



Rep. La Shawn K. Ford

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1 AMENDMENT TO HOUSE BILL 1443

2 AMENDMENT NO. _____. Amend House Bill 1443 by replacing
3 everything after the enacting clause with the following:

4 "Section 1. The Illinois Administrative Procedure Act is
5 amended by changing Section 5-45 as follows:

6 (5 ILCS 100/5-45) (from Ch. 127, par. 1005-45)

7 Sec. 5-45. Emergency rulemaking.

8 (a) "Emergency" means the existence of any situation that
9 any agency finds reasonably constitutes a threat to the public
10 interest, safety, or welfare.

11 (b) If any agency finds that an emergency exists that
12 requires adoption of a rule upon fewer days than is required by
13 Section 5-40 and states in writing its reasons for that
14 finding, the agency may adopt an emergency rule without prior
15 notice or hearing upon filing a notice of emergency rulemaking
16 with the Secretary of State under Section 5-70. The notice

1 shall include the text of the emergency rule and shall be
2 published in the Illinois Register. Consent orders or other
3 court orders adopting settlements negotiated by an agency may
4 be adopted under this Section. Subject to applicable
5 constitutional or statutory provisions, an emergency rule
6 becomes effective immediately upon filing under Section 5-65
7 or at a stated date less than 10 days thereafter. The agency's
8 finding and a statement of the specific reasons for the
9 finding shall be filed with the rule. The agency shall take
10 reasonable and appropriate measures to make emergency rules
11 known to the persons who may be affected by them.

12 (c) An emergency rule may be effective for a period of not
13 longer than 150 days, but the agency's authority to adopt an
14 identical rule under Section 5-40 is not precluded. No
15 emergency rule may be adopted more than once in any 24-month
16 period, except that this limitation on the number of emergency
17 rules that may be adopted in a 24-month period does not apply
18 to (i) emergency rules that make additions to and deletions
19 from the Drug Manual under Section 5-5.16 of the Illinois
20 Public Aid Code or the generic drug formulary under Section
21 3.14 of the Illinois Food, Drug and Cosmetic Act, (ii)
22 emergency rules adopted by the Pollution Control Board before
23 July 1, 1997 to implement portions of the Livestock Management
24 Facilities Act, (iii) emergency rules adopted by the Illinois
25 Department of Public Health under subsections (a) through (i)
26 of Section 2 of the Department of Public Health Act when

1 necessary to protect the public's health, (iv) emergency rules
2 adopted pursuant to subsection (n) of this Section, (v)
3 emergency rules adopted pursuant to subsection (o) of this
4 Section, or (vi) emergency rules adopted pursuant to
5 subsection (c-5) of this Section. Two or more emergency rules
6 having substantially the same purpose and effect shall be
7 deemed to be a single rule for purposes of this Section.

8 (c-5) To facilitate the maintenance of the program of
9 group health benefits provided to annuitants, survivors, and
10 retired employees under the State Employees Group Insurance
11 Act of 1971, rules to alter the contributions to be paid by the
12 State, annuitants, survivors, retired employees, or any
13 combination of those entities, for that program of group
14 health benefits, shall be adopted as emergency rules. The
15 adoption of those rules shall be considered an emergency and
16 necessary for the public interest, safety, and welfare.

17 (d) In order to provide for the expeditious and timely
18 implementation of the State's fiscal year 1999 budget,
19 emergency rules to implement any provision of Public Act
20 90-587 or 90-588 or any other budget initiative for fiscal
21 year 1999 may be adopted in accordance with this Section by the
22 agency charged with administering that provision or
23 initiative, except that the 24-month limitation on the
24 adoption of emergency rules and the provisions of Sections
25 5-115 and 5-125 do not apply to rules adopted under this
26 subsection (d). The adoption of emergency rules authorized by

1 this subsection (d) shall be deemed to be necessary for the
2 public interest, safety, and welfare.

3 (e) In order to provide for the expeditious and timely
4 implementation of the State's fiscal year 2000 budget,
5 emergency rules to implement any provision of Public Act 91-24
6 or any other budget initiative for fiscal year 2000 may be
7 adopted in accordance with this Section by the agency charged
8 with administering that provision or initiative, except that
9 the 24-month limitation on the adoption of emergency rules and
10 the provisions of Sections 5-115 and 5-125 do not apply to
11 rules adopted under this subsection (e). The adoption of
12 emergency rules authorized by this subsection (e) shall be
13 deemed to be necessary for the public interest, safety, and
14 welfare.

15 (f) In order to provide for the expeditious and timely
16 implementation of the State's fiscal year 2001 budget,
17 emergency rules to implement any provision of Public Act
18 91-712 or any other budget initiative for fiscal year 2001 may
19 be adopted in accordance with this Section by the agency
20 charged with administering that provision or initiative,
21 except that the 24-month limitation on the adoption of
22 emergency rules and the provisions of Sections 5-115 and 5-125
23 do not apply to rules adopted under this subsection (f). The
24 adoption of emergency rules authorized by this subsection (f)
25 shall be deemed to be necessary for the public interest,
26 safety, and welfare.

1 (g) In order to provide for the expeditious and timely
2 implementation of the State's fiscal year 2002 budget,
3 emergency rules to implement any provision of Public Act 92-10
4 or any other budget initiative for fiscal year 2002 may be
5 adopted in accordance with this Section by the agency charged
6 with administering that provision or initiative, except that
7 the 24-month limitation on the adoption of emergency rules and
8 the provisions of Sections 5-115 and 5-125 do not apply to
9 rules adopted under this subsection (g). The adoption of
10 emergency rules authorized by this subsection (g) shall be
11 deemed to be necessary for the public interest, safety, and
12 welfare.

13 (h) In order to provide for the expeditious and timely
14 implementation of the State's fiscal year 2003 budget,
15 emergency rules to implement any provision of Public Act
16 92-597 or any other budget initiative for fiscal year 2003 may
17 be adopted in accordance with this Section by the agency
18 charged with administering that provision or initiative,
19 except that the 24-month limitation on the adoption of
20 emergency rules and the provisions of Sections 5-115 and 5-125
21 do not apply to rules adopted under this subsection (h). The
22 adoption of emergency rules authorized by this subsection (h)
23 shall be deemed to be necessary for the public interest,
24 safety, and welfare.

25 (i) In order to provide for the expeditious and timely
26 implementation of the State's fiscal year 2004 budget,

1 emergency rules to implement any provision of Public Act 93-20
2 or any other budget initiative for fiscal year 2004 may be
3 adopted in accordance with this Section by the agency charged
4 with administering that provision or initiative, except that
5 the 24-month limitation on the adoption of emergency rules and
6 the provisions of Sections 5-115 and 5-125 do not apply to
7 rules adopted under this subsection (i). The adoption of
8 emergency rules authorized by this subsection (i) shall be
9 deemed to be necessary for the public interest, safety, and
10 welfare.

11 (j) In order to provide for the expeditious and timely
12 implementation of the provisions of the State's fiscal year
13 2005 budget as provided under the Fiscal Year 2005 Budget
14 Implementation (Human Services) Act, emergency rules to
15 implement any provision of the Fiscal Year 2005 Budget
16 Implementation (Human Services) Act may be adopted in
17 accordance with this Section by the agency charged with
18 administering that provision, except that the 24-month
19 limitation on the adoption of emergency rules and the
20 provisions of Sections 5-115 and 5-125 do not apply to rules
21 adopted under this subsection (j). The Department of Public
22 Aid may also adopt rules under this subsection (j) necessary
23 to administer the Illinois Public Aid Code and the Children's
24 Health Insurance Program Act. The adoption of emergency rules
25 authorized by this subsection (j) shall be deemed to be
26 necessary for the public interest, safety, and welfare.

1 (k) In order to provide for the expeditious and timely
2 implementation of the provisions of the State's fiscal year
3 2006 budget, emergency rules to implement any provision of
4 Public Act 94-48 or any other budget initiative for fiscal
5 year 2006 may be adopted in accordance with this Section by the
6 agency charged with administering that provision or
7 initiative, except that the 24-month limitation on the
8 adoption of emergency rules and the provisions of Sections
9 5-115 and 5-125 do not apply to rules adopted under this
10 subsection (k). The Department of Healthcare and Family
11 Services may also adopt rules under this subsection (k)
12 necessary to administer the Illinois Public Aid Code, the
13 Senior Citizens and Persons with Disabilities Property Tax
14 Relief Act, the Senior Citizens and Disabled Persons
15 Prescription Drug Discount Program Act (now the Illinois
16 Prescription Drug Discount Program Act), and the Children's
17 Health Insurance Program Act. The adoption of emergency rules
18 authorized by this subsection (k) shall be deemed to be
19 necessary for the public interest, safety, and welfare.

20 (l) In order to provide for the expeditious and timely
21 implementation of the provisions of the State's fiscal year
22 2007 budget, the Department of Healthcare and Family Services
23 may adopt emergency rules during fiscal year 2007, including
24 rules effective July 1, 2007, in accordance with this
25 subsection to the extent necessary to administer the
26 Department's responsibilities with respect to amendments to

1 the State plans and Illinois waivers approved by the federal
2 Centers for Medicare and Medicaid Services necessitated by the
3 requirements of Title XIX and Title XXI of the federal Social
4 Security Act. The adoption of emergency rules authorized by
5 this subsection (l) shall be deemed to be necessary for the
6 public interest, safety, and welfare.

7 (m) In order to provide for the expeditious and timely
8 implementation of the provisions of the State's fiscal year
9 2008 budget, the Department of Healthcare and Family Services
10 may adopt emergency rules during fiscal year 2008, including
11 rules effective July 1, 2008, in accordance with this
12 subsection to the extent necessary to administer the
13 Department's responsibilities with respect to amendments to
14 the State plans and Illinois waivers approved by the federal
15 Centers for Medicare and Medicaid Services necessitated by the
16 requirements of Title XIX and Title XXI of the federal Social
17 Security Act. The adoption of emergency rules authorized by
18 this subsection (m) shall be deemed to be necessary for the
19 public interest, safety, and welfare.

20 (n) In order to provide for the expeditious and timely
21 implementation of the provisions of the State's fiscal year
22 2010 budget, emergency rules to implement any provision of
23 Public Act 96-45 or any other budget initiative authorized by
24 the 96th General Assembly for fiscal year 2010 may be adopted
25 in accordance with this Section by the agency charged with
26 administering that provision or initiative. The adoption of

1 emergency rules authorized by this subsection (n) shall be
2 deemed to be necessary for the public interest, safety, and
3 welfare. The rulemaking authority granted in this subsection
4 (n) shall apply only to rules promulgated during Fiscal Year
5 2010.

6 (o) In order to provide for the expeditious and timely
7 implementation of the provisions of the State's fiscal year
8 2011 budget, emergency rules to implement any provision of
9 Public Act 96-958 or any other budget initiative authorized by
10 the 96th General Assembly for fiscal year 2011 may be adopted
11 in accordance with this Section by the agency charged with
12 administering that provision or initiative. The adoption of
13 emergency rules authorized by this subsection (o) is deemed to
14 be necessary for the public interest, safety, and welfare. The
15 rulemaking authority granted in this subsection (o) applies
16 only to rules promulgated on or after July 1, 2010 (the
17 effective date of Public Act 96-958) through June 30, 2011.

18 (p) In order to provide for the expeditious and timely
19 implementation of the provisions of Public Act 97-689,
20 emergency rules to implement any provision of Public Act
21 97-689 may be adopted in accordance with this subsection (p)
22 by the agency charged with administering that provision or
23 initiative. The 150-day limitation of the effective period of
24 emergency rules does not apply to rules adopted under this
25 subsection (p), and the effective period may continue through
26 June 30, 2013. The 24-month limitation on the adoption of

1 emergency rules does not apply to rules adopted under this
2 subsection (p). The adoption of emergency rules authorized by
3 this subsection (p) is deemed to be necessary for the public
4 interest, safety, and welfare.

5 (q) In order to provide for the expeditious and timely
6 implementation of the provisions of Articles 7, 8, 9, 11, and
7 12 of Public Act 98-104, emergency rules to implement any
8 provision of Articles 7, 8, 9, 11, and 12 of Public Act 98-104
9 may be adopted in accordance with this subsection (q) by the
10 agency charged with administering that provision or
11 initiative. The 24-month limitation on the adoption of
12 emergency rules does not apply to rules adopted under this
13 subsection (q). The adoption of emergency rules authorized by
14 this subsection (q) is deemed to be necessary for the public
15 interest, safety, and welfare.

16 (r) In order to provide for the expeditious and timely
17 implementation of the provisions of Public Act 98-651,
18 emergency rules to implement Public Act 98-651 may be adopted
19 in accordance with this subsection (r) by the Department of
20 Healthcare and Family Services. The 24-month limitation on the
21 adoption of emergency rules does not apply to rules adopted
22 under this subsection (r). The adoption of emergency rules
23 authorized by this subsection (r) is deemed to be necessary
24 for the public interest, safety, and welfare.

25 (s) In order to provide for the expeditious and timely
26 implementation of the provisions of Sections 5-5b.1 and 5A-2

1 of the Illinois Public Aid Code, emergency rules to implement
2 any provision of Section 5-5b.1 or Section 5A-2 of the
3 Illinois Public Aid Code may be adopted in accordance with
4 this subsection (s) by the Department of Healthcare and Family
5 Services. The rulemaking authority granted in this subsection
6 (s) shall apply only to those rules adopted prior to July 1,
7 2015. Notwithstanding any other provision of this Section, any
8 emergency rule adopted under this subsection (s) shall only
9 apply to payments made for State fiscal year 2015. The
10 adoption of emergency rules authorized by this subsection (s)
11 is deemed to be necessary for the public interest, safety, and
12 welfare.

13 (t) In order to provide for the expeditious and timely
14 implementation of the provisions of Article II of Public Act
15 99-6, emergency rules to implement the changes made by Article
16 II of Public Act 99-6 to the Emergency Telephone System Act may
17 be adopted in accordance with this subsection (t) by the
18 Department of State Police. The rulemaking authority granted
19 in this subsection (t) shall apply only to those rules adopted
20 prior to July 1, 2016. The 24-month limitation on the adoption
21 of emergency rules does not apply to rules adopted under this
22 subsection (t). The adoption of emergency rules authorized by
23 this subsection (t) is deemed to be necessary for the public
24 interest, safety, and welfare.

25 (u) In order to provide for the expeditious and timely
26 implementation of the provisions of the Burn Victims Relief

1 Act, emergency rules to implement any provision of the Act may
2 be adopted in accordance with this subsection (u) by the
3 Department of Insurance. The rulemaking authority granted in
4 this subsection (u) shall apply only to those rules adopted
5 prior to December 31, 2015. The adoption of emergency rules
6 authorized by this subsection (u) is deemed to be necessary
7 for the public interest, safety, and welfare.

8 (v) In order to provide for the expeditious and timely
9 implementation of the provisions of Public Act 99-516,
10 emergency rules to implement Public Act 99-516 may be adopted
11 in accordance with this subsection (v) by the Department of
12 Healthcare and Family Services. The 24-month limitation on the
13 adoption of emergency rules does not apply to rules adopted
14 under this subsection (v). The adoption of emergency rules
15 authorized by this subsection (v) is deemed to be necessary
16 for the public interest, safety, and welfare.

17 (w) In order to provide for the expeditious and timely
18 implementation of the provisions of Public Act 99-796,
19 emergency rules to implement the changes made by Public Act
20 99-796 may be adopted in accordance with this subsection (w)
21 by the Adjutant General. The adoption of emergency rules
22 authorized by this subsection (w) is deemed to be necessary
23 for the public interest, safety, and welfare.

24 (x) In order to provide for the expeditious and timely
25 implementation of the provisions of Public Act 99-906,
26 emergency rules to implement subsection (i) of Section

1 16-115D, subsection (g) of Section 16-128A, and subsection (a)
2 of Section 16-128B of the Public Utilities Act may be adopted
3 in accordance with this subsection (x) by the Illinois
4 Commerce Commission. The rulemaking authority granted in this
5 subsection (x) shall apply only to those rules adopted within
6 180 days after June 1, 2017 (the effective date of Public Act
7 99-906). The adoption of emergency rules authorized by this
8 subsection (x) is deemed to be necessary for the public
9 interest, safety, and welfare.

10 (y) In order to provide for the expeditious and timely
11 implementation of the provisions of Public Act 100-23,
12 emergency rules to implement the changes made by Public Act
13 100-23 to Section 4.02 of the Illinois Act on the Aging,
14 Sections 5.5.4 and 5-5.4i of the Illinois Public Aid Code,
15 Section 55-30 of the Alcoholism and Other Drug Abuse and
16 Dependency Act, and Sections 74 and 75 of the Mental Health and
17 Developmental Disabilities Administrative Act may be adopted
18 in accordance with this subsection (y) by the respective
19 Department. The adoption of emergency rules authorized by this
20 subsection (y) is deemed to be necessary for the public
21 interest, safety, and welfare.

22 (z) In order to provide for the expeditious and timely
23 implementation of the provisions of Public Act 100-554,
24 emergency rules to implement the changes made by Public Act
25 100-554 to Section 4.7 of the Lobbyist Registration Act may be
26 adopted in accordance with this subsection (z) by the

1 Secretary of State. The adoption of emergency rules authorized
2 by this subsection (z) is deemed to be necessary for the public
3 interest, safety, and welfare.

4 (aa) In order to provide for the expeditious and timely
5 initial implementation of the changes made to Articles 5, 5A,
6 12, and 14 of the Illinois Public Aid Code under the provisions
7 of Public Act 100-581, the Department of Healthcare and Family
8 Services may adopt emergency rules in accordance with this
9 subsection (aa). The 24-month limitation on the adoption of
10 emergency rules does not apply to rules to initially implement
11 the changes made to Articles 5, 5A, 12, and 14 of the Illinois
12 Public Aid Code adopted under this subsection (aa). The
13 adoption of emergency rules authorized by this subsection (aa)
14 is deemed to be necessary for the public interest, safety, and
15 welfare.

16 (bb) In order to provide for the expeditious and timely
17 implementation of the provisions of Public Act 100-587,
18 emergency rules to implement the changes made by Public Act
19 100-587 to Section 4.02 of the Illinois Act on the Aging,
20 Sections 5.5.4 and 5-5.4i of the Illinois Public Aid Code,
21 subsection (b) of Section 55-30 of the Alcoholism and Other
22 Drug Abuse and Dependency Act, Section 5-104 of the
23 Specialized Mental Health Rehabilitation Act of 2013, and
24 Section 75 and subsection (b) of Section 74 of the Mental
25 Health and Developmental Disabilities Administrative Act may
26 be adopted in accordance with this subsection (bb) by the

1 respective Department. The adoption of emergency rules
2 authorized by this subsection (bb) is deemed to be necessary
3 for the public interest, safety, and welfare.

4 (cc) In order to provide for the expeditious and timely
5 implementation of the provisions of Public Act 100-587,
6 emergency rules may be adopted in accordance with this
7 subsection (cc) to implement the changes made by Public Act
8 100-587 to: Sections 14-147.5 and 14-147.6 of the Illinois
9 Pension Code by the Board created under Article 14 of the Code;
10 Sections 15-185.5 and 15-185.6 of the Illinois Pension Code by
11 the Board created under Article 15 of the Code; and Sections
12 16-190.5 and 16-190.6 of the Illinois Pension Code by the
13 Board created under Article 16 of the Code. The adoption of
14 emergency rules authorized by this subsection (cc) is deemed
15 to be necessary for the public interest, safety, and welfare.

16 (dd) In order to provide for the expeditious and timely
17 implementation of the provisions of Public Act 100-864,
18 emergency rules to implement the changes made by Public Act
19 100-864 to Section 3.35 of the Newborn Metabolic Screening Act
20 may be adopted in accordance with this subsection (dd) by the
21 Secretary of State. The adoption of emergency rules authorized
22 by this subsection (dd) is deemed to be necessary for the
23 public interest, safety, and welfare.

24 (ee) In order to provide for the expeditious and timely
25 implementation of the provisions of Public Act 100-1172,
26 emergency rules implementing the Illinois Underground Natural

1 Gas Storage Safety Act may be adopted in accordance with this
2 subsection by the Department of Natural Resources. The
3 adoption of emergency rules authorized by this subsection is
4 deemed to be necessary for the public interest, safety, and
5 welfare.

6 (ff) In order to provide for the expeditious and timely
7 initial implementation of the changes made to Articles 5A and
8 14 of the Illinois Public Aid Code under the provisions of
9 Public Act 100-1181, the Department of Healthcare and Family
10 Services may on a one-time-only basis adopt emergency rules in
11 accordance with this subsection (ff). The 24-month limitation
12 on the adoption of emergency rules does not apply to rules to
13 initially implement the changes made to Articles 5A and 14 of
14 the Illinois Public Aid Code adopted under this subsection
15 (ff). The adoption of emergency rules authorized by this
16 subsection (ff) is deemed to be necessary for the public
17 interest, safety, and welfare.

18 (gg) In order to provide for the expeditious and timely
19 implementation of the provisions of Public Act 101-1,
20 emergency rules may be adopted by the Department of Labor in
21 accordance with this subsection (gg) to implement the changes
22 made by Public Act 101-1 to the Minimum Wage Law. The adoption
23 of emergency rules authorized by this subsection (gg) is
24 deemed to be necessary for the public interest, safety, and
25 welfare.

26 (hh) In order to provide for the expeditious and timely

1 implementation of the provisions of Public Act 101-10,
2 emergency rules may be adopted in accordance with this
3 subsection (hh) to implement the changes made by Public Act
4 101-10 to subsection (j) of Section 5-5.2 of the Illinois
5 Public Aid Code. The adoption of emergency rules authorized by
6 this subsection (hh) is deemed to be necessary for the public
7 interest, safety, and welfare.

8 (ii) In order to provide for the expeditious and timely
9 implementation of the provisions of Public Act 101-10,
10 emergency rules to implement the changes made by Public Act
11 101-10 to Sections 5-5.4 and 5-5.4i of the Illinois Public Aid
12 Code may be adopted in accordance with this subsection (ii) by
13 the Department of Public Health. The adoption of emergency
14 rules authorized by this subsection (ii) is deemed to be
15 necessary for the public interest, safety, and welfare.

16 (jj) In order to provide for the expeditious and timely
17 implementation of the provisions of Public Act 101-10,
18 emergency rules to implement the changes made by Public Act
19 101-10 to Section 74 of the Mental Health and Developmental
20 Disabilities Administrative Act may be adopted in accordance
21 with this subsection (jj) by the Department of Human Services.
22 The adoption of emergency rules authorized by this subsection
23 (jj) is deemed to be necessary for the public interest,
24 safety, and welfare.

25 (kk) In order to provide for the expeditious and timely
26 implementation of the Cannabis Regulation and Tax Act, ~~and~~

1 Public Act 101-27, and this amendatory Act of the 102nd
2 General Assembly, the Department of Revenue, the Department of
3 Public Health, the Department of Agriculture, the Department
4 of State Police, and the Department of Financial and
5 Professional Regulation may adopt emergency rules in
6 accordance with this subsection (kk). The rulemaking authority
7 granted in this subsection (kk) shall apply only to rules
8 adopted before December 31, 2021. Notwithstanding the
9 provisions of subsection (c), emergency rules adopted under
10 this subsection (kk) shall be effective for 180 days. The
11 adoption of emergency rules authorized by this subsection (kk)
12 is deemed to be necessary for the public interest, safety, and
13 welfare.

14 (ll) In order to provide for the expeditious and timely
15 implementation of the provisions of the Leveling the Playing
16 Field for Illinois Retail Act, emergency rules may be adopted
17 in accordance with this subsection (ll) to implement the
18 changes made by the Leveling the Playing Field for Illinois
19 Retail Act. The adoption of emergency rules authorized by this
20 subsection (ll) is deemed to be necessary for the public
21 interest, safety, and welfare.

22 (mm) In order to provide for the expeditious and timely
23 implementation of the provisions of Section 25-70 of the
24 Sports Wagering Act, emergency rules to implement Section
25 25-70 of the Sports Wagering Act may be adopted in accordance
26 with this subsection (mm) by the Department of the Lottery as

1 provided in the Sports Wagering Act. The adoption of emergency
2 rules authorized by this subsection (mm) is deemed to be
3 necessary for the public interest, safety, and welfare.

4 (nn) In order to provide for the expeditious and timely
5 implementation of the Sports Wagering Act, emergency rules to
6 implement the Sports Wagering Act may be adopted in accordance
7 with this subsection (nn) by the Illinois Gaming Board. The
8 adoption of emergency rules authorized by this subsection (nn)
9 is deemed to be necessary for the public interest, safety, and
10 welfare.

11 (oo) In order to provide for the expeditious and timely
12 implementation of the provisions of subsection (c) of Section
13 20 of the Video Gaming Act, emergency rules to implement the
14 provisions of subsection (c) of Section 20 of the Video Gaming
15 Act may be adopted in accordance with this subsection (oo) by
16 the Illinois Gaming Board. The adoption of emergency rules
17 authorized by this subsection (oo) is deemed to be necessary
18 for the public interest, safety, and welfare.

19 (pp) In order to provide for the expeditious and timely
20 implementation of the provisions of Section 50 of the Sexual
21 Assault Evidence Submission Act, emergency rules to implement
22 Section 50 of the Sexual Assault Evidence Submission Act may
23 be adopted in accordance with this subsection (pp) by the
24 Department of State Police. The adoption of emergency rules
25 authorized by this subsection (pp) is deemed to be necessary
26 for the public interest, safety, and welfare.

1 (qq) In order to provide for the expeditious and timely
2 implementation of the provisions of the Illinois Works Jobs
3 Program Act, emergency rules may be adopted in accordance with
4 this subsection (qq) to implement the Illinois Works Jobs
5 Program Act. The adoption of emergency rules authorized by
6 this subsection (qq) is deemed to be necessary for the public
7 interest, safety, and welfare.

8 (Source: P.A. 100-23, eff. 7-6-17; 100-554, eff. 11-16-17;
9 100-581, eff. 3-12-18; 100-587, Article 95, Section 95-5, eff.
10 6-4-18; 100-587, Article 110, Section 110-5, eff. 6-4-18;
11 100-864, eff. 8-14-18; 100-1172, eff. 1-4-19; 100-1181, eff.
12 3-8-19; 101-1, eff. 2-19-19; 101-10, Article 20, Section 20-5,
13 eff. 6-5-19; 101-10, Article 35, Section 35-5, eff. 6-5-19;
14 101-27, eff. 6-25-19; 101-31, Article 15, Section 15-5, eff.
15 6-28-19; 101-31, Article 25, Section 25-900, eff. 6-28-19;
16 101-31, Article 35, Section 35-3, eff. 6-28-19; 101-377, eff.
17 8-16-19; 101-601, eff. 12-10-19.)

18 Section 5. The Compassionate Use of Medical Cannabis
19 Program Act is amended by changing Sections 55, 100, 115, 130,
20 and 145 and by adding Sections 115.5 and 162 as follows:

21 (410 ILCS 130/55)

22 Sec. 55. Registration of qualifying patients and
23 designated caregivers.

24 (a) The Department of Public Health shall issue registry

1 identification cards to qualifying patients and designated
2 caregivers who submit a completed application, and at minimum,
3 the following, in accordance with Department of Public Health
4 rules:

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

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

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

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

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

1 (6) the name, address, and date of birth of the
2 designated caregiver, if any, chosen by the qualifying
3 patient;

4 (7) (blank) ~~the name of the registered medical~~
5 ~~cannabis dispensing organization the qualifying patient~~
6 ~~designates;~~

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

10 (9) (blank).

11 (b) Notwithstanding any other provision of this Act, a
12 person provided a written certification for a debilitating
13 medical condition who has submitted a completed online
14 application to the Department of Public Health shall receive a
15 provisional registration and be entitled to purchase medical
16 cannabis from a ~~specified~~ licensed dispensing organization for
17 a period of 90 days or until his or her application has been
18 denied or he or she receives a registry identification card,
19 whichever is earlier. However, a person may obtain an
20 additional provisional registration after the expiration of 90
21 days after the date of application if the Department of Public
22 Health does not provide the individual with a registry
23 identification card or deny the individual's application
24 within those 90 days.

25 The provisional registration may not be extended if the
26 individual does not respond to the Department of Public

1 Health's request for additional information or corrections to
2 required application documentation.

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

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

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

21 (c) No person or business shall charge a fee for
22 assistance in the preparation, compilation, or submission of
23 an application to the Compassionate Use of Medical Cannabis
24 Program or the Opioid Alternative Pilot Program. A violation
25 of this subsection is a Class C misdemeanor, for which
26 restitution to the applicant and a fine of up to \$1,500 may be

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

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

13 (410 ILCS 130/100)

14 Sec. 100. Cultivation center agent identification card.

15 (a) The Department of Agriculture shall:

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

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

25 (3) enter the registry identification number of the

1 cultivation center where the agent works; and

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

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

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

11 (1) the name of the cardholder;

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

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

17 (4) a photograph of the cardholder.

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

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

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

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

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

9 (410 ILCS 130/115)

10 Sec. 115. Registration of dispensing organizations.

11 (a) The Department of Financial and Professional
12 Regulation may issue up to 60 dispensing organization
13 registrations for operation. The Department of Financial and
14 Professional Regulation may not issue less than the 60
15 registrations if there are qualified applicants who have
16 applied with the Department of Financial and Professional
17 Regulation. The organizations shall be geographically
18 dispersed throughout the State to allow all registered
19 qualifying patients reasonable proximity and access to a
20 dispensing organization.

21 (a-5) ~~The For any dispensing organization registered on or~~
22 ~~after July 1, 2019,~~ the Department of Financial and
23 Professional Regulation shall adopt rules to create a
24 registration process for Social Equity Justice Involved
25 Applicants and Qualifying Applicants, a streamlined

1 application, and a Social Equity Justice Involved Medical
2 Lottery under Section 115.5 to issue the remaining available 5
3 dispensing organization registrations for operation ~~award not~~
4 ~~less than 20% of all available points to applicants that~~
5 ~~qualify as Social Equity Applicants.~~ For purposes of this
6 Section:

7 "Disproportionately Impacted Area" means a census tract or
8 comparable geographic area that satisfies the following
9 criteria as determined by the Department of Commerce and
10 Economic Opportunity, that:

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

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

14 (B) 75% or more of the children in the area
15 participate in the federal free lunch program
16 according to reported statistics from the State Board
17 of Education; or

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

21 (D) the area has an average unemployment rate, as
22 determined by the Illinois Department of Employment
23 Security, that is more than 120% of the national
24 unemployment average, as determined by the United
25 States Department of Labor, for a period of at least 2
26 consecutive calendar years preceding the date of the

1 application; and

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

5 "Qualifying Applicant" means an applicant that: (i)
6 submitted an application pursuant to Section 15-30 of the
7 Cannabis Regulation and Tax Act that received at least 85% of
8 250 application points available under Section 15-30 of the
9 Cannabis Regulation and Tax Act as the applicant's final
10 score; (ii) received points at the conclusion of the scoring
11 process for meeting the definition of a "Social Equity
12 Applicant" as set forth under the Cannabis Regulation and Tax
13 Act; and (iii) is an applicant that did not receive a
14 Conditional Adult Use Dispensing Organization License through
15 a Qualifying Applicant Lottery pursuant to Section 15-35 of
16 the Cannabis Regulation and Tax Act or any Tied Applicant
17 Lottery conducted under the Cannabis Regulation and Tax Act.

18 "Social Equity Justice Involved Applicant" means an
19 applicant that is an Illinois resident that meets ~~one of~~ the
20 following criteria:

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

25 (2) either:

26 (A) an applicant with at least 51% of ownership

1 and control by one or more individuals who have been
2 arrested for, convicted of, or adjudicated delinquent
3 for any offense that is eligible for expungement under
4 subsection (i) of Section 5.2 of the Criminal
5 Identification Act ~~or member of an impacted family; or~~

6 (B) an applicant with at least 51% ownership and
7 control by one or more members of an impacted family.

8 ~~(3) for applicants with a minimum of 10 full time~~
9 ~~employees, an applicant with at least 51% of current~~
10 ~~employees who:~~

11 ~~(A) currently reside in a Disproportionately~~
12 ~~Impacted Area; or~~

13 ~~(B) have been arrested for, convicted of, or~~
14 ~~adjudicated delinquent for any offense that is~~
15 ~~eligible for expungement or member of an impacted~~
16 ~~family.~~

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

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

26 (1) a non-refundable application fee established by

1 rule;

2 (2) the proposed legal name of the dispensing
3 organization;

4 (3) the proposed physical address of the dispensing
5 organization;

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

10 (5) (blank) ~~information, in writing, regarding any~~
11 ~~instances in which a business or not for profit that any~~
12 ~~of the prospective board members managed or served on the~~
13 ~~board was convicted, fined, censured, or had a~~
14 ~~registration suspended or revoked in any administrative or~~
15 ~~judicial proceeding;~~

16 (6) (blank) ~~proposed operating by laws that include~~
17 ~~procedures for the oversight of the medical cannabis~~
18 ~~dispensing organization and procedures to ensure accurate~~
19 ~~record keeping and security measures that are in~~
20 ~~accordance with the rules applied by the Department of~~
21 ~~Financial and Professional Regulation under this Act. The~~
22 ~~by laws shall include a description of the enclosed,~~
23 ~~locked facility where medical cannabis will be stored by~~
24 ~~the dispensing organization; and~~

25 (7) (blank) ~~signed statements from each dispensing~~
26 ~~organization agent stating that they will not divert~~

1 ~~medical cannabis.~~

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

19 (e) A dispensing organization must pay a registration fee
20 set by the Department of Financial and Professional
21 Regulation.

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

25 (1) the applicant failed to submit the materials
26 required by this Section, including if the applicant's

1 plans do not satisfy the security, oversight, or
2 recordkeeping rules issued by the Department of Financial
3 and Professional Regulation;

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

6 (3) the applicant does not meet the requirements of
7 Section 130;

8 (4) one or more of the prospective principal officers
9 or board members has been convicted of an excluded
10 offense;

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

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

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

18 (410 ILCS 130/115.5 new)

19 Sec. 115.5. Social Equity Justice Involved Medical
20 Lottery.

21 (a) In this Section:

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

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

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

3 "Social Equity Justice Involved Medical Lottery" means the
4 process of issuing 5 available medical cannabis dispensing
5 organization registrations by lot, conducted by the Department
6 of Financial and Professional Regulation, for applicants who
7 are either: (i) Social Equity Justice Involved Applicants; or
8 (ii) Qualifying Applicants.

9 (b) The Department of Financial and Professional
10 Regulation shall conduct a Social Equity Justice Involved
11 Medical Lottery to award up to 5 medical cannabis dispensing
12 organization registrations by lot in accordance with Section
13 115.

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

26 (d) Social Equity Justice Involved Applicants awarded a

1 registration under subsection (a-5) of Section 115 are
2 eligible to serve purchasers at the same site and a secondary
3 site under the Cannabis Regulation and Tax Act, subject to
4 application and inspection processes established by the
5 Department. The licenses issued under this Section shall be
6 valid for 2 years after the date of issuance and shall renew in
7 the manner proscribed by the Department.

8 (e) No applicant may be awarded more than one medical
9 cannabis dispensing organization registration at the
10 conclusion of the lottery conducted under this Section.

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

14 (410 ILCS 130/130)

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

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

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

24 (c) A dispensing organization shall implement appropriate
25 security measures, as provided by rule, to deter and prevent

1 the theft of cannabis and unauthorized entrance into areas
2 containing cannabis.

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

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

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

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

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

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

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

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

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

24 (3) (blank); and ~~that the dispensing organization is~~
25 ~~the designated dispensing organization for the registered~~
26 ~~qualifying patient who is obtaining the cannabis directly~~

1 ~~or via his or her designated caregiver; and~~

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

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

11 (1) that the written certification presented to the
12 registered dispensing organization is valid and an
13 original document;

14 (2) that the person presenting the written
15 certification is the person identified on the written
16 certification; and

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

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

1 (k) The health care professional-patient privilege as set
2 forth by Section 8-802 of the Code of Civil Procedure shall
3 apply between a qualifying patient and a registered dispensing
4 organization and its agents with respect to communications and
5 records concerning qualifying patients' debilitating
6 conditions.

7 (l) A dispensing organization may not permit any person to
8 consume cannabis on the property of a medical cannabis
9 organization.

10 (m) A dispensing organization may not share office space
11 with or refer patients to a certifying health care
12 professional.

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

1 Professional Regulation are subject to judicial review under
2 the Administrative Review Law and its rules. The term
3 "administrative decision" is defined as in Section 3-101 of
4 the Code of Civil Procedure.

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

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

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

1 become final and shall not be subject to appeal.

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

3 (410 ILCS 130/145)

4 Sec. 145. Confidentiality.

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

21 (1) Applications and renewals, their contents, and
22 supporting information submitted by qualifying patients
23 and designated caregivers, including information regarding
24 their designated caregivers and certifying health care
25 professionals.

1 (2) Applications and renewals, their contents, and
2 supporting information submitted by or on behalf of
3 cultivation centers and dispensing organizations in
4 compliance with this Act, including their physical
5 addresses. This does not preclude the release of ownership
6 information of cannabis business establishment licenses.

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

10 (4) Any dispensing information required to be kept
11 under Section 135, Section 150, or Department of Public
12 Health, Department of Agriculture, or Department of
13 Financial and Professional Regulation rules shall identify
14 cardholders and registered cultivation centers by their
15 registry identification numbers and medical cannabis
16 dispensing organizations by their registration number and
17 not contain names or other personally identifying
18 information.

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

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

23 (1) Department of Agriculture, Department of Financial
24 and Professional Regulation, or Public Health employees
25 may notify law enforcement about falsified or fraudulent
26 information submitted to the Departments if the employee

1 who suspects that falsified or fraudulent information has
2 been submitted conferred with his or her supervisor and
3 both agree that circumstances exist that warrant
4 reporting.

5 (2) If the employee conferred with his or her
6 supervisor and both agree that circumstances exist that
7 warrant reporting, Department of Public Health employees
8 may notify the Department of Financial and Professional
9 Regulation if there is reasonable cause to believe a
10 certifying health care professional:

11 (A) issued a written certification without a bona
12 fide health care professional-patient relationship
13 under this Act;

14 (B) issued a written certification to a person who
15 was not under the certifying health care
16 professional's care for the debilitating medical
17 condition; or

18 (C) failed to abide by the acceptable and
19 prevailing standard of care when evaluating a
20 patient's medical condition.

21 (3) The Department of Public Health, Department of
22 Agriculture, and Department of Financial and Professional
23 Regulation may notify State or local law enforcement about
24 apparent criminal violations of this Act if the employee
25 who suspects the offense has conferred with his or her
26 supervisor and both agree that circumstances exist that

1 warrant reporting.

2 (4) Medical cannabis cultivation center agents and
3 medical cannabis dispensing organizations may notify the
4 Department of Public Health, Department of Financial and
5 Professional Regulation, or Department of Agriculture of a
6 suspected violation or attempted violation of this Act or
7 the rules issued under it.

8 (5) Each Department may verify registry identification
9 cards under Section 150.

10 (6) The submission of the report to the General
11 Assembly under Section 160.

12 (b-5) 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 shall not be 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 (c) It is a Class B misdemeanor with a \$1,000 fine for any
21 person, including an employee or official of the Department of
22 Public Health, Department of Financial and Professional
23 Regulation, or Department of Agriculture or another State
24 agency or local government, to breach the confidentiality of
25 information obtained under this Act.

26 (d) The Department of Public Health, the Department of

1 Agriculture, the Department of State Police, and the
2 Department of Financial and Professional Regulation shall not
3 share or disclose any existing or non-existing Illinois or
4 national criminal history record information. For the purposes
5 of this Section, "any existing or non-existing Illinois or
6 national criminal history record information" means any
7 Illinois or national criminal history record information,
8 including but not limited to the lack of or non-existence of
9 these records.

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

11 (410 ILCS 130/162 new)

12 Sec. 162. Market research study. The Illinois Cannabis
13 Regulation Oversight Officer shall conduct a market research
14 study on or before January 1, 2022. The study shall evaluate
15 the ownership demographics of licensees and applicants for
16 licenses under this Act.

17 Section 10. The Cannabis Regulation and Tax Act is amended
18 by changing Sections 1-10, 5-45, 7-30, 10-25, 10-40, 15-15,
19 15-25, 15-30, 15-30.10, 15-35, 15-40, 15-70, 15-85, 25-5,
20 25-35, 30-5, 30-30, 35-5, 35-25, 35-30, 40-25, 40-30, 55-21,
21 55-28, and 55-30 and by adding Sections 15-30.5, 15-30.8,
22 15-30.15, 15-30.20, 15-35.10, 15-35.20, 15-135, 20-30, 20-55,
23 25-30, 30-55, 35-45, and 40-45 as follows:

1 (410 ILCS 705/1-10)

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

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

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

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

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

22 "BLS Region" means a region in Illinois used by the United
23 States Bureau of Labor Statistics to gather and categorize
24 certain employment and wage data. The 17 such regions in
25 Illinois are: Bloomington, Cape Girardeau, Carbondale-Marion,
26 Champaign-Urbana, Chicago-Naperville-Elgin, Danville,

1 Davenport-Moline-Rock Island, Decatur, Kankakee, Peoria,
2 Rockford, St. Louis, Springfield, Northwest Illinois
3 nonmetropolitan area, West Central Illinois nonmetropolitan
4 area, East Central Illinois nonmetropolitan area, and South
5 Illinois nonmetropolitan area.

6 "By lot" means a randomized method of choosing between 2
7 or more Eligible Tied Applicants or 2 or more Qualifying
8 Applicants.

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

1 concentrate, and cannabis-infused products.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 person as a craft grower agent.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

25 "Purchaser" means a person 21 years of age or older who
26 acquires cannabis for a valuable consideration. "Purchaser"

1 does not include a cardholder under the Compassionate Use of
2 Medical Cannabis Program Act.

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

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

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

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

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

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

25 (3) school records;

26 (4) a voter registration card;

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

4 (6) a paycheck stub;

5 (7) a utility bill;

6 (8) tax records; or

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

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

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

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

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

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

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

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

26 (i) currently reside in a Disproportionately

1 Impacted Area; or

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

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

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

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

26 "Tincture" means a cannabis-infused solution, typically

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

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

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

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

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

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

26 (1) if the cannabis plant is in an area that has not

1 been intentionally deprived of light for a period of time
2 intended to produce flower buds and induce maturation, it
3 has no more than 2 stigmas visible at each internode of the
4 cannabis plant; or

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

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

9 (410 ILCS 705/5-45)

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

11 (a) The position of Illinois Cannabis Regulation Oversight
12 Officer is created within the Department of Financial and
13 Professional Regulation under the Secretary of Financial and
14 Professional Regulation. The Cannabis Regulation Oversight
15 Officer serves a coordinating role among State agencies
16 regarding this Act and the Compassionate Use of Medical
17 Cannabis Program Act. The Illinois Cannabis Regulation
18 Oversight Officer shall be appointed by the Governor with the
19 advice and consent of the Senate. The term of office of the
20 Officer shall expire on the third Monday of January in
21 odd-numbered years provided that he or she shall hold office
22 until a successor is appointed and qualified. In case of
23 vacancy in office during the recess of the Senate, the
24 Governor shall make a temporary appointment until the next
25 meeting of the Senate, when the Governor shall nominate some

1 person to fill the office, and any person so nominated who is
2 confirmed by the Senate shall hold office during the remainder
3 of the term and until his or her successor is appointed and
4 qualified.

5 (b) The Illinois Cannabis Regulation Oversight Officer has
6 the authority to ~~may~~:

7 (1) maintain a staff;

8 (2) make recommendations for administrative and
9 statutory ~~policy, statute, and rule~~ changes;

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

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

14 (5) ensure the coordination of efforts between various
15 State agencies involved in regulating and taxing the sale
16 of cannabis in Illinois; and

17 (6) encourage, promote, suggest, and report best
18 practices for ensuring diversity in the cannabis industry
19 in Illinois.

20 (c) The Illinois Cannabis Regulation Oversight Officer and
21 the Officer's staff shall not:

22 (1) participate in the issuance or award of any
23 cannabis business establishment license ~~licensing or the~~
24 ~~making of awards~~; or

25 (2) participate in discipline related to any cannabis
26 business establishment ~~any adjudicative decision making~~

1 ~~process involving licensing or licensee discipline.~~

2 The Illinois Cannabis Regulation Officer is not prohibited
3 from coordinating with and making recommendations to agencies
4 regarding licensing and disciplinary policies and procedures.

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

8 (e) The Illinois Cannabis Regulation Oversight Officer
9 shall commission and publish one or more disparity and
10 availability studies that ~~a disparity and availability study~~
11 ~~by March 1, 2021 that:~~ (1) evaluates whether there exists
12 discrimination in the State's cannabis industry; and (2) if
13 so, evaluates the impact of such discrimination on the State
14 and includes recommendations to the Department of Financial
15 and Professional Regulation and the Department of Agriculture
16 for reducing or eliminating any identified barriers to entry
17 in the cannabis market. Such disparity and availability
18 studies shall examine each license type issued pursuant to the
19 Sections 15-25 or 15-30.1, subsection (a) of Section 30-5, or
20 subsection (a) of Section 35-5, and shall be initiated within
21 180 days from the issuance of the first of each license
22 authorized by those Sections. The results of each disparity
23 and availability study shall be reported to the General
24 Assembly and the Governor no later than 12 months after the
25 commission of each study.

26 The Illinois Cannabis Regulation Oversight Officer shall

1 forward a copy of its findings and recommendations to the
2 Department of Financial and Professional Regulation, the
3 Department of Agriculture, the Department of Commerce and
4 Economic Opportunity, the General Assembly, and the Governor.

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

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

20 (410 ILCS 705/7-30)

21 Sec. 7-30. Reporting. By January 1, 2021, and on January 1
22 of every year thereafter, or upon request by the Illinois
23 Cannabis Regulation Oversight Officer, each cannabis business
24 establishment licensed under this Act and the Compassionate
25 Use of Medical Cannabis Program Act shall report to the

1 Illinois Cannabis Regulation Oversight Officer, on a form to
2 be provided by the Illinois Cannabis Regulation Oversight
3 Officer, information that will allow it to assess the extent
4 of diversity in the medical and adult use cannabis industry
5 and methods for reducing or eliminating any identified
6 barriers to entry, including access to capital. Failure of a
7 cannabis business establishment to respond to the request of
8 the Cannabis Regulation Oversight Officer to complete the
9 form, report, and any other request for information may be
10 grounds for disciplinary action by the Department of Financial
11 and Professional Regulation or the Department of Agriculture.

12 The information to be collected shall be designed to identify
13 the following:

14 (1) the number and percentage of licenses provided to
15 Social Equity Applicants and to businesses owned by
16 minorities, women, veterans, and people with disabilities;

17 (2) the total number and percentage of employees in
18 the cannabis industry who meet the criteria in (3)(i) or
19 (3)(ii) in the definition of Social Equity Applicant or
20 who are minorities, women, veterans, or people with
21 disabilities;

22 (3) the total number and percentage of contractors and
23 subcontractors in the cannabis industry that meet the
24 definition of a Social Equity Applicant or who are owned
25 by minorities, women, veterans, or people with
26 disabilities, if known to the cannabis business

1 establishment; and

2 (4) recommendations on reducing or eliminating any
3 identified barriers to entry, including access to capital,
4 in the cannabis industry.

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

6 (410 ILCS 705/10-25)

7 Sec. 10-25. Immunities and presumptions related to the use
8 of cannabis by purchasers.

9 (a) A purchaser who is 21 years of age or older is not
10 subject to arrest, prosecution, denial of any right or
11 privilege, or other punishment including, but not limited to,
12 any civil penalty or disciplinary action taken by an
13 occupational or professional licensing board, based solely on
14 the use of cannabis if (1) the purchaser possesses an amount of
15 cannabis that does not exceed the possession limit under
16 Section 10-10 and, if the purchaser is licensed, certified, or
17 registered to practice any trade or profession under any Act
18 and (2) the use of cannabis does not impair that person when he
19 or she is engaged in the practice of the profession for which
20 he or she is licensed, certified, or registered.

21 (b) A purchaser 21 years of age or older is not subject to
22 arrest, prosecution, denial of any right or privilege, or
23 other punishment, including, but not limited to, any civil
24 penalty or disciplinary action taken by an occupational or
25 professional licensing board, based solely for (i) selling

1 cannabis paraphernalia if employed and licensed as a
2 dispensing agent by a dispensing organization; (ii) being in
3 the presence or vicinity of the use of cannabis or cannabis
4 paraphernalia as allowed under this Act; or (iii) possessing
5 cannabis paraphernalia.

6 (c) Mere possession of, or application for, an agent
7 identification card or license does not constitute probable
8 cause or reasonable suspicion to believe that a crime has been
9 committed, nor shall it be used as the sole basis to support
10 the search of the person, property, or home of the person
11 possessing or applying for the agent identification card. The
12 possession of, or application for, an agent identification
13 card does not preclude the existence of probable cause if
14 probable cause exists based on other grounds.

15 (d) No person employed by the State of Illinois shall be
16 subject to criminal or civil penalties for taking any action
17 in good faith in reliance on this Act when acting within the
18 scope of his or her employment. Representation and
19 indemnification shall be provided to State employees as set
20 forth in Section 2 of the State Employee Indemnification Act.

21 (e) No law enforcement or correctional agency, nor any
22 person employed by a law enforcement or correctional agency,
23 shall be subject to criminal or civil liability, except for
24 willful and wanton misconduct, as a result of taking any
25 action within the scope of the official duties of the agency or
26 person to prohibit or prevent the possession or use of

1 cannabis by a person incarcerated at a correctional facility,
2 jail, or municipal lockup facility, on parole or mandatory
3 supervised release, or otherwise under the lawful jurisdiction
4 of the agency or person.

5 (f) For purposes of receiving medical care, including
6 organ transplants, a person's use of cannabis under this Act
7 does not constitute the use of an illicit substance or
8 otherwise disqualify a person from medical care.

9 (g) Any person 21 years of age or older in possession of
10 cannabis shall not be required to possess cannabis in a
11 container that meets the requirements of Section 55-21.

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

13 (410 ILCS 705/10-40)

14 Sec. 10-40. Restore, Reinvest, and Renew Program.

15 (a) The General Assembly finds that in order to address
16 the disparities described below, aggressive approaches and
17 targeted resources to support local design and control of
18 community-based responses to these outcomes are required. To
19 carry out this intent, the Restore, Reinvest, and Renew (R3)
20 Program is created for the following purposes:

21 (1) to directly address the impact of economic
22 disinvestment, violence, and the historical overuse of
23 criminal justice responses to community and individual
24 needs by providing resources to support local design and
25 control of community-based responses to these impacts;

1 (2) to substantially reduce both the total amount of
2 gun violence and concentrated poverty in this State;

3 (3) to protect communities from gun violence through
4 targeted investments and intervention programs, including
5 economic growth and improving family violence prevention,
6 community trauma treatment rates, gun injury victim
7 services, and public health prevention activities;

8 (4) to promote employment infrastructure and capacity
9 building related to the social determinants of health in
10 the eligible community areas.

11 (b) In this Section, "Authority" means the Illinois
12 Criminal Justice Information Authority in coordination with
13 the Justice, Equity, and Opportunity Initiative of the
14 Lieutenant Governor's Office.

15 (c) Eligibility of R3 Areas. Within 180 days after the
16 effective date of this Act, the Authority shall identify as
17 eligible, areas in this State by way of historically
18 recognized geographic boundaries, to be designated by the
19 Restore, Reinvest, and Renew Program Board as R3 Areas and
20 therefore eligible to apply for R3 funding. Local groups
21 within R3 Areas will be eligible to apply for State funding
22 through the Restore, Reinvest, and Renew Program Board.
23 Qualifications for designation as an R3 Area are as follows:

24 (1) Based on an analysis of data, communities in this
25 State that are high need, underserved, disproportionately
26 impacted by historical economic disinvestment, and ravaged

1 by violence as indicated by the highest rates of gun
2 injury, unemployment, child poverty rates, and commitments
3 to and returns from the Illinois Department of
4 Corrections.

5 (2) The Authority shall send to the Legislative Audit
6 Commission and make publicly available its analysis and
7 identification of eligible R3 Areas and shall recalculate
8 the eligibility data every 4 years. On an annual basis,
9 the Authority shall analyze data and indicate if data
10 covering any R3 Area or portion of an Area has, for 4
11 consecutive years, substantially deviated from the average
12 of statewide data on which the original calculation was
13 made to determine the Areas, including disinvestment,
14 violence, gun injury, unemployment, child poverty rates,
15 or commitments to or returns from the Illinois Department
16 of Corrections.

17 (d) The Restore, Reinvest, and Renew Program Board shall
18 encourage collaborative partnerships within each R3 Area to
19 minimize multiple partnerships per Area.

20 (e) The Restore, Reinvest, and Renew Program Board is
21 created and shall reflect the diversity of the State of
22 Illinois, including geographic, racial, and ethnic diversity.
23 Using the data provided by the Authority, the Restore,
24 Reinvest, and Renew Program Board shall be responsible for
25 designating the R3 Area boundaries and for the selection and
26 oversight of R3 Area grantees. The Restore, Reinvest, and

1 Renew Program Board ex officio members shall, within 4 months
2 after the effective date of this Act, convene the Board to
3 appoint a full Restore, Reinvest, and Renew Program Board and
4 oversee, provide guidance to, and develop an administrative
5 structure for the R3 Program.

6 (1) The ex officio members are:

7 (A) The Lieutenant Governor, or his or her
8 designee, who shall serve as chair.

9 (B) The Attorney General, or his or her
10 designee.

11 (C) The Director of Commerce and Economic
12 Opportunity, or his or her designee.

13 (D) The Director of Public Health, or his or
14 her designee.

15 (E) The Director of Corrections, or his or her
16 designee.

17 (F) The Director of Juvenile Justice, or his
18 or her designee.

19 (G) The Director of Children and Family
20 Services, or his or her designee.

21 (H) The Executive Director of the Illinois
22 Criminal Justice Information Authority, or his or
23 her designee.

24 (I) The Director of Employment Security, or
25 his or her designee.

26 (J) The Secretary of Human Services, or his or

1 her designee.

2 (K) A member of the Senate, designated by the
3 President of the Senate.

4 (L) A member of the House of Representatives,
5 designated by the Speaker of the House of
6 Representatives.

7 (M) A member of the Senate, designated by the
8 Minority Leader of the Senate.

9 (N) A member of the House of Representatives,
10 designated by the Minority Leader of the House of
11 Representatives.

12 (2) Within 90 days after the R3 Areas have been
13 designated by the Restore, Reinvest, and Renew Program
14 Board, the following members shall be appointed to the
15 Board by the R3 board chair:

16 (A) Eight public officials of municipal geographic
17 jurisdictions in the State that include an R3 Area, or
18 their designees;

19 (B) Four community-based providers or community
20 development organization representatives who provide
21 services to treat violence and address the social
22 determinants of health, or promote community
23 investment, including, but not limited to, services
24 such as job placement and training, educational
25 services, workforce development programming, and
26 wealth building. The community-based organization

1 representatives shall work primarily in jurisdictions
2 that include an R3 Area and no more than 2
3 representatives shall work primarily in Cook County.
4 At least one of the community-based providers shall
5 have expertise in providing services to an immigrant
6 population;

7 (C) Two experts in the field of violence
8 reduction;

9 (D) One male who has previously been incarcerated
10 and is over the age of 24 at the time of appointment;

11 (E) One female who has previously been
12 incarcerated and is over the age of 24 at the time of
13 appointment;

14 (F) Two individuals who have previously been
15 incarcerated and are between the ages of 17 and 24 at
16 the time of appointment; ~~and-~~

17 (G) Eight individuals who live or work in an R3
18 Area.

19 As used in this paragraph (2), "an individual who has
20 been previously incarcerated" means a person who has been
21 convicted of or pled guilty to one or more felonies, who
22 was sentenced to a term of imprisonment, and who has
23 completed his or her sentence. Board members shall serve
24 without compensation and may be reimbursed for reasonable
25 expenses incurred in the performance of their duties from
26 funds appropriated for that purpose. Once all its members

1 have been appointed as outlined in items (A) through (F)
2 of this paragraph (2), the Board may exercise any power,
3 perform any function, take any action, or do anything in
4 furtherance of its purposes and goals upon the appointment
5 of a quorum of its members. The Board terms of the non-ex
6 officio and General Assembly Board members shall end 4
7 years from the date of appointment. The R3 board chair may
8 remove an individual appointed to the Board who does not
9 regularly attend Board meetings, based on criteria
10 approved by the Board.

11 (f) Within 12 months after the effective date of this Act,
12 the Board shall:

13 (1) develop a process to solicit applications from
14 eligible R3 Areas;

15 (2) develop a standard template for both planning and
16 implementation activities to be submitted by R3 Areas to
17 the State;

18 (3) identify resources sufficient to support the full
19 administration and evaluation of the R3 Program, including
20 building and sustaining core program capacity at the
21 community and State levels;

22 (4) review R3 Area grant applications and proposed
23 agreements and approve the distribution of resources;

24 (5) develop a performance measurement system that
25 focuses on positive outcomes;

26 (6) develop a process to support ongoing monitoring

1 and evaluation of R3 programs; and

2 (7) deliver an annual report to the General Assembly
3 and to the Governor to be posted on the Governor's Office
4 and General Assembly websites and provide to the public an
5 annual report on its progress.

6 (g) R3 Area grants.

7 (1) Grant funds shall be awarded by the Illinois
8 Criminal Justice Information Authority, in coordination
9 with the R3 board, based on the likelihood that the plan
10 will achieve the outcomes outlined in subsection (a) and
11 consistent with the requirements of the Grant
12 Accountability and Transparency Act. The R3 Program shall
13 also facilitate the provision of training and technical
14 assistance for capacity building within and among R3
15 Areas.

16 (2) R3 Program Board grants shall be used to address
17 economic development, violence prevention services,
18 re-entry services, youth development, and civil legal aid.

19 (3) The Restore, Reinvest, and Renew Program Board and
20 the R3 Area grantees shall, within a period of no more than
21 120 days from the completion of planning activities
22 described in this Section, finalize an agreement on the
23 plan for implementation. Implementation activities may:

24 (A) have a basis in evidence or best practice
25 research or have evaluations demonstrating the
26 capacity to address the purpose of the program in

1 subsection (a);

2 (B) collect data from the inception of planning
3 activities through implementation, with data
4 collection technical assistance when needed, including
5 cost data and data related to identified meaningful
6 short-term, mid-term, and long-term goals and metrics;

7 (C) report data to the Restore, Reinvest, and
8 Renew Program Board biannually; and

9 (D) report information as requested by the R3
10 Program Board.

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

12 (410 ILCS 705/15-15)

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 dispensing organization license.

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

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

6 (410 ILCS 705/15-25)

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

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

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

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

20 (1) Bloomington: 1

21 (2) Cape Girardeau: 1

22 (3) Carbondale-Marion: 1

23 (4) Champaign-Urbana: 1

24 (5) Chicago-Naperville-Elgin: 47

25 (6) Danville: 1

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

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

16 (1) Payment of a nonrefundable application fee of
17 \$5,000 for each license for which the applicant is
18 applying, which shall be deposited into the Cannabis
19 Regulation Fund;

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

22 (3) The legal name of the proposed dispensing
23 organization;

24 (4) A statement that the dispensing organization
25 agrees to respond to the Department's supplemental
26 requests for information;

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

3 (A) has previously held or currently holds an
4 ownership interest in a cannabis business
5 establishment in Illinois; or

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

12 (6) Disclosure of whether any principal officer has
13 ever filed for bankruptcy or defaulted on spousal support
14 or child support obligation;

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

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

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

22 (10) A copy of the proposed business plan that
23 complies with the requirements in this Act, including, at
24 a minimum, the following:

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

26 (B) A description of the process of dispensing

1 cannabis;

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

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

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

13 (12) A proposed inventory control plan that complies
14 with this Section;

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

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

23 (15) Evidence of the applicant's status as a Social
24 Equity Applicant, if applicable, and whether a Social
25 Equity Applicant plans to apply for a loan or grant issued
26 by the Department of Commerce and Economic Opportunity;

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

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

12 (18) A plan for community engagement;

13 (19) Procedures to ensure accurate recordkeeping and
14 security measures that are in accordance with this Article
15 and Department rules;

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

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

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

23 (23) A reasonable assurance that the issuance of a
24 license will not have a detrimental impact on the
25 community in which the applicant wishes to locate;

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

1 (25) A description of the enclosed, locked facility
2 where cannabis will be stored by the dispensing
3 organization;

4 (26) Signed statements from each dispensing
5 organization agent stating that he or she will not divert
6 cannabis;

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

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

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

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

23 (e) An applicant who receives a Conditional Adult Use
24 Dispensing Organization License under this Section has 180
25 days from the date of award to identify a physical location for
26 the dispensing organization retail storefront. ~~Before a~~

1 ~~conditional licensee receives an authorization to build out~~
2 ~~the dispensing organization from the Department, the~~
3 ~~Department shall inspect the physical space selected by the~~
4 ~~conditional licensee. The Department shall verify the site is~~
5 ~~suitable for public access, the layout promotes the safe~~
6 ~~dispensing of cannabis, the location is sufficient in size,~~
7 ~~power allocation, lighting, parking, handicapped accessible~~
8 ~~parking spaces, accessible entry and exits as required by the~~
9 ~~Americans with Disabilities Act, product handling, and~~
10 ~~storage. The applicant shall also provide a statement of~~
11 ~~reasonable assurance that the issuance of a license will not~~
12 ~~have a detrimental impact on the community. The applicant~~
13 shall also provide evidence that the location is not within
14 1,500 feet of an existing dispensing organization, unless the
15 applicant is a Social Equity Applicant or Social Equity
16 Justice Involved Applicant located or seeking to locate within
17 1,500 feet of a dispensing organization in existence prior to
18 the effective date of this amendatory Act of the 102nd General
19 Assembly. If an applicant is unable to find a suitable
20 physical address in the opinion of the Department within 180
21 days of the issuance of the Conditional Adult Use Dispensing
22 Organization License, the Department may extend the period for
23 finding a physical address another 180 days if the Conditional
24 Adult Use Dispensing Organization License holder demonstrates
25 concrete attempts to secure a location and a hardship. If the
26 Department denies the extension or the Conditional Adult Use

1 Dispensing Organization License holder is unable to find a
2 location or become operational within 360 days of being
3 awarded a conditional license, the Department shall rescind
4 the conditional license and award it to the next highest
5 scoring applicant in the BLS Region for which the license was
6 assigned, provided the applicant receiving the license: (i)
7 confirms a continued interest in operating a dispensing
8 organization; (ii) can provide evidence that the applicant
9 continues to meet all requirements for holding a Conditional
10 Adult Use Dispensing Organization License set forth in this
11 Act; and (iii) has not otherwise become ineligible to be
12 awarded a dispensing organization license. If the new awardee
13 is unable to accept the Conditional Adult Use Dispensing
14 Organization License, the Department shall award the
15 Conditional Adult Use Dispensing Organization License to the
16 next highest scoring applicant in the same manner. The new
17 awardee shall be subject to the same required deadlines as
18 provided in this subsection.

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

1 Use Dispensing Organization License holder to transfer its
2 license to a BLS Region specified by the Department.

3 (f) A dispensing organization that is awarded a
4 Conditional Adult Use Dispensing Organization License pursuant
5 to the criteria in Section 15-30 shall not purchase, possess,
6 sell, or dispense cannabis or cannabis-infused products until
7 the person has received an Adult Use Dispensing Organization
8 License issued by the Department pursuant to Section 15-36 of
9 this Act.

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

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

1 (410 ILCS 705/15-30)

2 Sec. 15-30. Selection criteria for conditional licenses
3 awarded under Section 15-25.

4 (a) Applicants for a Conditional Adult Use Dispensing
5 Organization License must submit all required information,
6 including the information required in Section 15-25, to the
7 Department. Failure by an applicant to submit all required
8 information may result in the application being disqualified.

9 (b) If the Department receives an application that fails
10 to provide the required elements contained in this Section,
11 the Department shall issue a deficiency notice to the
12 applicant. The applicant shall have 10 calendar days from the
13 date of the deficiency notice to resubmit the incomplete
14 information. Applications that are still incomplete after this
15 opportunity to cure will not be scored and will be
16 disqualified.

17 (c) The Department will award up to 250 points to complete
18 applications based on the sufficiency of the applicant's
19 responses to required information. Applicants will be awarded
20 points based on a determination that the application
21 satisfactorily includes the following elements:

22 (1) Suitability of Employee Training Plan (15 points).

23 The plan includes an employee training plan that
24 demonstrates that employees will understand the rules
25 and laws to be followed by dispensary employees, have

1 knowledge of any security measures and operating
2 procedures of the dispensary, and are able to advise
3 purchasers on how to safely consume cannabis and use
4 individual products offered by the dispensary.

5 (2) Security and Recordkeeping (65 points).

6 (A) The security plan accounts for the prevention
7 of the theft or diversion of cannabis. The security
8 plan demonstrates safety procedures for dispensing
9 organization agents and purchasers, and safe delivery
10 and storage of cannabis and currency. It demonstrates
11 compliance with all security requirements in this Act
12 and rules.

13 (B) A plan for recordkeeping, tracking, and
14 monitoring inventory, quality control, and other
15 policies and procedures that will promote standard
16 recordkeeping and discourage unlawful activity. This
17 plan includes the applicant's strategy to communicate
18 with the Department and the Department of State Police
19 on the destruction and disposal of cannabis. The plan
20 must also demonstrate compliance with this Act and
21 rules.

22 (C) The security plan shall also detail which
23 private security contractor licensed under Section
24 10-5 of the Private Detective, Private Alarm, Private
25 Security, Fingerprint Vendor, and Locksmith Act of
26 2004 the dispensary will contract with in order to

1 provide adequate security at its facility.

2 (3) Applicant's Business Plan, Financials, Operating
3 and Floor Plan (65 points).

4 (A) The business plan shall describe, at a
5 minimum, how the dispensing organization will be
6 managed on a long-term basis. This shall include a
7 description of the dispensing organization's
8 point-of-sale system, purchases and denials of sale,
9 confidentiality, and products and services to be
10 offered. It will demonstrate compliance with this Act
11 and rules.

12 (B) The operating plan shall include, at a
13 minimum, best practices for day-to-day dispensary
14 operation and staffing. The operating plan may also
15 include information about employment practices,
16 including information about the percentage of
17 full-time employees who will be provided a living
18 wage.

19 (C) The proposed floor plan is suitable for public
20 access, the layout promotes safe dispensing of
21 cannabis, is compliant with the Americans with
22 Disabilities Act and the Environmental Barriers Act,
23 and facilitates safe product handling and storage.

24 (4) Knowledge and Experience (30 points).

25 (A) The applicant's principal officers must
26 demonstrate experience and qualifications in business

1 management or experience with the cannabis industry.
2 This includes ensuring optimal safety and accuracy in
3 the dispensing and sale of cannabis.

4 (B) The applicant's principal officers must
5 demonstrate knowledge of various cannabis product
6 strains or varieties and describe the types and
7 quantities of products planned to be sold. This
8 includes confirmation of whether the dispensing
9 organization plans to sell cannabis paraphernalia or
10 edibles.

11 (C) Knowledge and experience may be demonstrated
12 through experience in other comparable industries that
13 reflect on the applicant's ability to operate a
14 cannabis business establishment.

15 (5) Status as a Social Equity Applicant (50 points).

16 The applicant meets the qualifications for a
17 Social Equity Applicant as set forth in this Act.

18 (6) Labor and employment practices (5 points): The
19 applicant may describe plans to provide a safe, healthy,
20 and economically beneficial working environment for its
21 agents, including, but not limited to, codes of conduct,
22 health care benefits, educational benefits, retirement
23 benefits, living wage standards, and entering a labor
24 peace agreement with employees.

25 (7) Environmental Plan (5 points): The applicant may
26 demonstrate an environmental plan of action to minimize

1 the carbon footprint, environmental impact, and resource
2 needs for the dispensary, which may include, without
3 limitation, recycling cannabis product packaging.

4 (8) Illinois owner (5 points): The applicant is 51% or
5 more owned and controlled by an Illinois resident, who can
6 prove residency in each of the past 5 years with tax
7 records or 2 of the following:

8 (A) a signed lease agreement that includes the
9 applicant's name;

10 (B) a property deed that includes the applicant's
11 name;

12 (C) school records;

13 (D) a voter registration card;

14 (E) an Illinois driver's license, an Illinois
15 Identification Card, or an Illinois Person with a
16 Disability Identification Card;

17 (F) a paycheck stub;

18 (G) a utility bill; or

19 (H) any other proof of residency or other
20 information necessary to establish residence as
21 provided by rule.

22 (9) Status as veteran (5 points): The applicant is 51%
23 or more controlled and owned by an individual or
24 individuals who meet the qualifications of a veteran as
25 defined by Section 45-57 of the Illinois Procurement Code.

26 (10) A diversity plan (5 points): that includes a

1 narrative of not more than 2,500 words that establishes a
2 goal of diversity in ownership, management, employment,
3 and contracting to ensure that diverse participants and
4 groups are afforded equality of opportunity.

5 (d) The Department may also award up to 2 bonus points for
6 a plan to engage with the community. The applicant may
7 demonstrate a desire to engage with its community by
8 participating in one or more of, but not limited to, the
9 following actions: (i) establishment of an incubator program
10 designed to increase participation in the cannabis industry by
11 persons who would qualify as Social Equity Applicants; (ii)
12 providing financial assistance to substance abuse treatment
13 centers; (iii) educating children and teens about the
14 potential harms of cannabis use; or (iv) other measures
15 demonstrating a commitment to the applicant's community. Bonus
16 points will only be awarded if the Department receives
17 applications that receive an equal score for a particular
18 region.

19 (e) The Department may verify information contained in
20 each application and accompanying documentation to assess the
21 applicant's veracity and fitness to operate a dispensing
22 organization.

23 (f) The Department may, in its discretion, refuse to issue
24 an authorization to any applicant:

25 (1) Who is unqualified to perform the duties required
26 of the applicant;

1 (2) Who fails to disclose or states falsely any
2 information called for in the application;

3 (3) Who has been found guilty of a violation of this
4 Act, who has had any disciplinary order entered against it
5 by the Department, who has entered into a disciplinary or
6 nondisciplinary agreement with the Department, or whose
7 medical cannabis dispensing organization, medical cannabis
8 cultivation organization, or Early Approval Adult Use
9 Dispensing Organization License, or Early Approval Adult
10 Use Dispensing Organization License at a secondary site,
11 or Early Approval Cultivation Center License was
12 suspended, restricted, revoked, or denied for just cause,
13 or the applicant's cannabis business establishment license
14 was suspended, restricted, revoked, or denied in any other
15 state; or

16 (4) Who has engaged in a pattern or practice of unfair
17 or illegal practices, methods, or activities in the
18 conduct of owning a cannabis business establishment or
19 other business.

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

25 (h) The Department shall verify an applicant's compliance
26 with the requirements of this Article and rules before issuing

1 a dispensing organization license.

2 (i) Should the applicant be awarded a license, the
3 information and plans provided in the application, including
4 any plans submitted for bonus points, shall become a condition
5 of the Conditional Adult Use Dispensing Organization Licenses
6 and any Adult Use Dispensing Organization License issued to
7 the holder of the Conditional Adult Use Dispensing
8 Organization License, except as otherwise provided by this Act
9 or rule. Dispensing organizations have a duty to disclose any
10 material changes to the application. The Department shall
11 review all material changes disclosed by the dispensing
12 organization, and may re-evaluate its prior decision regarding
13 the awarding of a license, including, but not limited to,
14 suspending or permanently revoking a license. Failure to
15 comply with the conditions or requirements in the application
16 may subject the dispensing organization to discipline, up to
17 and including suspension or permanent revocation of its
18 authorization or license by the Department.

19 (j) If an applicant has not begun operating as a
20 dispensing organization within one year of the issuance of the
21 Conditional Adult Use Dispensing Organization License, the
22 Department may permanently revoke the Conditional Adult Use
23 Dispensing Organization License and award it to the next
24 highest scoring applicant in the BLS Region if a suitable
25 applicant indicates a continued interest in the license or
26 begin a new selection process to award a Conditional Adult Use

1 Dispensing Organization License.

2 (k) The Department shall deny an application if granting
3 that application would result in a single person or entity
4 having a direct or indirect financial interest in more than 10
5 Early Approval Adult Use Dispensing Organization Licenses,
6 Conditional Adult Use Dispensing Organization Licenses, or
7 Adult Use Dispensing Organization Licenses. Any entity that is
8 awarded a license that results in a single person or entity
9 having a direct or indirect financial interest in more than 10
10 licenses shall forfeit the most recently issued license and
11 suffer a penalty to be determined by the Department, unless
12 the entity declines the license at the time it is awarded.
13 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19.)

14 (410 ILCS 705/15-30.20 new)

15 Sec. 15-30.20. Tied Applicant Lottery; additional
16 requirements; timing.

17 (a) If awarding a license in a Tied Applicant Lottery
18 would result in a Tied Applicant possessing more than 10 Early
19 Approval Adult Use Dispensing Organization Licenses or
20 Conditional Adult Use Dispensing Organization Licenses, the
21 Tied Applicant shall abandon any Early Approval Adult Use
22 Dispensing Organization Licenses or Conditional Adult Use
23 Dispensing Organization Licenses no later than 5 business days
24 after the date that the Tied Applicant Lottery is conducted.

25 (b) The Department shall publish the certified results of

1 a Tied Applicant Lottery within 2 business days after the Tied
2 Applicant Lottery is conducted.

3 (410 ILCS 705/15-35)

4 Sec. 15-35. Qualifying Applicant Lottery for Conditional
5 Adult Use Dispensing Organization Licenses ~~License~~ ~~after~~
6 ~~January 1, 2021.~~

7 (a) In addition to any of the licenses issued under
8 Section ~~in Sections~~ 15-15, Section 15-20, ~~or~~ Section 15-25,
9 Section 15-30.20, or Section 15-35.10 of this Act, within 10
10 business days after the resulting final scores for all scored
11 applications pursuant to Sections 15-25 and 15-30 are
12 released, ~~by December 21, 2021,~~ the Department shall issue up
13 to 55 ~~110~~ Conditional Adult Use Dispensing Organization
14 Licenses by lot, pursuant to the application process adopted
15 under this Section. In order to be eligible to be awarded a
16 Conditional Adult Use Dispensing Organization License by lot
17 under this Section, a Dispensary Applicant must be a
18 Qualifying 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.

1 (6) Danville: 1.

2 (7) Davenport-Moline-Rock Island: 1.

3 (8) Decatur: 1.

4 (9) Kankakee: 1.

5 (10) Peoria: 2.

6 (11) Rockford: 1.

7 (12) St. Louis: 3.

8 (13) Springfield: 1.

9 (14) Northwest Illinois nonmetropolitan: 1.

10 (15) West Central Illinois nonmetropolitan: 1.

11 (16) East Central Illinois nonmetropolitan: 1.

12 (17) South Illinois nonmetropolitan: 1.

13 (a-5) Prior to issuing ~~such~~ licenses under subsection (a),
14 the Department may adopt rules through emergency rulemaking in
15 accordance with subsection (kk) ~~(gg)~~ of Section 5-45 of the
16 Illinois Administrative Procedure Act. The General Assembly
17 finds that the adoption of rules to regulate cannabis use is
18 deemed an emergency and necessary for the public interest,
19 safety, and welfare. ~~Such rules may:~~

20 ~~(1) Modify or change the BLS Regions as they apply to~~
21 ~~this Article or modify or raise the number of Adult~~
22 ~~Conditional Use Dispensing Organization Licenses assigned~~
23 ~~to each region based on the following factors:~~

24 ~~(A) Purchaser wait times;~~

25 ~~(B) Travel time to the nearest dispensary for~~
26 ~~potential purchasers;~~

1 ~~(C) Percentage of cannabis sales occurring in~~
2 ~~Illinois not in the regulated market using data from~~
3 ~~the Substance Abuse and Mental Health Services~~
4 ~~Administration, National Survey on Drug Use and~~
5 ~~Health, Illinois Behavioral Risk Factor Surveillance~~
6 ~~System, and tourism data from the Illinois Office of~~
7 ~~Tourism to ascertain total cannabis consumption in~~
8 ~~Illinois compared to the amount of sales in licensed~~
9 ~~dispensing organizations;~~

10 ~~(D) Whether there is an adequate supply of~~
11 ~~cannabis and cannabis-infused products to serve~~
12 ~~registered medical cannabis patients;~~

13 ~~(E) Population increases or shifts;~~

14 ~~(F) Density of dispensing organizations in a~~
15 ~~region;~~

16 ~~(G) The Department's capacity to appropriately~~
17 ~~regulate additional licenses;~~

18 ~~(H) The findings and recommendations from the~~
19 ~~disparity and availability study commissioned by the~~
20 ~~Illinois Cannabis Regulation Oversight Officer in~~
21 ~~subsection (c) of Section 5-45 to reduce or eliminate~~
22 ~~any identified barriers to entry in the cannabis~~
23 ~~industry; and~~

24 ~~(I) Any other criteria the Department deems~~
25 ~~relevant.~~

26 ~~(2) Modify or change the licensing application process~~

1 ~~to reduce or eliminate the barriers identified in the~~
2 ~~disparity and availability study commissioned by the~~
3 ~~Illinois Cannabis Regulation Oversight Officer and make~~
4 ~~modifications to remedy evidence of discrimination.~~

5 (b) The Department shall distribute the available licenses
6 established under this Section subject to the following: After
7 January 1, 2022, the Department may by rule modify or raise the
8 number of Adult Use Dispensing Organization Licenses assigned
9 to each region, and modify or change the licensing application
10 process to reduce or eliminate barriers based on the criteria
11 in subsection (a). At no time shall the Department issue more
12 than 500 Adult Use Dispensing Organization Licenses.

13 (1) The drawing by lot for all available licenses
14 issued under this Section shall occur on the same day when
15 practicable.

16 (2) Within each BLS Region, the first Qualifying
17 Applicant drawn will have the first right to an available
18 license. The second Qualifying Applicant drawn will have
19 the second right to an available license. The same pattern
20 will continue for each subsequent Qualifying Applicant
21 drawn.

22 (3) The process for distributing available licenses
23 under this Section shall be recorded by the Department in
24 a format selected by the Department.

25 (4) A Dispensary Applicant is prohibited from becoming
26 a Qualifying Applicant if a principal officer resigns

1 after the resulting final scores for all scored
2 applications pursuant to Sections 15-25 and 15-30 are
3 released.

4 (5) No Qualifying Applicant may be awarded more than 2
5 Conditional Adult Use Dispensing Organization Licenses at
6 the conclusion of a lottery conducted under this Section.

7 (6) No individual may be listed as a principal officer
8 of more than 2 Conditional Adult Use Dispensing
9 Organization Licenses awarded under this Section.

10 (7) If, upon being selected for an available license
11 established under this Section, a Qualifying Applicant
12 exceeds the limits under paragraph (5) or (6), the
13 Qualifying Applicant must choose which license to abandon
14 and notify the Department in writing within 5 business
15 days. If the Qualifying Applicant does not notify the
16 Department as required, the Department shall refuse to
17 issue the Qualifying Applicant all available licenses
18 established under this Section obtained by lot in all BLS
19 Regions.

20 (8) If, upon being selected for an available license
21 established under this Section, a Qualifying Applicant has
22 a principal officer who is a principal officer in more
23 than 10 Early Approval Adult Use Dispensing Organization
24 Licenses, Conditional Adult Use Dispensing Organization
25 Licenses, or Adult Use Dispensing Organization Licenses,
26 the licensees and the Qualifying Applicant listing that

1 principal officer must choose which license to abandon
2 pursuant to subsection (d) of Section 15-36 and notify the
3 Department in writing within 5 business days. If the
4 Qualifying Applicant or licensees do not notify the
5 Department as required, the Department shall refuse to
6 issue the Qualifying Applicant all available licenses
7 established under this Section obtained by lot in all BLS
8 Regions.

9 (9) All available licenses that have been abandoned
10 under paragraph (7) or (8) shall be distributed to the
11 next Qualifying Applicant drawn by lot.

12 Any and all rights conferred or obtained under this
13 Section shall be limited to the provisions of this Section.

14 (c) An applicant who receives a Conditional Adult Use
15 Dispensing Organization License under this Section has 180
16 days from the date it is awarded to identify a physical
17 location for the dispensing organization's retail storefront.
18 The applicant shall provide evidence that the location is not
19 within 1,500 feet of an existing dispensing organization,
20 unless the applicant is a Social Equity Applicant or Social
21 Equity Justice Involved Applicant located or seeking to locate
22 within 1,500 feet of a dispensing organization in existence
23 prior to the effective date of this amendatory Act of the 102nd
24 General Assembly. If an applicant is unable to find a suitable
25 physical address in the opinion of the Department within 180
26 days from the issuance of the Conditional Adult Use Dispensing

1 Organization License, the Department may extend the period for
2 finding a physical address another 180 days if the Conditional
3 Adult Use Dispensing Organization License holder demonstrates
4 a concrete attempt to secure a location and a hardship. If the
5 Department denies the extension or the Conditional Adult Use
6 Dispensing Organization License holder is unable to find a
7 location or become operational within 360 days of being
8 awarded a Conditional Adult Use Dispensing Organization
9 License under this Section, the Department shall rescind the
10 Conditional Adult Use Dispensing Organization License and
11 award it pursuant to subsection (b), provided the applicant
12 receiving the Conditional Adult Use Dispensing Organization
13 License: (i) confirms a continued interest in operating a
14 dispensing organization; (ii) can provide evidence that the
15 applicant continues to meet all requirements for holding a
16 Conditional Adult Use Dispensing Organization License set
17 forth in this Act; and (iii) has not otherwise become
18 ineligible to be awarded a Conditional Adult Use Dispensing
19 Organization License. If the new awardee is unable to accept
20 the Conditional Adult Use Dispensing Organization License, the
21 Department shall award the Conditional Adult Use Dispensing
22 Organization License pursuant to subsection (b). The new
23 awardee shall be subject to the same required deadlines as
24 provided in this subsection.

25 (d) If, within 180 days of being awarded a Conditional
26 Adult Use Dispensing Organization License, a dispensing

1 organization is unable to find a location within the BLS
2 Region in which it was awarded a Conditional Adult Use
3 Dispensing Organization License because no jurisdiction within
4 the BLS Region allows for the operation of an Adult Use
5 Dispensing Organization, the Department may authorize the
6 Conditional Adult Use Dispensing Organization License holder
7 to transfer its Conditional Adult Use Dispensing Organization
8 License to a BLS Region specified by the Department.

9 (e) A dispensing organization that is awarded a
10 Conditional Adult Use Dispensing Organization License under
11 this Section shall not purchase, possess, sell, or dispense
12 cannabis or cannabis-infused products until the dispensing
13 organization has received an Adult Use Dispensing Organization
14 License issued by the Department pursuant to Section 15-36.

15 (f) The Department shall conduct a background check of the
16 prospective dispensing organization agents in order to carry
17 out this Article. The Illinois State Police shall charge the
18 applicant a fee for conducting the criminal history record
19 check, which shall be deposited into the State Police Services
20 Fund and shall not exceed the actual cost of the record check.
21 Each person applying as a dispensing organization agent shall
22 submit a full set of fingerprints to the Illinois State Police
23 for the purpose of obtaining a State and federal criminal
24 records check. These fingerprints shall be checked against the
25 fingerprint records now and hereafter, to the extent allowed
26 by law, filed with the Illinois State Police and the Federal

1 Bureau of Investigation criminal history records databases.
2 The Illinois State Police shall furnish, following positive
3 identification, all Illinois conviction information to the
4 Department.

5 (g) The Department may verify information contained in
6 each application and accompanying documentation to assess the
7 applicant's veracity and fitness to operate a dispensing
8 organization.

9 (h) The Department may, in its discretion, refuse to issue
10 authorization to an applicant who meets any of the following
11 criteria:

12 (1) An applicant who is unqualified to perform the
13 duties required of the applicant.

14 (2) An applicant who fails to disclose or states
15 falsely any information called for in the application.

16 (3) An applicant who has been found guilty of a
17 violation of this Act, who has had any disciplinary order
18 entered against the applicant by the Department, who has
19 entered into a disciplinary or nondisciplinary agreement
20 with the Department, whose medical cannabis dispensing
21 organization, medical cannabis cultivation organization,
22 Early Approval Adult Use Dispensing Organization License,
23 Early Approval Adult Use Dispensing Organization License
24 at a secondary site, Early Approval Cultivation Center
25 License, Conditional Adult Use Dispensing Organization
26 License, or Adult Use Dispensing Organization License was

1 suspended, restricted, revoked, or denied for just cause,
2 or whose cannabis business establishment license was
3 suspended, restricted, revoked, or denied in any other
4 state.

5 (4) An applicant who has engaged in a pattern or
6 practice of unfair or illegal practices, methods, or
7 activities in the conduct of owning a cannabis business
8 establishment or other business.

9 (i) The Department shall deny issuance of a license under
10 this Section if any principal officer, board member, or person
11 having a financial or voting interest of 5% or greater in the
12 licensee is delinquent in filing any required tax return or
13 paying any amount owed to the State of Illinois.

14 (j) The Department shall verify an applicant's compliance
15 with the requirements of this Article and rules adopted under
16 this Article before issuing a Conditional Adult Use Dispensing
17 Organization License under this Section.

18 (k) If an applicant is awarded a Conditional Adult Use
19 Dispensing Organization License under this Section, the
20 information and plans provided in the application, including
21 any plans submitted for bonus points, shall become a condition
22 of the Conditional Adult Use Dispensing Organization License
23 and any Adult Use Dispensing Organization License issued to
24 the holder of the Conditional Adult Use Dispensing
25 Organization License, except as otherwise provided by this Act
26 or by rule. A dispensing organization has a duty to disclose

1 any material changes to the application. The Department shall
2 review all material changes disclosed by the dispensing
3 organization and may reevaluate its prior decision regarding
4 the awarding of a Conditional Adult Use Dispensing
5 Organization License, including, but not limited to,
6 suspending or permanently revoking a Conditional Adult Use
7 Dispensing Organization License. Failure to comply with the
8 conditions or requirements in the application may subject the
9 dispensing organization to discipline up to and including
10 suspension or permanent revocation of its authorization or
11 Conditional Adult Use Dispensing Organization License by the
12 Department.

13 (1) If an applicant has not begun operating as a
14 dispensing organization within one year after the issuance of
15 the Conditional Adult Use Dispensing Organization License
16 under this Section, the Department may permanently revoke the
17 Conditional Adult Use Dispensing Organization License and
18 award it to the next highest scoring applicant in the BLS
19 Region if a suitable applicant indicates a continued interest
20 in the Conditional Adult Use Dispensing Organization License
21 or may begin a new selection process to award a Conditional
22 Adult Use Dispensing Organization License.

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

24 (410 ILCS 705/15-35.10 new)

25 Sec. 15-35.10. Social Equity Justice Involved Lottery for

1 Conditional Adult Use Dispensing Organization Licenses.

2 (a) In addition to any of the licenses issued under
3 Section 15-15, Section 15-20, Section 15-25, Section 15-30.20,
4 or Section 15-35, within 10 business days after the resulting
5 final scores for all scored applications pursuant to Sections
6 15-25 and 15-30 are released, the Department shall issue up to
7 55 Conditional Adult Use Dispensing Organization Licenses by
8 lot, pursuant to the application process adopted under this
9 Section. In order to be eligible to be awarded a Conditional
10 Adult Use Dispensing Organization License by lot, a Dispensary
11 Applicant must be a Qualifying Social Equity Justice Involved
12 Applicant.

13 The licenses issued under this Section shall be awarded in
14 each BLS Region in the following amounts:

15 (1) Bloomington: 1.

16 (2) Cape Girardeau: 1.

17 (3) Carbondale-Marion: 1.

18 (4) Champaign-Urbana: 1.

19 (5) Chicago-Naperville-Elgin: 36.

20 (6) Danville: 1.

21 (7) Davenport-Moline-Rock Island: 1.

22 (8) Decatur: 1.

23 (9) Kankakee: 1.

24 (10) Peoria: 2.

25 (11) Rockford: 1.

26 (12) St. Louis: 3.

1 (13) Springfield: 1.

2 (14) Northwest Illinois nonmetropolitan: 1.

3 (15) West Central Illinois nonmetropolitan: 1.

4 (16) East Central Illinois nonmetropolitan: 1.

5 (17) South Illinois nonmetropolitan: 1.

6 (a-5) Prior to issuing licenses under subsection (a), the
7 Department may adopt rules through emergency rulemaking in
8 accordance with subsection (kk) of Section 5-45 of the
9 Illinois Administrative Procedure Act. The General Assembly
10 finds that the adoption of rules to regulate cannabis use is
11 deemed an emergency and necessary for the public interest,
12 safety, and welfare.

13 (b) The Department shall distribute the available licenses
14 established under this Section subject to the following:

15 (1) The drawing by lot for all available licenses
16 established under this Section shall occur on the same day
17 when practicable.

18 (2) Within each BLS Region, the first Qualifying
19 Social Equity Justice Involved Applicant drawn will have
20 the first right to an available license. The second
21 Qualifying Social Equity Justice Involved Applicant drawn
22 will have the second right to an available license. The
23 same pattern will continue for each subsequent applicant
24 drawn.

25 (3) The process for distributing available licenses
26 under this Section shall be recorded by the Department in

1 a format selected by the Department.

2 (4) A Dispensary Applicant is prohibited from becoming
3 a Qualifying Social Equity Justice Involved Applicant if a
4 principal officer resigns after the resulting final scores
5 for all scored applications pursuant to Sections 15-25 and
6 15-30 are released.

7 (5) No Qualifying Social Equity Justice Involved
8 Applicant may be awarded more than 2 Conditional Adult Use
9 Dispensing Organization Licenses at the conclusion of a
10 lottery conducted under this Section.

11 (6) No individual may be listed as a principal officer
12 of more than 2 Conditional Adult Use Dispensing
13 Organization Licenses awarded under this Section.

14 (7) If, upon being selected for an available license
15 established under this Section, a Qualifying Social Equity
16 Justice Involved Applicant exceeds the limits under
17 paragraph (5) or (6), the Qualifying Social Equity Justice
18 Involved Applicant must choose which license to abandon
19 and notify the Department in writing within 5 business
20 days on forms prescribed by the Department. If the
21 Qualifying Social Equity Justice Involved Applicant does
22 not notify the Department as required, the Department
23 shall refuse to issue the Qualifying Social Equity Justice
24 Involved Applicant all available licenses established
25 under this Section obtained by lot in all BLS Regions.

26 (8) If, upon being selected for an available license

1 established under this Section, a Qualifying Social Equity
2 Justice Involved Applicant has a principal officer who is
3 a principal officer in more than 10 Early Approval Adult
4 Use Dispensing Organization Licenses, Conditional Adult
5 Use Dispensing Organization Licenses, or Adult Use
6 Dispensing Organization Licenses, the licensees and the
7 Qualifying Social Equity Justice Involved Applicant
8 listing that principal officer must choose which license
9 to abandon pursuant to subsection (d) of Section 15-36 and
10 notify the Department in writing within 5 business days on
11 forms prescribed by the Department. If the Dispensary
12 Applicant or licensees do not notify the Department as
13 required, the Department shall refuse to issue the
14 Qualifying Social Equity Justice Involved Applicant all
15 available licenses established under this Section obtained
16 by lot in all BLS Regions.

17 (9) All available licenses that have been abandoned
18 under paragraph (7) or (8) shall be distributed to the
19 next Qualifying Social Equity Justice Involved Applicant
20 drawn by lot.

21 Any and all rights conferred or obtained under this
22 subsection shall be limited to the provisions of this
23 subsection.

24 (c) An applicant who receives a Conditional Adult Use
25 Dispensing Organization License under this Section has 180
26 days from the date of the award to identify a physical location

1 for the dispensing organization's retail storefront. The
2 applicant shall provide evidence that the location is not
3 within 1,500 feet of an existing dispensing organization,
4 unless the applicant is a Social Equity Applicant or Social
5 Equity Justice Involved Applicant located or seeking to locate
6 within 1,500 feet of a dispensing organization in existence
7 prior to the effective date of this amendatory Act of the 102nd
8 General Assembly. If an applicant is unable to find a suitable
9 physical address in the opinion of the Department within 180
10 days from the issuance of the Conditional Adult Use Dispensing
11 Organization License, the Department may extend the period for
12 finding a physical address another 180 days if the Conditional
13 Adult Use Dispensing Organization License holder demonstrates
14 a concrete attempt to secure a location and a hardship. If the
15 Department denies the extension or the Conditional Adult Use
16 Dispensing Organization License holder is unable to find a
17 location or become operational within 360 days of being
18 awarded a Conditional Adult Use Dispensing Organization
19 License under this Section, the Department shall rescind the
20 Conditional Adult Use Dispensing Organization License and
21 award it pursuant to subsection (b) and notify the new awardee
22 at the email address provided in the awardee's application,
23 provided the applicant receiving the Conditional Adult Use
24 Dispensing Organization License: (i) confirms a continued
25 interest in operating a dispensing organization; (ii) can
26 provide evidence that the applicant continues to meet all

1 requirements for holding a Conditional Adult Use Dispensing
2 Organization License set forth in this Act; and (iii) has not
3 otherwise become ineligible to be awarded a Conditional Adult
4 Use Dispensing Organization License. If the new awardee is
5 unable to accept the Conditional Adult Use Dispensing
6 Organization License, the Department shall award the
7 Conditional Adult Use Dispensing Organization License pursuant
8 to subsection (b). The new awardee shall be subject to the same
9 required deadlines as provided in this subsection.

10 (d) If, within 180 days of being awarded a Conditional
11 Adult Use Dispensing Organization License, a dispensing
12 organization is unable to find a location within the BLS
13 Region in which it was awarded a Conditional Adult Use
14 Dispensing Organization License under this Section because no
15 jurisdiction within the BLS Region allows for the operation of
16 an Adult Use Dispensing Organization, the Department may
17 authorize the Conditional Adult Use Dispensing Organization
18 License holder to transfer its Conditional Adult Use
19 Dispensing Organization License to a BLS Region specified by
20 the Department.

21 (e) A dispensing organization that is awarded a
22 Conditional Adult Use Dispensing Organization License under
23 this Section shall not purchase, possess, sell, or dispense
24 cannabis or cannabis-infused products until the dispensing
25 organization has received an Adult Use Dispensing Organization
26 License issued by the Department pursuant to Section 15-36.

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

17 (g) The Department may verify information contained in
18 each application and accompanying documentation to assess the
19 applicant's veracity and fitness to operate a dispensing
20 organization.

21 (h) The Department may, in its discretion, refuse to issue
22 an authorization to an applicant who meets any of the
23 following criteria:

24 (1) An applicant who is unqualified to perform the
25 duties required of the applicant.

26 (2) An applicant who fails to disclose or states

1 falsely any information called for in the application.

2 (3) An applicant who has been found guilty of a
3 violation of this Act, who has had any disciplinary order
4 entered against the applicant by the Department, who has
5 entered into a disciplinary or nondisciplinary agreement
6 with the Department, whose medical cannabis dispensing
7 organization, medical cannabis cultivation organization,
8 Early Approval Adult Use Dispensing Organization License,
9 Early Approval Adult Use Dispensing Organization License
10 at a secondary site, Early Approval Cultivation Center
11 License, Conditional Adult Use Dispensing Organization
12 License, or Adult Use Dispensing Organization License was
13 suspended, restricted, revoked, or denied for just cause,
14 or whose cannabis business establishment license was
15 suspended, restricted, revoked, or denied in any other
16 state.

17 (4) An applicant who has engaged in a pattern or
18 practice of unfair or illegal practices, methods, or
19 activities in the conduct of owning a cannabis business
20 establishment or other business.

21 (i) The Department shall deny the license if any principal
22 officer, board member, or person having a financial or voting
23 interest of 5% or greater in the licensee is delinquent in
24 filing any required tax return or paying any amount owed to the
25 State of Illinois.

26 (j) The Department shall verify an applicant's compliance

1 with the requirements of this Article and rules adopted under
2 this Article before issuing a Conditional Adult Use Dispensing
3 Organization License.

4 (k) If an applicant is awarded a Conditional Adult Use
5 Dispensing Organization License under this Section, the
6 information and plans provided in the application, including
7 any plans submitted for bonus points, shall become a condition
8 of the Conditional Adult Use Dispensing Organization License
9 and any Adult Use Dispensing Organization License issued to
10 the holder of the Conditional Adult Use Dispensing
11 Organization License, except as otherwise provided by this Act
12 or by rule. Dispensing organizations have a duty to disclose
13 any material changes to the application. The Department shall
14 review all material changes disclosed by the dispensing
15 organization and may reevaluate its prior decision regarding
16 the awarding of a Conditional Adult Use Dispensing
17 Organization License, including, but not limited to,
18 suspending or permanently revoking a Conditional Adult Use
19 Dispensing Organization License. Failure to comply with the
20 conditions or requirements in the application may subject the
21 dispensing organization to discipline up to and including
22 suspension or permanent revocation of its authorization or
23 Conditional Adult Use Dispensing Organization License by the
24 Department.

25 (l) If an applicant has not begun operating as a
26 dispensing organization within one year after the issuance of

1 the Conditional Adult Use Dispensing Organization License
2 under this Section, the Department may permanently revoke the
3 Conditional Adult Use Dispensing Organization License and
4 award it to the next highest scoring applicant in the BLS
5 Region if a suitable applicant indicates a continued interest
6 in the Conditional Adult Use Dispensing Organization License
7 or may begin a new selection process to award a Conditional
8 Adult Use Dispensing Organization License.

9 (410 ILCS 705/15-35.20 new)

10 Sec. 15-35.20. Conditional Adult Use Dispensing
11 Organization Licenses on or after January 1, 2022.

12 (a) In addition to any of the licenses issued under
13 Section 15-15, Section 15-20, Section 15-25, Section 15-35, or
14 Section 15-35.10, by January 1, 2022, the Department may
15 publish an application to issue additional Conditional Adult
16 Use Dispensing Organization Licenses, pursuant to the
17 application process adopted under this Section. The Department
18 may adopt rules to issue any Conditional Adult Use Dispensing
19 Organization Licenses under this Section. Such rules may:

20 (1) Modify or change the BLS Regions as they apply to
21 this Article or modify or raise the number of Adult
22 Conditional Use Dispensing Organization Licenses assigned
23 to each BLS Region based on the following factors:

24 (A) Purchaser wait times.

25 (B) Travel time to the nearest dispensary for

1 potential purchasers.

2 (C) Percentage of cannabis sales occurring in
3 Illinois not in the regulated market using data from
4 the Substance Abuse and Mental Health Services
5 Administration, National Survey on Drug Use and
6 Health, Illinois Behavioral Risk Factor Surveillance
7 System, and tourism data from the Illinois Office of
8 Tourism to ascertain total cannabis consumption in
9 Illinois compared to the amount of sales in licensed
10 dispensing organizations.

11 (D) Whether there is an adequate supply of
12 cannabis and cannabis-infused products to serve
13 registered medical cannabis patients.

14 (E) Population increases or shifts.

15 (F) Density of dispensing organizations in a
16 region.

17 (G) The Department's capacity to appropriately
18 regulate additional licenses.

19 (H) The findings and recommendations from the
20 disparity and availability study commissioned by the
21 Illinois Cannabis Regulation Oversight Officer in
22 subsection (e) of Section 5-45 to reduce or eliminate
23 any identified barriers to entry in the cannabis
24 industry.

25 (I) Any other criteria the Department deems
26 relevant.

1 (2) Modify or change the licensing application process
2 to reduce or eliminate the barriers identified in the
3 disparity and availability study commissioned by the
4 Illinois Cannabis Regulation Oversight Officer and make
5 modifications to remedy evidence of discrimination.

6 (b) At no time shall the Department issue more than 500
7 Adult Use Dispensing Organization Licenses.

8 (c) The Department shall issue at least 50 additional
9 Conditional Adult Use Dispensing Organization Licenses on or
10 before December 21, 2022.

11 (410 ILCS 705/15-40)

12 Sec. 15-40. Dispensing organization agent identification
13 card; agent training.

14 (a) The Department shall:

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

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

25 (3) enter the registry identification number of the

1 dispensing organization where the agent works;

2 (4) within one year from the effective date of this
3 Act, allow for an electronic application process and
4 provide a confirmation by electronic or other methods that
5 an application has been submitted; and

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

9 (b) A dispensing organization agent must keep his or her
10 identification card visible at all times when in the
11 dispensary.

12 (c) The dispensing organization 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 the
16 dispensing organization 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 cardholder; and

20 (4) a photograph of the cardholder.

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

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

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

4 (g) An applicant shall be denied a dispensing organization
5 agent identification card renewal if he or she fails to
6 complete the training provided for in this Section.

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

10 (i) Cannabis retail sales training requirements.

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

19 (2) Each owner, manager, employee, and agent of an
20 adult use dispensing organization or medical cannabis
21 dispensing organization shall successfully complete the
22 program annually.

23 (3) Responsible Vendor Program Training modules shall
24 include at least 2 hours of instruction time approved by
25 the Department including:

26 (i) Health and safety concerns of cannabis use,

1 including the responsible use of cannabis, its
2 physical effects, onset of physiological effects,
3 recognizing signs of impairment, and appropriate
4 responses in the event of overconsumption.

5 (ii) Training on laws and regulations on driving
6 while under the influence and operating a watercraft
7 or snowmobile while under the influence.

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

10 (iv) Quantity limitations on sales to purchasers.
11 Training shall cover all relevant Illinois laws and
12 rules.

13 (v) Acceptable forms of identification. Training
14 shall include:

15 (I) How to check identification; and

16 (II) Common mistakes made in verification;

17 (vi) Safe storage of cannabis;

18 (vii) Compliance with all inventory tracking
19 system regulations;

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

21 (ix) Health and safety standards;

22 (x) Maintenance of records;

23 (xi) Security and surveillance requirements;

24 (xii) Permitting inspections by State and local
25 licensing and enforcement authorities;

26 (xiii) Privacy issues;

1 (xiv) Packaging and labeling requirement for sales
2 to purchasers; and

3 (xv) Other areas as determined by rule.

4 (j) Blank.

5 (k) Upon the successful completion of the Responsible
6 Vendor Program, the provider shall deliver proof of completion
7 either through mail or electronic communication to the
8 dispensing organization, which shall retain a copy of the
9 certificate.

10 (l) The license of a dispensing organization or medical
11 cannabis dispensing organization whose owners, managers,
12 employees, or agents fail to comply with this Section may be
13 suspended or permanently revoked under Section 15-145 or may
14 face other disciplinary action.

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

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

26 (o) Persons seeking Department approval to offer the

1 training required by paragraph (3) of subsection (i) shall
2 submit a nonrefundable application fee of \$2,000 to be
3 deposited into the Cannabis Regulation Fund or a fee as may be
4 set by rule. Any changes made to the training module shall be
5 approved by the Department.

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

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

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

24 (s) An agent applicant may begin employment at a
25 dispensing organization while the agent applicant's
26 identification card application is pending. Upon approval, the

1 Department shall issue the agent's identification card to the
2 agent. If denied, the dispensing organization and the agent
3 applicant shall be notified and the agent applicant must cease
4 all activity at the dispensing organization immediately.

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

6 (410 ILCS 705/15-70)

7 Sec. 15-70. Operational requirements; prohibitions.

8 (a) A dispensing organization shall operate in accordance
9 with the representations made in its application and license
10 materials. It shall be in compliance with this Act and rules.

11 (b) A dispensing organization must include the legal name
12 of the dispensary on the packaging of any cannabis product it
13 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 (d) Dispensing organizations are prohibited from selling
19 any product containing alcohol except tinctures, which must be
20 limited to containers that are no larger than 100 milliliters.

21 (e) A dispensing organization shall inspect and count
22 product received from a transporting organization, adult use
23 cultivation center, craft grower, infuser organization, or
24 other dispensing organization before dispensing it.

25 (f) A dispensing organization may only accept cannabis

1 deliveries into a restricted access area. Deliveries may not
2 be accepted through the public or limited access areas unless
3 otherwise approved by the Department.

4 (g) A dispensing organization shall maintain compliance
5 with State and local building, fire, and zoning requirements
6 or regulations.

7 (h) A dispensing organization shall submit a list to the
8 Department of the names of all service professionals that will
9 work at the dispensary. The list shall include a description
10 of the type of business or service provided. Changes to the
11 service professional list shall be promptly provided. No
12 service professional shall work in the dispensary until the
13 name is provided to the Department on the service professional
14 list.

15 (i) A dispensing organization's license allows for a
16 dispensary to be operated only at a single location.

17 (j) A dispensary may operate between 6 a.m. and 10 p.m.
18 local time.

19 (k) A dispensing organization must keep all lighting
20 outside and inside the dispensary in good working order and
21 wattage sufficient for security cameras.

22 (l) A dispensing organization must keep all air treatment
23 systems that will be installed to reduce odors in good working
24 order.

25 (m) A dispensing organization must contract with a private
26 security contractor that is licensed under Section 10-5 of the

1 Private Detective, Private Alarm, Private Security,
2 Fingerprint Vendor, and Locksmith Act of 2004 to provide
3 on-site security at all hours of the dispensary's operation.

4 (n) A dispensing organization shall ensure that any
5 building or equipment used by a dispensing organization for
6 the storage or sale of cannabis is maintained in a clean and
7 sanitary condition.

8 (o) The dispensary shall be free from infestation by
9 insects, rodents, or pests.

10 (p) A dispensing organization shall not:

11 (1) Produce or manufacture cannabis;

12 (2) Accept a cannabis product from an adult use
13 cultivation center, craft grower, infuser, dispensing
14 organization, or transporting organization unless it is
15 pre-packaged and labeled in accordance with this Act and
16 any rules that may be adopted pursuant to this Act;

17 (3) Obtain cannabis or cannabis-infused products from
18 outside the State of Illinois;

19 (4) Sell cannabis or cannabis-infused products to a
20 purchaser unless the dispensing organization is licensed
21 under the Compassionate Use of Medical Cannabis Program
22 Act, and the individual is registered under the
23 Compassionate Use of Medical Cannabis Program or the
24 purchaser has been verified to be 21 years of age or older;

25 (5) Enter into an exclusive agreement with any adult
26 use cultivation center, craft grower, or infuser.

1 Dispensaries shall provide consumers an assortment of
2 products from various cannabis business establishment
3 licensees such that the inventory available for sale at
4 any dispensary from any single cultivation center, craft
5 grower, processor, transporter, or infuser entity shall
6 not be more than 40% of the total inventory available for
7 sale. For the purpose of this subsection, a cultivation
8 center, craft grower, processor, or infuser shall be
9 considered part of the same entity if the licensees share
10 at least one principal officer. The Department may request
11 that a dispensary diversify its products as needed or
12 otherwise discipline a dispensing organization for
13 violating this requirement;

14 (6) Refuse to conduct business with an adult use
15 cultivation center, craft grower, transporting
16 organization, or infuser that has the ability to properly
17 deliver the product and is permitted by the Department of
18 Agriculture, on the same terms as other adult use
19 cultivation centers, craft growers, infusers, or
20 transporters with whom it is dealing;

21 (7) Operate drive-through windows;

22 (8) Allow for the dispensing of cannabis or
23 cannabis-infused products in vending machines;

24 (9) Transport cannabis to residences or other
25 locations where purchasers may be for delivery;

26 (10) Enter into agreements to allow persons who are

1 not dispensing organization agents to deliver cannabis or
2 to transport cannabis to purchasers;

3 (11) Operate a dispensary if its video surveillance
4 equipment is inoperative;

5 (12) Operate a dispensary if the point-of-sale
6 equipment is inoperative;

7 (13) Operate a dispensary if the State's cannabis
8 electronic verification system is inoperative;

9 (14) Have fewer than 2 people working at the
10 dispensary at any time while the dispensary is open;

11 (15) Be located within 1,500 feet of the property line
12 of a pre-existing dispensing organization, unless the
13 applicant is a Social Equity Applicant or Social Equity
14 Justice Involved Applicant located or seeking to locate
15 within 1,500 feet of a dispensing organization in
16 existence prior to the effective date of this amendatory
17 Act of the 102nd General Assembly;

18 (16) Sell clones or any other live plant material;

19 (17) Sell cannabis, cannabis concentrate, or
20 cannabis-infused products in combination or bundled with
21 each other or any other items for one price, and each item
22 of cannabis, concentrate, or cannabis-infused product must
23 be separately identified by quantity and price on the
24 receipt;

25 (18) Violate any other requirements or prohibitions
26 set by Department rules.

1 (q) It is unlawful for any person having an Early Approval
2 Adult Use Cannabis Dispensing Organization License, a
3 Conditional Adult Use Cannabis Dispensing Organization, an
4 Adult Use Dispensing Organization License, or a medical
5 cannabis dispensing organization license issued under the
6 Compassionate Use of Medical Cannabis Program Act or any
7 officer, associate, member, representative, or agent of such
8 licensee to accept, receive, or borrow money or anything else
9 of value or accept or receive credit (other than merchandising
10 credit in the ordinary course of business for a period not to
11 exceed 30 days) directly or indirectly from any adult use
12 cultivation center, craft grower, infuser, or transporting
13 organization in exchange for preferential placement on the
14 dispensing organization's shelves, display cases, or website.
15 This includes anything received or borrowed or from any
16 stockholders, officers, agents, or persons connected with an
17 adult use cultivation center, craft grower, infuser, or
18 transporting organization.

19 (r) It is unlawful for any person having an Early Approval
20 Adult Use Cannabis Dispensing Organization License, a
21 Conditional Adult Use Cannabis Dispensing Organization, an
22 Adult Use Dispensing Organization License, or a medical
23 cannabis dispensing organization license issued under the
24 Compassionate Use of Medical Cannabis Program to enter into
25 any contract with any person licensed to cultivate, process,
26 or transport cannabis whereby such dispensing organization

1 agrees not to sell any cannabis cultivated, processed,
2 transported, manufactured, or distributed by any other
3 cultivator, transporter, or infuser, and any provision in any
4 contract violative of this Section shall render the whole of
5 such contract void and no action shall be brought thereon in
6 any court.

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

8 (410 ILCS 705/15-85)

9 Sec. 15-85. Dispensing cannabis.

10 (a) Before a dispensing organization agent dispenses
11 cannabis to a purchaser, the agent shall:

12 (1) Verify the age of the purchaser by checking a
13 government-issued identification card by use of an
14 electronic reader or electronic scanning device to scan a
15 purchaser's government-issued identification, if
16 applicable, to determine the purchaser's age and the
17 validity of the identification;

18 (2) Verify the validity of the government-issued
19 identification card by use of an electronic reader or
20 electronic scanning device to scan a purchaser's
21 government-issued identification, if applicable, to
22 determine the purchaser's age and the validity of the
23 identification;

24 (3) Offer any appropriate purchaser education or
25 support materials;

1 (4) Enter the following information into the State's
2 cannabis electronic verification system:

3 (i) The dispensing organization agent's
4 identification number, or if the agent's card
5 application is pending the Department's approval, a
6 temporary and unique identifier until the agent's card
7 application is approved or denied by the Department;

8 (ii) The dispensing organization's identification
9 number;

10 (iii) The amount, type (including strain, if
11 applicable) of cannabis or cannabis-infused product
12 dispensed;

13 (iv) The date and time the cannabis was dispensed.

14 (b) A dispensing organization shall refuse to sell
15 cannabis or cannabis-infused products to any person unless the
16 person produces a valid identification showing that the person
17 is 21 years of age or older. A medical cannabis dispensing
18 organization may sell cannabis or cannabis-infused products to
19 a person who is under 21 years of age if the sale complies with
20 the provisions of the Compassionate Use of Medical Cannabis
21 Program Act and rules.

22 (c) For the purposes of this Section, valid identification
23 must:

24 (1) Be valid and unexpired;

25 (2) Contain a photograph and the date of birth of the
26 person.

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

2 (410 ILCS 705/15-135)

3 Sec. 15-135. Investigations.

4 (a) Dispensing organizations are subject to random and
5 unannounced dispensary inspections and cannabis testing by the
6 Department, the Department of State Police, ~~and~~ local law
7 enforcement, or as provided by rule.

8 (b) The Department and its authorized representatives may
9 enter any place, including a vehicle, in which cannabis is
10 held, stored, dispensed, sold, produced, delivered,
11 transported, manufactured, or disposed of and inspect, in a
12 reasonable manner, the place and all pertinent equipment,
13 containers and labeling, and all things including records,
14 files, financial data, sales data, shipping data, pricing
15 data, personnel data, research, papers, processes, controls,
16 and facility, and inventory any stock of cannabis and obtain
17 samples of any cannabis or cannabis-infused product, any
18 labels or containers for cannabis, or paraphernalia.

19 (c) The Department may conduct an investigation of an
20 applicant, application, dispensing organization, principal
21 officer, dispensary agent, third party vendor, or any other
22 party associated with a dispensing organization for an alleged
23 violation of this Act or rules or to determine qualifications
24 to be granted a registration by the Department.

25 (d) The Department may require an applicant or holder of

1 any license issued pursuant to this Article to produce
2 documents, records, or any other material pertinent to the
3 investigation of an application or alleged violations of this
4 Act or rules. Failure to provide the required material may be
5 grounds for denial or discipline.

6 (e) Every person charged with preparation, obtaining, or
7 keeping records, logs, reports, or other documents in
8 connection with this Act and rules and every person in charge,
9 or having custody, of those documents shall, upon request by
10 the Department, make the documents immediately available for
11 inspection and copying by the Department, the Department's
12 authorized representative, or others authorized by law to
13 review the documents.

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

15 (410 ILCS 705/20-30)

16 Sec. 20-30. Cultivation center requirements; prohibitions.

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

22 (b) A cultivation center shall implement a security plan
23 reviewed by the Department of State Police that includes, but
24 is not limited to: facility access controls, perimeter
25 intrusion detection systems, personnel identification systems,

1 24-hour surveillance system to monitor the interior and
2 exterior of the cultivation center facility and accessibility
3 to authorized law enforcement, the Department of Public Health
4 where processing takes place, and the Department of
5 Agriculture in real time.

6 (c) All cultivation of cannabis by a cultivation center
7 must take place in an enclosed, locked facility at the
8 physical address provided to the Department of Agriculture
9 during the licensing process. The cultivation center location
10 shall only be accessed by the agents working for the
11 cultivation center, the Department of Agriculture staff
12 performing inspections, the Department of Public Health staff
13 performing inspections, local and State law enforcement or
14 other emergency personnel, contractors working on jobs
15 unrelated to cannabis, such as installing or maintaining
16 security devices or performing electrical wiring, transporting
17 organization agents as provided in this Act, individuals in a
18 mentoring or educational program approved by the State, or
19 other individuals as provided by rule.

20 (d) A cultivation center may not sell or distribute any
21 cannabis or cannabis-infused products to any person other than
22 a dispensing organization, craft grower, infuser organization,
23 transporter, or as otherwise authorized by rule.

24 (e) A cultivation center may not either directly or
25 indirectly discriminate in price between different dispensing
26 organizations, craft growers, or infuser organizations that

1 are purchasing a like grade, strain, brand, and quality of
2 cannabis or cannabis-infused product. Nothing in this
3 subsection (e) prevents a cultivation centers from pricing
4 cannabis differently based on differences in the cost of
5 manufacturing or processing, the quantities sold, such as
6 volume discounts, or the way the products are delivered.

7 (f) All cannabis harvested by a cultivation center and
8 intended for distribution to a dispensing organization must be
9 entered into a data collection system, packaged and labeled
10 under Section 55-21, and placed into a cannabis container for
11 transport. All cannabis harvested by a cultivation center and
12 intended for distribution to a craft grower or infuser
13 organization must be packaged in a labeled cannabis container
14 and entered into a data collection system before transport.

15 (g) Cultivation centers are subject to random inspections
16 by the Department of Agriculture, the Department of Public
17 Health, local safety or health inspectors, ~~and~~ the Department
18 of State Police, or as provided by rule.

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

24 (i) A cultivation center shall comply with all State and
25 any applicable federal rules and regulations regarding the use
26 of pesticides on cannabis plants.

1 (j) No person or entity shall hold any legal, equitable,
2 ownership, or beneficial interest, directly or indirectly, of
3 more than 3 cultivation centers licensed under this Article.
4 Further, no person or entity that is employed by, an agent of,
5 has a contract to receive payment in any form from a
6 cultivation center, is a principal officer of a cultivation
7 center, or entity controlled by or affiliated with a principal
8 officer of a cultivation shall hold any legal, equitable,
9 ownership, or beneficial interest, directly or indirectly, in
10 a cultivation that would result in the person or entity owning
11 or controlling in combination with any cultivation center,
12 principal officer of a cultivation center, or entity
13 controlled or affiliated with a principal officer of a
14 cultivation center by which he, she, or it is employed, is an
15 agent of, or participates in the management of, more than 3
16 cultivation center licenses.

17 (k) A cultivation center may not contain more than 210,000
18 square feet of canopy space for plants in the flowering stage
19 for cultivation of adult use cannabis as provided in this Act.

20 (l) A cultivation center may process cannabis, cannabis
21 concentrates, and cannabis-infused products.

22 (m) Beginning July 1, 2020, a cultivation center shall not
23 transport cannabis or cannabis-infused products to a craft
24 grower, dispensing organization, infuser organization, or
25 laboratory licensed under this Act, unless it has obtained a
26 transporting organization license.

1 (n) It is unlawful for any person having a cultivation
2 center license or any officer, associate, member,
3 representative, or agent of such licensee to offer or deliver
4 money, or anything else of value, directly or indirectly to
5 any person having an Early Approval Adult Use Dispensing
6 Organization License, a Conditional Adult Use Dispensing
7 Organization License, an Adult Use Dispensing Organization
8 License, or a medical cannabis dispensing organization license
9 issued under the Compassionate Use of Medical Cannabis Program
10 Act, or to any person connected with or in any way
11 representing, or to any member of the family of, such person
12 holding an Early Approval Adult Use Dispensing Organization
13 License, a Conditional Adult Use Dispensing Organization
14 License, an Adult Use Dispensing Organization License, or a
15 medical cannabis dispensing organization license issued under
16 the Compassionate Use of Medical Cannabis Program Act, or to
17 any stockholders in any corporation engaged in the retail sale
18 of cannabis, or to any officer, manager, agent, or
19 representative of the Early Approval Adult Use Dispensing
20 Organization License, a Conditional Adult Use Dispensing
21 Organization License, an Adult Use Dispensing Organization
22 License, or a medical cannabis dispensing organization license
23 issued under the Compassionate Use of Medical Cannabis Program
24 Act to obtain preferential placement within the dispensing
25 organization, including, without limitation, on shelves and in
26 display cases where purchasers can view products, or on the

1 dispensing organization's website.

2 (o) A cultivation center must comply with any other
3 requirements or prohibitions set by administrative rule of the
4 Department of Agriculture.

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

6 (410 ILCS 705/20-55 new)

7 Sec. 20-55. Disclosure of ownership and control.

8 (a) Each Adult Use Cultivation Center applicant and
9 license holder shall file and maintain a Table of
10 Organization, Ownership, and Control with the Department. The
11 Table of Organization, Ownership, and Control shall contain
12 the information required by this Section in sufficient detail
13 to identify all owners, directors, and principal officers, and
14 the title of each principal officer or business entity that,
15 through direct or indirect means, manages, owns, or controls
16 the applicant or license holder.

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

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

1 the parent company and the Adult Use Cultivation Center.

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

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

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

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

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

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

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

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

5 (g) An Adult Use Cultivation Center separating with a
6 principal officer must do so under this Act. The principal
7 officer must communicate the separation to the Department
8 within 5 business days.

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

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

22 (410 ILCS 705/25-5)

23 (Section scheduled to be repealed on July 1, 2026)

24 Sec. 25-5. Administration.

25 (a) The Department shall establish and administer the

1 Program in coordination with the Illinois Community College
2 Board. The Department may issue ~~up to 8~~ Program licenses to
3 applicants that meet the requirements outlined in this Article
4 ~~by September 1, 2020.~~

5 (b) Beginning with the 2021-2022 academic year, and
6 subject to subsection (h) of Section 2-12 of the Public
7 Community College Act, community colleges awarded Program
8 licenses may offer qualifying students a Career in Cannabis
9 Certificate, which includes, but is not limited to, courses
10 that allow participating students to work with, study, and
11 grow live cannabis plants so as to prepare students for a
12 career in the legal cannabis industry, and to instruct
13 participating students on the best business practices,
14 professional responsibility, and legal compliance of the
15 cannabis business industry.

16 (c) The Board may issue rules pertaining to the provisions
17 in this Act.

18 (d) Notwithstanding any other provision of this Act,
19 students shall be at least 18 years old in order to enroll in a
20 licensee's Career in Cannabis Certificate's prescribed course
21 of study.

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

23 (410 ILCS 705/25-30)

24 (Section scheduled to be repealed on July 1, 2026)

25 Sec. 25-30. Inspection rights.

1 (a) A licensee's enclosed, locked facilities are subject
2 to random inspections by the Department, ~~and~~ the Department of
3 State Police, or as provided by rule.

4 (b) Nothing in this Section shall be construed to give the
5 Department, ~~or~~ the Department of State Police, or any other
6 entity identified by rule under subsection (a) a right of
7 inspection or access to any location on the licensee's
8 premises beyond the facilities licensed under this Article.

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

10 (410 ILCS 705/25-35)

11 (Section scheduled to be repealed on July 1, 2026)

12 Sec. 25-35. Community College Cannabis Vocational Training
13 Pilot Program faculty participant agent identification card.

14 (a) The Department shall:

15 (1) establish by rule the information required in an
16 initial application or renewal application for an agent
17 identification card submitted under this Article and the
18 nonrefundable fee to accompany the initial application or
19 renewal application;

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

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

4 (4) enter the license number of the community college
5 where the agent works; and

6 (5) allow for an electronic initial application and
7 renewal application process, and provide a confirmation by
8 electronic or other methods that an application has been
9 submitted. Each Department may by rule require prospective
10 agents to file their applications by electronic means and
11 to provide notices to the agents by electronic means.

12 (b) An agent must keep his or her identification card
13 visible at all times when in the enclosed, locked facility, or
14 facilities for which he or she is an agent.

15 (c) The agent identification cards shall contain the
16 following:

17 (1) the name of the cardholder;

18 (2) the date of issuance and expiration date of the
19 identification card;

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

23 (4) a photograph of the cardholder; and

24 (5) the legal name of the community college employing
25 the agent.

26 (d) An agent identification card shall be immediately

1 returned to the community college of the agent upon
2 termination of his or her employment.

3 (e) Any agent identification card lost shall be reported
4 to the Department of State Police and the Department of
5 Agriculture immediately upon discovery of the loss.

6 (f) An agent applicant may begin employment at a Community
7 College Cannabis Vocational Training Pilot Program while the
8 agent applicant's identification card application is pending.
9 Upon approval, the Department shall issue the agent's
10 identification card to the agent. If denied, the Community
11 College Cannabis Vocational Training Pilot Program and the
12 agent applicant shall be notified and the agent applicant must
13 cease all activity at the Community College Cannabis
14 Vocational Training Pilot Program immediately.

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

16 (410 ILCS 705/30-5)

17 Sec. 30-5. Issuance of licenses.

18 (a) The Department of Agriculture shall issue up to 40
19 craft grower licenses by July 1, 2020. Any person or entity
20 awarded a license pursuant to this subsection shall only hold
21 one craft grower license and may not sell that license until
22 after December 21, 2021.

23 (b) By December 21, 2021, the Department of Agriculture
24 shall issue up to 60 additional craft grower licenses. Any
25 person or entity awarded a license pursuant to this subsection

1 shall not hold more than 2 craft grower licenses. The person or
2 entity awarded a license pursuant to this subsection or
3 subsection (a) of this Section may sell its craft grower
4 license subject to the restrictions of this Act or as
5 determined by administrative rule. Prior to issuing such
6 licenses, the Department may adopt rules through emergency
7 rulemaking in accordance with subsection (kk) ~~(gg)~~ of Section
8 5-45 of the Illinois Administrative Procedure Act, to modify
9 or raise the number of craft grower licenses and modify or
10 change the licensing application process ~~to reduce or~~
11 ~~eliminate barriers~~. The General Assembly finds that the
12 adoption of rules to regulate cannabis use is deemed an
13 emergency and necessary for the public interest, safety, and
14 welfare. In determining whether to exercise the authority
15 granted by this subsection, the Department of Agriculture must
16 consider the following factors:

17 (1) the percentage of cannabis sales occurring in
18 Illinois not in the regulated market using data from the
19 Substance Abuse and Mental Health Services Administration,
20 National Survey on Drug Use and Health, Illinois
21 Behavioral Risk Factor Surveillance System, and tourism
22 data from the Illinois Office of Tourism to ascertain
23 total cannabis consumption in Illinois compared to the
24 amount of sales in licensed dispensing organizations;

25 (2) whether there is an adequate supply of cannabis
26 and cannabis-infused products to serve registered medical

1 cannabis patients;

2 (3) whether there is an adequate supply of cannabis
3 and cannabis-infused products to serve purchasers;

4 (4) whether there is an oversupply of cannabis in
5 Illinois leading to trafficking of cannabis to states
6 where the sale of cannabis is not permitted by law;

7 (5) population increases or shifts;

8 (6) the density of craft growers in any area of the
9 State;

10 (7) perceived security risks of increasing the number
11 or location of craft growers;

12 (8) the past safety record of craft growers;

13 (9) the Department of Agriculture's capacity to
14 appropriately regulate additional licensees;

15 (10) (blank) ~~the findings and recommendations from the~~
16 ~~disparity and availability study commissioned by the~~
17 ~~Illinois Cannabis Regulation Oversight Officer to reduce~~
18 ~~or eliminate any identified barriers to entry in the~~
19 ~~cannabis industry; and~~

20 (11) any other criteria the Department of Agriculture
21 deems relevant.

22 (c) After January 1, 2022, the Department of Agriculture
23 may by rule modify or raise the number of craft grower licenses
24 and modify or change the licensing application process ~~to~~
25 ~~reduce or eliminate barriers based on the criteria in~~
26 ~~subsection (b)~~. At no time may the number of craft grower

1 licenses exceed 150. Any person or entity awarded a license
2 pursuant to this subsection shall not hold more than 3 craft
3 grower licenses. A person or entity awarded a license pursuant
4 to this subsection or subsection (a) or subsection (b) of this
5 Section may sell its craft grower license or licenses subject
6 to the restrictions of this Act or as determined by
7 administrative rule.

8 (d) Upon the completion of the disparity and availability
9 study pertaining to craft growers by the Cannabis Regulation
10 Oversight Officer pursuant to subsection (e) of Section 5-45,
11 the Department may modify or change the licensing application
12 process to reduce or eliminate barriers from and remedy
13 evidence of discrimination identified in the disparity and
14 availability study.

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

16 (410 ILCS 705/30-30)

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

18 (a) The operating documents of a craft grower shall
19 include procedures for the oversight of the craft grower, a
20 cannabis plant monitoring system including a physical
21 inventory recorded weekly, accurate recordkeeping, and a
22 staffing plan.

23 (b) A craft grower shall implement a security plan
24 reviewed by the Department of State Police that includes, but
25 is not limited to: facility access controls, perimeter

1 intrusion detection systems, personnel identification systems,
2 and a 24-hour surveillance system to monitor the interior and
3 exterior of the craft grower facility and that is accessible
4 to authorized law enforcement and the Department of
5 Agriculture in real time.

6 (c) All cultivation of cannabis by a craft grower must
7 take place in an enclosed, locked facility at the physical
8 address provided to the Department of Agriculture during the
9 licensing process. The craft grower location shall only be
10 accessed by the agents working for the craft grower, the
11 Department of Agriculture staff performing inspections, the
12 Department of Public Health staff performing inspections,
13 State and local law enforcement or other emergency personnel,
14 contractors working on jobs unrelated to cannabis, such as
15 installing or maintaining security devices or performing
16 electrical wiring, transporting organization agents as
17 provided in this Act, or participants in the incubator
18 program, individuals in a mentoring or educational program
19 approved by the State, or other individuals as provided by
20 rule. However, if a craft grower shares a premises with an
21 infuser or dispensing organization, agents from those other
22 licensees may access the craft grower portion of the premises
23 if that is the location of common bathrooms, lunchrooms,
24 locker rooms, or other areas of the building where work or
25 cultivation of cannabis is not performed. At no time may an
26 infuser or dispensing organization agent perform work at a

1 craft grower without being a registered agent of the craft
2 grower.

3 (d) A craft grower may not sell or distribute any cannabis
4 to any person other than a cultivation center, a craft grower,
5 an infuser organization, a dispensing organization, or as
6 otherwise authorized by rule.

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

9 (f) A craft grower may not either directly or indirectly
10 discriminate in price between different cannabis business
11 establishments that are purchasing a like grade, strain,
12 brand, and quality of cannabis or cannabis-infused product.
13 Nothing in this subsection (f) prevents a craft grower from
14 pricing cannabis differently based on differences in the cost
15 of manufacturing or processing, the quantities sold, such as
16 volume discounts, or the way the products are delivered.

17 (g) All cannabis harvested by a craft grower and intended
18 for distribution to a dispensing organization must be entered
19 into a data collection system, packaged and labeled under
20 Section 55-21, and, if distribution is to a dispensing
21 organization that does not share a premises with the
22 dispensing organization receiving the cannabis, placed into a
23 cannabis container for transport. All cannabis harvested by a
24 craft grower and intended for distribution to a cultivation
25 center, to an infuser organization, or to a craft grower with
26 which it does not share a premises, must be packaged in a

1 labeled cannabis container and entered into a data collection
2 system before transport.

3 (h) Craft growers are subject to random inspections by the
4 Department of Agriculture, local safety or health inspectors,
5 ~~and~~ the Department of State Police, or as provided by rule.

6 (i) A craft grower agent shall notify local law
7 enforcement, the Department of State Police, and the
8 Department of Agriculture within 24 hours of the discovery of
9 any loss or theft. Notification shall be made by phone, in
10 person, or written or electronic communication.

11 (j) A craft grower shall comply with all State and any
12 applicable federal rules and regulations regarding the use of
13 pesticides.

14 (k) A craft grower or craft grower agent shall not
15 transport cannabis or cannabis-infused products to any other
16 cannabis business establishment without a transport
17 organization license unless:

18 (i) If the craft grower is located in a county with a
19 population of 3,000,000 or more, the cannabis business
20 establishment receiving the cannabis is within 2,000 feet
21 of the property line of the craft grower;

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

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

1 population of fewer than 700,000, the cannabis business
2 establishment receiving the cannabis is within 15 miles of
3 the craft grower.

4 (l) A craft grower may enter into a contract with a
5 transporting organization to transport cannabis to a
6 cultivation center, a craft grower, an infuser organization, a
7 dispensing organization, or a laboratory.

8 (m) No person or entity shall hold any legal, equitable,
9 ownership, or beneficial interest, directly or indirectly, of
10 more than 3 craft grower licenses. Further, no person or
11 entity that is employed by, an agent of, or has a contract to
12 receive payment from or participate in the management of a
13 craft grower, is a principal officer of a craft grower, or
14 entity controlled by or affiliated with a principal officer of
15 a craft grower shall hold any legal, equitable, ownership, or
16 beneficial interest, directly or indirectly, in a craft grower
17 license that would result in the person or entity owning or
18 controlling in combination with any craft grower, principal
19 officer of a craft grower, or entity controlled or affiliated
20 with a principal officer of a craft grower by which he, she, or
21 it is employed, is an agent of, or participates in the
22 management of more than 3 craft grower licenses.

23 (n) It is unlawful for any person having a craft grower
24 license or any officer, associate, member, representative, or
25 agent of the licensee to offer or deliver money, or anything
26 else of value, directly or indirectly, to any person having an

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

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

26 (p) A craft grower may process cannabis, cannabis

1 concentrates, and cannabis-infused products.

2 (q) A craft grower must comply with any other requirements
3 or prohibitions set by administrative rule of the Department
4 of Agriculture.

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

6 (410 ILCS 705/30-55 new)

7 Sec. 30-55. Disclosure of ownership and control.

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

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

18 (1) The management structure, ownership, and control
19 of the applicant or license holder including the name of
20 each principal officer or business entity, the office or
21 position held, and the percentage ownership interest, if
22 any. If the business entity has a parent company, the name
23 of each owner, board member, and officer of the parent
24 company and his or her percentage ownership interest in
25 the parent company and the craft grower.

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

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

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

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

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

22 (e) All principal officers must submit a complete online
23 application with the Department within 14 days of the craft
24 grower being licensed by the Department or within 14 days of
25 Department notice of approval as a new principal officer.

26 (f) A principal officer may not allow his or her

1 registration to expire.

2 (g) A craft grower separating with a principal officer
3 must do so under this Act. The principal officer must
4 communicate the separation to the Department within 5 business
5 days.

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

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

18 (410 ILCS 705/35-5)

19 Sec. 35-5. Issuance of licenses.

20 (a) The Department of Agriculture shall issue up to 40
21 infuser licenses through a process provided for in this
22 Article no later than July 1, 2020.

23 (b) The Department of Agriculture shall make the
24 application for infuser licenses available on January 7, 2020,
25 or if that date falls on a weekend or holiday, the business day

1 immediately succeeding the weekend or holiday and every
2 January 7 or succeeding business day thereafter, and shall
3 receive such applications no later than March 15, 2020, or, if
4 that date falls on a weekend or holiday, the business day
5 immediately succeeding the weekend or holiday and every March
6 15 or succeeding business day thereafter.

7 (c) By December 21, 2021, the Department of Agriculture
8 may issue up to 60 additional infuser licenses. Prior to
9 issuing such licenses, the Department may adopt rules through
10 emergency rulemaking in accordance with subsection (kk) ~~(gg)~~
11 of Section 5-45 of the Illinois Administrative Procedure Act,
12 to modify or raise the number of infuser licenses and modify or
13 change the licensing application process to reduce or
14 eliminate barriers. The General Assembly finds that the
15 adoption of rules to regulate cannabis use is deemed an
16 emergency and necessary for the public interest, safety, and
17 welfare.

18 In determining whether to exercise the authority granted
19 by this subsection, the Department of Agriculture must
20 consider the following factors:

- 21 (1) the percentage of cannabis sales occurring in
22 Illinois not in the regulated market using data from the
23 Substance Abuse and Mental Health Services Administration,
24 National Survey on Drug Use and Health, Illinois
25 Behavioral Risk Factor Surveillance System, and tourism
26 data from the Illinois Office of Tourism to ascertain

1 total cannabis consumption in Illinois compared to the
2 amount of sales in licensed dispensing organizations;

3 (2) whether there is an adequate supply of cannabis
4 and cannabis-infused products to serve registered medical
5 cannabis patients;

6 (3) whether there is an adequate supply of cannabis
7 and cannabis-infused products to serve purchasers;

8 (4) whether there is an oversupply of cannabis in
9 Illinois leading to trafficking of cannabis to any other
10 state;

11 (5) population increases or shifts;

12 (6) changes to federal law;

13 (7) perceived security risks of increasing the number
14 or location of infuser organizations;

15 (8) the past security records of infuser
16 organizations;

17 (9) the Department of Agriculture's capacity to
18 appropriately regulate additional licenses;

19 (10) (blank) ~~the findings and recommendations from the~~
20 ~~disparity and availability study commissioned by the~~
21 ~~Illinois Cannabis Regulation Oversight Officer to reduce~~
22 ~~or eliminate any identified barriers to entry in the~~
23 ~~cannabis industry; and~~

24 (11) any other criteria the Department of Agriculture
25 deems relevant.

26 (d) After January 1, 2022, the Department of Agriculture

1 may by rule modify or raise the number of infuser licenses, and
2 modify or change the licensing application process to reduce
3 or eliminate barriers based on the criteria in subsection (c).

4 (e) Upon the completion of the disparity and availability
5 study pertaining to infusers by the Cannabis Regulation
6 Oversight Officer pursuant to subsection (e) of Section 5-45,
7 the Department of Agriculture may modify or change the
8 licensing application process to reduce or eliminate barriers
9 and remedy evidence of discrimination identified in the study.

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

11 (410 ILCS 705/35-25)

12 Sec. 35-25. Infuser organization requirements;
13 prohibitions.

14 (a) The operating documents of an infuser shall include
15 procedures for the oversight of the infuser, an inventory
16 monitoring system including a physical inventory recorded
17 weekly, accurate recordkeeping, and a staffing plan.

18 (b) An infuser shall implement a security plan reviewed by
19 the Department of State Police that includes, but is not
20 limited to: facility access controls, perimeter intrusion
21 detection systems, personnel identification systems, and a
22 24-hour surveillance system to monitor the interior and
23 exterior of the infuser facility and that is accessible to
24 authorized law enforcement, the Department of Public Health,
25 and the Department of Agriculture in real time.

1 (c) All processing of cannabis by an infuser must take
2 place in an enclosed, locked facility at the physical address
3 provided to the Department of Agriculture during the licensing
4 process. The infuser location shall only be accessed by the
5 agents working for the infuser, the Department of Agriculture
6 staff performing inspections, the Department of Public Health
7 staff performing inspections, State and local law enforcement
8 or other emergency personnel, contractors working on jobs
9 unrelated to cannabis, such as installing or maintaining
10 security devices or performing electrical wiring, transporting
11 organization agents as provided in this Act, participants in
12 the incubator program, individuals in a mentoring or
13 educational program approved by the State, local safety or
14 health inspectors, or other individuals as provided by rule.
15 However, if an infuser shares a premises with a craft grower or
16 dispensing organization, agents from these other licensees may
17 access the infuser portion of the premises if that is the
18 location of common bathrooms, lunchrooms, locker rooms, or
19 other areas of the building where processing of cannabis is
20 not performed. At no time may a craft grower or dispensing
21 organization agent perform work at an infuser without being a
22 registered agent of the infuser.

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

26 (e) An infuser may not either directly or indirectly

1 discriminate in price between different cannabis business
2 establishments that are purchasing a like grade, strain,
3 brand, and quality of cannabis or cannabis-infused product.
4 Nothing in this subsection (e) prevents an infuser from
5 pricing cannabis differently based on differences in the cost
6 of manufacturing or processing, the quantities sold, such
7 volume discounts, or the way the products are delivered.

8 (f) All cannabis infused by an infuser and intended for
9 distribution to a dispensing organization must be entered into
10 a data collection system, packaged and labeled under Section
11 55-21, and, if distribution is to a dispensing organization
12 that does not share a premises with the infuser, placed into a
13 cannabis container for transport. All cannabis produced by an
14 infuser and intended for distribution to a cultivation center,
15 infuser organization, or craft grower with which it does not
16 share a premises, must be packaged in a labeled cannabis
17 container and entered into a data collection system before
18 transport.

19 (g) Infusers are subject to random inspections by the
20 Department of Agriculture, the Department of Public Health,
21 the Department of State Police, ~~and~~ local law enforcement, or
22 as provided by rule.

23 (h) An infuser agent shall notify local law enforcement,
24 the Department of State Police, and the Department of
25 Agriculture within 24 hours of the discovery of any loss or
26 theft. Notification shall be made by phone, in person, or by

1 written or electronic communication.

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

4 (j) An infuser or infuser agent shall not transport
5 cannabis or cannabis-infused products to any other cannabis
6 business establishment without a transport organization
7 license unless:

8 (i) If the infuser is located in a county with a
9 population of 3,000,000 or more, the cannabis business
10 establishment receiving the cannabis or cannabis-infused
11 product is within 2,000 feet of the property line of the
12 infuser;

13 (ii) If the infuser is located in a county with a
14 population of more than 700,000 but fewer than 3,000,000,
15 the cannabis business establishment receiving the cannabis
16 or cannabis-infused product is within 2 miles of the
17 infuser; or

18 (iii) If the infuser is located in a county with a
19 population of fewer than 700,000, the cannabis business
20 establishment receiving the cannabis or cannabis-infused
21 product is within 15 miles of the infuser.

22 (k) An infuser may enter into a contract with a
23 transporting organization to transport cannabis to a
24 dispensing organization or a laboratory.

25 (l) An infuser organization may share premises with a
26 craft grower or a dispensing organization, or both, provided

1 each licensee stores currency and cannabis or cannabis-infused
2 products in a separate secured vault to which the other
3 licensee does not have access or all licensees sharing a vault
4 share more than 50% of the same ownership.

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

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

6 (n) At no time shall an infuser organization or an infuser
7 agent perform the extraction of cannabis concentrate from
8 cannabis flower.

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

10 (410 ILCS 705/35-30)

11 Sec. 35-30. Infuser agent identification card.

12 (a) The Department of Agriculture shall:

13 (1) establish by rule the information required in an
14 initial application or renewal application for an agent
15 identification card submitted under this Act and the
16 nonrefundable fee to accompany the initial application or
17 renewal application;

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

24 (3) issue an agent identification card to a qualifying
25 agent within 15 business days of approving the initial

1 application or renewal application;

2 (4) enter the license number of the infuser where the
3 agent works; and

4 (5) allow for an electronic initial application and
5 renewal application process, and provide a confirmation by
6 electronic or other methods that an application has been
7 submitted. The Department of Agriculture may by rule
8 require prospective agents to file their applications by
9 electronic means and provide notices to the agents by
10 electronic means.

11 (b) An agent must keep his or her identification card
12 visible at all times when on the property of a cannabis
13 business establishment including the cannabis business
14 establishment for which he or she is an agent.

15 (c) The agent identification cards shall contain the
16 following:

17 (1) the name of the cardholder;

18 (2) the date of issuance and expiration date of the
19 identification card;

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

23 (4) a photograph of the cardholder; and

24 (5) the legal name of the infuser organization
25 employing the agent.

26 (d) An agent identification card shall be immediately

1 returned to the infuser organization of the agent upon
2 termination of his or her employment.

3 (e) Any agent identification card lost by a transporting
4 agent shall be reported to the Department of State Police and
5 the Department of Agriculture immediately upon discovery of
6 the loss.

7 (f) An agent applicant may begin employment at an infuser
8 organization while the agent applicant's identification card
9 application is pending. Upon approval, the Department shall
10 issue the agent's identification card to the agent. If denied,
11 the infuser organization and the agent applicant shall be
12 notified and the agent applicant must cease all activity at
13 the infuser organization immediately.

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

15 (410 ILCS 705/35-45 new)

16 Sec. 35-45. Disclosure of ownership and control.

17 (a) Each infuser organization applicant and licensee shall
18 file and maintain a Table of Organization, Ownership and
19 Control with the Department. The Table of Organization,
20 Ownership and Control shall contain the information required
21 by this Section in sufficient detail to identify all owners,
22 directors, and principal officers, and the title of each
23 principal officer or business entity that, through direct or
24 indirect means, manages, owns, or controls the applicant or
25 licensee.

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

3 (1) The management structure, ownership, and control
4 of the applicant or license holder including the name of
5 each principal officer or business entity, the office or
6 position held, and the percentage ownership interest, if
7 any. If the business entity has a parent company, the name
8 of each owner, board member, and officer of the parent
9 company and his or her percentage ownership interest in
10 the parent company and the infuser organization.

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

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

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

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

26 (d) An infuser organization with a parent company or

1 companies, or partially owned or controlled by another entity
2 must disclose to the Department the relationship and all
3 owners, board members, officers, or individuals with control
4 or management of those entities. An infuser organization shall
5 not shield its ownership or control from the Department.

6 (e) All principal officers must submit a complete online
7 application with the Department within 14 days of the infuser
8 organization being licensed by the Department or within 14
9 days of Department notice of approval as a new principal
10 officer.

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

13 (g) An infuser organization separating with a principal
14 officer must do so under this Act. The principal officer must
15 communicate the separation to the Department within 5 business
16 days.

17 (h) A principal officer not in compliance with the
18 requirements of this Act shall be removed from his or her
19 position with the infuser organization or shall otherwise
20 terminate his or her affiliation. Failure to do so may subject
21 the infuser organization to discipline, suspension, or
22 revocation of its license by the Department.

23 (i) It is the responsibility of the infuser organization
24 and its principal officers to promptly notify the Department
25 of any change of the principal place of business address,
26 hours of operation, change in ownership or control, or a

1 change of the infuser organization's primary or secondary
2 contact information. Any changes must be made to the
3 Department in writing.

4 (410 ILCS 705/40-25)

5 Sec. 40-25. Transporting organization requirements;
6 prohibitions.

7 (a) The operating documents of a transporting organization
8 shall include procedures for the oversight of the transporter,
9 an inventory monitoring system including a physical inventory
10 recorded weekly, accurate recordkeeping, and a staffing plan.

11 (b) A transporting organization may not transport cannabis
12 or cannabis-infused products to any person other than a
13 cultivation center, a craft grower, an infuser organization, a
14 dispensing organization, a testing facility, or as otherwise
15 authorized by rule.

16 (c) All cannabis transported by a transporting
17 organization must be entered into a data collection system and
18 placed into a cannabis container for transport.

19 (d) Transporters are subject to random inspections by the
20 Department of Agriculture, the Department of Public Health,
21 ~~and~~ the Department of State Police, or as provided by rule.

22 (e) A transporting organization agent shall notify local
23 law enforcement, the Department of State Police, and the
24 Department of Agriculture within 24 hours of the discovery of
25 any loss or theft. Notification shall be made by phone, in

1 person, or by written or electronic communication.

2 (f) No person under the age of 21 years shall be in a
3 commercial vehicle or trailer transporting cannabis goods.

4 (g) No person or individual who is not a transporting
5 organization agent shall be in a vehicle while transporting
6 cannabis goods.

7 (h) Transporters may not use commercial motor vehicles
8 with a weight rating of over 10,001 pounds.

9 (i) It is unlawful for any person to offer or deliver
10 money, or anything else of value, directly or indirectly, to
11 any of the following persons to obtain preferential placement
12 within the dispensing organization, including, without
13 limitation, on shelves and in display cases where purchasers
14 can view products, or on the dispensing organization's
15 website:

16 (1) a person having a transporting organization
17 license, or any officer, associate, member,
18 representative, or agent of the licensee;

19 (2) a person having an Early Applicant Adult Use
20 Dispensing Organization License, an Adult Use Dispensing
21 Organization License, or a medical cannabis dispensing
22 organization license issued under the Compassionate Use of
23 Medical Cannabis Program Act;

24 (3) a person connected with or in any way
25 representing, or a member of the family of, a person
26 holding an Early Applicant Adult Use Dispensing

1 Organization License, an Adult Use Dispensing Organization
2 License, or a medical cannabis dispensing organization
3 license issued under the Compassionate Use of Medical
4 Cannabis Program Act; or

5 (4) a stockholder, officer, manager, agent, or
6 representative of a corporation engaged in the retail sale
7 of cannabis, an Early Applicant Adult Use Dispensing
8 Organization License, an Adult Use Dispensing Organization
9 License, or a medical cannabis dispensing organization
10 license issued under the Compassionate Use of Medical
11 Cannabis Program Act.

12 (j) A transporting organization agent must keep his or her
13 identification card visible at all times when on the property
14 of a cannabis business establishment and during the
15 transporting of cannabis when acting under his or her duties
16 as a transportation organization agent. During these times,
17 the transporting organization agent must also provide the
18 identification card upon request of any law enforcement
19 officer engaged in his or her official duties.

20 (k) A copy of the transporting organization's registration
21 and a manifest for the delivery shall be present in any vehicle
22 transporting cannabis.

23 (l) Cannabis shall be transported so it is not visible or
24 recognizable from outside the vehicle.

25 (m) A vehicle transporting cannabis must not bear any
26 markings to indicate the vehicle contains cannabis or bear the

1 name or logo of the cannabis business establishment.

2 (n) Cannabis must be transported in an enclosed, locked
3 storage compartment that is secured or affixed to the vehicle.

4 (o) The Department of Agriculture may, by rule, impose any
5 other requirements or prohibitions on the transportation of
6 cannabis.

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

8 (410 ILCS 705/40-30)

9 Sec. 40-30. Transporting agent identification card.

10 (a) The Department of Agriculture 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 Act 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 Act and approve
19 or deny an application within 30 days of receiving a
20 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 transporting

1 organization 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. The Department of Agriculture may by rule
6 require prospective agents to file their applications by
7 electronic means and provide notices to the agents by
8 electronic means.

9 (b) An agent must keep his or her identification card
10 visible at all times when on the property of a cannabis
11 business establishment, including the cannabis business
12 establishment for which he or she is an agent.

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

15 (1) the name of the cardholder;

16 (2) the date of issuance and expiration date of the
17 identification card;

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

21 (4) a photograph of the cardholder; and

22 (5) the legal name of the transporting organization
23 employing the agent.

24 (d) An agent identification card shall be immediately
25 returned to the transporting organization of the agent upon
26 termination of his or her employment.

1 (e) Any agent identification card lost by a transporting
2 agent shall be reported to the Department of State Police and
3 the Department of Agriculture immediately upon discovery of
4 the loss.

5 (f) An application for an agent identification card shall
6 be denied if the applicant is delinquent in filing any
7 required tax returns or paying any amounts owed to the State of
8 Illinois.

9 (g) An agent applicant may begin employment at a
10 transporting 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 transporting organization and the agent
14 applicant shall be notified and the agent applicant must cease
15 all activity at the transporting organization immediately.

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

17 (410 ILCS 705/40-45 new)

18 Sec. 40-45. Disclosure of ownership and control.

19 (a) Each transporting organization applicant and licensee
20 shall file and maintain a Table of Organization, Ownership,
21 and Control with the Department. The Table of Organization,
22 Ownership, and Control shall contain the information required
23 by this Section in sufficient detail to identify all owners,
24 directors, and principal officers, and the title of each
25 principal officer or business entity that, through direct or

1 indirect means, manages, owns, or controls the applicant or
2 licensee.

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

5 (1) The management structure, ownership, and control
6 of the applicant or license holder including the name of
7 each principal officer or business entity, the office or
8 position held, and the percentage ownership interest, if
9 any. If the business entity has a parent company, the name
10 of each owner, board member, and officer of the parent
11 company and his or her percentage ownership interest in
12 the parent company and the transporting organization.

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

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

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

24 (2) To the extent known, the names and percentage of
25 interest of ownership of persons who are relatives of one
26 another and who together exercise control over or own more

1 than 10% of the voting shares of the entity.

2 (d) A transporting organization with a parent company or
3 companies, or partially owned or controlled by another entity
4 must disclose to the Department the relationship and all
5 owners, board members, officers, or individuals with control
6 or management of those entities. A transporting organization
7 shall not shield its ownership or control from the Department.

8 (e) All principal officers must submit a complete online
9 application with the Department within 14 days of the
10 transporting organization being licensed by the Department or
11 within 14 days of Department notice of approval as a new
12 principal officer.

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

15 (g) A transporting organization separating with a
16 principal officer must do so under this Act. The principal
17 officer must communicate the separation to the Department
18 within 5 business days.

19 (h) A principal officer not in compliance with the
20 requirements of this Act shall be removed from his or her
21 position with the transporting organization or shall otherwise
22 terminate his or her affiliation. Failure to do so may subject
23 the transporting organization to discipline, suspension, or
24 revocation of its license by the Department.

25 (i) It is the responsibility of the transporting
26 organization and its principal officers to promptly notify the

1 Department of any change of the principal place of business
2 address, hours of operation, change in ownership or control,
3 or a change of the transporting organization's primary or
4 secondary contact information. Any changes must be made to the
5 Department in writing.

6 (410 ILCS 705/55-21)

7 Sec. 55-21. Cannabis product packaging and labeling.

8 (a) Each cannabis product produced for sale shall be
9 registered with the Department of Agriculture on forms
10 provided by the Department of Agriculture. Each product
11 registration shall include a label and the required
12 registration fee at the rate established by the Department of
13 Agriculture for a comparable medical cannabis product, or as
14 established by rule. The registration fee is for the name of
15 the product offered for sale and one fee shall be sufficient
16 for all package sizes.

17 (b) All harvested cannabis intended for distribution to a
18 cannabis enterprise must be packaged in a sealed, labeled
19 container.

20 (c) Any product containing cannabis shall be sold ~~packaged~~
21 ~~in a sealed, odor-proof,~~ and child-resistant cannabis
22 container consistent with current standards, including the
23 Consumer Product Safety Commission standards referenced by the
24 Poison Prevention Act unless the sale is between or among a
25 craft grower, infuser, or cultivation center.

1 (d) All cannabis-infused products shall be individually
2 wrapped or packaged at the original point of preparation. The
3 packaging of the cannabis-infused product shall conform to the
4 labeling requirements of the Illinois Food, Drug and Cosmetic
5 Act, in addition to the other requirements set forth in this
6 Section.

7 (e) Each cannabis product shall be labeled before sale and
8 each label shall be securely affixed to the package and shall
9 state in legible English and any languages required by the
10 Department of Agriculture:

11 (1) the name and post office box of the registered
12 cultivation center or craft grower where the item was
13 manufactured;

14 (2) the common or usual name of the item and the
15 registered name of the cannabis product that was
16 registered with the Department of Agriculture under
17 subsection (a);

18 (3) a unique serial number that will match the product
19 with a cultivation center or craft grower batch and lot
20 number to facilitate any warnings or recalls the
21 Department of Agriculture, cultivation center, or craft
22 grower deems appropriate;

23 (4) the date of final testing and packaging, if
24 sampled, and the identification of the independent testing
25 laboratory;

26 (5) the date of harvest and "use by" date;

1 (6) the quantity (in ounces or grams) of cannabis
2 contained in the product;

3 (7) a pass/fail rating based on the laboratory's
4 microbiological, mycotoxins, and pesticide and solvent
5 residue analyses, if sampled;

6 (8) content list.

7 (A) A list of the following, including the minimum
8 and maximum percentage content by weight for
9 subdivisions (e) (8) (A) (i) through (iv):

10 (i) delta-9-tetrahydrocannabinol (THC);

11 (ii) tetrahydrocannabinolic acid (THCA);

12 (iii) cannabidiol (CBD);

13 (iv) cannabidiolic acid (CBDA); and

14 (v) all other ingredients of the item,
15 including any colors, artificial flavors, and
16 preservatives, listed in descending order by
17 predominance of weight shown with common or usual
18 names.

19 (B) The acceptable tolerances for the minimum
20 percentage printed on the label for any of
21 subdivisions (e) (8) (A) (i) through (iv) shall not be
22 below 85% or above 115% of the labeled amount.

23 (f) Packaging must not contain information that:

24 (1) is false or misleading;

25 (2) promotes excessive consumption;

26 (3) depicts a person under 21 years of age consuming

1 cannabis;

2 (4) includes the image of a cannabis leaf;

3 (5) includes any image designed or likely to appeal to
4 minors, including cartoons, toys, animals, or children, or
5 any other likeness to images, characters, or phrases that
6 are popularly used to advertise to children, or any
7 packaging or labeling that bears reasonable resemblance to
8 any product available for consumption as a commercially
9 available candy, or that promotes consumption of cannabis;

10 (6) contains any seal, flag, crest, coat of arms, or
11 other insignia likely to mislead the purchaser to believe
12 that the product has been endorsed, made, or used by the
13 State of Illinois or any of its representatives except
14 where authorized by this Act.

15 (g) Cannabis products produced by concentrating or
16 extracting ingredients from the cannabis plant shall contain
17 the following information, where applicable:

18 (1) If solvents were used to create the concentrate or
19 extract, a statement that discloses the type of extraction
20 method, including any solvents or gases used to create the
21 concentrate or extract; and

22 (2) Any other chemicals or compounds used to produce
23 or were added to the concentrate or extract.

24 (h) All cannabis products must contain warning statements
25 established for purchasers, of a size that is legible and
26 readily visible to a consumer inspecting a package, which may

1 not be covered or obscured in any way. The Department of Public
2 Health shall define and update appropriate health warnings for
3 packages including specific labeling or warning requirements
4 for specific cannabis products.

5 (i) Unless modified by rule to strengthen or respond to
6 new evidence and science, the following warnings shall apply
7 to all cannabis products unless modified by rule: "This
8 product contains cannabis and is intended for use by adults 21
9 and over. Its use can impair cognition and may be habit
10 forming. This product should not be used by pregnant or
11 breastfeeding women. It is unlawful to sell or provide this
12 item to any individual, and it may not be transported outside
13 the State of Illinois. It is illegal to operate a motor vehicle
14 while under the influence of cannabis. Possession or use of
15 this product may carry significant legal penalties in some
16 jurisdictions and under federal law."

17 (j) Warnings for each of the following product types must
18 be present on labels when offered for sale to a purchaser:

19 (1) Cannabis that may be smoked must contain a
20 statement that "Smoking is hazardous to your health."

21 (2) Cannabis-infused products (other than those
22 intended for topical application) must contain a statement
23 "CAUTION: This product contains cannabis, and intoxication
24 following use may be delayed 2 or more hours. This product
25 was produced in a facility that cultivates cannabis, and
26 that may also process common food allergens."

1 (3) Cannabis-infused products intended for topical
2 application must contain a statement "DO NOT EAT" in bold,
3 capital letters.

4 (k) Each cannabis-infused product intended for consumption
5 must be individually packaged, must include the total
6 milligram content of THC and CBD, and may not include more than
7 a total of 100 milligrams of THC per package. A package may
8 contain multiple servings of 10 milligrams of THC, indicated
9 by scoring, wrapping, or by other indicators designating
10 individual serving sizes. The Department of Agriculture may
11 change the total amount of THC allowed for each package, or the
12 total amount of THC allowed for each serving size, by rule.

13 (1) No individual other than the purchaser may alter or
14 destroy any labeling affixed to the primary packaging of
15 cannabis or cannabis-infused products.

16 (m) For each commercial weighing and measuring device used
17 at a facility, the cultivation center or craft grower must:

18 (1) Ensure that the commercial device is licensed
19 under the Weights and Measures Act and the associated
20 administrative rules (8 Ill. Adm. Code 600);

21 (2) Maintain documentation of the licensure of the
22 commercial device; and

23 (3) Provide a copy of the license of the commercial
24 device to the Department of Agriculture for review upon
25 request.

26 (n) It is the responsibility of the Department to ensure

1 that packaging and labeling requirements, including product
2 warnings, are enforced at all times for products provided to
3 purchasers. Product registration requirements and container
4 requirements may be modified by rule by the Department of
5 Agriculture.

6 (o) Labeling, including warning labels, may be modified by
7 rule by the Department of Agriculture.

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

9 (410 ILCS 705/55-28)

10 Sec. 55-28. Restricted cannabis zones.

11 (a) As used in this Section:

12 "Legal voter" means a person:

13 (1) who is duly registered to vote in a municipality
14 with a population of over 500,000;

15 (2) whose name appears on a poll list compiled by the
16 city board of election commissioners since the last
17 preceding election, regardless of whether the election was
18 a primary, general, or special election;

19 (3) who, at the relevant time, is a resident of the
20 address at which he or she is registered to vote; and

21 (4) whose address, at the relevant time, is located in
22 the precinct where such person seeks to file a notice of
23 intent to initiate a petition process, circulate a
24 petition, or sign a petition under this Section.

25 As used in the definition of "legal voter", "relevant

1 time" means any time that:

2 (i) a notice of intent is filed, pursuant to
3 subsection (c) of this Section, to initiate the petition
4 process under this Section;

5 (ii) the petition is circulated for signature in the
6 applicable precinct; or

7 (iii) the petition is signed by registered voters in
8 the applicable precinct.

9 "Petition" means the petition described in this Section.

10 "Precinct" means the smallest constituent territory within
11 a municipality with a population of over 500,000 in which
12 electors vote as a unit at the same polling place in any
13 election governed by the Election Code.

14 "Restricted cannabis zone" means a precinct within which
15 home cultivation, one or more types of cannabis business
16 establishments, or both has been prohibited pursuant to an
17 ordinance initiated by a petition under this Section.

18 (b) The legal voters of any precinct within a municipality
19 with a population of over 500,000 may petition their local
20 alderman, using a petition form made available online by the
21 city clerk, to introduce an ordinance establishing the
22 precinct as a restricted zone. Such petition shall specify
23 whether it seeks an ordinance to prohibit, within the
24 precinct: (i) home cultivation; (ii) one or more types of
25 cannabis business establishments; or (iii) home cultivation
26 and one or more types of cannabis business establishments.

1 Upon receiving a petition containing the signatures of at
2 least 25% of the registered voters of the precinct, and
3 concluding that the petition is legally sufficient following
4 the posting and review process in subsection (c) of this
5 Section, the city clerk shall notify the local alderman of the
6 ward in which the precinct is located. Upon being notified,
7 that alderman, following an assessment of relevant factors
8 within the precinct, including but not limited to, its
9 geography, density and character, the prevalence of
10 residentially zoned property, current licensed cannabis
11 business establishments in the precinct, the current amount of
12 home cultivation in the precinct, and the prevailing viewpoint
13 with regard to the issue raised in the petition, may introduce
14 an ordinance to the municipality's governing body creating a
15 restricted cannabis zone in that precinct.

16 (c) A person seeking to initiate the petition process
17 described in this Section shall first submit to the city clerk
18 notice of intent to do so, on a form made available online by
19 the city clerk. That notice shall include a description of the
20 potentially affected area and the scope of the restriction
21 sought. The city clerk shall publicly post the submitted
22 notice online.

23 To be legally sufficient, a petition must contain the
24 requisite number of valid signatures and all such signatures
25 must be obtained within 90 days of the date that the city clerk
26 publicly posts the notice of intent. Upon receipt, the city

1 clerk shall post the petition on the municipality's website
2 for a 30-day comment period. The city clerk is authorized to
3 take all necessary and appropriate steps to verify the legal
4 sufficiency of a submitted petition. Following the petition
5 review and comment period, the city clerk shall publicly post
6 online the status of the petition as accepted or rejected, and
7 if rejected, the reasons therefor. If the city clerk rejects a
8 petition as legally insufficient, a minimum of 12 months must
9 elapse from the time the city clerk posts the rejection notice
10 before a new notice of intent for that same precinct may be
11 submitted.

12 (c-5) Within 3 days after receiving an application for
13 zoning approval to locate a cannabis business establishment
14 within a municipality with a population of over 500,000, the
15 municipality shall post a public notice of the filing on its
16 website and notify the alderman of the ward in which the
17 proposed cannabis business establishment is to be located of
18 the filing. No action shall be taken on the zoning application
19 for 7 business days following the notice of the filing for
20 zoning approval.

21 If a notice of intent to initiate the petition process to
22 prohibit the type of cannabis business establishment proposed
23 in the precinct of the proposed cannabis business
24 establishment is filed prior to the filing of the application
25 or within the 7-day period after the filing of the
26 application, the municipality shall not approve the

1 application for at least 90 days after the city clerk publicly
2 posts the notice of intent to initiate the petition process.
3 If a petition is filed within the 90-day petition-gathering
4 period described in subsection (c), the municipality shall not
5 approve the application for an additional 90 days after the
6 city clerk's receipt of the petition; provided that if the
7 city clerk rejects a petition as legally insufficient, the
8 municipality may approve the application prior to the end of
9 the 90 days. If a petition is not submitted within the 90-day
10 petition-gathering period described in subsection (c), the
11 municipality may approve the application unless the approval
12 is otherwise stayed pursuant to this subsection by a separate
13 notice of intent to initiate the petition process filed timely
14 within the 7-day period.

15 If no legally sufficient petition is timely filed, a
16 minimum of 12 months must elapse before a new notice of intent
17 for that same precinct may be submitted.

18 (d) Notwithstanding any law to the contrary, the
19 municipality may enact an ordinance creating a restricted
20 cannabis zone. The ordinance shall:

21 (1) identify the applicable precinct boundaries as of
22 the date of the petition;

23 (2) state whether the ordinance prohibits within the
24 defined boundaries of the precinct, and in what
25 combination: (A) one or more types of cannabis business
26 establishments; or (B) home cultivation;

1 (3) be in effect for 4 years, unless repealed earlier;
2 and

3 (4) once in effect, be subject to renewal by ordinance
4 at the expiration of the 4-year period without the need
5 for another supporting petition.

6 (e) An Early Approval Adult Use Dispensing Organization
7 License permitted to relocate under subsection (b-5) of
8 Section 15-15 shall not relocate to a restricted cannabis
9 zone.

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

11 (410 ILCS 705/55-30)

12 Sec. 55-30. Confidentiality.

13 (a) Information provided by the cannabis business
14 establishment licensees or applicants to the Department of
15 Agriculture, the Department of Public Health, the Department
16 of Financial and Professional Regulation, the Department of
17 Commerce and Economic Opportunity, or other agency shall be
18 limited to information necessary for the purposes of
19 administering this Act. The information is subject to the
20 provisions and limitations contained in the Freedom of
21 Information Act and may be disclosed in accordance with
22 Section 55-65.

23 (b) The following information received and records kept by
24 the Department of Agriculture, the Department of Public
25 Health, the Department of State Police, and the Department of

1 Financial and Professional Regulation for purposes of
2 administering this Article are subject to all applicable
3 federal privacy laws, are confidential and exempt from
4 disclosure under the Freedom of Information Act, except as
5 provided in this Act, and not subject to disclosure to any
6 individual or public or private entity, except to the
7 Department of Financial and Professional Regulation, the
8 Department of Agriculture, the Department of Public Health,
9 and the Department of State Police as necessary to perform
10 official duties under this Article and to the Attorney General
11 as necessary to enforce the provisions of this Act. The
12 following information received and kept by the Department of
13 Financial and Professional Regulation or the Department of
14 Agriculture may be disclosed to the Department of Public
15 Health, the Department of Agriculture, the Department of
16 Revenue, the Department of State Police, or the Attorney
17 General upon proper request:

18 (1) Applications and renewals, their contents, and
19 supporting information submitted by or on behalf of
20 dispensing organizations, cannabis business
21 establishments, or Community College Cannabis Vocational
22 Program licensees, in compliance with this Article,
23 including their physical addresses; however, this does not
24 preclude the release of ownership information about
25 cannabis business establishment licenses, or information
26 submitted with an application required to be disclosed

1 pursuant to subsection (f);

2 (2) Any plans, procedures, policies, or other records
3 relating to cannabis business establishment ~~dispensing~~
4 ~~organization~~ security; and

5 (3) Information otherwise exempt from disclosure by
6 State or federal law.

7 Illinois or national criminal history record information,
8 or the nonexistence or lack of such information, may not be
9 disclosed by the Department of Financial and Professional
10 Regulation or the Department of Agriculture, except as
11 necessary to the Attorney General to enforce this Act.

12 (c) The name and address of a dispensing organization
13 licensed under this Act shall be subject to disclosure under
14 the Freedom of Information Act. The name and cannabis business
15 establishment address of the person or entity holding each
16 cannabis business establishment license shall be subject to
17 disclosure.

18 (d) All information collected by the Department of
19 Financial and Professional Regulation or the Department of
20 Agriculture in the course of an examination, inspection, or
21 investigation of a licensee or applicant, including, but not
22 limited to, any complaint against a licensee or applicant
23 filed with the Department of Financial and Professional
24 Regulation or the Department of Agriculture and information
25 collected to investigate any such complaint, shall be
26 maintained for the confidential use of the Department of

1 Financial and Professional Regulation or the Department of
2 Agriculture and shall not be disclosed, except as otherwise
3 provided in this Act. A formal complaint against a licensee by
4 the Department of Financial and Professional Regulation or the
5 Department of Agriculture or any disciplinary order issued by
6 the Department of Financial and Professional Regulation or the
7 Department of Agriculture against a licensee or applicant
8 shall be a public record, except as otherwise provided by law.
9 Complaints from consumers or members of the general public
10 received regarding a specific, named licensee or complaints
11 regarding conduct by unlicensed entities shall be subject to
12 disclosure under the Freedom of Information Act.

13 (e) The Department of Agriculture, the Department of State
14 Police, and the Department of Financial and Professional
15 Regulation shall not share or disclose any Illinois or
16 national criminal history record information, or the
17 nonexistence or lack of such information, to any person or
18 entity not expressly authorized by this Act.

19 (f) Each Department responsible for licensure under this
20 Act shall publish on the Department's website a list of the
21 ownership information of cannabis business establishment
22 licensees under the Department's jurisdiction. The list shall
23 include, but is not limited to: the name of the person or
24 entity holding each cannabis business establishment license;
25 and the address at which the entity is operating under this
26 Act. This list shall be published and updated monthly.

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

2 Section 15. The Illinois Vehicle Code is amended by
3 changing Sections 11-502.1 and 11-502.15 as follows:

4 (625 ILCS 5/11-502.1)

5 Sec. 11-502.1. Possession of medical cannabis in a motor
6 vehicle.

7 (a) No driver, who is a medical cannabis cardholder, may
8 use medical cannabis within the passenger area of any motor
9 vehicle upon a highway in this State.

10 (b) No driver, who is a medical cannabis cardholder, a
11 medical cannabis designated caregiver, medical cannabis
12 cultivation center agent, or dispensing organization agent may
13 possess medical cannabis within any area of any motor vehicle
14 upon a highway in this State except in a secured, sealed or
15 resealable, odor-proof, and child-resistant medical cannabis
16 container that is inaccessible.

17 (c) No passenger, who is a medical cannabis card holder, a
18 medical cannabis designated caregiver, or medical cannabis
19 dispensing organization agent may possess medical cannabis
20 within any passenger area of any motor vehicle upon a highway
21 in this State except in a secured, sealed or resealable,
22 odor-proof, and child-resistant medical cannabis container
23 that is inaccessible.

24 (d) Any person who violates subsections (a) through (c) of

1 this Section:

2 (1) commits a Class A misdemeanor;

3 (2) shall be subject to revocation of his or her
4 medical cannabis card for a period of 2 years from the end
5 of the sentence imposed; and

6 (3) ~~(4)~~ shall be subject to revocation of his or her
7 status as a medical cannabis caregiver, medical cannabis
8 cultivation center agent, or medical cannabis dispensing
9 organization agent for a period of 2 years from the end of
10 the sentence imposed.

11 (Source: P.A. 101-27, eff. 6-25-19; revised 8-6-19.)

12 (625 ILCS 5/11-502.15)

13 Sec. 11-502.15. Possession of adult use cannabis in a
14 motor vehicle.

15 (a) No driver may use cannabis within the passenger area
16 of any motor vehicle upon a highway in this State.

17 (b) No driver may possess cannabis within any area of any
18 motor vehicle upon a highway in this State except in a secured,
19 sealed or resealable, odor-proof, child-resistant cannabis
20 container that is inaccessible.

21 (c) No passenger may possess cannabis within any passenger
22 area of any motor vehicle upon a highway in this State except
23 in a secured, sealed or resealable, odor-proof,
24 child-resistant cannabis container that is inaccessible.

25 (d) Any person who knowingly violates subsection (a), (b),

1 or (c) of this Section commits a Class A misdemeanor.

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

3 Section 97. Severability. The provisions of this Act are
4 severable under Section 1.31 of the Statute on Statutes.

5 Section 99. Effective date. This Act takes effect upon
6 becoming law."