**Section 1290.70 Selection Criteria**

a) Applicants must submit all required information, including that required in Section 1290.50. Failure by an applicant to submit all required information may result in the application being disqualified.

b) If the Division receives an application with missing information, the Division may issue a deficiency notice to the applicant. The applicant shall have seven calendar days from the date of the deficiency notice to resubmit the incomplete information. Applications that are still incomplete after this opportunity to cure will not be scored and will be disqualified.

c) The Division will award points to administratively complete applications based on the clarity, organization and quality of the applicant's responses to required information. Applicants will be awarded points according to the following categories:

1) Suitability of the Proposed Dispensary

A) A demonstration that the proposed location is suitable for public access, the layout promotes safe dispensing of medical cannabis, it is sufficient in size, power allocation, lighting, parking, handicapped accessible parking spaces, ADA accessible entry and exits, product handling, and storage.

B) A statement of reasonable assurance that the issuance of a registration will not have a detrimental impact on the community.

2) Security and Recordkeeping

A) The security plan will demonstrate the capability for the prevention of the theft or diversion of medical cannabis. The security plan will demonstrate safety procedures for dispensary employees, patients, provisional patients, OAPP participants and caregivers, and safe delivery and storage of cannabis and currency. It will demonstrate compliance with all security requirements in this Part.

B) A plan for recordkeeping, tracking and monitoring inventory, quality control and other policies and procedures that will promote standard recordkeeping and discourage unlawful activity. This plan will include the applicant's strategy to communicate with the Division and ISP on the destruction and disposal of cannabis.

3) Applicant's Business Plan, Financials and Operating Plan

A) The business plan shall describe, at a minimum, how the dispensing organization will be managed on a long-term basis. This shall include a description of the State verification system, dispensing organization's point of sale system, Illinois Cannabis Tracking System, purchases and denials of sale, confidentiality, and products and services to be offered.

B) The financial plan shall describe, at a minimum, the source of the $400,000 liquid asset requirement and the amount and source of the organization's equity and debt commitment to ensure financial stability, including a demonstration of the immediate and long-term financial health and resources for the design, development and operation of the dispensary.

C) The operating plan shall include, at a minimum, a timetable that provides an estimated time from authorization through year one of registration and the assumptions used as the basis for those estimates. It will include best practices for day-to-day dispensary operation and staffing.

4) Knowledge and Experience

A) The applicant's principal officers must demonstrate experience and qualifications in business management or experience with the medical cannabis industry. This includes ensuring optimal safety and accuracy in the dispensing and sale of cannabis.

B) The applicant must demonstrate knowledge of various cannabis product strains or varieties, and describe the types and quantities of products planned to be sold. This includes confirmation of whether the dispensary plans to sell medical cannabis paraphernalia or edibles.

d) The Division will award bonus points for preferred, but not required, initiatives based on the applicant's ability to meet requirements in the following categories:

1) Labor and Employment Practices: The applicant may describe plans to provide a safe, healthy and economically beneficial working environment for its agents, including, but not limited to, codes of conduct, healthcare benefits, educational benefits, retirement benefits, and living wage standards.

2) Research Plan: The applicant may provide the Division with a detailed proposal to conduct, or facilitate, a scientific study or studies related to the medicinal use of cannabis. The applicant may include in its proposal a detailed description of:

A) The methodology of the study to accurately assess the effects of cannabis;

B) The issues to be studied;

C) The methods that will be used to identify and select study participants;

D) The identity of each person or organization associated with the study, including the role of each;

E) The duration of the study and anticipated peer review; and

F) The intended use of the study results.

3) Community Benefits Plan: The applicant may provide a description of plans the applicant has to support the local community, the class of citizens served, or a plan for reduction in product costs for indigent patients that qualify.

4) Substance Abuse Prevention Plan: The applicant may provide a detailed description of any plans it will take to combat substance abuse in its District, including the extent to which the applicant will partner or work with existing substance abuse programs.

5) Local Community/Neighborhood Report: The applicant may provide comments, concerns or support received regarding the potential impact of the proposed location on the local community and neighborhood.

6) Environmental Plan: The applicant may demonstrate an environmental plan of action to minimize the carbon footprint, environmental impact, and resource needs for the dispensary.

7) Verification of Minority-Owned, Female-Owned, Veteran-Owned or Disabled Person-Owned Business: The minority, female, veteran or disabled applicants must own at least 51% of the entity applying for registration. The percentage totals may include any combination of minority, female, veteran or disabled applicants. The minority, female, veteran or disabled applicant must also share in control of management and day-to-day operations of the dispensary. Documentation must be submitted at the time of application that demonstrates the respective status of the applicant,including, but not limited to, certification under the Business Enterprise for Minorities, Females, and Persons with Disabilities Act [30 ILCS 575] for minority, female or disabled person applicants, or a DD214 for veteran applicants. For purposes of this subsection, minority, female, and disabled shall be defined as found in Section 2 of the Business Enterprise for Minorities, Females, and Persons with Disabilities Act [30 ILCS 575/2].

8) Illinois Based Applicants: Documentation that the applicant's principal place of business is headquartered in Illinois, including the names, addresses and verification of the applicant's proposed agents that reside in Illinois. The applicant may also provide a plan for generating Illinois-based jobs and economic development.

e) The Division may verify information contained in each application and accompanying documentation to assess the applicant's character and fitness to operate a dispensary. In addition to the qualifications required in the Act and this Part, the Division may not grant an authorization or registration unless it is satisfied that the applicant is:

1) A person of good character, honesty and integrity;

2) A person whose background, including criminal record, reputation, habits and social or business associations, does not discredit or tend to discredit public confidence and trust in the Illinois medical cannabis industry or the State of Illinois, or pose a threat to the public health, security, safety, morals, good order and general welfare of the State of Illinois;

3) A person who does not create or enhance the dangers of unsuitable, unfair or illegal practices, methods and activities in the conduct of owning a medical cannabis dispensary;

4) A person who does not present questionable business practices and financial arrangements incidental to the conduct of owning a medical cannabis dispensary or otherwise;

5) A person who, either individually or through employees, demonstrates business ability and experience to establish, operate and maintain a business for the type of license for which application is made; and

6) A person who does not associate with, either socially or in business affairs, or employ, persons of notorious or unsavory reputation or who have extensive police records, or who have failed to cooperate with an officially constituted investigatory or administrative body.

f) The Division may, in its discretion, refuse to issue an authorization to any applicant:

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

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

3) Who has been found guilty of a violation of the Act, or whose medical cannabis dispensary or cultivation center license was suspended, restricted, revoked or denied for just cause in any other state; or

4) For any other just cause.

g) Should the applicant be awarded an authorization, the information and plans provided in the application become a condition of the authorization. Dispensing organizations have a duty to disclose any material changes to the application. All changes shall be equal to or better than the original information or plans. Failure to comply with the conditions or requirements in the application may subject the dispensing organization to discipline, up to and including suspension or revocation of its authorization by the Division. Revocation of an authorization shall serve as a final administrative decision by the Division.

(Source: Amended at 43 Ill. Reg. 6593, effective May 20, 2019)