



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

HB4641

Introduced 2/3/2026, by Rep. Sonya M. Harper

SYNOPSIS AS INTRODUCED:

See Index

Amends the Department of Professional Regulation Law to add references in confidentiality provisions to the Office of Executive Inspector General and the State Officials and Employees Ethics Act. Amends the Illinois Procurement Code to extend the exemption period for implementing the Cannabis Regulation and Tax Act. Amends the Use Tax Act, Service Use Tax Act, Service Occupation Tax Act, and Retailers' Occupation Tax Act to include cannabis purchased by qualifying patients or caregivers as "prescription and nonprescription medicines and drugs" beginning July 1, 2026. Amends the Compassionate Use of Medical Cannabis Program Act to rename the Opioid Alternative Pilot Program, eliminate the sunset of the Program and emergency rulemaking provisions, revise definitions, add references to the Cannabis Regulation and Tax Act, supplant or sunset certain provisions on July 1, 2026, repeal certain provisions on January 1, 2027, and make conforming changes. Amends the Cannabis Regulation and Tax Act to update definitions, merge licenses, prioritize medical patients, allow license relocation, revise training and compliance requirements, and authorize integrated identification card systems. Establishes diversity spending and reporting requirements with penalties. Amends the Tobacco Accessories and Smoking Herbs Control Act to delete references to marijuana and hashish in the purpose of the Act. Effective immediately.

LRB104 18245 BDA 31684 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 3. The Department of Professional Regulation Law
5 of the Civil Administrative Code of Illinois is amended by
6 changing Section 2105-117 as follows:

7 (20 ILCS 2105/2105-117)

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

1 other agency or person, except as necessary to those involved
2 in enforcing the State Officials and Employees Ethics Act. A
3 formal complaint filed against a licensee or registrant by the
4 Department or any order issued by the Department against a
5 licensee, registrant, or applicant shall be a public record,
6 except as otherwise prohibited by law.

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

8 Section 5. The Illinois Procurement Code is amended by
9 changing Section 1-10 as follows:

10 (30 ILCS 500/1-10)

11 (Text of Section before amendment by P.A. 104-458)

12 Sec. 1-10. Application.

13 (a) This Code applies only to procurements for which
14 bidders, offerors, potential contractors, or contractors were
15 first solicited on or after July 1, 1998. This Code shall not
16 be construed to affect or impair any contract, or any
17 provision of a contract, entered into based on a solicitation
18 prior to the implementation date of this Code as described in
19 Article 99, including, but not limited to, any covenant
20 entered into with respect to any revenue bonds or similar
21 instruments. All procurements for which contracts are
22 solicited between the effective date of Articles 50 and 99 and
23 July 1, 1998 shall be substantially in accordance with this
24 Code and its intent.

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

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

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

10 (3) Purchase of care, except as provided in Section
11 5-30.6 of the Illinois Public Aid Code and this Section.

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

16 (5) Collective bargaining contracts.

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

25 (7) Contracts necessary to prepare for anticipated
26 litigation, enforcement actions, or investigations,

1 provided that the chief legal counsel to the Governor
2 shall give his or her prior approval when the procuring
3 agency is one subject to the jurisdiction of the Governor,
4 and provided that the chief legal counsel of any other
5 procuring entity subject to this Code shall give his or
6 her prior approval when the procuring entity is not one
7 subject to the jurisdiction of the Governor.

8 (8) (Blank).

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

11 (10) (Blank).

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

18 (12) (A) Contracts for legal, financial, and other
19 professional and artistic services entered into by the
20 Illinois Finance Authority in which the State of Illinois
21 is not obligated. Such contracts shall be awarded through
22 a competitive process authorized by the members of the
23 Illinois Finance Authority and are subject to Sections
24 5-30, 20-160, 50-13, 50-20, 50-35, and 50-37 of this Code,
25 as well as the final approval by the members of the
26 Illinois Finance Authority of the terms of the contract.

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

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

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

1 (14) Contracts for participation expenditures required
2 by a domestic or international trade show or exhibition of
3 an exhibitor, member, or sponsor.

4 (15) Contracts with a railroad or utility that
5 requires the State to reimburse the railroad or utilities
6 for the relocation of utilities for construction or other
7 public purpose. Contracts included within this paragraph
8 (15) shall include, but not be limited to, those
9 associated with: relocations, crossings, installations,
10 and maintenance. For the purposes of this paragraph (15),
11 "railroad" means any form of non-highway ground
12 transportation that runs on rails or electromagnetic
13 guideways and "utility" means: (1) public utilities as
14 defined in Section 3-105 of the Public Utilities Act, (2)
15 telecommunications carriers as defined in Section 13-202
16 of the Public Utilities Act, (3) electric cooperatives as
17 defined in Section 3.4 of the Electric Supplier Act, (4)
18 telephone or telecommunications cooperatives as defined in
19 Section 13-212 of the Public Utilities Act, (5) rural
20 water or wastewater ~~waste-water~~ systems with 10,000
21 connections or less, (6) a holder as defined in Section
22 21-201 of the Public Utilities Act, and (7) municipalities
23 owning or operating utility systems consisting of public
24 utilities as that term is defined in Section 11-117-2 of
25 the Illinois Municipal Code.

26 (16) Procurement expenditures necessary for the

1 Department of Public Health to provide the delivery of
2 timely newborn screening services in accordance with the
3 Newborn Metabolic Screening Act.

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

13 (18) This Code does not apply to any procurements
14 necessary for the Department of Agriculture, the
15 Department of Financial and Professional Regulation, the
16 Department of Human Services, the Department of Commerce
17 and Economic Opportunity, and the Department of Public
18 Health to implement the Cannabis Regulation and Tax Act if
19 the applicable agency has made a good faith determination
20 that it is necessary and appropriate for the expenditure
21 to fall within this exemption and if the process is
22 conducted in a manner substantially in accordance with the
23 requirements of Sections 20-160, 25-60, 30-22, 50-5,
24 50-10, 50-10.5, 50-12, 50-13, 50-15, 50-20, 50-21, 50-35,
25 50-36, 50-37, 50-38, and 50-50 of this Code; however, for
26 Section 50-35, compliance applies only to contracts or

1 subcontracts over \$100,000. Notice of each contract
2 entered into under this paragraph (18) that is related to
3 the procurement of goods and services identified in
4 paragraph (1) through (9) of this subsection shall be
5 published in the Procurement Bulletin within 14 calendar
6 days after contract execution. The Chief Procurement
7 Officer shall prescribe the form and content of the
8 notice. Each agency shall provide the Chief Procurement
9 Officer, on a monthly basis, in the form and content
10 prescribed by the Chief Procurement Officer, a report of
11 contracts that are related to the procurement of goods and
12 services identified in this subsection. At a minimum, this
13 report shall include the name of the contractor, a
14 description of the supply or service provided, the total
15 amount of the contract, the term of the contract, and the
16 exception to this Code utilized. A copy of any or all of
17 these contracts shall be made available to the Chief
18 Procurement Officer immediately upon request. The Chief
19 Procurement Officer shall submit a report to the Governor
20 and General Assembly no later than November 1 of each year
21 that includes, at a minimum, an annual summary of the
22 monthly information reported to the Chief Procurement
23 Officer. This exemption becomes inoperative 9 ~~5~~ years
24 after June 25, 2019 (the effective date of Public Act
25 101-27).

26 (19) Acquisition of modifications or adjustments,

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

17 For purposes of this paragraph (19):

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

23 "Assistive technology services" means any service that
24 directly assists an individual with a disability in
25 selection, acquisition, or use of an assistive technology
26 device.

1 "Qualified" has the same meaning and use as provided
2 under the federal Americans with Disabilities Act when
3 describing an individual with a disability.

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

12 (21) Procurement expenditures for the purchase,
13 renewal, and expansion of software, software licenses, or
14 software maintenance agreements that support the efforts
15 of the Illinois State Police to enforce, regulate, and
16 administer the Firearm Owners Identification Card Act, the
17 Firearm Concealed Carry Act, the Firearms Restraining
18 Order Act, the Firearm Dealer License Certification Act,
19 the Law Enforcement Agencies Data System (LEADS), the
20 Uniform Crime Reporting Act, the Criminal Identification
21 Act, the Illinois Uniform Conviction Information Act, and
22 the Gun Trafficking Information Act, or establish or
23 maintain record management systems necessary to conduct
24 human trafficking investigations or gun trafficking or
25 other stolen firearm investigations. This paragraph (21)
26 applies to contracts entered into on or after January 10,

1 2023 (the effective date of Public Act 102-1116) and the
2 renewal of contracts that are in effect on January 10,
3 2023 (the effective date of Public Act 102-1116).

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

15 (23) Procurements necessary for the Department of
16 Insurance to implement the Illinois Health Benefits
17 Exchange Law if the Department of Insurance has made a
18 good faith determination that it is necessary and
19 appropriate for the expenditure to fall within this
20 exemption. The procurement process shall be conducted in a
21 manner substantially in accordance with the requirements
22 of Sections 20-160 and 25-60 and Article 50 of this Code. A
23 copy of these contracts shall be made available to the
24 Chief Procurement Officer immediately upon request. This
25 paragraph is inoperative 5 years after June 27, 2023 (the
26 effective date of Public Act 103-103).

1 (24) Contracts for public education programming,
2 noncommercial sustaining announcements, public service
3 announcements, and public awareness and education
4 messaging with the nonprofit trade associations of the
5 providers of those services that inform the public on
6 immediate and ongoing health and safety risks and hazards.

7 (25) Procurements necessary for the Department of
8 Early Childhood to implement the Department of Early
9 Childhood Act if the Department has made a good faith
10 determination that it is necessary and appropriate for the
11 expenditure to fall within this exemption. This exemption
12 shall only be used for products and services procured
13 solely for use by the Department of Early Childhood. The
14 procurements may include those necessary to design and
15 build integrated, operational systems of programs and
16 services. The procurements may include, but are not
17 limited to, those necessary to align and update program
18 standards, integrate funding systems, design and establish
19 data and reporting systems, align and update models for
20 technical assistance and professional development, design
21 systems to manage grants and ensure compliance, design and
22 implement management and operational structures, and
23 establish new means of engaging with families, educators,
24 providers, and stakeholders. The procurement processes
25 shall be conducted in a manner substantially in accordance
26 with the requirements of Article 50 (ethics) and Sections

1 5-5 (Procurement Policy Board), 5-7 (Commission on Equity
2 and Inclusion), 20-80 (contract files), 20-120
3 (subcontractors), 20-155 (paperwork), 20-160
4 (ethics/campaign contribution prohibitions), 25-60
5 (prevailing wage), and 25-90 (prohibited and authorized
6 cybersecurity) of this Code. Beginning January 1, 2025,
7 the Department of Early Childhood shall provide a
8 quarterly report to the General Assembly detailing a list
9 of expenditures and contracts for which the Department
10 uses this exemption. This paragraph is inoperative on and
11 after July 1, 2027.

12 (26) Procurements that are necessary for increasing
13 the recruitment and retention of State employees,
14 particularly minority candidates for employment,
15 including:

16 (A) procurements related to registration fees for
17 job fairs and other outreach and recruitment events;

18 (B) production of recruitment materials; and

19 (C) other services related to recruitment and
20 retention of State employees.

21 The exemption under this paragraph (26) applies only
22 if the State agency has made a good faith determination
23 that it is necessary and appropriate for the expenditure
24 to fall within this paragraph (26). The procurement
25 process under this paragraph (26) shall be conducted in a
26 manner substantially in accordance with the requirements

1 of Sections 20-160 and 25-60 and Article 50 of this Code. A
2 copy of these contracts shall be made available to the
3 Chief Procurement Officer immediately upon request.
4 Nothing in this paragraph (26) authorizes the replacement
5 or diminishment of State responsibilities in hiring or the
6 positions that effectuate that hiring. This paragraph (26)
7 is inoperative on and after June 30, 2029.

8 (27) Procurements necessary for the Department of
9 Healthcare and Family Services to implement changes to the
10 State's Integrated Eligibility System to ensure the
11 system's compliance with federal implementation mandates
12 and deadlines, if the Department of Healthcare and Family
13 Services has made a good faith determination that it is
14 necessary and appropriate for the procurement to fall
15 within this exemption.

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

1 annual summary of the monthly information reported to the
2 chief procurement officer.

3 (c) This Code does not apply to the electric power
4 procurement process provided for under Section 1-75 of the
5 Illinois Power Agency Act and Section 16-111.5 of the Public
6 Utilities Act. This Code does not apply to the procurement of
7 technical and policy experts pursuant to Section 1-129 of the
8 Illinois Power Agency Act.

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

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

25 (f) (Blank).

26 (g) (Blank).

1 (h) This Code does not apply to the process to procure or
2 contracts entered into in accordance with Sections 11-5.2 and
3 11-5.3 of the Illinois Public Aid Code.

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

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

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

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

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

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

5 (Source: P.A. 103-8, eff. 6-7-23; 103-103, eff. 6-27-23;
6 103-570, eff. 1-1-24; 103-580, eff. 12-8-23; 103-594, eff.
7 6-25-24; 103-605, eff. 7-1-24; 103-865, eff. 1-1-25; 104-2,
8 eff. 6-16-25; 104-417, eff. 8-15-25)

9 (Text of Section after amendment by P.A. 104-458)

10 Sec. 1-10. Application.

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

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

1 (1) Contracts between the State and its political
2 subdivisions or other governments, or between State
3 governmental bodies, except as specifically provided in
4 this Code.

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6 Section 20-80.

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8 5-30.6 of the Illinois Public Aid Code and this Section.

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10 an independent contractor, whether pursuant to an
11 employment code or policy or by contract directly with
12 that individual.

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15 this type of contract with a value of more than \$25,000
16 must be published in the Procurement Bulletin within 10
17 calendar days after the deed is recorded in the county of
18 jurisdiction. The notice shall identify the real estate
19 purchased, the names of all parties to the contract, the
20 value of the contract, and the effective date of the
21 contract.

22 (7) Contracts necessary to prepare for anticipated
23 litigation, enforcement actions, or investigations,
24 provided that the chief legal counsel to the Governor
25 shall give his or her prior approval when the procuring
26 agency is one subject to the jurisdiction of the Governor,

1 and provided that the chief legal counsel of any other
2 procuring entity subject to this Code shall give his or
3 her prior approval when the procuring entity is not one
4 subject to the jurisdiction of the Governor.

5 (8) (Blank).

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

8 (10) (Blank).

9 (11) Public-private agreements entered into according
10 to the procurement requirements of Section 20 of the
11 Public-Private Partnerships for Transportation Act and
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18 is not obligated. Such contracts shall be awarded through
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20 Illinois Finance Authority and are subject to Sections
21 5-30, 20-160, 50-13, 50-20, 50-35, and 50-37 of this Code,
22 as well as the final approval by the members of the
23 Illinois Finance Authority of the terms of the contract.

24 (B) Contracts for legal and financial services entered
25 into by the Illinois Housing Development Authority in
26 connection with the issuance of bonds in which the State

1 of Illinois is not obligated. Such contracts shall be
2 awarded through a competitive process authorized by the
3 members of the Illinois Housing Development Authority and
4 are subject to Sections 5-30, 20-160, 50-13, 50-20, 50-35,
5 and 50-37 of this Code, as well as the final approval by
6 the members of the Illinois Housing Development Authority
7 of the terms of the contract.

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9 equipment to support the delivery of timely forensic
10 science services in consultation with and subject to the
11 approval of the Chief Procurement Officer as provided in
12 subsection (d) of Section 5-4-3a of the Unified Code of
13 Corrections, except for the requirements of Sections
14 20-60, 20-65, 20-70, and 20-160 and Article 50 of this
15 Code; however, the Chief Procurement Officer may, in
16 writing with justification, waive any certification
17 required under Article 50 of this Code. For any contracts
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19 collective bargaining agreement, the applicable terms of
20 the collective bargaining agreement concerning
21 subcontracting shall be followed.

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

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25 by a domestic or international trade show or exhibition of
26 an exhibitor, member, or sponsor.

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2 requires the State to reimburse the railroad or utilities
3 for the relocation of utilities for construction or other
4 public purpose. Contracts included within this paragraph
5 (15) shall include, but not be limited to, those
6 associated with: relocations, crossings, installations,
7 and maintenance. For the purposes of this paragraph (15),
8 "railroad" means any form of non-highway ground
9 transportation that runs on rails or electromagnetic
10 guideways and "utility" means: (1) public utilities as
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24 Department of Public Health to provide the delivery of
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13 Department of Human Services, the Department of Commerce
14 and Economic Opportunity, and the Department of Public
15 Health to implement the Cannabis Regulation and Tax Act if
16 the applicable agency has made a good faith determination
17 that it is necessary and appropriate for the expenditure
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19 conducted in a manner substantially in accordance with the
20 requirements of Sections 20-160, 25-60, 30-22, 50-5,
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22 50-36, 50-37, 50-38, and 50-50 of this Code; however, for
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24 subcontracts over \$100,000. Notice of each contract
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6 Officer, on a monthly basis, in the form and content
7 prescribed by the Chief Procurement Officer, a report of
8 contracts that are related to the procurement of goods and
9 services identified in this subsection. At a minimum, this
10 report shall include the name of the contractor, a
11 description of the supply or service provided, the total
12 amount of the contract, the term of the contract, and the
13 exception to this Code utilized. A copy of any or all of
14 these contracts shall be made available to the Chief
15 Procurement Officer immediately upon request. The Chief
16 Procurement Officer shall submit a report to the Governor
17 and General Assembly no later than November 1 of each year
18 that includes, at a minimum, an annual summary of the
19 monthly information reported to the Chief Procurement
20 Officer. This exemption becomes inoperative 5 years after
21 June 25, 2019 (the effective date of Public Act 101-27).

22 (19) Acquisition of modifications or adjustments,
23 limited to assistive technology devices and assistive
24 technology services, adaptive equipment, repairs, and
25 replacement parts to provide reasonable accommodations (i)
26 that enable a qualified applicant with a disability to

1 complete the job application process and be considered for
2 the position such qualified applicant desires, (ii) that
3 modify or adjust the work environment to enable a
4 qualified current employee with a disability to perform
5 the essential functions of the position held by that
6 employee, (iii) to enable a qualified current employee
7 with a disability to enjoy equal benefits and privileges
8 of employment as are enjoyed by other similarly situated
9 employees without disabilities, and (iv) that allow a
10 customer, client, claimant, or member of the public
11 seeking State services full use and enjoyment of and
12 access to its programs, services, or benefits.

13 For purposes of this paragraph (19):

14 "Assistive technology devices" means any item, piece
15 of equipment, or product system, whether acquired
16 commercially off the shelf, modified, or customized, that
17 is used to increase, maintain, or improve functional
18 capabilities of individuals with disabilities.

19 "Assistive technology services" means any service that
20 directly assists an individual with a disability in
21 selection, acquisition, or use of an assistive technology
22 device.

23 "Qualified" has the same meaning and use as provided
24 under the federal Americans with Disabilities Act when
25 describing an individual with a disability.

26 (20) Procurement expenditures necessary for the

1 Illinois Commerce Commission to hire third-party
2 facilitators pursuant to Sections 16-105.17 and 16-108.18
3 of the Public Utilities Act or an ombudsman pursuant to
4 Section 16-107.5 of the Public Utilities Act, a
5 facilitator pursuant to Section 16-105.17 of the Public
6 Utilities Act, a grid auditor pursuant to Section
7 16-105.10 of the Public Utilities Act, a facilitator,
8 expert, or consultant pursuant to Sections 16-126.2 and
9 16-202 of the Public Utilities Act, a procurement monitor
10 pursuant to Section 16-111.5 of the Public Utilities Act,
11 an ombudsperson pursuant to Section 20-145 of the Public
12 Utilities Act, or consultants and experts pursuant to
13 Section 5-15 of the Utility Data Access Act.

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

1 other stolen firearm investigations. This paragraph (21)
2 applies to contracts entered into on or after January 10,
3 2023 (the effective date of Public Act 102-1116) and the
4 renewal of contracts that are in effect on January 10,
5 2023 (the effective date of Public Act 102-1116).

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

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

1 paragraph is inoperative 5 years after June 27, 2023 (the
2 effective date of Public Act 103-103).

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

9 (25) Procurements necessary for the Department of
10 Early Childhood to implement the Department of Early
11 Childhood Act if the Department has made a good faith
12 determination that it is necessary and appropriate for the
13 expenditure to fall within this exemption. This exemption
14 shall only be used for products and services procured
15 solely for use by the Department of Early Childhood. The
16 procurements may include those necessary to design and
17 build integrated, operational systems of programs and
18 services. The procurements may include, but are not
19 limited to, those necessary to align and update program
20 standards, integrate funding systems, design and establish
21 data and reporting systems, align and update models for
22 technical assistance and professional development, design
23 systems to manage grants and ensure compliance, design and
24 implement management and operational structures, and
25 establish new means of engaging with families, educators,
26 providers, and stakeholders. The procurement processes

1 shall be conducted in a manner substantially in accordance
2 with the requirements of Article 50 (ethics) and Sections
3 5-5 (Procurement Policy Board), 5-7 (Commission on Equity
4 and Inclusion), 20-80 (contract files), 20-120
5 (subcontractors), 20-155 (paperwork), 20-160
6 (ethics/campaign contribution prohibitions), 25-60
7 (prevailing wage), and 25-90 (prohibited and authorized
8 cybersecurity) of this Code. Beginning January 1, 2025,
9 the Department of Early Childhood shall provide a
10 quarterly report to the General Assembly detailing a list
11 of expenditures and contracts for which the Department
12 uses this exemption. This paragraph is inoperative on and
13 after July 1, 2027.

14 (26) Procurements that are necessary for increasing
15 the recruitment and retention of State employees,
16 particularly minority candidates for employment,
17 including:

18 (A) procurements related to registration fees for
19 job fairs and other outreach and recruitment events;

20 (B) production of recruitment materials; and

21 (C) other services related to recruitment and
22 retention of State employees.

23 The exemption under this paragraph (26) applies only
24 if the State agency has made a good faith determination
25 that it is necessary and appropriate for the expenditure
26 to fall within this paragraph (26). The procurement

1 process under this paragraph (26) shall be conducted in a
2 manner substantially in accordance with the requirements
3 of Sections 20-160 and 25-60 and Article 50 of this Code. A
4 copy of these contracts shall be made available to the
5 Chief Procurement Officer immediately upon request.
6 Nothing in this paragraph (26) authorizes the replacement
7 or diminishment of State responsibilities in hiring or the
8 positions that effectuate that hiring. This paragraph (26)
9 is inoperative on and after June 30, 2029.

10 (27) Procurements necessary for the Department of
11 Healthcare and Family Services to implement changes to the
12 State's Integrated Eligibility System to ensure the
13 system's compliance with federal implementation mandates
14 and deadlines, if the Department of Healthcare and Family
15 Services has made a good faith determination that it is
16 necessary and appropriate for the procurement to fall
17 within this exemption.

18 Notwithstanding any other provision of law, for contracts
19 with an annual value of more than \$100,000 entered into on or
20 after October 1, 2017 under an exemption provided in any
21 paragraph of this subsection (b), except paragraph (1), (2),
22 or (5), each State agency shall post to the appropriate
23 procurement bulletin the name of the contractor, a description
24 of the supply or service provided, the total amount of the
25 contract, the term of the contract, and the exception to the
26 Code utilized. The chief procurement officer shall submit a

1 report to the Governor and General Assembly no later than
2 November 1 of each year that shall include, at a minimum, an
3 annual summary of the monthly information reported to the
4 chief procurement officer.

5 (c) This Code does not apply to the electric power
6 procurement process provided for under Section 1-75 of the
7 Illinois Power Agency Act and Section 16-111.5 of the Public
8 Utilities Act. This Code does not apply to the procurement of
9 technical and policy experts pursuant to Section 1-129 of the
10 Illinois Power Agency Act.

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

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

1 (f) (Blank).

2 (g) (Blank).

3 (h) This Code does not apply to the process to procure or
4 contracts entered into in accordance with Sections 11-5.2 and
5 11-5.3 of the Illinois Public Aid Code.

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

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

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

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

25 (m) This Code shall apply regardless of the source of
26 funds with which contracts are paid, including federal

1 assistance moneys. Except as specifically provided in this
2 Code, this Code shall not apply to procurement expenditures
3 necessary for the Department of Public Health to conduct the
4 Healthy Illinois Survey in accordance with Section 2310-431 of
5 the Department of Public Health Powers and Duties Law of the
6 Civil Administrative Code of Illinois.

7 (Source: P.A. 103-8, eff. 6-7-23; 103-103, eff. 6-27-23;
8 103-570, eff. 1-1-24; 103-580, eff. 12-8-23; 103-594, eff.
9 6-25-24; 103-605, eff. 7-1-24; 103-865, eff. 1-1-25; 104-2,
10 eff. 6-16-25; 104-417, eff. 8-15-25; 104-458, eff. 6-1-26;
11 revised 1-12-26.)

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

14 (35 ILCS 105/3-10) from Ch. 120, par. 439.33-10

15 Sec. 3-10. Rate of tax. Unless otherwise provided in this
16 Section, the tax imposed by this Act is at the rate of 6.25% of
17 either the selling price or the fair market value, if any, of
18 the tangible personal property, which, on and after January 1,
19 2025, includes leases of tangible personal property. In all
20 cases where property functionally used or consumed is the same
21 as the property that was purchased at retail, then the tax is
22 imposed on the selling price of the property. In all cases
23 where property functionally used or consumed is a by-product
24 or waste product that has been refined, manufactured, or

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

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

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

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

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

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

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

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

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

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

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

1 consumption), the tax is imposed at the rate of 0%. On and
2 after January 1, 2026, food for human consumption that is to be
3 consumed off the premises where it is sold (other than
4 alcoholic beverages, food consisting of or infused with adult
5 use cannabis, soft drinks, candy, and food that has been
6 prepared for immediate consumption) is exempt from the tax
7 imposed by this Act.

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

1 Grade A Pasteurized Milk and Milk Products Act, or drinks
2 containing 50% or more natural fruit or vegetable juice.

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

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

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

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

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

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

18 (B) a statement of the "active ingredient(s)" with a
19 list of those ingredients contained in the compound,
20 substance or preparation.

21 Beginning on January 1, 2014 (the effective date of Public
22 Act 98-122), and through June 30, 2026, "prescription and
23 nonprescription medicines and drugs" includes medical cannabis
24 purchased from a registered dispensing organization under the
25 Compassionate Use of Medical Cannabis Program Act.

26 Beginning on July 1, 2026, "prescription and

1 nonprescription medicines and drugs" includes cannabis
2 purchased by a qualified registered patient, provisional
3 patient, designated caregiver, or Opioid Alternative Patient
4 Program participant as part of their adequate medical supply,
5 as these terms are defined under the Cannabis Regulation and
6 Tax Act, from a dispensing organization registered under the
7 Compassionate Use of Medical Cannabis Program Act or the
8 Cannabis Regulation and Tax Act.

9 As used in this Section, through June 30, 2026 "adult use
10 cannabis" means cannabis subject to tax under the Cannabis
11 Cultivation Privilege Tax Law and the Cannabis Purchaser
12 Excise Tax Law and does not include cannabis subject to tax
13 under the Compassionate Use of Medical Cannabis Program Act.

14 Beginning July 1, 2026, as used in this Section, "adult
15 use cannabis" means cannabis subject to tax under the Cannabis
16 Cultivation Privilege Tax Law and the Cannabis Purchaser
17 Excise Tax Law and does not include cannabis purchased by a
18 qualified registered patient, provisional patient, designated
19 caregiver, or Opioid Alternative Patient Program participant
20 as part of their adequate medical supply.

21 If the property that is purchased at retail from a
22 retailer is acquired outside Illinois and used outside
23 Illinois before being brought to Illinois for use here and is
24 taxable under this Act, the "selling price" on which the tax is
25 computed shall be reduced by an amount that represents a
26 reasonable allowance for depreciation for the period of prior

1 out-of-state use. No depreciation is allowed in cases where
2 the tax under this Act is imposed on lease receipts.

3 (Source: P.A. 103-9, eff. 6-7-23; 103-154, eff. 6-30-23;
4 103-592, eff. 1-1-25; 103-781, eff. 8-5-24; 104-417, eff.
5 8-15-25.)

6 Section 15. The Service Use Tax Act is amended by changing
7 Section 3-10 as follows:

8 (35 ILCS 110/3-10)

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

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

20 With respect to gasohol, as defined in the Use Tax Act, the
21 tax imposed by this Act applies to (i) 70% of the selling price
22 of property transferred as an incident to the sale of service
23 on or after January 1, 1990, and before July 1, 2003, (ii) 80%
24 of the selling price of property transferred as an incident to

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

13 With respect to mid-range ethanol blends, as defined in
14 Section 3-44.3 of the Use Tax Act, the tax imposed by this Act
15 applies to (i) 80% of the selling price of property
16 transferred as an incident to the sale of service on or after
17 January 1, 2024 and on or before December 31, 2028 and (ii)
18 100% of the selling price of property transferred as an
19 incident to the sale of service after December 31, 2028. If, at
20 any time, however, the tax under this Act on sales of mid-range
21 ethanol blends is imposed at the rate of 1.25%, then the tax
22 imposed by this Act applies to 100% of the selling price of
23 mid-range ethanol blends transferred as an incident to the
24 sale of service during that time.

25 With respect to majority blended ethanol fuel, as defined
26 in the Use Tax Act, the tax imposed by this Act does not apply

1 to the selling price of property transferred as an incident to
2 the sale of service on or after July 1, 2003 and on or before
3 December 31, 2028 but applies to 100% of the selling price
4 thereafter.

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

21 With respect to biodiesel, as defined in the Use Tax Act,
22 and biodiesel blends, as defined in the Use Tax Act, with more
23 than 10% but no more than 99% biodiesel, the tax imposed by
24 this Act does not apply to the proceeds of the selling price of
25 property transferred as an incident to the sale of service on
26 or after July 1, 2003 and on or before December 31, 2023. On

1 and after January 1, 2024 and on or before December 31, 2030,
2 the taxation of biodiesel, renewable diesel, and biodiesel
3 blends shall be as provided in Section 3-5.1 of the Use Tax
4 Act.

5 At the election of any registered serviceman made for each
6 fiscal year, for whom the aggregate annual cost price of
7 tangible personal property transferred as an incident to the
8 sales of service is less than 35%, or 75% in the case of
9 servicemen transferring prescription drugs or servicemen
10 engaged in graphic arts production, of the aggregate annual
11 total gross receipts from all sales of service, the tax
12 imposed by this Act shall be based on the serviceman's cost
13 price of the tangible personal property transferred as an
14 incident to the sale of those services. This election may also
15 be made by any serviceman maintaining a place of business in
16 this State who makes retail sales from outside of this State to
17 Illinois customers but is not required to be registered under
18 Section 2a of the Retailers' Occupation Tax Act. Beginning
19 January 1, 2026, this election shall not apply to any sale of
20 service made through a marketplace that has met the threshold
21 in subsection (b-5) of Section 2d of this Act.

22 Beginning January 1, 2026, the tax shall be imposed at the
23 rate of 6.25% of 50% of the entire billing to the service
24 customer for all sales of service made through a marketplace
25 that has met the threshold in subsection (b-5) of Section 2d of
26 this Act. In no event shall 50% of the entire billing be less

1 than the cost price of the property to the marketplace
2 serviceman or the marketplace facilitator on its own sales of
3 service.

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

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

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

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

1 under this Act.

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

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

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

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

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

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

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

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

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

15 Beginning on January 1, 2014 (the effective date of Public
16 Act 98-122), and through June 30, 2026, "prescription and
17 nonprescription medicines and drugs" includes medical cannabis
18 purchased from a registered dispensing organization under the
19 Compassionate Use of Medical Cannabis Program Act.

20 Beginning on July 1, 2026, "prescription and
21 nonprescription medicines and drugs" includes cannabis
22 purchased by a qualified registered patient, provisional
23 patient, designated caregiver, or Opioid Alternative Patient
24 Program participant as part of their adequate medical supply,
25 as these terms are defined under the Cannabis Regulation and
26 Tax Act, from a dispensing organization registered under the

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

3 As used in this Section, through June 30, 2026, "adult use
4 cannabis" means cannabis subject to tax under the Cannabis
5 Cultivation Privilege Tax Law and the Cannabis Purchaser
6 Excise Tax Law and does not include cannabis subject to tax
7 under the Compassionate Use of Medical Cannabis Program Act.

8 Beginning July 1, 2026, as used in this Section, "adult
9 use cannabis" means cannabis subject to tax under the Cannabis
10 Cultivation Privilege Tax Law and the Cannabis Purchaser
11 Excise Tax Law and does not include cannabis purchased by a
12 qualified registered patient, provisional patient, designated
13 caregiver, or Opioid Alternative Patient Program participant
14 as part of their adequate medical supply.

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

23 (Source: P.A. 103-9, eff. 6-7-23; 103-154, eff. 6-30-23;
24 103-592, eff. 1-1-25; 103-781, eff. 8-5-24; 104-6, eff.
25 6-16-25; 104-417, eff. 8-15-25.)

1 Section 20. The Service Occupation Tax Act is amended by
2 changing Section 3-10 as follows:

3 (35 ILCS 115/3-10)

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, for whom the aggregate annual cost price of
14 tangible personal property transferred as an incident to the
15 sales of service is less than 35%, or 75% in the case of
16 servicemen transferring prescription drugs or servicemen
17 engaged in graphic arts production, of the aggregate annual
18 total gross receipts from all sales of service, the tax
19 imposed by this Act shall be based on the serviceman's cost
20 price of the tangible personal property transferred incident
21 to the sale of those services. This election may also be made
22 by a serviceman maintaining a place of business in this State
23 who makes retail sales from outside of this State to Illinois
24 customers but is not required to be registered under Section
25 2a of the Retailers' Occupation Tax Act. Beginning January 1,
26 2026, this election shall not apply to any sale of service made

1 through a marketplace that has met the threshold in subsection
2 (d) of Section 3 of this Act.

3 Beginning January 1, 2026, the tax shall be imposed at the
4 rate of 6.25% of 50% of the entire billing to the service
5 customer for all sales of service made through a marketplace
6 that has met the threshold in subsection (d) of Section 3 of
7 this Act. In no event shall 50% of the entire billing be less
8 than the cost price of the property to the marketplace
9 serviceman or the marketplace facilitator on its own sales of
10 service.

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

1 included in this paragraph).

2 Beginning on July 1, 2022 and until July 1, 2023, the tax
3 shall be imposed at the rate of 0% on food prepared for
4 immediate consumption and transferred incident to a sale of
5 service subject to this Act or the Service Use Tax Act by an
6 entity licensed under the Hospital Licensing Act, the Nursing
7 Home 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. Beginning July 1, 2022 and
12 until July 1, 2023, the tax shall also be imposed at the rate
13 of 0% on food for human consumption that is to be consumed off
14 the premises where it is sold (other than alcoholic beverages,
15 food consisting of or infused with adult use cannabis, soft
16 drinks, and food that has been prepared for immediate
17 consumption and is not otherwise included in this paragraph).

18 On and after January 1, 2026, food prepared for immediate
19 consumption and transferred incident to a sale of service
20 subject to this Act or the Service Use Tax Act by an entity
21 licensed under the Hospital Licensing Act, the Nursing Home
22 Care Act, the Assisted Living and Shared Housing Act, the
23 ID/DD Community Care Act, the MC/DD Act, the Specialized
24 Mental Health Rehabilitation Act of 2013, or the Child Care
25 Act of 1969, or an entity that holds a permit issued pursuant
26 to the Life Care Facilities Act is exempt from the tax imposed

1 by this Act. On and after January 1, 2026, food for human
2 consumption that is to be consumed off the premises where it is
3 sold (other than alcoholic beverages, food consisting of or
4 infused with adult use cannabis, soft drinks, candy, and food
5 that has been prepared for immediate consumption and is not
6 otherwise included in this paragraph) is exempt from the tax
7 imposed by this Act.

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

1 Milk and Milk Products Act, or drinks containing 50% or more
2 natural fruit or vegetable juice.

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

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

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

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

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

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

18 (B) a statement of the "active ingredient(s)" with a
19 list of those ingredients contained in the compound,
20 substance or preparation.

21 Beginning on January 1, 2014 (the effective date of Public
22 Act 98-122), and through June 30, 2026, "prescription and
23 nonprescription medicines and drugs" includes medical cannabis
24 purchased from a registered dispensing organization under the
25 Compassionate Use of Medical Cannabis Program Act.

26 Beginning on July 1, 2026, "prescription and

1 nonprescription medicines and drugs" includes cannabis
2 purchased by a qualified registered patient, provisional
3 patient, designated caregiver, or Opioid Alternative Patient
4 Program participant as part of their adequate medical supply,
5 as these terms are defined under the Cannabis Regulation and
6 Tax Act, from a dispensing organization registered under the
7 Compassionate Use of Medical Cannabis Program Act or the
8 Cannabis Regulation and Tax Act.

9 As used in this Section, and through June 30, 2026, "adult
10 use cannabis" means cannabis subject to tax under the Cannabis
11 Cultivation Privilege Tax Law and the Cannabis Purchaser
12 Excise Tax Law and does not include cannabis subject to tax
13 under the Compassionate Use of Medical Cannabis Program Act.

14 Beginning July 1, 2026, as used in this Section, "adult
15 use cannabis" means cannabis subject to tax under the Cannabis
16 Cultivation Privilege Tax Law and the Cannabis Purchaser
17 Excise Tax Law and does not include cannabis purchased by a
18 qualified registered patient, provisional patient, designated
19 caregiver, or Opioid Alternative Patient Program participant
20 as part of their adequate medical supply.

21 (Source: P.A. 103-9, eff. 6-7-23; 103-154, eff. 6-30-23;
22 103-592, eff. 1-1-25; 103-781, eff. 8-5-24; 104-6, eff.
23 6-16-25; 104-417, eff. 8-15-25.)

24 Section 25. The Retailers' Occupation Tax Act is amended
25 by changing Sections 2-10 and 11 as follows:

1 (35 ILCS 120/2-10) from Ch. 120, par. 441-10

2 Sec. 2-10. 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 gross receipts from sales, which, on and after January 1,
5 2025, includes leases, of tangible personal property made in
6 the course of business.

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 2-8 of this Act, the tax is imposed at the rate of 1.25%.

15 Within 14 days after July 1, 2000 (the effective date of
16 Public Act 91-872), each retailer of motor fuel and gasohol
17 shall cause the following notice to be posted in a prominently
18 visible place on each retail dispensing device that is used to
19 dispense motor fuel or gasohol in the State of Illinois: "As of
20 July 1, 2000, the State of Illinois has eliminated the State's
21 share of sales tax on motor fuel and gasohol through December
22 31, 2000. The price on this pump should reflect the
23 elimination of the tax." The notice shall be printed in bold
24 print on a sign that is no smaller than 4 inches by 8 inches.
25 The sign shall be clearly visible to customers. Any retailer

1 who fails to post or maintain a required sign through December
2 31, 2000 is guilty of a petty offense for which the fine shall
3 be \$500 per day per each retail premises where a violation
4 occurs.

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

18 With respect to mid-range ethanol blends, as defined in
19 Section 3-44.3 of the Use Tax Act, the tax imposed by this Act
20 applies to (i) 80% of the proceeds of sales made on or after
21 January 1, 2024 and on or before December 31, 2028 and (ii)
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 mid-range ethanol blends is imposed at the rate of 1.25%, then
25 the tax imposed by this Act applies to 100% of the proceeds of
26 sales of mid-range ethanol blends made during that time.

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

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

21 With respect to biodiesel, as defined in the Use Tax Act,
22 and biodiesel blends, as defined in the Use Tax Act, with more
23 than 10% but no more than 99% biodiesel, the tax imposed by
24 this Act does not apply to the proceeds of sales made on or
25 after July 1, 2003 and on or before December 31, 2023. On and
26 after January 1, 2024 and on or before December 31, 2030, the

1 taxation of biodiesel, renewable diesel, and biodiesel blends
2 shall be as provided in Section 3-5.1 of the Use Tax Act.

3 Until July 1, 2022 and from July 1, 2023 through December
4 31, 2025, with respect to food for human consumption that is to
5 be consumed off the premises where it is sold (other than
6 alcoholic beverages, food consisting of or infused with adult
7 use cannabis, soft drinks, and food that has been prepared for
8 immediate consumption), the tax is imposed at the rate of 1%.
9 Beginning July 1, 2022 and until July 1, 2023, with respect to
10 food for human consumption that is to be consumed off the
11 premises where it is sold (other than alcoholic beverages,
12 food consisting of or infused with adult use cannabis, soft
13 drinks, and food that has been prepared for immediate
14 consumption), the tax is imposed at the rate of 0%. On and
15 after January 1, 2026, food for human consumption that is to be
16 consumed off the premises where it is sold (other than
17 alcoholic beverages, food consisting of or infused with adult
18 use cannabis, soft drinks, candy, and food that has been
19 prepared for immediate consumption) is exempt from the tax
20 imposed by this Act.

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

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

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

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

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

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

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

1 use that contains a label that identifies the product as a drug
2 as required by 21 CFR 201.66. The "over-the-counter-drug"
3 label includes:

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

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

8 Beginning on January 1, 2014 (the effective date of Public
9 Act 98-122), and through June 30, 2026, "prescription and
10 nonprescription medicines and drugs" includes medical cannabis
11 purchased from a registered dispensing organization under the
12 Compassionate Use of Medical Cannabis Program Act.

13 Beginning on July 1, 2026, "prescription and
14 nonprescription medicines and drugs" includes cannabis
15 purchased by a qualified registered patient, provisional
16 patient, designated caregiver, or Opioid Alternative Patient
17 Program participant as part of their adequate medical supply,
18 as these terms are defined under the Cannabis Regulation and
19 Tax Act, from a dispensing organization registered under the
20 Compassionate Use of Medical Cannabis Program Act or the
21 Cannabis Regulation and Tax Act.

22 As used in this Section, and through June 30, 2026, "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 subject to tax
26 under the Compassionate Use of Medical Cannabis Program Act.

1 Beginning July 1, 2026, as used in this Section, "adult
2 use cannabis" means cannabis subject to tax under the Cannabis
3 Cultivation Privilege Tax Law and the Cannabis Purchaser
4 Excise Tax Law and does not include cannabis purchased by a
5 qualified registered patient, provisional patient, designated
6 caregiver, or Opioid Alternative Patient Program participant
7 as part of their adequate medical supply.

8 (Source: P.A. 103-9, eff. 6-7-23; 103-154, eff. 6-30-23;
9 103-592, eff. 1-1-25; 103-781, eff. 8-5-24; 104-417, eff.
10 8-15-25.)

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

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

22 Nothing in this Act prevents the Director of Revenue from
23 publishing or making available to the public the names and
24 addresses of persons filing returns under this Act, or
25 reasonable statistics concerning the operation of the tax by

1 grouping the contents of returns so the information in any
2 individual return is not disclosed.

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

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

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

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

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

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

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

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

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

25 The Department may make available to the Board of Trustees
26 of any Metro East Mass Transit District information contained

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

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

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

1 right to vote. A general partnership interest is a voting
2 security.

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

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

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

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

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

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

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

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

22 The Director shall make available for public inspection
23 and publication an administrative decision within 180 days
24 after the issuance of the administrative decision. The term
25 "administrative decision" has the same meaning as defined in
26 Section 3-101 of Article III of the Code of Civil Procedure.

1 Costs collected under this Section shall be paid into the Tax
2 Compliance and Administration Fund.

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

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

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

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

17 Section 30. The Compassionate Use of Medical Cannabis
18 Program Act is amended by changing Sections 7, 7-15, 10, 15,
19 25, 30, 35, 57, 60, 62, 70, 75, 85, 90, 95, 100, 105, 110, 115,
20 120, 125, 130, 140, 145, 150, 180, 200, 205, and 210 as
21 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, or Opioid
6 Alternative Patient Program participant status.

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

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

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

25 (410 ILCS 130/10)

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

3 (a) "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 ~~cannabis-infused~~ product shall
22 apply toward the limit on the total amount of medical
23 cannabis a registered qualifying patient may possess at
24 any one time.

25 (a-5) "Advanced practice registered nurse" means a person
26 who is licensed under the Nurse Practice Act as an advanced

1 practice registered nurse and has a controlled substances
2 license under Article III of the Illinois Controlled
3 Substances Act.

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

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

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

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

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

24 (e) "Cultivation center" means a facility operated by an
25 organization or business that is registered by the Department
26 of Agriculture to perform necessary activities to provide only

1 registered medical cannabis dispensing organizations with
2 usable medical cannabis. Beginning July 1, 2026, cultivation
3 centers registered under this Act are subject to regulation
4 exclusively as a cultivation center under the Cannabis
5 Regulation and Tax Act. Cultivation center registrations under
6 this Act shall not be renewed after July 1, 2026.

7 (f) "Cultivation center agent" means a principal officer,
8 board member, employee, or agent of a registered cultivation
9 center who is 21 years of age. This subsection becomes
10 inoperative on January 1, 2027 ~~or older and has not been~~
11 ~~convicted of an excluded offense.~~

12 (g) "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. This
15 subsection (g) becomes inoperative on January 1, 2027.

16 (h) "Debilitating medical condition" means one or more of
17 the following:

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

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

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

25 (2) any other debilitating medical condition or its
26 treatment that is added by the Department of Public Health

1 by rule as provided in Section 45.

2 (i) "Designated caregiver" means a person who: (1) is at
3 least 21 years of age; (2) has agreed to assist with a
4 patient's medical use of cannabis; ~~(3) has not been convicted~~
5 ~~of an excluded offense;~~ and (3) (4) assists no more than one
6 registered qualifying patient with the patient's his or her
7 medical use of cannabis, except the parent or guardian of a
8 registered qualifying patient may assist each of their
9 children who are registered qualifying patients. Beginning
10 July 1, 2026, a designated caregiver registered under this Act
11 may perform the designated caregiver's duties at any
12 dispensary licensed by the Department of Financial and
13 Professional Regulation under the Cannabis Regulation and Tax
14 Act.

15 (j) "Dispensing organization agent identification card"
16 means a document issued by the Department of Financial and
17 Professional Regulation that identifies a person as a medical
18 cannabis dispensing organization agent. This subsection (j)
19 becomes inoperative on January 1, 2027.

20 (k) "Enclosed, locked facility" means a room, greenhouse,
21 building, or other enclosed area equipped with locks or other
22 security devices that permit access only by a cultivation
23 center's agents or a dispensing organization's agent working
24 for the registered cultivation center or the registered
25 dispensing organization to cultivate, store, and distribute
26 cannabis for registered qualifying patients. This subsection

1 (k) becomes inoperative on January 1, 2027.

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

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

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

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

24 ~~(1-5) (Blank).~~

25 (1-10) "Illinois Cannabis Tracking System" means a
26 web-based system established and maintained by the Department

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

12 (m) "Medical cannabis cultivation center registration"
13 means a registration issued by the Department of Agriculture.
14 This subsection (m) becomes inoperative on January 1, 2027.

15 (n) "Medical cannabis container" means a sealed,
16 traceable, food compliant, tamper resistant, tamper evident
17 container, or package used for the purpose of containment of
18 medical cannabis from a cultivation center to a dispensing
19 organization. This subsection (n) becomes inoperative on
20 January 1, 2027.

21 (o) "Medical cannabis dispensing organization", or
22 "dispensing organization", or "dispensary organization",
23 through June 30, 2026, means a facility operated by an
24 organization or business that is registered by the Department
25 of Financial and Professional Regulation to acquire medical
26 cannabis from a registered cultivation center for the purpose

1 of dispensing cannabis, paraphernalia, or related supplies and
2 educational materials to registered qualifying patients,
3 individuals with a provisional registration for qualifying
4 patient cardholder status, or an Opioid Alternative Patient
5 ~~Pilot~~ Program participant. Beginning July 1, 2026, medical
6 cannabis dispensing organizations licensed under this Act are
7 subject to regulation as a dispensary under the Cannabis
8 Regulation and Tax Act.

9 (p) "Medical cannabis dispensing organization agent" or
10 "dispensing organization agent" means a principal officer,
11 board member, employee, or agent of a registered medical
12 cannabis dispensing organization who is 21 years of age or
13 older and has not been convicted of an excluded offense.
14 Beginning July 1, 2026, medical cannabis dispensing
15 organization agents licensed under this Act are subject to
16 regulation as a dispensary organization agent under the
17 Cannabis Regulation and Tax Act.

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

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

26 (r-5) "Opioid" means a narcotic drug or substance that is

1 a Schedule II controlled substance under paragraph (1), (2),
2 (3), or (5) of subsection (b) or under subsection (c) of
3 Section 206 of the Illinois Controlled Substances Act.

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

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

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

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

1 (2) a completed application for terminal illness.

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

5 (t) "Qualifying patient" or "registered qualifying
6 patient" means a person who has been diagnosed by a certifying
7 health care professional as having a debilitating medical
8 condition.

9 (u) "Registered" means licensed, permitted, or otherwise
10 certified by the Department of Agriculture, Department of
11 Public Health, or Department of Financial and Professional
12 Regulation.

13 (v) "Registry identification card" means a document issued
14 by the Department of Public Health that identifies a person as
15 a registered qualifying patient, provisional patient, or
16 registered designated caregiver.

17 (w) "Usable cannabis" means the seeds, leaves, buds, and
18 flowers of the cannabis plant and any mixture or preparation
19 thereof, but does not include the stalks, and roots of the
20 plant. It does not include the weight of any noncannabis
21 ~~non-cannabis~~ ingredients combined with cannabis, such as
22 ingredients added to prepare a topical administration, food,
23 or drink.

24 (x) "Verification system" means a Web-based system
25 established and maintained by the Department of Public Health
26 that is available to the Department of Agriculture, the

1 Department of Financial and Professional Regulation, law
2 enforcement personnel, and registered medical cannabis
3 dispensing organization agents on a 24-hour basis for the
4 verification of registry identification cards, the tracking of
5 delivery of medical cannabis to medical cannabis dispensing
6 organizations, and the tracking of the date of sale, amount,
7 and price of medical cannabis purchased by a registered
8 qualifying patient.

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

25 (z) "Bona fide health care professional-patient
26 relationship" means a relationship established at a hospital,

1 certifying health care professional's office, or other health
2 care facility in which the certifying health care professional
3 has an ongoing responsibility for the assessment, care, and
4 treatment of a patient's debilitating medical condition or a
5 symptom of the patient's debilitating medical condition.

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

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

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

16 (410 ILCS 130/15)

17 Sec. 15. Authority.

18 (a) It is the duty of the Department of Public Health to
19 enforce the following provisions of this Act unless otherwise
20 provided for by this Act:

21 (1) establish and maintain a confidential registry of
22 qualifying patients authorized to engage in the medical
23 use of cannabis and their caregivers;

24 (2) distribute educational materials about the health
25 benefits and risks associated with the use of cannabis and

1 prescription medications;

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

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

7 (b) Through June 30, 2026, it ~~It~~ is the duty of the
8 Department of Agriculture to enforce the provisions of this
9 Act relating to the registration and oversight of cultivation
10 centers unless otherwise provided for in this Act.

11 (c) Through June 30, 2026, it ~~It~~ is the duty of the
12 Department of Financial and Professional Regulation to enforce
13 the provisions of this Act relating to the registration and
14 oversight of dispensing organizations unless otherwise
15 provided for in this Act.

16 (d) Through June 30, 2026, the ~~The~~ Department of Public
17 Health, the Department of Agriculture, or the Department of
18 Financial and Professional Regulation shall enter into
19 intergovernmental agreements, as necessary, to carry out the
20 provisions of this Act including, but not limited to, the
21 provisions relating to the registration and oversight of
22 cultivation centers, dispensing organizations, and qualifying
23 patients and caregivers. Beginning July 1, 2026, the
24 Department of Public Health may enter into intergovernmental
25 agreements, as necessary, to carry out the provisions of this
26 Act, including, but not limited to, the provisions relating to

1 qualifying patients and caregivers.

2 (e) The Department of Public Health, the Department of
3 Agriculture through July 1, 2026, or the Department of
4 Financial and Professional Regulation through June 30, 2026
5 may suspend, revoke, or impose other penalties upon a
6 registration for violations of this Act and any rules adopted
7 in accordance thereto. The suspension or revocation of, or
8 imposition of any other penalty upon, a registration is a
9 final Agency action, subject to judicial review. Jurisdiction
10 and venue for judicial review are vested in the Circuit Court.
11 (Source: P.A. 98-122, eff. 1-1-14; 98-1172, eff. 1-12-15;
12 99-519, eff. 6-30-16.)

13 (410 ILCS 130/25)

14 Sec. 25. Immunities and presumptions related to the
15 medical use of cannabis.

16 (a) A registered qualifying patient is not subject to
17 arrest, prosecution, or denial of any right or privilege,
18 including, but not limited to, civil penalty or disciplinary
19 action by an occupational or professional licensing board, for
20 the medical use of cannabis in accordance with this Act, if the
21 registered qualifying patient possesses an amount of cannabis
22 that does not exceed an adequate medical supply as defined in
23 subsection (a) of Section 10 of this Act of usable cannabis
24 and, where the registered qualifying patient is a licensed
25 professional, the use of cannabis does not impair that

1 licensed professional when he or she is engaged in the
2 practice of the profession for which he or she is licensed.

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

22 (c) A registered qualifying patient, ~~or~~ registered
23 designated caregiver, or Opioid Alternative Patient Program
24 participant is not subject to arrest, prosecution, or denial
25 of any right or privilege, including, but not limited to,
26 civil penalty or disciplinary action by an occupational or

1 professional licensing board for possession of cannabis that
2 is incidental to medical use, but is not usable cannabis as
3 defined in this Act.

4 (d)(1) There is a rebuttable presumption that a registered
5 qualifying patient is engaged in, or a designated caregiver is
6 assisting with, the medical use of cannabis in accordance with
7 this Act if the qualifying patient or designated caregiver:

8 (A) is in possession of a valid registry
9 identification card; and

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

13 (2) The presumption may be rebutted by evidence that
14 conduct related to cannabis was not for the purpose of
15 treating or alleviating the qualifying patient's debilitating
16 medical condition or symptoms associated with the debilitating
17 medical condition in compliance with this Act.

18 (e) A certifying health care professional is not subject
19 to arrest, prosecution, or penalty in any manner, or denial of
20 any right or privilege, including, but not limited to, civil
21 penalty or disciplinary action by the Medical Disciplinary
22 Board or by any other occupational or professional licensing
23 board, solely for providing written certifications or for
24 otherwise stating that, in the certifying health care
25 professional's professional opinion, a patient is likely to
26 receive therapeutic or palliative benefit from the medical use

1 of cannabis to treat or alleviate the patient's debilitating
2 medical condition or symptoms associated with the debilitating
3 medical condition, provided that nothing shall prevent a
4 professional licensing or disciplinary board from sanctioning
5 a certifying health care professional for: (1) issuing a
6 written certification to a patient who is not under the
7 certifying health care professional's care for a debilitating
8 medical condition; or (2) failing to properly evaluate a
9 patient's medical condition or otherwise violating the
10 standard of care for evaluating medical conditions.

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

24 (g) A registered cultivation center is not subject to
25 prosecution; search or inspection, except by the Department of
26 Agriculture, Department of Public Health, or State or local

1 law enforcement under Section 130; seizure; or penalty in any
2 manner, or denial of any right or privilege, including, but
3 not limited to, civil penalty or disciplinary action by a
4 business licensing board or entity, for acting under this Act
5 and Department of Agriculture rules to: acquire, possess,
6 cultivate, manufacture, deliver, transfer, transport, supply,
7 or sell cannabis to registered dispensing organizations. This
8 subsection does not apply to events occurring on and after
9 July 1, 2026; however, the authority granted in this
10 subsection remains in force and effect for events occurring on
11 or before June 30, 2026.

12 (h) A registered cultivation center agent is not subject
13 to prosecution, search, or penalty in any manner, or denial of
14 any right or privilege, including, but not limited to, civil
15 penalty or disciplinary action by a business licensing board
16 or entity, for working or volunteering for a registered
17 cannabis cultivation center under this Act and Department of
18 Agriculture rules, including to perform the actions listed
19 under subsection (g). This subsection does not apply to events
20 occurring on and after July 1, 2026; however, the authority
21 granted in this subsection remains in force and effect for
22 events occurring on or before June 30, 2026.

23 (i) A registered dispensing organization is not subject to
24 prosecution; search or inspection, except by the Department of
25 Financial and Professional Regulation or State or local law
26 enforcement pursuant to Section 130; seizure; or penalty in

1 any manner, or denial of any right or privilege, including,
2 but not limited to, civil penalty or disciplinary action by a
3 business licensing board or entity, for acting under this Act
4 and Department of Financial and Professional Regulation rules
5 to: acquire, possess, or dispense cannabis, or related
6 supplies, and educational materials to registered qualifying
7 patients or registered designated caregivers on behalf of
8 registered qualifying patients. This subsection does not apply
9 to events occurring on and after July 1, 2026; however, the
10 authority granted in this subsection remains in force and
11 effect for events occurring on or before June 30, 2026.

12 (j) A registered dispensing organization agent is not
13 subject to prosecution, search, or penalty in any manner, or
14 denial of any right or privilege, including, but not limited
15 to, civil penalty or disciplinary action by a business
16 licensing board or entity, for working or volunteering for a
17 dispensing organization under this Act and Department of
18 Financial and Professional Regulation rules, including to
19 perform the actions listed under subsection (i). This
20 subsection does not apply to events occurring on and after
21 July 1, 2026; however, the authority granted in this
22 subsection remains in force and effect for events occurring on
23 or before June 30, 2026.

24 (k) Any cannabis, cannabis paraphernalia, illegal
25 property, or interest in legal property that is possessed,
26 owned, or used in connection with the medical use of cannabis

1 as allowed under this Act, or acts incidental to that use, may
2 not be seized or forfeited. This Act does not prevent the
3 seizure or forfeiture of cannabis exceeding the amounts
4 allowed under this Act or the Cannabis Regulation and Tax Act,
5 nor shall it prevent seizure or forfeiture if the basis for the
6 action is unrelated to the cannabis that is possessed,
7 manufactured, transferred, or used under this Act or the
8 Cannabis Regulation and Tax Act.

9 (l) Mere possession of, or application for, a registry
10 identification card or registration certificate does not
11 constitute probable cause or reasonable suspicion, nor shall
12 it be used as the sole basis to support the search of the
13 person, property, or home of the person possessing or applying
14 for the registry identification card. The possession of, or
15 application for, a registry identification card does not
16 preclude the existence of probable cause if probable cause
17 exists on other grounds.

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

24 (n) Nothing in this Act shall preclude local or State law
25 enforcement agencies from searching a registered dispensing
26 organization where there is probable cause to believe that the

1 criminal laws of this State have been violated and the search
2 is conducted in conformity with the Illinois Constitution, the
3 Constitution of the United States, and all State statutes.

4 (o) No individual employed by the State of Illinois shall
5 be subject to criminal or civil penalties for taking any
6 action in accordance with the provisions of this Act, when the
7 actions are within the scope of his or her employment.
8 Representation and indemnification of State employees shall be
9 provided to State employees as set forth in Section 2 of the
10 State Employee Indemnification Act.

11 (p) No law enforcement or correctional agency, nor any
12 individual employed by a law enforcement or correctional
13 agency, shall be subject to criminal or civil liability,
14 except for willful and wanton misconduct, as a result of
15 taking any action within the scope of the official duties of
16 the agency or individual to prohibit or prevent the possession
17 or use of cannabis by a cardholder or Opioid Alternative
18 Patient Program participant incarcerated at a correctional
19 facility, jail, or municipal lockup facility, on parole or
20 mandatory supervised release, or otherwise under the lawful
21 jurisdiction of the agency or individual.

22 (Source: P.A. 101-363, eff. 8-19-19; 101-370, eff. 1-1-20;
23 102-558, eff. 8-20-21.)

24 (410 ILCS 130/30)

25 Sec. 30. Limitations and penalties.

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

4 (1) Undertaking any task under the influence of
5 cannabis, when doing so would constitute negligence,
6 professional malpractice, or professional misconduct;

7 (2) Possessing cannabis:

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

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

13 (C) in any correctional facility;

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

16 (E) in a vehicle not open to the public unless the
17 medical cannabis is in a reasonably secured, sealed
18 container and reasonably inaccessible while the
19 vehicle is moving; or

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

23 (3) Using cannabis:

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

26 (B) except as provided under Section 22-33 of the

1 School Code, on the grounds of any preschool or
2 primary or secondary school;

3 (C) in any correctional facility;

4 (D) in any motor vehicle;

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

8 (F) except as provided under Section 22-33 of the
9 School Code and Section 31 of this Act, in any public
10 place. "Public place" as used in this subsection means
11 any place where an individual could reasonably be
12 expected to be observed by others. A "public place"
13 includes all parts of buildings owned in whole or in
14 part, or leased, by the State or a local unit of
15 government. A "public place" does not include a
16 private residence unless the private residence is used
17 to provide licensed child care, foster care, or other
18 similar social service care on the premises. For
19 purposes of this subsection, a "public place" does not
20 include a health care facility. For purposes of this
21 Section, a "health care facility" includes, but is not
22 limited to, hospitals, nursing homes, hospice care
23 centers, and long-term care facilities;

24 (G) except as provided under Section 22-33 of the
25 School Code and Section 31 of this Act, knowingly in
26 close physical proximity to anyone under the age of 18

1 years of age;

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

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

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

14 (7) Allowing any person who is not allowed to use
15 cannabis under this Act to use cannabis that a cardholder
16 is allowed to possess under this Act;

17 (8) Transferring cannabis to any person contrary to
18 the provisions of this Act;

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

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

24 (b) Nothing in this Act shall be construed to prevent the
25 arrest or prosecution of a registered qualifying patient for
26 reckless driving or driving under the influence of cannabis

1 where probable cause exists.

2 (c) Notwithstanding any other criminal penalties related
3 to the unlawful possession of cannabis, knowingly making a
4 misrepresentation to a law enforcement official of any fact or
5 circumstance relating to the medical use of cannabis to avoid
6 arrest or prosecution is a petty offense punishable by a fine
7 of up to \$1,000, which shall be in addition to any other
8 penalties that may apply for making a false statement or for
9 the use of cannabis other than use undertaken under this Act.

10 (d) Notwithstanding any other criminal penalties related
11 to the unlawful possession of cannabis, any person who makes a
12 misrepresentation of a medical condition to a certifying
13 health care professional or fraudulently provides material
14 misinformation to a certifying health care professional in
15 order to obtain a written certification is guilty of a petty
16 offense punishable by a fine of up to \$1,000.

17 (e) Any registered qualifying patient, provisional
18 patient, or designated ~~cardholder or registered~~ caregiver who
19 sells cannabis shall have his or her registry identification
20 card revoked and is subject to other penalties for the
21 unauthorized sale of cannabis.

22 (f) Any registered qualifying patient, provisional
23 patient, or Opioid Alternative Patient Program participant who
24 commits a violation of Section 11-502.1 of the Illinois
25 Vehicle Code or refuses a properly requested test related to
26 operating a motor vehicle while under the influence of

1 cannabis shall have his or her registry identification card
2 revoked.

3 (g) No registered qualifying patient, provisional patient,
4 ~~or~~ designated caregiver, or Opioid Alternative Patient Program
5 participant shall knowingly obtain, seek to obtain, or
6 possess, individually or collectively, an amount of usable
7 cannabis from a registered medical cannabis dispensing
8 organization that would cause him or her to exceed the
9 authorized adequate medical supply under subsection (a) of
10 Section 10.

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

14 (i) Nothing in this Act shall prevent a university,
15 college, or other institution of post-secondary education from
16 restricting or prohibiting the use of medical cannabis on its
17 property.

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

19 (410 ILCS 130/35)

20 Sec. 35. Certifying health care professional requirements.

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

24 (1) The certifying health care professional shall be
25 currently licensed under the Medical Practice Act of 1987

1 to practice medicine in all its branches, the Nurse
2 Practice Act, or the Physician Assistant Practice Act of
3 1987, shall be in good standing, and must hold a
4 controlled substances license under Article III of the
5 Illinois Controlled Substances Act.

6 (2) A certifying health care professional certifying a
7 patient's condition shall comply with generally accepted
8 standards of medical practice, the provisions of the Act
9 under which he or she is licensed and all applicable
10 rules.

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

13 (4) The certifying health care professional shall
14 maintain a record-keeping system for all patients for whom
15 the certifying health care professional has certified the
16 patient's medical condition. These records shall be
17 accessible to and subject to review by the Department of
18 Public Health and the Department of Financial and
19 Professional Regulation upon request.

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

21 (1) accept, solicit, or offer any form of remuneration
22 from or to a qualifying patient, provisional patient,
23 designated primary caregiver, Opioid Alternative Patient
24 Program participant, cultivation center, or dispensing
25 organization, including each principal officer, board
26 member, agent, and employee, to certify a patient, other

1 than accepting payment from a patient for the fee
2 associated with the required examination, except for the
3 limited purpose of performing a medical cannabis-related
4 research study;

5 (1.5) accept, solicit, or offer any form of
6 remuneration from or to a medical cannabis cultivation
7 center or dispensary organization for the purposes of
8 referring a patient to a specific dispensary organization;

9 (1.10) engage in any activity that is prohibited under
10 Section 22.2 of the Medical Practice Act of 1987,
11 regardless of whether the certifying health care
12 professional is a physician, advanced practice registered
13 nurse, or physician assistant;

14 (2) offer a discount of any other item of value to a
15 qualifying patient, provisional patient, designated
16 caregiver, or Opioid Alternative Patient Program
17 participant who uses or agrees to use a particular
18 designated ~~primary~~ caregiver or dispensing organization to
19 obtain medical cannabis;

20 (3) conduct a personal physical examination of a
21 patient for purposes of diagnosing a debilitating medical
22 condition at a location where medical cannabis is sold or
23 distributed or at the address of a principal officer,
24 agent, or employee or a medical cannabis organization;

25 (4) hold a direct or indirect economic interest in a
26 cultivation center or dispensing organization if he or she

1 recommends the use of medical cannabis to qualified
2 patients or is in a partnership or other fee or
3 profit-sharing relationship with a certifying health care
4 professional who recommends medical cannabis, except for
5 the limited purpose of performing a medical
6 cannabis-related research study;

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

9 (6) refer patients to a cultivation center, a
10 dispensing organization, or a registered designated
11 caregiver; or

12 (7) advertise in a cultivation center or a dispensing
13 organization.

14 (c) The Department of Public Health may with reasonable
15 cause refer a certifying health care professional, who has
16 certified a debilitating medical condition of a patient, to
17 the Illinois Department of Financial and Professional
18 Regulation for potential violations of this Section.

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

22 (e) A certifying health care professional who certifies a
23 debilitating medical condition for a qualifying patient may
24 notify the Department of Public Health in writing: (1) if the
25 certifying health care professional has reason to believe
26 either that the registered qualifying patient has ceased to

1 suffer from a debilitating medical condition; (2) that the
2 bona fide health care professional-patient relationship has
3 terminated; or (3) that continued use of medical cannabis
4 would result in contraindication with the patient's other
5 medication. The registered qualifying patient's registry
6 identification card shall be revoked by the Department of
7 Public Health after receiving the certifying health care
8 professional's notification.

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

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

14 (410 ILCS 130/57)

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

16 (a) Qualifying patients or provisional patients that are
17 under the age of 18 years shall not be prohibited from
18 appointing up to 3 designated caregivers who meet the
19 definition of "designated caregiver" under Section 10 so long
20 as at least one designated caregiver is a biological parent or
21 legal guardian.

22 (b) Qualifying patients and provisional patients that are
23 18 years of age or older shall not be prohibited from
24 appointing up to 3 designated caregivers who meet the
25 definition of "designated caregiver" under Section 10.

1 (c) Beginning July 1, 2026, designated caregivers,
2 qualifying patients, provisional patients, or Opioid
3 Alternative Patient Program participants registered under this
4 Act may purchase an adequate medical supply at any dispensing
5 organization licensed by the Department of Financial and
6 Professional Regulation under the Cannabis Regulation and Tax
7 Act.

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

9 (410 ILCS 130/60)

10 Sec. 60. Issuance of registry identification cards.

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

13 (1) verify the information contained in an application
14 or renewal for a registry identification card submitted
15 under this Act, and approve or deny an application or
16 renewal, within 90 days of receiving a completed
17 application or renewal application and all supporting
18 documentation specified in Section 55;

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

23 ~~(3) enter the registry identification number of the~~
24 ~~registered dispensing organization the patient designates~~
25 ~~into the verification system; and~~

1 (3) ~~(4)~~ allow for an electronic application process,
2 and provide a confirmation by electronic or other methods
3 that an application has been submitted.

4 Notwithstanding any other provision of this Act, the
5 Department of Public Health shall adopt rules for qualifying
6 patients and applicants with life-long debilitating medical
7 conditions, who may be charged annual renewal fees. The
8 Department of Public Health shall not require patients and
9 applicants with life-long debilitating medical conditions to
10 apply to renew registry identification cards.

11 (b) The Department of Public Health may not issue a
12 registry identification card to a qualifying patient who is
13 under 18 years of age, unless that patient suffers from
14 seizures, including those characteristic of epilepsy, or as
15 provided by administrative rule. The Department of Public
16 Health shall adopt rules for the issuance of a registry
17 identification card for qualifying patients who are under 18
18 years of age and suffering from seizures, including those
19 characteristic of epilepsy. The Department of Public Health
20 may adopt rules to allow other individuals under 18 years of
21 age to become registered qualifying patients under this Act
22 with the consent of a parent or legal guardian. Registered
23 qualifying patients under 18 years of age shall be prohibited
24 from consuming forms of cannabis other than medical cannabis
25 infused products and purchasing any usable cannabis.

26 (c) A veteran who has received treatment at a VA hospital

1 is deemed to have a bona fide health care professional-patient
2 relationship with a VA certifying health care professional if
3 the patient has been seen for his or her debilitating medical
4 condition at the VA hospital in accordance with VA hospital
5 protocols. All reasonable inferences regarding the existence
6 of a bona fide health care professional-patient relationship
7 shall be drawn in favor of an applicant who is a veteran and
8 has undergone treatment at a VA hospital.

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

18 (d) No later than 6 months after the effective date of this
19 amendatory Act of the 101st General Assembly, the Secretary of
20 State shall remove all existing notations on driving records
21 that the person is a registered qualifying patient or his or
22 her caregiver under this Act.

23 (e) Upon the approval of the registration and issuance of
24 a registry card under this Section, the Department of Public
25 Health shall electronically forward the registered qualifying
26 patient's identification card information to the Prescription

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

17 (f) (Blank).

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

20 (410 ILCS 130/62)

21 Sec. 62. Opioid Alternative Patient ~~Pilot~~ Program.

22 (a) The Department of Public Health shall establish the
23 Opioid Alternative Patient ~~Pilot~~ Program. Licensed dispensing
24 organizations shall allow persons with a written certification
25 from a certifying health care professional under Section 36 to

1 purchase medical cannabis upon enrollment in the Opioid
2 Alternative Patient ~~Pilot~~ Program. The Department of Public
3 Health shall adopt rules or establish procedures allowing
4 qualified veterans to participate in the Opioid Alternative
5 Patient ~~Pilot~~ Program. For a person to receive medical
6 cannabis under this Section, the person must present the
7 written certification along with a valid driver's license or
8 state identification card to the licensed dispensing
9 organization specified in his or her application. The
10 dispensing organization shall verify the person's status as an
11 Opioid Alternative Patient ~~Pilot~~ Program participant through
12 the Department of Public Health's online verification system.

13 (b) The Opioid Alternative Patient ~~Pilot~~ Program shall be
14 limited to participation by Illinois residents age 21 and
15 older.

16 (c) The Department of Financial and Professional
17 Regulation shall specify that all licensed dispensing
18 organizations participating in the Opioid Alternative Patient
19 ~~Pilot~~ Program use the Illinois Cannabis Tracking System. The
20 Department of Public Health shall establish and maintain the
21 Illinois Cannabis Tracking System. The Illinois Cannabis
22 Tracking System shall be used to collect information about all
23 persons participating in the Opioid Alternative Patient ~~Pilot~~
24 Program and shall be used to track the sale of medical cannabis
25 for verification purposes.

26 Each dispensing organization shall retain a copy of the

1 Opioid Alternative Patient ~~Pilot~~ Program certification and
2 other identifying information as required by the Department of
3 Financial and Professional Regulation, the Department of
4 Public Health, and the Illinois State Police in the Illinois
5 Cannabis Tracking System.

6 The Illinois Cannabis Tracking System shall be accessible
7 to the Department of Financial and Professional Regulation,
8 Department of Public Health, Department of Agriculture, and
9 the Illinois State Police.

10 The Department of Financial and Professional Regulation in
11 collaboration with the Department of Public Health shall
12 specify the data requirements for the Opioid Alternative
13 Patient ~~Pilot~~ Program by licensed dispensing organizations;
14 including, but not limited to, the participant's full legal
15 name, address, and date of birth, date on which the Opioid
16 Alternative Patient ~~Pilot~~ Program certification was issued,
17 length of the participation in the Program, including the
18 start and end date to purchase medical cannabis, name of the
19 issuing physician, copy of the participant's current driver's
20 license or State identification card, and phone number.

21 The Illinois Cannabis Tracking System shall provide
22 verification of a person's participation in the Opioid
23 Alternative Patient ~~Pilot~~ Program for law enforcement at any
24 time and on any day.

25 (d) The certification for Opioid Alternative Patient ~~Pilot~~
26 Program participant must be issued by a certifying health care

1 professional who is licensed to practice in Illinois under the
2 Medical Practice Act of 1987, the Nurse Practice Act, or the
3 Physician Assistant Practice Act of 1987 and who is in good
4 standing and holds a controlled substances license under
5 Article III of the Illinois Controlled Substances Act.

6 The certification for an Opioid Alternative Patient ~~Pilot~~
7 Program participant shall be written within 90 days before the
8 participant submits his or her certification to the dispensing
9 organization.

10 The written certification uploaded to the Illinois
11 Cannabis Tracking System shall be accessible to the Department
12 of Public Health.

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

19 An Opioid Alternative Patient ~~Pilot~~ Program participant
20 shall not be registered as a medical cannabis cardholder. The
21 dispensing organization shall verify that the person is not an
22 active registered qualifying patient prior to enrollment in
23 the Opioid Alternative Patient ~~Pilot~~ Program and each time
24 medical cannabis is dispensed.

25 Upon receipt of a written certification under the Opioid
26 Alternative Patient ~~Pilot~~ Program, the Department of Public

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

20 (f) An Opioid Alternative Patient ~~Pilot~~ Program
21 participant shall not be considered a qualifying patient with
22 a debilitating medical condition under this Act and shall be
23 provided access to medical cannabis solely for the duration of
24 the participant's certification. Nothing in this Section shall
25 be construed to limit or prohibit an Opioid Alternative
26 Patient ~~Pilot~~ Program participant who has a debilitating

1 medical condition from applying to the Compassionate Use of
2 Medical Cannabis Program.

3 (g) A person with a provisional registration under Section
4 55 shall not be considered an Opioid Alternative Patient Pilot
5 Program participant.

6 (h) (Blank). ~~The Department of Financial and Professional~~
7 ~~Regulation and the Department of Public Health shall submit~~
8 ~~emergency rulemaking to implement the changes made by this~~
9 ~~amendatory Act of the 100th General Assembly by December 1,~~
10 ~~2018. The Department of Financial and Professional Regulation,~~
11 ~~the Department of Agriculture, the Department of Human~~
12 ~~Services, the Department of Public Health, and the Illinois~~
13 ~~State Police shall utilize emergency purchase authority for 12~~
14 ~~months after the effective date of this amendatory Act of the~~
15 ~~100th General Assembly for the purpose of implementing the~~
16 ~~changes made by this amendatory Act of the 100th General~~
17 ~~Assembly.~~

18 (i) Dispensing organizations are not authorized to
19 dispense medical cannabis to Opioid Alternative Patient Pilot
20 Program participants until administrative rules are approved
21 by the Joint Committee on Administrative Rules and go into
22 effect.

23 (j) (Blank). ~~The provisions of this Section are~~
24 ~~inoperative on and after July 1, 2025.~~

25 (Source: P.A. 101-363, eff. 8-9-19; 102-16, eff. 6-17-21.)

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
26 renewal application, renewal fee, and accompanying

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

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

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

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

22 (410 ILCS 130/75)

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

25 (a) The following notifications and Department of Public

1 Health responses are required:

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

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

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

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

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

1 registered designated caregiver, if any, a new registry
2 identification card within 15 business days of receiving the
3 updated information.

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

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

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

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

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

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

8 (410 ILCS 130/85)

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

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

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

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

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

1 accordance with Department of Agriculture rules:

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

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

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

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

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

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

1 Act. A physical inventory shall be performed of all plants
2 and medical cannabis containers on a weekly basis;

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

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

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

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

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

25 (12) an application fee set by the Department of
26 Agriculture by rule; and

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

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

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

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

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

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

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

26 (6) (blank); ~~a principal officer or board member of~~

~~the cultivation center has been convicted of a felony under the laws of this State, any other state, or the United States;~~

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

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

(f) Beginning July 1, 2026, the Department shall cease to issue or renew any medical cannabis cultivation permit. Licenses that hold dual medical cannabis cultivation permits and Adult use cultivation center licenses may continue all operations with a valid cultivation center license issued under the Cannabis Regulation and Tax Act.

(g) This Section is repealed on January 1, 2027.

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

(410 ILCS 130/90)

Sec. 90. Renewal of cultivation center registrations.

(a) Registrations shall be renewed annually. The registered cultivation center shall receive written notice 90 days prior to the expiration of its current registration that the registration will expire. The Department of Agriculture shall grant a renewal application within 45 days of its

1 submission if the following conditions are satisfied:

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

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

9 (b) Beginning July 1, 2026, all cultivation center permits
10 issued under Section 85 shall be renewed in accordance with
11 Section 20-45 of the Cannabis Regulation and Tax Act and shall
12 be subject to the requirements and prohibitions of the
13 Cannabis Regulation and Tax Act.

14 (c) This Section is repealed on January 1, 2027.

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

16 (410 ILCS 130/95)

17 Sec. 95. Background checks.

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

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

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

14 (c) This Section is repealed on January 1, 2027.

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

16 (410 ILCS 130/100)

17 Sec. 100. Cultivation center agent identification card.

18 (a) The Department of Agriculture shall:

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

25 (2) issue a cultivation center agent identification

1 card to a qualifying agent within 15 business days of
2 approving the application or renewal;

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

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

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

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

14 (1) the name of the cardholder;

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

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

20 (4) a photograph of the cardholder.

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

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

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

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

11

(h) Beginning July 1, 2026, all cultivation center

12 identification cards and renewals shall be renewed in
13 accordance with Section 20-45 of the Cannabis Regulation and
14 Tax Act.

15

(i) This Section is repealed on January 1, 2027.

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 is repealed on January 1, 2027.

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 is
20 repealed on January 1, 2027.

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 is repealed on January 1, 2027.

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, 2026 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 is repealed on January 1, 2027.

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, 2026.

2 (f) This Section is repealed on January 1, 2027.

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, infuser organization ~~processing organization~~, another
5 dispensing organization, or transporting organization licensed
6 or registered under this Act or the Cannabis Regulation and
7 Tax Act. A dispensing organization is prohibited from
8 obtaining 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 Patient ~~Pilot~~ Program
18 participant under Section 62 and to a person presenting proof
19 of provisional registration under Section 55. Before
20 dispensing medical cannabis, the dispensing organization shall
21 comply with the requirements of Section 62 or Section 55,
22 whichever 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 is repealed on January 1, 2027.

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 is repealed on January 1, 2027.

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

8 (410 ILCS 130/145)

9 Sec. 145. Confidentiality.

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

1 Executive Inspector General, and Illinois State Police,
2 excluding any existing or non-existing Illinois or national
3 criminal history record information as defined in subsection
4 (d), may be disclosed to each other upon request:

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

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

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

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

1 information.

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

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

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

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

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

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

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

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

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

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

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

21 (b-5) Each Department responsible for licensure under this
22 Act shall publish on the Department's website a list of the
23 ownership information of cannabis business establishment
24 licensees under the Department's jurisdiction. The list shall
25 include, but shall not be limited to, the name of the person or
26 entity holding each cannabis business establishment license

1 and the address at which the entity is operating under this
2 Act. This list shall be published and updated monthly.

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

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

20 (e) Notwithstanding any other provision of this Section,
21 the Department of Financial and Professional Regulation and
22 the Department of Agriculture may share with the Department of
23 Commerce and Economic Opportunity any licensee information
24 necessary to support the administration of social equity
25 programming.

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

1 102-538, eff. 8-20-21; 102-813, eff. 5-13-22.)

2 (410 ILCS 130/150)

3 Sec. 150. Registry identification and registration
4 certificate verification.

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

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

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

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

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

23 (410 ILCS 130/180)

24 Sec. 180. Destruction of medical cannabis.

25 (a) All cannabis byproduct, scrap, and harvested cannabis

1 not intended for distribution to a medical cannabis
2 organization must be destroyed and disposed of pursuant to
3 State law. Documentation of destruction and disposal shall be
4 retained at the cultivation center for a period of not less
5 than 5 years.

6 (b) A cultivation center shall prior to the destruction,
7 notify the Department of Agriculture and the Illinois State
8 Police.

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

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

16 (e) A dispensary organization shall prior to the
17 destruction, notify the Department of Financial and
18 Professional Regulation and the Illinois State Police.

19 (f) This Section is repealed on January 1, 2027.

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

21 (410 ILCS 130/200)

22 Sec. 200. Tax imposed.

23 (a) Beginning on January 1, 2014 and through December 31,
24 2025 ~~the effective date of this Act,~~ a tax is imposed upon the
25 privilege of cultivating medical cannabis at a rate of 7% of

1 the sales price per ounce. Beginning January 1, 2026, a tax is
2 imposed on the privilege of cultivating medical cannabis at
3 the rate of 7% of the gross receipts from the first sale of
4 medical cannabis by a cultivator. The sale of any product that
5 contains any amount of medical cannabis or any derivative
6 thereof is subject to the tax under this Section on the full
7 selling price of the product. The Department may determine the
8 selling price of the medical cannabis when the seller and
9 purchaser are affiliated persons or when the sale and purchase
10 of medical cannabis is not an arm's length transaction, and a
11 value is not established for the medical cannabis. The value
12 determined by the Department shall be commensurate with the
13 actual price received for products of like quality, character,
14 and use in the area. If there are no sales of medical cannabis
15 of like quality, character, and use in the area, then the
16 Department shall establish a reasonable value based on sales
17 of products of like quality, character, and use in the other
18 areas of the State, taking into consideration any other
19 relevant factors. Beginning July 1, 2026, the privilege of
20 cultivating cannabis shall be subject to the tax imposed under
21 Section 60-10 of the Cannabis Regulation and Tax Act. Through
22 June 30, 2026 the ~~The~~ proceeds from this tax shall be deposited
23 into the Compassionate Use of Medical Cannabis Fund created
24 under the Compassionate Use of Medical Cannabis Program Act.
25 This tax shall be paid by a cultivation center and is not the
26 responsibility of a dispensing organization or a qualifying

1 patient.

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

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

7 (410 ILCS 130/205)

8 Sec. 205. Department enforcement.

9 (a) Every person subject to the tax under this Law shall
10 apply to the Department (upon a form prescribed and furnished
11 by the Department) for a certificate of registration under
12 this Law. Application for a certificate of registration shall
13 be made to the Department upon forms furnished by the
14 Department. The certificate of registration which is issued by
15 the Department to a retailer under the Retailers' Occupation
16 Tax Act shall permit the taxpayer to engage in a business which
17 is taxable under this Law without registering separately with
18 the Department. Beginning July 1, 2026, a person licensed as a
19 cultivation center or dispensing organization under the
20 Cannabis Regulation and Tax Act shall be deemed to be
21 sufficiently licensed under this Law by virtue of his or her
22 being properly licensed under the Cannabis Regulation and Tax
23 Act.

24 (b) The Department shall have full power to administer and
25 enforce this Law, to collect all taxes and penalties due

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

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

20 (410 ILCS 130/210)

21 Sec. 210. Returns.

22 (a) This subsection (a) applies to returns due on or
23 before the effective date of this amendatory Act of the 101st
24 General Assembly. On or before the twentieth day of each
25 calendar month, every person subject to the tax imposed under

1 this Law during the preceding calendar month shall file a
2 return with the Department, stating:

3 (1) The name of the taxpayer;

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

7 (3) The amount of tax due;

8 (4) The signature of the taxpayer; and

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

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

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

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

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

23 (410 ILCS 130/80 rep.)

24 (410 ILCS 130/115.5 rep.)

25 (410 ILCS 130/135 rep.)

(410 ILCS 130/162 rep.)

Section 45. The Compassionate Use of Medical Cannabis Program Act is amended by repealing Sections 80, 115.5, 135, and 162.

Section 50. The Cannabis Regulation and Tax Act is amended by changing Sections 1-10, 5-10, 5-15, 7-10, 7-15, 7-20, 10-10, 10-15, 15-10, 15-15, 15-20, 15-25, 15-35, 15-35.10, 15-36, 15-40, 15-45, 15-65, 15-70, 15-75, 15-85, 15-100, 15-135, 15-145, 25-35, 30-10, 30-30, 30-35, 30-45, 35-25, 35-30, 35-40, 40-25, 40-30, 45-5, 50-5, 55-5, 55-10, 55-30, 55-65, 55-85, 60-5, 60-10, 65-5, 65-10, 65-30, 65-38, 65-42, and the heading of Article 20 and Sections 20-10, 20-15, 20-20, 20-21, 20-30, 20-35 and 20-45 and by adding Sections 15-13, 15-17, 15-23, 15-24, 40-31, and 45-25 as follows:

(410 ILCS 705/1-10)

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

"Adequate medical supply" means:

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

(2) Subject to the rules of the Department of Public Health, a patient may apply for a waiver where a certifying health care professional provides a substantial medical basis in a signed, written statement asserting

1 that, based on the patient's medical history, in the
2 certifying health care professional's professional
3 judgment, 2.5 ounces is an insufficient adequate medical
4 supply for a 14-day period to properly alleviate the
5 patient's debilitating medical condition or symptoms
6 associated with the debilitating medical condition.

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

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

14 ~~"Adult Use~~ Cultivation Center License" means a license
15 issued by the Department of Agriculture that permits a person
16 to act as a cultivation center under this Act and any
17 administrative rule made in furtherance of this Act.

18 "Adult Use Dispensing Organization License" means a
19 license issued by the Department of Financial and Professional
20 Regulation that permits a person to act as a dispensing
21 organization under this Act and any administrative rule made
22 in furtherance of this Act.

23 "Advertise" means to engage in promotional activities
24 including, but not limited to: newspaper, radio, Internet and
25 electronic media, and television advertising; the distribution
26 of fliers and circulars; billboard advertising; and the

1 display of window and interior signs. "Advertise" does not
2 mean exterior signage displaying only the name of the licensed
3 cannabis business establishment.

4 "Application points" means the number of points a
5 Dispensary Applicant receives on an application for a
6 Conditional Adult Use Dispensing Organization License.

7 "BLS Region" means a region in Illinois used by the United
8 States Bureau of Labor Statistics to gather and categorize
9 certain employment and wage data. The 17 such regions in
10 Illinois are: Bloomington, Cape Girardeau, Carbondale-Marion,
11 Champaign-Urbana, Chicago-Naperville-Elgin, Danville,
12 Davenport-Moline-Rock Island, Decatur, Kankakee, Peoria,
13 Rockford, St. Louis, Springfield, Northwest Illinois
14 nonmetropolitan area, West Central Illinois nonmetropolitan
15 area, East Central Illinois nonmetropolitan area, and South
16 Illinois nonmetropolitan area.

17 "By lot" means a randomized method of choosing between 2
18 or more Eligible Tied Applicants or 2 or more Qualifying
19 Applicants.

20 "Cannabis" means marijuana, hashish, and other substances
21 that are identified as including any parts of the plant
22 Cannabis sativa and including derivatives or subspecies, such
23 as indica, of all strains of cannabis, whether growing or not;
24 the seeds thereof, the resin extracted from any part of the
25 plant; and any compound, manufacture, salt, derivative,
26 mixture, or preparation of the plant, its seeds, or resin,

1 including tetrahydrocannabinol (THC) and all other naturally
2 produced cannabinol derivatives, whether produced directly or
3 indirectly by extraction; however, "cannabis" does not include
4 the mature stalks of the plant, fiber produced from the
5 stalks, oil or cake made from the seeds of the plant, any other
6 compound, manufacture, salt, derivative, mixture, or
7 preparation of the mature stalks (except the resin extracted
8 from it), fiber, oil or cake, or the sterilized seed of the
9 plant that is incapable of germination. "Cannabis" does not
10 include industrial hemp as defined and authorized under the
11 Industrial Hemp Act. "Cannabis" also means cannabis flower,
12 concentrate, and cannabis-infused products.

13 "Cannabis business establishment" means a cultivation
14 center, craft grower, ~~processing organization~~, infuser
15 organization, dispensing organization, or transporting
16 organization.

17 "Cannabis concentrate" means a product derived from
18 cannabis that is produced by extracting cannabinoids,
19 including tetrahydrocannabinol (THC), from the plant through
20 the use of propylene glycol, glycerin, butter, olive oil, or
21 other typical cooking fats; water, ice, or dry ice; or butane,
22 propane, CO₂, ethanol, or isopropanol and with the intended
23 use of smoking or making a cannabis-infused product. The use
24 of any other solvent is expressly prohibited unless and until
25 it is approved by the Department of Agriculture.

26 "Cannabis container" means a sealed or resealable,

1 traceable, container, or package used for the purpose of
2 containment of cannabis or cannabis-infused product during
3 transportation.

4 "Cannabis flower" means marijuana, hashish, and other
5 substances that are identified as including any parts of the
6 plant Cannabis sativa and including derivatives or subspecies,
7 such as indica, of all strains of cannabis; including raw
8 kief, leaves, and buds, but not resin that has been extracted
9 from any part of such plant; nor any compound, manufacture,
10 salt, derivative, mixture, or preparation of such plant, its
11 seeds, or resin.

12 "Cannabis-infused product" means a beverage, food, oil,
13 ointment, tincture, topical formulation, or another product
14 containing cannabis or cannabis concentrate that is not
15 intended to be smoked.

16 "Cannabis paraphernalia" means equipment, products, or
17 materials intended to be used for planting, propagating,
18 cultivating, growing, harvesting, manufacturing, producing,
19 processing, preparing, testing, analyzing, packaging,
20 repackaging, storing, containing, concealing, ingesting, or
21 otherwise introducing cannabis into the human body.

22 "Cannabis plant monitoring system" or "plant monitoring
23 system" means a system that includes, but is not limited to,
24 testing and data collection established and maintained by the
25 cultivation center, craft grower, or infuser ~~processing~~
26 organization and that is available to the Department of

1 Revenue, the Department of Agriculture, the Department of
2 Financial and Professional Regulation, and the Illinois State
3 Police for the purposes of documenting each cannabis plant and
4 monitoring plant development throughout the life cycle of a
5 cannabis plant cultivated for the intended use by a customer
6 from seed planting to final packaging.

7 "Cannabis testing facility" means an entity registered by
8 the Department of Agriculture to test cannabis for potency and
9 contaminants.

10 "Clone" means a plant section from a female cannabis plant
11 not yet rootbound, growing in a water solution or other
12 propagation matrix, that is capable of developing into a new
13 plant.

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

20 "Community College Cannabis Vocational Training Pilot
21 Program faculty participant Agent Identification Card" means a
22 document issued by the Department of Agriculture that
23 identifies a person as a Community College Cannabis Vocational
24 Training Pilot Program faculty participant.

25 "Conditional Adult Use Dispensing Organization License"
26 means a contingent license awarded to applicants for an Adult

1 Use Dispensing Organization License that reserves the right to
2 an Adult Use Dispensing Organization License if the applicant
3 meets certain conditions described in this Act, but does not
4 entitle the recipient to begin purchasing or selling cannabis
5 or cannabis-infused products.

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

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

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

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

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

15 "Cultivation center" means a facility operated by an
16 organization or business that is licensed by the Department of
17 Agriculture to cultivate, process, transport (unless otherwise
18 limited by this Act), and perform other necessary activities
19 to provide cannabis and cannabis-infused products to cannabis
20 business establishments. As used in this Act, "cultivation
21 center" includes any cultivation center which prior to July 1,
22 2026, was a cultivation center as defined in the Compassionate
23 Use of Medical Cannabis Program Act.

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

1 "Cultivation Center Agent Identification Card" means a
2 document issued by the Department of Agriculture that
3 identifies a person as a cultivation center agent.

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

5 "Designated caregiver" means a person who assists no more
6 than one registered qualifying patient with the patient's
7 medical use of cannabis, except the parent or legal guardian
8 of a registered qualifying patient may assist each of their
9 children who are registered qualifying patients.

10 ~~"Dispensary" means a facility operated by a dispensing~~
11 ~~organization at which activities licensed by this Act may~~
12 ~~occur.~~

13 "Dispensary Applicant" means the Proposed Dispensing
14 Organization Name as stated on an application for a
15 Conditional Adult Use Dispensing Organization License.

16 "Dispensing organization" or "dispensary" means a facility
17 operated by an organization or business that is licensed by
18 the Department of Financial and Professional Regulation to
19 acquire cannabis from a cultivation center, craft grower, or
20 infuser processing organization licensed by the Department of
21 Agriculture, or another dispensary licensed by the Department
22 of Financial and Professional Regulation, for the purpose of
23 selling or dispensing cannabis, cannabis-infused products,
24 cannabis seeds, paraphernalia, or related supplies under this
25 Act to purchasers or to qualified registered medical cannabis
26 patients and caregivers. As used in this Act, "dispensing

1 organization" includes any dispensary which, prior to July 1,
2 2026, was a ~~a~~ registered medical cannabis organization as
3 defined in the Compassionate Use of Medical Cannabis Program
4 Act or its successor Act or that ~~has~~ obtained an Early Approval
5 Adult Use Dispensing Organization License or Early Approval
6 Adult Use Dispensing Organization License at a Secondary Site
7 under this Act.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 "Individual" means a natural person.

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

7 "Infuser organization agent" means a principal officer,
8 board member, employee, or other agent of an infuser
9 organization.

10 "Infuser organization agent identification card" means a
11 document issued by the Department of Agriculture that
12 identifies a person as an infuser organization agent.

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

17 "Labor peace agreement" means an agreement between a
18 cannabis business establishment and any labor organization
19 recognized under the National Labor Relations Act, referred to
20 in this Act as a bona fide labor organization, that prohibits
21 labor organizations and members from engaging in picketing,
22 work stoppages, boycotts, and any other economic interference
23 with the cannabis business establishment. This agreement means
24 that the cannabis business establishment has agreed not to
25 disrupt efforts by the bona fide labor organization to
26 communicate with, and attempt to organize and represent, the

1 cannabis business establishment's employees. The agreement
2 shall provide a bona fide labor organization access at
3 reasonable times to areas in which the cannabis business
4 establishment's employees work, for the purpose of meeting
5 with employees to discuss their right to representation,
6 employment rights under State law, and terms and conditions of
7 employment. This type of agreement shall not mandate a
8 particular method of election or certification of the bona
9 fide labor organization.

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

23 "Member of an impacted family" means an individual who has
24 a parent, legal guardian, child, spouse, or dependent, or was
25 a dependent of an individual who, prior to the effective date
26 of this Act, was arrested for, convicted of, or adjudicated

1 delinquent for any offense that is eligible for expungement
2 under this Act.

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

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

13 "Ordinary public view" means within the sight line with
14 normal visual range of a person, unassisted by visual aids,
15 from a public street or sidewalk adjacent to real property, or
16 from within an adjacent property.

17 "Ownership and control" means ownership of at least 51% of
18 the business, including corporate stock if a corporation, and
19 control over the management and day-to-day operations of the
20 business and an interest in the capital, assets, and profits
21 and losses of the business proportionate to percentage of
22 ownership.

23 "Person" means a natural individual, firm, partnership,
24 association, joint stock company, joint venture, public or
25 private corporation, limited liability company, or a receiver,
26 executor, trustee, guardian, or other representative appointed

1 by order of any court.

2 "Possession limit" means the amount of cannabis under
3 Section 10-10 that may be possessed at any one time by a person
4 21 years of age or older or who is a registered qualifying
5 medical cannabis patient, ~~or~~ caregiver, or Opioid Alternative
6 Patient Program participant under the Compassionate Use of
7 Medical Cannabis Program Act.

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

20 "Primary residence" means a dwelling where a person
21 usually stays or stays more often than other locations. It may
22 be determined by, without limitation, presence, tax filings;
23 address on an Illinois driver's license, an Illinois
24 Identification Card, or an Illinois Person with a Disability
25 Identification Card; or voter registration. No person may have
26 more than one primary residence.

1 "Provisional patient" means a qualifying patient who has
2 received a provisional registration from the Department of
3 Public Health.

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

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

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

16 ~~"Processing organization agent identification card" means~~
17 ~~a document issued by the Department of Agriculture that~~
18 ~~identifies a person as a processing organization agent.~~

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

23 "Qualifying Applicant" means an applicant that submitted
24 an application pursuant to Section 15-30 that received at
25 least 85% of 250 application points available under Section
26 15-30 as the applicant's final score and meets the definition

1 of "Social Equity Applicant" as set forth under this Section.

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

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

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

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

20 (1) a signed lease agreement that includes the
21 applicant's name;

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

24 (3) school records;

25 (4) a voter registration card;

26 (5) an Illinois driver's license, an Illinois

1 Identification Card, or an Illinois Person with a
2 Disability Identification Card;

3 (6) a paycheck stub;

4 (7) a utility bill;

5 (8) tax records; or

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

8 "Smoking" means the inhalation of smoke caused by the
9 combustion of cannabis.

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

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

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

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

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

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

25 (i) currently reside in a Disproportionately
26 Impacted Area; or

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

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

10 "Social Equity Lottery Licensee" means a holder of an
11 adult use cannabis dispensary license awarded through a
12 lottery held under subsection (c) of Section 15-35.20 of this
13 Act.

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 "Transporter transfer site" means a physical facility
11 approved by the Department of Agriculture to be operated by a
12 transporting organization where the transporting organization
13 may transfer product from one vehicle to another. The
14 Department may allow for onsite storage of cannabis product by
15 rule.

16 "Transporting organization" or "transporter" means an
17 organization or business that is licensed by the Department of
18 Agriculture to transport cannabis or cannabis-infused product
19 on behalf of a cannabis business establishment or a community
20 college licensed under the Community College Cannabis
21 Vocational Training Pilot Program.

22 "Transporting organization agent" means a principal
23 officer, board member, employee, or agent of a transporting
24 organization.

25 "Transporting organization agent identification card"
26 means a document issued by the Department of Agriculture that

1 identifies a person as a transporting organization agent.

2 "Unit of local government" means any county, city,
3 village, or incorporated town.

4 "Vegetative stage" means the stage of cultivation in which
5 a cannabis plant is propagated to produce additional cannabis
6 plants or reach a sufficient size for production. This
7 includes seedlings, clones, mothers, and other immature
8 cannabis plants as follows:

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

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

17 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19;
18 102-98, eff. 7-15-21; 102-538, eff. 8-20-21; 102-813, eff.
19 5-13-22.)

20 (410 ILCS 705/5-10)

21 Sec. 5-10. Department of Agriculture.

22 (a) The Department of Agriculture shall administer and
23 enforce provisions of this Act relating to the oversight and
24 registration of cultivation centers, craft growers, infuser
25 organizations, and transporting organizations and agents,

1 including the issuance of identification cards and
2 establishing limits on potency or serving size for cannabis or
3 cannabis products. The Department of Agriculture may suspend
4 or revoke the license of, or impose other penalties upon
5 cultivation centers, craft growers, infuser organizations,
6 transporting organizations, and their principal officers,
7 Agents-in-Charge, and agents for violations of this Act and
8 any rules adopted under this Act.

9 (b) The Department of Agriculture may establish, by rule,
10 market protections that protect against unfair business
11 practices, including, but not limited to, price-fixing, bid
12 rigging, boycotts, agreements to not compete, exclusive
13 wholesale arrangements for cannabis concentrate, cannabis
14 flower, cannabis-infused products, and any product that is
15 licensed under this Act to ensure all license types have equal
16 access to the market without unfair competition.

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

18 (410 ILCS 705/5-15)

19 Sec. 5-15. Department of Financial and Professional
20 Regulation.

21 (a) The Department of Financial and Professional
22 Regulation shall enforce the provisions of this Act relating
23 to the oversight and registration of dispensing organizations
24 and agents, including the issuance of identification cards for
25 dispensing organization agents. The Department of Financial

1 and Professional Regulation may suspend or revoke the license
2 of, or otherwise discipline dispensing organizations,
3 principal officers, agents-in-charge, and agents for
4 violations of this Act and any rules adopted under this Act.

5 (b) The Department of Financial and Professional
6 Regulation may establish, by rule, market protections that
7 protect against unfair business practices, including, but not
8 limited to, price-fixing, bid rigging, boycotts, agreements to
9 not compete, exclusive wholesale arrangements for cannabis
10 concentrate, cannabis flower, cannabis-infused products, and
11 any product that is licensed under this Act to ensure all
12 license types have equal access to the market without unfair
13 competition.

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

15 (410 ILCS 705/7-10)

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

17 (a) There is created in the State treasury a special fund,
18 which shall be held separate and apart from all other State
19 moneys, to be known as the Cannabis Business Development Fund.
20 The Cannabis Business Development Fund shall be exclusively
21 used for the following purposes:

22 (1) to provide low-interest rate loans to Qualified
23 Social Equity Applicants and Social Equity Lottery
24 Licensees to pay for ordinary and necessary expenses to
25 start and operate a cannabis business establishment

permitted by this Act;

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

(3) to compensate the Department of Commerce and Economic Opportunity for any costs related to the provision of low-interest loans and grants to Qualified Social Equity Applicants and Social Equity Lottery Licensees;

(4) to pay for outreach that may be provided or targeted to attract and support Social Equity Applicants and Qualified Social Equity Applicants and Social Equity Lottery Licensees;

(5) to provide financial assistance to support lending to, or private investment in, Qualified Social Equity Applicants and Social Equity Lottery Licensees, or to facilitate access to the facilities needed to commence operations as a cannabis business establishment ~~(blank)~~;

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

(6.5) to enter into financial intermediary agreements

1 to facilitate lending to or investment in Qualified Social
2 Equity Applicants, Social Equity Lottery Licensees, or
3 their subsidiaries or affiliates, to ensure the
4 availability of facilities necessary to operate a cannabis
5 business establishment;

6 (7) (blank); and

7 (8) to assist with job training and technical
8 assistance for residents in Disproportionately Impacted
9 Areas.

10 (b) All moneys collected under Sections 15-15 and 15-20
11 for Early Approval Adult Use Dispensing Organization Licenses
12 issued before January 1, 2021 and remunerations made as a
13 result of transfers of permits awarded to Qualified Social
14 Equity Applicants shall be deposited into the Cannabis
15 Business Development Fund.

16 (c) (Blank).

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

23 (d) Notwithstanding any other law to the contrary, the
24 Cannabis Business Development Fund is not subject to sweeps,
25 administrative charge-backs, or any other fiscal or budgetary
26 maneuver that would in any way transfer any amounts from the

1 Cannabis Business Development Fund into any other fund of the
2 State.

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

4 (410 ILCS 705/7-15)

5 Sec. 7-15. Loans, financial assistance, and grants to
6 Qualified Social Equity Applicants and Social Equity Lottery
7 Licensees.

8 (a) The Department of Commerce and Economic Opportunity
9 shall establish grant, ~~and~~ loan, and financial assistance
10 programs, subject to appropriations from the Cannabis Business
11 Development Fund, for the purposes of providing financial
12 assistance, loans, grants, and technical assistance to
13 Qualified Social Equity Applicants and Social Equity Lottery
14 Licensees.

15 (b) The Department of Commerce and Economic Opportunity
16 has the power to:

17 (1) provide Cannabis Social Equity loans, financial
18 assistance, and grants from appropriations from the
19 Cannabis Business Development Fund to assist Qualified
20 Social Equity Applicants and Social Equity Lottery
21 Licensees in gaining entry to, and successfully operating
22 in, the State's regulated cannabis marketplace;

23 (2) enter into agreements that set forth terms and
24 conditions of the financial assistance, accept funds or
25 grants, and engage in cooperation with private entities

1 and agencies of State or local government to carry out the
2 purposes of this Section;

3 (3) fix, determine, charge, and collect any premiums,
4 fees, charges, costs and expenses, including application
5 fees, commitment fees, program fees, financing charges, or
6 publication fees in connection with its activities under
7 this Section;

8 (4) coordinate assistance under the financial
9 assistance ~~these loan~~ programs with activities of the
10 Illinois Department of Financial and Professional
11 Regulation, the Illinois Department of Agriculture, and
12 other agencies as needed to maximize the effectiveness and
13 efficiency of this Act;

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

16 (6) take whatever actions are necessary or appropriate
17 to protect the State's interest in the event of
18 bankruptcy, default, foreclosure, or noncompliance with
19 the terms and conditions of financial assistance provided
20 under this Section, including the ability to recapture
21 funds if the recipient is found to be noncompliant with
22 the terms and conditions of the financial assistance
23 agreement;

24 (6.5) enter into financial intermediary agreements to
25 facilitate lending to or investment in Qualified Social
26 Equity Applicants, Social Equity Lottery Licensees, or

1 their subsidiaries or affiliates, to ensure the
2 availability of facilities necessary to operate a cannabis
3 business establishment;

4 (7) establish application, notification, contract, and
5 other forms, procedures, or rules deemed necessary and
6 appropriate; and

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

9 (c) Loans made under this Section:

10 (1) shall only be made if, in the Department's
11 judgment, the project furthers the goals set forth in this
12 Act; ~~and~~

13 (2) shall be in such principal amount and form and
14 contain such terms and provisions with respect to
15 security, insurance, reporting, delinquency charges,
16 default remedies, forgiveness, and other matters as the
17 Department shall determine appropriate to protect the
18 public interest and to be consistent with the purposes of
19 this Section. The terms and provisions may be less than
20 required for similar loans not covered by this Section;
21 and-

22 (3) may be distributed by lot if the Department
23 determines that the amount of funding available is
24 insufficient to provide an adequate amount of funding for
25 all of the applicants eligible to receive a loan. The
26 Department may determine the number of loans available

1 based on the amount of funding available and communicate
2 the number of loans available on the loan application. The
3 Department may use competitive criteria to establish which
4 applicants are eligible to receive a grant, loan, or
5 financial assistance.

6 (d) Grants made under this Section shall be awarded on a
7 competitive and annual basis under the Grant Accountability
8 and Transparency Act. Grants made under this Section shall
9 further and promote the goals of this Act, including promotion
10 of Social Equity Applicants, Qualified Social Equity
11 Applicants, or Social Equity Lottery Licensees, job training
12 and workforce development, and technical assistance to Social
13 Equity Applicants and Social Equity Lottery Licensees. To the
14 extent registration with the federal System for Award
15 Management requires a grant applicant to certify compliance
16 with all federal laws, the grant applicants under this Section
17 shall not be required to register for a unique entity
18 identifier through the federal System for Award Management to
19 be qualified to receive a grant so long as federal law
20 prohibits the cultivation and sale of cannabis.

21 (d-5) Financial intermediary agreements to provide
22 financial assistance must further the goals set forth in this
23 Act and shall result in financing or lease costs that are
24 affordable or below market rate.

25 (e) Beginning January 1, 2021 and each year thereafter,
26 the Department shall annually report to the Governor and the

1 General Assembly on the outcomes and effectiveness of this
2 Section that shall include the following:

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

5 (2) the amount in financial assistance awarded in the
6 aggregate, in addition to the amount of loans made that
7 are outstanding and the amount of grants awarded;

8 (3) the location of the project engaged in by the
9 person or business; and

10 (4) if applicable, the number of new jobs and other
11 forms of economic output created as a result of the
12 financial assistance.

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

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

18 (410 ILCS 705/7-20)

19 Sec. 7-20. Fee waivers.

20 (a) For Social Equity Applicants, the Department of
21 Financial and Professional Regulation and the Department of
22 Agriculture shall waive 50% of any nonrefundable license
23 application fees, any nonrefundable fees associated with
24 purchasing a license to operate a cannabis business
25 establishment, and any surety bond or other financial

1 requirements, provided a Social Equity Applicant meets the
2 following qualifications at the time the payment is due:

3 (1) the applicant, including all individuals and
4 entities with 10% or greater ownership and all parent
5 companies, subsidiaries, and affiliates, has less than a
6 total of \$750,000 of gross income in the previous calendar
7 year; and

8 (2) the applicant, including all individuals and
9 entities with 10% or greater ownership and all parent
10 companies, subsidiaries, and affiliates, has no more than
11 2 other licenses for cannabis business establishments in
12 the State of Illinois.

13 (b) The Department of Financial and Professional
14 Regulation and the Department of Agriculture may require
15 Social Equity Applicants to attest that they meet the
16 requirements for a fee waiver as provided in subsection (a)
17 and to provide evidence of annual total income in the previous
18 calendar year.

19 (c) If the Department of Financial and Professional
20 Regulation or the Department of Agriculture determines that an
21 applicant who applied as a Social Equity Applicant is not
22 eligible for such status, the applicant shall be provided an
23 additional 10 days to provide alternative evidence that he or
24 she qualifies as a Social Equity Applicant. Alternatively, the
25 applicant may pay the remainder of the waived fee and be
26 considered as a non-Social Equity Applicant. If the applicant

1 cannot do either, then the Departments may keep the initial
2 application fee and the application shall not be graded.

3 (d) The Department of Agriculture may provide hardship
4 waivers for craft grower and infuser license and renewal fees
5 due to the Department after July 1, 2025 pursuant to the
6 provisions below:

7 (1) The craft grower or infuser organization attests
8 that the craft grower or infuser organization or applicant
9 for renewal, including all individuals and entities with
10 10% or greater ownership and all parent companies,
11 subsidiaries, and affiliates, have no more than 2 other
12 licenses for cannabis business establishments in the
13 State.

14 (2) For craft grower and infuser organizations that
15 have a total of \$50,000 or less of reported gross income
16 for the prior fiscal year, the Department may waive the
17 full license or renewal fee. The craft grower or infuser
18 organization shall verify its income to the Department.

19 (3) For craft grower and infuser organizations that
20 have a gross income of between \$50,001 and \$750,000, the
21 Department may waive 50% of the full license or renewal
22 fee. The craft grower or infuser organization shall verify
23 its income to the Department.

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

25 (410 ILCS 705/10-10)

1 Sec. 10-10. Possession limit.

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

5 (1) 30 grams of cannabis flower;

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

8 (3) 5 grams of cannabis concentrate; and

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

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

17 (1) 15 grams of cannabis flower;

18 (2) 2.5 grams of cannabis concentrate; and

19 (3) 250 milligrams of THC contained in a
20 cannabis-infused product.

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

23 (d) No person shall knowingly obtain, seek to obtain, or
24 possess an amount of cannabis from a dispensing organization
25 or craft grower that would cause him or her to exceed the
26 possession limit under this Section, including cannabis that

1 is cultivated by a person under this Act or obtained as a
2 qualified registered medical patient, provisional patient,
3 designated caregiver, or Opioid Alternative Patient Program
4 participant.

5 (d-1) No qualified registered patient, provisional
6 patient, designated caregiver, or Opioid Alternative Patient
7 Program participant shall knowingly obtain, seek to obtain, or
8 possess, individually or collectively, an amount that would
9 cause the individual to exceed their adequate medical supply
10 under the Compassionate Use of Medical Cannabis Program Act.

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

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

14 (410 ILCS 705/10-15)

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

16 (a) Nothing in this Act is intended to permit the transfer
17 of cannabis, with or without remuneration, to a person under
18 21 years of age, or to allow a person under 21 years of age to
19 purchase, possess, use, process, transport, grow, or consume
20 cannabis except where authorized by this Act, the
21 Compassionate Use of Medical Cannabis Program Act or ~~by~~ the
22 Community College Cannabis Vocational Pilot Program.

23 (b) Notwithstanding any other provisions of law
24 authorizing ~~the~~ possession of ~~medical~~ cannabis or
25 cannabis-infused products by a qualified registered medical

1 patient, provisional patient, designated caregiver, or Opioid
2 Alternative Patient Program participant, nothing in this Act
3 authorizes a person who is under 21 years of age to possess
4 cannabis. A person under 21 years of age with cannabis in his
5 or her possession is guilty of a civil law violation as
6 outlined in paragraph (a) of Section 4 of the Cannabis Control
7 Act.

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

13 (d) It is unlawful for any parent or guardian to knowingly
14 permit his or her residence, any other private property under
15 his or her control, or any vehicle, conveyance, or watercraft
16 under his or her control to be used by an invitee of the
17 parent's child or the guardian's ward, if the invitee is under
18 the age of 21, in a manner that constitutes a violation of this
19 Section. A parent or guardian is deemed to have knowingly
20 permitted his or her residence, any other private property
21 under his or her control, or any vehicle, conveyance, or
22 watercraft under his or her control to be used in violation of
23 this Section if he or she knowingly authorizes or permits
24 consumption of cannabis by underage invitees. Any person who
25 violates this subsection (d) is guilty of a Class A
26 misdemeanor and the person's sentence shall include, but shall

1 not be limited to, a fine of not less than \$500. If a violation
2 of this subsection (d) directly or indirectly results in great
3 bodily harm or death to any person, the person violating this
4 subsection is guilty of a Class 4 felony. In this subsection
5 (d), where the residence or other property has an owner and a
6 tenant or lessee, the trier of fact may infer that the
7 residence or other property is occupied only by the tenant or
8 lessee.

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

10 (410 ILCS 705/15-10)

11 Sec. 15-10. Medical cannabis dispensing organization
12 exemption. This Article does not apply to medical cannabis
13 dispensing organizations registered under the Compassionate
14 Use of Medical Cannabis ~~Pilot~~ Program Act, except where
15 otherwise specified. This Section is repealed on July 1, 2026.

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

17 (410 ILCS 705/15-13 new)

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

20 (a) Beginning July 1, 2026, all medical cannabis
21 dispensing organizations registered under the Compassionate
22 Use of Medical Cannabis Program Act and that have received an
23 Early Approval Adult Use Dispensing Organization License shall
24 be deemed to be an adult use dispensing organization licensed

1 pursuant to Section 15-36 of this Act. In addition to selling
2 cannabis and cannabis-infused products to persons 21 years of
3 age or older, beginning July 1, 2026, but no later than October
4 1, 2026, all dispensing organizations licensed pursuant to
5 Section 15-36 of this Act shall also offer services to
6 registered qualifying patients, provisional patients,
7 designated caregivers, and Opioid Alternative Patient Program
8 participants.

9 (b) Beginning July 1, 2026, all dispensing organization
10 agents registered under the Compassionate Use of Medical
11 Cannabis Program Act shall be deemed to be a dispensing
12 organization agent as that term is defined in this Act. All
13 dispensing organization agents registered under the
14 Compassionate Use of Medical Cannabis Program Act shall have
15 the same rights, privileges, duties, and responsibilities of
16 dispensing organization agents licensed under this Act. All
17 dispensing organization agents shall be subject to this Act
18 and any administrative rules adopted under this Act.

19 (c) On and after July 1, 2026, any dispensing organization
20 previously registered as an Early Approval Adult Use
21 Dispensing Organization License or an Early Approval Adult Use
22 Dispensing Organization at a secondary site shall renew
23 pursuant to Section 15-45 of this Act. The Department shall
24 prorate any dispensing organization previously registered as
25 an Early Approval Adult Use Dispensing Organization License or
26 an Early Approval Adult Use Dispensing Organization at a

1 secondary site's first renewal fee due under Section 15-45.

2 (d) By October 1, 2026, all dispensing organizations shall
3 pay a one-time fee of \$10,000 to be deposited into the
4 Compassionate Use of Medical Cannabis Fund. After this
5 one-time fee, all dispensing organizations shall renew
6 pursuant to the provisions of Section 15-45. The Department
7 may approve payment plans that extend beyond October 1, 2026
8 for the fee paid under this subsection if the first payment
9 under the payment plan is remitted by October 1, 2026.

10 (e) All dispensing organizations must maintain an adequate
11 supply of cannabis and cannabis-infused products for purchase
12 by qualifying patients, designated caregivers, provisional
13 patients, and Opioid Alternative Patient Program participants.
14 For the purposes of this subsection, the Department may
15 promulgate administrative rules establishing what constitutes
16 an adequate supply and how dispensing organizations may cure
17 any adequate supply shortages.

18 (f) If there is a shortage of cannabis or cannabis-infused
19 products, a dispensing organization shall prioritize serving
20 qualifying patients, designated caregivers, provisional
21 patients, and Opioid Alternative Patient Program participants
22 before serving purchasers.

23 (g) Beginning July 1, 2026, cannabis and cannabis-infused
24 products purchased from a dispensing organization by a
25 qualified patient, provisional patient, designated caregiver,
26 or Opioid Alternative Patient Program participant are not

1 subject to tax under Section 65-10 of this Act.

2 (410 ILCS 705/15-15)

3 Sec. 15-15. Early Approval Adult Use Dispensing
4 Organization License.

5 (a) Any medical cannabis dispensing organization holding a
6 valid registration under the Compassionate Use of Medical
7 Cannabis Program Act as of the effective date of this Act may,
8 within 60 days of the effective date of this Act, apply to the
9 Department for an Early Approval Adult Use Dispensing
10 Organization License to serve purchasers at any medical
11 cannabis dispensing location in operation on the effective
12 date of this Act, pursuant to this Section.

13 (b) A medical cannabis dispensing organization seeking
14 issuance of an Early Approval Adult Use Dispensing
15 Organization License to serve purchasers at any medical
16 cannabis dispensing location in operation as of the effective
17 date of this Act shall submit an application on forms provided
18 by the Department. The application must be submitted by the
19 same person or entity that holds the medical cannabis
20 dispensing organization registration and include the
21 following:

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

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

1 (3) Certification that the applicant will comply with
2 the requirements contained in the Compassionate Use of
3 Medical Cannabis Program Act except as provided in this
4 Act;

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

6 (5) The physical address of the dispensing
7 organization;

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

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

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

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

24 (B) Make a grant of 3% of total sales from June 1,
25 2018 to June 1, 2019, or \$100,000, whichever is less,
26 to a cannabis industry training or education program

1 at an Illinois community college as defined in the
2 Public Community College Act;

3 (C) Make a donation of \$100,000 or more to a
4 program that provides job training services to persons
5 recently incarcerated or that operates in a
6 Disproportionately Impacted Area;

7 (D) Participate as a host in a cannabis business
8 establishment incubator program approved by the
9 Department of Commerce and Economic Opportunity, and
10 in which an Early Approval Adult Use Dispensing
11 Organization License holder agrees to provide a loan
12 of at least \$100,000 and mentorship to incubate, for
13 at least a year, a Social Equity Applicant intending
14 to seek a license or a licensee that qualifies as a
15 Social Equity Applicant. As used in this Section,
16 "incubate" means providing direct financial assistance
17 and training necessary to engage in licensed cannabis
18 industry activity similar to that of the host
19 licensee. The Early Approval Adult Use Dispensing
20 Organization License holder or the same entity holding
21 any other licenses issued pursuant to this Act shall
22 not take an ownership stake of greater than 10% in any
23 business receiving incubation services to comply with
24 this subsection. If an Early Approval Adult Use
25 Dispensing Organization License holder fails to find a
26 business to incubate to comply with this subsection

1 before its Early Approval Adult Use Dispensing
2 Organization License expires, it may opt to meet the
3 requirement of this subsection by completing another
4 item from this subsection; or

5 (E) Participate in a sponsorship program for at
6 least 2 years approved by the Department of Commerce
7 and Economic Opportunity in which an Early Approval
8 Adult Use Dispensing Organization License holder
9 agrees to provide an interest-free loan of at least
10 \$200,000 to a Social Equity Applicant. The sponsor
11 shall not take an ownership stake in any cannabis
12 business establishment receiving sponsorship services
13 to comply with this subsection.

14 (b-5) Beginning 90 days after the effective date of this
15 amendatory Act of the 102nd General Assembly, an Early
16 Approval Adult Use Dispensing Organization licensee whose
17 license was issued pursuant to this Section may apply to
18 relocate within the same geographic district where its
19 existing associated medical cannabis dispensing organization
20 dispensary licensed under the Compassionate Use of Medical
21 Cannabis Act is authorized to operate. A request to relocate
22 under this subsection is subject to approval by the
23 Department. An Early Approval Adult Use Dispensing
24 Organization's application to relocate its license under this
25 subsection shall be deemed approved 30 days following the
26 submission of a complete application to relocate, unless

1 sooner approved or denied in writing by the Department. If an
2 application to relocate is denied, the Department shall
3 provide, in writing, the specific reason for denial.

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

6 (1) its existing location is within the boundaries of
7 a unit of local government that prohibits the sale of
8 adult use cannabis; or

9 (2) the Early Approval Adult Use Dispensing
10 Organization has obtained the approval of the municipality
11 or, if outside the boundaries of a municipality in an
12 unincorporated area of the county, the approval of the
13 county where the existing license is located to move to
14 another location within that unit of local government.

15 At no time may an Early Approval Adult Use Dispensing
16 Organization dispensary licensed under this Section operate in
17 a separate facility from its associated medical cannabis
18 dispensing organization dispensary licensed under the
19 Compassionate Use of Medical Cannabis Act. The relocation of
20 an Early Approval Adult Use Dispensing Organization License
21 under this subsection shall be subject to Sections 55-25 and
22 55-28 of this Act.

23 (c) The license fee required by paragraph (1) of
24 subsection (b) of this Section shall be in addition to any
25 license fee required for the renewal of a registered medical
26 cannabis dispensing organization license.

1 (d) Applicants must submit all required information,
2 including the requirements in subsection (b) of this Section,
3 to the Department. Failure by an applicant to submit all
4 required information may result in the application being
5 disqualified.

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

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

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

20 (2) The Secretary of Financial and Professional
21 Regulation determines there is reason, based on documented
22 compliance violations, the licensee is not entitled to an
23 Early Approval Adult Use Dispensing Organization License;
24 or

25 (3) Any principal officer fails to register and remain
26 in compliance with this Act or the Compassionate Use of

1 Medical Cannabis Program Act.

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

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

19 (i) If there is a shortage of cannabis or cannabis-infused
20 products, a dispensing organization holding both a dispensing
21 organization license under the Compassionate Use of Medical
22 Cannabis Program Act and this Act shall prioritize serving
23 qualifying patients, caregivers, provisional patients, and
24 Opioid Alternative Patient ~~Pilot~~ Program participants before
25 serving purchasers.

26 (j) Notwithstanding any law or rule to the contrary, a

1 person that holds a medical cannabis dispensing organization
2 license issued under the Compassionate Use of Medical Cannabis
3 Program Act and an Early Approval Adult Use Dispensing
4 Organization License may permit purchasers into a limited
5 access area as that term is defined in administrative rules
6 made under the authority in the Compassionate Use of Medical
7 Cannabis Program Act.

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

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

22 (2) the Department has not suspended or permanently
23 revoked the Early Approval Adult Use Dispensing
24 Organization License or a medical cannabis dispensing
25 organization license on the same premises for violations
26 of this Act, the Compassionate Use of Medical Cannabis

1 Program Act, or rules adopted pursuant to those Acts;

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

8 (4) the dispensing organization is in compliance with
9 this Act and rules.

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

21 (m) If a dispensing organization fails to submit an
22 application for renewal of an Early Approval Adult Use
23 Dispensing Organization License or for an Adult Use Dispensing
24 Organization License before the expiration dates provided in
25 subsections (k) and (l) of this Section, the dispensing
26 organization shall cease serving purchasers and cease all

1 operations until it receives a renewal or an Adult Use
2 Dispensing Organization License, as the case may be.

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

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

18 (p) All fees collected pursuant to this Section shall be
19 deposited into the Cannabis Regulation Fund, unless otherwise
20 specified.

21 (q) On and after July 1, 2026, all dispensaries which were
22 previously issued an Early Approval Adult Use Dispensing
23 Organization License pursuant to this Section shall be deemed
24 to be a dispensary pursuant to Section 15-36 of this Act.

25 (r) This Section is repealed on January 1, 2027.

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

102-98, eff. 7-15-21.)

(410 ILCS 705/15-17 new)

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

(a) On and after July 1, 2026, all dispensing organizations previously registered as an Early Approval Adult Use Dispensing Organization License shall be a dispensing organization or a dispensary under this Act and shall be an Adult Use Dispensing Organization License holder under Section 15-36 of this Act.

(b) The BLS Region in which the dispensing organization licensee's Early Approval Adult Use Dispensing Organization License was originally issued shall be considered the licensee's BLS Region. The dispensing organization shall remain in that BLS Region even if the license or licensee changes its ownership, is sold, is relocated under Section 15-24 of this Act, or receives authorization under subsection (e-5) of Section 15-25.

(410 ILCS 705/15-20)

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

(a) Any medical cannabis dispensing organization holding a valid registration under the Compassionate Use of Medical

1 Cannabis Program Act as of the effective date of this Act may,
2 within 60 days of the effective date of this Act, apply to the
3 Department for an Early Approval Adult Use Dispensing
4 Organization License to operate a dispensing organization to
5 serve purchasers at a secondary site not within 1,500 feet of
6 another medical cannabis dispensing organization or adult use
7 dispensing organization. The Early Approval Adult Use
8 Dispensing Organization secondary site shall be within any BLS
9 Region that shares territory with the dispensing organization
10 district to which the medical cannabis dispensing organization
11 is assigned under the administrative rules for dispensing
12 organizations under the Compassionate Use of Medical Cannabis
13 Program Act.

14 (a-5) If, within 360 days of the effective date of this
15 Act, a dispensing organization is unable to find a location
16 within the BLS Regions prescribed in subsection (a) of this
17 Section in which to operate an Early Approval Adult Use
18 Dispensing Organization at a secondary site because no
19 jurisdiction within the prescribed area allows the operation
20 of an Adult Use Dispensing Organization, the Department of
21 Financial and Professional Regulation may waive the geographic
22 restrictions of subsection (a) of this Section and specify
23 another BLS Region into which the dispensary may be placed.

24 (b) (Blank).

25 (c) A medical cannabis dispensing organization seeking
26 issuance of an Early Approval Adult Use Dispensing

1 Organization License at a secondary site to serve purchasers
2 at a secondary site as prescribed in subsection (a) of this
3 Section shall submit an application on forms provided by the
4 Department. The application must meet or include the following
5 qualifications:

6 (1) a payment of a nonrefundable application fee of
7 \$30,000;

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

10 (3) submission of the application by the same person
11 or entity that holds the medical cannabis dispensing
12 organization registration;

13 (4) the legal name of the medical cannabis dispensing
14 organization;

15 (5) the physical address of the medical cannabis
16 dispensing organization and the proposed physical address
17 of the secondary site;

18 (6) a copy of the current local zoning ordinance
19 Sections relevant to dispensary operations and
20 documentation of the approval, the conditional approval or
21 the status of a request for zoning approval from the local
22 zoning office that the proposed dispensary location is in
23 compliance with the local zoning rules;

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

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

4 (9) for the building or land to be used as the proposed
5 dispensary:

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

10 (B) if the property is owned by the applicant,
11 confirmation of ownership;

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

13 (11) a copy of the proposed business plan that
14 complies with the requirements in this Act, including, at
15 a minimum, the following:

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

17 (B) a description of the process of dispensing
18 cannabis;

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

21 (A) a description of the delivery process by which
22 cannabis will be received from a transporting
23 organization, including receipt of manifests and
24 protocols that will be used to avoid diversion, theft,
25 or loss at the dispensary acceptance point; and

26 (B) the process or controls that will be

1 implemented to monitor the dispensary, secure the
2 premises, agents, patients, and currency, and prevent
3 the diversion, theft, or loss of cannabis; and

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

9 (13) a proposed inventory control plan that complies
10 with this Section;

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

15 (15) a nonrefundable Cannabis Business Development Fee
16 equal to \$200,000, to be deposited into the Cannabis
17 Business Development Fund; and

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

20 (d) Before receiving an Early Approval Adult Use
21 Dispensing Organization License at a secondary site, a
22 dispensing organization shall indicate the Social Equity
23 Inclusion Plan that the applicant plans to achieve before the
24 expiration of the Early Approval Adult Use Dispensing
25 Organization License from the list below:

26 (1) make a contribution of 3% of total sales from June

1 1, 2018 to June 1, 2019, or \$100,000, whichever is less, to
2 the Cannabis Business Development Fund. This is in
3 addition to the fee required by paragraph (16) of
4 subsection (c) of this Section;

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

10 (3) make a donation of \$100,000 or more to a program
11 that provides job training services to persons recently
12 incarcerated or that operates in a Disproportionately
13 Impacted Area;

14 (4) participate as a host in a cannabis business
15 establishment incubator program approved by the Department
16 of Commerce and Economic Opportunity, and in which an
17 Early Approval Adult Use Dispensing Organization License
18 at a secondary site holder agrees to provide a loan of at
19 least \$100,000 and mentorship to incubate, for at least a
20 year, a Social Equity Applicant intending to seek a
21 license or a licensee that qualifies as a Social Equity
22 Applicant. In this paragraph (4), "incubate" means
23 providing direct financial assistance and training
24 necessary to engage in licensed cannabis industry activity
25 similar to that of the host licensee. The Early Approval
26 Adult Use Dispensing Organization License holder or the

1 same entity holding any other licenses issued under this
2 Act shall not take an ownership stake of greater than 10%
3 in any business receiving incubation services to comply
4 with this subsection. If an Early Approval Adult Use
5 Dispensing Organization License at a secondary site holder
6 fails to find a business to incubate in order to comply
7 with this subsection before its Early Approval Adult Use
8 Dispensing Organization License at a secondary site
9 expires, it may opt to meet the requirement of this
10 subsection by completing another item from this subsection
11 before the expiration of its Early Approval Adult Use
12 Dispensing Organization License at a secondary site to
13 avoid a penalty; or

14 (5) participate in a sponsorship program for at least
15 2 years approved by the Department of Commerce and
16 Economic Opportunity in which an Early Approval Adult Use
17 Dispensing Organization License at a secondary site holder
18 agrees to provide an interest-free loan of at least
19 \$200,000 to a Social Equity Applicant. The sponsor shall
20 not take an ownership stake of greater than 10% in any
21 business receiving sponsorship services to comply with
22 this subsection.

23 (e) The license fee required by paragraph (1) of
24 subsection (c) of this Section is in addition to any license
25 fee required for the renewal of a registered medical cannabis
26 dispensing organization license.

1 (f) Applicants must submit all required information,
2 including the requirements in subsection (c) of this Section,
3 to the Department. Failure by an applicant to submit all
4 required information may result in the application being
5 disqualified. Principal officers shall not be required to
6 submit to the fingerprint and background check requirements of
7 Section 5-20.

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

15 (h) Once all required information and documents have been
16 submitted, the Department will review the application. The
17 Department may request revisions and retains final approval
18 over dispensary features. Once the application is complete and
19 meets the Department's approval, the Department shall
20 conditionally approve the license. Final approval is
21 contingent on the build-out and Department inspection.

22 (i) Upon submission of the Early Approval Adult Use
23 Dispensing Organization at a secondary site application, the
24 applicant shall request an inspection and the Department may
25 inspect the Early Approval Adult Use Dispensing Organization's
26 secondary site to confirm compliance with the application and

1 this Act.

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

5 (k) If an applicant passes the inspection under this
6 Section, the Department shall issue the Early Approval Adult
7 Use Dispensing Organization License at a secondary site within
8 10 business days unless:

9 (1) the licensee, any principal officer or board
10 member of the licensee, or any person having a financial
11 or voting interest of 5% or greater in the licensee is
12 delinquent in filing any required tax returns or paying
13 any amounts owed to the State of Illinois; or

14 (2) the Secretary of Financial and Professional
15 Regulation determines there is reason, based on documented
16 compliance violations, the licensee is not entitled to an
17 Early Approval Adult Use Dispensing Organization License
18 at its secondary site.

19 (l) Once the Department has issued a license, the
20 dispensing organization shall notify the Department of the
21 proposed opening date.

22 (m) A registered medical cannabis dispensing organization
23 that obtains an Early Approval Adult Use Dispensing
24 Organization License at a secondary site may begin selling
25 cannabis, cannabis-infused products, paraphernalia, and
26 related items to purchasers under the rules of this Act no

1 sooner than January 1, 2020.

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

7 (o) An Early Approval Adult Use Dispensing Organization
8 License at a secondary site is valid until March 31, 2021. A
9 dispensing organization that obtains an Early Approval Adult
10 Use Dispensing Organization License at a secondary site shall
11 receive written or electronic notice 90 days before the
12 expiration of the license that the license will expire, and
13 inform the license holder that it may renew its Early Approval
14 Adult Use Dispensing Organization License at a secondary site.
15 The Department shall renew an Early Approval Adult Use
16 Dispensing Organization License at a secondary site within 60
17 days of submission of the renewal application being deemed
18 complete if:

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

22 (2) the Department has not suspended or permanently
23 revoked the Early Approval Adult Use Dispensing
24 Organization License or a medical cannabis dispensing
25 organization license held by the same person or entity for
26 violating this Act or rules adopted under this Act or the

1 Compassionate Use of Medical Cannabis Program Act or rules
2 adopted under that Act; and

3 (3) the dispensing organization has completed a Social
4 Equity Inclusion Plan provided by paragraph (1), (2), or
5 (3) of subsection (d) of this Section or has made
6 substantial progress toward completing a Social Equity
7 Inclusion Plan provided by paragraph (4) or (5) of
8 subsection (d) of this Section.

9 (p) The Early Approval Adult Use Dispensing Organization
10 Licensee at a secondary site renewed pursuant to subsection
11 (o) shall receive written or electronic notice 90 days before
12 the expiration of the license that the license will expire,
13 and that informs the license holder that it may apply for an
14 Adult Use Dispensing Organization License on forms provided by
15 the Department. The Department shall grant an Adult Use
16 Dispensing Organization License within 60 days of an
17 application being deemed complete if the applicant has meet
18 all of the criteria in Section 15-36.

19 (q) If a dispensing organization fails to submit an
20 application for renewal of an Early Approval Adult Use
21 Dispensing Organization License or for an Adult Use Dispensing
22 Organization License before the expiration dates provided in
23 subsections (o) and (p) of this Section, the dispensing
24 organization shall cease serving purchasers until it receives
25 a renewal or an Adult Use Dispensing Organization License.

26 (r) A dispensing organization agent who holds a valid

1 dispensing organization agent identification card issued under
2 the Compassionate Use of Medical Cannabis Program Act and is
3 an officer, director, manager, or employee of the dispensing
4 organization licensed under this Section may engage in all
5 activities authorized by this Article to be performed by a
6 dispensing organization agent.

7 (s) If the Department suspends, permanently revokes, or
8 otherwise disciplines the Early Approval Adult Use Dispensing
9 Organization License of a dispensing organization that also
10 holds a medical cannabis dispensing organization license
11 issued under the Compassionate Use of Medical Cannabis Program
12 Act, the Department may consider the suspension, permanent
13 revocation, or other discipline as grounds to take
14 disciplinary action against the medical cannabis dispensing
15 organization.

16 (t) All fees collected pursuant to this Section shall be
17 deposited into the Cannabis Regulation Fund, unless otherwise
18 specified.

19 (u) On and after July 1, 2026, all dispensaries that were
20 previously issued an Early Approval Adult Use Dispensing
21 Organization at a secondary site license pursuant to this
22 Section shall be deemed to be a dispensary pursuant to Section
23 15-36 of this Act.

24 (v) This Section is repealed on January 1, 2027.

25 (Source: P.A. 104-417, eff. 8-15-25.)

1 (410 ILCS 705/15-23 new)

2 Sec. 15-23. Early Approval Adult Use Dispensing
3 Organization at a secondary site license merger with Adult Use
4 Dispensing Organization license.

5 (a) On and after July 1, 2026, all dispensing
6 organizations previously registered as an Early Approval Adult
7 Use Dispensing Organization at a secondary site license shall
8 be a dispensing organization or a dispensary under this Act
9 and shall be an Adult Use Dispensing Organization License
10 holder under Section 15-36 of this Act.

11 (b) The BLS Region in which the dispensing organization
12 licensee's Early Approval Adult Use Dispensing Organization at
13 a secondary site license was originally issued shall be
14 considered the licensee's BLS Region. The dispensing
15 organization shall remain in that BLS Region even if the
16 license or licensee changes its ownership, is sold, is
17 relocated under Section 15-24 of this Act, or receives
18 authorization under subsection (e-5) of Section 15-25.

19 (410 ILCS 705/15-24 new)

20 Sec. 15-24. Adult Use Dispensing Organization Licensee
21 relocation.

22 (a) An Adult Use Dispensing Organization licensee may
23 apply to relocate within the Licensee's specific BLS Region
24 consistent with this Section. A request to relocate under this
25 Section is subject to approval by the Department. An Adult Use

1 Dispensing Organization's application to relocate its license
2 under this Section shall be considered to be approved 30 days
3 following the submission of a complete application to
4 relocate, unless the request is sooner approved or denied in
5 writing by the Department. If an application to relocate is
6 denied, the Department shall provide, in writing, the specific
7 reason for denial. An Adult Use Dispensing Organization may
8 request to relocate under this Section only if:

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

12 (2) the Adult Use Dispensing Organization has obtained
13 the zoning approval of a new location by the municipality
14 it currently operates in if the new location is within
15 that same municipality, or if outside the boundaries of a
16 municipality in an unincorporated area of the county, the
17 zoning approval of a new location by the county where it
18 currently operates in if the new location is within the
19 same county, to move to a different location within that
20 unit of local government; or

21 (3) the Adult Use Dispensing Organization has obtained
22 the approval, as evidenced by a letter of intent or full
23 zoning approval, to operate within the boundaries of a new
24 unit of local government, so long as the new unit of local
25 government is within the dispensing organization's
26 specific BLS Region.

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

4 (410 ILCS 705/15-25)

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

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

9 (b) The Department shall make the application for a
10 Conditional Adult Use Dispensing Organization License
11 available no later than October 1, 2019 and shall accept
12 applications no later than January 1, 2020.

13 (c) To ensure the geographic dispersion of Conditional
14 Adult Use Dispensing Organization License holders, the
15 following number of licenses shall be awarded in each BLS
16 Region as determined by each region's percentage of the
17 State's population:

18 (1) Bloomington: 1

19 (2) Cape Girardeau: 1

20 (3) Carbondale-Marion: 1

21 (4) Champaign-Urbana: 1

22 (5) Chicago-Naperville-Elgin: 47

23 (6) Danville: 1

24 (7) Davenport-Moline-Rock Island: 1

25 (8) Decatur: 1

(9) Kankakee: 1

(10) Peoria: 3

(11) Rockford: 2

(12) St. Louis: 4

(13) Springfield: 1

(14) Northwest Illinois nonmetropolitan: 3

(15) West Central Illinois nonmetropolitan: 3

(16) East Central Illinois nonmetropolitan: 2

(17) South Illinois nonmetropolitan: 2

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

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

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

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

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

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

1 (A) has previously held or currently holds an
2 ownership interest in a cannabis business
3 establishment in Illinois; or

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

10 (6) Disclosure of whether any principal officer has
11 ever filed for bankruptcy or defaulted on spousal support
12 or child support obligation;

13 (7) A resume for each principal officer, including
14 whether that person has an academic degree, certification,
15 or relevant experience with a cannabis business
16 establishment or in a related industry;

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

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

20 (10) A copy of the proposed business plan that
21 complies with the requirements in this Act, including, at
22 a minimum, the following:

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

24 (B) A description of the process of dispensing
25 cannabis;

26 (11) A copy of the proposed security plan that

1 complies with the requirements in this Article, including:

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

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

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

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

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

21 (15) Evidence of the applicant's status as a Social
22 Equity Applicant, if applicable, and whether a Social
23 Equity Applicant plans to apply for a loan or grant issued
24 by the Department of Commerce and Economic Opportunity;

25 (16) The address, telephone number, and email address
26 of the applicant's principal place of business, if

1 applicable. A post office box is not permitted;

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

10 (18) A plan for community engagement;

11 (19) Procedures to ensure accurate recordkeeping and
12 security measures that are in accordance with this Article
13 and Department rules;

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

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

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

21 (23) A reasonable assurance that the issuance of a
22 license will not have a detrimental impact on the
23 community in which the applicant wishes to locate;

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

25 (25) A description of the enclosed, locked facility
26 where cannabis will be stored by the dispensing

1 organization;

2 (26) Signed statements from each dispensing
3 organization agent stating that he or she will not divert
4 cannabis;

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

7 (28) A diversity plan that includes a narrative of at
8 least 2,500 words that establishes a goal of diversity in
9 ownership, management, employment, and contracting to
10 ensure that diverse participants and groups are afforded
11 equality of opportunity;

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

17 (30) Other information deemed necessary by the
18 Illinois Cannabis Regulation Oversight Officer to conduct
19 the disparity and availability study referenced in
20 subsection (e) of Section 5-45.

21 (e) An applicant who receives a Conditional Adult Use
22 Dispensing Organization License under this Section has 180
23 days from the date of award to identify a physical location for
24 the dispensing organization retail storefront. The applicant
25 shall provide evidence that the location is not within 1,500
26 feet of an existing dispensing organization, unless the

1 applicant is a Social Equity Applicant or Social Equity
2 Justice Involved Applicant located or seeking to locate within
3 1,500 feet of a dispensing organization licensed under Section
4 15-15 or Section 15-20. If an applicant is unable to find a
5 suitable physical address in the opinion of the Department
6 within 180 days of the issuance of the Conditional Adult Use
7 Dispensing Organization License, the Department may extend the
8 period for finding a physical address an additional 540 days
9 if the Conditional Adult Use Dispensing Organization License
10 holder demonstrates concrete attempts to secure a location and
11 a hardship. If the Department denies the extension or the
12 Conditional Adult Use Dispensing Organization License holder
13 is unable to either find a location within 720 days of being
14 awarded a conditional license and become operational within
15 180 days thereafter, or become operational within 720 days of
16 being awarded a conditional license, the Department may,
17 considering the totality of the circumstances, rescind the
18 conditional license. If the conditional license holder does
19 not become operational within 365 days after having found a
20 location, the Department may mandate a date by which the
21 conditional license holder shall become operational prior to
22 the Department rescinding the conditional license. If the
23 Department rescinds ~~shall rescind~~ the conditional license it
24 may ~~and~~ award it to the next highest scoring applicant in the
25 BLS Region for which the license was assigned, provided the
26 applicant receiving the license: (i) confirms a continued

1 interest in operating a dispensing organization; (ii) can
2 provide evidence that the applicant continues to meet all
3 requirements for holding a Conditional Adult Use Dispensing
4 Organization License set forth in this Act; and (iii) has not
5 otherwise become ineligible to be awarded a 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 to the next highest scoring
10 applicant in the same manner. The new awardee shall be subject
11 to the same required deadlines as provided in this subsection.

12 (e-5) If, within 720 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 because no jurisdiction within
17 the BLS Region allows for the operation of an Adult Use
18 Dispensing Organization, the Department of Financial and
19 Professional Regulation may authorize the Conditional Adult
20 Use Dispensing Organization License holder to transfer its
21 license to a BLS Region specified by the Department.

22 (f) A dispensing organization that is awarded a
23 Conditional Adult Use Dispensing Organization License pursuant
24 to the criteria in Section 15-30 shall not purchase, possess,
25 sell, or dispense cannabis or cannabis-infused products until
26 the person has received an Adult Use Dispensing Organization

1 License issued by the Department pursuant to Section 15-36 of
2 this Act.

3 (g) The Department shall conduct a background check of the
4 prospective organization agents in order to carry out this
5 Article. The Illinois State Police shall charge the applicant
6 a fee for conducting the criminal history record check, which
7 shall be deposited into the State Police Services Fund and
8 shall not exceed the actual cost of the record check. Each
9 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 in the Illinois State Police and Federal Bureau
15 of Identification criminal history records databases. The
16 Illinois State Police shall furnish, following positive
17 identification, all Illinois conviction information to the
18 Department.

19 (Source: P.A. 102-98, eff. 7-15-21; 102-538, eff. 8-20-21;
20 102-813, eff. 5-13-22; 103-8, eff. 6-7-23.)

21 (410 ILCS 705/15-35)

22 Sec. 15-35. Qualifying Applicant Lottery for Conditional
23 Adult Use Dispensing Organization Licenses.

24 (a) In addition to any of the licenses issued under
25 Section 15-15, Section 15-20, Section 15-25, Section 15-30.20,

1 or Section 15-35.10 of this Act, within 10 business days after
2 the resulting final scores for all scored applications
3 pursuant to Sections 15-25 and 15-30 are released, the
4 Department shall issue up to 55 Conditional Adult Use
5 Dispensing Organization Licenses by lot, pursuant to the
6 application process adopted under this Section. In order to be
7 eligible to be awarded a Conditional Adult Use Dispensing
8 Organization License by lot under this Section, a Dispensary
9 Applicant must be a Qualifying Applicant.

10 The licenses issued under this Section shall be awarded in
11 each BLS Region in the following amounts:

- 12 (1) Bloomington: 1.
- 13 (2) Cape Girardeau: 1.
- 14 (3) Carbondale-Marion: 1.
- 15 (4) Champaign-Urbana: 1.
- 16 (5) Chicago-Naperville-Elgin: 36.
- 17 (6) Danville: 1.
- 18 (7) Davenport-Moline-Rock Island: 1.
- 19 (8) Decatur: 1.
- 20 (9) Kankakee: 1.
- 21 (10) Peoria: 2.
- 22 (11) Rockford: 1.
- 23 (12) St. Louis: 3.
- 24 (13) Springfield: 1.
- 25 (14) Northwest Illinois nonmetropolitan: 1.
- 26 (15) West Central Illinois nonmetropolitan: 1.

1 (16) East Central Illinois nonmetropolitan: 1.

2 (17) South Illinois nonmetropolitan: 1.

3 (a-5) Prior to issuing licenses under subsection (a), the
4 Department may adopt rules through emergency rulemaking in
5 accordance with subsection (kk) of Section 5-45 of the
6 Illinois Administrative Procedure Act. The General Assembly
7 finds that the adoption of rules to regulate cannabis use is
8 deemed an emergency and necessary for the public interest,
9 safety, and welfare.

10 (b) The Department shall distribute the available licenses
11 established under this Section subject to the following:

12 (1) The drawing by lot for all available licenses
13 issued under this Section shall occur on the same day when
14 practicable.

15 (2) Within each BLS Region, the first Qualifying
16 Applicant drawn will have the first right to an available
17 license. The second Qualifying Applicant drawn will have
18 the second right to an available license. The same pattern
19 will continue for each subsequent Qualifying Applicant
20 drawn.

21 (3) The process for distributing available licenses
22 under this Section shall be recorded by the Department in
23 a format selected by the Department.

24 (4) A Dispensary Applicant is prohibited from becoming
25 a Qualifying Applicant if a principal officer resigns
26 after the resulting final scores for all scored

1 applications pursuant to Sections 15-25 and 15-30 are
2 released.

3 (5) No Qualifying Applicant may be awarded more than 2
4 Conditional Adult Use Dispensing Organization Licenses at
5 the conclusion of a lottery conducted under this Section.

6 (6) No individual may be listed as a principal officer
7 of more than 2 Conditional Adult Use Dispensing
8 Organization Licenses awarded under this Section.

9 (7) If, upon being selected for an available license
10 established under this Section, a Qualifying Applicant
11 exceeds the limits under paragraph (5) or (6), the
12 Qualifying Applicant must choose which license to abandon
13 and notify the Department in writing within 5 business
14 days. If the Qualifying Applicant does not notify the
15 Department as required, the Department shall refuse to
16 issue the Qualifying Applicant all available licenses
17 established under this Section obtained by lot in all BLS
18 Regions.

19 (8) If, upon being selected for an available license
20 established under this Section, a Qualifying Applicant has
21 a principal officer who is a principal officer in more
22 than 10 Early Approval Adult Use Dispensing Organization
23 Licenses, Conditional Adult Use Dispensing Organization
24 Licenses, Adult Use Dispensing Organization Licenses, or
25 any combination thereof, the licensees and the Qualifying
26 Applicant listing that principal officer must choose which

1 license to abandon pursuant to subsection (d) of Section
2 15-36 and notify the Department in writing within 5
3 business days. If the Qualifying Applicant or licensees do
4 not notify the Department as required, the Department
5 shall refuse to issue the Qualifying Applicant all
6 available licenses established under this Section obtained
7 by lot in all BLS Regions.

8 (9) All available licenses that have been abandoned
9 under paragraph (7) or (8) shall be distributed to the
10 next Qualifying Applicant drawn by lot.

11 Any and all rights conferred or obtained under this
12 Section shall be limited to the provisions of this Section.

13 (c) An applicant who receives a Conditional Adult Use
14 Dispensing Organization License under this Section has 180
15 days from the date it is awarded to identify a physical
16 location for the dispensing organization's retail storefront.
17 The applicant shall provide evidence that the location is not
18 within 1,500 feet of an existing dispensing organization,
19 unless the applicant is a Social Equity Applicant or Social
20 Equity Justice Involved Applicant located or seeking to locate
21 within 1,500 feet of a dispensing organization licensed under
22 Section 15-15 or Section 15-20. If an applicant is unable to
23 find a suitable physical address in the opinion of the
24 Department within 180 days from the issuance of the
25 Conditional Adult Use Dispensing Organization License, the
26 Department may extend the period for finding a physical

1 address an additional 540 days if the Conditional Adult Use
2 Dispensing Organization License holder demonstrates a concrete
3 attempt to secure a location and a hardship. If the Department
4 denies the extension or the Conditional Adult Use Dispensing
5 Organization License holder is unable to either find a
6 location within 720 days of being awarded a conditional
7 license and become operational within 180 days thereafter, or
8 become operational within 720 days of being awarded a
9 Conditional Adult Use Dispensing Organization License, the
10 Department may, considering the totality of the circumstances,
11 rescind the conditional license. If the conditional license
12 holder does not become operational within 365 days after
13 having found a location, the Department may mandate a date by
14 which the conditional license holder shall become operational
15 prior to the Department rescinding the conditional license. If
16 ~~under this Section,~~ the Department rescinds ~~shall rescind~~ the
17 Conditional Adult Use Dispensing Organization License it may
18 issue ~~and award~~ it pursuant to subsection (b), provided the
19 applicant receiving the Conditional Adult Use Dispensing
20 Organization License: (i) confirms a continued interest in
21 operating a dispensing organization; (ii) can provide evidence
22 that the applicant continues to meet all requirements for
23 holding a Conditional Adult Use Dispensing Organization
24 License set forth in this Act; and (iii) has not otherwise
25 become ineligible to be awarded a Conditional Adult Use
26 Dispensing Organization License. If the new awardee is unable

1 to accept the Conditional Adult Use Dispensing Organization
2 License, the Department may issue ~~shall award~~ the Conditional
3 Adult Use Dispensing Organization License pursuant to
4 subsection (b). The new awardee shall be subject to the same
5 required deadlines as provided in this subsection.

6 (d) If, within 720 days of being awarded a Conditional
7 Adult Use Dispensing Organization License, a dispensing
8 organization is unable to find a location within the BLS
9 Region in which it was awarded a Conditional Adult Use
10 Dispensing Organization License because no jurisdiction within
11 the BLS Region allows for the operation of an Adult Use
12 Dispensing Organization, the Department may authorize the
13 Conditional Adult Use Dispensing Organization License holder
14 to transfer its Conditional Adult Use Dispensing Organization
15 License to a BLS Region specified by the Department.

16 (e) A dispensing organization that is awarded a
17 Conditional Adult Use Dispensing Organization License under
18 this Section shall not purchase, possess, sell, or dispense
19 cannabis or cannabis-infused products until the dispensing
20 organization has received an Adult Use Dispensing Organization
21 License issued by the Department pursuant to Section 15-36.

22 (f) The Department shall conduct a background check of the
23 prospective dispensing organization agents in order to carry
24 out this Article. The Illinois State Police shall charge the
25 applicant a fee for conducting the criminal history record
26 check, which shall be deposited into the State Police Services

1 Fund and shall not exceed the actual cost of the record check.
2 Each person applying as a dispensing organization agent shall
3 submit a full set of fingerprints to the Illinois State Police
4 for the purpose of obtaining a State and federal criminal
5 records check. These fingerprints shall be checked against the
6 fingerprint records now and hereafter, to the extent allowed
7 by law, filed with the Illinois State Police and the Federal
8 Bureau of Investigation criminal history records databases.
9 The Illinois State Police shall furnish, following positive
10 identification, all Illinois conviction information to the
11 Department.

12 (g) The Department may verify information contained in
13 each application and accompanying documentation to assess the
14 applicant's veracity and fitness to operate a dispensing
15 organization.

16 (h) The Department may, in its discretion, refuse to issue
17 authorization to an applicant who meets any of the following
18 criteria:

19 (1) An applicant who is unqualified to perform the
20 duties required of the applicant.

21 (2) An applicant who fails to disclose or states
22 falsely any information called for in the application.

23 (3) An applicant who has been found guilty of a
24 violation of this Act, who has had any disciplinary order
25 entered against the applicant by the Department, who has
26 entered into a disciplinary or nondisciplinary agreement

1 with the Department, whose medical cannabis dispensing
2 organization, medical cannabis cultivation organization,
3 Early Approval Adult Use Dispensing Organization License,
4 Early Approval Adult Use Dispensing Organization License
5 at a secondary site, Early Approval Cultivation Center
6 License, Conditional Adult Use Dispensing Organization
7 License, or Adult Use Dispensing Organization License was
8 suspended, restricted, revoked, or denied for just cause,
9 or whose cannabis business establishment license was
10 suspended, restricted, revoked, or denied in any other
11 state.

12 (4) An applicant who has engaged in a pattern or
13 practice of unfair or illegal practices, methods, or
14 activities in the conduct of owning a cannabis business
15 establishment or other business.

16 (i) The Department shall deny issuance of a license under
17 this Section if any principal officer, board member, or person
18 having a financial or voting interest of 5% or greater in the
19 licensee is delinquent in filing any required tax return or
20 paying any amount owed to the State of Illinois.

21 (j) The Department shall verify an applicant's compliance
22 with the requirements of this Article and rules adopted under
23 this Article before issuing a Conditional Adult Use Dispensing
24 Organization License under this Section.

25 (k) If an applicant is awarded a Conditional Adult Use
26 Dispensing Organization License under this Section, the

1 information and plans provided in the application, including
2 any plans submitted for bonus points, shall become a condition
3 of the Conditional Adult Use Dispensing Organization License
4 and any Adult Use Dispensing Organization License issued to
5 the holder of the Conditional Adult Use Dispensing
6 Organization License, except as otherwise provided by this Act
7 or by rule. A dispensing organization has a duty to disclose
8 any material changes to the application. The Department shall
9 review all material changes disclosed by the dispensing
10 organization and may reevaluate its prior decision regarding
11 the awarding of a Conditional Adult Use Dispensing
12 Organization License, including, but not limited to,
13 suspending or permanently revoking a Conditional Adult Use
14 Dispensing Organization License. Failure to comply with the
15 conditions or requirements in the application may subject the
16 dispensing organization to discipline up to and including
17 suspension or permanent revocation of its authorization or
18 Conditional Adult Use Dispensing Organization License by the
19 Department.

20 (1) If an applicant has not begun operating as a
21 dispensing organization within one year after the issuance of
22 the Conditional Adult Use Dispensing Organization License
23 under this Section, the Department may permanently revoke the
24 Conditional Adult Use Dispensing Organization License and
25 award it to the next highest scoring applicant in the BLS
26 Region if a suitable applicant indicates a continued interest

1 in the Conditional Adult Use Dispensing Organization License
2 or may begin a new selection process to award a Conditional
3 Adult Use Dispensing Organization License.

4 (Source: P.A. 102-98, eff. 7-15-21; 103-8, eff. 6-7-23.)

5 (410 ILCS 705/15-35.10)

6 Sec. 15-35.10. Social Equity Justice Involved Lottery for
7 Conditional Adult Use Dispensing Organization Licenses.

8 (a) In addition to any of the licenses issued under
9 Section 15-15, Section 15-20, Section 15-25, Section 15-30.20,
10 or Section 15-35, within 10 business days after the resulting
11 final scores for all scored applications pursuant to Sections
12 15-25 and 15-30 are released, the Department shall issue up to
13 55 Conditional Adult Use Dispensing Organization Licenses by
14 lot, pursuant to the application process adopted under this
15 Section. In order to be eligible to be awarded a Conditional
16 Adult Use Dispensing Organization License by lot, a Dispensary
17 Applicant must be a Qualifying Social Equity Justice Involved
18 Applicant.

19 The licenses issued under this Section shall be awarded in
20 each BLS Region in the following amounts:

21 (1) Bloomington: 1.

22 (2) Cape Girardeau: 1.

23 (3) Carbondale-Marion: 1.

24 (4) Champaign-Urbana: 1.

25 (5) Chicago-Naperville-Elgin: 36.

(6) Danville: 1.

(7) Davenport-Moline-Rock Island: 1.

(8) Decatur: 1.

(9) Kankakee: 1.

(10) Peoria: 2.

(11) Rockford: 1.

(12) St. Louis: 3.

(13) Springfield: 1.

(14) Northwest Illinois nonmetropolitan: 1.

(15) West Central Illinois nonmetropolitan: 1.

(16) East Central Illinois nonmetropolitan: 1.

(17) South Illinois nonmetropolitan: 1.

(a-5) Prior to issuing licenses under subsection (a), the Department may adopt rules through emergency rulemaking in accordance with subsection (kk) of Section 5-45 of the Illinois Administrative Procedure Act. The General Assembly finds that the adoption of rules to regulate cannabis use is deemed an emergency and necessary for the public interest, safety, and welfare.

(b) The Department shall distribute the available licenses established under this Section subject to the following:

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

(2) Within each BLS Region, the first Qualifying Social Equity Justice Involved Applicant drawn will have

1 the first right to an available license. The second
2 Qualifying Social Equity Justice Involved Applicant drawn
3 will have the second right to an available license. The
4 same pattern will continue for each subsequent applicant
5 drawn.

6 (3) The process for distributing available licenses
7 under this Section shall be recorded by the Department in
8 a format selected by the Department.

9 (4) A Dispensary Applicant is prohibited from becoming
10 a Qualifying Social Equity Justice Involved Applicant if a
11 principal officer resigns after the resulting final scores
12 for all scored applications pursuant to Sections 15-25 and
13 15-30 are released.

14 (5) No Qualifying Social Equity Justice Involved
15 Applicant may be awarded more than 2 Conditional Adult Use
16 Dispensing Organization Licenses at the conclusion of a
17 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 Social Equity
23 Justice Involved Applicant exceeds the limits under
24 paragraph (5) or (6), the Qualifying Social Equity Justice
25 Involved Applicant must choose which license to abandon
26 and notify the Department in writing within 5 business

1 days on forms prescribed by the Department. If the
2 Qualifying Social Equity Justice Involved Applicant does
3 not notify the Department as required, the Department
4 shall refuse to issue the Qualifying Social Equity Justice
5 Involved Applicant all available licenses established
6 under this Section obtained by lot in all BLS Regions.

7 (8) If, upon being selected for an available license
8 established under this Section, a Qualifying Social Equity
9 Justice Involved Applicant has a principal officer who is
10 a principal officer in more than 10 Early Approval Adult
11 Use Dispensing Organization Licenses, Conditional Adult
12 Use Dispensing Organization Licenses, Adult Use Dispensing
13 Organization Licenses, or any combination thereof, the
14 licensees and the Qualifying Social Equity Justice
15 Involved Applicant listing that principal officer must
16 choose which license to abandon pursuant to subsection (d)
17 of Section 15-36 and notify the Department in writing
18 within 5 business days on forms prescribed by the
19 Department. If the Dispensary Applicant or licensees do
20 not notify the Department as required, the Department
21 shall refuse to issue the Qualifying Social Equity Justice
22 Involved Applicant all available licenses established
23 under this Section obtained by lot in all BLS Regions.

24 (9) All available licenses that have been abandoned
25 under paragraph (7) or (8) shall be distributed to the
26 next Qualifying Social Equity Justice Involved Applicant

1 drawn by lot.

2 Any and all rights conferred or obtained under this
3 subsection shall be limited to the provisions of this
4 subsection.

5 (c) An applicant who receives a Conditional Adult Use
6 Dispensing Organization License under this Section has 180
7 days from the date of the award to identify a physical location
8 for the dispensing organization's retail storefront. The
9 applicant shall provide evidence that the location is not
10 within 1,500 feet of an existing dispensing organization,
11 unless the applicant is a Social Equity Applicant or Social
12 Equity Justice Involved Applicant located or seeking to locate
13 within 1,500 feet of a dispensing organization licensed under
14 Section 15-15 or Section 15-20. If an applicant is unable to
15 find a suitable physical address in the opinion of the
16 Department within 180 days from the issuance of the
17 Conditional Adult Use Dispensing Organization License, the
18 Department may extend the period for finding a physical
19 address an additional 540 days if the Conditional Adult Use
20 Dispensing Organization License holder demonstrates a concrete
21 attempt to secure a location and a hardship. If the Department
22 denies the extension or the Conditional Adult Use Dispensing
23 Organization License holder is unable to either find a
24 location within 720 days of being awarded a conditional
25 license and become operational within 180 days thereafter, or
26 become operational within 720 days of being awarded a

1 Conditional Adult Use Dispensing Organization License, the
2 Department may, considering the totality of the circumstances,
3 rescind the conditional license. If the conditional license
4 holder does not become operational within 365 days after
5 having found a location, the Department may mandate a date by
6 which the conditional license holder shall become operational
7 prior to the Department rescinding the conditional license. If
8 ~~under this Section,~~ the Department rescinds ~~shall rescind~~ the
9 Conditional Adult Use Dispensing Organization License it may
10 issue ~~and award~~ it pursuant to subsection (b) and notify the
11 new awardee at the email address provided in the awardee's
12 application, provided the applicant receiving the Conditional
13 Adult Use Dispensing Organization License: (i) confirms a
14 continued interest in operating a dispensing organization;
15 (ii) can provide evidence that the applicant continues to meet
16 all requirements for holding a Conditional Adult Use
17 Dispensing Organization License set forth in this Act; and
18 (iii) has not otherwise become ineligible to be awarded a
19 Conditional Adult Use Dispensing Organization License. If the
20 new awardee is unable to accept the Conditional Adult Use
21 Dispensing Organization License, the Department may issue
22 ~~shall award~~ the Conditional Adult Use Dispensing Organization
23 License pursuant to subsection (b). The new awardee shall be
24 subject to the same required deadlines as provided in this
25 subsection.

26 (d) If, within 720 ~~180~~ days of being awarded a Conditional

1 Adult Use Dispensing Organization License, a dispensing
2 organization is unable to find a location within the BLS
3 Region in which it was awarded a Conditional Adult Use
4 Dispensing Organization License under this Section because no
5 jurisdiction within the BLS Region allows for the operation of
6 an Adult Use Dispensing Organization, the Department may
7 authorize the Conditional Adult Use Dispensing Organization
8 License holder to transfer its Conditional Adult Use
9 Dispensing Organization License to a BLS Region specified by
10 the Department.

11 (e) A dispensing organization that is awarded a
12 Conditional Adult Use Dispensing Organization License under
13 this Section shall not purchase, possess, sell, or dispense
14 cannabis or cannabis-infused products until the dispensing
15 organization has received an Adult Use Dispensing Organization
16 License issued by the Department pursuant to Section 15-36.

17 (f) The Department shall conduct a background check of the
18 prospective dispensing organization agents in order to carry
19 out this Article. The Illinois State Police shall charge the
20 applicant a fee for conducting the criminal history record
21 check, which shall be deposited into the State Police Services
22 Fund and shall not exceed the actual cost of the record check.
23 Each person applying as a dispensing organization agent shall
24 submit a full set of fingerprints to the Illinois State Police
25 for the purpose of obtaining a State and federal criminal
26 records check. These fingerprints shall be checked against the

1 fingerprint records now and hereafter, to the extent allowed
2 by law, filed with the Illinois State Police and the Federal
3 Bureau of Investigation criminal history records databases.
4 The Illinois State Police shall furnish, following positive
5 identification, all Illinois conviction information to the
6 Department.

7 (g) The Department may verify information contained in
8 each application and accompanying documentation to assess the
9 applicant's veracity and fitness to operate a dispensing
10 organization.

11 (h) The Department may, in its discretion, refuse to issue
12 an authorization to an applicant who meets any of the
13 following criteria:

14 (1) An applicant who is unqualified to perform the
15 duties required of the applicant.

16 (2) An applicant who fails to disclose or states
17 falsely any information called for in the application.

18 (3) An applicant who has been found guilty of a
19 violation of this Act, who has had any disciplinary order
20 entered against the applicant by the Department, who has
21 entered into a disciplinary or nondisciplinary agreement
22 with the Department, whose medical cannabis dispensing
23 organization, medical cannabis cultivation organization,
24 Early Approval Adult Use Dispensing Organization License,
25 Early Approval Adult Use Dispensing Organization License
26 at a secondary site, Early Approval Cultivation Center

1 License, Conditional Adult Use Dispensing Organization
2 License, or Adult Use Dispensing Organization License was
3 suspended, restricted, revoked, or denied for just cause,
4 or whose cannabis business establishment license was
5 suspended, restricted, revoked, or denied in any other
6 state.

7 (4) An applicant who has engaged in a pattern or
8 practice of unfair or illegal practices, methods, or
9 activities in the conduct of owning a cannabis business
10 establishment or other business.

11 (i) The Department shall deny the license if any principal
12 officer, board member, or person having a financial or voting
13 interest of 5% or greater in the licensee is delinquent in
14 filing any required tax return or paying any amount owed to the
15 State of Illinois.

16 (j) The Department shall verify an applicant's compliance
17 with the requirements of this Article and rules adopted under
18 this Article before issuing a Conditional Adult Use Dispensing
19 Organization License.

20 (k) If an applicant is awarded a Conditional Adult Use
21 Dispensing Organization License under this Section, the
22 information and plans provided in the application, including
23 any plans submitted for bonus points, shall become a condition
24 of the Conditional Adult Use Dispensing Organization License
25 and any Adult Use Dispensing Organization License issued to
26 the holder of the Conditional Adult Use Dispensing

1 Organization License, except as otherwise provided by this Act
2 or by rule. Dispensing organizations have a duty to disclose
3 any material changes to the application. The Department shall
4 review all material changes disclosed by the dispensing
5 organization and may reevaluate its prior decision regarding
6 the awarding of a Conditional Adult Use Dispensing
7 Organization License, including, but not limited to,
8 suspending or permanently revoking a Conditional Adult Use
9 Dispensing Organization License. Failure to comply with the
10 conditions or requirements in the application may subject the
11 dispensing organization to discipline up to and including
12 suspension or permanent revocation of its authorization or
13 Conditional Adult Use Dispensing Organization License by the
14 Department.

15 (1) If an applicant has not begun operating as a
16 dispensing organization within one year after the issuance of
17 the Conditional Adult Use Dispensing Organization License
18 under this Section, the Department may permanently revoke the
19 Conditional Adult Use Dispensing Organization License and
20 award it to the next highest scoring applicant in the BLS
21 Region if a suitable applicant indicates a continued interest
22 in the Conditional Adult Use Dispensing Organization License
23 or may begin a new selection process to award a Conditional
24 Adult Use Dispensing Organization License.

25 (Source: P.A. 102-98, eff. 7-15-21; 103-8, eff. 6-7-23.)

1 (410 ILCS 705/15-36)

2 Sec. 15-36. Adult Use Dispensing Organization License.

3 (a) A person is only eligible to receive or hold an Adult
4 Use Dispensing Organization License if the person has been
5 issued ~~awarded~~ a Conditional Adult Use Dispensing Organization
6 License pursuant to this Act or its administrative rules, was
7 issued an Early Approval Adult Use Dispensing Organization
8 License, an Early Approval Adult Use Dispensing Organization
9 License at a Secondary Site, or was a registered medical
10 dispensing organization as defined under the Compassionate Use
11 of Medical Cannabis Act ~~or has renewed its license pursuant to~~
12 ~~subsection (k) of Section 15-15 or subsection (p) of Section~~
13 ~~15-20.~~

14 (a-5) Beginning July 1, 2026, all dispensing organizations
15 registered under the Compassionate Use of Medical Cannabis
16 Program Act and Sections 15-15 and 15-20 of this Act shall be a
17 dispensing organization or a dispensary as those terms are
18 defined in this Act and shall be an Adult Use Dispensing
19 Organization License holder under this Section. Beginning July
20 1, 2026, all dispensing organizations registered under the
21 Compassionate Use of Medical Cannabis Program Act and Sections
22 15-15 and 15-20 of this Act shall have the same rights,
23 privileges, duties, and responsibilities of dispensing
24 organizations licensed pursuant to this Section and shall be
25 subject to any administrative rules adopted under this Act.

26 (a-10) In addition to selling cannabis and

1 cannabis-infused products to persons 21 years of age or older,
2 beginning July 1, 2026, but no later than October 1, 2026, all
3 dispensing organizations licensed pursuant to this Act shall
4 also offer cannabis and cannabis-infused products for sale to
5 registered qualifying patients, provisional patients,
6 designated caregivers, and Opioid Alternative Patient Program
7 participants.

8 (a-15) By October 1, 2026, all dispensing organizations
9 licensed under Section 15-36 shall pay the fee under
10 subsection (d) of Section 15-13 of this Act or shall have
11 entered into an approved payment plan with the Department to
12 pay the fee.

13 (b) The Department shall not issue an Adult Use Dispensing
14 Organization License until:

15 (1) the Department has inspected the dispensary site
16 and proposed operations and verified that they are in
17 compliance with this Act and local zoning laws;

18 (2) the Conditional Adult Use Dispensing Organization
19 License holder has paid a license fee of \$70,000 ~~\$60,000~~
20 or a prorated amount accounting for the difference of time
21 between when the Adult Use Dispensing Organization License
22 is issued and March 31 of the next even-numbered year;
23 \$60,000 (or the proportional prorated amount paid) of the
24 fee shall be remitted into the Cannabis Regulation Fund,
25 and \$10,000 (or the proportional prorated amount paid) of
26 the fee shall be remitted into the Compassionate Use of

1 Medical Cannabis Fund; and

2 (3) the Conditional Adult Use Dispensing Organization
3 License holder has met all the requirements in this Act
4 and rules.

5 (c) No person or entity shall hold any legal, equitable,
6 ownership, or beneficial interest, directly or indirectly, of
7 more than 10 dispensing organizations licensed under this
8 Article. Further, no person or entity that is:

9 (1) employed by, is an agent of, or participates in
10 the management of a dispensing organization or registered
11 medical cannabis dispensing organization;

12 (2) a principal officer of a dispensing organization
13 or registered medical cannabis dispensing organization; or

14 (3) an entity controlled by or affiliated with a
15 principal officer of a dispensing organization or
16 registered medical cannabis dispensing organization;

17 shall hold any legal, equitable, ownership, or beneficial
18 interest, directly or indirectly, in a dispensing organization
19 that would result in such person or entity owning or
20 participating in the management of more than 10 Early Approval
21 Adult Use Dispensing Organization Licenses, Early Approval
22 Adult Use Dispensing Organization Licenses at a secondary
23 site, Conditional Adult Use Dispensing Organization Licenses,
24 or Adult Use Dispensing Organization Licenses. For the purpose
25 of this subsection, participating in management may include,
26 without limitation, controlling decisions regarding staffing,

1 pricing, purchasing, marketing, store design, hiring, and
2 website design.

3 (d) The Department shall deny an application if granting
4 that application would result in a person or entity obtaining
5 direct or indirect financial interest in more than 10 Early
6 Approval Adult Use Dispensing Organization Licenses,
7 Conditional Adult Use Dispensing Organization Licenses, Adult
8 Use Dispensing Organization Licenses, or any combination
9 thereof. If a person or entity is awarded a Conditional Adult
10 Use Dispensing Organization License that would cause the
11 person or entity to be in violation of this subsection, he,
12 she, or it shall choose which license application it wants to
13 abandon and such licenses shall become available to the next
14 qualified applicant in the region in which the abandoned
15 license was awarded.

16 (Source: P.A. 104-417, eff. 8-15-25.)

17 (410 ILCS 705/15-40)

18 Sec. 15-40. Dispensing organization agent identification
19 card; agent training.

20 (a) The Department shall:

21 (1) verify the information contained in an application
22 or renewal for a dispensing organization agent
23 identification card submitted under this Article, and
24 approve or deny an application or renewal, within 30 days
25 of receiving a completed application or renewal

1 application and all supporting documentation required by
2 rule;

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

6 (3) enter the registry identification number of the
7 dispensing organization where the agent works;

8 (4) within one year from the effective date of this
9 Act, allow for an electronic application process and
10 provide a confirmation by electronic or other methods that
11 an application has been submitted; and

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

15 (b) A dispensing organization agent must keep his or her
16 identification card visible at all times when in the
17 dispensary.

18 (c) The dispensing organization agent identification cards
19 shall contain the following:

20 (1) the name of the cardholder;

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

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

26 (4) a photograph of the cardholder.

1 (d) The dispensing organization agent identification cards
2 shall be immediately returned to the dispensing organization
3 upon termination of employment.

4 (e) The Department shall not issue an 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 (f) Any card lost by a dispensing organization agent shall
8 be reported to the Illinois State Police and the Department
9 immediately upon discovery of the loss.

10 (g) An applicant shall be denied a dispensing organization
11 agent identification card renewal if he or she fails to
12 complete the training provided for in this Section.

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

16 (i) Cannabis retail sales training requirements.

17 (1) Within 90 days of September 1, 2019, or 90 days of
18 employment, whichever is later, all owners, managers,
19 employees, and agents involved in the handling or sale of
20 cannabis or cannabis-infused product employed by an adult
21 use dispensing organization or medical cannabis dispensing
22 organization as defined in Section 10 of the Compassionate
23 Use of Medical Cannabis Program Act shall attend and
24 successfully complete a Responsible Vendor Program.

25 (2) Each owner, manager, employee, and agent of an
26 adult use dispensing organization or medical cannabis

1 dispensing organization shall successfully complete the
2 program annually.

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

6 (i) Health and safety concerns of cannabis use,
7 including the responsible use of cannabis, its
8 physical effects, onset of physiological effects,
9 recognizing signs of impairment, and appropriate
10 responses in the event of overconsumption.

11 (ii) Training on laws and regulations on driving
12 while under the influence and operating a watercraft
13 or snowmobile while under the influence.

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

16 (iv) Quantity limitations on sales to purchasers.
17 Training shall cover all relevant Illinois laws and
18 rules.

19 (v) Acceptable forms of identification. Training
20 shall include:

21 (I) How to check identification; and

22 (II) Common mistakes made in verification;

23 (vi) Safe storage of cannabis;

24 (vii) Compliance with all inventory tracking
25 system regulations;

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

- 1 (ix) Health and safety standards;
- 2 (x) Maintenance of records;
- 3 (xi) Security and surveillance requirements;
- 4 (xii) Permitting inspections by State and local
- 5 licensing and enforcement authorities;
- 6 (xiii) Privacy issues, including, but not limited
- 7 to, the safe storage and handling of confidential
- 8 information such as qualifying patient information;
- 9 (xiv) Packaging and labeling requirement for sales
- 10 to purchasers; ~~and~~
- 11 (xv) Prioritizing the needs of a qualifying
- 12 patient, provisional patient, designated caregiver, or
- 13 Opioid Alternative Patient Program participant; and
- 14 (xvi) Other areas as determined by rule.

15 (j) Blank.

16 (k) Upon the successful completion of the Responsible

17 Vendor Program, the provider shall deliver proof of completion

18 either through mail or electronic communication to the

19 dispensing organization, which shall retain a copy of the

20 certificate.

21 (l) The license of a dispensing organization or medical

22 cannabis dispensing organization whose owners, managers,

23 employees, or agents fail to comply with this Section may be

24 suspended or permanently revoked under Section 15-145 or may

25 face other disciplinary action.

26 (m) The regulation of dispensing organization and medical

1 cannabis dispensing employer and employee training is an
2 exclusive function of the State, and regulation by a unit of
3 local government, including a home rule unit, is prohibited.
4 This subsection (m) is a denial and limitation of home rule
5 powers and functions under subsection (h) of Section 6 of
6 Article VII of the Illinois Constitution.

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

11 (o) Persons seeking Department approval to offer the
12 training required by paragraph (3) of subsection (i) shall
13 submit a nonrefundable application fee of \$2,000 to be
14 deposited into the Cannabis Regulation Fund or a fee as may be
15 set by rule. Any changes made to the training module shall be
16 approved by the Department.

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

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

1 (r) All persons applying to become or renewing their
2 registrations to be agents, including agents-in-charge and
3 principal officers, shall disclose any disciplinary action
4 taken against them that may have occurred in Illinois, another
5 state, or another country in relation to their employment at a
6 cannabis business establishment or at any cannabis cultivation
7 center, ~~processor~~, infuser, dispensary, or other cannabis
8 business establishment.

9 (s) An agent applicant may begin employment at a
10 dispensing organization while the agent applicant's
11 identification card application is pending. Upon approval, the
12 Department shall issue the agent's identification card to the
13 agent. If denied, the dispensing organization and the agent
14 applicant shall be notified and the agent applicant must cease
15 all activity at the dispensing organization immediately.

16 (t) The Department and the Department of Agriculture may
17 develop and implement an integrated system to issue an agent
18 identification card which identifies a dispensary agent
19 licensed by the Department as well as any cultivator, craft
20 grower, transporter, community college program or infuser
21 license or registration the agent may simultaneously hold.

22 (u) Beginning July 1, 2026, all dispensing organization
23 agents registered under the Compassionate Use of Medical
24 Cannabis Program Act shall, subject to the agent being in good
25 standing with all licensing requirements, be deemed to be an
26 agent under this Act. The Department shall issue all agents

1 previously registered as an agent under the Compassionate Use
2 of Medical Cannabis Program Act a new license number at the
3 time of their first renewal on or after July 1, 2026.

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

7 (410 ILCS 705/15-45)

8 Sec. 15-45. Renewal.

9 (a) Adult Use Dispensing Organization Licenses shall
10 expire on March 31 of even-numbered years.

11 (b) Agent identification cards shall expire one year from
12 the date they are issued.

13 (c) Licensees and dispensing agents shall submit a renewal
14 application as provided by the Department and pay the required
15 renewal fee. The Department shall require an agent, employee,
16 contracting, and subcontracting diversity report and an
17 environmental impact report with its renewal application. No
18 license or agent identification card shall be renewed if it is
19 currently under revocation or suspension for violation of this
20 Article or any rules that may be adopted under this Article or
21 the licensee, principal officer, board member, person having a
22 financial or voting interest of 5% or greater in the licensee,
23 or agent is delinquent in filing any required tax returns or
24 paying any amounts owed to the State of Illinois.

25 (c-5) Every Adult Use Dispensing Organization obtaining a

1 renewal shall demonstrate that not less than 20%, or a
2 percentage determined by the Department in accordance with the
3 most recent disparity study published under subsection (e) of
4 Section 5-45 of this Act, of its total annual noncannabis
5 procurement spending is dedicated to minority-owned business
6 enterprises certified under the Business Enterprise for
7 Minorities, Women, and Persons with Disabilities Act, or an
8 equivalent certification determined by the Department, and no
9 waiver, exception, or exemption for this requirement may be
10 granted or obtained. The noncannabis procurement spending
11 under this subsection includes, but is not limited to, the
12 following ancillary business activity:

13 (1) professional services, such as legal services,
14 accounting services, and insurance services;

15 (2) operational support services, such as security
16 services, waste management services, and information
17 technology services;

18 (3) facilities and construction services, such as
19 electrical wiring services, plumbing services, and
20 environmental remediation services; and

21 (4) green economy services, such as wind or solar
22 energy providers.

23 (d) Renewal fees are:

24 (1) For a dispensing organization, \$60,000, to be
25 deposited into the Cannabis Regulation Fund; and \$10,000
26 to be deposited into Compassionate Use of Medical Cannabis

1 Fund.

2 (2) For an agent identification card, \$100, to be
3 deposited into the Cannabis Regulation Fund.

4 (e) If a dispensing organization fails to renew its
5 license before expiration, the dispensing organization shall
6 cease operations until the license is renewed.

7 (f) If a dispensing organization agent fails to renew his
8 or her registration before its expiration, he or she shall
9 cease to perform duties authorized by this Article at a
10 dispensing organization until his or her registration is
11 renewed.

12 (g) Any dispensing organization that continues to operate
13 or dispensing agent that continues to perform duties
14 authorized by this Article at a dispensing organization that
15 fails to renew its license is subject to penalty as provided in
16 this Article, or any rules that may be adopted pursuant to this
17 Article.

18 (h) The Department shall not renew a license if the
19 applicant is delinquent in filing any required tax returns or
20 paying any amounts owed to the State of Illinois. The
21 Department shall not renew a dispensing agent identification
22 card if the applicant is delinquent in filing any required tax
23 returns or paying any amounts owed to the State of Illinois.

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

1 Sec. 15-65. Administration.

2 (a) A dispensing organization shall establish, maintain,
3 and comply with written policies and procedures as submitted
4 in the Business, Financial and Operating plan as required in
5 this Article or by rules established by the Department, and
6 approved by the Department, for the security, storage,
7 inventory, and distribution of cannabis. These policies and
8 procedures shall include methods for identifying, recording,
9 and reporting diversion, theft, or loss, and for correcting
10 errors and inaccuracies in inventories. At a minimum,
11 dispensing organizations shall ensure the written policies and
12 procedures provide for the following:

13 (1) Mandatory and voluntary recalls of cannabis
14 products. The policies shall be adequate to deal with
15 recalls due to any action initiated at the request of the
16 Department and any voluntary action by the dispensing
17 organization to remove defective or potentially defective
18 cannabis from the market or any action undertaken to
19 promote public health and safety, including:

20 (i) A mechanism reasonably calculated to contact
21 purchasers who have, or likely have, obtained the
22 product from the dispensary, including information on
23 the policy for return of the recalled product;

24 (ii) A mechanism to identify and contact the ~~adult~~
25 ~~use~~ cultivation center, craft grower, or infuser that
26 manufactured the cannabis;

1 (iii) Policies for communicating with the
2 Department, the Department of Agriculture, and the
3 Department of Public Health within 24 hours of
4 discovering defective or potentially defective
5 cannabis; and

6 (iv) Policies for destruction of any recalled
7 cannabis product;

8 (2) Responses to local, State, or national
9 emergencies, including natural disasters, that affect the
10 security or operation of a dispensary;

11 (3) Segregation and destruction of outdated, damaged,
12 deteriorated, misbranded, or adulterated cannabis. This
13 procedure shall provide for written documentation of the
14 cannabis disposition;

15 (4) Ensure the oldest stock of a cannabis product is
16 distributed first. The procedure may permit deviation from
17 this requirement, if such deviation is temporary and
18 appropriate;

19 (5) Training of dispensing organization agents in the
20 provisions of this Act and rules, to effectively operate
21 the point-of-sale system and the State's verification
22 system, proper inventory handling and tracking, specific
23 uses of cannabis or cannabis-infused products, instruction
24 regarding regulatory inspection preparedness and law
25 enforcement interaction, awareness of the legal
26 requirements for maintaining status as an agent, and other

1 topics as specified by the dispensing organization or the
2 Department. The dispensing organization shall maintain
3 evidence of all training provided to each agent in its
4 files that is subject to inspection and audit by the
5 Department. The dispensing organization shall ensure
6 agents receive a minimum of 8 hours of training subject to
7 the requirements in subsection (i) of Section 15-40
8 annually, unless otherwise approved by the Department;

9 (6) Maintenance of business records consistent with
10 industry standards, including bylaws, consents, manual or
11 computerized records of assets and liabilities, audits,
12 monetary transactions, journals, ledgers, and supporting
13 documents, including agreements, checks, invoices,
14 receipts, and vouchers. Records shall be maintained in a
15 manner consistent with this Act and shall be retained for
16 5 years;

17 (7) Inventory control, including:

18 (i) Tracking purchases and denials of sale;

19 (ii) Disposal of unusable or damaged cannabis as
20 required by this Act and rules; and

21 (8) Purchaser education and support, including:

22 (i) Whether possession of cannabis is illegal
23 under federal law;

24 (ii) Current educational information issued by the
25 Department of Public Health about the health risks
26 associated with the use or abuse of cannabis;

1 (iii) Information about possible side effects;

2 (iv) Prohibition on smoking cannabis in public
3 places; and

4 (v) Offering any other appropriate purchaser
5 education or support materials.

6 (b) Blank.

7 (c) A dispensing organization shall maintain copies of the
8 policies and procedures on the dispensary premises and provide
9 copies to the Department upon request. The dispensing
10 organization shall review the dispensing organization policies
11 and procedures at least once every 12 months from the issue
12 date of the license and update as needed due to changes in
13 industry standards or as requested by the Department.

14 (d) A dispensing organization shall ensure that each
15 principal officer and each dispensing organization agent has a
16 current agent identification card in the agent's immediate
17 possession when the agent is at the dispensary.

18 (e) A dispensing organization shall provide prompt written
19 notice to the Department, including the date of the event,
20 when a dispensing organization agent no longer is employed by
21 the dispensing organization.

22 (f) A dispensing organization shall promptly document and
23 report any loss or theft of cannabis from the dispensary to the
24 Illinois State Police and the Department. It is the duty of any
25 dispensing organization agent who becomes aware of the loss or
26 theft to report it as provided in this Article.

1 (g) A dispensing organization shall post the following
2 information in a conspicuous location in an area of the
3 dispensary accessible to consumers:

4 (1) The dispensing organization's license;

5 (2) The hours of operation.

6 (h) Signage that shall be posted inside the premises.

7 (1) All dispensing organizations must display a
8 placard that states the following: "Cannabis consumption
9 can impair cognition and driving, is for adult use only,
10 may be habit forming, and should not be used by pregnant or
11 breastfeeding women.".

12 (2) Any dispensing organization that sells edible
13 cannabis-infused products must display a placard that
14 states the following:

15 (A) "Edible cannabis-infused products were
16 produced in a kitchen that may also process common
17 food allergens."; and

18 (B) "The effects of cannabis products can vary
19 from person to person, and it can take as long as two
20 hours to feel the effects of some cannabis-infused
21 products. Carefully review the portion size
22 information and warnings contained on the product
23 packaging before consuming.".

24 (3) All of the required signage in this subsection (h)
25 shall be no smaller than 24 inches tall by 36 inches wide,
26 with typed letters no smaller than 2 inches. The signage

1 shall be clearly visible and readable by customers. The
2 signage shall be placed in the area where cannabis and
3 cannabis-infused products are sold and may be translated
4 into additional languages as needed. The Department may
5 require a dispensary to display the required signage in a
6 different language, other than English, if the Secretary
7 deems it necessary.

8 (i) A dispensing organization shall prominently post
9 notices inside the dispensing organization that state
10 activities that are strictly prohibited and punishable by law,
11 including, but not limited to:

12 (1) no minors permitted on the premises unless the
13 minor is a minor qualifying patient under the
14 Compassionate Use of Medical Cannabis Program Act;

15 (2) distribution to persons under the age of 21 is
16 prohibited;

17 (3) transportation of cannabis or cannabis products
18 across state lines is prohibited.

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 705/15-70)

22 Sec. 15-70. Operational requirements; prohibitions.

23 (a) A dispensing organization shall operate in accordance
24 with the representations made in its application and license
25 materials. It shall be in compliance with this Act and rules.

1 (b) Beginning July 1, 2026, but no later than October 1,
2 2026, all dispensaries shall have a patient prioritization
3 plan demonstrating that the dispensary is prioritizing
4 qualifying patients, provisional patients, designated
5 caregivers, and Opioid Alternative Patient Program
6 participants. Prioritization may include, but is not limited
7 to, the following: a dedicated service line for patients or
8 caregivers; a dedicated time of the day for patients or
9 caregivers, so long as the dispensary remains open at all
10 other hours of operation to serve patients and caregivers; and
11 a dedicated register for patients or caregivers ~~A dispensing~~
12 ~~organization must include the legal name of the dispensary on~~
13 ~~the packaging of any cannabis product it sells.~~

14 (c) All cannabis, cannabis-infused products, and cannabis
15 seeds must be obtained from an Illinois registered adult use
16 cultivation center, craft grower, infuser, or another
17 dispensary.

18 (c-5) A dispensing organization may sell cannabis and
19 cannabis-infused products purchased from any cultivation
20 center, craft grower, infuser, or other dispensary to persons
21 over 21 years of age and to qualifying patients, designated
22 caregivers, provisional patients, and Opioid Alternative
23 Patient Program participants.

24 (d) Dispensing organizations are prohibited from selling
25 any product containing alcohol except tinctures, which must be
26 limited to containers that are no larger than 100 milliliters.

1 (e) A dispensing organization shall inspect and count
2 product received from a transporting organization, adult use
3 cultivation center, craft grower, infuser organization, or
4 other dispensing organization before dispensing it.

5 (f) A dispensing organization may only accept cannabis
6 deliveries into a restricted access area. Deliveries may not
7 be accepted through the public or limited access areas unless
8 otherwise approved by the Department.

9 (g) A dispensing organization shall maintain compliance
10 with State and local building, fire, and zoning requirements
11 or regulations.

12 (h) A dispensing organization shall submit a list to the
13 Department of the names of all service professionals that will
14 work at the dispensary. The list shall include a description
15 of the type of business or service provided. Changes to the
16 service professional list shall be promptly provided. No
17 service professional shall work in the dispensary until the
18 name is provided to the Department on the service professional
19 list.

20 (i) A dispensing organization's license allows for a
21 dispensary to be operated only at a single location.

22 (j) All dispensaries' hours of operation may be ~~A~~
23 ~~dispensary may operate~~ between 6 a.m. and 10 p.m. local time.

24 (k) A dispensing organization must keep all lighting
25 outside and inside the dispensary in good working order and
26 wattage sufficient for security cameras.

1 (l) A dispensing organization must keep all air treatment
2 systems that will be installed to reduce odors in good working
3 order.

4 (m) A dispensing organization must contract with a private
5 security contractor that is licensed under Section 10-5 of the
6 Private Detective, Private Alarm, Private Security,
7 Fingerprint Vendor, and Locksmith Act of 2004 to provide
8 on-site security at all hours of the dispensary's operation.

9 (n) A dispensing organization shall ensure that any
10 building or equipment used by a dispensing organization for
11 the storage or sale of cannabis is maintained in a clean and
12 sanitary condition.

13 (o) The dispensary shall be free from infestation by
14 insects, rodents, or pests.

15 (p) A dispensing organization shall not:

16 (1) Produce or manufacture cannabis;

17 (2) Accept a cannabis product from a ~~an adult use~~
18 cultivation center, craft grower, infuser, dispensing
19 organization, or transporting organization unless it is
20 pre-packaged and labeled in accordance with this Act and
21 any rules that may be adopted pursuant to this Act;

22 (3) Obtain cannabis or cannabis-infused products from
23 outside the State of Illinois;

24 (4) Sell cannabis or cannabis-infused products to a
25 purchaser unless the purchaser has been verified to be 21
26 years of age or older, or beginning July 1, 2026, the

1 person is verified to be a qualifying patient, provisional
2 patient, designated caregiver, or Opioid Alternative
3 Patient Program participant ~~the dispensing organization is~~
4 ~~licensed under the Compassionate Use of Medical Cannabis~~
5 ~~Program Act, and the individual is registered under the~~
6 ~~Compassionate Use of Medical Cannabis Program or the~~
7 ~~purchaser has been verified to be 21 years of age or older;~~

8 (5) Enter into an exclusive agreement with any adult
9 use cultivation center, craft grower, or infuser.
10 Dispensaries shall provide consumers an assortment of
11 products from various cannabis business establishment
12 licensees such that the inventory available for sale at
13 any dispensary from any single cultivation center, craft
14 grower, processor, transporter, or infuser entity shall
15 not be more than 40% of the total inventory available for
16 sale. For the purpose of this subsection, a cultivation
17 center, craft grower, processor, or infuser shall be
18 considered part of the same entity if the licensees share
19 at least one principal officer. The Department may request
20 that a dispensary diversify its products as needed or
21 otherwise discipline a dispensing organization for
22 violating this requirement;

23 (6) Refuse to conduct business with an adult use
24 cultivation center, craft grower, transporting
25 organization, or infuser that has the ability to properly
26 deliver the product and is permitted by the Department of

1 Agriculture, on the same terms as other ~~adult-use~~
2 cultivation centers, craft growers, infusers, or
3 transporters with whom it is dealing;

4 (7) (Blank); ~~Operate drive-through windows;~~

5 (8) Allow for the dispensing of cannabis or
6 cannabis-infused products in vending machines;

7 (9) Transport cannabis to residences or transport
8 cannabis to other locations where purchasers may be for
9 delivery, except for the limited circumstances provided in
10 paragraph (5.5) of subsection (c) of Section 15-100;

11 (10) Enter into agreements to allow persons who are
12 not dispensing organization agents to deliver cannabis or
13 to transport cannabis to purchasers;

14 (11) Operate a dispensary if its video surveillance
15 equipment is inoperative;

16 (12) Operate a dispensary if the point-of-sale
17 equipment is inoperative;

18 (13) Operate a dispensary if the State's cannabis
19 electronic verification system is inoperative;

20 (14) Have fewer than 2 people working at the
21 dispensary at any time while the dispensary is open;

22 (15) Be located within 1,500 feet of the property line
23 of a pre-existing dispensing organization, unless the
24 applicant is a Social Equity Applicant or Social Equity
25 Justice Involved Applicant located or seeking to locate
26 within 1,500 feet of a dispensing organization licensed

1 under Section 15-15 or Section 15-20;

2 (16) Sell clones or any other live plant material;

3 (17) Sell cannabis, cannabis concentrate, or
4 cannabis-infused products in combination or bundled with
5 each other or any other items for one price, and each item
6 of cannabis, concentrate, or cannabis-infused product must
7 be separately identified by quantity and price on the
8 receipt;

9 (18) Have a certifying health care professional
10 on-site at the dispensary, make referrals to a certifying
11 health care professional, include links to a certifying
12 health care professional on the dispensary's website, or
13 otherwise direct patients to a certifying health care
14 professional;

15 (19) Beginning July 1, 2026, fail to prioritize
16 qualifying patients, provisional patients, designated
17 caregivers, and Opioid Alternative Patient Program
18 participants; or

19 (20) ~~(18)~~ Violate any other requirements or
20 prohibitions set by Department rules.

21 (q) It is unlawful for any person having an Early Approval
22 Adult Use Dispensing Organization License, a Conditional Adult
23 Use 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 any officer, associate,

1 member, representative, or agent of such licensee to accept,
2 receive, or borrow money or anything else of value or accept or
3 receive credit (other than merchandising credit in the
4 ordinary course of business for a period not to exceed 30 days)
5 directly or indirectly from any ~~adult-use~~ cultivation center,
6 craft grower, infuser, or transporting organization in
7 exchange for preferential placement on the dispensing
8 organization's shelves, display cases, or website. This
9 includes anything received or borrowed or from any
10 stockholders, officers, agents, or persons connected with ~~a an~~
11 ~~adult-use~~ cultivation center, craft grower, infuser, or
12 transporting organization.

13 (r) It is unlawful for any person having an Early Approval
14 Adult Use Dispensing Organization License, a Conditional Adult
15 Use Dispensing Organization License, an Adult Use Dispensing
16 Organization License, or a medical cannabis dispensing
17 organization license issued under the Compassionate Use of
18 Medical Cannabis Program to enter into any contract with any
19 person licensed to cultivate, process, or transport cannabis
20 whereby such dispensing organization agrees not to sell any
21 cannabis cultivated, processed, transported, manufactured, or
22 distributed by any other cultivator, transporter, or infuser,
23 and any provision in any contract violative of this Section
24 shall render the whole of such contract void and no action
25 shall be brought thereon in any court.

26 (Source: P.A. 104-417, eff. 8-15-25.)

1 (410 ILCS 705/15-75)

2 Sec. 15-75. Inventory control system.

3 (a) A dispensing organization agent-in-charge shall have
4 primary oversight of the dispensing organization's cannabis
5 inventory verification system, and its point-of-sale system.
6 The inventory point-of-sale system shall be real-time,
7 web-based, and accessible by the Department at any time. The
8 point-of-sale system shall track, at a minimum the date of
9 sale, amount, price, and currency.

10 (b) A dispensing organization shall establish an account
11 with the State's verification system that documents:

12 (1) Each sales transaction at the time of sale and
13 each day's beginning inventory, acquisitions, sales,
14 disposal, and ending inventory.

15 (2) Acquisition of cannabis and cannabis-infused
16 products from a licensed ~~adult-use~~ cultivation center,
17 craft grower, infuser, or transporter, including:

18 (i) A description of the products, including the
19 quantity, strain, variety, and batch number of each
20 product received;

21 (ii) The name and registry identification number
22 of the licensed ~~adult-use~~ cultivation center, craft
23 grower, or infuser providing the cannabis and
24 cannabis-infused products;

25 (iii) The name and registry identification number

1 of the licensed ~~adult-use~~ cultivation center, craft
2 grower, infuser, or transporting agent delivering the
3 cannabis;

4 (iv) The name and registry identification number
5 of the dispensing organization agent receiving the
6 cannabis; and

7 (v) The date of acquisition.

8 (3) The disposal of cannabis, including:

9 (i) A description of the products, including the
10 quantity, strain, variety, batch number, and reason
11 for the cannabis being disposed;

12 (ii) The method of disposal; and

13 (iii) The date and time of disposal.

14 (c) Upon cannabis delivery, a dispensing organization
15 shall confirm the product's name, strain name, weight, and
16 identification number on the manifest matches the information
17 on the cannabis product label and package. The product name
18 listed and the weight listed in the State's verification
19 system shall match the product packaging.

20 (d) The agent-in-charge shall conduct daily inventory
21 reconciliation documenting and balancing cannabis inventory by
22 confirming the State's verification system matches the
23 dispensing organization's point-of-sale system and the amount
24 of physical product at the dispensary.

25 (1) A dispensing organization must receive Department
26 approval before completing an inventory adjustment. It

1 shall provide a detailed reason for the adjustment.
2 Inventory adjustment documentation shall be kept at the
3 dispensary for 2 years from the date performed.

4 (2) If the dispensing organization identifies an
5 imbalance in the amount of cannabis after the daily
6 inventory reconciliation due to mistake, the dispensing
7 organization shall determine how the imbalance occurred
8 and immediately upon discovery take and document
9 corrective action. If the dispensing organization cannot
10 identify the reason for the mistake within 2 calendar days
11 after first discovery, it shall inform the Department
12 immediately in writing of the imbalance and the corrective
13 action taken to date. The dispensing organization shall
14 work diligently to determine the reason for the mistake.

15 (3) If the dispensing organization identifies an
16 imbalance in the amount of cannabis after the daily
17 inventory reconciliation or through other means due to
18 theft, criminal activity, or suspected criminal activity,
19 the dispensing organization shall immediately determine
20 how the reduction occurred and take and document
21 corrective action. Within 24 hours after the first
22 discovery of the reduction due to theft, criminal
23 activity, or suspected criminal activity, the dispensing
24 organization shall inform the Department and the Illinois
25 State Police in writing.

26 (4) The dispensing organization shall file an annual

1 compilation report with the Department, including a
2 financial statement that shall include, but not be limited
3 to, an income statement, balance sheet, profit and loss
4 statement, statement of cash flow, wholesale cost and
5 sales, and any other documentation requested by the
6 Department in writing. The financial statement shall
7 include any other information the Department deems
8 necessary in order to effectively administer this Act and
9 all rules, orders, and final decisions promulgated under
10 this Act. Statements required by this Section shall be
11 filed with the Department within 60 days after the end of
12 the calendar year. The compilation report shall include a
13 letter authored by a licensed certified public accountant
14 that it has been reviewed and is accurate based on the
15 information provided. The dispensing organization,
16 financial statement, and accompanying documents are not
17 required to be audited unless specifically requested by
18 the Department.

19 (e) A dispensing organization shall:

20 (1) Maintain the documentation required in this
21 Section in a secure locked location at the dispensing
22 organization for 5 years from the date on the document;

23 (2) Provide any documentation required to be
24 maintained in this Section to the Department for review
25 upon request; and

26 (3) If maintaining a bank account, retain for a period

1 of 5 years a record of each deposit or withdrawal from the
2 account.

3 (f) If a dispensing organization chooses to have a return
4 policy for cannabis and cannabis products, the dispensing
5 organization shall seek prior approval from the Department.

6 (g) Beginning July 1, 2026, all dispensing organizations
7 shall maintain internal, confidential records that record a
8 registered qualifying patient, provisional patient, designated
9 caregiver, or Opioid Alternative Patient Program participant's
10 transactions for the patient's adequate medical supply and
11 whether it was dispensed directly to the patient or to the
12 designated caregiver. Each entry must include the amount and
13 the date and time the cannabis was dispensed. Additional
14 recordkeeping requirements may be set by rule.

15 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19;
16 102-538, eff. 8-20-21.)

17 (410 ILCS 705/15-85)

18 Sec. 15-85. Dispensing cannabis.

19 (a) Before a dispensing organization agent dispenses
20 cannabis to a purchaser, the agent shall:

21 (1) Verify the age of the purchaser by checking a
22 government-issued identification card by use of an
23 electronic reader or electronic scanning device to scan a
24 purchaser's government-issued identification, if
25 applicable, to determine the purchaser's age and the

1 validity of the identification;

2 (2) Verify the validity of the government-issued
3 identification card by use of an electronic reader or
4 electronic scanning device to scan a purchaser's
5 government-issued identification, if applicable, to
6 determine the purchaser's age and the validity of the
7 identification;

8 (3) Offer any appropriate purchaser education or
9 support materials;

10 (3-5) Verify the qualifying patient, provisional
11 patient, designated caregiver, or Opioid Alternative
12 Patient Program participant's registration card, if
13 purchasing as a patient or caregiver;

14 (4) Enter the following information into the State's
15 cannabis electronic verification system:

16 (i) The dispensing organization agent's
17 identification number, or if the agent's card
18 application is pending the Department's approval, a
19 temporary and unique identifier until the agent's card
20 application is approved or denied by the Department;

21 (ii) The dispensing organization's identification
22 number;

23 (iii) The amount, type (including strain, if
24 applicable) of cannabis or cannabis-infused product
25 dispensed;

26 (iv) The date and time the cannabis was dispensed.

1 (b) A dispensing organization shall refuse to sell
2 cannabis or cannabis-infused products to any person unless the
3 person produces a valid identification showing that the person
4 is 21 years of age or older or a qualifying patient,
5 provisional patient, designated caregivers, or Opioid
6 Alternative Patient Program participants registered under the
7 Compassionate Use of Medical Cannabis Program Act. ~~A medical~~
8 ~~cannabis dispensing organization may sell cannabis or~~
9 ~~cannabis infused products to a person who is under 21 years of~~
10 ~~age if the sale complies with the provisions of the~~
11 ~~Compassionate Use of Medical Cannabis Program Act and rules.~~

12 (c) For the purposes of this Section, valid identification
13 must:

14 (1) Be valid and unexpired;

15 (2) Contain a photograph and the date of birth of the
16 person.

17 (d) A dispensing organization shall not dispense to a
18 registered qualifying patient, provisional patient, or a
19 designated caregiver, an amount exceeding the patient's
20 adequate medical supply unless the qualifying patient has a
21 Department of Public Health-approved quantity waiver.

22 (e) Notwithstanding any other provision of law, a
23 dispensing organization may offer pickup or drive-through
24 locations for cannabis or cannabis-infused products to
25 purchasers over 21 years of age, qualifying patients,
26 provisional patients, and designated caregivers in accordance

1 with Section 15-100 of this Act.

2 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19;
3 102-98, eff. 7-15-21.)

4 (410 ILCS 705/15-100)

5 Sec. 15-100. Security.

6 (a) A dispensing organization shall implement security
7 measures to deter and prevent entry into and theft of cannabis
8 or currency.

9 (b) A dispensing organization shall submit any changes to
10 the floor plan or security plan to the Department for
11 pre-approval. All cannabis shall be maintained and stored in a
12 restricted access area during construction.

13 (c) The dispensing organization shall implement security
14 measures to protect the premises, purchasers, and dispensing
15 organization agents including, but not limited to the
16 following:

17 (1) Establish a locked door or barrier between the
18 facility's entrance and the limited access area;

19 (2) Prevent individuals from remaining on the premises
20 if they are not engaging in activity permitted by this Act
21 or rules;

22 (3) Develop a policy that addresses the maximum
23 capacity and purchaser flow in the waiting rooms and
24 limited access areas;

25 (4) Dispose of cannabis in accordance with this Act

1 and rules;

2 (5) During hours of operation, store ~~and dispense~~ all
3 cannabis in ~~from~~ the restricted access area. ~~During~~
4 ~~operational hours, cannabis shall be stored~~ in an enclosed
5 locked room or cabinet and accessible only to specifically
6 authorized dispensing organization agents;

7 (5.5) During hours of operation, dispense all cannabis
8 from the restricted access area, including a drive-through
9 window, or from a pickup location in close proximity to
10 the restricted access area. Orders in the pickup or
11 drive-through location may only be placed by the purchaser
12 or patient in advance, and the dispensing organization
13 shall, prior to dispensing the cannabis, confirm that the
14 purchaser, registered qualifying patient, provisional
15 patient, designated caregiver, or Opioid Alternative
16 Patient Program participant is in compliance with Section
17 15-85 of this Act. As used in this paragraph, "pickup
18 location in close proximity" means an area contiguous to
19 the real property of the dispensary, such as a sidewalk or
20 parking lot;

21 (6) When the dispensary is closed, store all cannabis
22 and currency in a reinforced vault room in the restricted
23 access area and in a manner as to prevent diversion,
24 theft, or loss;

25 (7) Keep the reinforced vault room and any other
26 equipment or cannabis storage areas securely locked and

1 protected from unauthorized entry;

2 (8) Keep an electronic daily log of dispensing
3 organization agents with access to the reinforced vault
4 room and knowledge of the access code or combination;

5 (9) Keep all locks and security equipment in good
6 working order;

7 (10) Maintain an operational security and alarm system
8 at all times;

9 (11) Prohibit keys, if applicable, from being left in
10 the locks, or stored or placed in a location accessible to
11 persons other than specifically authorized personnel;

12 (12) Prohibit accessibility of security measures,
13 including combination numbers, passwords, or electronic or
14 biometric security systems to persons other than
15 specifically authorized dispensing organization agents;

16 (13) Ensure that the dispensary interior and exterior
17 premises are sufficiently lit to facilitate surveillance;

18 (14) Ensure that trees, bushes, and other foliage
19 outside of the dispensary premises do not allow for a
20 person or persons to conceal themselves from sight;

21 (15) Develop emergency policies and procedures for
22 securing all product and currency following any instance
23 of diversion, theft, or loss of cannabis, and conduct an
24 assessment to determine whether additional safeguards are
25 necessary; ~~and~~

26 (16) Develop sufficient additional safeguards in

1 response to any special security concerns, or as required
2 by the Department; and

3 (17) Maintain a security and safe storage plan for
4 qualifying patient information. The health care
5 professional-patient privilege as set forth by Section
6 8-802 of the Code of Civil Procedure shall apply between a
7 qualifying patient, provisional patient, Opioid
8 Alternative Patient Program participant, 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; and-

21 (30) Engaging in a pattern of nonpayment or late
22 payment for goods or services to a cannabis business
23 establishment.

24 (b) All fines and fees imposed under this Section shall be
25 paid within 60 days after the effective date of the order
26 imposing the fine or as otherwise specified in the order.

1 (c) A circuit court order establishing that an
2 agent-in-charge or principal officer holding an agent
3 identification card is subject to involuntary admission as
4 that term is defined in Section 1-119 or 1-119.1 of the Mental
5 Health and Developmental Disabilities Code shall operate as a
6 suspension of that card.

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

8 (410 ILCS 705/Art. 20 heading)

9 Article 20.

10 ~~Adult Use~~ Cultivation Centers

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

12 (410 ILCS 705/20-10)

13 Sec. 20-10. Early Approval of Adult Use Cultivation Center
14 License.

15 (a) Any medical cannabis cultivation center registered and
16 in good standing 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 but no later
19 than 180 days from the effective date of this Act, apply to the
20 Department of Agriculture for an Early Approval Adult Use
21 Cultivation Center License to produce cannabis and
22 cannabis-infused products at its existing facilities as of the
23 effective date of this Act.

24 (b) A medical cannabis cultivation center seeking issuance

1 of an Early Approval Adult Use Cultivation Center License
2 shall submit an application on forms provided by the
3 Department of Agriculture. The application must meet or
4 include the following qualifications:

5 (1) Payment of a nonrefundable application fee of
6 \$100,000 to be deposited into the Cannabis Regulation
7 Fund;

8 (2) Proof of registration as a medical cannabis
9 cultivation center that is in good standing;

10 (3) Submission of the application by the same person
11 or entity that holds the medical cannabis cultivation
12 center registration;

13 (4) Certification that the applicant will comply with
14 the requirements of Section 20-30;

15 (5) The legal name of the cultivation center;

16 (6) The physical address of the cultivation center;

17 (7) The name, address, social security number, and
18 date of birth of each principal officer and board member
19 of the cultivation center; each of those individuals shall
20 be at least 21 years of age;

21 (8) A nonrefundable Cannabis Business Development Fee
22 equal to 5% of the cultivation center's total sales
23 between June 1, 2018 to June 1, 2019 or \$750,000,
24 whichever is less, but at not less than \$250,000, to be
25 deposited into the Cannabis Business Development Fund; and

26 (9) A commitment to completing one of the following

1 Social Equity Inclusion Plans provided for in this
2 subsection (b) before the expiration of the Early Approval
3 Adult Use Cultivation Center License:

4 (A) A contribution of 5% of the cultivation
5 center's total sales from June 1, 2018 to June 1, 2019,
6 or \$100,000, whichever is less, to one of the
7 following:

8 (i) the Cannabis Business Development Fund.
9 This is in addition to the fee required by item (8)
10 of this subsection (b);

11 (ii) a cannabis industry training or education
12 program at an Illinois community college as
13 defined in the Public Community College Act;

14 (iii) a program that provides job training
15 services to persons recently incarcerated or that
16 operates in a Disproportionately Impacted Area.

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

1 training necessary to engage in licensed cannabis
2 industry activity similar to that of the host
3 licensee. The Early Approval Adult Use Cultivation
4 Center License holder or the same entity holding any
5 other licenses issued pursuant to this Act shall not
6 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 Cultivation Center License holder fails to find a
10 business to incubate to comply with this subsection
11 before its Early Approval Adult Use Cultivation Center
12 License expires, it may opt to meet the requirement of
13 this subsection by completing another item from this
14 subsection prior to the expiration of its Early
15 Approval Adult Use Cultivation Center License to avoid
16 a penalty.

17 (c) An Early Approval Adult Use Cultivation Center License
18 is valid until March 31, 2021. A cultivation center that
19 obtains an Early Approval Adult Use Cultivation Center License
20 shall receive written or electronic notice 90 days before the
21 expiration of the license that the license will expire, and
22 inform the license holder that it may renew its Early Approval
23 Adult Use Cultivation Center License. The Department of
24 Agriculture shall grant a renewal of an Early Approval Adult
25 Use Cultivation Center License within 60 days of submission of
26 an application if:

1 (1) the cultivation center submits an application and
2 the required renewal fee of \$100,000 for an Early Approval
3 Adult Use Cultivation Center License;

4 (2) the Department of Agriculture has not suspended
5 the license of the cultivation center or suspended or
6 revoked the license for violating this Act or rules
7 adopted under this Act; and

8 (3) the cultivation center has completed a Social
9 Equity Inclusion Plan as required by item (9) of
10 subsection (b) of this Section.

11 (c-5) The Early Approval Adult Use Cultivation Center
12 License renewed pursuant to subsection (c) of this Section
13 shall expire March 31, 2022. The Early Approval Adult Use
14 Cultivation Center Licensee shall receive written or
15 electronic notice 90 days before the expiration of the license
16 that the license will expire, and inform the license holder
17 that it may apply for a ~~an Adult Use~~ Cultivation Center
18 License. The Department of Agriculture shall grant a
19 Cultivation Center ~~an Adult Use Dispensing Organization~~
20 License within 60 days of an application being deemed complete
21 if the applicant meets all of the criteria in Section 20-21.

22 (d) The license fee required by paragraph (1) of
23 subsection (c) of this Section shall be in addition to any
24 license fee required for the renewal of a registered medical
25 cannabis cultivation center license that expires during the
26 effective period of the Early Approval Adult Use Cultivation

1 Center License.

2 (e) Applicants must submit all required information,
3 including the requirements in subsection (b) of this Section,
4 to the Department of Agriculture. Failure by an applicant to
5 submit all required information may result in the application
6 being disqualified.

7 (f) If the Department of Agriculture receives an
8 application with missing information, the Department may issue
9 a deficiency notice to the applicant. The applicant shall have
10 10 calendar days from the date of the deficiency notice to
11 submit complete information. Applications that are still
12 incomplete after this opportunity to cure may be disqualified.

13 (g) If an applicant meets all the requirements of
14 subsection (b) of this Section, the Department of Agriculture
15 shall issue the Early Approval Adult Use Cultivation Center
16 License within 14 days of receiving the application unless:

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

22 (2) The Director of Agriculture determines there is
23 reason, based on an inordinate number of documented
24 compliance violations, the licensee is not entitled to an
25 Early Approval Adult Use Cultivation Center License; or

26 (3) The licensee fails to commit to the Social Equity

1 Inclusion Plan.

2 (h) A cultivation center may begin producing cannabis and
3 cannabis-infused products once the Early Approval Adult Use
4 Cultivation Center License is approved. A cultivation center
5 that obtains an Early Approval Adult Use Cultivation Center
6 License may begin selling cannabis and cannabis-infused
7 products on December 1, 2019.

8 (i) An Early Approval Adult Use Cultivation Center License
9 holder must continue to produce and provide an adequate supply
10 of cannabis and cannabis-infused products for purchase by
11 qualifying patients and caregivers. For the purposes of this
12 subsection, "adequate supply" means a monthly production level
13 that is comparable in type and quantity to those medical
14 cannabis products produced for patients and caregivers on an
15 average monthly basis for the 6 months before the effective
16 date of this Act.

17 (j) If there is a shortage of cannabis or cannabis-infused
18 products, a license holder shall prioritize patients
19 registered under the Compassionate Use of Medical Cannabis
20 Program Act over adult use purchasers.

21 (k) If an Early Approval Adult Use Cultivation Center
22 licensee fails to submit an application for a ~~an Adult Use~~
23 Cultivation Center License before the expiration of the Early
24 Approval Adult Use Cultivation Center License pursuant to
25 subsection (c-5) of this Section, the cultivation center shall
26 cease all ~~adult use~~ cultivation until it receives a ~~an Adult~~

1 ~~Use~~ Cultivation Center License.

2 (l) A cultivation center agent who holds a valid
3 cultivation center agent identification card issued under the
4 Compassionate Use of Medical Cannabis Program Act and is an
5 officer, director, manager, or employee of the cultivation
6 center licensed under this Section may engage in all
7 activities authorized by this Article to be performed by a
8 cultivation center agent.

9 (m) If the Department of Agriculture suspends or revokes
10 the Early Approval Adult Use Cultivation Center License of a
11 cultivation center that also holds a medical cannabis
12 cultivation center license issued under the Compassionate Use
13 of Medical Cannabis Program Act, the Department of Agriculture
14 may suspend or revoke the medical cannabis cultivation center
15 license concurrently with the Early Approval Adult Use
16 Cultivation Center License.

17 (n) All fees or fines collected from an Early Approval
18 Adult Use Cultivation Center License holder as a result of a
19 disciplinary action in the enforcement of this Act shall be
20 deposited into the Cannabis Regulation Fund.

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

22 (410 ILCS 705/20-15)

23 Sec. 20-15. Conditional ~~Adult Use~~ Cultivation Center
24 application.

25 (a) If the Department of Agriculture makes available

1 additional cultivation center licenses pursuant to Section
2 20-5, applicants for a Conditional ~~Adult-Use~~ Cultivation
3 Center License shall electronically submit the following in
4 such form as the Department of Agriculture may direct:

5 (1) the nonrefundable application fee set by rule by
6 the Department of Agriculture, to be deposited into the
7 Cannabis Regulation Fund;

8 (2) the legal name of the cultivation center;

9 (3) the proposed physical address of the cultivation
10 center;

11 (4) the name, address, social security number, and
12 date of birth of each principal officer and board member
13 of the cultivation center; each principal officer and
14 board member shall be at least 21 years of age;

15 (5) the details of any administrative or judicial
16 proceeding in which any of the principal officers or board
17 members of the cultivation center (i) pled guilty, were
18 convicted, were fined, or had a registration or license
19 suspended or revoked, or (ii) managed or served on the
20 board of a business or non-profit organization that pled
21 guilty, was convicted, was fined, or had a registration or
22 license suspended or revoked;

23 (6) proposed operating bylaws that include procedures
24 for the oversight of the cultivation center, including the
25 development and implementation of a plant monitoring
26 system, accurate recordkeeping, staffing plan, and

1 security plan approved by the Illinois State Police that
2 are in accordance with the rules issued by the Department
3 of Agriculture under this Act. A physical inventory shall
4 be performed of all plants and cannabis on a weekly basis
5 by the cultivation center;

6 (7) verification from the Illinois State Police that
7 all background checks of the prospective principal
8 officers, board members, and agents of the cannabis
9 business establishment have been conducted;

10 (8) a copy of the current local zoning ordinance or
11 permit and verification that the proposed cultivation
12 center is in compliance with the local zoning rules and
13 distance limitations established by the local
14 jurisdiction;

15 (9) proposed employment practices, in which the
16 applicant must demonstrate a plan of action to inform,
17 hire, and educate minorities, women, veterans, and persons
18 with disabilities, engage in fair labor practices, and
19 provide worker protections;

20 (10) whether an applicant can demonstrate experience
21 in or business practices that promote economic empowerment
22 in Disproportionately Impacted Areas;

23 (11) experience with the cultivation of agricultural
24 or horticultural products, operating an agriculturally
25 related business, or operating a horticultural business;

26 (12) a description of the enclosed, locked facility

1 where cannabis will be grown, harvested, manufactured,
2 processed, packaged, or otherwise prepared for
3 distribution to a dispensing organization;

4 (13) a survey of the enclosed, locked facility,
5 including the space used for cultivation;

6 (14) cultivation, processing, inventory, and packaging
7 plans;

8 (15) a description of the applicant's experience with
9 agricultural cultivation techniques and industry
10 standards;

11 (16) a list of any academic degrees, certifications,
12 or relevant experience of all prospective principal
13 officers, board members, and agents of the related
14 business;

15 (17) the identity of every person having a financial
16 or voting interest of 5% or greater in the cultivation
17 center operation with respect to which the license is
18 sought, whether a trust, corporation, partnership, limited
19 liability company, or sole proprietorship, including the
20 name and address of each person;

21 (18) a plan describing how the cultivation center will
22 address each of the following:

23 (i) energy needs, including estimates of monthly
24 electricity and gas usage, to what extent it will
25 procure energy from a local utility or from on-site
26 generation, and if it has or will adopt a sustainable

1 energy use and energy conservation policy;

2 (ii) water needs, including estimated water draw
3 and if it has or will adopt a sustainable water use and
4 water conservation policy; and

5 (iii) waste management, including if it has or
6 will adopt a waste reduction policy;

7 (19) a diversity plan that includes a narrative of not
8 more than 2,500 words that establishes a goal of diversity
9 in ownership, management, employment, and contracting to
10 ensure that diverse participants and groups are afforded
11 equality of opportunity;

12 (20) any other information required by rule;

13 (21) a recycling plan:

14 (A) Purchaser packaging, including cartridges,
15 shall be accepted by the applicant and recycled.

16 (B) Any recyclable waste generated by the cannabis
17 cultivation facility shall be recycled per applicable
18 State and local laws, ordinances, and rules.

19 (C) Any cannabis waste, liquid waste, or hazardous
20 waste shall be disposed of in accordance with 8 Ill.
21 Adm. Code 1000.460, except, to the greatest extent
22 feasible, all cannabis plant waste will be rendered
23 unusable by grinding and incorporating the cannabis
24 plant waste with compostable mixed waste to be
25 disposed of in accordance with 8 Ill. Adm. Code
26 1000.460 (g) (1);

1 (22) commitment to comply with local waste provisions:
2 a cultivation facility must remain in compliance with
3 applicable State and federal environmental requirements,
4 including, but not limited to:

5 (A) storing, securing, and managing all
6 recyclables and waste, including organic waste
7 composed of or containing finished cannabis and
8 cannabis products, in accordance with applicable State
9 and local laws, ordinances, and rules; and

10 (B) disposing liquid waste containing cannabis or
11 byproducts of cannabis processing in compliance with
12 all applicable State and federal requirements,
13 including, but not limited to, the cannabis
14 cultivation facility's permits under Title X of the
15 Environmental Protection Act; and

16 (23) a commitment to a technology standard for
17 resource efficiency of the cultivation center facility.

18 (A) A cannabis cultivation facility commits to use
19 resources efficiently, including energy and water. For
20 the following, a cannabis cultivation facility commits
21 to meet or exceed the technology standard identified
22 in items (i), (ii), (iii), and (iv), which may be
23 modified by rule:

24 (i) lighting systems, including light bulbs;

25 (ii) HVAC system;

26 (iii) water application system to the crop;

1 and

2 (iv) filtration system for removing
3 contaminants from wastewater.

4 (B) Lighting. The Lighting Power Densities (LPD)
5 for cultivation space commits to not exceed an average
6 of 36 watts per gross square foot of active and growing
7 space canopy, or all installed lighting technology
8 shall meet a photosynthetic photon efficacy (PPE) of
9 no less than 2.2 micromoles per joule fixture and
10 shall be featured on the DesignLights Consortium (DLC)
11 Horticultural Specification Qualified Products List
12 (QPL). In the event that DLC requirement for minimum
13 efficacy exceeds 2.2 micromoles per joule fixture,
14 that PPE shall become the new standard.

15 (C) HVAC.

16 ~~The (i) For cannabis grow operations with less~~
17 ~~than 6,000 square feet of canopy, the licensee~~
18 ~~commits that all HVAC units will be~~
19 ~~high-efficiency ductless split HVAC units, or~~
20 ~~other more energy efficient equipment.~~

21 ~~(ii) For cannabis grow operations with 6,000~~
22 ~~square feet of canopy or more, the licensee~~
23 ~~commits that all HVAC units will be variable~~
24 ~~refrigerant flow HVAC units, or other more energy~~
25 ~~efficient equipment.~~

26 (D) Water application.

1 (i) The cannabis cultivation facility commits
2 to use automated watering systems, including, but
3 not limited to, drip irrigation and flood tables,
4 to irrigate cannabis crop.

5 (ii) The cannabis cultivation facility commits
6 to measure runoff from watering events and report
7 this volume in its water usage plan, and that on
8 average, watering events shall have no more than
9 20% of runoff of water.

10 (E) Filtration. The cultivator commits that HVAC
11 condensate, dehumidification water, excess runoff, and
12 other wastewater produced by the cannabis cultivation
13 facility shall be captured and filtered to the best of
14 the facility's ability to achieve the quality needed
15 to be reused in subsequent watering rounds.

16 (F) Reporting energy use and efficiency as
17 required by rule.

18 (b) Applicants must submit all required information,
19 including the information required in Section 20-10, to the
20 Department of Agriculture. Failure by an applicant to submit
21 all required information may result in the application being
22 disqualified.

23 (c) If the Department of Agriculture receives an
24 application with missing information, the Department of
25 Agriculture may issue a deficiency notice to the applicant.
26 The applicant shall have 10 calendar days from the date of the

1 deficiency notice to resubmit the incomplete information.
2 Applications that are still incomplete after this opportunity
3 to cure will not be scored and will be disqualified.

4 (d) (Blank).

5 (e) A cultivation center that is awarded a Conditional
6 Adult Use Cultivation Center License pursuant to the criteria
7 in Section 20-20 shall not grow, purchase, possess, or sell
8 cannabis or cannabis-infused products until the person has
9 received an Adult Use Cultivation Center License issued by the
10 Department of Agriculture pursuant to Section 20-21 of this
11 Act.

12 (Source: P.A. 104-417, eff. 8-15-25.)

13 (410 ILCS 705/20-20)

14 Sec. 20-20. Conditional Cultivation Center ~~Adult Use~~
15 License scoring applications.

16 (a) The Department of Agriculture shall by rule develop a
17 system to score cultivation center applications to
18 administratively rank applications based on the clarity,
19 organization, and quality of the applicant's responses to
20 required information. Applicants shall be awarded points based
21 on the following categories:

- 22 (1) Suitability of the proposed facility;
23 (2) Suitability of employee training plan;
24 (3) Security and recordkeeping;
25 (4) Cultivation plan;

1 (5) Product safety and labeling plan;

2 (6) Business plan;

3 (7) The applicant's status as a Social Equity
4 Applicant, which shall constitute no less than 20% of
5 total available points;

6 (8) Labor and employment practices, which shall
7 constitute no less than 2% of total available points;

8 (9) Environmental plan as described in paragraphs
9 (18), (21), (22), and (23) of subsection (a) of Section
10 20-15;

11 (10) The applicant is 51% or more owned and controlled
12 by an individual or individuals who have been an Illinois
13 resident for the past 5 years as proved by tax records or 2
14 of the following:

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

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

19 (C) school records;

20 (D) a voter registration card;

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

24 (F) a paycheck stub;

25 (G) a utility bill; or

26 (H) any other proof of residency or other

1 information necessary to establish residence as
2 provided by rule;

3 (11) The applicant is 51% or more controlled and owned
4 by an individual or individuals who meet the
5 qualifications of a veteran as defined by Section 45-57 of
6 the Illinois Procurement Code;

7 (12) a diversity plan that includes a narrative of not
8 more than 2,500 words that establishes a goal of diversity
9 in ownership, management, employment, and contracting to
10 ensure that diverse participants and groups are afforded
11 equality of opportunity; and

12 (13) Any other criteria the Department of Agriculture
13 may set by rule for points.

14 (b) The Department may also award bonus points for the
15 applicant's plan to engage with the community. Bonus points
16 will only be awarded if the Department receives applications
17 that receive an equal score for a particular region.

18 (c) Should the applicant be awarded a cultivation center
19 license, the information and plans that an applicant provided
20 in its application, including any plans submitted for the
21 acquiring of bonus points, becomes a mandatory condition of
22 the permit. Any variation from or failure to perform such
23 plans may result in discipline, including the revocation or
24 nonrenewal of a license.

25 (d) Should the applicant be awarded a cultivation center
26 license, it shall pay a fee of \$100,000 prior to receiving the

1 license, to be deposited into the Cannabis Regulation Fund.
2 The Department of Agriculture may by rule adjust the fee in
3 this Section after January 1, 2021.

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

5 (410 ILCS 705/20-21)

6 Sec. 20-21. ~~Adult-Use~~ Cultivation Center License.

7 (a) A person or entity is only eligible to receive a ~~an~~
8 ~~Adult-Use~~ Cultivation Center License if the person or entity
9 has first been awarded a Conditional ~~Adult-Use~~ Cultivation
10 Center License pursuant to this Act or the person or entity has
11 renewed its Early Approval Cultivation Center License pursuant
12 to subsection (c) of Section 20-10.

13 (b) The Department of Agriculture shall not issue a ~~an~~
14 ~~Adult-Use~~ Cultivation Center License until:

15 (1) the Department of Agriculture has inspected the
16 cultivation center site and proposed operations and
17 verified that they are in compliance with this Act and
18 local zoning laws;

19 (2) the Conditional ~~Adult-Use~~ Cultivation Center
20 License holder has paid a registration fee of \$100,000 or
21 a prorated amount accounting for the difference of time
22 between when the ~~Adult-Use~~ Cultivation Center License is
23 issued and March 31 of the next even-numbered year; and

24 (3) The Conditional ~~Adult-Use~~ Cultivation Center
25 License holder has met all the requirements in the Act and

1 rules.

2 (c) Notwithstanding any other provision of law, on and
3 after July 1, 2026, the Department shall cease to issue or
4 renew any medical cannabis cultivation permit issued under the
5 Compassionate Use of Medical Cannabis Act. Licensees that hold
6 dual Medical Cannabis Cultivation Permits and Adult Use
7 Cultivation Center Licenses may continue all operations with a
8 valid Cultivation Center License issued under this Act that is
9 in good standing.

10 (1) The Department shall create a process for licenses
11 to transition to sole operation as Cultivation Centers;
12 including refund or proration of medical cultivation
13 center permit fees.

14 (2) Any statements or plans submitted as part of an
15 initial application for a medical cannabis cultivation
16 permit as well as all subsequent modifications and
17 alterations shall remain a mandatory condition of the
18 cultivation center license.

19 (3) Cultivation Centers shall not relocate except
20 within the same Illinois State Police District boundary as
21 specified on the date of January 1, 2013 in which the
22 initial Medical Cannabis Cultivation Permit was initially
23 issued.

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

25 (410 ILCS 705/20-30)

1 Sec. 20-30. Cultivation center requirements; prohibitions.

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

7 (b) A cultivation center shall implement a security plan
8 reviewed by the Illinois State Police that includes, but is
9 not limited to: facility access controls, perimeter intrusion
10 detection systems, personnel identification systems, 24-hour
11 surveillance system to monitor the interior and exterior of
12 the cultivation center facility and accessibility to
13 authorized law enforcement, the Department of Public Health
14 where processing takes place, and the Department of
15 Agriculture in real time.

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

1 organization agents as provided in this Act, individuals in a
2 mentoring or educational program approved by the State, or
3 other individuals as provided by rule.

4 (d) A cultivation center may not sell or distribute any
5 cannabis or cannabis-infused products to any person other than
6 a dispensing organization, craft grower, infuser organization,
7 transporter, or as otherwise authorized by rule.

8 (e) A cultivation center may not either directly or
9 indirectly discriminate in price between different dispensing
10 organizations, craft growers, or infuser organizations that
11 are purchasing a like grade, strain, brand, and quality of
12 cannabis or cannabis-infused product. Nothing in this
13 subsection (e) prevents a cultivation center from pricing
14 cannabis differently based on differences in the cost of
15 manufacturing or processing, the quantities sold, such as
16 volume discounts, or the way the products are delivered.

17 (f) All cannabis harvested by a cultivation center and
18 intended for distribution to a dispensing organization must be
19 entered into a data collection system, packaged and labeled
20 under Section 55-21, and placed into a cannabis container for
21 transport. All cannabis harvested by a cultivation center and
22 intended for distribution to a craft grower or infuser
23 organization must be packaged in a labeled cannabis container
24 and entered into a data collection system before transport.

25 (g) Cultivation centers are subject to random inspections
26 by the Department of Agriculture, the Department of Public

1 Health, local safety or health inspectors, the Illinois State
2 Police, or as provided by rule.

3 (h) A cultivation center agent shall notify local law
4 enforcement, the Illinois State Police, and the Department of
5 Agriculture within 24 hours of the discovery of any loss or
6 theft. Notification shall be made by phone or in person, or by
7 written or electronic communication.

8 (i) A cultivation center shall comply with all State and
9 any applicable federal rules and regulations regarding the use
10 of pesticides on cannabis plants.

11 (j) No person or entity shall hold any legal, equitable,
12 ownership, or beneficial interest, directly or indirectly, of
13 more than 3 cultivation centers licensed under this Article.
14 Further, no person or entity that is employed by, an agent of,
15 has a contract to receive payment in any form from a
16 cultivation center, is a principal officer of a cultivation
17 center, or entity controlled by or affiliated with a principal
18 officer of a cultivation shall hold any legal, equitable,
19 ownership, or beneficial interest, directly or indirectly, in
20 a cultivation that would result in the person or entity owning
21 or controlling in combination with any cultivation center,
22 principal officer of a cultivation center, or entity
23 controlled or affiliated with a principal officer of a
24 cultivation center by which he, she, or it is employed, is an
25 agent of, or participates in the management of, more than 3
26 cultivation center licenses.

1 (k) A cultivation center may not contain more than 210,000
2 square feet of canopy space for plants in the flowering stage
3 for cultivation of adult use cannabis as provided in this Act.

4 (l) A cultivation center may process cannabis, cannabis
5 concentrates, and cannabis-infused products.

6 (m) Beginning July 1, 2020, a cultivation center shall not
7 transport cannabis or cannabis-infused products to a craft
8 grower, dispensing organization, infuser organization, or
9 laboratory licensed under this Act, unless it has obtained a
10 transporting organization license.

11 (n) It is unlawful for any person having a cultivation
12 center license or any officer, associate, member,
13 representative, or agent of such licensee to offer or deliver
14 money, or anything else of value, directly or indirectly to
15 any person having an Early Approval Adult Use Dispensing
16 Organization License, a Conditional Adult Use Dispensing
17 Organization License, an Adult Use Dispensing Organization
18 License, or a medical cannabis dispensing organization license
19 issued under the Compassionate Use of Medical Cannabis Program
20 Act, or to any person connected with or in any way
21 representing, or to any member of the family of, such person
22 holding an Early Approval Adult Use Dispensing Organization
23 License, a Conditional Adult Use Dispensing Organization
24 License, an Adult Use Dispensing Organization License, or a
25 medical cannabis dispensing organization license issued under
26 the Compassionate Use of Medical Cannabis Program Act, or to

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

12 (o) A cultivation center must comply with any other
13 requirements or prohibitions set by administrative rule of the
14 Department of Agriculture.

15 (p) A cultivation center may not be located within 2,500
16 feet of the property line of a pre-existing public or private
17 preschool or elementary or secondary school or day care
18 center, day care home, group day care home, part day child care
19 facility, or an area zoned for residential use.

20 (q) Upon approval of the Department through an application
21 for alteration, cultivation centers shall retain 90 days of
22 camera storage in any location. The Department may require
23 footage be maintained for purposes of an investigation.

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

1 (410 ILCS 705/20-35)

2 Sec. 20-35. Cultivation center agent identification card.

3 (a) The Department of Agriculture shall:

4 (1) establish by rule the information required in an
5 initial application or renewal application for an agent
6 identification card submitted under this Act and the
7 nonrefundable fee to accompany the initial application or
8 renewal application;

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

15 (3) issue an agent identification card to a qualifying
16 agent within 15 business days of approving the initial
17 application or renewal application;

18 (4) enter the license number of the cultivation center
19 where the agent works; and

20 (5) allow for an electronic initial application and
21 renewal application process, and provide a confirmation by
22 electronic or other methods that an application has been
23 submitted. The Department of Agriculture may by rule
24 require prospective agents to file their applications by
25 electronic means and provide notices to the agents by

1 electronic means.

2 (b) An agent must keep his or her identification card
3 visible at all times when on the property of the cultivation
4 center at which the agent is employed.

5 (c) The agent identification cards shall contain the
6 following:

7 (1) the name of the cardholder;

8 (2) the date of issuance and expiration date of the
9 identification card;

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

13 (4) a photograph of the cardholder; and

14 (5) the legal name of the cultivation center employing
15 the agent.

16 (d) An agent identification card shall be immediately
17 returned to the cultivation center of the agent upon
18 termination of his or her employment.

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

23 (f) The Department of Agriculture shall not issue an agent
24 identification card if the applicant is delinquent in filing
25 any required tax returns or paying any amounts owed to the
26 State of Illinois.

1 (g) The Department and the Department of Financial and
2 Professional Regulation may develop and implement an
3 integrated system to issue an agent identification card which
4 identifies a cultivation center agent licensed by the
5 Department as well as any craft grower, transporter,
6 dispensing organization, community college program, or infuser
7 license or registration the agent may simultaneously hold.

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

9 (410 ILCS 705/20-45)

10 Sec. 20-45. Renewal of cultivation center licenses and
11 agent identification cards.

12 (a) Licenses and identification cards issued under this
13 Act shall be renewed annually. A cultivation center shall
14 receive written or electronic notice 90 days before the
15 expiration of its current license that the license will
16 expire. The Department of Agriculture shall grant a renewal
17 within 45 days of submission of a renewal application if:

18 (1) the cultivation center submits a renewal
19 application and the required nonrefundable renewal fee of
20 \$100,000, or another amount as the Department of
21 Agriculture may set by rule after January 1, 2021, to be
22 deposited into the Cannabis Regulation Fund. On or after
23 July 1, 2026, the Cultivation Center license renewal fee
24 shall be \$200,000 to be deposited into the Cannabis
25 Regulation Fund. For the 2027 renewal cycle, the

1 Department may establish a process to refund or prorate
2 renewal fees.

3 (2) the Department of Agriculture has not suspended
4 the license of the cultivation center or suspended or
5 revoked the license for violating this Act or rules
6 adopted under this Act;

7 (3) the cultivation center has continued to operate in
8 accordance with all plans submitted as part of its
9 application and approved by the Department of Agriculture
10 or any amendments thereto that have been approved by the
11 Department of Agriculture;

12 (4) the cultivation center has submitted an agent,
13 employee, contracting, and subcontracting diversity report
14 as required by the Department; and

15 (5) the cultivation center has submitted an
16 environmental impact report.

17 (a-5) Every cultivation center obtaining a renewal of its
18 license shall demonstrate that not less than 20%, or a
19 percentage determined by the Department of Agriculture in
20 accordance with the most recent disparity study published
21 under subsection (e) of Section 5-45 of this Act, of its total
22 annual noncannabis procurement spending is dedicated to
23 minority-owned business enterprises certified under the
24 Business Enterprise for Minorities, Women, and Persons with
25 Disabilities Act, or an equivalent certification determined by
26 the Department of Agriculture, and no waiver, exception, or

1 exemption for this requirement may be granted or obtained. The
2 noncannabis procurement spending under this subsection
3 includes, but is not limited to, the following ancillary
4 business activity:

5 (1) professional services, such as legal services,
6 accounting services, and insurance services;

7 (2) operational support services, such as security
8 services, waste management services, and information
9 technology services;

10 (3) facilities and construction services, such as
11 electrical wiring services, plumbing services, and
12 environmental remediation services; and

13 (4) green economy services, such as wind or solar
14 energy providers.

15 (b) If a cultivation center fails to renew its license
16 before expiration, it shall cease operations until its license
17 is renewed.

18 (c) If a cultivation center agent fails to renew his or her
19 identification card before its expiration, he or she shall
20 cease to work as an agent of the cultivation center until his
21 or her identification card is renewed.

22 (d) Any cultivation center that continues to operate, or
23 any cultivation center agent who continues to work as an
24 agent, after the applicable license or identification card has
25 expired without renewal is subject to the penalties provided
26 under Section 45-5.

1 (e) The Department of Agriculture shall not renew a
2 license or an agent identification card if the applicant is
3 delinquent in filing any required tax returns or paying any
4 amounts owed to the State of Illinois.

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

6 (410 ILCS 705/25-35)

7 (Section scheduled to be repealed on July 1, 2026)

8 Sec. 25-35. Community College Cannabis Vocational Training
9 Pilot Program faculty participant agent identification card.

10 (a) The Department shall:

11 (1) establish by rule the information required in an
12 initial application or renewal application for an agent
13 identification card submitted under this Article and the
14 nonrefundable fee to accompany the initial application or
15 renewal application;

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

22 (3) issue an agent identification card to a qualifying
23 agent within 15 business days of approving the initial
24 application or renewal application;

25 (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 705/30-10)

18 Sec. 30-10. Application.

19 (a) When applying for a license, the applicant shall
20 electronically submit the following in such form as the
21 Department of Agriculture may direct:

22 (1) the nonrefundable application fee of \$5,000 to be
23 deposited into the Cannabis Regulation Fund, or another
24 amount as the Department of Agriculture may set by rule
25 after January 1, 2021;

1 (2) the legal name of the craft grower;

2 (3) the proposed physical address of the craft grower;

3 (4) the name, address, social security number, and
4 date of birth of each principal officer and board member
5 of the craft grower; each principal officer and board
6 member shall be at least 21 years of age;

7 (5) the details of any administrative or judicial
8 proceeding in which any of the principal officers or board
9 members of the craft grower (i) pled guilty, were
10 convicted, were fined, or had a registration or license
11 suspended or revoked or (ii) managed or served on the
12 board of a business or non-profit organization that pled
13 guilty, was convicted, was fined, or had a registration or
14 license suspended or revoked;

15 (6) proposed operating bylaws that include procedures
16 for the oversight of the craft grower, including the
17 development and implementation of a plant monitoring
18 system, accurate recordkeeping, staffing plan, and
19 security plan approved by the Illinois State Police that
20 are in accordance with the rules issued by the Department
21 of Agriculture under this Act; a physical inventory shall
22 be performed of all plants and on a weekly basis by the
23 craft grower;

24 (7) verification from the Illinois State Police that
25 all background checks of the prospective principal
26 officers, board members, and agents of the cannabis

1 business establishment have been conducted;

2 (8) a copy of the current local zoning ordinance or
3 permit and verification that the proposed craft grower is
4 in compliance with the local zoning rules and distance
5 limitations established by the local jurisdiction;

6 (9) proposed employment practices, in which the
7 applicant must demonstrate a plan of action to inform,
8 hire, and educate minorities, women, veterans, and persons
9 with disabilities, engage in fair labor practices, and
10 provide worker protections;

11 (10) whether an applicant can demonstrate experience
12 in or business practices that promote economic empowerment
13 in Disproportionately Impacted Areas;

14 (11) experience with the cultivation of agricultural
15 or horticultural products, operating an agriculturally
16 related business, or operating a horticultural business;

17 (12) a description of the enclosed, locked facility
18 where cannabis will be grown, harvested, manufactured,
19 packaged, or otherwise prepared for distribution to a
20 dispensing organization or other cannabis business
21 establishment;

22 (13) a survey of the enclosed, locked facility,
23 including the space used for cultivation;

24 (14) cultivation, processing, inventory, and packaging
25 plans;

26 (15) a description of the applicant's experience with

1 agricultural cultivation techniques and industry
2 standards;

3 (16) a list of any academic degrees, certifications,
4 or relevant experience of all prospective principal
5 officers, board members, and agents of the related
6 business;

7 (17) the identity of every person having a financial
8 or voting interest of 5% or greater in the craft grower
9 operation, whether a trust, corporation, partnership,
10 limited liability company, or sole proprietorship,
11 including the name and address of each person;

12 (18) a plan describing how the craft grower will
13 address each of the following:

14 (i) energy needs, including estimates of monthly
15 electricity and gas usage, to what extent it will
16 procure energy from a local utility or from on-site
17 generation, and if it has or will adopt a sustainable
18 energy use and energy conservation policy;

19 (ii) water needs, including estimated water draw
20 and if it has or will adopt a sustainable water use and
21 water conservation policy; and

22 (iii) waste management, including if it has or
23 will adopt a waste reduction policy;

24 (19) a recycling plan:

25 (A) Purchaser packaging, including cartridges,
26 shall be accepted by the applicant and recycled.

1 (B) Any recyclable waste generated by the craft
2 grower facility shall be recycled per applicable State
3 and local laws, ordinances, and rules.

4 (C) Any cannabis waste, liquid waste, or hazardous
5 waste shall be disposed of in accordance with 8 Ill.
6 Adm. Code 1000.460, except, to the greatest extent
7 feasible, all cannabis plant waste will be rendered
8 unusable by grinding and incorporating the cannabis
9 plant waste with compostable mixed waste to be
10 disposed of in accordance with 8 Ill. Adm. Code
11 1000.460 (g) (1);

12 (20) a commitment to comply with local waste
13 provisions: a craft grower facility must remain in
14 compliance with applicable State and federal environmental
15 requirements, including, but not limited to:

16 (A) storing, securing, and managing all
17 recyclables and waste, including organic waste
18 composed of or containing finished cannabis and
19 cannabis products, in accordance with applicable State
20 and local laws, ordinances, and rules; and

21 (B) disposing liquid waste containing cannabis or
22 byproducts of cannabis processing in compliance with
23 all applicable State and federal requirements,
24 including, but not limited to, the cannabis
25 cultivation facility's permits under Title X of the
26 Environmental Protection Act;

1 (21) a commitment to a technology standard for
2 resource efficiency of the craft grower facility.

3 (A) A craft grower facility commits to use
4 resources efficiently, including energy and water. For
5 the following, a cannabis cultivation facility commits
6 to meet or exceed the technology standard identified
7 in paragraphs (i), (ii), (iii), and (iv), which may be
8 modified by rule:

9 (i) lighting systems, including light bulbs;

10 (ii) HVAC system;

11 (iii) water application system to the crop;

12 and

13 (iv) filtration system for removing
14 contaminants from wastewater.

15 (B) Lighting. The Lighting Power Densities (LPD)
16 for cultivation space commits to not exceed an average
17 of 36 watts per gross square foot of active and growing
18 space canopy, or all installed lighting technology
19 shall meet a photosynthetic photon efficacy (PPE) of
20 no less than 2.2 micromoles per joule fixture and
21 shall be featured on the DesignLights Consortium (DLC)
22 Horticultural Specification Qualified Products List
23 (QPL). In the event that DLC requirement for minimum
24 efficacy exceeds 2.2 micromoles per joule fixture,
25 that PPE shall become the new standard.

26 (C) HVAC.

1 (i) ~~The For cannabis grow operations with less~~
2 ~~than 6,000 square feet of canopy, the licensee~~
3 commits that all HVAC units will be
4 high-efficiency ductless split HVAC units, or
5 other more energy efficient equipment.

6 (ii) (Blank). ~~For cannabis grow operations~~
7 ~~with 6,000 square feet of canopy or more, the~~
8 ~~licensee commits that all HVAC units will be~~
9 ~~variable refrigerant flow HVAC units, or other~~
10 ~~more energy efficient equipment.~~

11 (D) Water application.

12 (i) The craft grower facility commits to use
13 automated watering systems, including, but not
14 limited to, drip irrigation and flood tables, to
15 irrigate cannabis crop.

16 (ii) The craft grower facility commits to
17 measure runoff from watering events and report
18 this volume in its water usage plan, and that on
19 average, watering events shall have no more than
20 20% of runoff of water.

21 (E) Filtration. The craft grower commits that HVAC
22 condensate, dehumidification water, excess runoff, and
23 other wastewater produced by the craft grower facility
24 shall be captured and filtered to the best of the
25 facility's ability to achieve the quality needed to be
26 reused in subsequent watering rounds.

1 (F) Reporting energy use and efficiency as
2 required by rule; and

3 (22) any other information required by rule.

4 (b) Applicants must submit all required information,
5 including the information required in Section 30-15, to the
6 Department of Agriculture. Failure by an applicant to submit
7 all required information may result in the application being
8 disqualified.

9 (c) If the Department of Agriculture receives an
10 application with missing information, the Department of
11 Agriculture may issue a deficiency notice to the applicant.
12 The applicant shall have 10 calendar days from the date of the
13 deficiency notice to resubmit the incomplete information.
14 Applications that are still incomplete after this opportunity
15 to cure will not be scored and will be disqualified.

16 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19;
17 102-538, eff. 8-20-21.)

18 (410 ILCS 705/30-30)

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

20 (a) The operating documents of a craft grower shall
21 include procedures for the oversight of the craft grower, a
22 cannabis plant monitoring system including a physical
23 inventory recorded weekly, accurate recordkeeping, and a
24 staffing plan.

25 (b) A craft grower shall implement a security plan

1 reviewed by the Illinois State Police that includes, but is
2 not limited to: facility access controls, perimeter intrusion
3 detection systems, personnel identification systems, and a
4 24-hour surveillance system to monitor the interior and
5 exterior of the craft grower facility and that is accessible
6 to authorized law enforcement and the Department of
7 Agriculture in real time.

8 (c) All cultivation of cannabis by a craft grower must
9 take place in an enclosed, locked facility at the physical
10 address provided to the Department of Agriculture during the
11 licensing process. The craft grower location shall only be
12 accessed by the agents working for the craft grower, the
13 Department of Agriculture staff performing inspections, the
14 Department of Public Health staff performing inspections,
15 State and local law enforcement or other emergency personnel,
16 contractors working on jobs unrelated to cannabis, such as
17 installing or maintaining security devices or performing
18 electrical wiring, transporting organization agents as
19 provided in this Act, or participants in the incubator
20 program, individuals in a mentoring or educational program
21 approved by the State, or other individuals as provided by
22 rule. However, if a craft grower shares a premises with an
23 infuser or dispensing organization, agents from those other
24 licensees may access the craft grower portion of the premises
25 if that is the location of common bathrooms, lunchrooms,
26 locker rooms, or other areas of the building where work or

1 cultivation of cannabis is not performed. At no time may an
2 infuser or dispensing organization agent perform work at a
3 craft grower without being a registered agent of the craft
4 grower.

5 (d) A craft grower may not sell or distribute any cannabis
6 to any person other than a cultivation center, a craft grower,
7 an infuser organization, a dispensing organization, or as
8 otherwise authorized by rule.

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

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

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

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

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

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

13 (j) A craft grower shall comply with all State and any
14 applicable federal rules and regulations regarding the use of
15 pesticides.

16 (k) A craft grower or craft grower agent shall not
17 transport cannabis or cannabis-infused products to any other
18 cannabis business establishment without a transport
19 organization license unless:

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

24 (ii) If the craft grower is located in a county with a
25 population of more than 700,000 but fewer than 3,000,000,
26 the cannabis business establishment receiving the cannabis

1 is within 2 miles of the craft grower; or

2 (iii) If the craft grower is located in a county with a
3 population of fewer than 700,000, the cannabis business
4 establishment receiving the cannabis is within 15 miles of
5 the craft grower.

6 (l) A craft grower may enter into a contract with a
7 transporting organization to transport cannabis to a
8 cultivation center, a craft grower, an infuser organization, a
9 dispensing organization, or a laboratory.

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

25 (n) It is unlawful for any person having a craft grower
26 license or any officer, associate, member, representative, or

1 agent of the licensee to offer or deliver money, or anything
2 else of value, directly or indirectly, to any person having an
3 Early Approval Adult Use Dispensing Organization License, a
4 Conditional Adult Use Dispensing Organization License, an
5 Adult Use Dispensing Organization License, or a medical
6 cannabis dispensing organization license issued under the
7 Compassionate Use of Medical Cannabis Program Act, or to any
8 person connected with or in any way representing, or to any
9 member of the family of, the person holding an Early Approval
10 Adult Use Dispensing Organization License, a Conditional Adult
11 Use Dispensing Organization License, an Adult Use Dispensing
12 Organization License, or a medical cannabis dispensing
13 organization license issued under the Compassionate Use of
14 Medical Cannabis Program Act, or to any stockholders in any
15 corporation engaged in the retail sale of cannabis, or to any
16 officer, manager, agent, or representative of the Early
17 Approval Adult Use Dispensing Organization License, a
18 Conditional Adult Use Dispensing Organization License, an
19 Adult Use Dispensing Organization License, or a medical
20 cannabis dispensing organization license issued under the
21 Compassionate Use of Medical Cannabis Program Act to obtain
22 preferential placement within the dispensing organization,
23 including, without limitation, on shelves and in display cases
24 where purchasers can view products, or on the dispensing
25 organization's website.

26 (o) A craft grower shall not be located within 1,500 feet

1 of another craft grower or a cultivation center.

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

4 (q) A craft grower must comply with any other requirements
5 or prohibitions set by administrative rule of the Department
6 of Agriculture.

7 (r) Upon approval of the Department through an application
8 for alteration, craft growers shall retain 90 days of camera
9 storage in any location. The Department may require footage be
10 maintained for purposes of an investigation.

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 705/30-35)

15 Sec. 30-35. Craft grower agent identification card.

16 (a) The Department of Agriculture shall:

17 (1) establish by rule the information required in an
18 initial application or renewal application for an agent
19 identification card submitted under this Act and the
20 nonrefundable fee to accompany the initial application or
21 renewal application;

22 (2) verify the information contained in an initial
23 application or renewal application for an agent
24 identification card submitted under this Act and approve
25 or deny an application within 30 days of receiving a

1 completed initial application or renewal application and
2 all supporting documentation required by rule;

3 (3) issue an agent identification card to a qualifying
4 agent within 15 business days of approving the initial
5 application or renewal application;

6 (4) enter the license number of the craft grower where
7 the agent works; and

8 (5) allow for an electronic initial application and
9 renewal application process, and provide a confirmation by
10 electronic or other methods that an application has been
11 submitted. The Department of Agriculture may by rule
12 require prospective agents to file their applications by
13 electronic means and provide notices to the agents by
14 electronic means.

15 (b) An agent must keep his or her identification card
16 visible at all times when on the property of a cannabis
17 business establishment, including the craft grower
18 organization for which he or she is an agent.

19 (c) The agent identification cards shall contain the
20 following:

21 (1) the name of the cardholder;

22 (2) the date of issuance and expiration date of the
23 identification card;

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

1 (4) a photograph of the cardholder; and

2 (5) the legal name of the craft grower organization
3 employing the agent.

4 (d) An agent identification card shall be immediately
5 returned to the cannabis business establishment of the agent
6 upon termination of his or her employment.

7 (e) Any agent identification card lost by a craft grower
8 agent shall be reported to the Illinois State Police and the
9 Department of Agriculture immediately upon discovery of the
10 loss.

11 (f) 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 (g) The Department and the Department of Financial and
16 Professional Regulation may develop and implement an
17 integrated system to issue an agent identification card that
18 identifies a craft grower agent licensed by the Department as
19 well as any cultivator, dispensary, transporter, community
20 college program, or infuser license or registration the agent
21 may simultaneously hold.

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

23 (410 ILCS 705/30-45)

24 Sec. 30-45. Renewal of craft grower licenses and agent
25 identification cards.

1 (a) Licenses and identification cards issued under this
2 Act shall be renewed annually. Effective July 1, 2026 all
3 craft grower licenses are valid for 2 years upon the next
4 renewal period. A craft grower shall receive written or
5 electronic notice 90 days before the expiration of its current
6 license that the license will expire. The Department of
7 Agriculture shall grant a renewal within 45 days of submission
8 of a renewal application if:

9 (1) the craft grower submits a renewal application and
10 the required nonrefundable renewal fee of \$40,000, or
11 another amount as the Department of Agriculture may set by
12 rule after January 1, 2021;

13 (2) the Department of Agriculture has not suspended
14 the license of the craft grower or suspended or revoked
15 the license for violating this Act or rules adopted under
16 this Act;

17 (3) the craft grower has continued to operate in
18 accordance with all plans submitted as part of its
19 application and approved by the Department of Agriculture
20 or any amendments thereto that have been approved by the
21 Department of Agriculture;

22 (4) the craft grower has submitted an agent, employee,
23 contracting, and subcontracting diversity report as
24 required by the Department; and

25 (5) the craft grower has submitted an environmental
26 impact report.

1 (b) If a craft grower fails to renew its license before
2 expiration, it shall cease operations until its license is
3 renewed.

4 (c) If a craft grower agent fails to renew his or her
5 identification card before its expiration, he or she shall
6 cease to work as an agent of the craft grower organization
7 until his or her identification card is renewed.

8 (d) Any craft grower that continues to operate, or any
9 craft grower agent who continues to work as an agent, after the
10 applicable license or identification card has expired without
11 renewal is subject to the penalties provided under Section
12 45-5.

13 (e) All fees or fines collected from the renewal of a craft
14 grower license shall be deposited into the Cannabis Regulation
15 Fund.

16 (f) The Department of Agriculture shall not renew a
17 license or an agent identification card if the applicant is
18 delinquent in filing any required tax returns or paying any
19 amounts owed to the State of Illinois

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

21 (410 ILCS 705/35-25)

22 Sec. 35-25. Infuser organization requirements;
23 prohibitions.

24 (a) The operating documents of an infuser shall include
25 procedures for the oversight of the infuser, an inventory

1 monitoring system including a physical inventory recorded
2 weekly, accurate recordkeeping, and a staffing plan.

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

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

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

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

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

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

1 container and entered into a data collection system before
2 transport.

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

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

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

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

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

23 (ii) If the infuser is located in a county with a
24 population of more than 700,000 but fewer than 3,000,000,
25 the cannabis business establishment receiving the cannabis
26 or cannabis-infused product is within 2 miles of the

1 infuser; or

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

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

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

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

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

16 (n) At no time shall an infuser organization or an infuser
17 agent perform the extraction of cannabis concentrate from
18 cannabis flower, except if the infuser organization has also
19 been issued a processor license under Section 35-31(f).

20 (o) Upon approval of the Department through an application
21 for alteration, infusing organizations shall retain 90 days of
22 camera storage in any location. The Department may require
23 footage be maintained for purposes of an investigation.

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

1 (410 ILCS 705/35-30)

2 Sec. 35-30. Infuser agent identification card.

3 (a) The Department of Agriculture shall:

4 (1) establish by rule the information required in an
5 initial application or renewal application for an agent
6 identification card submitted under this Act and the
7 nonrefundable fee to accompany the initial application or
8 renewal application;

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

15 (3) issue an agent identification card to a qualifying
16 agent within 15 business days of approving the initial
17 application or renewal application;

18 (4) enter the license number of the infuser where the
19 agent works; and

20 (5) allow for an electronic initial application and
21 renewal application process, and provide a confirmation by
22 electronic or other methods that an application has been
23 submitted. The Department of Agriculture may by rule
24 require prospective agents to file their applications by
25 electronic means and provide notices to the agents by

1 electronic means.

2 (b) An agent must keep his or her identification card
3 visible at all times when on the property of a cannabis
4 business establishment including the cannabis business
5 establishment for which he or she is an agent.

6 (c) The agent identification cards shall contain the
7 following:

8 (1) the name of the cardholder;

9 (2) the date of issuance and expiration date of the
10 identification card;

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

14 (4) a photograph of the cardholder; and

15 (5) the legal name of the infuser organization
16 employing the agent.

17 (d) An agent identification card shall be immediately
18 returned to the infuser organization of the agent upon
19 termination of his or her employment.

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

24 (f) An agent applicant may begin employment at an infuser
25 organization while the agent applicant's identification card
26 application is pending. Upon approval, the Department shall

1 issue the agent's identification card to the agent. If denied,
2 the infuser organization and the agent applicant shall be
3 notified and the agent applicant must cease all activity at
4 the infuser organization immediately.

5 (g) The Department of Agriculture shall not issue an agent
6 identification card if the applicant is delinquent in filing
7 any required tax returns or paying any amounts owed to the
8 State of Illinois.

9 (h) The Department and the Department of Financial and
10 Professional Regulation may develop and implement an
11 integrated system to issue an agent identification card that
12 identifies an infuser agent licensed by the Department as well
13 as any cultivation center, craft grower, dispensary,
14 transporter, or community college program, or registration the
15 agent may simultaneously hold.

16 (Source: P.A. 101-27, eff. 6-25-19; 102-98, eff. 7-15-21;
17 102-538, eff. 8-20-21; 102-813, eff. 5-13-22.)

18 (410 ILCS 705/35-40)

19 Sec. 35-40. Renewal of infuser organization licenses and
20 agent identification cards.

21 (a) Licenses and identification cards issued under this
22 Act shall be renewed annually. Effective July 1, 2026 all
23 infuser organization licenses are valid for two years upon the
24 next renewal period. An infuser organization shall receive
25 written or electronic notice 90 days before the expiration of

1 its current license that the license will expire. The
2 Department of Agriculture shall grant a renewal within 45 days
3 of submission of a renewal application if:

4 (1) the infuser organization submits a renewal
5 application and the required nonrefundable renewal fee of
6 \$20,000, or, after January 1, 2021, another amount set by
7 rule by the Department of Agriculture, to be deposited
8 into the Cannabis Regulation Fund;

9 (2) the Department of Agriculture has not suspended or
10 revoked the license of the infuser organization for
11 violating this Act or rules adopted under this Act;

12 (3) the infuser organization has continued to operate
13 in accordance with all plans submitted as part of its
14 application and approved by the Department of Agriculture
15 or any amendments thereto that have been approved by the
16 Department of Agriculture;

17 (4) The infuser has submitted an agent, employee,
18 contracting, and subcontracting diversity report as
19 required by the Department; and

20 (5) The infuser has submitted an environmental impact
21 report.

22 (b) If an infuser organization fails to renew its license
23 before expiration, it shall cease operations until its license
24 is renewed.

25 (c) If an infuser organization agent fails to renew his or
26 her identification card before its expiration, he or she shall

1 cease to work as an agent of the infuser organization until his
2 or her identification card is renewed.

3 (d) Any infuser organization that continues to operate, or
4 any infuser organization agent who continues to work as an
5 agent, after the applicable license or identification card has
6 expired without renewal is subject to the penalties provided
7 under Section 35-25.

8 (e) The Department shall not renew a license or an agent
9 identification card if the applicant is delinquent in filing
10 any required tax returns or paying any amounts owed to the
11 State of Illinois.

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

13 (410 ILCS 705/40-25)

14 Sec. 40-25. Transporting organization requirements;
15 prohibitions.

16 (a) The operating documents of a transporting organization
17 shall include procedures for the oversight of the transporter,
18 an inventory monitoring system including a physical inventory
19 recorded weekly, accurate recordkeeping, and a staffing plan.

20 (b) A transporting organization may not transport cannabis
21 or cannabis-infused products to any person other than a
22 cultivation center, a craft grower, an infuser organization, a
23 dispensing organization, a testing facility, transfer site, or
24 as otherwise authorized by rule.

25 (c) All cannabis transported by a transporting

1 organization must be entered into a data collection system and
2 placed into a cannabis container for transport.

3 (d) Transporters are subject to random inspections by the
4 Department of Agriculture, the Department of Public Health,
5 the Illinois State Police, or as provided by rule.

6 (e) A transporting organization agent shall notify local
7 law enforcement, the Illinois State Police, and the Department
8 of Agriculture within 24 hours of the discovery of any loss or
9 theft. Notification shall be made by phone, in person, or by
10 written or electronic communication.

11 (f) No person under the age of 21 years shall be in a
12 commercial vehicle or trailer transporting cannabis goods.

13 (g) No person or individual who is not a transporting
14 organization agent shall be in a vehicle while transporting
15 cannabis goods.

16 (h) Transporters may not use commercial motor vehicles
17 with a weight rating of over 10,001 pounds.

18 (i) It is unlawful for any person to offer or deliver
19 money, or anything else of value, directly or indirectly, to
20 any of the following persons to obtain preferential placement
21 within the dispensing organization, including, without
22 limitation, on shelves and in display cases where purchasers
23 can view products, or on the dispensing organization's
24 website:

25 (1) a person having a transporting organization
26 license, or any officer, associate, member,

1 representative, or agent of the licensee;

2 (2) a person having an Early Applicant Adult Use
3 Dispensing Organization License, an Adult Use Dispensing
4 Organization License, or a medical cannabis dispensing
5 organization license issued under the Compassionate Use of
6 Medical Cannabis Program Act;

7 (3) a person connected with or in any way
8 representing, or a member of the family of, a person
9 holding an Early Applicant Adult Use Dispensing
10 Organization License, an Adult Use Dispensing Organization
11 License, or a medical cannabis dispensing organization
12 license issued under the Compassionate Use of Medical
13 Cannabis Program Act; or

14 (4) a stockholder, officer, manager, agent, or
15 representative of a corporation engaged in the retail sale
16 of cannabis, an Early Applicant Adult Use Dispensing
17 Organization License, an Adult Use Dispensing Organization
18 License, or a medical cannabis dispensing organization
19 license issued under the Compassionate Use of Medical
20 Cannabis Program Act.

21 (j) A transporting organization agent must keep his or her
22 identification card visible at all times when on the property
23 of a cannabis business establishment and during the
24 transporting of cannabis when acting under his or her duties
25 as a transportation organization agent. During these times,
26 the transporting organization agent must also provide the

1 identification card upon request of any law enforcement
2 officer engaged in his or her official duties.

3 (k) A copy of the transporting organization's registration
4 and a manifest for the delivery shall be present in any vehicle
5 transporting cannabis.

6 (l) Cannabis shall be transported so it is not visible or
7 recognizable from outside the vehicle.

8 (m) A vehicle transporting cannabis must not bear any
9 markings to indicate the vehicle contains cannabis or bear the
10 name or logo of the cannabis business establishment.

11 (n) Cannabis must be transported in an enclosed, locked
12 storage compartment that is secured or affixed to the vehicle.

13 (o) The Department of Agriculture may, by rule, impose any
14 other requirements or prohibitions on the transportation of
15 cannabis.

16 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19;
17 102-98, eff. 7-15-21; 102-538, eff. 8-20-21; 102-813, eff.
18 5-13-22.)

19 (410 ILCS 705/40-31 new)

20 Sec. 40-31. Transporter transfer site.

21 (a) Transporting organizations may, but are not required
22 to, operate a transfer site.

23 (b) Plans for a transfer site must be submitted and
24 approved by the Department through an application for
25 modification of the license.

1 (c) A transfer site shall be an enclosed facility such as a
2 garage or loading bay with physical walls and ceiling and
3 large enough to fit 2 vehicles.

4 (d) All transfers of cannabis product at a transporter
5 physical location shall be documented in the cannabis plant
6 monitoring system.

7 (e) A transfer site shall be a separate facility from
8 other cannabis business establishments. A transfer site may be
9 adjacent to another cannabis business establishment.

10 (f) Transporter physical locations shall be equipped with
11 cameras and be required to operate and maintain in good
12 working order a 24-hour 7-days a week closed circuit
13 television surveillance system. The electronic security system
14 shall be available 24 hours per day 7 days per week to the
15 Department and the Illinois State Police via a secure
16 web-based portal with forward and backward playback abilities.

17 (g) The Department may by rule establish standards and
18 requirements for the storage of cannabis product. Transporters
19 are not permitted to store cannabis products at a transfer
20 site until authorized by rule.

21 (h) The Department and the Department of Financial and
22 Professional Regulation may develop and implement an
23 integrated system to issue an agent identification card that
24 identifies a transporter agent licensed by the Department as
25 well as any cultivation center, craft grower, dispensary,
26 infuser, or community college program, or registration the

1 agent may simultaneously hold.

2 (410 ILCS 705/45-5)

3 Sec. 45-5. License suspension; revocation; other
4 penalties.

5 (a) Notwithstanding any other criminal penalties related
6 to the unlawful possession of cannabis, the Department of
7 Financial and Professional Regulation and the Department of
8 Agriculture may revoke, suspend, place on probation,
9 reprimand, issue cease and desist orders, refuse to issue or
10 renew a license, or take any other disciplinary or
11 nondisciplinary action as each department may deem proper with
12 regard to a cannabis business establishment or cannabis
13 business establishment agent, including fines not to exceed:

14 (1) \$50,000 for each violation of this Act or rules
15 adopted under this Act by a cultivation center or
16 cultivation center agent;

17 (2) \$20,000 for each violation of this Act or rules
18 adopted under this Act by a dispensing organization or
19 dispensing organization agent;

20 (3) \$15,000 for each violation of this Act or rules
21 adopted under this Act by a craft grower or craft grower
22 agent;

23 (4) \$10,000 for each violation of this Act or rules
24 adopted under this Act by an infuser organization or
25 infuser organization agent; and

1 (5) \$10,000 for each violation of this Act or rules
2 adopted under this Act by a transporting organization or
3 transporting organization agent.

4 (6) \$15,000 for each violation of this Act or rules
5 adopted under this Act by a cannabis testing facility.

6 (b) The Department of Financial and Professional
7 Regulation and the Department of Agriculture, as the case may
8 be, shall consider licensee cooperation in any agency or other
9 investigation in its determination of penalties imposed under
10 this Section.

11 (c) The procedures for disciplining a cannabis business
12 establishment or cannabis business establishment agent and for
13 administrative hearings shall be determined by rule, and shall
14 provide for the review of final decisions under the
15 Administrative Review Law.

16 (d) The Attorney General may also enforce a violation of
17 Section 55-20, Section 55-21, and Section 15-155 as an
18 unlawful practice under the Consumer Fraud and Deceptive
19 Business Practices Act.

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

21 (410 ILCS 705/45-25 new)

22 Sec. 45-25. Diversity spending requirements; penalties;
23 reports; rulemaking.

24 (a) Every dispensing organization and cultivation center
25 licensed under this Act shall annually meet diversity

1 noncannabis procurement spending as described under this
2 Section. Not less than 20%, or a percentage determined by the
3 Department of Financial and Professional Regulation for
4 dispensing organizations or by the Department of Agriculture
5 for cultivation centers in accordance with the most recent
6 disparity study published under subsection (e) of Section 5-45
7 of this Act, of the total annual noncannabis procurement
8 spending of a dispensing organization or cultivation center
9 licensed under this Act shall be dedicated to minority-owned
10 business enterprises certified under the Business Enterprise
11 for Minorities, Women, and Persons with Disabilities Act, or
12 an equivalent certification determined by the Department of
13 Financial and Professional Regulation for dispensing
14 organizations or by the Department of Agriculture for
15 cultivation centers, and no waiver, exception, or exemption
16 for this requirement may be granted or obtained. The
17 noncannabis procurement spending under this subsection
18 includes, but is not limited to, the following ancillary
19 business activity:

20 (1) professional services, such as legal services,
21 accounting services, and insurance services;

22 (2) operational support services, such as security
23 services, waste management services, and information
24 technology services;

25 (3) facilities and construction services, such as
26 electrical wiring services, plumbing services, and

1 environmental remediation services; and

2 (4) green economy services, such as wind or solar
3 energy providers.

4 (b) A dispensing organization or cultivation center
5 licensed under this Act that violates subsection (a) of this
6 Section shall be liable for a civil penalty of an amount equal
7 to the difference between the required annual noncannabis
8 procurement spending dedicated to certified minority-owned
9 business enterprises under subsection (a) and its actual
10 spending. Such civil penalty shall be deposited into the
11 Cannabis Business Development Fund. A dispensing organization
12 or cultivation center licensed under this Act that violates
13 subsection (a) of this Section for a second violation shall
14 have its license under this Act suspended until a corrective
15 action plan is approved by the Cannabis Equity Commission. The
16 penalties under this subsection shall be assessed after a
17 hearing is held in accordance with this Act and rules adopted
18 under this Act.

19 (c) Dispensing organizations licensed under this Act shall
20 annually report to the Department of Financial and
21 Professional Regulation and cultivations centers licensed
22 under this Act shall annually report to the Department of
23 Agriculture evidence of compliance with subsection (a) of this
24 Section. Such reports shall be public records and subject to
25 disclosure under the Freedom of Information Act.

26 (d) The Department of Financial and Professional

1 Regulation, in consultation with the Department of Agriculture
2 and the Cannabis Equity Commission, shall adopt rules
3 implementing and administering this Section as it applies to
4 dispensing organizations licensed under this Act. The
5 Department of Agriculture, in consultation with the Department
6 of Financial and Professional Regulation and the Cannabis
7 Equity Commission, shall adopt rules implementing and
8 administering this Section as it applies to cultivation
9 centers licensed under this Act.

10 (410 ILCS 705/50-5)

11 Sec. 50-5. Laboratory testing.

12 (a) Notwithstanding any other provision of law, the
13 following acts, when performed by a cannabis testing facility
14 with a current, valid license ~~registration~~, or a person 21
15 years of age or older who is acting in his or her capacity as
16 an owner, employee, or agent of a cannabis testing facility,
17 are not unlawful and shall not be an offense under Illinois law
18 or be a basis for seizure or forfeiture of assets under
19 Illinois law:

20 (1) possessing, repackaging, transporting, storing, or
21 displaying cannabis or cannabis-infused products;

22 (2) receiving or transporting cannabis or
23 cannabis-infused products from a cannabis business
24 establishment, a community college licensed under the
25 Community College Cannabis Vocational Training Pilot

1 Program, or a person 21 years of age or older; and

2 (3) returning or transporting cannabis or
3 cannabis-infused products to a cannabis business
4 establishment, a community college licensed under the
5 Community College Cannabis Vocational Training Pilot
6 Program, or a person 21 years of age or older.

7 (b) (1) No laboratory shall handle, test, or analyze
8 cannabis unless approved by the Department of Agriculture in
9 accordance with this Section.

10 (2) No laboratory shall be approved to handle, test, or
11 analyze cannabis unless the laboratory:

12 (A) is licensed by the Department of Agriculture;

13 (A-5) is accredited by a private laboratory
14 accrediting organization;

15 (B) is independent from all other persons involved in
16 the cannabis industry in Illinois and no person with a
17 direct or indirect interest in the laboratory has a direct
18 or indirect financial, management, or other interest in an
19 Illinois cultivation center, craft grower, dispensary,
20 infuser, transporter, certifying physician, or any other
21 entity in the State that may benefit from the production,
22 manufacture, dispensing, sale, purchase, or use of
23 cannabis; and

24 (C) has employed at least one person to oversee and be
25 responsible for the laboratory testing who has earned,
26 from a college or university accredited by a national or

1 regional certifying authority, at least:

2 (i) a master's level degree in chemical or
3 biological sciences and a minimum of 2 years'
4 post-degree laboratory experience; or

5 (ii) a bachelor's degree in chemical or biological
6 sciences and a minimum of 4 years' post-degree
7 laboratory experience.

8 (3) Each independent testing laboratory that claims to be
9 accredited must provide the Department of Agriculture with a
10 copy of the most recent annual inspection report granting
11 accreditation and every annual report thereafter.

12 (c) Immediately before manufacturing or natural processing
13 of any cannabis or cannabis-infused product or packaging
14 cannabis for sale to a dispensary, each batch shall be made
15 available by the cultivation center, craft grower, or infuser
16 for an employee of an approved laboratory to select a random
17 sample, which shall be tested by the approved laboratory for:

18 (1) microbiological contaminants;

19 (2) mycotoxins;

20 (3) pesticide active ingredients;

21 (4) residual solvent; and

22 (5) an active ingredient analysis.

23 (d) The Department of Agriculture may select a random
24 sample that shall, for the purposes of conducting an active
25 ingredient analysis, be tested by the Department of
26 Agriculture for verification of label information and any

1 other testing deemed necessary by the Department.

2 (e) A laboratory shall immediately return or dispose of
3 any cannabis upon the completion of any testing, use, or
4 research. If cannabis is disposed of, it shall be done in
5 compliance with Department of Agriculture rule.

6 (f) If a sample of cannabis does not pass the
7 microbiological, mycotoxin, pesticide chemical residue, or
8 solvent residue test, based on the standards established by
9 the Department of Agriculture, the following shall apply:

10 (1) If the sample failed the pesticide chemical
11 residue test, the entire batch from which the sample was
12 taken shall, if applicable, be recalled as provided by
13 rule.

14 (2) If the sample failed any other test, the batch may
15 be used to make a CO₂-based or solvent based extract. After
16 processing, the CO₂-based or solvent based extract must
17 still pass all required tests.

18 (g) The Department of Agriculture shall establish
19 standards for microbial, mycotoxin, pesticide residue, solvent
20 residue, or other standards for the presence of possible
21 contaminants, in addition to labeling requirements for
22 contents and potency.

23 (h) The laboratory shall file with the Department of
24 Agriculture an electronic copy of each laboratory test result
25 for any batch that does not pass the microbiological,
26 mycotoxin, or pesticide chemical residue test, at the same

1 time that it transmits those results to the cultivation
2 center. In addition, the laboratory shall maintain the
3 laboratory test results for at least 5 years and make them
4 available at the Department of Agriculture's request.

5 (i) A cultivation center, craft grower, and infuser shall
6 provide to a dispensing organization the laboratory test
7 results for each batch of cannabis product purchased by the
8 dispensing organization, if sampled. Each dispensing
9 organization must have those laboratory results available upon
10 request to purchasers.

11 (j) The Department of Agriculture may adopt rules related
12 to testing and licensing of laboratories in furtherance of
13 this Act.

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

15 (410 ILCS 705/55-5)

16 Sec. 55-5. Preparation of cannabis-infused products.

17 (a) The Department of Agriculture may regulate the
18 production of cannabis-infused products by a cultivation
19 center, a craft grower, an infuser organization, or a
20 dispensing organization and establish rules related to
21 refrigeration, hot-holding, and handling of cannabis-infused
22 products. All cannabis-infused products shall meet the
23 packaging and labeling requirements contained in Section
24 55-21.

25 (b) Cannabis-infused products for sale or distribution at

1 a dispensing organization must be prepared by an approved
2 agent of a cultivation center, craft grower, or infuser
3 organization.

4 (c) A cultivation center, craft grower, or infuser
5 organization that prepares cannabis-infused products for sale
6 or distribution by a dispensing organization shall be under
7 the operational supervision of a Department of Public Health
8 certified food service sanitation manager.

9 (d) Dispensing organizations may not manufacture, process,
10 or produce cannabis-infused products.

11 (e) The Department of Public Health shall adopt and
12 enforce rules for the manufacture and processing of
13 cannabis-infused products, and for that purpose it may at all
14 times enter every building, room, basement, enclosure, or
15 premises occupied or used, or suspected of being occupied or
16 used, for the production, preparation, manufacture for sale,
17 storage, sale, processing, distribution, or transportation of
18 cannabis-infused products, and to inspect the premises
19 together with all utensils, fixtures, furniture, and machinery
20 used for the preparation of these products.

21 (f) The Department of Agriculture shall by rule establish
22 a maximum level of THC that may be contained in each serving of
23 cannabis-infused product, and within the product package.

24 (g) If a local public health agency has a reasonable
25 belief that a cannabis-infused product poses a public health
26 hazard, it may refer the cultivation center, craft grower, or

1 infuser that manufactured or processed the cannabis-infused
2 product to the Department of Public Health. If the Department
3 of Public Health finds that a cannabis-infused product poses a
4 health hazard, it may bring an action for immediate injunctive
5 relief to require that action be taken as the court may deem
6 necessary to meet the hazard of the cultivation facility or
7 seek other relief as provided by rule.

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

9 (410 ILCS 705/55-10)

10 Sec. 55-10. Maintenance of inventory. Through June 30,
11 2026, all ~~All~~ dispensing organizations authorized to serve
12 ~~both~~ registered qualifying patients, ~~and~~ caregivers, ~~and~~
13 purchasers, and Opioid Alternative Patient Program
14 participants are required to report which cannabis and
15 cannabis-infused products are purchased for sale under the
16 Compassionate Use of Medical Cannabis Program Act, and which
17 cannabis and cannabis-infused products are purchased under
18 this Act. Nothing in this Section prohibits a registered
19 qualifying patient under the Compassionate Use of Medical
20 Cannabis Program Act from purchasing cannabis as a purchaser
21 under this Act.

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

23 (410 ILCS 705/55-30)

24 Sec. 55-30. Confidentiality.

1 (a) Information provided by the cannabis business
2 establishment licensees or applicants to the Department of
3 Agriculture, the Department of Public Health, the Department
4 of Financial and Professional Regulation, the Department of
5 Commerce and Economic Opportunity, or other agency shall be
6 limited to information necessary for the purposes of
7 administering this Act. The information is subject to the
8 provisions and limitations contained in the Freedom of
9 Information Act and may be disclosed in accordance with
10 Section 55-65.

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

1 involved in enforcing the State Officials and Employees Ethics
2 Act. The following information received and kept by the
3 Department of Financial and Professional Regulation or the
4 Department of Agriculture may be disclosed to the Department
5 of Public Health, the Department of Agriculture, the
6 Department of Revenue, the Department of Commerce and Economic
7 Opportunity, the Department of Revenue, the Illinois State
8 Police, the Office of Executive Inspector General, or the
9 Attorney General upon proper request:

10 (1) Applications and renewals, their contents, and
11 supporting information submitted by or on behalf of
12 dispensing organizations, cannabis business
13 establishments, or Community College Cannabis Vocational
14 Program licensees, in compliance with this Article,
15 including their physical addresses; however, this does not
16 preclude the release of ownership information about
17 cannabis business establishment licenses, or information
18 submitted with an application required to be disclosed
19 pursuant to subsection (f);

20 (2) Any plans, procedures, policies, or other records
21 relating to cannabis business establishment security; and

22 (3) Information otherwise exempt from disclosure by
23 State or federal law.

24 Illinois or national criminal history record information,
25 or the nonexistence or lack of such information, may not be
26 disclosed by the Department of Financial and Professional

1 Regulation or the Department of Agriculture, except as
2 necessary to the Attorney General to enforce this Act.

3 (c) The name and address of a dispensing organization
4 licensed under this Act shall be subject to disclosure under
5 the Freedom of Information Act. The name and cannabis business
6 establishment address of the person or entity holding each
7 cannabis business establishment license shall be subject to
8 disclosure.

9 (d) All information collected by the Department of
10 Financial and Professional Regulation or the Department of
11 Agriculture in the course of an examination, inspection, or
12 investigation of a licensee or applicant, including, but not
13 limited to, any complaint against a licensee or applicant
14 filed with the Department of Financial and Professional
15 Regulation or the Department of Agriculture and information
16 collected to investigate any such complaint, shall be
17 maintained for the confidential use of the Department of
18 Financial and Professional Regulation or the Department of
19 Agriculture and shall not be disclosed, except to those
20 involved in enforcing the State Officials and Employees Ethics
21 Act and as otherwise provided in this Act. A formal complaint
22 against a licensee by the Department of Financial and
23 Professional Regulation or the Department of Agriculture or
24 any disciplinary order issued by the Department of Financial
25 and Professional Regulation or the Department of Agriculture
26 against a licensee or applicant shall be a public record,

1 except as otherwise provided by law. Complaints from consumers
2 or members of the general public received regarding a
3 specific, named licensee or complaints regarding conduct by
4 unlicensed entities shall be subject to disclosure under the
5 Freedom of Information Act.

6 (e) The Department of Agriculture, the Illinois State
7 Police, and the Department of Financial and Professional
8 Regulation shall not share or disclose any Illinois or
9 national criminal history record information, or the
10 nonexistence or lack of such information, to any person or
11 entity not expressly authorized by this Act.

12 (f) Each Department responsible for licensure under this
13 Act shall publish on the Department's website a list of the
14 ownership information of cannabis business establishment
15 licensees under the Department's jurisdiction. The list shall
16 include, but is not limited to: the name of the person or
17 entity holding each cannabis business establishment license;
18 and the address at which the entity is operating under this
19 Act. This list shall be published and updated monthly.

20 (g) Notwithstanding anything in this Section to the
21 contrary, the Department of Financial and Professional
22 Regulation and the Department of Agriculture may share with
23 the Department of Commerce and Economic Opportunity any
24 licensee information necessary to support the administration
25 of social equity programming.

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

1 102-98, eff. 7-15-21; 102-538, eff. 8-20-21; 102-813, eff.
2 5-13-22.)

3 (410 ILCS 705/55-65)

4 Sec. 55-65. Financial institutions.

5 (a) A financial institution that provides financial
6 services customarily provided by financial institutions to a
7 cannabis business establishment authorized under this Act or
8 the Compassionate Use of Medical Cannabis Program Act, or to a
9 person that is affiliated with such cannabis business
10 establishment, is exempt from any criminal law of this State
11 as it relates to cannabis-related conduct authorized under
12 State law.

13 (b) Upon request of a financial institution, a cannabis
14 business establishment or proposed cannabis business
15 establishment may provide to the financial institution the
16 following information:

17 (1) Whether a cannabis business establishment with
18 which the financial institution is doing or is considering
19 doing business holds a license under this Act or the
20 Compassionate Use of Medical Cannabis Program Act;

21 (2) The name of any other business or individual
22 affiliate with the cannabis business establishment;

23 (3) A copy of the application, and any supporting
24 documentation submitted with the application, for a
25 license or a permit submitted on behalf of the proposed

1 cannabis business establishment;

2 (4) If applicable, data relating to sales and the
3 volume of product sold by the cannabis business
4 establishment;

5 (5) Any past or pending violation by the person of
6 this Act, the Compassionate Use of Medical Cannabis
7 Program Act, or the rules adopted under these Acts where
8 applicable; and

9 (6) Any penalty imposed upon the person for violating
10 this Act, the Compassionate Use of Medical Cannabis
11 Program Act, or the rules adopted under these Acts.

12 (c) (Blank).

13 (d) (Blank).

14 (e) Information received by a financial institution under
15 this Section is confidential. Except as otherwise required or
16 permitted by this Act, State law or rule, or federal law or
17 regulation, a financial institution may not make the
18 information available to any person other than:

19 (1) the customer to whom the information applies;

20 (2) a trustee, conservator, guardian, personal
21 representative, or agent of the customer to whom the
22 information applies; a federal or State regulator when
23 requested in connection with an examination of the
24 financial institution or if otherwise necessary for
25 complying with federal or State law;

26 (3) a federal or State regulator when requested in

1 connection with an examination of the financial
2 institution or if otherwise necessary for complying with
3 federal or State law; ~~and~~

4 (4) a third party performing services for the
5 financial institution, provided the third party is
6 performing such services under a written agreement that
7 expressly or by operation of law prohibits the third
8 party's sharing and use of such confidential information
9 for any purpose other than as provided in its agreement to
10 provide services to the financial institution; and -

11 (5) the Office of Executive Inspector General pursuant
12 to an investigation under the State Officials and
13 Employees Ethics Act.

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

15 (410 ILCS 705/55-85)

16 Sec. 55-85. Medical cannabis.

17 ~~(a)~~ Nothing in this Act shall be construed to limit any
18 privileges or rights of a qualifying ~~medical cannabis~~ patient
19 including minor patients, designated ~~primary~~ caregiver,
20 medical cannabis cultivation center, provisional patient and
21 Opioid Alternative Patient Program participant or medical
22 cannabis dispensing organization under the Compassionate Use
23 of Medical Cannabis Program Act, and where there is conflict
24 between this Act and the Compassionate Use of Medical Cannabis
25 Program Act as they relate to medical cannabis patients, the

1 Compassionate Use of Medical Cannabis Program Act shall
2 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, 2026, 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, 2026, "cultivation
3 center" includes any cultivation center which, prior to July
4 1, 2026, 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, 2026, "cultivator" includes any cultivator
9 which, prior to July 1, 2026, 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, 2026, 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, 2026, 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, 2026, 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, Opioid Alternative Patient Program participant, or
8 provisional patient when purchasing cannabis or
9 cannabis-infused products under this Act as part of their
10 adequate medical supply as these terms are defined under
11 Section 1-10 of this Act.

12 (d) The tax imposed under this Article shall be in
13 addition to all other occupation, privilege, or excise taxes
14 imposed by the State of Illinois or by any municipal
15 corporation or political subdivision thereof.

16 (e) The tax imposed under this Article shall not be
17 imposed on any purchase by a purchaser if the cannabis
18 retailer is prohibited by federal or State Constitution,
19 treaty, convention, statute, or court decision from collecting
20 the tax from the purchaser.

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

22 (410 ILCS 705/65-30)

23 Sec. 65-30. Return and payment of tax by cannabis
24 retailer. Each cannabis retailer that is required or
25 authorized to collect the tax imposed by this Article shall

1 make a return to the Department, by electronic means, on or
2 before the 20th day of each month for the preceding calendar
3 month stating the following:

4 (1) the cannabis retailer's name;

5 (2) the address of the cannabis retailer's principal
6 place of business and the address of the principal place
7 of business (if that is a different address) from which
8 the cannabis retailer is engaged in the business of
9 selling cannabis subject to tax under this Article;

10 (3) the total purchase price received by the cannabis
11 retailer for cannabis subject to tax under this Article;

12 (4) the amount of tax due at each rate;

13 (5) the signature of the cannabis retailer; and

14 (6) any other information as the Department may
15 reasonably require.

16 All returns required to be filed and payments required to
17 be made under this Article shall be by electronic means.
18 Cannabis retailers who demonstrate hardship in paying
19 electronically may petition the Department to waive the
20 electronic payment requirement.

21 Any amount that is required to be shown or reported on any
22 return or other document under this Article shall, if the
23 amount is not a whole-dollar amount, be increased to the
24 nearest whole-dollar amount if the fractional part of a dollar
25 is \$0.50 or more and decreased to the nearest whole-dollar
26 amount if the fractional part of a dollar is less than \$0.50.

1 If a total amount of less than \$1 is payable, refundable, or
2 creditable, the amount shall be disregarded if it is less than
3 \$0.50 and shall be increased to \$1 if it is \$0.50 or more.

4 The cannabis retailer making the return provided for in
5 this Section shall also pay to the Department, in accordance
6 with this Section, the amount of tax imposed by this Article,
7 less a discount of 1.75%, but not to exceed \$1,000 per return
8 period, which is allowed to reimburse the cannabis retailer
9 for the expenses incurred in keeping records, collecting tax,
10 preparing and filing returns, remitting the tax, and supplying
11 data to the Department upon request. No discount may be
12 claimed by a cannabis retailer on returns not timely filed and
13 for taxes not timely remitted. No discount may be claimed by a
14 taxpayer for any return that is not filed electronically. No
15 discount may be claimed by a taxpayer for any payment that is
16 not made electronically, unless a waiver has been granted
17 under this Section.

18 Notwithstanding any other provision of this Article
19 concerning the time within which a cannabis retailer may file
20 a return, any such cannabis retailer who ceases to engage in
21 the kind of business that makes the person responsible for
22 filing returns under this Article shall file a final return
23 under this Article with the Department within one month after
24 discontinuing the business.

25 Each cannabis retailer shall make estimated payments to
26 the Department on or before the 7th, 15th, 22nd, and last day

1 of the month during which tax liability to the Department is
2 incurred. The payments shall be in an amount not less than the
3 lower of either 22.5% of the cannabis retailer's actual tax
4 liability for the month or 25% of the cannabis retailer's
5 actual tax liability for the same calendar month of the
6 preceding year. The amount of the quarter-monthly payments
7 shall be credited against the final tax liability of the
8 cannabis retailer's return for that month. If any such
9 quarter-monthly payment is not paid at the time or in the
10 amount required by this Section, then the cannabis retailer
11 shall be liable for penalties and interest on the difference
12 between the minimum amount due as a payment and the amount of
13 the quarter-monthly payment actually and timely paid, except
14 insofar as the cannabis retailer has previously made payments
15 for that month to the Department in excess of the minimum
16 payments previously due as provided in this Section.

17 If any payment provided for in this Section exceeds the
18 taxpayer's liabilities under this Article, as shown on an
19 original monthly return, the Department shall, if requested by
20 the taxpayer, issue to the taxpayer a credit memorandum no
21 later than 30 days after the date of payment. The credit
22 evidenced by the credit memorandum may be assigned by the
23 taxpayer to a similar taxpayer under this Article, in
24 accordance with reasonable rules to be prescribed by the
25 Department. If no such request is made, the taxpayer may
26 credit the excess payment against tax liability subsequently

1 to be remitted to the Department under this Article, in
2 accordance with reasonable rules prescribed by the Department.
3 If the Department subsequently determines that all or any part
4 of the credit taken was not actually due to the taxpayer, the
5 taxpayer's discount shall be reduced, if necessary, to reflect
6 the difference between the credit taken and that actually due,
7 and that taxpayer shall be liable for penalties and interest
8 on the difference. If a cannabis retailer fails to sign a
9 return within 30 days after the proper notice and demand for
10 signature by the Department is received by the cannabis
11 retailer, the return shall be considered valid and any amount
12 shown to be due on the return shall be deemed assessed.

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

14 (410 ILCS 705/65-38)

15 Sec. 65-38. Violations and penalties.

16 (a) When the amount due is under \$300, any retailer of
17 cannabis who fails to file a return, willfully fails or
18 refuses to make any payment to the Department of the tax
19 imposed by this Article, or files a fraudulent return, or any
20 officer or agent of a corporation engaged in the business of
21 selling cannabis to purchasers located in this State who signs
22 a fraudulent return filed on behalf of the corporation, or any
23 accountant or other agent who knowingly enters false
24 information on the return of any taxpayer under this Article
25 is guilty of a Class 4 felony.

1 (b) When the amount due is \$300 or more, any retailer of
2 cannabis who fails to file a return, willfully fails or
3 refuses to make any payment to the Department of the tax
4 imposed by this Article, files, or causes to be filed, a
5 fraudulent return, or any officer or agent of a corporation
6 engaged in the business of selling cannabis to purchasers
7 located in this State who files or causes to be filed or signs
8 or causes to be signed a fraudulent return filed on behalf of
9 the corporation, or any accountant or other agent who
10 knowingly enters false information on the return of any
11 taxpayer under this Article is guilty of a Class 3 felony.

12 (c) Any person who violates any provision of Section
13 65-20, or fails to keep books and records as required under
14 this Article, ~~or willfully violates a rule of the Department~~
15 ~~for the administration and enforcement of this Article~~ is
16 guilty of a Class 4 felony. A person commits a separate offense
17 on each day that he or she engages in business in violation of
18 Section 65-20 ~~or a rule of the Department for the~~
19 ~~administration and enforcement of this Article~~. If a person
20 fails to produce the books and records for inspection by the
21 Department upon request, a prima facie presumption shall arise
22 that the person has failed to keep books and records as
23 required under this Article. A person who is unable to rebut
24 this presumption is in violation of this Article and is
25 subject to the penalties provided in this Section.

26 (d) Any person who ~~violates any provision of Sections~~

1 ~~65-20, fails to keep books and records as required under this~~
2 ~~Article, or~~ willfully violates a rule of the Department for
3 the administration and enforcement of this Article, is guilty
4 of a business offense and may be fined up to \$5,000. ~~If a~~
5 ~~person fails to produce books and records for inspection by~~
6 ~~the Department upon request, a prima facie presumption shall~~
7 ~~arise that the person has failed to keep books and records as~~
8 ~~required under this Article. A person who is unable to rebut~~
9 ~~this presumption is in violation of this Article and is~~
10 ~~subject to the penalties provided in this Section. A person~~
11 commits a separate offense on each day that he or she engages
12 in business in violation of a rule of the Department for the
13 administration and enforcement of this Article ~~Section 65-20.~~

14 (e) Any taxpayer or agent of a taxpayer who with the intent
15 to defraud purports to make a payment due to the Department by
16 issuing or delivering a check or other order upon a real or
17 fictitious depository for the payment of money, knowing that
18 it will not be paid by the depository, is guilty of a deceptive
19 practice in violation of Section 17-1 of the Criminal Code of
20 2012.

21 (f) Any person who fails to keep books and records or fails
22 to produce books and records for inspection, as required by
23 Section 65-36, is liable to pay to the Department, for deposit
24 in the Tax Compliance and Administration Fund, a penalty of
25 \$1,000 for the first failure to keep books and records or
26 failure to produce books and records for inspection, as

1 required by Section 65-36, and \$3,000 for each subsequent
2 failure to keep books and records or failure to produce books
3 and records for inspection, as required by Section 65-36.

4 (g) Any person who knowingly acts as a retailer of
5 cannabis in this State without first having obtained a
6 certificate of registration to do so in compliance with
7 Section 65-20 of this Article shall be guilty of a Class 4
8 felony.

9 (h) A person commits the offense of tax evasion under this
10 Article when he or she knowingly attempts in any manner to
11 evade or defeat the tax imposed on him or her or on any other
12 person, or the payment thereof, and he or she commits an
13 affirmative act in furtherance of the evasion. As used in this
14 Section, "affirmative act in furtherance of the evasion" means
15 an act designed in whole or in part to (i) conceal,
16 misrepresent, falsify, or manipulate any material fact or (ii)
17 tamper with or destroy documents or materials related to a
18 person's tax liability under this Article. Two or more acts of
19 sales tax evasion may be charged as a single count in any
20 indictment, information, or complaint and the amount of tax
21 deficiency may be aggregated for purposes of determining the
22 amount of tax that is attempted to be or is evaded and the
23 period between the first and last acts may be alleged as the
24 date of the offense.

25 (1) When the amount of tax, the assessment or payment
26 of which is attempted to be or is evaded is less than \$500,

1 a person is guilty of a Class 4 felony.

2 (2) When the amount of tax, the assessment or payment
3 of which is attempted to be or is evaded is \$500 or more
4 but less than \$10,000, a person is guilty of a Class 3
5 felony.

6 (3) When the amount of tax, the assessment or payment
7 of which is attempted to be or is evaded is \$10,000 or more
8 but less than \$100,000, a person is guilty of a Class 2
9 felony.

10 (4) When the amount of tax, the assessment or payment
11 of which is attempted to be or is evaded is \$100,000 or
12 more, a person is guilty of a Class 1 felony.

13 Any person who knowingly sells, purchases, installs,
14 transfers, possesses, uses, or accesses any automated sales
15 suppression device, zapper, or phantom-ware in this State is
16 guilty of a Class 3 felony.

17 As used in this Section:

18 "Automated sales suppression device" or "zapper" means a
19 software program that falsifies the electronic records of an
20 electronic cash register or other point-of-sale system,
21 including, but not limited to, transaction data and
22 transaction reports. The term includes the software program,
23 any device that carries the software program, or an Internet
24 link to the software program.

25 "Phantom-ware" means a hidden programming option embedded
26 in the operating system of an electronic cash register or

1 hardwired into an electronic cash register that can be used to
2 create a second set of records or that can eliminate or
3 manipulate transaction records in an electronic cash register.

4 "Electronic cash register" means a device that keeps a
5 register or supporting documents through the use of an
6 electronic device or computer system designed to record
7 transaction data for the purpose of computing, compiling, or
8 processing retail sales transaction data in any manner.

9 "Transaction data" includes: items purchased by a
10 purchaser; the price of each item; a taxability determination
11 for each item; a segregated tax amount for each taxed item; the
12 amount of cash or credit tendered; the net amount returned to
13 the customer in change; the date and time of the purchase; the
14 name, address, and identification number of the vendor; and
15 the receipt or invoice number of the transaction.

16 "Transaction report" means a report that documents,
17 without limitation, the sales, taxes, or fees collected, media
18 totals, and discount voids at an electronic cash register and
19 that is printed on a cash register tape at the end of a day or
20 shift, or a report that documents every action at an
21 electronic cash register and is stored electronically.

22 A prosecution for any act in violation of this Section may
23 be commenced at any time within 5 years of the commission of
24 that act.

25 (i) The Department may adopt rules to administer the
26 penalties under this Section.

1 (j) Any person whose principal place of business is in
2 this State and who is charged with a violation under this
3 Section shall be tried in the county where his or her principal
4 place of business is located unless he or she asserts a right
5 to be tried in another venue.

6 (k) Except as otherwise provided in subsection (h), a
7 prosecution for a violation described in this Section may be
8 commenced within 3 years after the commission of the act
9 constituting the violation.

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

11 (410 ILCS 705/65-42)

12 Sec. 65-42. Seizure and forfeiture. After seizing any
13 cannabis as provided in Section 65-41, the Department must
14 hold a hearing and determine whether (i) the retailer was
15 properly registered to sell the cannabis; (ii) the retailer
16 possessed the cannabis in violation of this Act; (iii) the
17 retailer possessed the cannabis in violation of any reasonable
18 rule or regulation adopted by the Department for the
19 enforcement of this Act; or (iv) the tax imposed by Article 60
20 had been paid on the cannabis at the time of its seizure by the
21 Department. The Department is not required to hold such a
22 hearing if a waiver and consent to forfeiture has been
23 executed by the owner of the cannabis, if the owner is known,
24 and by the person in whose possession the cannabis so taken was
25 found, if that person is known and if that person is not the

1 owner of said cannabis. The Department shall give not less
2 than 20 days' notice of the time and place of the hearing to
3 the owner of the cannabis, if the owner is known, and also to
4 the person in whose possession the cannabis was found, if that
5 person is known and if the person in possession is not the
6 owner of the cannabis. If neither the owner nor the person in
7 possession of the cannabis is known, the Department must cause
8 publication of the time and place of the hearing to be made at
9 least once in each week for 3 weeks successively in a newspaper
10 of general circulation in the county where the hearing is to be
11 held.

12 If, as the result of the hearing, the Department makes any
13 of the findings listed in (i) through (iv) above ~~determines~~
14 ~~that the retailer was not properly registered at the time the~~
15 ~~cannabis was seized~~, or upon receipt of a properly executed
16 waiver and consent to forfeiture as provided in this Section,
17 the Department must enter an order declaring the cannabis
18 confiscated and forfeited to the State, to be held by the
19 Department for disposal by it as provided in Section 65-43.
20 The Department must give notice of the order to the owner of
21 the cannabis, if the owner is known, and also to the person in
22 whose possession the cannabis was found, if that person is
23 known and if the person in possession is not the owner of the
24 cannabis. If neither the owner nor the person in possession of
25 the cannabis is known, the Department must cause publication
26 of the order to be made at least once in each week for 3 weeks

1 successively in a newspaper of general circulation in the
2 county where the hearing was held.

3 (Source: P.A. 103-1001, eff. 8-9-24.)

4 (410 ILCS 705/20-50 rep.)

5 (410 ILCS 705/30-50 rep.)

6 Section 55. The Cannabis Regulation and Tax Act is amended
7 by repealing Sections 20-50 and 30-50.

8 Section 60. The Tobacco Accessories and Smoking Herbs
9 Control Act is amended by changing Section 2 as follows:

10 (720 ILCS 685/2) (from Ch. 23, par. 2358-2)

11 Sec. 2. Purpose. The sale and possession of ~~marijuana,~~
12 ~~hashish,~~ cocaine, opium, and their derivatives, is not only
13 prohibited by Illinois Law, but the use of these substances
14 has been deemed injurious to the health of the user.

15 It has further been determined by the Surgeon General of
16 the United States that the use of tobacco is hazardous to human
17 health.

18 The ready availability of smoking herbs to persons under
19 21 years of age could lead to the use of tobacco and illegal
20 drugs.

21 It is in the best interests of the citizens of the State of
22 Illinois to seek to prohibit the spread of illegal drugs,
23 tobacco or smoking materials to persons under 21 years of age.

1 The prohibition of the sale of tobacco and snuff accessories
2 and smoking herbs to persons under 21 years of age would help
3 to curb the usage of illegal drugs and tobacco products, among
4 our youth.

5 (Source: P.A. 101-2, eff. 7-1-19.)

6 Section 99. Effective date. This Act takes effect upon
7 becoming law.

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