



## 103RD GENERAL ASSEMBLY

### State of Illinois

2023 and 2024

SB3940

Introduced 5/1/2024, by Sen. Kimberly A. Lightford

#### SYNOPSIS AS INTRODUCED:

See Index

Amends The Department of Professional Regulation Law of the Civil Administrative Code of Illinois, makes changes concerning confidentiality regarding the Office of Executive Inspector General; makes conforming changes. Amends the Illinois Procurement Code. Provides that the exemption in the Code relating to implementing the Cannabis Regulation and Tax Act shall be 8 years (instead of 5 years) after June 25, 2019. Amends the State Finance Act. Changes the name of the Local Cannabis Consumer Excise Tax Trust Fund to the Local Cannabis Retailers' Occupation Tax Trust Fund. Amends the Retailers' Occupation Tax Act. Specifies that it is a purpose of the Act for the Department of Revenue to report certain cannabis-related tax and business district tax revenues. Amends the Counties Code and the Illinois Municipal Code. Makes changes in provisions concerning limitations on the home rule powers of counties and municipalities. Amends the Cannabis Regulation and Tax Act. Adds and makes changes to various definitions. Authorizes the Department of Agriculture and the Department of Financial and Professional Regulation to establish, by rule, certain market protections. Requires the Department of Agriculture to license cannabis laboratories. Provides for the repeal of provisions establishing cultivator taxes and craft grower taxes. Amends the Tobacco Accessories and Smoking Herbs Control Act. Deletes a provision which specifies that the sale and possession of marijuana and hashish is illegal. Makes other changes. Effective immediately.

LRB103 40496 RJT 72952 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 Department of Professional Regulation Law  
5 of the Civil Administrative Code of Illinois is amended by  
6 changing Section 2105-117 as follows:

7 (20 ILCS 2105/2105-117)

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

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

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

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

10 (30 ILCS 500/1-10)

11 Sec. 1-10. Application.

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

24 (b) This Code shall apply regardless of the source of the

1 funds with which the contracts are paid, including federal  
2 assistance moneys. This Code shall not apply to:

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

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

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

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

15 (5) Collective bargaining contracts.

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

24 (7) Contracts necessary to prepare for anticipated  
25 litigation, enforcement actions, or investigations,  
26 provided that the chief legal counsel to the Governor

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

7 (8) (Blank).

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

10 (10) (Blank).

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

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

26 (B) Contracts for legal and financial services entered

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

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

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

26 (14) Contracts for participation expenditures required

1 by a domestic or international trade show or exhibition of  
2 an exhibitor, member, or sponsor.

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

25 (16) Procurement expenditures necessary for the  
26 Department of Public Health to provide the delivery of

1           timely newborn screening services in accordance with the  
2           Newborn Metabolic Screening Act.

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

12          (18) This Code does not apply to any procurements  
13          necessary for the Department of Agriculture, the  
14          Department of Financial and Professional Regulation, the  
15          Department of Human Services, the Department of Commerce  
16          and Economic Opportunity, and the Department of Public  
17          Health to implement the Cannabis Regulation and Tax Act if  
18          the applicable agency has made a good faith determination  
19          that it is necessary and appropriate for the expenditure  
20          to fall within this exemption and if the process is  
21          conducted in a manner substantially in accordance with the  
22          requirements of Sections 20-160, 25-60, 30-22, 50-5,  
23          50-10, 50-10.5, 50-12, 50-13, 50-15, 50-20, 50-21, 50-35,  
24          50-36, 50-37, 50-38, and 50-50 of this Code; however, for  
25          Section 50-35, compliance applies only to contracts or  
26          subcontracts over \$100,000. Notice of each contract



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

25 (19) Acquisition of modifications or adjustments,  
26 limited to assistive technology devices and assistive

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

16 For purposes of this paragraph (19):

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

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

26 "Qualified" has the same meaning and use as provided

1 under the federal Americans with Disabilities Act when  
2 describing an individual with a disability.

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

11 (21) Procurement expenditures for the purchase,  
12 renewal, and expansion of software, software licenses, or  
13 software maintenance agreements that support the efforts  
14 of the Illinois State Police to enforce, regulate, and  
15 administer the Firearm Owners Identification Card Act, the  
16 Firearm Concealed Carry Act, the Firearms Restraining  
17 Order Act, the Firearm Dealer License Certification Act,  
18 the Law Enforcement Agencies Data System (LEADS), the  
19 Uniform Crime Reporting Act, the Criminal Identification  
20 Act, the Illinois Uniform Conviction Information Act, and  
21 the Gun Trafficking Information Act, or establish or  
22 maintain record management systems necessary to conduct  
23 human trafficking investigations or gun trafficking or  
24 other stolen firearm investigations. This paragraph (21)  
25 applies to contracts entered into on or after January 10,  
26 2023 (the effective date of Public Act 102-1116) and the

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

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

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

26 (24) ~~(22)~~ Contracts for public education programming,

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

6 Notwithstanding any other provision of law, for contracts  
7 with an annual value of more than \$100,000 entered into on or  
8 after October 1, 2017 under an exemption provided in any  
9 paragraph of this subsection (b), except paragraph (1), (2),  
10 or (5), each State agency shall post to the appropriate  
11 procurement bulletin the name of the contractor, a description  
12 of the supply or service provided, the total amount of the  
13 contract, the term of the contract, and the exception to the  
14 Code utilized. The chief procurement officer shall submit a  
15 report to the Governor and General Assembly no later than  
16 November 1 of each year that shall include, at a minimum, an  
17 annual summary of the monthly information reported to the  
18 chief procurement officer.

19 (c) This Code does not apply to the electric power  
20 procurement process provided for under Section 1-75 of the  
21 Illinois Power Agency Act and Section 16-111.5 of the Public  
22 Utilities Act. This Code does not apply to the procurement of  
23 technical and policy experts pursuant to Section 1-129 of the  
24 Illinois Power Agency Act.

25 (d) Except for Section 20-160 and Article 50 of this Code,  
26 and as expressly required by Section 9.1 of the Illinois

1 Lottery Law, the provisions of this Code do not apply to the  
2 procurement process provided for under Section 9.1 of the  
3 Illinois Lottery Law.

4 (e) This Code does not apply to the process used by the  
5 Capital Development Board to retain a person or entity to  
6 assist the Capital Development Board with its duties related  
7 to the determination of costs of a clean coal SNG brownfield  
8 facility, as defined by Section 1-10 of the Illinois Power  
9 Agency Act, as required in subsection (h-3) of Section 9-220  
10 of the Public Utilities Act, including calculating the range  
11 of capital costs, the range of operating and maintenance  
12 costs, or the sequestration costs or monitoring the  
13 construction of clean coal SNG brownfield facility for the  
14 full duration of construction.

15 (f) (Blank).

16 (g) (Blank).

17 (h) This Code does not apply to the process to procure or  
18 contracts entered into in accordance with Sections 11-5.2 and  
19 11-5.3 of the Illinois Public Aid Code.

20 (i) Each chief procurement officer may access records  
21 necessary to review whether a contract, purchase, or other  
22 expenditure is or is not subject to the provisions of this  
23 Code, unless such records would be subject to attorney-client  
24 privilege.

25 (j) This Code does not apply to the process used by the  
26 Capital Development Board to retain an artist or work or works

1 of art as required in Section 14 of the Capital Development  
2 Board Act.

3 (k) This Code does not apply to the process to procure  
4 contracts, or contracts entered into, by the State Board of  
5 Elections or the State Electoral Board for hearing officers  
6 appointed pursuant to the Election Code.

7 (l) This Code does not apply to the processes used by the  
8 Illinois Student Assistance Commission to procure supplies and  
9 services paid for from the private funds of the Illinois  
10 Prepaid Tuition Fund. As used in this subsection (l), "private  
11 funds" means funds derived from deposits paid into the  
12 Illinois Prepaid Tuition Trust Fund and the earnings thereon.

13 (m) This Code shall apply regardless of the source of  
14 funds with which contracts are paid, including federal  
15 assistance moneys. Except as specifically provided in this  
16 Code, this Code shall not apply to procurement expenditures  
17 necessary for the Department of Public Health to conduct the  
18 Healthy Illinois Survey in accordance with Section 2310-431 of  
19 the Department of Public Health Powers and Duties Law of the  
20 Civil Administrative Code of Illinois.

21 (Source: P.A. 102-175, eff. 7-29-21; 102-483, eff. 1-1-22;  
22 102-558, eff. 8-20-21; 102-600, eff. 8-27-21; 102-662, eff.  
23 9-15-21; 102-721, eff. 1-1-23; 102-813, eff. 5-13-22;  
24 102-1116, eff. 1-10-23; 103-8, eff. 6-7-23; 103-103, eff.  
25 6-27-23; 103-570, eff. 1-1-24; 103-580, eff. 12-8-23; revised  
26 1-2-24.)

1 Section 15. The State Finance Act is amended by changing  
2 Section 5.916 as follows:

3 (30 ILCS 105/5.916)

4 Sec. 5.916. The Local Cannabis Retailers' Occupation  
5 ~~Consumer Excise~~ Tax Trust Fund.

6 (Source: P.A. 101-27, eff. 6-25-19; 102-558, eff. 8-20-21.)

7 Section 20. The Retailers' Occupation Tax Act is amended  
8 by changing Section 11 as follows:

9 (35 ILCS 120/11) (from Ch. 120, par. 450)

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

20 Nothing in this Act prevents the Director of Revenue from  
21 publishing or making available to the public the names and  
22 addresses of persons filing returns under this Act, or



1 reasonable statistics concerning the operation of the tax by  
2 grouping the contents of returns so the information in any  
3 individual return is not disclosed.

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

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

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

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

1 notify the surety.

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

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

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

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

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

26 The Department may make available to the Board of Trustees

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

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

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

1 receive upon its exercise, a security that confers such a  
2 right to vote. A general partnership interest is a voting  
3 security.

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

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

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

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

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

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

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

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

23 The Director shall make available for public inspection  
24 and publication an administrative decision within 180 days  
25 after the issuance of the administrative decision. The term  
26 "administrative decision" has the same meaning as defined in

1 Section 3-101 of Article III of the Code of Civil Procedure.  
2 Costs collected under this Section shall be paid into the Tax  
3 Compliance and Administration Fund.

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

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

13 The Director may make information available to the  
14 Secretary of State for the purpose of administering Section  
15 5-901 of the Illinois Vehicle Code.

16 (Source: P.A. 101-10, eff. 6-5-19; 101-628, eff. 6-1-20;  
17 102-558, eff. 8-20-21; 102-941, eff. 7-1-22.)

18 Section 25. The Counties Code is amended by changing  
19 Section 5-1009 as follows:

20 (55 ILCS 5/5-1009) (from Ch. 34, par. 5-1009)

21 Sec. 5-1009. Limitation on home rule powers. Except as  
22 provided in Sections 5-1006, 5-1006.5, 5-1006.8, 5-1007, and  
23 5-1008, on and after September 1, 1990, no home rule county has  
24 the authority to impose, pursuant to its home rule authority,



1 a retailers' occupation tax, service occupation tax, use tax,  
2 sales tax or other tax on the use, sale or purchase of tangible  
3 personal property based on the gross receipts from such sales  
4 or the selling or purchase price of said tangible personal  
5 property. Notwithstanding the foregoing, this Section does not  
6 preempt any home rule imposed tax such as the following: (1) a  
7 tax on alcoholic beverages, whether based on gross receipts,  
8 volume sold or any other measurement; (2) a tax based on the  
9 number of units of cigarettes or tobacco products; (3) a tax,  
10 however measured, based on the use of a hotel or motel room or  
11 similar facility; (4) a tax, however measured, on the sale or  
12 transfer of real property; (5) a tax, however measured, on  
13 lease receipts; (6) a tax on food prepared for immediate  
14 consumption and on alcoholic beverages sold by a business  
15 which provides for on premise consumption of said food or  
16 alcoholic beverages; or (7) other taxes not based on the  
17 selling or purchase price or gross receipts from the use, sale  
18 or purchase of tangible personal property, other than a tax on  
19 cannabis in any of its forms, which is prohibited except as  
20 otherwise provided in this Section. This Section does not  
21 preempt a home rule county from imposing a tax, however  
22 measured, on the use, for consideration, of a parking lot,  
23 garage, or other parking facility.

24 On and after December 1, 2019, no home rule county has the  
25 authority to impose, pursuant to its home rule authority, a  
26 tax, however measured, on sales of aviation fuel, as defined

1 in Section 3 of the Retailers' Occupation Tax Act, unless the  
2 tax revenue is expended for airport-related purposes. For  
3 purposes of this Section, "airport-related purposes" has the  
4 meaning ascribed in Section 6z-20.2 of the State Finance Act.  
5 Aviation fuel shall be excluded from tax only for so long as  
6 the revenue use requirements of 49 U.S.C. 47017(b) and 49  
7 U.S.C. 47133 are binding on the county.

8 This Section is a limitation, pursuant to subsection (g)  
9 of Section 6 of Article VII of the Illinois Constitution, on  
10 the power of home rule units to tax. The changes made to this  
11 Section by Public Act 101-10 are a denial and limitation of  
12 home rule powers and functions under subsection (g) of Section  
13 6 of Article VII of the Illinois Constitution.

14 (Source: P.A. 101-10, eff. 6-5-19; 101-27, eff. 6-25-19;  
15 102-558, eff. 8-20-21.)

16 Section 30. The Illinois Municipal Code is amended by  
17 changing Section 8-11-6a as follows:

18 (65 ILCS 5/8-11-6a) (from Ch. 24, par. 8-11-6a)

19 Sec. 8-11-6a. Home rule municipalities; preemption of  
20 certain taxes. Except as provided in Sections 8-11-1, 8-11-5,  
21 8-11-6, 8-11-6b, 8-11-6c, 8-11-23, and 11-74.3-6 on and after  
22 September 1, 1990, no home rule municipality has the authority  
23 to impose, pursuant to its home rule authority, a retailer's  
24 occupation tax, service occupation tax, use tax, sales tax or

1 other tax on the use, sale or purchase of tangible personal  
2 property based on the gross receipts from such sales or the  
3 selling or purchase price of said tangible personal property.  
4 Notwithstanding the foregoing, this Section does not preempt  
5 any home rule imposed tax such as the following: (1) a tax on  
6 alcoholic beverages, whether based on gross receipts, volume  
7 sold or any other measurement; (2) a tax based on the number of  
8 units of cigarettes or tobacco products (provided, however,  
9 that a home rule municipality that has not imposed a tax based  
10 on the number of units of cigarettes or tobacco products  
11 before July 1, 1993, shall not impose such a tax after that  
12 date); (3) a tax, however measured, based on the use of a hotel  
13 or motel room or similar facility; (4) a tax, however  
14 measured, on the sale or transfer of real property; (5) a tax,  
15 however measured, on lease receipts; (6) a tax on food  
16 prepared for immediate consumption and on alcoholic beverages  
17 sold by a business which provides for on premise consumption  
18 of said food or alcoholic beverages; or (7) other taxes not  
19 based on the selling or purchase price or gross receipts from  
20 the use, sale or purchase of tangible personal property, other  
21 than a tax on cannabis in any of its forms, which is prohibited  
22 except as otherwise provided in this Section. This Section  
23 does not preempt a home rule municipality with a population of  
24 more than 2,000,000 from imposing a tax, however measured, on  
25 the use, for consideration, of a parking lot, garage, or other  
26 parking facility. This Section is not intended to affect any

1 existing tax on food and beverages prepared for immediate  
2 consumption on the premises where the sale occurs, or any  
3 existing tax on alcoholic beverages, or any existing tax  
4 imposed on the charge for renting a hotel or motel room, which  
5 was in effect January 15, 1988, or any extension of the  
6 effective date of such an existing tax by ordinance of the  
7 municipality imposing the tax, which extension is hereby  
8 authorized, in any non-home rule municipality in which the  
9 imposition of such a tax has been upheld by judicial  
10 determination, nor is this Section intended to preempt the  
11 authority granted by Public Act 85-1006. On and after December  
12 1, 2019, no home rule municipality has the authority to  
13 impose, pursuant to its home rule authority, a tax, however  
14 measured, on sales of aviation fuel, as defined in Section 3 of  
15 the Retailers' Occupation Tax Act, unless the tax is not  
16 subject to the revenue use requirements of 49 U.S.C. 47107(b)  
17 and 49 U.S.C. 47133, or unless the tax revenue is expended for  
18 airport-related purposes. For purposes of this Section,  
19 "airport-related purposes" has the meaning ascribed in Section  
20 6z-20.2 of the State Finance Act. Aviation fuel shall be  
21 excluded from tax only if, and for so long as, the revenue use  
22 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are  
23 binding on the municipality. This Section is a limitation,  
24 pursuant to subsection (g) of Section 6 of Article VII of the  
25 Illinois Constitution, on the power of home rule units to tax.  
26 The changes made to this Section by Public Act 101-10 are a

1 denial and limitation of home rule powers and functions under  
2 subsection (g) of Section 6 of Article VII of the Illinois  
3 Constitution.

4 (Source: P.A. 101-10, eff. 6-5-19; 101-27, eff. 6-25-19;  
5 101-593, eff. 12-4-19.)

6 Section 35. The Compassionate Use of Medical Cannabis  
7 Program Act is amended by changing Sections 145 and 210 as  
8 follows:

9 (410 ILCS 130/145)

10 Sec. 145. Confidentiality.

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

1 Professional Regulation, Department of Commerce and Economic  
2 Opportunity, and Illinois State Police, excluding any existing  
3 or non-existing Illinois or national criminal history record  
4 information as defined in subsection (d), may be disclosed to  
5 each other upon request:

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

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

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

20 (4) Any dispensing information required to be kept  
21 under Section 135, Section 150, or Department of Public  
22 Health, Department of Agriculture, or Department of  
23 Financial and Professional Regulation rules shall identify  
24 cardholders and registered cultivation centers by their  
25 registry identification numbers and medical cannabis  
26 dispensing organizations by their registration number and

1 not contain names or other personally identifying  
2 information.

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

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

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

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

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

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

1 condition; or

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

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

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

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

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

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



1 entity holding each cannabis business establishment license  
2 and the address at which the entity is operating under this  
3 Act. This list shall be published and updated monthly.

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

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

21 (Source: P.A. 101-363, eff. 8-9-19; 102-98, eff. 7-15-21;  
22 102-538, eff. 8-20-21; 102-813, eff. 5-13-22.)

23 (410 ILCS 130/210)

24 Sec. 210. Returns.

25 (a) This subsection (a) applies to returns due on or

1 before June 25, 2019 ~~the effective date of this amendatory Act~~  
2 ~~of the 101st General Assembly~~. On or before the twentieth day  
3 of each calendar month, every person subject to the tax  
4 imposed under this Law during the preceding calendar month  
5 shall file a return with the Department, stating:

6 (1) The name of the taxpayer;

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

10 (3) The amount of tax due;

11 (4) The signature of the taxpayer; and

12 (5) Such other reasonable information as the  
13 Department may require.

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

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

20 (b) Beginning on June 25, 2019 ~~the effective date of this~~  
21 ~~amendatory Act of the 101st General Assembly~~, Section 60-20  
22 ~~65-20~~ of the Cannabis Regulation and Tax Act shall apply to  
23 returns filed and taxes paid under this Act to the same extent  
24 as if those provisions were set forth in full in this Section.

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

1 Section 40. The Cannabis Regulation and Tax Act is amended  
2 by changing Sections 1-10, 5-10, 5-15, 7-10, 7-15, 10-15,  
3 15-25, 15-35, 15-35.10, 15-40, 15-50, 15-70, 20-15, 20-30,  
4 20-35, 20-45, 25-35, 30-30, 30-35, 30-45, 35-25, 35-30, 45-5,  
5 50-5, 55-30, 55-65, 60-10, 65-10, 65-38, and 65-42 and by  
6 adding Sections 20-32, 30-31, and 30-32 as follows:

7 (410 ILCS 705/1-10)

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

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

13 "Adult Use Dispensing Organization License" means a  
14 license issued by the Department of Financial and Professional  
15 Regulation that permits a person to act as a dispensing  
16 organization under this Act and any administrative rule made  
17 in furtherance of this Act.

18 "Advertise" means to engage in promotional activities  
19 including, but not limited to: newspaper, radio, Internet and  
20 electronic media, and television advertising; the distribution  
21 of fliers and circulars; billboard advertising; and the  
22 display of window and interior signs. "Advertise" does not  
23 mean exterior signage displaying only the name of the licensed  
24 cannabis business establishment.

25 "Application points" means the number of points a

1 Dispensary Applicant receives on an application for a  
2 Conditional Adult Use Dispensing Organization License.

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

13 (1) Bloomington (DeWitt County; McLean County),

14 (2) Cape Girardeau (Alexander County),

15 (3) Carbondale-Marion (Jackson County; Williamson  
16 County),

17 (4) Champaign-Urbana (Champaign County; Ford County;  
18 Piatt County),

19 (5) Chicago-Naperville-Elgin (Cook County; DeKalb  
20 County; DuPage County; Grundy County; Kane County; Kendall  
21 County; Lake County; McHenry County; Will County),

22 (6) Danville (Vermilion County),

23 (7) Davenport-Moline-Rock Island (Henry County; Mercer  
24 County; Rock Island County),

25 (8) Decatur (Macon County),

26 (9) Kankakee (Kankakee County),

1           (10) Peoria (Marshall County; Peoria County; Stark  
2           County; Tazewell County; Woodford County),

3           (11) Rockford (Boone County; Winnebago County),

4           (12) St. Louis (Bond County; Calhoun County; Clinton  
5           County; Jersey County; Madison County; Macoupin County;  
6           Monroe County; St. Clair County),

7           (13) Springfield (Menard County; Sangamon County),

8           (14) Northwest Illinois nonmetropolitan area (Bureau  
9           County; Carroll County; Jo Daviess County; LaSalle County;  
10           Lee County; Ogle County; Putnam County; Stephenson County;  
11           Whiteside County),

12           (15) West Central Illinois nonmetropolitan area (Adams  
13           County; Brown County; Cass County; Christian County;  
14           Fulton County; Greene County; Hancock County; Henderson  
15           County; Knox County; Livingston County; Logan County;  
16           Mason County; McDonough County; Montgomery County; Morgan  
17           County; Moultrie County; Pike County; Schuyler County;  
18           Scott County; Shelby County; Warren County),

19           (16) East Central Illinois nonmetropolitan area (Clark  
20           County; Clay County; Coles County; Crawford County;  
21           Cumberland County; Douglas County; Edgar County; Effingham  
22           County; Fayette County; Iroquois County; Jasper County;  
23           Lawrence County; Marion County; Richland County), and

24           (17) South Illinois nonmetropolitan area (Edwards  
25           County; Franklin County; Gallatin County; Hamilton County;  
26           Hardin County; Jefferson County; Johnson County; Massac

1           County; Perry County; Pope County; Pulaski County;  
2           Randolph County; Saline County; Union County; Wabash  
3           County; Wayne County; White County).

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

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

26          "Cannabis business establishment" means a cultivation

1 center, craft grower, ~~processing organization,~~ infuser  
2 organization, dispensing organization, or transporting  
3 organization.

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

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

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

25 "Cannabis-infused product" means a beverage, food, oil,  
26 ointment, tincture, topical formulation, or another product

1 containing cannabis or cannabis concentrate that is not  
2 intended to be smoked.

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

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

20 "Cannabis testing facility" means an entity registered by  
21 the Department of Agriculture to test cannabis for potency and  
22 contaminants. Licensed cannabis testing facilities are  
23 authorized under this Act to transport cannabis from licensed  
24 cannabis business establishments to the licensed cannabis  
25 testing facility and are exempt from the transporting  
26 organization license requirements.



1 "Clone" means a plant section from a female cannabis plant  
2 not yet rootbound, growing in a water solution or other  
3 propagation matrix, that is capable of developing into a new  
4 plant.

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

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

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

23 "Conditional Adult Use Cultivation Center License" means a  
24 license awarded to top-scoring applicants for an Adult Use  
25 Cultivation Center License that reserves the right to an Adult  
26 Use Cultivation Center License if the applicant meets certain

1 conditions as determined by the Department of Agriculture by  
2 rule, but does not entitle the recipient to begin growing,  
3 processing, or selling cannabis or cannabis-infused products.

4 "Craft grower" means a facility operated by an  
5 organization or business that is licensed by the Department of  
6 Agriculture to cultivate, dry, cure, and package cannabis and  
7 perform other necessary activities to make cannabis available  
8 for sale at a dispensing organization or use at an infuser ~~a~~  
9 ~~processing~~ organization. A craft grower may contain up to  
10 5,000 square feet of canopy space on its premises for plants in  
11 the flowering state. The Department of Agriculture may  
12 authorize an increase or decrease of flowering stage  
13 cultivation space in increments of 3,000 square feet by rule  
14 based on market need, craft grower capacity, and the  
15 licensee's history of compliance or noncompliance, with a  
16 maximum space of 14,000 square feet for cultivating plants in  
17 the flowering stage, which must be cultivated in all stages of  
18 growth in an enclosed and secure area. A craft grower may share  
19 premises with an infuser ~~a processing~~ organization or a  
20 dispensing organization, or both, provided each licensee  
21 stores currency and cannabis or cannabis-infused products in a  
22 separate secured vault to which the other licensee does not  
23 have access or all licensees sharing a vault share more than  
24 50% of the same ownership.

25 "Craft grower agent" means a principal officer, board  
26 member, employee, or other agent of a craft grower who is 21

1 years of age or older.

2 "Craft Grower Agent Identification Card" means a document  
3 issued by the Department of Agriculture that identifies a  
4 person as a craft grower agent.

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

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

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

17 "Currency" means currency and coins ~~coin~~ of the United  
18 States.

19 "Dispensary" means a facility operated by a dispensing  
20 organization at which activities licensed by this Act may  
21 occur.

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

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

1 Financial and Professional Regulation to acquire cannabis from  
2 a cultivation center, craft grower, infuser ~~processing~~  
3 organization, or another dispensary for the purpose of selling  
4 or dispensing cannabis, cannabis-infused products, cannabis  
5 seeds, paraphernalia, or related supplies under this Act to  
6 purchasers or to qualified registered medical cannabis  
7 patients and caregivers. As used in this Act, "dispensing  
8 organization" includes a registered medical cannabis  
9 organization as defined in the Compassionate Use of Medical  
10 Cannabis Program Act or its successor Act that has obtained an  
11 Early Approval Adult Use Dispensing Organization License.

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

15 "Dispensing organization agent identification card" means  
16 a document issued by the Department of Financial and  
17 Professional Regulation that identifies a person as a  
18 dispensing organization agent.

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

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

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

26 (B) 75% or more of the children in the area

1 participate in the federal free lunch program  
2 according to reported statistics from the State Board  
3 of Education; or

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

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

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

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

26 "Early Approval Adult Use Dispensing Organization License"

1 means a license that permits a medical cannabis dispensing  
2 organization licensed under the Compassionate Use of Medical  
3 Cannabis Program Act as of the effective date of this Act to  
4 begin selling cannabis or cannabis-infused product to  
5 purchasers as permitted by this Act as of January 1, 2020.

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

14 "Eligible Tied Applicant" means a Tied Applicant that is  
15 eligible to participate in the process by which a remaining  
16 available license is distributed by lot pursuant to a Tied  
17 Applicant Lottery.

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

24 "Enclosed, locked space" means a closet, room, greenhouse,  
25 building, or other enclosed area equipped with locks or other  
26 security devices that permit access only by authorized

1 individuals under this Act. "Enclosed, locked space" may  
2 include:

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

10 (2) a structure, such as a shed or greenhouse, that  
11 lies on the same plot of land as a residential building  
12 that (i) includes sleeping quarters and indoor plumbing  
13 and (ii) is used as a primary residence by the person  
14 cultivating 5 or fewer cannabis plants that are more than  
15 5 inches tall, such as a shed or greenhouse. The structure  
16 must remain locked when it is unoccupied by people.

17 "Financial institution" has the same meaning as "financial  
18 organization" as defined in Section 1501 of the Illinois  
19 Income Tax Act, and also includes the holding companies,  
20 subsidiaries, and affiliates of such financial organizations.

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

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

26 (2) if the cannabis plant is in an area that has been

1 intentionally deprived of light for a period of time  
2 intended to produce flower buds and induce maturation,  
3 from the moment the light deprivation began through the  
4 remainder of the marijuana plant growth cycle.

5 "Individual" means a natural person.

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

11 "Infuser organization agent" means a principal officer,  
12 board member, employee, or other agent of an infuser  
13 organization.

14 "Infuser organization agent identification card" means a  
15 document issued by the Department of Agriculture that  
16 identifies a person as an infuser organization agent.

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

21 "Labor peace agreement" means an agreement between a  
22 cannabis business establishment and any labor organization  
23 recognized under the National Labor Relations Act, referred to  
24 in this Act as a bona fide labor organization, that prohibits  
25 labor organizations and members from engaging in picketing,  
26 work stoppages, boycotts, and any other economic interference



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

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

1 "Member of an impacted family" means an individual who has  
2 a parent, legal guardian, child, spouse, or dependent, or was  
3 a dependent of an individual who, prior to the effective date  
4 of this Act, was arrested for, convicted of, or adjudicated  
5 delinquent for any offense that is eligible for expungement  
6 under this Act.

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

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

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

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

26 "Possession limit" means the amount of cannabis under

1 Section 10-10 that may be possessed at any one time by a person  
2 21 years of age or older or who is a registered qualifying  
3 medical cannabis patient or caregiver under the Compassionate  
4 Use of Medical Cannabis Program Act.

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

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

24 "Processor license" means a license issued to an infuser  
25 organization that is licensed by the Department of Agriculture  
26 under subsection (f) of Section 35-31 to extract raw materials

1 from cannabis flower.

2 ~~"Processing organization" or "processor" means a facility~~  
3 ~~operated by an organization or business that is licensed by~~  
4 ~~the Department of Agriculture to either extract constituent~~  
5 ~~chemicals or compounds to produce cannabis concentrate or~~  
6 ~~incorporate cannabis or cannabis concentrate into a product~~  
7 ~~formulation to produce a cannabis product.~~

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

10 ~~"Processing organization agent identification card" means~~  
11 ~~a document issued by the Department of Agriculture that~~  
12 ~~identifies a person as a processing organization agent.~~

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

17 "Qualifying Applicant" means an applicant that submitted  
18 an application pursuant to Section 15-30 that received at  
19 least 85% of 250 application points available under Section  
20 15-30 as the applicant's final score and meets the definition  
21 of "Social Equity Applicant" as set forth under this Section.

22 "Qualifying Social Equity Justice Involved Applicant"  
23 means an applicant that submitted an application pursuant to  
24 Section 15-30 that received at least 85% of 250 application  
25 points available under Section 15-30 as the applicant's final  
26 score and meets the criteria of either paragraph (1) or (2) of

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

3 "Qualified Social Equity Applicant" means a Social Equity  
4 Applicant who has been awarded a license or conditional  
5 license under this Act to operate a cannabis business  
6 establishment.

7 "Resided" means an individual's primary residence was  
8 located within the relevant geographic area as established by  
9 2 of the following:

10 (1) a signed lease agreement that includes the  
11 applicant's name;

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

14 (3) school records;

15 (4) a voter registration card;

16 (5) an Illinois driver's license, an Illinois  
17 Identification Card, or an Illinois Person with a  
18 Disability Identification Card;

19 (6) a paycheck stub;

20 (7) a utility bill;

21 (8) tax records; or

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

24 "Smoking" means the inhalation of smoke caused by the  
25 combustion of cannabis.

26 "Social Equity Applicant" means an applicant that is an

1 Illinois resident that meets one of the following criteria:

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

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

8 (i) have been arrested for, convicted of, or  
9 adjudicated delinquent for any offense that is  
10 eligible for expungement under this Act; or

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

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

15 (i) currently reside in a Disproportionately  
16 Impacted Area; or

17 (ii) have been arrested for, convicted of, or  
18 adjudicated delinquent for any offense that is  
19 eligible for expungement under this Act or member of  
20 an impacted family.

21 Nothing in this Act shall be construed to preempt or limit  
22 the duties of any employer under the Job Opportunities for  
23 Qualified Applicants Act. Nothing in this Act shall permit an  
24 employer to require an employee to disclose sealed or expunged  
25 offenses, unless otherwise required by law.

26 "Social Equity Criteria Lottery Licensee" means a holder

1 of an adult use cannabis dispensary license awarded through a  
2 lottery held under subsection (c) of Section 15-35.20.

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

14 "Tied Applicant Lottery" means the process established  
15 under 68 Ill. Adm. Code 1291.50 for awarding Conditional Adult  
16 Use Dispensing Organization Licenses pursuant to Sections  
17 15-25 and 15-30 among Eligible Tied Applicants.

18 "Tincture" means a cannabis-infused solution, typically  
19 composed ~~comprised~~ of alcohol, glycerin, or vegetable oils,  
20 derived either directly from the cannabis plant or from a  
21 processed cannabis extract. A tincture is not an alcoholic  
22 liquor as defined in the Liquor Control Act of 1934. A tincture  
23 shall include a calibrated dropper or other similar device  
24 capable of accurately measuring servings.

25 "Transporting organization" or "transporter" means an  
26 organization or business that is licensed by the Department of

1 Agriculture to transport cannabis or cannabis-infused product  
2 on behalf of a cannabis business establishment or a community  
3 college licensed under the Community College Cannabis  
4 Vocational Training Pilot Program.

5 "Transporting organization agent" means a principal  
6 officer, board member, employee, or agent of a transporting  
7 organization.

8 "Transporting organization agent identification card"  
9 means a document issued by the Department of Agriculture that  
10 identifies a person as a transporting organization agent.

11 "Unit of local government" means any county, city,  
12 village, or incorporated town.

13 "Vegetative stage" means the stage of cultivation in which  
14 a cannabis plant is propagated to produce additional cannabis  
15 plants or reach a sufficient size for production. This  
16 includes seedlings, clones, mothers, and other immature  
17 cannabis plants as follows:

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

23 (2) any cannabis plant that is cultivated solely for  
24 the purpose of propagating clones and is never used to  
25 produce cannabis.

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



1 102-98, eff. 7-15-21; 102-538, eff. 8-20-21; 102-813, eff.  
2 5-13-22.)

3 (410 ILCS 705/5-10)

4 Sec. 5-10. Department of Agriculture.

5 (a) The Department of Agriculture shall administer and  
6 enforce provisions of this Act relating to the oversight and  
7 registration of cultivation centers, craft growers, infuser  
8 organizations, and transporting organizations and agents,  
9 including the issuance of identification cards and  
10 establishing limits on potency or serving size for cannabis or  
11 cannabis products. The Department of Agriculture may suspend  
12 or revoke the license of, or impose other penalties upon  
13 cannabis testing facilities, cultivation centers, craft  
14 growers, infuser organizations, transporting organizations,  
15 and their principal officers, Agents-in-Charge, and agents for  
16 violations of this Act and any rules adopted under this Act.

17 (b) The Department of Agriculture may establish, by rule,  
18 market protections that protect against unfair business  
19 practices, including, but not limited to, price-fixing, bid  
20 rigging, boycotts, agreements to not compete, exclusive  
21 wholesale arrangements for cannabis concentrate, cannabis  
22 flower, cannabis-infused products, and any product that is  
23 licensed under this Act to ensure all license types have equal  
24 access to the market without unfair competition.

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

1 (410 ILCS 705/5-15)

2 Sec. 5-15. Department of Financial and Professional  
3 Regulation.

4 (a) The Department of Financial and Professional  
5 Regulation shall enforce the provisions of this Act relating  
6 to the oversight and registration of dispensing organizations  
7 and agents, including the issuance of identification cards for  
8 dispensing organization agents. The Department of Financial  
9 and Professional Regulation may suspend or revoke the license  
10 of, or otherwise discipline dispensing organizations,  
11 principal officers, agents-in-charge, and agents for  
12 violations of this Act and any rules adopted under this Act.

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

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

23 (410 ILCS 705/7-10)

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

1 (a) There is created in the State treasury a special fund,  
2 which shall be held separate and apart from all other State  
3 moneys, to be known as the Cannabis Business Development Fund.  
4 The Cannabis Business Development Fund shall be exclusively  
5 used for the following purposes:

6 (1) to provide low-interest rate loans to Qualified  
7 Social Equity Applicants and Social Equity Criteria  
8 Lottery Licensees to pay for ordinary and necessary  
9 expenses to start and operate a cannabis business  
10 establishment permitted by this Act;

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

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

20 (4) to pay for outreach that may be provided or  
21 targeted to attract and support Social Equity Applicants,  
22 ~~and~~ Qualified Social Equity Applicants, and Social Equity  
23 Criteria Lottery Licensees;

24 (5) (blank);

25 (5.5) to provide financial assistance that supports  
26 lending to or private investment in Qualified Social

1 Equity Applicants and Social Equity Criteria Lottery  
2 Licensees or that facilitates access to the facilities  
3 needed to commence operations as a cannabis business  
4 establishment;

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

11 (7) (blank); and

12 (8) to assist with job training and technical  
13 assistance for residents in Disproportionately Impacted  
14 Areas.

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

21 (c) (Blank).

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

1 Business Development Fund.

2 (d) Notwithstanding any other law to the contrary, the  
3 Cannabis Business Development Fund is not subject to sweeps,  
4 administrative charge-backs, or any other fiscal or budgetary  
5 maneuver that would in any way transfer any amounts from the  
6 Cannabis Business Development Fund into any other fund of the  
7 State.

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

9 (410 ILCS 705/7-15)

10 Sec. 7-15. Loans, financial assistance, ~~and~~ grants to  
11 Qualified Social Equity Applicants and Social Equity Criteria  
12 Lottery Licensees.

13 (a) The Department of Commerce and Economic Opportunity  
14 shall establish grant, ~~and~~ loan, and financial assistance  
15 programs, subject to appropriations from the Cannabis Business  
16 Development Fund, for the purposes of providing financial  
17 assistance, loans, grants, and technical assistance to  
18 Qualified Social Equity Applicants and Social Equity Criteria  
19 Lottery Licensee.

20 (b) The Department of Commerce and Economic Opportunity  
21 has the power to:

22 (1) provide Cannabis Social Equity loans, financial  
23 assistance, and grants from appropriations from the  
24 Cannabis Business Development Fund to assist Qualified  
25 Social Equity Applicants and Social Equity Criteria

1        Lottery Licensee in gaining entry to, and successfully  
2        operating in, the State's regulated cannabis marketplace;

3            (2) enter into agreements that set forth terms and  
4        conditions of the financial assistance, accept funds or  
5        grants, and engage in cooperation with private entities  
6        and agencies of State or local government to carry out the  
7        purposes of this Section;

8            (3) fix, determine, charge, and collect any premiums,  
9        fees, charges, costs and expenses, including application  
10       fees, commitment fees, program fees, financing charges, or  
11       publication fees in connection with its activities under  
12       this Section;

13           (4) coordinate assistance under these financial  
14       assistance ~~loan~~ programs with activities of the Illinois  
15       Department of Financial and Professional Regulation, the  
16       Illinois Department of Agriculture, and other agencies as  
17       needed to maximize the effectiveness and efficiency of  
18       this Act;

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

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

1 the terms and conditions of the financial assistance  
2 agreement;

3 (6.5) enter into financial intermediary agreements to  
4 facilitate lending to or investment in Qualified Social  
5 Equity Applicants, or Social Equity Criteria Lottery  
6 Licensee, or their subsidiaries or affiliates, to ensure  
7 the availability of facilities necessary to operate a  
8 cannabis business establishment;

9 (7) establish application, notification, contract, and  
10 other forms, procedures, or rules deemed necessary and  
11 appropriate; and

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

14 (c) Loans made under this Section:

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

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

1           (3) may be distributed by a lottery if the Department  
2           determines that the amount of funding available is  
3           insufficient to provide an adequate amount of funding for  
4           all of the applicants eligible to receive a loan. The  
5           Department may determine the number of loans available  
6           based on the amount of funding available and communicate  
7           the number of loans available on the loan application. The  
8           Department may use competitive criteria to establish which  
9           applicants are eligible to receive a grant, loan, or  
10           financial assistance.

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

26           (d-5) Financial intermediary agreements to provide



1 financial assistance must further the goals set forth in this  
2 Act and result in financing or lease costs that are affordable  
3 or below market rate.

4 (e) Beginning January 1, 2021 and each year thereafter,  
5 the Department shall annually report to the Governor and the  
6 General Assembly on the outcomes and effectiveness of this  
7 Section that shall include the following:

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

10 (2) the amount in financial assistance awarded in the  
11 aggregate, in addition to the amount of loans made that  
12 are outstanding and the amount of grants awarded;

13 (3) the location of the project engaged in by the  
14 person or business; and

15 (4) if applicable, the number of new jobs and other  
16 forms of economic output created as a result of the  
17 financial assistance.

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

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

23 (410 ILCS 705/10-15)

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

25 (a) Nothing in this Act is intended to permit the transfer

1 of cannabis, with or without remuneration, to a person under  
2 21 years of age, or to allow a person under 21 years of age to  
3 purchase, possess, use, process, transport, grow, or consume  
4 cannabis except where authorized by this Act, the  
5 Compassionate Use of Medical Cannabis Program Act, ~~or by~~ the  
6 Community College Cannabis Vocational Pilot Program.

7 (b) Notwithstanding any other provisions of law  
8 authorizing the possession of medical cannabis, nothing in  
9 this Act authorizes a person who is under 21 years of age to  
10 possess cannabis. A person under 21 years of age with cannabis  
11 in his or her possession is guilty of a civil law violation as  
12 outlined in paragraph (a) of Section 4 of the Cannabis Control  
13 Act.

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

19 (d) It is unlawful for any parent or guardian to knowingly  
20 permit his or her residence, any other private property under  
21 his or her control, or any vehicle, conveyance, or watercraft  
22 under his or her control to be used by an invitee of the  
23 parent's child or the guardian's ward, if the invitee is under  
24 the age of 21, in a manner that constitutes a violation of this  
25 Section. A parent or guardian is deemed to have knowingly  
26 permitted his or her residence, any other private property

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

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

16 (410 ILCS 705/15-25)

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

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

21 (b) The Department shall make the application for a  
22 Conditional Adult Use Dispensing Organization License  
23 available no later than October 1, 2019 and shall accept  
24 applications no later than January 1, 2020.

25 (c) To ensure the geographic dispersion of Conditional

1 Adult Use Dispensing Organization License holders, the  
2 following number of licenses shall be awarded in each BLS  
3 Region as determined by each region's percentage of the  
4 State's population:

5 (1) Bloomington: 1

6 (2) Cape Girardeau: 1

7 (3) Carbondale-Marion: 1

8 (4) Champaign-Urbana: 1

9 (5) Chicago-Naperville-Elgin: 47

10 (6) Danville: 1

11 (7) Davenport-Moline-Rock Island: 1

12 (8) Decatur: 1

13 (9) Kankakee: 1

14 (10) Peoria: 3

15 (11) Rockford: 2

16 (12) St. Louis: 4

17 (13) Springfield: 1

18 (14) Northwest Illinois nonmetropolitan: 3

19 (15) West Central Illinois nonmetropolitan: 3

20 (16) East Central Illinois nonmetropolitan: 2

21 (17) South Illinois nonmetropolitan: 2

22 (d) An applicant seeking issuance of a Conditional Adult  
23 Use Dispensing Organization License shall submit an  
24 application on forms provided by the Department. An applicant  
25 must meet the following requirements:

26 (1) Payment of a nonrefundable application fee of

1           \$5,000 for each license for which the applicant is  
2           applying, which shall be deposited into the Cannabis  
3           Regulation Fund;

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

6           (3) The legal name of the proposed dispensing  
7           organization;

8           (4) A statement that the dispensing organization  
9           agrees to respond to the Department's supplemental  
10          requests for information;

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

13                (A) has previously held or currently holds an  
14                ownership interest in a cannabis business  
15                establishment in Illinois; or

16                (B) has held an ownership interest in a dispensing  
17                organization or its equivalent in another state or  
18                territory of the United States that had the dispensing  
19                organization registration or license suspended,  
20                revoked, placed on probationary status, or subjected  
21                to other disciplinary action;

22          (6) Disclosure of whether any principal officer has  
23          ever filed for bankruptcy or defaulted on spousal support  
24          or child support obligation;

25          (7) A resume for each principal officer, including  
26          whether that person has an academic degree, certification,

1 or relevant experience with a cannabis business  
2 establishment or in a related industry;

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

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

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

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

10 (B) A description of the process of dispensing  
11 cannabis;

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

14 (A) The process or controls that will be  
15 implemented to monitor the dispensary, secure the  
16 premises, agents, and currency, and prevent the  
17 diversion, theft, or loss of cannabis; and

18 (B) The process to ensure that access to the  
19 restricted access areas is restricted to, registered  
20 agents, service professionals, transporting  
21 organization agents, Department inspectors, and  
22 security personnel;

23 (12) A proposed inventory control plan that complies  
24 with this Section;

25 (13) A proposed floor plan, a square footage estimate,  
26 and a description of proposed security devices, including,

1 without limitation, cameras, motion detectors, servers,  
2 video storage capabilities, and alarm service providers;

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

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

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

14 (17) Written summaries of any information regarding  
15 instances in which a business or not-for-profit that a  
16 prospective board member previously managed or served on  
17 were fined or censured, or any instances in which a  
18 business or not-for-profit that a prospective board member  
19 previously managed or served on had its registration  
20 suspended or revoked in any administrative or judicial  
21 proceeding;

22 (18) A plan for community engagement;

23 (19) Procedures to ensure accurate recordkeeping and  
24 security measures that are in accordance with this Article  
25 and Department rules;

26 (20) The estimated volume of cannabis it plans to

1 store at the dispensary;

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

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

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

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

11 (25) A description of the enclosed, locked facility  
12 where cannabis will be stored by the dispensing  
13 organization;

14 (26) Signed statements from each dispensing  
15 organization agent stating that he or she will not divert  
16 cannabis;

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

19 (28) A diversity plan that includes a narrative of at  
20 least 2,500 words that establishes a goal of diversity in  
21 ownership, management, employment, and contracting to  
22 ensure that diverse participants and groups are afforded  
23 equality of opportunity;

24 (29) A contract with a private security contractor  
25 agency that is licensed under Section 10-5 of the Private  
26 Detective, Private Alarm, Private Security, Fingerprint



1 Vendor, and Locksmith Act of 2004 in order for the  
2 dispensary to have adequate security at its facility; and

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

7 (e) An applicant who receives a Conditional Adult Use  
8 Dispensing Organization License under this Section has 180  
9 days from the date of award to identify a physical location for  
10 the dispensing organization retail storefront. The applicant  
11 shall provide evidence that the location is not within 1,500  
12 feet of an existing dispensing organization, unless the  
13 applicant is a Social Equity Applicant or Social Equity  
14 Justice Involved Applicant located or seeking to locate within  
15 1,500 feet of a dispensing organization licensed under Section  
16 15-15 or Section 15-20. If an applicant is unable to find a  
17 suitable physical address in the opinion of the Department  
18 within 180 days of the issuance of the Conditional Adult Use  
19 Dispensing Organization License, the Department may extend the  
20 period for finding a physical address an additional 540 days  
21 if the Conditional Adult Use Dispensing Organization License  
22 holder demonstrates concrete attempts to secure a location and  
23 a hardship. If the Department denies the extension or the  
24 Conditional Adult Use Dispensing Organization License holder  
25 is unable to find a location within 720 days of being awarded a  
26 conditional license and then becomes operational within 120

1 days of finding a location, or is unable to become operational  
2 within 720 days of being awarded a conditional license, the  
3 Department shall rescind the conditional license and award it  
4 to the next highest scoring applicant in the BLS Region for  
5 which the license was assigned, provided the applicant  
6 receiving the license: (i) confirms a continued interest in  
7 operating a dispensing organization; (ii) can provide evidence  
8 that the applicant continues to meet all requirements for  
9 holding a Conditional Adult Use Dispensing Organization  
10 License set forth in this Act; and (iii) has not otherwise  
11 become ineligible to be awarded a dispensing organization  
12 license. If the new awardee is unable to accept the  
13 Conditional Adult Use Dispensing Organization License, the  
14 Department shall award the Conditional Adult Use Dispensing  
15 Organization License to the next highest scoring applicant in  
16 the same manner. The new awardee shall be subject to the same  
17 required deadlines as provided in this subsection.

18 (e-5) If, within 720 days of being awarded a Conditional  
19 Adult Use Dispensing Organization License, a dispensing  
20 organization is unable to find a location within the BLS  
21 Region in which it was awarded a Conditional Adult Use  
22 Dispensing Organization License because no jurisdiction within  
23 the BLS Region allows for the operation of an Adult Use  
24 Dispensing Organization, the Department of Financial and  
25 Professional Regulation may authorize the Conditional Adult  
26 Use Dispensing Organization License holder to transfer its

1 license to a BLS Region specified by the Department.

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

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

25 (Source: P.A. 102-98, eff. 7-15-21; 102-538, eff. 8-20-21;  
26 102-813, eff. 5-13-22; 103-8, eff. 6-7-23.)

1 (410 ILCS 705/15-35)

2 Sec. 15-35. Qualifying Applicant Lottery for Conditional  
3 Adult Use Dispensing Organization Licenses.

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

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

- 17 (1) Bloomington: 1.  
18 (2) Cape Girardeau: 1.  
19 (3) Carbondale-Marion: 1.  
20 (4) Champaign-Urbana: 1.  
21 (5) Chicago-Naperville-Elgin: 36.  
22 (6) Danville: 1.  
23 (7) Davenport-Moline-Rock Island: 1.  
24 (8) Decatur: 1.  
25 (9) Kankakee: 1.

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

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

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

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

21 (2) Within each BLS Region, the first Qualifying  
22 Applicant drawn will have the first right to an available  
23 license. The second Qualifying Applicant drawn will have  
24 the second right to an available license. The same pattern  
25 will continue for each subsequent Qualifying Applicant  
26 drawn.

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

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

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

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

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

25           (8) If, upon being selected for an available license  
26 established under this Section, a Qualifying Applicant has

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

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

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

19 (c) An applicant who receives a Conditional Adult Use  
20 Dispensing Organization License under this Section has 180  
21 days from the date it is awarded to identify a physical  
22 location for the dispensing organization's retail storefront.  
23 The applicant shall provide evidence that the location is not  
24 within 1,500 feet of an existing dispensing organization,  
25 unless the applicant is a Social Equity Applicant or Social  
26 Equity Justice Involved Applicant located or seeking to locate

1 within 1,500 feet of a dispensing organization licensed under  
2 Section 15-15 or Section 15-20. If an applicant is unable to  
3 find a suitable physical address in the opinion of the  
4 Department within 180 days from the issuance of the  
5 Conditional Adult Use Dispensing Organization License, the  
6 Department may extend the period for finding a physical  
7 address an additional 540 days if the Conditional Adult Use  
8 Dispensing Organization License holder demonstrates a concrete  
9 attempt to secure a location and a hardship. If the Department  
10 denies the extension or the Conditional Adult Use Dispensing  
11 Organization License holder is unable to find a location  
12 within 720 days of being awarded a conditional license and  
13 then becomes operational within 120 days of finding a  
14 location, or is unable to become operational within 720 days  
15 of being awarded a Conditional Adult Use Dispensing  
16 Organization License under this Section, the Department shall  
17 rescind the Conditional Adult Use Dispensing Organization  
18 License and award it pursuant to subsection (b), provided the  
19 applicant receiving the Conditional Adult Use Dispensing  
20 Organization License: (i) confirms a continued interest in  
21 operating a dispensing organization; (ii) can provide evidence  
22 that the applicant continues to meet all requirements for  
23 holding a Conditional Adult Use Dispensing Organization  
24 License set forth in this Act; and (iii) has not otherwise  
25 become ineligible to be awarded a Conditional Adult Use  
26 Dispensing Organization License. If the new awardee is unable



1 to accept the Conditional Adult Use Dispensing Organization  
2 License, the Department shall award the Conditional Adult Use  
3 Dispensing Organization License pursuant to subsection (b).  
4 The new awardee shall be subject to the same required  
5 deadlines as provided in this subsection.

6 (d) If, within 720 days of being awarded a Conditional  
7 Adult Use Dispensing Organization License, a dispensing  
8 organization is unable to find a location within the BLS  
9 Region in which it was awarded a Conditional Adult Use  
10 Dispensing Organization License because no jurisdiction within  
11 the BLS Region allows for the operation of an Adult Use  
12 Dispensing Organization, the Department may authorize the  
13 Conditional Adult Use Dispensing Organization License holder  
14 to transfer its Conditional Adult Use Dispensing Organization  
15 License to a BLS Region specified by the Department.

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

22 (f) The Department shall conduct a background check of the  
23 prospective dispensing organization agents in order to carry  
24 out this Article. The Illinois State Police shall charge the  
25 applicant a fee for conducting the criminal history record  
26 check, which shall be deposited into the State Police Services

1 Fund and shall not exceed the actual cost of the record check.  
2 Each person applying as a dispensing organization agent shall  
3 submit a full set of fingerprints to the Illinois State Police  
4 for the purpose of obtaining a State and federal criminal  
5 records check. These fingerprints shall be checked against the  
6 fingerprint records now and hereafter, to the extent allowed  
7 by law, filed with the Illinois State Police and the Federal  
8 Bureau of Investigation criminal history records databases.  
9 The Illinois State Police shall furnish, following positive  
10 identification, all Illinois conviction information to the  
11 Department.

12 (g) The Department may verify information contained in  
13 each application and accompanying documentation to assess the  
14 applicant's veracity and fitness to operate a dispensing  
15 organization.

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

19 (1) An applicant who is unqualified to perform the  
20 duties required of the applicant.

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

23 (3) An applicant who has been found guilty of a  
24 violation of this Act, who has had any disciplinary order  
25 entered against the applicant by the Department, who has  
26 entered into a disciplinary or nondisciplinary agreement

1 with the Department, whose medical cannabis dispensing  
2 organization, medical cannabis cultivation organization,  
3 Early Approval Adult Use Dispensing Organization License,  
4 Early Approval Adult Use Dispensing Organization License  
5 at a secondary site, Early Approval Cultivation Center  
6 License, Conditional Adult Use Dispensing Organization  
7 License, or Adult Use Dispensing Organization License was  
8 suspended, restricted, revoked, or denied for just cause,  
9 or whose cannabis business establishment license was  
10 suspended, restricted, revoked, or denied in any other  
11 state.

12 (4) An applicant who has engaged in a pattern or  
13 practice of unfair or illegal practices, methods, or  
14 activities in the conduct of owning a cannabis business  
15 establishment or other business.

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

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

25 (k) If an applicant is awarded a Conditional Adult Use  
26 Dispensing Organization License under this Section, the

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

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

1 in the Conditional Adult Use Dispensing Organization License  
2 or may begin a new selection process to award a Conditional  
3 Adult Use Dispensing Organization License.

4 (Source: P.A. 102-98, eff. 7-15-21; 103-8, eff. 6-7-23.)

5 (410 ILCS 705/15-35.10)

6 Sec. 15-35.10. Social Equity Justice Involved Lottery for  
7 Conditional Adult Use Dispensing Organization Licenses.

8 (a) In addition to any of the licenses issued under  
9 Section 15-15, Section 15-20, Section 15-25, Section 15-30.20,  
10 or Section 15-35, within 10 business days after the resulting  
11 final scores for all scored applications pursuant to Sections  
12 15-25 and 15-30 are released, the Department shall issue up to  
13 55 Conditional Adult Use Dispensing Organization Licenses by  
14 lot, pursuant to the application process adopted under this  
15 Section. In order to be eligible to be awarded a Conditional  
16 Adult Use Dispensing Organization License by lot, a Dispensary  
17 Applicant must be a Qualifying Social Equity Justice Involved  
18 Applicant.

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

- 21 (1) Bloomington: 1.  
22 (2) Cape Girardeau: 1.  
23 (3) Carbondale-Marion: 1.  
24 (4) Champaign-Urbana: 1.  
25 (5) Chicago-Naperville-Elgin: 36.

- 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 licenses under subsection (a), the  
14 Department may adopt rules through emergency rulemaking in  
15 accordance with subsection (kk) 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.

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

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

25 (2) Within each BLS Region, the first Qualifying  
26 Social Equity Justice Involved Applicant drawn will have

1 the first right to an available license. The second  
2 Qualifying Social Equity Justice Involved Applicant drawn  
3 will have the second right to an available license. The  
4 same pattern will continue for each subsequent applicant  
5 drawn.

6 (3) The process for distributing available licenses  
7 under this Section shall be recorded by the Department in  
8 a format selected by the Department.

9 (4) A Dispensary Applicant is prohibited from becoming  
10 a Qualifying Social Equity Justice Involved Applicant if a  
11 principal officer resigns after the resulting final scores  
12 for all scored applications pursuant to Sections 15-25 and  
13 15-30 are released.

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

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

21 (7) If, upon being selected for an available license  
22 established under this Section, a Qualifying Social Equity  
23 Justice Involved Applicant exceeds the limits under  
24 paragraph (5) or (6), the Qualifying Social Equity Justice  
25 Involved Applicant must choose which license to abandon  
26 and notify the Department in writing within 5 business

1 days on forms prescribed by the Department. If the  
2 Qualifying Social Equity Justice Involved Applicant does  
3 not notify the Department as required, the Department  
4 shall refuse to issue the Qualifying Social Equity Justice  
5 Involved Applicant all available licenses established  
6 under this Section obtained by lot in all BLS Regions.

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

24 (9) All available licenses that have been abandoned  
25 under paragraph (7) or (8) shall be distributed to the  
26 next Qualifying Social Equity Justice Involved Applicant



1 drawn by lot.

2 Any and all rights conferred or obtained under this  
3 subsection shall be limited to the provisions of this  
4 subsection.

5 (c) An applicant who receives a Conditional Adult Use  
6 Dispensing Organization License under this Section has 180  
7 days from the date of the award to identify a physical location  
8 for the dispensing organization's retail storefront. The  
9 applicant shall provide evidence that the location is not  
10 within 1,500 feet of an existing dispensing organization,  
11 unless the applicant is a Social Equity Applicant or Social  
12 Equity Justice Involved Applicant located or seeking to locate  
13 within 1,500 feet of a dispensing organization licensed under  
14 Section 15-15 or Section 15-20. If an applicant is unable to  
15 find a suitable physical address in the opinion of the  
16 Department within 180 days from the issuance of the  
17 Conditional Adult Use Dispensing Organization License, the  
18 Department may extend the period for finding a physical  
19 address an additional 540 days if the Conditional Adult Use  
20 Dispensing Organization License holder demonstrates a concrete  
21 attempt to secure a location and a hardship. If the Department  
22 denies the extension or the Conditional Adult Use Dispensing  
23 Organization License holder is unable to find a location  
24 within 720 days of being awarded a conditional license and  
25 then becomes operational within 120 days of finding a  
26 location, or is unable to become operational within 720 days

1 of being awarded a Conditional Adult Use Dispensing  
2 Organization License under this Section, the Department shall  
3 rescind the Conditional Adult Use Dispensing Organization  
4 License and award it pursuant to subsection (b) and notify the  
5 new awardee at the email address provided in the awardee's  
6 application, provided the applicant receiving the Conditional  
7 Adult Use Dispensing Organization License: (i) confirms a  
8 continued interest in operating a dispensing organization;  
9 (ii) can provide evidence that the applicant continues to meet  
10 all requirements for holding a Conditional Adult Use  
11 Dispensing Organization License set forth in this Act; and  
12 (iii) has not otherwise become ineligible to be awarded a  
13 Conditional Adult Use Dispensing Organization License. If the  
14 new awardee is unable to accept the Conditional Adult Use  
15 Dispensing Organization License, the Department shall award  
16 the Conditional Adult Use Dispensing Organization License  
17 pursuant to subsection (b). The new awardee shall be subject  
18 to the same required deadlines as provided in this subsection.

19 (d) If, within 720 ~~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 under this Section because no  
24 jurisdiction within the BLS Region allows for the operation of  
25 an Adult Use Dispensing Organization, the Department may  
26 authorize the Conditional Adult Use Dispensing Organization

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

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

10 (f) The Department shall conduct a background check of the  
11 prospective dispensing organization agents in order to carry  
12 out this Article. The Illinois 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 Illinois State Police  
18 for the purpose of obtaining a State and federal criminal  
19 records check. These fingerprints shall be checked against the  
20 fingerprint records now and hereafter, to the extent allowed  
21 by law, filed with the Illinois State Police and the Federal  
22 Bureau of Investigation criminal history records databases.  
23 The Illinois State Police shall furnish, following positive  
24 identification, all Illinois conviction information to the  
25 Department.

26 (g) The Department may verify information contained in

1 each application and accompanying documentation to assess the  
2 applicant's veracity and fitness to operate a dispensing  
3 organization.

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

7 (1) An applicant who is unqualified to perform the  
8 duties required of the applicant.

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

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

26 (4) An applicant who has engaged in a pattern or

1 practice of unfair or illegal practices, methods, or  
2 activities in the conduct of owning a cannabis business  
3 establishment or other business.

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

9 (j) The Department shall verify an applicant's compliance  
10 with the requirements of this Article and rules adopted under  
11 this Article before issuing a Conditional Adult Use Dispensing  
12 Organization License.

13 (k) If an applicant is awarded a Conditional Adult Use  
14 Dispensing Organization License under this Section, the  
15 information and plans provided in the application, including  
16 any plans submitted for bonus points, shall become a condition  
17 of the Conditional Adult Use Dispensing Organization License  
18 and any Adult Use Dispensing Organization License issued to  
19 the holder of the Conditional Adult Use Dispensing  
20 Organization License, except as otherwise provided by this Act  
21 or by rule. Dispensing organizations have a duty to disclose  
22 any material changes to the application. The Department shall  
23 review all material changes disclosed by the dispensing  
24 organization and may reevaluate its prior decision regarding  
25 the awarding of a Conditional Adult Use Dispensing  
26 Organization License, including, but not limited to,

1 suspending or permanently revoking a Conditional Adult Use  
2 Dispensing Organization License. Failure to comply with the  
3 conditions or requirements in the application may subject the  
4 dispensing organization to discipline up to and including  
5 suspension or permanent revocation of its authorization or  
6 Conditional Adult Use Dispensing Organization License by the  
7 Department.

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

18 (Source: P.A. 102-98, eff. 7-15-21; 103-8, eff. 6-7-23.)

19 (410 ILCS 705/15-40)

20 Sec. 15-40. Dispensing organization agent identification  
21 card; agent training.

22 (a) The Department shall:

23 (1) verify the information contained in an application  
24 or renewal for a dispensing organization agent  
25 identification card submitted under this Article, and

1 approve or deny an application or renewal, within 30 days  
2 of receiving a completed application or renewal  
3 application and all supporting documentation required by  
4 rule;

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

8 (3) enter the registry identification number of the  
9 dispensing organization where the agent works;

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

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

17 (b) A dispensing organization agent must keep his or her  
18 identification card visible at all times when in the  
19 dispensary.

20 (c) The dispensing organization agent identification cards  
21 shall contain the following:

22 (1) the name of the cardholder;

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

25 (3) a random 10-digit alphanumeric identification  
26 number containing at least 4 numbers and at least 4

1 letters that is unique to the cardholder; and

2 (4) a photograph of the cardholder.

3 (d) The dispensing organization agent identification cards  
4 shall be immediately returned to the dispensing organization  
5 upon termination of employment.

6 (e) The Department may not ~~shall not~~ issue an agent  
7 identification card if the applicant is delinquent in filing  
8 any required tax returns or paying any amounts owed to the  
9 State of Illinois.

10 (f) Any card lost by a dispensing organization agent shall  
11 be reported to the Illinois State Police and the Department  
12 immediately upon discovery of the loss.

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

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

19 (i) Cannabis retail sales training requirements.

20 (1) Within 90 days of September 1, 2019, or 90 days of  
21 employment, whichever is later, all owners, managers,  
22 employees, and agents involved in the handling or sale of  
23 cannabis or cannabis-infused product employed by an adult  
24 use dispensing organization or medical cannabis dispensing  
25 organization as defined in Section 10 of the Compassionate  
26 Use of Medical Cannabis Program Act shall attend and



1           successfully complete a Responsible Vendor Program.

2           (2) Each owner, manager, employee, and agent of an  
3           adult use dispensing organization or medical cannabis  
4           dispensing organization shall successfully complete the  
5           program annually.

6           (3) Responsible Vendor Program Training modules shall  
7           include at least 2 hours of instruction time approved by  
8           the Department including:

9                   (i) Health and safety concerns of cannabis use,  
10                   including the responsible use of cannabis, its  
11                   physical effects, onset of physiological effects,  
12                   recognizing signs of impairment, and appropriate  
13                   responses in the event of overconsumption.

14                   (ii) Training on laws and regulations on driving  
15                   while under the influence and operating a watercraft  
16                   or snowmobile while under the influence.

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

19                   (iv) Quantity limitations on sales to purchasers.  
20                   Training shall cover all relevant Illinois laws and  
21                   rules.

22                   (v) Acceptable forms of identification. Training  
23                   shall include:

24                           (I) How to check identification; and

25                           (II) Common mistakes made in verification;

26                           (vi) Safe storage of cannabis;

1 (vii) Compliance with all inventory tracking  
2 system regulations;

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

4 (ix) Health and safety standards;

5 (x) Maintenance of records;

6 (xi) Security and surveillance requirements;

7 (xii) Permitting inspections by State and local  
8 licensing and enforcement authorities;

9 (xiii) Privacy issues;

10 (xiv) Packaging and labeling requirement for sales  
11 to purchasers; and

12 (xv) Other areas as determined by rule.

13 (j) Blank.

14 (k) Upon the successful completion of the Responsible  
15 Vendor Program, the provider shall deliver proof of completion  
16 either through mail or electronic communication to the  
17 dispensing organization, which shall retain a copy of the  
18 certificate.

19 (l) The license of a dispensing organization or medical  
20 cannabis dispensing organization whose owners, managers,  
21 employees, or agents fail to comply with this Section may be  
22 suspended or permanently revoked under Section 15-145 or may  
23 face other disciplinary action.

24 (m) The regulation of dispensing organization and medical  
25 cannabis dispensing employer and employee training is an  
26 exclusive function of the State, and regulation by a unit of

1 local government, including a home rule unit, is prohibited.  
2 This subsection (m) is a denial and limitation of home rule  
3 powers and functions under subsection (h) of Section 6 of  
4 Article VII of the Illinois Constitution.

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

9 (o) Persons seeking Department approval to offer the  
10 training required by paragraph (3) of subsection (i) shall  
11 submit a nonrefundable application fee of \$2,000 to be  
12 deposited into the Cannabis Regulation Fund or a fee as may be  
13 set by rule. Any changes made to the training module shall be  
14 approved by the Department.

15 (p) The Department may not ~~shall not~~ unreasonably deny  
16 approval of a training module that meets all the requirements  
17 of paragraph (3) of subsection (i). A denial of approval shall  
18 include a detailed description of the reasons for the denial.

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

25 (r) All persons applying to become or renewing their  
26 registrations to be agents, including agents-in-charge and

1 principal officers, shall disclose any disciplinary action  
2 taken against them that may have occurred in Illinois, another  
3 state, or another country in relation to their employment at a  
4 cannabis business establishment or at any cannabis cultivation  
5 center, ~~processor~~, infuser, dispensary, or other cannabis  
6 business establishment.

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

14 (t) The Department and the Department of Agriculture may  
15 develop and implement an integrated system to issue an agent  
16 identification card which identifies a dispensary agent  
17 licensed by the Department as well as any cultivator, craft  
18 grower, transporter, community college program or infuser  
19 license or registration the agent may simultaneously hold.

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

23 (410 ILCS 705/15-50)

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

25 (a) Each dispensing organization applicant and licensee

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

9 (b) The Table of Organization, Ownership,l and Control  
10 shall identify the following information:

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

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

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

25 (1) The name and percentage of ownership interest of  
26 each individual or business entity with ownership of more

1 than 5% of the voting shares of the entity, to the extent  
2 such information is known or contained in 13D or 13G  
3 Securities and Exchange Commission filings.

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

8 (d) A dispensing organization with a parent company or  
9 companies, or partially owned or controlled by another entity  
10 must disclose to the Department the relationship and all  
11 owners, board members, officers, or individuals with control  
12 or management of those entities. A dispensing organization  
13 shall not shield its ownership or control from the Department.

14 (e) All principal officers must submit a complete online  
15 application with the Department within 14 days of the  
16 dispensing organization being licensed by the Department or  
17 within 14 days of Department notice of approval as a new  
18 principal officer.

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

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

25 (h) A principal officer not in compliance with the  
26 requirements of this Act shall be removed from his or her

1 position with the dispensing organization or shall otherwise  
2 terminate his or her affiliation. Failure to do so may subject  
3 the dispensing organization to discipline, suspension, or  
4 revocation of its license by the Department.

5 (i) It is the responsibility of the dispensing  
6 organization and its principal officers to promptly notify the  
7 Department of any change of the principal place of business  
8 address, hours of operation, change in ownership or control,  
9 or a change of the dispensing organization's primary or  
10 secondary contact information. Any changes must be made to the  
11 Department in writing.

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

13 (410 ILCS 705/15-70)

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

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

18 (b) (Blank). ~~A dispensing organization must include the~~  
19 ~~legal name of the dispensary on the packaging of any cannabis~~  
20 ~~product it sells.~~

21 (c) All cannabis, cannabis-infused products, and cannabis  
22 seeds must be obtained from an Illinois registered ~~adult-use~~  
23 cultivation center, craft grower, infuser, or another  
24 dispensary.

25 (d) Dispensing organizations are prohibited from selling

1 any product containing alcohol except tinctures, which must be  
2 limited to containers that are no larger than 100 milliliters.

3 (e) A dispensing organization shall inspect and count  
4 product received from a transporting organization, adult use  
5 cultivation center, craft grower, infuser organization, or  
6 other dispensing organization before dispensing it.

7 (f) A dispensing organization may only accept cannabis  
8 deliveries into a restricted access area. Deliveries may not  
9 be accepted through the public or limited access areas unless  
10 otherwise approved by the Department.

11 (g) A dispensing organization shall maintain compliance  
12 with State and local building, fire, and zoning requirements  
13 or regulations.

14 (h) A dispensing organization shall submit a list to the  
15 Department of the names of all service professionals that will  
16 work at the dispensary. The list shall include a description  
17 of the type of business or service provided. Changes to the  
18 service professional list shall be promptly provided. No  
19 service professional shall work in the dispensary until the  
20 name is provided to the Department on the service professional  
21 list.

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

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

26 (k) A dispensing organization must keep all lighting



1 outside and inside the dispensary in good working order and  
2 wattage sufficient for security cameras.

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

6 (m) A dispensing organization must contract with a private  
7 security contractor that is licensed under Section 10-5 of the  
8 Private Detective, Private Alarm, Private Security,  
9 Fingerprint Vendor, and Locksmith Act of 2004 to provide  
10 on-site security at all hours of the dispensary's operation.

11 (n) A dispensing organization shall ensure that any  
12 building or equipment used by a dispensing organization for  
13 the storage or sale of cannabis is maintained in a clean and  
14 sanitary condition.

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

17 (p) A dispensing organization shall not:

18 (1) Produce or manufacture cannabis;

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

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

26 (4) Sell cannabis or cannabis-infused products to a

1 purchaser unless the dispensing organization is licensed  
2 under the Compassionate Use of Medical Cannabis Program  
3 Act, and the individual is registered under the  
4 Compassionate Use of Medical Cannabis Program or the  
5 purchaser has been verified to be 21 years of age or older;

6 (5) Enter into an exclusive agreement with any adult  
7 use cultivation center, craft grower, or infuser.  
8 Dispensaries shall provide consumers an assortment of  
9 products from various cannabis business establishment  
10 licensees such that the inventory available for sale at  
11 any dispensary from any single cultivation center, craft  
12 grower, ~~processor~~, transporter, or infuser entity shall  
13 not be more than 40% of the total inventory available for  
14 sale. For the purpose of this subsection, a cultivation  
15 center, craft grower, ~~processor~~, or infuser shall be  
16 considered part of the same entity if the licensees share  
17 at least one principal officer. The Department may request  
18 that a dispensary diversify its products as needed or  
19 otherwise discipline a dispensing organization for  
20 violating this requirement;

21 (6) Refuse to conduct business with an adult use  
22 cultivation center, craft grower, transporting  
23 organization, or infuser that has the ability to properly  
24 deliver the product and is permitted by the Department of  
25 Agriculture, on the same terms as other adult use  
26 cultivation centers, craft growers, infusers, or

- 1 transporters with whom it is dealing;
- 2 (7) Operate drive-through windows;
- 3 (8) Allow for the dispensing of cannabis or  
4 cannabis-infused products in vending machines;
- 5 (9) Transport cannabis to residences or other  
6 locations where purchasers may be for delivery;
- 7 (10) Enter into agreements to allow persons who are  
8 not dispensing organization agents to deliver cannabis or  
9 to transport cannabis to purchasers;
- 10 (11) Operate a dispensary if its video surveillance  
11 equipment is inoperative;
- 12 (12) Operate a dispensary if the point-of-sale  
13 equipment is inoperative;
- 14 (13) Operate a dispensary if the State's cannabis  
15 electronic verification system is inoperative;
- 16 (14) Have fewer than 2 people working at the  
17 dispensary at any time while the dispensary is open;
- 18 (15) Be located within 1,500 feet of the property line  
19 of a pre-existing dispensing organization, unless the  
20 applicant is a Social Equity Applicant or Social Equity  
21 Justice Involved Applicant located or seeking to locate  
22 within 1,500 feet of a dispensing organization licensed  
23 under Section 15-15 or Section 15-20;
- 24 (16) Sell clones or any other live plant material;
- 25 (17) Sell cannabis, cannabis concentrate, or  
26 cannabis-infused products in combination or bundled with

1 each other or any other items for one price, and each item  
2 of cannabis, concentrate, or cannabis-infused product must  
3 be separately identified by quantity and price on the  
4 receipt;

5 (18) Violate any other requirements or prohibitions  
6 set by Department rules.

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

25 (r) It is unlawful for any person having an Early Approval  
26 Adult Use Cannabis Dispensing Organization License, a

1 Conditional Adult Use Cannabis Dispensing Organization, an  
2 Adult Use Dispensing Organization License, or a medical  
3 cannabis dispensing organization license issued under the  
4 Compassionate Use of Medical Cannabis Program to enter into  
5 any contract with any person licensed to cultivate, process,  
6 or transport cannabis whereby such dispensing organization  
7 agrees not to sell any cannabis cultivated, processed,  
8 transported, manufactured, or distributed by any other  
9 cultivator, transporter, or infuser, and any provision in any  
10 contract violative of this Section shall render the whole of  
11 such contract void and no action shall be brought thereon in  
12 any court.

13 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19;  
14 102-98, eff. 7-15-21.)

15 (410 ILCS 705/20-15)

16 Sec. 20-15. Conditional Adult Use Cultivation Center  
17 application.

18 (a) If the Department of Agriculture makes available  
19 additional cultivation center licenses pursuant to Section  
20 20-5, applicants for a Conditional Adult Use Cultivation  
21 Center License shall electronically submit the following in  
22 such form as the Department of Agriculture may direct:

23 (1) the nonrefundable application fee set by rule by  
24 the Department of Agriculture, to be deposited into the  
25 Cannabis Regulation Fund;

- 1           (2) the legal name of the cultivation center;
- 2           (3) the proposed physical address of the cultivation  
3 center;
- 4           (4) the name, address, social security number, and  
5 date of birth of each principal officer and board member  
6 of the cultivation center; each principal officer and  
7 board member shall be at least 21 years of age;
- 8           (5) the details of any administrative or judicial  
9 proceeding in which any of the principal officers or board  
10 members of the cultivation center (i) pled guilty, were  
11 convicted, were fined, or had a registration or license  
12 suspended or revoked, or (ii) managed or served on the  
13 board of a business or non-profit organization that pled  
14 guilty, was convicted, was fined, or had a registration or  
15 license suspended or revoked;
- 16           (6) proposed operating bylaws that include procedures  
17 for the oversight of the cultivation center, including the  
18 development and implementation of a plant monitoring  
19 system, accurate recordkeeping, staffing plan, and  
20 security plan approved by the Illinois State Police that  
21 are in accordance with the rules issued by the Department  
22 of Agriculture under this Act. A physical inventory shall  
23 be performed of all plants and cannabis on a weekly basis  
24 by the cultivation center;
- 25           (7) verification from the Illinois State Police that  
26 all background checks of the prospective principal

1 officers, board members, and agents of the cannabis  
2 business establishment have been conducted;

3 (8) a copy of the current local zoning ordinance or  
4 permit and verification that the proposed cultivation  
5 center is in compliance with the local zoning rules and  
6 distance limitations established by the local  
7 jurisdiction;

8 (9) proposed employment practices, in which the  
9 applicant must demonstrate a plan of action to inform,  
10 hire, and educate minorities, women, veterans, and persons  
11 with disabilities, engage in fair labor practices, and  
12 provide worker protections;

13 (10) whether an applicant can demonstrate experience  
14 in or business practices that promote economic empowerment  
15 in Disproportionately Impacted Areas;

16 (11) experience with the cultivation of agricultural  
17 or horticultural products, operating an agriculturally  
18 related business, or operating a horticultural business;

19 (12) a description of the enclosed, locked facility  
20 where cannabis will be grown, harvested, manufactured,  
21 processed, packaged, or otherwise prepared for  
22 distribution to a dispensing organization;

23 (13) a survey of the enclosed, locked facility,  
24 including the space used for cultivation;

25 (14) cultivation, processing, inventory, and packaging  
26 plans;

1           (15) a description of the applicant's experience with  
2           agricultural cultivation techniques and industry  
3           standards;

4           (16) a list of any academic degrees, certifications,  
5           or relevant experience of all prospective principal  
6           officers, board members, and agents of the related  
7           business;

8           (17) the identity of every person having a financial  
9           or voting interest of 5% or greater in the cultivation  
10          center operation with respect to which the license is  
11          sought, whether a trust, corporation, partnership, limited  
12          liability company, or sole proprietorship, including the  
13          name and address of each person;

14          (18) a plan describing how the cultivation center will  
15          address each of the following:

16                 (i) energy needs, including estimates of monthly  
17                 electricity and gas usage, to what extent it will  
18                 procure energy from a local utility or from on-site  
19                 generation, and if it has or will adopt a sustainable  
20                 energy use and energy conservation policy;

21                 (ii) water needs, including estimated water draw  
22                 and if it has or will adopt a sustainable water use and  
23                 water conservation policy; and

24                 (iii) waste management, including if it has or  
25                 will adopt a waste reduction policy;

26          (19) a diversity plan that includes a narrative of not



1 more than 2,500 words that establishes a goal of diversity  
2 in ownership, management, employment, and contracting to  
3 ensure that diverse participants and groups are afforded  
4 equality of opportunity;

5 (20) any other information required by rule;

6 (21) a recycling plan:

7 (A) Purchaser packaging, including cartridges,  
8 shall be accepted by the applicant and recycled.

9 (B) Any recyclable waste generated by the cannabis  
10 cultivation facility shall be recycled per applicable  
11 State and local laws, ordinances, and rules.

12 (C) Any cannabis waste, liquid waste, or hazardous  
13 waste shall be disposed of in accordance with 8 Ill.  
14 Adm. Code 1000.460, except, to the greatest extent  
15 feasible, all cannabis plant waste will be rendered  
16 unusable by grinding and incorporating the cannabis  
17 plant waste with compostable mixed waste to be  
18 disposed of in accordance with 8 Ill. Adm. Code  
19 1000.460(g)(1);

20 (22) commitment to comply with local waste provisions:  
21 a cultivation facility must remain in compliance with  
22 applicable State and federal environmental requirements,  
23 including, but not limited to:

24 (A) storing, securing, and managing all  
25 recyclables and waste, including organic waste  
26 composed of or containing finished cannabis and

1 cannabis products, in accordance with applicable State  
2 and local laws, ordinances, and rules; and

3 (B) disposing liquid waste containing cannabis or  
4 byproducts of cannabis processing in compliance with  
5 all applicable State and federal requirements,  
6 including, but not limited to, the cannabis  
7 cultivation facility's permits under Title X of the  
8 Environmental Protection Act; and

9 (23) a commitment to a technology standard for  
10 resource efficiency of the cultivation center facility.

11 (A) A cannabis cultivation facility commits to use  
12 resources efficiently, including energy and water. For  
13 the following, a cannabis cultivation facility commits  
14 to meet or exceed the technology standard identified  
15 in items (i), (ii), (iii), and (iv), which may be  
16 modified by rule:

17 (i) lighting systems, including light bulbs;

18 (ii) HVAC system;

19 (iii) water application system to the crop;

20 and

21 (iv) filtration system for removing  
22 contaminants from wastewater.

23 (B) Lighting. The Lighting Power Densities (LPD)  
24 for cultivation space commits to not exceed an average  
25 of 36 watts per gross square foot of active and growing  
26 space canopy, or all installed lighting technology

1 shall meet a photosynthetic photon efficacy (PPE) of  
2 no less than 2.2 micromoles per joule fixture and  
3 shall be featured on the DesignLights Consortium (DLC)  
4 Horticultural Specification Qualified Products List  
5 (QPL). In the event that DLC requirement for minimum  
6 efficacy exceeds 2.2 micromoles per joule fixture,  
7 that PPE shall become the new standard.

8 (C) HVAC. The ~~(i) For cannabis grow operations~~  
9 ~~with less than 6,000 square feet of canopy, the~~  
10 licensee commits that all HVAC units will be  
11 high-efficiency ductless split HVAC units, or other  
12 more energy efficient equipment.

13 ~~(ii) For cannabis grow operations with 6,000~~  
14 ~~square feet of canopy or more, the licensee~~  
15 ~~commits that all HVAC units will be variable~~  
16 ~~refrigerant flow HVAC units, or other more energy~~  
17 ~~efficient equipment.~~

18 (D) Water application.

19 (i) The cannabis cultivation facility commits  
20 to use automated watering systems, including, but  
21 not limited to, drip irrigation and flood tables,  
22 to irrigate cannabis crops ~~crop~~.

23 (ii) The cannabis cultivation facility commits  
24 to measure runoff from watering events and report  
25 this volume in its water usage plan, and that on  
26 average, watering events shall have no more than

1                   20% of runoff of water.

2                   (E) Filtration. The cultivator commits that HVAC  
3                   condensate, dehumidification water, excess runoff, and  
4                   other wastewater produced by the cannabis cultivation  
5                   facility shall be captured and filtered to the best of  
6                   the facility's ability to achieve the quality needed  
7                   to be reused in subsequent watering rounds.

8                   (F) Reporting energy use and efficiency as  
9                   required by rule.

10                  (b) Applicants must submit all required information,  
11                  including the information required in Section 20-10, to the  
12                  Department of Agriculture. Failure by an applicant to submit  
13                  all required information may result in the application being  
14                  disqualified.

15                  (c) If the Department of Agriculture receives an  
16                  application with missing information, the Department of  
17                  Agriculture may issue a deficiency notice to the applicant.  
18                  The applicant shall have 10 calendar days from the date of the  
19                  deficiency notice to resubmit the incomplete information.  
20                  Applications that are still incomplete after this opportunity  
21                  to cure will not be scored and will be disqualified.

22                  (e) A cultivation center that is awarded a Conditional  
23                  Adult Use Cultivation Center License pursuant to the criteria  
24                  in Section 20-20 shall not grow, purchase, possess, or sell  
25                  cannabis or cannabis-infused products until the person has  
26                  received an Adult Use Cultivation Center License issued by the

1 Department of Agriculture pursuant to Section 20-21 of this  
2 Act.

3 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19;  
4 102-538, eff. 8-20-21.)

5 (410 ILCS 705/20-30)

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

7 (a) The operating documents of a cultivation center shall  
8 include procedures for the oversight of the cultivation  
9 center, a cannabis plant monitoring system including a  
10 physical inventory recorded weekly, accurate recordkeeping,  
11 and a staffing plan.

12 (b) A cultivation center shall implement a security plan  
13 reviewed by the Illinois State Police that includes, but is  
14 not limited to: facility access controls, perimeter intrusion  
15 detection systems, personnel identification systems, 24-hour  
16 surveillance system to monitor the interior and exterior of  
17 the cultivation center facility and accessibility to  
18 authorized law enforcement, the Department of Public Health  
19 where processing takes place, and the Department of  
20 Agriculture in real time.

21 (c) All cultivation of cannabis by a cultivation center  
22 must take place in an enclosed, locked facility at the  
23 physical address provided to the Department of Agriculture  
24 during the licensing process. The cultivation center location  
25 shall only be accessed by the agents working for the

1 cultivation center, the Department of Agriculture staff  
2 performing inspections, the Department of Public Health staff  
3 performing inspections, local and State law enforcement or  
4 other emergency personnel, contractors working on jobs  
5 unrelated to cannabis, such as installing or maintaining  
6 security devices or performing electrical wiring, transporting  
7 organization agents as provided in this Act, individuals in a  
8 mentoring or educational program approved by the State, or  
9 other individuals as provided by rule.

10 (d) A cultivation center may not sell or distribute any  
11 cannabis, ~~or~~ cannabis-infused products, or any other product  
12 to any person other than a dispensing organization, craft  
13 grower, infuser organization, transporter, or as otherwise  
14 authorized by rule.

15 (e) A cultivation center may not either directly or  
16 indirectly discriminate in price between different dispensing  
17 organizations, craft growers, or infuser organizations that  
18 are purchasing a like grade, strain, brand, and quality of  
19 cannabis or cannabis-infused product. Nothing in this  
20 subsection (e) prevents a cultivation center from pricing  
21 cannabis differently based on differences in the cost of  
22 manufacturing or processing, the quantities sold, such as  
23 volume discounts, or the way the products are delivered.

24 (f) All cannabis harvested by a cultivation center and  
25 intended for distribution to a dispensing organization must be  
26 entered into a data collection system, packaged and labeled

1 under Section 55-21, and placed into a cannabis container for  
2 transport. All cannabis harvested by a cultivation center and  
3 intended for distribution to a craft grower or infuser  
4 organization must be packaged in a labeled cannabis container  
5 and entered into a data collection system before transport.

6 (g) Cultivation centers are subject to random inspections  
7 by the Department of Agriculture, the Department of Public  
8 Health, local safety or health inspectors, the Illinois State  
9 Police, or as provided by rule.

10 (h) A cultivation center agent shall notify local law  
11 enforcement, the Illinois State Police, and the Department of  
12 Agriculture within 24 hours of the discovery of any loss or  
13 theft. Notification shall be made by phone or in person, or by  
14 written or electronic communication.

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

18 (j) No person or entity shall hold any legal, equitable,  
19 ownership, or beneficial interest, directly or indirectly, of  
20 more than 3 cultivation centers licensed under this Article.  
21 Further, no person or entity that is employed by, an agent of,  
22 has a contract to receive payment in any form from a  
23 cultivation center, is a principal officer of a cultivation  
24 center, or entity controlled by or affiliated with a principal  
25 officer of a cultivation shall hold any legal, equitable,  
26 ownership, or beneficial interest, directly or indirectly, in

1 a cultivation that would result in the person or entity owning  
2 or controlling in combination with any cultivation center,  
3 principal officer of a cultivation center, or entity  
4 controlled or affiliated with a principal officer of a  
5 cultivation center by which he, she, or it is employed, is an  
6 agent of, or participates in the management of, more than 3  
7 cultivation center licenses.

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

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

13 (m) Beginning July 1, 2020, a cultivation center shall not  
14 transport cannabis or cannabis-infused products to a craft  
15 grower, dispensing organization, infuser organization, or  
16 laboratory licensed under this Act, unless it has obtained a  
17 transporting organization license.

18 (n) It is unlawful for any person having a cultivation  
19 center license or any officer, associate, member,  
20 representative, or agent of such licensee to offer or deliver  
21 money, or anything else of value, directly or indirectly to  
22 any person having an Early Approval Adult Use Dispensing  
23 Organization License, a Conditional Adult Use Dispensing  
24 Organization License, an Adult Use Dispensing Organization  
25 License, or a medical cannabis dispensing organization license  
26 issued under the Compassionate Use of Medical Cannabis Program



1 Act, or to any person connected with or in any way  
2 representing, or to any member of the family of, such person  
3 holding an Early Approval Adult Use Dispensing Organization  
4 License, a Conditional Adult Use Dispensing Organization  
5 License, an Adult Use Dispensing Organization License, or a  
6 medical cannabis dispensing organization license issued under  
7 the Compassionate Use of Medical Cannabis Program Act, or to  
8 any stockholders in any corporation engaged in the retail sale  
9 of cannabis, or to any officer, manager, agent, or  
10 representative of the Early Approval Adult Use Dispensing  
11 Organization License, a Conditional Adult Use Dispensing  
12 Organization License, an Adult Use Dispensing Organization  
13 License, or a medical cannabis dispensing organization license  
14 issued under the Compassionate Use of Medical Cannabis Program  
15 Act to obtain preferential placement within the dispensing  
16 organization, including, without limitation, on shelves and in  
17 display cases where purchasers can view products, or on the  
18 dispensing organization's website.

19 (o) A cultivation center must comply with any other  
20 requirements or prohibitions set by administrative rule of the  
21 Department of Agriculture.

22 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19;  
23 102-98, eff. 7-15-21; 102-538, eff. 8-20-21; 102-813, eff.  
24 5-13-22.)

1       Sec. 20-32. Rules concerning application of pesticides.  
2       Within one year after the effective date of this amendatory  
3       Act of the 103rd General Assembly, the Department shall adopt  
4       rules prohibiting the application of pesticides to cannabis  
5       plants in the flowering stage in a cultivation center.

6           (410 ILCS 705/20-35)

7       Sec. 20-35. Cultivation center agent identification card.

8       (a) The Department of Agriculture shall:

9           (1) establish by rule the information required in an  
10       initial application or renewal application for an agent  
11       identification card submitted under this Act and the  
12       nonrefundable fee to accompany the initial application or  
13       renewal application;

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

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

23          (4) enter the license number of the cultivation center  
24       where the agent works; and

25          (5) allow for an electronic initial application and

1 renewal application process, and provide a confirmation by  
2 electronic or other methods that an application has been  
3 submitted. The Department of Agriculture may by rule  
4 require prospective agents to file their applications by  
5 electronic means and provide notices to the agents by  
6 electronic means.

7 (b) An agent must keep his or her identification card  
8 visible at all times when on the property of the cultivation  
9 center at which the agent is employed.

10 (c) The agent identification cards shall contain the  
11 following:

12 (1) the name of the cardholder;

13 (2) the date of issuance and expiration date of the  
14 identification card;

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

18 (4) a photograph of the cardholder; and

19 (5) the legal name of the cultivation center employing  
20 the agent.

21 (d) An agent identification card shall be immediately  
22 returned to the cultivation center of the agent upon  
23 termination of his or her employment.

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

1 of the loss.

2 (f) The Department of Agriculture may not ~~shall not~~ issue  
3 an agent identification card if the applicant is delinquent in  
4 filing any required tax returns or paying any amounts owed to  
5 the State of Illinois.

6 (g) The Department and the Department of Financial and  
7 Professional Regulation may develop and implement an  
8 integrated system to issue an agent identification card which  
9 identifies a cultivation center agent licensed by the  
10 Department as well as any craft grower, transporter,  
11 dispensing organization, community college program or infuser  
12 license or registration the agent may simultaneously hold.

13 (Source: P.A. 101-27, eff. 6-25-19; 102-538, eff. 8-20-21.)

14 (410 ILCS 705/20-45)

15 Sec. 20-45. Renewal of cultivation center licenses and  
16 agent identification cards.

17 (a) Licenses and identification cards issued under this  
18 Act shall be renewed annually. A cultivation center shall  
19 receive written or electronic notice 90 days before the  
20 expiration of its current license that the license will  
21 expire. The Department of Agriculture shall grant a renewal  
22 within 45 days of submission of a renewal application if:

23 (1) the cultivation center submits a renewal  
24 application and the required nonrefundable renewal fee of  
25 \$100,000, or another amount as the Department of

1 Agriculture may set by rule after January 1, 2021, to be  
2 deposited into the Cannabis Regulation Fund.

3 (2) the Department of Agriculture has not suspended  
4 the license of the cultivation center or suspended or  
5 revoked the license for violating this Act or rules  
6 adopted under this Act;

7 (3) the cultivation center has continued to operate in  
8 accordance with all plans submitted as part of its  
9 application and approved by the Department of Agriculture  
10 or any amendments thereto that have been approved by the  
11 Department of Agriculture;

12 (4) the cultivation center has submitted an agent,  
13 employee, contracting, and subcontracting diversity report  
14 as required by the Department; and

15 (5) the cultivation center has submitted an  
16 environmental impact report.

17 (b) If a cultivation center fails to renew its license  
18 before expiration, it shall cease operations until its license  
19 is renewed.

20 (c) If a cultivation center agent fails to renew his or her  
21 identification card before its expiration, he or she shall  
22 cease to work as an agent of the cultivation center until his  
23 or her identification card is renewed.

24 (d) Any cultivation center that continues to operate, or  
25 any cultivation center agent who continues to work as an  
26 agent, after the applicable license or identification card has

1 expired without renewal is subject to the penalties provided  
2 under Section 45-5.

3 (e) The Department of Agriculture may not renew a license  
4 or an agent identification card if the applicant is delinquent  
5 in filing any required tax returns or paying any amounts owed  
6 to the State.

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

8 (410 ILCS 705/25-35)

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

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

12 (a) The Department 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 Article 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 Article, and  
21 approve or deny an application within 30 days of receiving  
22 a 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 community college  
3 where the 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. Each Department may by rule require prospective  
8 agents to file their applications by electronic means and  
9 to provide notices to the agents by electronic means.

10 (b) An agent must keep his or her identification card  
11 visible at all times when in the enclosed, locked facility, or  
12 facilities 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 community college employing  
23 the agent.

24 (d) An agent identification card shall be immediately  
25 returned to the community college of the agent upon  
26 termination of his or her employment.

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

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

13 (g) The Department of Agriculture may not issue an agent  
14 identification card if the applicant is delinquent in filing  
15 any required tax returns or paying any amounts owed to the  
16 State.

17 (h) The Department of Agriculture and the Department of  
18 Financial and Professional Regulation may develop and  
19 implement an integrated system to issue an agent  
20 identification card which identifies a community college  
21 program agent licensed by the Department as well as any  
22 cultivation center, craft grower, transporter, dispensing  
23 organization, or infuser license or registration the agent may  
24 simultaneously hold.

25 (Source: P.A. 101-27, eff. 6-25-19; 102-98, eff. 7-15-21;  
26 102-538, eff. 8-20-21; 102-813, eff. 5-13-22.)



1 (410 ILCS 705/30-30)

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

3 (a) The operating documents of a craft grower shall  
4 include procedures for the oversight of the craft grower, a  
5 cannabis plant monitoring system including a physical  
6 inventory recorded weekly, accurate recordkeeping, and a  
7 staffing plan.

8 (b) A craft grower shall implement a security plan  
9 reviewed by the Illinois State Police that includes, but is  
10 not limited to: facility access controls, perimeter intrusion  
11 detection systems, personnel identification systems, and a  
12 24-hour surveillance system to monitor the interior and  
13 exterior of the craft grower facility and that is accessible  
14 to authorized law enforcement and the Department of  
15 Agriculture in real time.

16 (c) All cultivation of cannabis by a craft grower must  
17 take place in an enclosed, locked facility at the physical  
18 address provided to the Department of Agriculture during the  
19 licensing process. The craft grower location shall only be  
20 accessed by the agents working for the craft grower, the  
21 Department of Agriculture staff performing inspections, the  
22 Department of Public Health staff performing inspections,  
23 State and local law enforcement or other emergency personnel,  
24 contractors working on jobs unrelated to cannabis, such as  
25 installing or maintaining security devices or performing

1 electrical wiring, transporting organization agents as  
2 provided in this Act, or participants in the incubator  
3 program, individuals in a mentoring or educational program  
4 approved by the State, or other individuals as provided by  
5 rule. However, if a craft grower shares a premises with an  
6 infuser or dispensing organization, agents from those other  
7 licensees may access the craft grower portion of the premises  
8 if that is the location of common bathrooms, lunchrooms,  
9 locker rooms, or other areas of the building where work or  
10 cultivation of cannabis is not performed. At no time may an  
11 infuser or dispensing organization agent perform work at a  
12 craft grower without being a registered agent of the craft  
13 grower.

14 (d) A craft grower may not sell or distribute any cannabis  
15 or any other product to any person other than a cultivation  
16 center, a craft grower, an infuser organization, a dispensing  
17 organization, or as otherwise authorized by rule.

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

20 (f) A craft grower may not either directly or indirectly  
21 discriminate in price between different cannabis business  
22 establishments that are purchasing a like grade, strain,  
23 brand, and quality of cannabis or cannabis-infused product.  
24 Nothing in this subsection (f) prevents a craft grower from  
25 pricing cannabis differently based on differences in the cost  
26 of manufacturing or processing, the quantities sold, such as

1 volume discounts, or the way the products are delivered.

2 (g) All cannabis harvested by a craft grower and intended  
3 for distribution to a dispensing organization must be entered  
4 into a data collection system, packaged and labeled under  
5 Section 55-21, and, if distribution is to a dispensing  
6 organization that does not share a premises with the  
7 dispensing organization receiving the cannabis, placed into a  
8 cannabis container for transport. All cannabis harvested by a  
9 craft grower and intended for distribution to a cultivation  
10 center, to an infuser organization, or to a craft grower with  
11 which it does not share a premises, must be packaged in a  
12 labeled cannabis container and entered into a data collection  
13 system before transport.

14 (h) Craft growers are subject to random inspections by the  
15 Department of Agriculture, local safety or health inspectors,  
16 the Illinois State Police, or as provided by rule.

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

22 (j) A craft grower shall comply with all State and any  
23 applicable federal rules and regulations regarding the use of  
24 pesticides.

25 (k) A craft grower or craft grower agent shall not  
26 transport cannabis or cannabis-infused products to any other

1 cannabis business establishment without a transport  
2 organization license unless:

3 (i) If the craft grower is located in a county with a  
4 population of 3,000,000 or more, the cannabis business  
5 establishment receiving the cannabis is within 2,000 feet  
6 of the property line of the craft grower;

7 (ii) If the craft grower is located in a county with a  
8 population of more than 700,000 but fewer than 3,000,000,  
9 the cannabis business establishment receiving the cannabis  
10 is within 2 miles of the craft grower; or

11 (iii) If the craft grower is located in a county with a  
12 population of fewer than 700,000, the cannabis business  
13 establishment receiving the cannabis is within 15 miles of  
14 the craft grower.

15 (l) A craft grower may enter into a contract with a  
16 transporting organization to transport cannabis to a  
17 cultivation center, a craft grower, an infuser organization, a  
18 dispensing organization, or a laboratory.

19 (m) No person or entity shall hold any legal, equitable,  
20 ownership, or beneficial interest, directly or indirectly, of  
21 more than 3 craft grower licenses. Further, no person or  
22 entity that is employed by, an agent of, or has a contract to  
23 receive payment from or participate in the management of a  
24 craft grower, is a principal officer of a craft grower, or  
25 entity controlled by or affiliated with a principal officer of  
26 a craft grower shall hold any legal, equitable, ownership, or

1 beneficial interest, directly or indirectly, in a craft grower  
2 license that would result in the person or entity owning or  
3 controlling in combination with any craft grower, principal  
4 officer of a craft grower, or entity controlled or affiliated  
5 with a principal officer of a craft grower by which he, she, or  
6 it is employed, is an agent of, or participates in the  
7 management of more than 3 craft grower licenses.

8 (n) It is unlawful for any person having a craft grower  
9 license or any officer, associate, member, representative, or  
10 agent of the licensee to offer or deliver money, or anything  
11 else of value, directly or indirectly, to any person having an  
12 Early Approval Adult Use Dispensing Organization License, a  
13 Conditional Adult Use Dispensing Organization License, an  
14 Adult Use Dispensing Organization License, or a medical  
15 cannabis dispensing organization license issued under the  
16 Compassionate Use of Medical Cannabis Program Act, or to any  
17 person connected with or in any way representing, or to any  
18 member of the family of, the person holding an Early Approval  
19 Adult Use Dispensing Organization License, a Conditional Adult  
20 Use 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, or to any stockholders in any  
24 corporation engaged in the retail sale of cannabis, or to any  
25 officer, manager, agent, or representative of the Early  
26 Approval Adult Use Dispensing Organization License, a

1 Conditional Adult Use Dispensing Organization License, an  
2 Adult Use Dispensing Organization License, or a medical  
3 cannabis dispensing organization license issued under the  
4 Compassionate Use of Medical Cannabis Program Act to obtain  
5 preferential placement within the dispensing organization,  
6 including, without limitation, on shelves and in display cases  
7 where purchasers can view products, or on the dispensing  
8 organization's website.

9 (o) A craft grower shall not be located within 1,500 feet  
10 of another craft grower or a cultivation center, except as  
11 provided under Section 30-31.

12 (p) A craft grower may process cannabis, cannabis  
13 concentrates, and cannabis-infused products.

14 (q) A craft grower must comply with any other requirements  
15 or prohibitions set by administrative rule of the Department  
16 of Agriculture.

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

20 (410 ILCS 705/30-31 new)

21 Sec. 30-31. Craft grower shared premises pilot program.

22 (a) The Department of Agriculture shall create a pilot  
23 program that shall allow craft growers to share premises with  
24 a cultivation center. The Department shall adopt rules to  
25 specify that a craft grower may only locate within 1,500 feet

1 of another craft grower or cultivation center upon approval by  
2 the Department, that multiple craft growers may share a  
3 premises within a single cultivation center. A craft grower  
4 may not share a premises with another craft grower outside of a  
5 cultivation center.

6 (b) The Department of Agriculture shall adopt rules by  
7 January 1, 2025.

8 (c) This Section is repealed on January 1, 2030.

9 (410 ILCS 705/30-32 new)

10 Sec. 30-32. Rules concerning application of pesticides.  
11 Within one year after the effective date of this amendatory  
12 Act of the 103rd General Assembly, the Department shall adopt  
13 rules prohibiting the application of pesticides to cannabis  
14 plants in the flowering stage in a craft grower facility.

15 (410 ILCS 705/30-35)

16 Sec. 30-35. Craft grower agent identification card.

17 (a) The Department of Agriculture shall:

18 (1) establish by rule the information required in an  
19 initial application or renewal application for an agent  
20 identification card submitted under this Act and the  
21 nonrefundable fee to accompany the initial application or  
22 renewal application;

23 (2) verify the information contained in an initial  
24 application or renewal application for an agent

1 identification card submitted under this Act and approve  
2 or deny an application within 30 days of receiving a  
3 completed initial application or renewal application and  
4 all supporting documentation required by rule;

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

8 (4) enter the license number of the craft grower where  
9 the agent works; and

10 (5) allow for an electronic initial application and  
11 renewal application process, and provide a confirmation by  
12 electronic or other methods that an application has been  
13 submitted. The Department of Agriculture may by rule  
14 require prospective agents to file their applications by  
15 electronic means and provide notices to the agents by  
16 electronic means.

17 (b) An agent must keep his or her identification card  
18 visible at all times when on the property of a cannabis  
19 business establishment, including the craft grower  
20 organization for which he or she is an agent.

21 (c) The agent identification cards shall contain the  
22 following:

23 (1) the name of the cardholder;

24 (2) the date of issuance and expiration date of the  
25 identification card;

26 (3) a random 10-digit alphanumeric identification



1 number containing at least 4 numbers and at least 4  
2 letters that is unique to the holder;

3 (4) a photograph of the cardholder; and

4 (5) the legal name of the craft grower organization  
5 employing the agent.

6 (d) An agent identification card shall be immediately  
7 returned to the cannabis business establishment of the agent  
8 upon termination of his or her employment.

9 (e) Any agent identification card lost by a craft grower  
10 agent shall be reported to the Illinois State Police and the  
11 Department of Agriculture immediately upon discovery of the  
12 loss.

13 (f) The Department of Agriculture may not issue an agent  
14 identification card if the applicant is delinquent in filing  
15 any required tax returns or paying any amounts owed to the  
16 State.

17 (Source: P.A. 101-27, eff. 6-25-19; 102-538, eff. 8-20-21.)

18 (410 ILCS 705/30-45)

19 Sec. 30-45. Renewal of craft grower licenses and agent  
20 identification cards.

21 (a) Licenses and identification cards issued under this  
22 Act shall be renewed annually. A craft grower shall receive  
23 written or electronic notice 90 days before the expiration of  
24 its current license that the license will expire. The  
25 Department of Agriculture shall grant a renewal within 45 days

1 of submission of a renewal application if:

2 (1) the craft grower submits a renewal application and  
3 the required nonrefundable renewal fee of \$40,000, or  
4 another amount as the Department of Agriculture may set by  
5 rule after January 1, 2021;

6 (2) the Department of Agriculture has not suspended  
7 the license of the craft grower or suspended or revoked  
8 the license for violating this Act or rules adopted under  
9 this Act;

10 (3) the craft grower has continued to operate in  
11 accordance with all plans submitted as part of its  
12 application and approved by the Department of Agriculture  
13 or any amendments thereto that have been approved by the  
14 Department of Agriculture;

15 (4) the craft grower has submitted an agent, employee,  
16 contracting, and subcontracting diversity report as  
17 required by the Department; and

18 (5) the craft grower has submitted an environmental  
19 impact report.

20 (b) If a craft grower fails to renew its license before  
21 expiration, it shall cease operations until its license is  
22 renewed.

23 (c) If a craft grower agent fails to renew his or her  
24 identification card before its expiration, he or she shall  
25 cease to work as an agent of the craft grower organization  
26 until his or her identification card is renewed.

1 (d) Any craft grower that continues to operate, or any  
2 craft grower agent who continues to work as an agent, after the  
3 applicable license or identification card has expired without  
4 renewal is subject to the penalties provided under Section  
5 45-5.

6 (e) All fees or fines collected from the renewal of a craft  
7 grower license shall be deposited into the Cannabis Regulation  
8 Fund.

9 (f) The Department of Agriculture may not renew a license  
10 or an agent identification card if the applicant is delinquent  
11 in filing any required tax returns or paying any amounts owed  
12 to the State.

13 (g) The Department and the Department of Financial and  
14 Professional Regulation may develop and implement an  
15 integrated system to issue an agent identification card which  
16 identifies a craft grower agent licensed by the Department as  
17 well as any cultivator, dispensary, transporter, community  
18 college program or infuser license or registration the agent  
19 may simultaneously hold.

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

21 (410 ILCS 705/35-25)

22 Sec. 35-25. Infuser organization requirements;  
23 prohibitions.

24 (a) The operating documents of an infuser shall include  
25 procedures for the oversight of the infuser, an inventory

1 monitoring system including a physical inventory recorded  
2 weekly, accurate recordkeeping, and a staffing plan.

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

11 (c) All processing of cannabis by an infuser must take  
12 place in an enclosed, locked facility at the physical address  
13 provided to the Department of Agriculture during the licensing  
14 process. The infuser location shall only be accessed by the  
15 agents working for the infuser, the Department of Agriculture  
16 staff performing inspections, the Department of Public Health  
17 staff performing inspections, State and local law enforcement  
18 or other emergency personnel, contractors working on jobs  
19 unrelated to cannabis, such as installing or maintaining  
20 security devices or performing electrical wiring, transporting  
21 organization agents as provided in this Act, participants in  
22 the incubator program, individuals in a mentoring or  
23 educational program approved by the State, local safety or  
24 health inspectors, or other individuals as provided by rule.  
25 However, if an infuser shares a premises with a craft grower or  
26 dispensing organization, agents from these other licensees may

1 access the infuser portion of the premises if that is the  
2 location of common bathrooms, lunchrooms, locker rooms, or  
3 other areas of the building where processing of cannabis is  
4 not performed. At no time may a craft grower or dispensing  
5 organization agent perform work at an infuser without being a  
6 registered agent of the infuser.

7 (d) An infuser may not sell or distribute any cannabis or  
8 any other product to any person other than a dispensing  
9 organization, or as otherwise authorized by rule.

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

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

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

3 (g) Infusers are subject to random inspections by the  
4 Department of Agriculture, the Department of Public Health,  
5 the Illinois State Police, local law enforcement, or as  
6 provided by rule.

7 (h) An infuser agent shall notify local law enforcement,  
8 the Illinois State Police, and the Department of Agriculture  
9 within 24 hours of the discovery of any loss or theft.  
10 Notification shall be made by phone, in person, or by written  
11 or electronic communication.

12 (i) An infuser organization may not be located in an area  
13 zoned for residential use.

14 (j) An infuser or infuser agent shall not transport  
15 cannabis or cannabis-infused products to any other cannabis  
16 business establishment without a transport organization  
17 license unless:

18 (i) If the infuser is located in a county with a  
19 population of 3,000,000 or more, the cannabis business  
20 establishment receiving the cannabis or cannabis-infused  
21 product is within 2,000 feet of the property line of the  
22 infuser;

23 (ii) If the infuser is located in a county with a  
24 population of more than 700,000 but fewer than 3,000,000,  
25 the cannabis business establishment receiving the cannabis  
26 or cannabis-infused product is within 2 miles of the

1           infuser; or

2           (iii) If the infuser is located in a county with a  
3           population of fewer than 700,000, the cannabis business  
4           establishment receiving the cannabis or cannabis-infused  
5           product is within 15 miles of the infuser.

6           (k) An infuser may enter into a contract with a  
7           transporting organization to transport cannabis to a  
8           dispensing organization or a laboratory.

9           (l) An infuser organization may share premises with a  
10          craft grower or a dispensing organization, or both, provided  
11          each licensee stores currency and cannabis or cannabis-infused  
12          products in a separate secured vault to which the other  
13          licensee does not have access or all licensees sharing a vault  
14          share more than 50% of the same ownership.

15          (m) It is unlawful for any person or entity having an  
16          infuser organization license or any officer, associate,  
17          member, representative or agent of such licensee to offer or  
18          deliver money, or anything else of value, directly or  
19          indirectly to any person having an Early Approval Adult Use  
20          Dispensing Organization License, a Conditional Adult Use  
21          Dispensing Organization License, an Adult Use Dispensing  
22          Organization License, or a medical cannabis dispensing  
23          organization license issued under the Compassionate Use of  
24          Medical Cannabis Program Act, or to any person connected with  
25          or in any way representing, or to any member of the family of,  
26          such person holding an Early Approval Adult Use Dispensing

1 Organization License, a Conditional Adult Use Dispensing  
2 Organization License, an Adult Use Dispensing Organization  
3 License, or a medical cannabis dispensing organization license  
4 issued under the Compassionate Use of Medical Cannabis Program  
5 Act, or to any stockholders in any corporation engaged the  
6 retail sales of cannabis, or to any officer, manager, agent,  
7 or representative of the Early Approval Adult Use Dispensing  
8 Organization License, a Conditional Adult Use Dispensing  
9 Organization License, an Adult Use Dispensing Organization  
10 License, or a medical cannabis dispensing organization license  
11 issued under the Compassionate Use of Medical Cannabis Program  
12 Act to obtain preferential placement within the dispensing  
13 organization, including, without limitation, on shelves and in  
14 display cases where purchasers can view products, or on the  
15 dispensing organization's website.

16 (n) At no time shall an infuser organization or an infuser  
17 agent perform the extraction of cannabis concentrate from  
18 cannabis flower except if the infuser organization has also  
19 been issued a processor license under subsection (f) of  
20 Section 35-31.

21 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19;  
22 102-98, eff. 7-15-21; 102-538, eff. 8-20-21; 102-813, eff.  
23 5-13-22.)

24 (410 ILCS 705/35-30)

25 Sec. 35-30. Infuser agent identification card.



1 (a) The Department of Agriculture shall:

2 (1) establish by rule the information required in an  
3 initial application or renewal application for an agent  
4 identification card submitted under this Act and the  
5 nonrefundable fee to accompany the initial application or  
6 renewal application;

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

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

16 (4) enter the license number of the infuser where the  
17 agent works; and

18 (5) allow for an electronic initial application and  
19 renewal application process, and provide a confirmation by  
20 electronic or other methods that an application has been  
21 submitted. The Department of Agriculture may by rule  
22 require prospective agents to file their applications by  
23 electronic means and provide notices to the agents by  
24 electronic means.

25 (b) An agent must keep his or her identification card  
26 visible at all times when on the property of a cannabis

1 business establishment including the cannabis business  
2 establishment for which he or she is an agent.

3 (c) The agent identification cards shall contain the  
4 following:

5 (1) the name of the cardholder;

6 (2) the date of issuance and expiration date of the  
7 identification card;

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

11 (4) a photograph of the cardholder; and

12 (5) the legal name of the infuser organization  
13 employing the agent.

14 (d) An agent identification card shall be immediately  
15 returned to the infuser organization of the agent upon  
16 termination of his or her employment.

17 (e) Any agent identification card lost by a transporting  
18 agent shall be reported to the Illinois State Police and the  
19 Department of Agriculture immediately upon discovery of the  
20 loss.

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

1 the infuser organization immediately.

2 (g) The Department of Agriculture may not issue an agent  
3 identification card if the applicant is delinquent in filing  
4 any required tax returns or paying any amounts owed to the  
5 State.

6 (h) The Department and the Department of Financial and  
7 Professional Regulation may develop and implement an  
8 integrated system to issue an agent identification card which  
9 identifies an infuser agent licensed by the Department as well  
10 as any cultivation center, craft grower, transporter,  
11 dispensing organization, or community college program license  
12 or registration the agent may simultaneously hold.

13 (Source: P.A. 101-27, eff. 6-25-19; 102-98, eff. 7-15-21;  
14 102-538, eff. 8-20-21; 102-813, eff. 5-13-22.)

15 (410 ILCS 705/45-5)

16 Sec. 45-5. License suspension; revocation; other  
17 penalties.

18 (a) Notwithstanding any other criminal penalties related  
19 to the unlawful possession of cannabis, the Department of  
20 Financial and Professional Regulation and the Department of  
21 Agriculture may revoke, suspend, place on probation,  
22 reprimand, issue cease and desist orders, refuse to issue or  
23 renew a license, or take any other disciplinary or  
24 nondisciplinary action as each department may deem proper with  
25 regard to a cannabis business establishment or cannabis

1 business establishment agent, including fines not to exceed:

2 (1) \$50,000 for each violation of this Act or rules  
3 adopted under this Act by a cultivation center or  
4 cultivation center agent;

5 (2) \$20,000 for each violation of this Act or rules  
6 adopted under this Act by a dispensing organization or  
7 dispensing organization agent;

8 (3) \$15,000 for each violation of this Act or rules  
9 adopted under this Act by a craft grower or craft grower  
10 agent;

11 (4) \$10,000 for each violation of this Act or rules  
12 adopted under this Act by an infuser organization or  
13 infuser organization agent; and

14 (5) \$10,000 for each violation of this Act or rules  
15 adopted under this Act by a transporting organization or  
16 transporting organization agent.

17 (6) [\$15,000] for each violation of this Act or rules  
18 adopted under this Act by a cannabis testing facility.

19 (b) The Department of Financial and Professional  
20 Regulation and the Department of Agriculture, as the case may  
21 be, shall consider licensee cooperation in any agency or other  
22 investigation in its determination of penalties imposed under  
23 this Section.

24 (c) The procedures for disciplining a cannabis business  
25 establishment or cannabis business establishment agent and for  
26 administrative hearings shall be determined by rule, and shall

1 provide for the review of final decisions under the  
2 Administrative Review Law.

3 (d) The Attorney General may also enforce a violation of  
4 Section 55-20, Section 55-21, and Section 15-155 as an  
5 unlawful practice under the Consumer Fraud and Deceptive  
6 Business Practices Act.

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

8 (410 ILCS 705/50-5)

9 Sec. 50-5. Laboratory testing.

10 (a) Notwithstanding any other provision of law, the  
11 following acts, when performed by a cannabis testing facility  
12 with a current, valid license registration, or a person 21  
13 years of age or older who is acting in his or her capacity as  
14 an owner, employee, or agent of a cannabis testing facility,  
15 are not unlawful and shall not be an offense under Illinois law  
16 or be a basis for seizure or forfeiture of assets under  
17 Illinois law:

18 (1) possessing, repackaging, transporting, storing, or  
19 displaying cannabis or cannabis-infused products;

20 (2) receiving or transporting cannabis or  
21 cannabis-infused products from a cannabis business  
22 establishment, a community college licensed under the  
23 Community College Cannabis Vocational Training Pilot  
24 Program, or a person 21 years of age or older; and

25 (3) returning or transporting cannabis or

1 cannabis-infused products to a cannabis business  
2 establishment, a community college licensed under the  
3 Community College Cannabis Vocational Training Pilot  
4 Program, or a person 21 years of age or older.

5 (b) (1) No laboratory shall handle, test, or analyze  
6 cannabis unless approved by the Department of Agriculture in  
7 accordance with this Section.

8 (2) No laboratory shall be approved to handle, test, or  
9 analyze cannabis unless the laboratory:

10 (A) is licensed by the Department of Agriculture;

11 (A-5) is accredited by a private laboratory  
12 accrediting organization;

13 (B) is independent from all other persons involved in  
14 the cannabis industry in Illinois and no person with a  
15 direct or indirect interest in the laboratory has a direct  
16 or indirect financial, management, or other interest in an  
17 Illinois cultivation center, craft grower, dispensary,  
18 infuser, transporter, certifying physician, or any other  
19 entity in the State that may benefit from the production,  
20 manufacture, dispensing, sale, purchase, or use of  
21 cannabis; and

22 (C) has employed at least one person to oversee and be  
23 responsible for the laboratory testing who has earned,  
24 from a college or university accredited by a national or  
25 regional certifying authority, at least:

26 (i) a master's level degree in chemical or

1 biological sciences and a minimum of 2 years'  
2 post-degree laboratory experience; or

3 (ii) a bachelor's degree in chemical or biological  
4 sciences and a minimum of 4 years' post-degree  
5 laboratory experience.

6 (3) Each independent testing laboratory that claims to be  
7 accredited must provide the Department of Agriculture with a  
8 copy of the most recent annual inspection report granting  
9 accreditation and every annual report thereafter.

10 (c) Immediately before manufacturing or natural processing  
11 of any cannabis or cannabis-infused product or packaging  
12 cannabis for sale to a dispensary, each batch shall be made  
13 available by the cultivation center, craft grower, or infuser  
14 for an employee of an approved laboratory to select a random  
15 sample, which shall be tested by the approved laboratory for:

16 (1) microbiological contaminants;

17 (2) mycotoxins;

18 (3) pesticide active ingredients;

19 (4) residual solvent; and

20 (5) an active ingredient analysis.

21 (d) The Department of Agriculture may select a random  
22 sample that shall, for the purposes of conducting an active  
23 ingredient analysis, be tested by the Department of  
24 Agriculture for verification of label information and any  
25 other testing deemed necessary by the Department.

26 (e) A laboratory shall immediately return or dispose of

1 any cannabis upon the completion of any testing, use, or  
2 research. If cannabis is disposed of, it shall be done in  
3 compliance with Department of Agriculture rule.

4 (f) If a sample of cannabis does not pass the  
5 microbiological, mycotoxin, pesticide chemical residue, or  
6 solvent residue test, based on the standards established by  
7 the Department of Agriculture, the following shall apply:

8 (1) If the sample failed the pesticide chemical  
9 residue test, the entire batch from which the sample was  
10 taken shall, if applicable, be recalled as provided by  
11 rule.

12 (2) If the sample failed any other test, the batch may  
13 be used to make a CO<sub>2</sub>-based or solvent based extract. After  
14 processing, the CO<sub>2</sub>-based or solvent based extract must  
15 still pass all required tests.

16 (g) The Department of Agriculture shall establish  
17 standards for microbial, mycotoxin, pesticide residue, solvent  
18 residue, or other standards for the presence of possible  
19 contaminants, in addition to labeling requirements for  
20 contents and potency.

21 (h) The laboratory shall file with the Department of  
22 Agriculture an electronic copy of each laboratory test result  
23 for any batch that does not pass the microbiological,  
24 mycotoxin, or pesticide chemical residue test, at the same  
25 time that it transmits those results to the cultivation  
26 center. In addition, the laboratory shall maintain the



1 laboratory test results for at least 5 years and make them  
2 available at the Department of Agriculture's request.

3 (i) A cultivation center, craft grower, and infuser shall  
4 provide to a dispensing organization the laboratory test  
5 results for each batch of cannabis product purchased by the  
6 dispensing organization, if sampled. Each dispensing  
7 organization must have those laboratory results available upon  
8 request to purchasers.

9 (j) The Department of Agriculture may adopt rules related  
10 to testing and licensing of laboratories in furtherance of  
11 this Act.

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

13 (410 ILCS 705/55-30)

14 Sec. 55-30. Confidentiality.

15 (a) Information provided by the cannabis business  
16 establishment licensees or applicants to the Department of  
17 Agriculture, the Department of Public Health, the Department  
18 of Financial and Professional Regulation, the Department of  
19 Commerce and Economic Opportunity, or other agency shall be  
20 limited to information necessary for the purposes of  
21 administering this Act. The information is subject to the  
22 provisions and limitations contained in the Freedom of  
23 Information Act and may be disclosed in accordance with  
24 Section 55-65.

25 (b) The following information received and records kept by

1 the Department of Agriculture, the Department of Public  
2 Health, the Illinois State Police, and the Department of  
3 Financial and Professional Regulation for purposes of  
4 administering this Article are subject to all applicable  
5 federal privacy laws, are confidential and exempt from  
6 disclosure under the Freedom of Information Act, except as  
7 provided in this Act, and not subject to disclosure to any  
8 individual or public or private entity, except to the  
9 Department of Financial and Professional Regulation, the  
10 Department of Agriculture, the Department of Public Health,  
11 the Department of Commerce and Economic Opportunity, the  
12 Office of Executive Inspector General and the Illinois State  
13 Police as necessary to perform official duties under this  
14 Article, ~~and~~ to the Attorney General as necessary to enforce  
15 the provisions of this Act, and except as necessary to those  
16 involved in enforcing the State Officials and Employees Ethics  
17 Act. The following information received and kept by the  
18 Department of Financial and Professional Regulation or the  
19 Department of Agriculture may be disclosed to the Department  
20 of Public Health, the Department of Agriculture, the  
21 Department of Revenue, the Illinois State Police, the  
22 Department of Commerce and Economic Opportunity, the Office of  
23 Executive Inspector General, or the Attorney General upon  
24 proper request:

25 (1) (Blank); ~~Applications and renewals, their~~  
26 ~~contents, and supporting information submitted by or on~~

1 ~~behalf of dispensing organizations, cannabis business~~  
2 ~~establishments, or Community College Cannabis Vocational~~  
3 ~~Program licensees, in compliance with this Article,~~  
4 ~~including their physical addresses; however, this does not~~  
5 ~~preclude the release of ownership information about~~  
6 ~~cannabis business establishment licenses, or information~~  
7 ~~submitted with an application required to be disclosed~~  
8 ~~pursuant to subsection (f);~~

9 (2) Any plans, procedures, policies, or other records  
10 relating to cannabis business establishment security; and

11 (3) Information otherwise exempt from disclosure by  
12 State or federal law.

13 Illinois or national criminal history record information,  
14 or the nonexistence or lack of such information, may not be  
15 disclosed by the Department of Financial and Professional  
16 Regulation or the Department of Agriculture, except as  
17 necessary to the Attorney General to enforce this Act.

18 (c) (Blank). ~~The name and address of a dispensing~~  
19 ~~organization licensed under this Act shall be subject to~~  
20 ~~disclosure under the Freedom of Information Act. The name and~~  
21 ~~cannabis business establishment address of the person or~~  
22 ~~entity holding each cannabis business establishment license~~  
23 ~~shall be subject to disclosure.~~

24 (d) All information collected by the Department of  
25 Financial and Professional Regulation or the Department of  
26 Agriculture in the course of an examination, inspection, or

1 investigation of a licensee or applicant, including, but not  
2 limited to, any complaint against a licensee or applicant  
3 filed with the Department of Financial and Professional  
4 Regulation or the Department of Agriculture and information  
5 collected to investigate any such complaint, shall be  
6 maintained for the confidential use of the Department of  
7 Financial and Professional Regulation or the Department of  
8 Agriculture and shall not be disclosed, except to those  
9 involved in enforcing the State Officials and Employees Ethics  
10 Act and as otherwise provided in this Act. A formal complaint  
11 against a licensee by the Department of Financial and  
12 Professional Regulation or the Department of Agriculture or  
13 any disciplinary order issued by the Department of Financial  
14 and Professional Regulation or the Department of Agriculture  
15 against a licensee or applicant shall be a public record,  
16 except as otherwise provided by law. Complaints from consumers  
17 or members of the general public received regarding a  
18 specific, named licensee or complaints regarding conduct by  
19 unlicensed entities shall be subject to disclosure under the  
20 Freedom of Information Act.

21 (e) The Department of Agriculture, the Illinois State  
22 Police, and the Department of Financial and Professional  
23 Regulation shall not share or disclose any Illinois or  
24 national criminal history record information, or the  
25 nonexistence or lack of such information, to any person or  
26 entity not expressly authorized by this Act.

1           (f) (Blank). ~~Each Department responsible for licensure~~  
2 ~~under this Act shall publish on the Department's website a~~  
3 ~~list of the ownership information of cannabis business~~  
4 ~~establishment licensees under the Department's jurisdiction.~~  
5 ~~The list shall include, but is not limited to: the name of the~~  
6 ~~person or entity holding each cannabis business establishment~~  
7 ~~license; and the address at which the entity is operating~~  
8 ~~under this Act. This list shall be published and updated~~  
9 ~~monthly.~~

10           (g) Notwithstanding anything in this Section to the  
11 contrary, the Department of Financial and Professional  
12 Regulation and the Department of Agriculture may share  
13 licensee information with the Department of Commerce and  
14 Economic Opportunity necessary to support the administration  
15 of Social Equity programming.

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

19           (410 ILCS 705/55-65)

20           Sec. 55-65. Financial institutions.

21           (a) A financial institution that provides financial  
22 services customarily provided by financial institutions to a  
23 cannabis business establishment authorized under this Act or  
24 the Compassionate Use of Medical Cannabis Program Act, or to a  
25 person that is affiliated with such cannabis business

1 establishment, is exempt from any criminal law of this State  
2 as it relates to cannabis-related conduct authorized under  
3 State law.

4 (b) Upon request of a financial institution, a cannabis  
5 business establishment or proposed cannabis business  
6 establishment may provide to the financial institution the  
7 following information:

8 (1) Whether a cannabis business establishment with  
9 which the financial institution is doing or is considering  
10 doing business holds a license under this Act or the  
11 Compassionate Use of Medical Cannabis Program Act;

12 (2) The name of any other business or individual  
13 affiliate with the cannabis business establishment;

14 (3) A copy of the application, and any supporting  
15 documentation submitted with the application, for a  
16 license or a permit submitted on behalf of the proposed  
17 cannabis business establishment;

18 (4) If applicable, data relating to sales and the  
19 volume of product sold by the cannabis business  
20 establishment;

21 (5) Any past or pending violation by the person of  
22 this Act, the Compassionate Use of Medical Cannabis  
23 Program Act, or the rules adopted under these Acts where  
24 applicable; and

25 (6) Any penalty imposed upon the person for violating  
26 this Act, the Compassionate Use of Medical Cannabis

1 Program Act, or the rules adopted under these Acts.

2 (c) (Blank).

3 (d) (Blank).

4 (e) Information received by a financial institution under  
5 this Section is confidential. Except as otherwise required or  
6 permitted by this Act, State law or rule, or federal law or  
7 regulation, a financial institution may not make the  
8 information available to any person other than:

9 (1) the customer to whom the information applies;

10 (2) a trustee, conservator, guardian, personal  
11 representative, or agent of the customer to whom the  
12 information applies; a federal or State regulator when  
13 requested in connection with an examination of the  
14 financial institution or if otherwise necessary for  
15 complying with federal or State law;

16 (3) a federal or State regulator when requested in  
17 connection with an examination of the financial  
18 institution or if otherwise necessary for complying with  
19 federal or State law; ~~and~~

20 (4) a third party performing services for the  
21 financial institution, provided the third party is  
22 performing such services under a written agreement that  
23 expressly or by operation of law prohibits the third  
24 party's sharing and use of such confidential information  
25 for any purpose other than as provided in its agreement to  
26 provide services to the financial institution; and ~~and~~

1           (5) the Office of Executive Inspector General pursuant  
2           to an investigation.

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

4           (410 ILCS 705/60-10)

5           Sec. 60-10. Tax imposed.

6           (a) Beginning September 1, 2019, a tax is imposed upon the  
7           privilege of cultivating cannabis at the rate of 7% of the  
8           gross receipts from the first sale of cannabis by a  
9           cultivator. The sale of any product that contains any amount  
10          of cannabis or any derivative thereof is subject to the tax  
11          under this Section on the full selling price of the product.  
12          The Department may determine the selling price of the cannabis  
13          when the seller and purchaser are affiliated persons, when the  
14          sale and purchase of cannabis is not an arm's length  
15          transaction, or when cannabis is transferred by a craft grower  
16          to the craft grower's dispensing organization or infuser ~~or~~  
17          ~~processing~~ organization and a value is not established for the  
18          cannabis. The value determined by the Department shall be  
19          commensurate with the actual price received for products of  
20          like quality, character, and use in the area. If there are no  
21          sales of cannabis of like quality, character, and use in the  
22          same area, then the Department shall establish a reasonable  
23          value based on sales of products of like quality, character,  
24          and use in other areas of the State, taking into consideration  
25          any other relevant factors.



1 (b) The Cannabis Cultivation Privilege Tax imposed under  
2 this Article is solely the responsibility of the cultivator  
3 who makes the first sale and is not the responsibility of a  
4 subsequent purchaser, a dispensing organization, or an  
5 infuser. Persons subject to the tax imposed under this Article  
6 may, however, reimburse themselves for their tax liability  
7 hereunder by separately stating reimbursement for their tax  
8 liability as an additional charge.

9 (c) The tax imposed under this Article shall be in  
10 addition to all other occupation, privilege, or excise taxes  
11 imposed by the State of Illinois or by any unit of local  
12 government.

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

14 (410 ILCS 705/65-10)

15 Sec. 65-10. Tax imposed.

16 (a) Beginning January 1, 2020, a tax is imposed upon  
17 purchasers for the privilege of using cannabis, and not for  
18 the purpose of resale, at the following rates:

19 (1) Any cannabis, other than a cannabis-infused  
20 product, with an adjusted delta-9-tetrahydrocannabinol  
21 level at or below 35% shall be taxed at a rate of 10% of  
22 the purchase price;

23 (2) Any cannabis, other than a cannabis-infused  
24 product, with an adjusted delta-9-tetrahydrocannabinol  
25 level above 35% shall be taxed at a rate of 25% of the

1 purchase price; and

2 (3) A cannabis-infused product shall be taxed at a  
3 rate of 20% of the purchase price.

4 (b) The purchase of any product that contains any amount  
5 of cannabis or any derivative thereof is subject to the tax  
6 under subsection (a) of this Section on the full purchase  
7 price of the product.

8 (c) The tax imposed under this Section is not imposed on  
9 cannabis that is subject to tax under the Compassionate Use of  
10 Medical Cannabis Program Act. The tax imposed by this Section  
11 is not imposed with respect to any transaction in interstate  
12 commerce, to the extent the transaction may not, under the  
13 Constitution and statutes of the United States, be made the  
14 subject of taxation by this State.

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

19 (e) The tax imposed under this Article shall not be  
20 imposed on any purchase by a purchaser if the cannabis  
21 retailer is prohibited by federal or State Constitution,  
22 treaty, convention, statute, or court decision from collecting  
23 the tax from the purchaser.

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

25 (410 ILCS 705/65-38)

1           Sec. 65-38. Violations and penalties.

2           (a) When the amount due is under \$300, any retailer of  
3 cannabis who fails to file a return, willfully fails or  
4 refuses to make any payment to the Department of the tax  
5 imposed by this Article, or files a fraudulent return, or any  
6 officer or agent of a corporation engaged in the business of  
7 selling cannabis to purchasers located in this State who signs  
8 a fraudulent return filed on behalf of the corporation, or any  
9 accountant or other agent who knowingly enters false  
10 information on the return of any taxpayer under this Article  
11 is guilty of a Class 4 felony.

12           (b) When the amount due is \$300 or more, any retailer of  
13 cannabis who files, or causes to be filed, a fraudulent  
14 return, or any officer or agent of a corporation engaged in the  
15 business of selling cannabis to purchasers located in this  
16 State who files or causes to be filed or signs or causes to be  
17 signed a fraudulent return filed on behalf of the corporation,  
18 or any accountant or other agent who knowingly enters false  
19 information on the return of any taxpayer under this Article  
20 is guilty of a Class 3 felony.

21           (c) Any person who violates any provision of Section  
22 65-20, fails to keep books and records as required under this  
23 Article, or willfully violates a rule of the Department for  
24 the administration and enforcement of this Article is guilty  
25 of a Class 4 felony. A person commits a separate offense on  
26 each day that he or she engages in business in violation of

1 Section 65-20 or a rule of the Department for the  
2 administration and enforcement of this Article. If a person  
3 fails to produce the books and records for inspection by the  
4 Department upon request, a prima facie presumption shall arise  
5 that the person has failed to keep books and records as  
6 required under this Article. A person who is unable to rebut  
7 this presumption is in violation of this Article and is  
8 subject to the penalties provided in this Section.

9 (d) Any person who violates any provision of Sections  
10 ~~65-20, fails to keep books and records as required under this~~  
11 ~~Article,~~ or willfully violates a rule of the Department for  
12 the administration and enforcement of this Article, is guilty  
13 of a business offense and may be fined up to \$5,000. ~~If a~~  
14 ~~person fails to produce books and records for inspection by~~  
15 ~~the Department upon request, a prima facie presumption shall~~  
16 ~~arise that the person has failed to keep books and records as~~  
17 ~~required under this Article. A person who is unable to rebut~~  
18 ~~this presumption is in violation of this Article and is~~  
19 ~~subject to the penalties provided in this Section.~~ A person  
20 commits a separate offense on each day that he or she engages  
21 in business in violation of Section 65-20.

22 (e) Any taxpayer or agent of a taxpayer who with the intent  
23 to defraud purports to make a payment due to the Department by  
24 issuing or delivering a check or other order upon a real or  
25 fictitious depository for the payment of money, knowing that  
26 it will not be paid by the depository, is guilty of a deceptive

1 practice in violation of Section 17-1 of the Criminal Code of  
2 2012.

3 (f) Any person who fails to keep books and records or fails  
4 to produce books and records for inspection, as required by  
5 Section 65-36, is liable to pay to the Department, for deposit  
6 in the Tax Compliance and Administration Fund, a penalty of  
7 \$1,000 for the first failure to keep books and records or  
8 failure to produce books and records for inspection, as  
9 required by Section 65-36, and \$3,000 for each subsequent  
10 failure to keep books and records or failure to produce books  
11 and records for inspection, as required by Section 65-36.

12 (g) Any person who knowingly acts as a retailer of  
13 cannabis in this State without first having obtained a  
14 certificate of registration to do so in compliance with  
15 Section 65-20 of this Article shall be guilty of a Class 4  
16 felony.

17 (h) A person commits the offense of tax evasion under this  
18 Article when he or she knowingly attempts in any manner to  
19 evade or defeat the tax imposed on him or her or on any other  
20 person, or the payment thereof, and he or she commits an  
21 affirmative act in furtherance of the evasion. As used in this  
22 Section, "affirmative act in furtherance of the evasion" means  
23 an act designed in whole or in part to (i) conceal,  
24 misrepresent, falsify, or manipulate any material fact or (ii)  
25 tamper with or destroy documents or materials related to a  
26 person's tax liability under this Article. Two or more acts of

1 sales tax evasion may be charged as a single count in any  
2 indictment, information, or complaint and the amount of tax  
3 deficiency may be aggregated for purposes of determining the  
4 amount of tax that is attempted to be or is evaded and the  
5 period between the first and last acts may be alleged as the  
6 date of the offense.

7 (1) When the amount of tax, the assessment or payment  
8 of which is attempted to be or is evaded is less than \$500,  
9 a person is guilty of a Class 4 felony.

10 (2) When the amount of tax, the assessment or payment  
11 of which is attempted to be or is evaded is \$500 or more  
12 but less than \$10,000, a person is guilty of a Class 3  
13 felony.

14 (3) When the amount of tax, the assessment or payment  
15 of which is attempted to be or is evaded is \$10,000 or more  
16 but less than \$100,000, a person is guilty of a Class 2  
17 felony.

18 (4) When the amount of tax, the assessment or payment  
19 of which is attempted to be or is evaded is \$100,000 or  
20 more, a person is guilty of a Class 1 felony.

21 Any person who knowingly sells, purchases, installs,  
22 transfers, possesses, uses, or accesses any automated sales  
23 suppression device, zapper, or phantom-ware in this State is  
24 guilty of a Class 3 felony.

25 As used in this Section:

26 "Automated sales suppression device" or "zapper" means a

1 software program that falsifies the electronic records of an  
2 electronic cash register or other point-of-sale system,  
3 including, but not limited to, transaction data and  
4 transaction reports. The term includes the software program,  
5 any device that carries the software program, or an Internet  
6 link to the software program.

7 "Phantom-ware" means a hidden programming option embedded  
8 in the operating system of an electronic cash register or  
9 hardwired into an electronic cash register that can be used to  
10 create a second set of records or that can eliminate or  
11 manipulate transaction records in an electronic cash register.

12 "Electronic cash register" means a device that keeps a  
13 register or supporting documents through the use of an  
14 electronic device or computer system designed to record  
15 transaction data for the purpose of computing, compiling, or  
16 processing retail sales transaction data in any manner.

17 "Transaction data" includes: items purchased by a  
18 purchaser; the price of each item; a taxability determination  
19 for each item; a segregated tax amount for each taxed item; the  
20 amount of cash or credit tendered; the net amount returned to  
21 the customer in change; the date and time of the purchase; the  
22 name, address, and identification number of the vendor; and  
23 the receipt or invoice number of the transaction.

24 "Transaction report" means a report that documents,  
25 without limitation, the sales, taxes, or fees collected, media  
26 totals, and discount voids at an electronic cash register and

1 that is printed on a cash register tape at the end of a day or  
2 shift, or a report that documents every action at an  
3 electronic cash register and is stored electronically.

4 A prosecution for any act in violation of this Section may  
5 be commenced at any time within 5 years of the commission of  
6 that act.

7 (i) The Department may adopt rules to administer the  
8 penalties under this Section.

9 (j) Any person whose principal place of business is in  
10 this State and who is charged with a violation under this  
11 Section shall be tried in the county where his or her principal  
12 place of business is located unless he or she asserts a right  
13 to be tried in another venue.

14 (k) Except as otherwise provided in subsection (h), a  
15 prosecution for a violation described in this Section may be  
16 commenced within 3 years after the commission of the act  
17 constituting the violation.

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

19 (410 ILCS 705/65-42)

20 Sec. 65-42. Seizure and forfeiture. After seizing any  
21 cannabis as provided in Section 65-41, the Department must  
22 hold a hearing and determine whether (i) the retailer was  
23 properly registered to sell the cannabis; (ii) the retailer  
24 possessed the cannabis in violation of this Act; (iii) the  
25 retailer possessed the cannabis in violation of any reasonable



1 rule or regulation adopted by the Department for the  
2 enforcement of this Act; or (iv) the tax imposed by Article 60  
3 had been paid on the cannabis at the time of its seizure by the  
4 Department. The Department shall give not less than 20 days'  
5 notice of the time and place of the hearing to the owner of the  
6 cannabis, if the owner is known, and also to the person in  
7 whose possession the cannabis was found, if that person is  
8 known and if the person in possession is not the owner of the  
9 cannabis. If neither the owner nor the person in possession of  
10 the cannabis is known, the Department must cause publication  
11 of the time and place of the hearing to be made at least once  
12 in each week for 3 weeks successively in a newspaper of general  
13 circulation in the county where the hearing is to be held.

14 If, as the result of the hearing, the Department makes any  
15 of the findings listed in items (i) through (iv) above  
16 ~~determines that the retailer was not properly registered at~~  
17 ~~the time the cannabis was seized,~~ the Department must enter an  
18 order declaring the cannabis confiscated and forfeited to the  
19 State, to be held by the Department for disposal by it as  
20 provided in Section 65-43. The Department must give notice of  
21 the order to the owner of the cannabis, if the owner is known,  
22 and also to the person in whose possession the cannabis was  
23 found, if that person is known and if the person in possession  
24 is not the owner of the cannabis. If neither the owner nor the  
25 person in possession of the cannabis is known, the Department  
26 must cause publication of the order to be made at least once in

1 each week for 3 weeks successively in a newspaper of general  
2 circulation in the county where the hearing was held.

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

4 (410 ILCS 705/20-50 rep.)

5 (410 ILCS 705/30-50 rep.)

6 Section 45. The Cannabis Regulation and Tax Act is amended  
7 by repealing Sections 20-50 and 30-50.

8 Section 50. The Tobacco Accessories and Smoking Herbs  
9 Control Act is amended by changing Section 2 as follows:

10 (720 ILCS 685/2) (from Ch. 23, par. 2358-2)

11 Sec. 2. Purpose. The sale and possession of ~~marijuana,~~  
12 ~~hashish,~~ cocaine, opium and their derivatives, is not only  
13 prohibited by Illinois Law, but the use of these substances  
14 has been deemed injurious to the health of the user.

15 It has further been determined by the Surgeon General of  
16 the United States that the use of tobacco is hazardous to human  
17 health.

18 The ready availability of smoking herbs to persons under  
19 21 years of age could lead to the use of tobacco and illegal  
20 drugs.

21 It is in the best interests of the citizens of the State of  
22 Illinois to seek to prohibit the spread of illegal drugs,  
23 tobacco or smoking materials to persons under 21 years of age.

1 The prohibition of the sale of tobacco and snuff accessories  
2 and smoking herbs to persons under 21 years of age would help  
3 to curb the usage of illegal drugs and tobacco products, among  
4 our youth.

5 (Source: P.A. 101-2, eff. 7-1-19.)

6 Section 99. Effective date. This Act takes effect upon  
7 becoming law.

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- 30 ILCS 500/1-10
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- 35 ILCS 120/11 from Ch. 120, par. 450
- 55 ILCS 5/5-1009 from Ch. 34, par. 5-1009
- 65 ILCS 5/8-11-6a from Ch. 24, par. 8-11-6a
- 410 ILCS 130/145
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- 18 410 ILCS 705/65-42
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- 20 410 ILCS 705/30-50 rep.
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