

HB5858



101ST GENERAL ASSEMBLY

State of Illinois

2019 and 2020

HB5858

Introduced 11/10/2020, by Rep. Thaddeus Jones

SYNOPSIS AS INTRODUCED:

410 ILCS 705/15-35

Amends the Cannabis Regulation and Tax Act. After January 1, 2022, requires the Department of Financial and Professional Regulation to adopt rules to issue 100 Adult Use Dispensing Organization Licenses on or before December 31, 2022 to African American-owned businesses, Hispanic-owned businesses, and Social Equity Applicants in specified communities and in specified amounts.

LRB101 22270 CPF 73308 b

A BILL FOR

1 AN ACT concerning health.

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

4 Section 5. The Cannabis Regulation and Tax Act is amended
5 by changing Section 15-35 as follows:

6 (410 ILCS 705/15-35)

7 Sec. 15-35. Conditional Adult Use Dispensing Organization
8 License after January 1, 2021.

9 (a) In addition to any of the licenses issued in Sections
10 15-15, Section 15-20, or Section 15-25 of this Act, by December
11 21, 2021, the Department shall issue up to 110 Conditional
12 Adult Use Dispensing Organization Licenses, pursuant to the
13 application process adopted under this Section. Prior to
14 issuing such licenses, the Department may adopt rules through
15 emergency rulemaking in accordance with subsection (gg) of
16 Section 5-45 of the Illinois Administrative Procedure Act. The
17 General Assembly finds that the adoption of rules to regulate
18 cannabis use is deemed an emergency and necessary for the
19 public interest, safety, and welfare. Such rules may:

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

1 (A) Purchaser wait times;

2 (B) Travel time to the nearest dispensary for
3 potential purchasers;

4 (C) Percentage of cannabis sales occurring in
5 Illinois not in the regulated market using data from
6 the Substance Abuse and Mental Health Services
7 Administration, National Survey on Drug Use and
8 Health, Illinois Behavioral Risk Factor Surveillance
9 System, and tourism data from the Illinois Office of
10 Tourism to ascertain total cannabis consumption in
11 Illinois compared to the amount of sales in licensed
12 dispensing organizations;

13 (D) Whether there is an adequate supply of cannabis
14 and cannabis-infused products to serve registered
15 medical cannabis patients;

16 (E) Population increases or shifts;

17 (F) Density of dispensing organizations in a
18 region;

19 (G) The Department's capacity to appropriately
20 regulate additional licenses;

21 (H) The findings and recommendations from the
22 disparity and availability study commissioned by the
23 Illinois Cannabis Regulation Oversight Officer in
24 subsection (e) of Section 5-45 to reduce or eliminate
25 any identified barriers to entry in the cannabis
26 industry; and

1 (I) Any other criteria the Department deems
2 relevant.

3 (2) Modify or change the licensing application process
4 to reduce or eliminate the barriers identified in the
5 disparity and availability study commissioned by the
6 Illinois Cannabis Regulation Oversight Officer and make
7 modifications to remedy evidence of discrimination.

8 (b) After January 1, 2022, the Department may by rule
9 modify or raise the number of Adult Use Dispensing Organization
10 Licenses assigned to each region, and modify or change the
11 licensing application process to reduce or eliminate barriers
12 based on the criteria in subsection (a). At no time shall the
13 Department issue more than 500 Adult Use Dispensing
14 Organization Licenses.

15 (c) After January 1, 2022, and in accordance with Section
16 15-36, the Department shall adopt rules to issue 100 Adult Use
17 Dispensing Organization Licenses on or before December 31, 2022
18 according to the following:

19 (1) Forty-five to African American-owned businesses in
20 the following communities and in the following amounts:

21 (A) 10 in Chicago's Near West Side;

22 (B) 10 in Chicago's South Side;

23 (C) 10 in Springfield;

24 (D) 3 in Carbondale;

25 (E) one in Harvey;

26 (F) one in Dixmoor;

1 (G) one in Robbins;
2 (H) one in Dolton;
3 (I) one in Calumet City;
4 (J) one in Peoria; and
5 (K) 5 in other communities determined by the
6 Department.

7 (2) Eleven to Hispanic-owned businesses in the
8 following communities and in the following amounts:

9 (A) 10 in Chicago; and
10 (B) one in Aurora.

11 (3) Forty-four by lottery to Social Equity Applicants.

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