



101ST GENERAL ASSEMBLY

State of Illinois

2019 and 2020

HB5201

by Rep. Mary Edly-Allen

SYNOPSIS AS INTRODUCED:

410 ILCS 705/10-20
410 ILCS 705/55-23 new

Amends the Cannabis Regulation and Tax Act. Establishes a cannabis tracking program coordinated and administered by the Illinois State Police to track purchases of cannabis across multiple locations by any person or entity licensed under the Act. Provides that each time an adult use dispensing organization distributes cannabis to an adult use purchaser, the adult use dispensing organization shall transmit an electronic transaction record to a Central Repository. Requires the Department of Financial and Professional Regulation to notify persons or entities seeking licensure under the Act of their obligation to comply with the requirements. Provides that funding for the tracking program shall be provided by the Illinois State Police, drawing upon State grant money and other available sources. Requires the Illinois State Police to establish a secure website for the transmission of electronic transaction records. Contains provisions regarding the confidentiality of records. Provides specified criminal offenses and fines for violations. Preempts home rule. Contains other provisions.

LRB101 18736 CPF 68191 b

FISCAL NOTE ACT
MAY APPLY

HOME RULE NOTE
ACT MAY APPLY

1 AN ACT concerning health.

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

4 Section 5. The Cannabis Regulation and Tax Act is amended
5 by changing Section 10-20 and adding Section 55-23 as follows:

6 (410 ILCS 705/10-20)

7 Sec. 10-20. Identification; false identification; penalty.

8 (a) To protect personal privacy, the Department of
9 Financial and Professional Regulation shall not require a
10 purchaser to provide a dispensing organization with personal
11 information other than government-issued identification to
12 determine the purchaser's age, and a dispensing organization
13 shall not obtain and record personal information about a
14 purchaser without the purchaser's consent. A dispensing
15 organization shall use an electronic reader or electronic
16 scanning device to scan a purchaser's government-issued
17 identification, if applicable, to determine the purchaser's
18 age and the validity of the identification. Any identifying or
19 personal information of a purchaser obtained or received in
20 accordance with this Section shall not be retained, used,
21 shared or disclosed for any purpose except as required under
22 Section 55-23 and as otherwise authorized by this Act.

23 (b) A person who is under 21 years of age may not present

1 or offer to a cannabis business establishment or the cannabis
2 business establishment's principal or employee any written or
3 oral evidence of age that is false, fraudulent, or not actually
4 the person's own, for the purpose of:

5 (1) purchasing, attempting to purchase, or otherwise
6 obtaining or attempting to obtain cannabis or any cannabis
7 product; or

8 (2) gaining access to a cannabis business
9 establishment.

10 (c) A violation of this Section is a Class A misdemeanor
11 consistent with Section 6-20 of the Liquor Control Act of 1934.

12 (d) The Secretary of State may suspend or revoke the
13 driving privileges of any person for a violation of this
14 Section under Section 6-206 of the Illinois Vehicle Code and
15 the rules adopted under it.

16 (e) No agent or employee of the licensee shall be
17 disciplined or discharged for selling or furnishing cannabis or
18 cannabis products to a person under 21 years of age if the
19 agent or employee demanded and was shown, before furnishing
20 cannabis or cannabis products to a person under 21 years of
21 age, adequate written evidence of age and identity of the
22 person. This subsection (e) does not apply if the agent or
23 employee accepted the written evidence knowing it to be false
24 or fraudulent. Adequate written evidence of age and identity of
25 the person is a document issued by a federal, State, county, or
26 municipal government, or subdivision or agency thereof,

1 including, but not limited to, a motor vehicle operator's
2 license, a registration certificate issued under the Military
3 Selective Service Act, or an identification card issued to a
4 member of the Armed Forces. Proof that the licensee or his or
5 her employee or agent was shown and reasonably relied upon such
6 written evidence in any transaction forbidden by this Section
7 is an affirmative defense in any criminal prosecution therefor
8 or to any proceedings for the suspension or revocation of any
9 license based thereon.

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

11 (410 ILCS 705/55-23 new)

12 Sec. 55-23. Cannabis tracking program.

13 (a) There is established a statewide cannabis tracking
14 program coordinated and administered by the Illinois State
15 Police to track purchases of cannabis across multiple
16 locations. The tracking program created by this Section shall
17 be the sole cannabis tracking program in Illinois.

18 (b) Each time an adult use dispensing organization
19 distributes cannabis to an adult use purchaser, the adult use
20 dispensing organization shall transmit an electronic
21 transaction record to the Central Repository. As used in this
22 Section, "Central Repository" means the entity chosen by the
23 Illinois State Police to handle electronic transaction records
24 as described in this Act.

25 (c) The Department of Financial and Professional

1 Regulation shall notify persons or entities seeking licensure
2 under this Act of their obligation to comply with the
3 requirements of this Section.

4 (d) Funding for the tracking program shall be provided by
5 the Illinois State Police, drawing upon State grant money and
6 other available sources.

7 (e) The Illinois State Police, in consultation with the
8 Department of Innovation and Technology, shall establish a
9 secure website for the transmission of electronic transaction
10 records and make it available free of charge to adult use
11 dispensing organizations.

12 The secure website shall enable adult use dispensing
13 organizations to transmit to the Central Repository an
14 electronic transaction record each time the adult use
15 dispensing organization distributes cannabis to an adult use
16 purchaser.

17 If the secure website becomes unavailable to an adult use
18 dispensing organization, the adult use dispensing organization
19 may, during the period in which the secure website is not
20 available, continue to distribute cannabis to adult use
21 purchasers without using the secure website if, during this
22 period, the adult use dispensing organization maintains and
23 transmits handwritten logs.

24 (f) The Central Repository may delete each electronic
25 transaction record and handwritten log entry 48 months after
26 the date of the transaction it describes.

1 The Illinois State Police and Central Repository shall
2 carry out a program to protect the confidentiality of
3 electronic transaction records created under this Section and
4 shall ensure that this information remains confidential except
5 as specifically provided in this subsection.

6 Any employee or agent of the Central Repository may have
7 access to electronic transaction records and handwritten log
8 entries solely for the purpose of receiving, processing,
9 storing, or analyzing this information.

10 The Illinois State Police may grant qualified outside
11 entities access to electronic transaction records or
12 handwritten log entries for the purpose of identifying,
13 investigating, or prosecuting violations of this Act or any
14 other State law or rule involving cannabis. In this Section,
15 "qualified outside entity" has the same meaning as provided in
16 Section 10 of the Methamphetamine Precursor Tracking Act.

17 The Illinois State Police may release electronic
18 transaction records or handwritten log entries to the
19 authorized representative of a qualified outside entity only if
20 the Illinois State Police verifies that the entity receiving
21 electronic transaction records or handwritten log entries is a
22 qualified outside entity and that qualified outside entity
23 agrees or has previously agreed in writing that it will use
24 electronic transaction records and handwritten log entries
25 solely for the purpose of identifying, investigating, or
26 prosecuting violations of this Act or any other State law or

1 rule involving cannabis.

2 The Illinois State Police may release to an adult use
3 purchaser any electronic transaction records clearly relating
4 to that adult use purchaser, upon sufficient proof of identity.

5 (g) Any person who violates this Section is guilty of a
6 petty offense and subject to a fine of \$500 for a first
7 offense; \$1,000 for a second offense occurring at the same
8 retail location within 3 years of the offense; and \$5,000 for a
9 third or subsequent offense occurring at the same retail
10 location within 3 years of the prior offenses.

11 An employee or agent of an adult use dispensing
12 organization who violates this Section is guilty of a Class A
13 misdemeanor for a first offense; a Class 4 felony for a second
14 offense; and a Class 1 felony for a third or subsequent
15 offense.

16 (h) The regulation of the tracking of cannabis is an
17 exclusive power and function of the State. A county or
18 municipality, including a home rule unit, may not regulate the
19 tracking of cannabis. This Section is a denial and limitation
20 of home rule powers under subsection (h) of Section 6 of
21 Article VII of the Illinois Constitution.