



102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

HB4298

Introduced 1/5/2022, by Rep. Cyril Nichols

SYNOPSIS AS INTRODUCED:

410 ILCS 705/15-35.20

Amends the Cannabis Regulation and Tax Act. Provides that the Department of Financial and Professional Regulation's rules for the issuance of Conditional Adult Use Dispensing Organization Licenses on or after January 1, 2022 may include a preference for an applicant that is 51% or more owned and controlled by at least one qualified individual with a disability. Effective immediately.

LRB102 22446 CPF 31586 b

1 AN ACT concerning health.

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

4 Section 5. The Cannabis Regulation and Tax Act is amended
5 by changing Section 15-35.20 as follows:

6 (410 ILCS 705/15-35.20)

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

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

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

21 (A) Purchaser wait times.

22 (B) Travel time to the nearest dispensary for
23 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 (e) of Section 5-45 to reduce or eliminate
22 any identified barriers to entry in the cannabis
23 industry.

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 (3) Include a preference for an applicant that is 51%
6 or more owned and controlled by at least one qualified
7 individual with a disability as that term is defined under
8 paragraph (2) of Section 12131 of the federal Americans
9 with Disabilities Act of 1990.

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

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

15 (Source: P.A. 102-98, eff. 7-15-21.)

16 Section 99. Effective date. This Act takes effect upon
17 becoming law.