



Rep. Jehan Gordon-Booth

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10100HB0727ham001

LRB101 03434 RPS 74648 a

1 AMENDMENT TO HOUSE BILL 727

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 727 by replacing  
3 everything after the enacting clause.

4 "Section 5. The Cannabis Regulation and Tax Act is amended  
5 by changing Section 1-10 and by adding Section 15-30.1 as  
6 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 in

1 furtherance of this Act.

2 "Application points" means the number of points a  
3 dispensary applicant receives on an application for a  
4 Conditional Adult Use Dispensing Organization License.

5 "Advertise" means to engage in promotional activities  
6 including, but not limited to: newspaper, radio, Internet and  
7 electronic media, and television advertising; the distribution  
8 of fliers and circulars; billboard advertising; and the display  
9 of window and interior signs. "Advertise" does not mean  
10 exterior signage displaying only the name of the licensed  
11 cannabis business establishment.

12 "BLS Region" means a region in Illinois used by the United  
13 States Bureau of Labor Statistics to gather and categorize  
14 certain employment and wage data. The 17 such regions in  
15 Illinois are: Bloomington, Cape Girardeau, Carbondale-Marion,  
16 Champaign-Urbana, Chicago-Naperville-Elgin, Danville,  
17 Davenport-Moline-Rock Island, Decatur, Kankakee, Peoria,  
18 Rockford, St. Louis, Springfield, Northwest Illinois  
19 nonmetropolitan area, West Central Illinois nonmetropolitan  
20 area, East Central Illinois nonmetropolitan area, and South  
21 Illinois nonmetropolitan area.

22 "By lot" means a randomized method of choosing between 2 or  
23 more eligible tied applicants or 2 or more qualifying  
24 applicants.

25 "Cannabis" means marijuana, hashish, and other substances  
26 that are identified as including any parts of the plant

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

18 "Cannabis business establishment" means a cultivation  
19 center, craft grower, processing organization, infuser  
20 organization, dispensing organization, or transporting  
21 organization.

22 "Cannabis concentrate" means a product derived from  
23 cannabis that is produced by extracting cannabinoids,  
24 including tetrahydrocannabinol (THC), from the plant through  
25 the use of propylene glycol, glycerin, butter, olive oil or  
26 other typical cooking fats; water, ice, or dry ice; or butane,

1 propane, CO<sub>2</sub>, ethanol, or isopropanol and with the intended use  
2 of smoking or making a cannabis-infused product. The use of any  
3 other solvent is expressly prohibited unless and until it is  
4 approved by the Department of Agriculture.

5 "Cannabis container" means a sealed, traceable, container,  
6 or package used for the purpose of containment of cannabis or  
7 cannabis-infused product during transportation.

8 "Cannabis flower" means marijuana, hashish, and other  
9 substances that are identified as including any parts of the  
10 plant Cannabis sativa and including derivatives or subspecies,  
11 such as indica, of all strains of cannabis; including raw kief,  
12 leaves, and buds, but not resin that has been extracted from  
13 any part of such plant; nor any compound, manufacture, salt,  
14 derivative, mixture, or preparation of such plant, its seeds,  
15 or resin.

16 "Cannabis-infused product" means a beverage, food, oil,  
17 ointment, tincture, topical formulation, or another product  
18 containing cannabis or cannabis concentrate that is not  
19 intended to be smoked.

20 "Cannabis paraphernalia" means equipment, products, or  
21 materials intended to be used for planting, propagating,  
22 cultivating, growing, harvesting, manufacturing, producing,  
23 processing, preparing, testing, analyzing, packaging,  
24 repackaging, storing, containing, concealing, ingesting, or  
25 otherwise introducing cannabis into the human body.

26 "Cannabis plant monitoring system" or "plant monitoring

1 system" means a system that includes, but is not limited to,  
2 testing and data collection established and maintained by the  
3 cultivation center, craft grower, or processing organization  
4 and that is available to the Department of Revenue, the  
5 Department of Agriculture, the Department of Financial and  
6 Professional Regulation, and the Department of State Police for  
7 the purposes of documenting each cannabis plant and monitoring  
8 plant development throughout the life cycle of a cannabis plant  
9 cultivated for the intended use by a customer from seed  
10 planting to final packaging.

11 "Cannabis testing facility" means an entity registered by  
12 the Department of Agriculture to test cannabis for potency and  
13 contaminants.

14 "Clone" means a plant section from a female cannabis plant  
15 not yet rootbound, growing in a water solution or other  
16 propagation matrix, that is capable of developing into a new  
17 plant.

18 "Community College Cannabis Vocational Training Pilot  
19 Program faculty participant" means a person who is 21 years of  
20 age or older, licensed by the Department of Agriculture, and is  
21 employed or contracted by an Illinois community college to  
22 provide student instruction using cannabis plants at an  
23 Illinois Community College.

24 "Community College Cannabis Vocational Training Pilot  
25 Program faculty participant Agent Identification Card" means a  
26 document issued by the Department of Agriculture that

1 identifies a person as Community College Cannabis Vocational  
2 Training Pilot Program faculty participant.

3 "Conditional Adult Use Dispensing Organization License"  
4 means a contingent license awarded to ~~top-scoring~~ applicants  
5 for an Adult Use Dispensing Organization License ~~that reserves~~  
6 ~~the right to an Adult Use Dispensing Organization License if~~  
7 ~~the applicant meets certain conditions described in this Act,~~  
8 but does not entitle the recipient to begin purchasing or  
9 selling cannabis or cannabis-infused products.

10 "Conditional Adult Use Cultivation Center License" means a  
11 license awarded to top-scoring applicants for an Adult Use  
12 Cultivation Center License that reserves the right to an Adult  
13 Use Cultivation Center License if the applicant meets certain  
14 conditions as determined by the Department of Agriculture by  
15 rule, but does not entitle the recipient to begin growing,  
16 processing, or selling cannabis or cannabis-infused products.

17 "Craft grower" means a facility operated by an organization  
18 or business that is licensed by the Department of Agriculture  
19 to cultivate, dry, cure, and package cannabis and perform other  
20 necessary activities to make cannabis available for sale at a  
21 dispensing organization or use at a processing organization. A  
22 craft grower may contain up to 5,000 square feet of canopy  
23 space on its premises for plants in the flowering state. The  
24 Department of Agriculture may authorize an increase or decrease  
25 of flowering stage cultivation space in increments of 3,000  
26 square feet by rule based on market need, craft grower

1 capacity, and the licensee's history of compliance or  
2 noncompliance, with a maximum space of 14,000 square feet for  
3 cultivating plants in the flowering stage, which must be  
4 cultivated in all stages of growth in an enclosed and secure  
5 area. A craft grower may share premises with a processing  
6 organization or a dispensing organization, or both, provided  
7 each licensee stores currency and cannabis or cannabis-infused  
8 products in a separate secured vault to which the other  
9 licensee does not have access or all licensees sharing a vault  
10 share more than 50% of the same ownership.

11 "Craft grower agent" means a principal officer, board  
12 member, employee, or other agent of a craft grower who is 21  
13 years of age or older.

14 "Craft Grower Agent Identification Card" means a document  
15 issued by the Department of Agriculture that identifies a  
16 person as a craft grower agent.

17 "Cultivation center" means a facility operated by an  
18 organization or business that is licensed by the Department of  
19 Agriculture to cultivate, process, transport (unless otherwise  
20 limited by this Act), and perform other necessary activities to  
21 provide cannabis and cannabis-infused products to cannabis  
22 business establishments.

23 "Cultivation center agent" means a principal officer,  
24 board member, employee, or other agent of a cultivation center  
25 who is 21 years of age or older.

26 "Cultivation Center Agent Identification Card" means a

1 document issued by the Department of Agriculture that  
2 identifies a person as a cultivation center agent.

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

4 "Dispensary" means a facility operated by a dispensing  
5 organization at which activities licensed by this Act may  
6 occur.

7 "Dispensary applicant" means the proposed dispensing  
8 organization name as stated on an application for a Conditional  
9 Adult Use Dispensing Organization License.

10 "Dispensing organization" means a facility operated by an  
11 organization or business that is licensed by the Department of  
12 Financial and Professional Regulation to acquire cannabis from  
13 a cultivation center, craft grower, processing organization,  
14 or another dispensary for the purpose of selling or dispensing  
15 cannabis, cannabis-infused products, cannabis seeds,  
16 paraphernalia, or related supplies under this Act to purchasers  
17 or to qualified registered medical cannabis patients and  
18 caregivers. As used in this Act, "dispensing organization"  
19 includes a registered medical cannabis organization as defined  
20 in the Compassionate Use of Medical Cannabis Program Act or its  
21 successor Act that has obtained an Early Approval Adult Use  
22 Dispensing Organization License.

23 "Dispensing organization agent" means a principal officer,  
24 employee, or agent of a dispensing organization who is 21 years  
25 of age or older.

26 "Dispensing organization agent identification card" means



1 a document issued by the Department of Financial and  
2 Professional Regulation that identifies a person as a  
3 dispensing organization agent.

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

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

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

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

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

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

25 (2) has high rates of arrest, conviction, and  
26 incarceration related to the sale, possession, use,

1 cultivation, manufacture, or transport of cannabis.

2 "Early Approval Adult Use Cultivation Center License"  
3 means a license that permits a medical cannabis cultivation  
4 center licensed under the Compassionate Use of Medical Cannabis  
5 Program Act as of the effective date of this Act to begin  
6 cultivating, infusing, packaging, transporting (unless  
7 otherwise provided in this Act), processing and selling  
8 cannabis or cannabis-infused product to cannabis business  
9 establishments for resale to purchasers as permitted by this  
10 Act as of January 1, 2020.

11 "Early Approval Adult Use Dispensing Organization License"  
12 means a license that permits a medical cannabis dispensing  
13 organization licensed under the Compassionate Use of Medical  
14 Cannabis Program Act as of the effective date of this Act to  
15 begin selling cannabis or cannabis-infused product to  
16 purchasers as permitted by this Act as of January 1, 2020.

17 "Early Approval Adult Use Dispensing Organization at a  
18 secondary site" means a license that permits a medical cannabis  
19 dispensing organization licensed under the Compassionate Use  
20 of Medical Cannabis Program Act as of the effective date of  
21 this Act to begin selling cannabis or cannabis-infused product  
22 to purchasers as permitted by this Act on January 1, 2020 at a  
23 different dispensary location from its existing registered  
24 medical dispensary location.

25 "Eligible tied applicant" means a tied applicant that is  
26 eligible to participate in the process by which a remaining

1 available license is distributed by lot pursuant to a Tied  
2 Applicant Lottery.

3 "Enclosed, locked facility" means a room, greenhouse,  
4 building, or other enclosed area equipped with locks or other  
5 security devices that permit access only by cannabis business  
6 establishment agents working for the licensed cannabis  
7 business establishment or acting pursuant to this Act to  
8 cultivate, process, store, or distribute cannabis.

9 "Enclosed, locked space" means a closet, room, greenhouse,  
10 building or other enclosed area equipped with locks or other  
11 security devices that permit access only by authorized  
12 individuals under this Act. "Enclosed, locked space" may  
13 include:

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

21 (2) a structure, such as a shed or greenhouse, that  
22 lies on the same plot of land as a residential building  
23 that (i) includes sleeping quarters and indoor plumbing and  
24 (ii) is used as a primary residence by the person  
25 cultivating 5 or fewer cannabis plants that are more than 5  
26 inches tall, such as a shed or greenhouse. The structure

1 must remain locked when it is unoccupied by people.

2 "Financial institution" has the same meaning as "financial  
3 organization" as defined in Section 1501 of the Illinois Income  
4 Tax Act, and also includes the holding companies, subsidiaries,  
5 and affiliates of such financial organizations.

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

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

11 (2) if the cannabis plant is in an area that has been  
12 intentionally deprived of light for a period of time  
13 intended to produce flower buds and induce maturation, from  
14 the moment the light deprivation began through the  
15 remainder of the marijuana plant growth cycle.

16 "Individual" means a natural person.

17 "Infuser organization" or "infuser" means a facility  
18 operated by an organization or business that is licensed by the  
19 Department of Agriculture to directly incorporate cannabis or  
20 cannabis concentrate into a product formulation to produce a  
21 cannabis-infused product.

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

26 "Labor peace agreement" means an agreement between a

1 cannabis business establishment and any labor organization  
2 recognized under the National Labor Relations Act, referred to  
3 in this Act as a bona fide labor organization, that prohibits  
4 labor organizations and members from engaging in picketing,  
5 work stoppages, boycotts, and any other economic interference  
6 with the cannabis business establishment. This agreement means  
7 that the cannabis business establishment has agreed not to  
8 disrupt efforts by the bona fide labor organization to  
9 communicate with, and attempt to organize and represent, the  
10 cannabis business establishment's employees. The agreement  
11 shall provide a bona fide labor organization access at  
12 reasonable times to areas in which the cannabis business  
13 establishment's employees work, for the purpose of meeting with  
14 employees to discuss their right to representation, employment  
15 rights under State law, and terms and conditions of employment.  
16 This type of agreement shall not mandate a particular method of  
17 election or certification of the bona fide labor organization.

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

1 the Compassionate Use of Medical Cannabis Program Act are also  
2 permitted at the dispensary, registered qualifying patients,  
3 caregivers, provisional patients, and Opioid Alternative Pilot  
4 Program participants.

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

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

15 "Ordinary public view" means within the sight line with  
16 normal visual range of a person, unassisted by visual aids,  
17 from a public street or sidewalk adjacent to real property, or  
18 from within an adjacent property.

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

25 "Person" means a natural individual, firm, partnership,  
26 association, joint stock company, joint venture, public or

1 private corporation, limited liability company, or a receiver,  
2 executor, trustee, guardian, or other representative appointed  
3 by order of any court.

4 "Possession limit" means the amount of cannabis under  
5 Section 10-10 that may be possessed at any one time by a person  
6 21 years of age or older or who is a registered qualifying  
7 medical cannabis patient or caregiver under the Compassionate  
8 Use of Medical Cannabis Program Act.

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

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

1 more than one primary residence.

2 "Processing organization" or "processor" means a facility  
3 operated by an organization or business that is licensed by the  
4 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 "Qualified Social Equity Applicant" means a Social Equity  
18 Applicant who has been awarded a conditional license under this  
19 Act to operate a cannabis business establishment.

20 "Qualifying applicant" means an applicant that submitted  
21 an application pursuant to Section 15-30 that received at least  
22 75% of 250 available application points pursuant to the  
23 application scoring procedure described in subsection (c) of  
24 Section 15-30 of this Act, including any supplemental process  
25 to correct deficiencies.

26 "Qualifying Applicant Lottery" means the process for



1 awarding Conditional Adult Use Dispensing Organization  
2 Licenses among qualifying applicants pursuant to Section  
3 15-30.1 of this Act.

4 "Resided" means an individual's primary residence was  
5 located within the relevant geographic area as established by 2  
6 of the following:

7 (1) a signed lease agreement that includes the  
8 applicant's name;

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

10 (3) school records;

11 (4) a voter registration card;

12 (5) an Illinois driver's license, an Illinois  
13 Identification Card, or an Illinois Person with a  
14 Disability Identification Card;

15 (6) a paycheck stub;

16 (7) a utility bill;

17 (8) tax records; or

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

20 "Smoking" means the inhalation of smoke caused by the  
21 combustion of cannabis.

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

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

1 Impacted Area;

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

4 (i) have been arrested for, convicted of, or  
5 adjudicated delinquent for any offense that is  
6 eligible for expungement under this Act; or

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

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

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

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

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

22 "Tied applicant" means a dispensary applicant that  
23 submitted an application pursuant to Section 15-30 that  
24 received the same number of application points pursuant to the  
25 application scoring procedure described in subsection (c) of  
26 Section 15-30 as one or more top-scoring applications in the

1 same BLS Region and would have been awarded a license but for  
2 the one or more other top-scoring applications that received  
3 the same number of application points, including any  
4 applications scored pursuant to a supplemental process to  
5 correct deficiencies. Each application score that is attached  
6 to a dispensary applicant that has previously paid the required  
7 application fee for the application period ending January 2,  
8 2020 creates a separate tied applicant.

9 "Tied Applicant Lottery" means the process established in  
10 Sections 1291.10 and 1291.50 of Title 68 of the Illinois  
11 Administrative Code for awarding Conditional Adult Use  
12 Dispensing Organization Licenses pursuant to Sections 15-25  
13 and 15-30 among eligible tied applicants.

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

21 "Transporting organization" or "transporter" means an  
22 organization or business that is licensed by the Department of  
23 Agriculture to transport cannabis or cannabis-infused product  
24 on behalf of a cannabis business establishment or a community  
25 college licensed under the Community College Cannabis  
26 Vocational Training Pilot Program.

1 "Transporting organization agent" means a principal  
2 officer, board member, employee, or agent of a transporting  
3 organization.

4 "Transporting organization agent identification card"  
5 means a document issued by the Department of Agriculture that  
6 identifies a person as a transporting organization agent.

7 "Unit of local government" means any county, city, village,  
8 or incorporated town.

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

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

19 (2) any cannabis plant that is cultivated solely for  
20 the purpose of propagating clones and is never used to  
21 produce cannabis.

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

23 (410 ILCS 705/15-30.1 new)

24 Sec. 15-30.1. Qualifying Applicant Lottery.

25 (a) Notwithstanding the 75 Conditional Adult Use

1 Dispensing Organization Licenses authorized under subsection  
2 (a) of Section 15-25 of this Act, the Department shall conduct  
3 a lottery to award up to an additional 75 Conditional Adult Use  
4 Dispensing Organization Licenses through a Qualifying  
5 Applicant Lottery to qualifying applicants that applied for,  
6 but did not receive, a Conditional Adult Use Dispensing  
7 Organization License pursuant to Sections 15-25 and 15-30. Any  
8 dispensary applicant eligible to participate in the Tied  
9 Applicant Lottery for the awarding of licenses pursuant to  
10 Sections 15-25 and 15-30 may not qualify as a qualifying  
11 applicant and may not participate in the lottery for awarding  
12 licenses pursuant to this Section, unless that applicant  
13 withdraws from the Tied Applicant Lottery pursuant to  
14 subsection (f) of this Section. Prior to conducting a  
15 Qualifying Applicant Lottery, the Department may adopt rules  
16 through emergency rulemaking in accordance with subsection  
17 (kk) of Section 5-45 of the Illinois Administrative Procedure  
18 Act. The General Assembly finds that the adoption of rules to  
19 regulate cannabis use is deemed an emergency and necessary for  
20 the public interest, safety, and welfare.

21 (b) There shall be no additional cost to participate in a  
22 Qualifying Applicant Lottery. However, the Department may  
23 require a dispensary applicant to submit additional  
24 documentation in order to participate in a Qualifying Applicant  
25 Lottery under this Section.

26 (c) No individual may be listed as a principal officer of

1 more than 2 total entries across all BLS Regions in the  
2 Qualifying Applicant Lottery. No dispensary applicant may  
3 submit more than one entry in any BLS Region in the Qualifying  
4 Applicant Lottery.

5 (d) No qualifying applicant may be awarded more than 2  
6 Conditional Adult Use Dispensing Organization Licenses at the  
7 conclusion of the Qualifying Applicant Lottery.

8 (e) The 75 Conditional Adult Use Dispensing Organization  
9 Licenses established pursuant to this Section shall be  
10 geographically allocated in the exact manner as the licenses  
11 under subsection (c) of Section 15-25 of this Act and remain  
12 subject to all other requirements of Sections 15-25 and 15-30  
13 unless such requirements conflict with this Section.

14 (f) Any dispensary applicant seeking to participate in the  
15 Qualifying Applicant Lottery must attest to the Department no  
16 later than 5 business days after the resulting final score for  
17 all scored applications pursuant to Section 15-30, including  
18 any supplemental process to correct deficiencies, is issued to  
19 dispensary applicants. The attestation must state that the  
20 dispensary applicant is not participating in the Tied Applicant  
21 Lottery for awarding licenses pursuant to Sections 15-25 and  
22 15-30 and the dispensary applicant and its principal officers  
23 meet all of the requirements to participate in a Qualifying  
24 Applicant Lottery set forth under this Section. The attestation  
25 shall be made on forms approved by the Department. If the  
26 Department determines attestations have been submitted that

1 would result in a dispensary applicant exceeding the limits in  
2 subsection (c) of this Section, then the dispensary applicant  
3 shall be disqualified from participating in both the Tied  
4 Applicant Lottery and the Qualifying Applicant Lottery. If the  
5 Department determines attestations have been submitted that  
6 would result in a principal officer exceeding the limits in  
7 subsection (c) of this Section, then all dispensary applicants  
8 listing that principal officer shall be disqualified from  
9 participating in both the Tied Applicant Lottery and the  
10 Qualifying Applicant Lottery.

11 (g) The Qualifying Applicant Lottery shall be conducted no  
12 later than 10 business days after the Department publishes a  
13 list of qualifying applicants identified by the Department as  
14 eligible for the Qualifying Applicant Lottery, including any  
15 supplemental process to correct deficiencies.

16 (h) An applicant that applied for, but did not receive, a  
17 Conditional Adult Use Dispensing Organization License pursuant  
18 to Sections 15-25 and 15-30 may qualify as a qualifying  
19 applicant subject to the following:

20 (1) A dispensary applicant is prohibited from becoming  
21 a qualifying applicant if a principal officer of the  
22 applicant is a principal officer of more qualifying  
23 applicants than the number of available licenses.

24 (2) A dispensary applicant is prohibited from becoming  
25 a qualifying applicant if a principal officer resigns after  
26 the resulting final score for all scored applications

1 pursuant to Sections 15-25 and 15-30, including any  
2 supplemental process to correct deficiencies, is issued to  
3 dispensary applicants.

4 (3) A dispensary applicant is prohibited from becoming  
5 a qualifying applicant if, after the conclusion of the  
6 attestation period identified in subsection (f) of this  
7 Section, a principal officer of the applicant is a  
8 principal officer of more qualifying applicants than the  
9 number of available licenses.

10 (4) A dispensary applicant must have received at least  
11 75% of total available points on an application submitted  
12 pursuant to Section 15-30 to become a qualifying applicant.

13 (i) At the conclusion of the scoring process, the  
14 Department may distribute the available licenses established  
15 under this Section by lot subject to the following:

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

18 (2) Within each BLS Region, the first qualifying  
19 applicant drawn shall have the first right to an available  
20 license. The second qualifying applicant drawn shall have  
21 the second right to an available license. The same pattern  
22 shall continue for each subsequent qualifying applicant  
23 drawn.

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



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

16           (5) All available licenses that have been abandoned  
17          shall be distributed to the next qualifying applicant drawn  
18          by lot.

19           Section 99. Effective date. This Act takes effect upon  
20          becoming law.".