovery of the
21 loss.

22 (f) An agent applicant may begin employment at an infuser
23 organization while the agent applicant's identification card
24 application is pending. Upon approval, the Department shall
25 issue the agent's identification card to the agent. If denied,
26 the infuser organization and the agent applicant shall be

1 notified and the agent applicant must cease all activity at
2 the infuser organization immediately.

3 (g) The Department of Agriculture shall not issue an agent
4 identification card if the applicant is delinquent in filing
5 any required tax returns or paying any amounts owed to the
6 State of Illinois.

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

9 (410 ILCS 705/55-5)

10 Sec. 55-5. Preparation of cannabis-infused products.

11 (a) The Department of Agriculture may regulate the
12 production of cannabis-infused products by a cultivation
13 center, a craft grower, an infuser organization, or a
14 dispensing organization and establish rules related to
15 refrigeration, hot-holding, and handling of cannabis-infused
16 products. All cannabis-infused products shall meet the
17 packaging and labeling requirements contained in Section
18 55-21.

19 (b) Cannabis-infused products for sale or distribution at
20 a dispensing organization must be prepared by an approved
21 agent of a cultivation center, craft grower, or infuser
22 organization.

23 (c) A cultivation center, craft grower, or infuser
24 organization that prepares cannabis-infused products for sale
25 or distribution by a dispensing organization shall be under

1 the operational supervision of a Department of Public Health
2 certified food service sanitation manager.

3 (d) Dispensing organizations may not manufacture, process,
4 or produce cannabis-infused products.

5 (e) The Department of Public Health shall adopt and
6 enforce rules for the manufacture and processing of
7 cannabis-infused products, and for that purpose it may at all
8 times enter every building, room, basement, enclosure, or
9 premises occupied or used, or suspected of being occupied or
10 used, for the production, preparation, manufacture for sale,
11 storage, sale, processing, distribution, or transportation of
12 cannabis-infused products, and to inspect the premises
13 together with all utensils, fixtures, furniture, and machinery
14 used for the preparation of these products.

15 (f) The Department of Agriculture shall by rule establish
16 a maximum level of THC that may be contained in each serving of
17 cannabis-infused product, and within the product package.

18 (g) If a local public health agency has a reasonable
19 belief that a cannabis-infused product poses a public health
20 hazard, it may refer the cultivation center, craft grower, or
21 infuser that manufactured or processed the cannabis-infused
22 product to the Department of Public Health. If the Department
23 of Public Health finds that a cannabis-infused product poses a
24 health hazard, it may bring an action for immediate injunctive
25 relief to require that action be taken as the court may deem
26 necessary to meet the hazard of the cultivation facility or

1 seek other relief as provided by rule.

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

3 (410 ILCS 705/55-10)

4 Sec. 55-10. Maintenance of inventory. Through June 30,
5 2025, all ~~All~~ dispensing organizations authorized to serve
6 both registered qualifying patients and caregivers and
7 purchasers are required to report which cannabis and
8 cannabis-infused products are purchased for sale under the
9 Compassionate Use of Medical Cannabis Program Act, and which
10 cannabis and cannabis-infused products are purchased under
11 this Act. Nothing in this Section prohibits a registered
12 qualifying patient under the Compassionate Use of Medical
13 Cannabis Program Act from purchasing cannabis as a purchaser
14 under this Act.

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

16 (410 ILCS 705/55-85)

17 Sec. 55-85. Medical cannabis.

18 ~~(a)~~ Nothing in this Act shall be construed to limit any
19 privileges or rights of a qualifying ~~medical cannabis~~ patient
20 including minor patients, designated ~~primary~~ caregiver,
21 medical cannabis cultivation center, or medical cannabis
22 dispensing organization under the Compassionate Use of Medical
23 Cannabis Program Act, and where there is conflict between this
24 Act and the Compassionate Use of Medical Cannabis Program Act

1 as they relate to medical cannabis patients, the Compassionate
2 Use of Medical Cannabis Program Act shall prevail.

3 ~~(b) Dispensary locations that obtain an Early Approval~~
4 ~~Adult Use Dispensary Organization License or an Adult Use~~
5 ~~Dispensary Organization License in accordance with this Act at~~
6 ~~the same location as a medical cannabis dispensing~~
7 ~~organization registered under the Compassionate Use of Medical~~
8 ~~Cannabis Program Act shall maintain an inventory of medical~~
9 ~~cannabis and medical cannabis products on a monthly basis that~~
10 ~~is substantially similar in variety and quantity to the~~
11 ~~products offered at the dispensary during the 6-month period~~
12 ~~immediately before the effective date of this Act.~~

13 ~~(c) Beginning June 30, 2020, the Department of Agriculture~~
14 ~~shall make a quarterly determination whether inventory~~
15 ~~requirements established for dispensaries in subsection (b)~~
16 ~~should be adjusted due to changing patient need.~~

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

18 (410 ILCS 705/60-5)

19 Sec. 60-5. Definitions. In this Article:

20 "Cannabis" has the meaning given to that term in Article 1
21 of this Act, except that, through June 30, 2025, it does not
22 include cannabis that is subject to tax under the
23 Compassionate Use of Medical Cannabis Program Act.

24 "Craft grower" has the meaning given to that term in
25 Article 1 of this Act.

1 "Cultivation center" has the meaning given to that term in
2 Article 1 of this Act. On and after July 1, 2025, "cultivation
3 center" includes any cultivation center which, prior to July
4 1, 2025, was a cultivation center as defined in the
5 Compassionate Use of Medical Cannabis Program Act.

6 "Cultivator" or "taxpayer" means a cultivation center or
7 craft grower who is subject to tax under this Article. On and
8 after July 1, 2025, "cultivator" includes any cultivator
9 which, prior to July 1, 2025, was a cultivator as defined under
10 the Compassionate Use of Medical Cannabis Program Act.

11 "Department" means the Department of Revenue.

12 "Director" means the Director of Revenue.

13 "Dispensing organization" or "dispensary" has the meaning
14 given to that term in Article 1 of this Act.

15 "Gross receipts" from the sales of cannabis by a
16 cultivator means the total selling price or the amount of such
17 sales, as defined in this Article. In the case of charges and
18 time sales, the amount thereof shall be included only when
19 payments are received by the cultivator.

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

25 "Infuser" means "infuser organization" or "infuser" as
26 defined in Article 1 of this Act.

1 "Selling price" or "amount of sale" means the
2 consideration for a sale valued in money whether received in
3 money or otherwise, including cash, credits, property, and
4 services, and shall be determined without any deduction on
5 account of the cost of the property sold, the cost of materials
6 used, labor or service cost, or any other expense whatsoever,
7 but does not include separately stated charges identified on
8 the invoice by cultivators to reimburse themselves for their
9 tax liability under this Article.

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
16 cultivator. The sale of any product that contains any amount
17 of cannabis or any derivative thereof is subject to the tax
18 under this Section on the full selling price of the product.
19 The Department may determine the selling price of the cannabis
20 when the seller and purchaser are affiliated persons, when the
21 sale and purchase of cannabis is not an arm's length
22 transaction, or when cannabis is transferred by a craft grower
23 to the craft grower's dispensing organization or infuser ~~or~~
24 ~~processing~~ organization and a value is not established for the
25 cannabis. The value determined by the Department shall be

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

8 (b) The Cannabis Cultivation Privilege Tax imposed under
9 this Article is solely the responsibility of the cultivator
10 who 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
17 addition to all other occupation, privilege, or excise taxes
18 imposed by the State of Illinois or by any unit of local
19 government.

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

21 (410 ILCS 705/65-5)

22 Sec. 65-5. Definitions. In this Article:

23 "Adjusted delta-9-tetrahydrocannabinol level" means, for a
24 delta-9-tetrahydrocannabinol dominant product, the sum of the
25 percentage of delta-9-tetrahydrocannabinol plus .877

1 multiplied by the percentage of tetrahydrocannabinolic acid.

2 "Cannabis" has the meaning given to that term in Article 1
3 of this Act, except that through June 30, 2025, it does not
4 include cannabis that is subject to tax under the
5 Compassionate Use of Medical Cannabis Program Act.

6 "Cannabis-infused product" means beverage food, oils,
7 ointments, tincture, topical formulation, or another product
8 containing cannabis that is not intended to be smoked.

9 "Cannabis retailer" means a dispensing organization that
10 sells cannabis for use and not for resale.

11 "Craft grower" has the meaning given to that term in
12 Article 1 of this Act.

13 "Department" means the Department of Revenue.

14 "Director" means the Director of Revenue.

15 "Dispensing organization" or "dispensary" has the meaning
16 given to that term in Article 1 of this Act.

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

22 "Infuser organization" or "infuser" means a facility
23 operated by an organization or business that is licensed by
24 the Department of Agriculture to directly incorporate cannabis
25 or cannabis concentrate into a product formulation to produce
26 a cannabis-infused product.

1 "Purchase price" means the consideration paid for a
2 purchase of cannabis, valued in money, whether received in
3 money or otherwise, including cash, gift cards, credits, and
4 property and shall be determined without any deduction on
5 account of the cost of materials used, labor or service costs,
6 or any other expense whatsoever. However, "purchase price"
7 does not include consideration paid for:

8 (1) any charge for a payment that is not honored by a
9 financial institution;

10 (2) any finance or credit charge, penalty or charge
11 for delayed payment, or discount for prompt payment; and

12 (3) any amounts added to a purchaser's bill because of
13 charges made under the tax imposed by this Article, the
14 Municipal Cannabis Retailers' Occupation Tax Law, the
15 County Cannabis Retailers' Occupation Tax Law, the
16 Retailers' Occupation Tax Act, the Use Tax Act, the
17 Service Occupation Tax Act, the Service Use Tax Act, or
18 any locally imposed occupation or use tax.

19 "Purchaser" means a person who acquires cannabis for a
20 valuable consideration.

21 "Qualifying patient" or "qualified patient" means a person
22 who has been diagnosed by a certifying health care
23 professional as having a debilitating medical condition as
24 defined under the Compassionate Use of Medical Cannabis
25 Program Act.

26 "Taxpayer" means a cannabis retailer who is required to

1 collect the tax imposed under this Article.

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

3 (410 ILCS 705/65-10)

4 Sec. 65-10. Tax imposed.

5 (a) Beginning January 1, 2020, a tax is imposed upon
6 purchasers for the privilege of using cannabis, and not for
7 the purpose of resale, at the following rates:

8 (1) Any cannabis, other than a cannabis-infused
9 product, with an adjusted delta-9-tetrahydrocannabinol
10 level at or below 35% shall be taxed at a rate of 10% of
11 the purchase price;

12 (2) Any cannabis, other than a cannabis-infused
13 product, with an adjusted delta-9-tetrahydrocannabinol
14 level above 35% shall be taxed at a rate of 25% of the
15 purchase price; and

16 (3) A cannabis-infused product shall be taxed at a
17 rate of 20% of the purchase price.

18 (b) The purchase of any product that contains any amount
19 of cannabis or any derivative thereof is subject to the tax
20 under subsection (a) of this Section on the full purchase
21 price of the product.

22 (c) Through June 30, 2025, the ~~The~~ tax imposed under this
23 Section is not imposed on cannabis that is subject to tax under
24 the Compassionate Use of Medical Cannabis Program Act. The tax
25 imposed by this Section is not imposed with respect to any

1 transaction in interstate commerce, to the extent the
2 transaction may not, under the Constitution and statutes of
3 the United States, be made the subject of taxation by this
4 State. Beginning July 1, 2025, the tax imposed under this
5 Article shall not be imposed on cannabis or cannabis- infused
6 products purchased by a qualified patient, designated
7 caregiver, or provisional patient when purchasing cannabis or
8 cannabis-infused products under this Act as part of their
9 adequate medical supply as these terms are defined under
10 Section 1-10 of this Act.

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

15 (e) The tax imposed under this Article shall not be
16 imposed on any purchase by a purchaser if the cannabis
17 retailer is prohibited by federal or State Constitution,
18 treaty, convention, statute, or court decision from collecting
19 the tax from the purchaser.

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

21 (410 ILCS 705/65-30)

22 Sec. 65-30. Return and payment of tax by cannabis
23 retailer. Each cannabis retailer that is required or
24 authorized to collect the tax imposed by this Article shall
25 make a return to the Department, by electronic means, on or

1 before the 20th day of each month for the preceding calendar
2 month stating the following:

3 (1) the cannabis retailer's name;

4 (2) the address of the cannabis retailer's principal
5 place of business and the address of the principal place
6 of business (if that is a different address) from which
7 the cannabis retailer is engaged in the business of
8 selling cannabis subject to tax under this Article;

9 (3) the total purchase price received by the cannabis
10 retailer for cannabis subject to tax under this Article;

11 (4) the amount of tax due at each rate;

12 (5) the signature of the cannabis retailer; and

13 (6) any other information as the Department may
14 reasonably require.

15 All returns required to be filed and payments required to
16 be made under this Article shall be by electronic means.
17 Cannabis retailers who demonstrate hardship in paying
18 electronically may petition the Department to waive the
19 electronic payment requirement.

20 Any amount that is required to be shown or reported on any
21 return or other document under this Article shall, if the
22 amount is not a whole-dollar amount, be increased to the
23 nearest whole-dollar amount if the fractional part of a dollar
24 is \$0.50 or more and decreased to the nearest whole-dollar
25 amount if the fractional part of a dollar is less than \$0.50.
26 If a total amount of less than \$1 is payable, refundable, or

1 creditable, the amount shall be disregarded if it is less than
2 \$0.50 and shall be increased to \$1 if it is \$0.50 or more.

3 The cannabis retailer making the return provided for in
4 this Section shall also pay to the Department, in accordance
5 with this Section, the amount of tax imposed by this Article,
6 less a discount of 1.75%, but not to exceed \$1,000 per return
7 period, which is allowed to reimburse the cannabis retailer
8 for the expenses incurred in keeping records, collecting tax,
9 preparing and filing returns, remitting the tax, and supplying
10 data to the Department upon request. No discount may be
11 claimed by a cannabis retailer on returns not timely filed and
12 for taxes not timely remitted. No discount may be claimed by a
13 taxpayer for any return that is not filed electronically. No
14 discount may be claimed by a taxpayer for any payment that is
15 not made electronically, unless a waiver has been granted
16 under this Section.

17 Notwithstanding any other provision of this Article
18 concerning the time within which a cannabis retailer may file
19 a return, any such cannabis retailer who ceases to engage in
20 the kind of business that makes the person responsible for
21 filing returns under this Article shall file a final return
22 under this Article with the Department within one month after
23 discontinuing the business.

24 Each cannabis retailer shall make estimated payments to
25 the Department on or before the 7th, 15th, 22nd, and last day
26 of the month during which tax liability to the Department is

1 incurred. The payments shall be in an amount not less than the
2 lower of either 22.5% of the cannabis retailer's actual tax
3 liability for the month or 25% of the cannabis retailer's
4 actual tax liability for the same calendar month of the
5 preceding year. The amount of the quarter-monthly payments
6 shall be credited against the final tax liability of the
7 cannabis retailer's return for that month. If any such
8 quarter-monthly payment is not paid at the time or in the
9 amount required by this Section, then the cannabis retailer
10 shall be liable for penalties and interest on the difference
11 between the minimum amount due as a payment and the amount of
12 the quarter-monthly payment actually and timely paid, except
13 insofar as the cannabis retailer has previously made payments
14 for that month to the Department in excess of the minimum
15 payments previously due as provided in this Section.

16 If any payment provided for in this Section exceeds the
17 taxpayer's liabilities under this Article, as shown on an
18 original monthly return, the Department shall, if requested by
19 the taxpayer, issue to the taxpayer a credit memorandum no
20 later than 30 days after the date of payment. The credit
21 evidenced by the credit memorandum may be assigned by the
22 taxpayer to a similar taxpayer under this Article, in
23 accordance with reasonable rules to be prescribed by the
24 Department. If no such request is made, the taxpayer may
25 credit the excess payment against tax liability subsequently
26 to be remitted to the Department under this Article, in

1 accordance with reasonable rules prescribed by the Department.
2 If the Department subsequently determines that all or any part
3 of the credit taken was not actually due to the taxpayer, the
4 taxpayer's discount shall be reduced, if necessary, to reflect
5 the difference between the credit taken and that actually due,
6 and that taxpayer shall be liable for penalties and interest
7 on the difference. If a cannabis retailer fails to sign a
8 return within 30 days after the proper notice and demand for
9 signature by the Department is received by the cannabis
10 retailer, the return shall be considered valid and any amount
11 shown to be due on the return shall be deemed assessed.
12 (Source: P.A. 101-27, eff. 6-25-19.)

13 (410 ILCS 705/65-38)

14 Sec. 65-38. Violations and penalties.

15 (a) When the amount due is under \$300, any retailer of
16 cannabis who fails to file a return, willfully fails or
17 refuses to make any payment to the Department of the tax
18 imposed by this Article, or files a fraudulent return, or any
19 officer or agent of a corporation engaged in the business of
20 selling cannabis to purchasers located in this State who signs
21 a fraudulent return filed on behalf of the corporation, or any
22 accountant or other agent who knowingly enters false
23 information on the return of any taxpayer under this Article
24 is guilty of a Class 4 felony.

25 (b) When the amount due is \$300 or more, any retailer of

1 cannabis who files, or causes to be filed, a fraudulent
2 return, or any officer or agent of a corporation engaged in the
3 business of selling cannabis to purchasers located in this
4 State who files or causes to be filed or signs or causes to be
5 signed a fraudulent return filed on behalf of the corporation,
6 or any accountant or other agent who knowingly enters false
7 information on the return of any taxpayer under this Article
8 is guilty of a Class 3 felony.

9 (c) Any person who violates any provision of Section
10 65-20, or fails to keep books and records as required under
11 this Article, ~~or willfully violates a rule of the Department~~
12 ~~for the administration and enforcement of this Article~~ is
13 guilty of a Class 4 felony. A person commits a separate offense
14 on each day that he or she engages in business in violation of
15 Section 65-20 ~~or a rule of the Department for the~~
16 ~~administration and enforcement of this Article~~. If a person
17 fails to produce the books and records for inspection by the
18 Department upon request, a prima facie presumption shall arise
19 that the person has failed to keep books and records as
20 required under this Article. A person who is unable to rebut
21 this presumption is in violation of this Article and is
22 subject to the penalties provided in this Section.

23 (d) Any person who ~~violates any provision of Sections~~
24 ~~65-20, fails to keep books and records as required under this~~
25 ~~Article, or~~ willfully violates a rule of the Department for
26 the administration and enforcement of this Article, is guilty

1 of a business offense and may be fined up to \$5,000. ~~If a~~
2 ~~person fails to produce books and records for inspection by~~
3 ~~the Department upon request, a prima facie presumption shall~~
4 ~~arise that the person has failed to keep books and records as~~
5 ~~required under this Article. A person who is unable to rebut~~
6 ~~this presumption is in violation of this Article and is~~
7 ~~subject to the penalties provided in this Section.~~ A person
8 commits a separate offense on each day that he or she engages
9 in business in violation of a rule of the Department for the
10 administration and enforcement of this Article ~~Section 65-20.~~

11 (e) Any taxpayer or agent of a taxpayer who with the intent
12 to defraud purports to make a payment due to the Department by
13 issuing or delivering a check or other order upon a real or
14 fictitious depository for the payment of money, knowing that
15 it will not be paid by the depository, is guilty of a deceptive
16 practice in violation of Section 17-1 of the Criminal Code of
17 2012.

18 (f) Any person who fails to keep books and records or fails
19 to produce books and records for inspection, as required by
20 Section 65-36, is liable to pay to the Department, for deposit
21 in the Tax Compliance and Administration Fund, a penalty of
22 \$1,000 for the first failure to keep books and records or
23 failure to produce books and records for inspection, as
24 required by Section 65-36, and \$3,000 for each subsequent
25 failure to keep books and records or failure to produce books
26 and records for inspection, as required by Section 65-36.

1 (g) Any person who knowingly acts as a retailer of
2 cannabis in this State without first having obtained a
3 certificate of registration to do so in compliance with
4 Section 65-20 of this Article shall be guilty of a Class 4
5 felony.

6 (h) A person commits the offense of tax evasion under this
7 Article when he or she knowingly attempts in any manner to
8 evade or defeat the tax imposed on him or her or on any other
9 person, or the payment thereof, and he or she commits an
10 affirmative act in furtherance of the evasion. As used in this
11 Section, "affirmative act in furtherance of the evasion" means
12 an act designed in whole or in part to (i) conceal,
13 misrepresent, falsify, or manipulate any material fact or (ii)
14 tamper with or destroy documents or materials related to a
15 person's tax liability under this Article. Two or more acts of
16 sales tax evasion may be charged as a single count in any
17 indictment, information, or complaint and the amount of tax
18 deficiency may be aggregated for purposes of determining the
19 amount of tax that is attempted to be or is evaded and the
20 period between the first and last acts may be alleged as the
21 date of the offense.

22 (1) When the amount of tax, the assessment or payment
23 of which is attempted to be or is evaded is less than \$500,
24 a person is guilty of a Class 4 felony.

25 (2) When the amount of tax, the assessment or payment
26 of which is attempted to be or is evaded is \$500 or more

1 but less than \$10,000, a person is guilty of a Class 3
2 felony.

3 (3) When the amount of tax, the assessment or payment
4 of which is attempted to be or is evaded is \$10,000 or more
5 but less than \$100,000, a person is guilty of a Class 2
6 felony.

7 (4) When the amount of tax, the assessment or payment
8 of which is attempted to be or is evaded is \$100,000 or
9 more, a person is guilty of a Class 1 felony.

10 Any person who knowingly sells, purchases, installs,
11 transfers, possesses, uses, or accesses any automated sales
12 suppression device, zapper, or phantom-ware in this State is
13 guilty of a Class 3 felony.

14 As used in this Section:

15 "Automated sales suppression device" or "zapper" means a
16 software program that falsifies the electronic records of an
17 electronic cash register or other point-of-sale system,
18 including, but not limited to, transaction data and
19 transaction reports. The term includes the software program,
20 any device that carries the software program, or an Internet
21 link to the software program.

22 "Phantom-ware" means a hidden programming option embedded
23 in the operating system of an electronic cash register or
24 hardwired into an electronic cash register that can be used to
25 create a second set of records or that can eliminate or
26 manipulate transaction records in an electronic cash register.

1 "Electronic cash register" means a device that keeps a
2 register or supporting documents through the use of an
3 electronic device or computer system designed to record
4 transaction data for the purpose of computing, compiling, or
5 processing retail sales transaction data in any manner.

6 "Transaction data" includes: items purchased by a
7 purchaser; the price of each item; a taxability determination
8 for each item; a segregated tax amount for each taxed item; the
9 amount of cash or credit tendered; the net amount returned to
10 the customer in change; the date and time of the purchase; the
11 name, address, and identification number of the vendor; and
12 the receipt or invoice number of the transaction.

13 "Transaction report" means a report that documents,
14 without limitation, the sales, taxes, or fees collected, media
15 totals, and discount voids at an electronic cash register and
16 that is printed on a cash register tape at the end of a day or
17 shift, or a report that documents every action at an
18 electronic cash register and is stored electronically.

19 A prosecution for any act in violation of this Section may
20 be commenced at any time within 5 years of the commission of
21 that act.

22 (i) The Department may adopt rules to administer the
23 penalties under this Section.

24 (j) Any person whose principal place of business is in
25 this State and who is charged with a violation under this
26 Section shall be tried in the county where his or her principal

1 place of business is located unless he or she asserts a right
2 to be tried in another venue.

3 (k) Except as otherwise provided in subsection (h), a
4 prosecution for a violation described in this Section may be
5 commenced within 3 years after the commission of the act
6 constituting the violation.

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

8 (410 ILCS 705/65-42)

9 Sec. 65-42. Seizure and forfeiture. After seizing any
10 cannabis as provided in Section 65-41, the Department must
11 hold a hearing and determine whether (i) the retailer was
12 properly registered to sell the cannabis; (ii) the retailer
13 possessed the cannabis in violation of this Act; (iii) the
14 retailer possessed the cannabis in violation of any reasonable
15 rule or regulation adopted by the Department for the
16 enforcement of this Act; or (iv) the tax imposed by Article 60
17 had been paid on the cannabis at the time of its seizure by the
18 Department. The Department is not required to hold such a
19 hearing if a waiver and consent to forfeiture has been
20 executed by the owner of the cannabis, if the owner is known,
21 and by the person in whose possession the cannabis so taken was
22 found, if that person is known and if that person is not the
23 owner of said cannabis. The Department shall give not less
24 than 20 days' notice of the time and place of the hearing to
25 the owner of the cannabis, if the owner is known, and also to

1 the person in whose possession the cannabis was found, if that
2 person is known and if the person in possession is not the
3 owner of the cannabis. If neither the owner nor the person in
4 possession of the cannabis is known, the Department must cause
5 publication of the time and place of the hearing to be made at
6 least once in each week for 3 weeks successively in a newspaper
7 of general circulation in the county where the hearing is to be
8 held.

9 If, as the result of the hearing, the Department makes any
10 of the findings listed in (i) through (iv) above ~~determines~~
11 ~~that the retailer was not properly registered at the time the~~
12 ~~cannabis was seized~~, or upon receipt of a properly executed
13 waiver and consent to forfeiture as provided in this Section,
14 the Department must enter an order declaring the cannabis
15 confiscated and forfeited to the State, to be held by the
16 Department for disposal by it as provided in Section 65-43.
17 The Department must give notice of the order to the owner of
18 the cannabis, if the owner is known, and also to the person in
19 whose possession the cannabis was found, if that person is
20 known and if the person in possession is not the owner of the
21 cannabis. If neither the owner nor the person in possession of
22 the cannabis is known, the Department must cause publication
23 of the order to be made at least once in each week for 3 weeks
24 successively in a newspaper of general circulation in the
25 county where the hearing was held.

26 (Source: P.A. 103-1001, eff. 8-9-24.)

1 INDEX

2 Statutes amended in order of appearance

3	35 ILCS 105/3-10	from Ch. 120, par. 439.33-10
4	35 ILCS 110/3-10	from Ch. 120, par. 439.33-10
5	35 ILCS 115/3-10	from Ch. 120, par. 439.103-10
6	35 ILCS 120/2-10	from Ch. 120, par. 441-10
7	410 ILCS 130/7	
8	410 ILCS 130/10	
9	410 ILCS 130/15	
10	410 ILCS 130/25	
11	410 ILCS 130/30	
12	410 ILCS 130/35	
13	410 ILCS 130/57	
14	410 ILCS 130/60	
15	410 ILCS 130/70	
16	410 ILCS 130/75	
17	410 ILCS 130/85	
18	410 ILCS 130/90	
19	410 ILCS 130/95	
20	410 ILCS 130/100	
21	410 ILCS 130/105	
22	410 ILCS 130/110	
23	410 ILCS 130/115	
24	410 ILCS 130/120	
25	410 ILCS 130/125	

1	410 ILCS 130/130
2	410 ILCS 130/140
3	410 ILCS 130/150
4	410 ILCS 130/180
5	410 ILCS 130/200
6	410 ILCS 130/205
7	410 ILCS 130/210
8	410 ILCS 130/80 rep.
9	410 ILCS 130/115.5 rep.
10	410 ILCS 130/135 rep.
11	410 ILCS 130/162 rep.
12	410 ILCS 705/1-10
13	410 ILCS 705/10-10
14	410 ILCS 705/10-15
15	410 ILCS 705/15-10
16	410 ILCS 705/15-13 new
17	410 ILCS 705/15-15
18	410 ILCS 705/15-17 new
19	410 ILCS 705/15-20
20	410 ILCS 705/15-23 new
21	410 ILCS 705/15-24 new
22	410 ILCS 705/15-25
23	410 ILCS 705/15-35
24	410 ILCS 705/15-35.10
25	410 ILCS 705/15-36
26	410 ILCS 705/15-40

1 410 ILCS 705/15-45
2 410 ILCS 705/15-60
3 410 ILCS 705/15-65
4 410 ILCS 705/15-70
5 410 ILCS 705/15-75
6 410 ILCS 705/15-85
7 410 ILCS 705/15-100
8 410 ILCS 705/15-135
9 410 ILCS 705/15-145
10 410 ILCS 705/Art. 20
11 heading
12 410 ILCS 705/20-10
13 410 ILCS 705/20-15
14 410 ILCS 705/20-20
15 410 ILCS 705/20-21
16 410 ILCS 705/20-30
17 410 ILCS 705/20-45
18 410 ILCS 705/20-50 rep.
19 410 ILCS 705/25-35
20 410 ILCS 705/30-35
21 410 ILCS 705/30-45
22 410 ILCS 705/30-50 rep.
23 410 ILCS 705/35-25
24 410 ILCS 705/35-30
25 410 ILCS 705/55-5
26 410 ILCS 705/55-10

- 1 410 ILCS 705/55-85
- 2 410 ILCS 705/60-5
- 3 410 ILCS 705/60-10
- 4 410 ILCS 705/65-5
- 5 410 ILCS 705/65-10
- 6 410 ILCS 705/65-30
- 7 410 ILCS 705/65-38
- 8 410 ILCS 705/65-42