

103RD GENERAL ASSEMBLY State of Illinois 2023 and 2024 HB3917

Introduced 2/17/2023, by Rep. Justin Slaughter

SYNOPSIS AS INTRODUCED:

410 ILCS 130/10

410 ILCS 130/85

410 ILCS 130/95

410 ILCS 130/100

410 ILCS 130/105

410 ILCS 130/115

410 ILCS 130/120

410 ILCS 705/5-20

Amends the Compassionate Use of Medical Cannabis Program Act. Removes references to "excluded offense" and provisions prohibiting employed individuals from having been convicted of an excluded offense. Replaces existing provisions concerning background checks with provisions requiring the Illinois State Police to conduct a criminal history record check of the prospective principal officers, board members, and agents of a medical cannabis dispensing organization or cultivation center applying for a license or agent identification card under the Act. Contains additional requirements for background checks. Makes other changes. Amends the Cannabis Regulation and Tax Act. Provides that nothing in the Act shall be construed to prevent or otherwise inhibit an otherwise qualified individual from serving as a principal officer or agent of a cannabis business establishment on the sole basis of a nonviolent criminal conviction related to cannabis.

LRB103 27159 CPF 53528 b

1 AN ACT concerning health.

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

- 4 Section 5. The Compassionate Use of Medical Cannabis
- 5 Program Act is amended by changing Sections 10, 85, 95, 100,
- 6 105, 115, and 120 as follows:
- 7 (410 ILCS 130/10)
- 8 Sec. 10. Definitions. The following terms, as used in this
- 9 Act, shall have the meanings set forth in this Section:
- 10 (a) "Adequate supply" means:
- 11 (1) 2.5 ounces of usable cannabis during a period of 12 14 days and that is derived solely from an intrastate
- source.
- 14 (2) Subject to the rules of the Department of Public 15 Health, a patient may apply for a waiver where a
- 16 certifying health care professional provides a substantial
- medical basis in a signed, written statement asserting
- 18 that, based on the patient's medical history, in the
- 19 certifying health care professional's professional
- judgment, 2.5 ounces is an insufficient adequate supply
- 21 for a 14-day period to properly alleviate the patient's
- debilitating medical condition or symptoms associated with
- 23 the debilitating medical condition.

- 1 (3) This subsection may not be construed to authorize 2 the possession of more than 2.5 ounces at any time without 3 authority from the Department of Public Health.
 - (4) The pre-mixed weight of medical cannabis used in making a cannabis infused product shall apply toward the limit on the total amount of medical cannabis a registered qualifying patient may possess at any one time.
 - (a-5) "Advanced practice registered nurse" means a person who is licensed under the Nurse Practice Act as an advanced practice registered nurse and has a controlled substances license under Article III of the Illinois Controlled Substances Act.
- 13 (b) "Cannabis" has the meaning given that term in Section
 14 3 of the Cannabis Control Act.
 - (c) "Cannabis plant monitoring system" means a system that includes, but is not limited to, testing and data collection established and maintained by the registered cultivation center and available to the Department for the purposes of documenting each cannabis plant and for monitoring plant development throughout the life cycle of a cannabis plant cultivated for the intended use by a qualifying patient from seed planting to final packaging.
 - (d) "Cardholder" means a qualifying patient or a designated caregiver who has been issued and possesses a valid registry identification card by the Department of Public Health.

- 1 (d-5) "Certifying health care professional" means a 2 physician, an advanced practice registered nurse, or a 3 physician assistant.
 - (e) "Cultivation center" means a facility operated by an organization or business that is registered by the Department of Agriculture to perform necessary activities to provide only registered medical cannabis dispensing organizations with usable medical cannabis.
 - (f) "Cultivation center agent" means a principal officer, board member, employee, or agent of a registered cultivation center who is 21 years of age or older and has not been convicted of an excluded offense.
 - (g) "Cultivation center agent identification card" means a document issued by the Department of Agriculture that identifies a person as a cultivation center agent.
 - (h) "Debilitating medical condition" means one or more of the following:
 - (1) cancer, glaucoma, positive status for human immunodeficiency virus, acquired immune deficiency syndrome, hepatitis C, amyotrophic lateral sclerosis, Crohn's disease (including, but not limited to, ulcerative colitis), agitation of Alzheimer's disease, cachexia/wasting syndrome, muscular dystrophy, severe fibromyalgia, spinal cord disease, including but not limited to arachnoiditis, Tarlov cysts, hydromyelia, syringomyelia, Rheumatoid arthritis, fibrous dysplasia,

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injury, traumatic brain spinal cord injury post-concussion syndrome, Multiple Sclerosis, malformation Arnold-Chiari Syringomyelia, and Spinocerebellar Ataxia (SCA), Parkinson's, Tourette's, Myoclonus, Dystonia, Reflex Sympathetic Dystrophy, RSD (Complex Regional Pain Syndromes Type I), Causalgia, CRPS (Complex Regional Pain Syndromes Type II), Neurofibromatosis, Chronic Inflammatory Demyelinating Polyneuropathy, Sjogren's syndrome, Lupus, Interstitial Cystitis, Myasthenia Gravis, Hydrocephalus, nail-patella syndrome, residual limb pain, seizures (including those characteristic of epilepsy), post-traumatic stress disorder (PTSD), autism, chronic pain, irritable bowel syndrome, migraines, osteoarthritis, anorexia nervosa, Ehlers-Danlos Syndrome, Neuro-Behcet's Autoimmune Disease, neuropathy, polycystic kidney disease, superior canal dehiscence syndrome, or the treatment of these conditions:

- (1.5) terminal illness with a diagnosis of 6 months or less; if the terminal illness is not one of the qualifying debilitating medical conditions, then the certifying health care professional shall on the certification form identify the cause of the terminal illness; or
- (2) any other debilitating medical condition or its treatment that is added by the Department of Public Health by rule as provided in Section 45.

(i) "Designated caregiver" means a person who: (1) is	at
least 21 years of age; (2) has agreed to assist with	а
patient's medical use of cannabis; (3) has not been convict	:e ċ
of an excluded offense; and $\underline{(3)}$ $\underline{(4)}$ assists no more than of	ne
registered qualifying patient with his or her medical use	of
cannabis.	

- (j) "Dispensing organization agent identification card" means a document issued by the Department of Financial and Professional Regulation that identifies a person as a medical cannabis dispensing organization agent.
- (k) "Enclosed, locked facility" means a room, greenhouse, building, or other enclosed area equipped with locks or other security devices that permit access only by a cultivation center's agents or a dispensing organization's agent working for the registered cultivation center or the registered dispensing organization to cultivate, store, and distribute cannabis for registered qualifying patients.
- (1) (Blank). "Excluded offense" for cultivation center agents and dispensing organizations means:
 - (1) a violent crime defined in Section 3 of the Rights of Crime Victims and Witnesses Act or a substantially similar offense that was classified as a felony in the jurisdiction where the person was convicted; or
 - (2) a violation of a state or federal controlled substance law, the Cannabis Control Act, or the Methamphetamine Control and Community Protection Act that

was classified as a felony in the jurisdiction where the person was convicted, except that the registering Department may waive this restriction if the person demonstrates to the registering Department's satisfaction that his or her conviction was for the possession, cultivation, transfer, or delivery of a reasonable amount of cannabis intended for medical use. This exception does not apply if the conviction was under state law and involved a violation of an existing medical cannabis law.

For purposes of this subsection, the Department of Public Health shall determine by emergency rule within 30 days after the effective date of this amendatory Act of the 99th General Assembly what constitutes a "reasonable amount".

(1-5) (Blank).

(1-10) "Illinois Cannabis Tracking System" means a web-based system established and maintained by the Department of Public Health that is available to the Department of Agriculture, the Department of Financial and Professional Regulation, the Illinois State Police, and registered medical cannabis dispensing organizations on a 24-hour basis to upload written certifications for Opioid Alternative Pilot Program participants, to verify Opioid Alternative Pilot Program participants, to verify Opioid Alternative Pilot Program participants' available cannabis allotment and assigned dispensary, and the tracking of the date of sale, amount, and price of medical cannabis purchased by an Opioid Alternative

- 1 Pilot Program participant.
- 2 (m) "Medical cannabis cultivation center registration"
- 3 means a registration issued by the Department of Agriculture.
- 4 (n) "Medical cannabis container" means a sealed,
- 5 traceable, food compliant, tamper resistant, tamper evident
- 6 container, or package used for the purpose of containment of
- 7 medical cannabis from a cultivation center to a dispensing
- 8 organization.
- 9 (o) "Medical cannabis dispensing organization", or "dispensing organization" means
- 11 a facility operated by an organization or business that is
- 12 registered by the Department of Financial and Professional
- 13 Regulation to acquire medical cannabis from a registered
- 14 cultivation center for the purpose of dispensing cannabis,
- 15 paraphernalia, or related supplies and educational materials
- 16 to registered qualifying patients, individuals with a
- 17 provisional registration for qualifying patient cardholder
- 18 status, or an Opioid Alternative Pilot Program participant.
- 19 (p) "Medical cannabis dispensing organization agent" or
- 20 "dispensing organization agent" means a principal officer,
- 21 board member, employee, or agent of a registered medical
- 22 cannabis dispensing organization who is 21 years of age or
- 23 older and has not been convicted of an excluded offense.
- 24 (q) "Medical cannabis infused product" means food, oils,
- ointments, or other products containing usable cannabis that
- are not smoked.

- 1 (r) "Medical use" means the acquisition; administration;
 2 delivery; possession; transfer; transportation; or use of
 3 cannabis to treat or alleviate a registered qualifying
 4 patient's debilitating medical condition or symptoms
 5 associated with the patient's debilitating medical condition.
- 6 (r-5) "Opioid" means a narcotic drug or substance that is
 7 a Schedule II controlled substance under paragraph (1), (2),
 8 (3), or (5) of subsection (b) or under subsection (c) of
 9 Section 206 of the Illinois Controlled Substances Act.
 - (r-10) "Opioid Alternative Pilot Program participant" means an individual who has received a valid written certification to participate in the Opioid Alternative Pilot Program for a medical condition for which an opioid has been or could be prescribed by a certifying health care professional based on generally accepted standards of care.
 - (s) "Physician" means a doctor of medicine or doctor of osteopathy licensed under the Medical Practice Act of 1987 to practice medicine and who has a controlled substances license under Article III of the Illinois Controlled Substances Act. It does not include a licensed practitioner under any other Act including but not limited to the Illinois Dental Practice Act.
- 23 (s-1) "Physician assistant" means a physician assistant
 24 licensed under the Physician Assistant Practice Act of 1987
 25 and who has a controlled substances license under Article III
 26 of the Illinois Controlled Substances Act.

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- 1 (s-5) "Provisional registration" means a document issued 2 by the Department of Public Health to a qualifying patient who 3 has submitted: (1) an online application and paid a fee to 4 participate in Compassionate Use of Medical Cannabis Program 5 pending approval or denial of the patient's application; or 6 (2) a completed application for terminal illness.
 - (t) "Qualifying patient" means a person who has been diagnosed by a certifying health care professional as having a debilitating medical condition.
 - (u) "Registered" means licensed, permitted, or otherwise certified by the Department of Agriculture, Department of Public Health, or Department of Financial and Professional Regulation.
 - (v) "Registry identification card" means a document issued by the Department of Public Health that identifies a person as a registered qualifying patient or registered designated caregiver.
 - (w) "Usable cannabis" means the seeds, leaves, buds, and flowers of the cannabis plant and any mixture or preparation thereof, but does not include the stalks, and roots of the plant. It does not include the weight of any non-cannabis ingredients combined with cannabis, such as ingredients added to prepare a topical administration, food, or drink.
 - (x) "Verification system" means a Web-based system established and maintained by the Department of Public Health that is available to the Department of Agriculture, the

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- 1 Department of Financial and Professional Regulation, law 2 and registered medical cannabis enforcement personnel, dispensing organization agents on a 24-hour basis for the 3 verification of registry identification cards, the tracking of 5 delivery of medical cannabis to medical cannabis dispensing organizations, and the tracking of the date of sale, amount, 6 and price of medical cannabis purchased by a registered 7 8 qualifying patient.
 - (y) "Written certification" means a document dated and signed by a certifying health care professional, stating (1) that the qualifying patient has a debilitating medical condition and specifying the debilitating medical condition the qualifying patient has; and (2) that (A) the certifying health care professional is treating or managing treatment of the patient's debilitating medical condition; or (B) an Opioid Alternative Pilot Program participant has a medical condition for which opioids have been or could be prescribed. A written certification shall be made only in the course of a bona fide health care professional-patient relationship, after certifying health care professional has completed assessment of either a qualifying patient's medical history or Opioid Alternative Pilot Program participant, reviewed relevant records related to the patient's debilitating condition, and conducted a physical examination.
 - (z) "Bona fide health care professional-patient relationship" means a relationship established at a hospital,

- 1 certifying health care professional's office, or other health
- 2 care facility in which the certifying health care professional
- 3 has an ongoing responsibility for the assessment, care, and
- 4 treatment of a patient's debilitating medical condition or a
- 5 symptom of the patient's debilitating medical condition.
- A veteran who has received treatment at a VA hospital
- 7 shall be deemed to have a bona fide health care
- 8 professional-patient relationship with a VA certifying health
- 9 care professional if the patient has been seen for his or her
- 10 debilitating medical condition at the VA Hospital in
- 11 accordance with VA Hospital protocols.
- 12 A bona fide health care professional-patient relationship
- under this subsection is a privileged communication within the
- 14 meaning of Section 8-802 of the Code of Civil Procedure.
- 15 (Source: P.A. 100-1114, eff. 8-28-18; 101-363, eff. 8-9-19.)
- 16 (410 ILCS 130/85)
- 17 Sec. 85. Issuance and denial of medical cannabis
- 18 cultivation permit.
- 19 (a) The Department of Agriculture may register up to 22
- 20 cultivation center registrations for operation. The Department
- 21 of Agriculture may not issue more than one registration per
- 22 each Illinois State Police District boundary as specified on
- the date of January 1, 2013. The Department of Agriculture may
- 24 not issue less than the 22 registrations if there are
- 25 qualified applicants who have applied with the Department.

- 1 (b) The registrations shall be issued and renewed annually 2 as determined by administrative rule.
 - (c) The Department of Agriculture shall determine a registration fee by rule.
 - (d) A cultivation center may only operate if it has been issued a valid registration from the Department of Agriculture. When applying for a cultivation center registration, the applicant shall submit the following in accordance with Department of Agriculture rules:
 - (1) the proposed legal name of the cultivation center;
 - (2) the proposed physical address of the cultivation center and description of the enclosed, locked facility as it applies to cultivation centers where medical cannabis will be grown, harvested, manufactured, packaged, or otherwise prepared for distribution to a dispensing organization;
 - (3) the name, address, and date of birth of each principal officer and board member of the cultivation center, provided that all those individuals shall be at least 21 years of age;
 - (4) any instance in which a business that any of the prospective board members of the cultivation center had managed or served on the board of the business and was convicted, fined, censured, or had a registration or license suspended or revoked in any administrative or judicial proceeding;

- (5) cultivation, inventory, and packaging plans;
 - (6) proposed operating by-laws that include procedures for the oversight of the cultivation center, development and implementation of a plant monitoring system, medical cannabis container tracking system, accurate record keeping, staffing plan, and security plan reviewed by the Illinois State Police that are in accordance with the rules issued by the Department of Agriculture under this Act. A physical inventory shall be performed of all plants and medical cannabis containers on a weekly basis;
 - (7) experience with agricultural cultivation techniques and industry standards;
 - (8) any academic degrees, certifications, or relevant experience with related businesses;
 - (9) the identity of every person, association, trust, or corporation having any direct or indirect pecuniary interest in the cultivation center operation with respect to which the registration is sought. If the disclosed entity is a trust, the application shall disclose the names and addresses of the beneficiaries; if a corporation, the names and addresses of all stockholders and directors; if a partnership, the names and addresses of all partners, both general and limited;
 - (10) verification from the Illinois State Police that all background checks of the principal officer, board members, and registered agents have been conducted and

L		<u>individuals</u>				
2	offens	se ;				

- (11) provide a copy of the current local zoning ordinance to the Department of Agriculture and verify that proposed cultivation center is in compliance with the local zoning rules issued in accordance with Section 140;
- (12) an application fee set by the Department of Agriculture by rule; and
- (13) any other information required by Department of Agriculture rules, including, but not limited to a cultivation center applicant's experience with the cultivation of agricultural or horticultural products, operating an agriculturally related business, or operating a horticultural business.
- (e) An application for a cultivation center permit must be denied if any of the following conditions are met:
 - (1) the applicant failed to submit the materials required by this Section, including if the applicant's plans do not satisfy the security, oversight, inventory, or recordkeeping rules issued by the Department of Agriculture;
 - (2) the applicant would not be in compliance with local zoning rules issued in accordance with Section 140;
 - (3) (blank) one or more of the prospective principal officers or board members has been convicted of an excluded offense;

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1	(4) one or more of the prospective principal officers
2	or board members has served as a principal officer or
3	board member for a registered dispensing organization or
4	cultivation center that has had its registration revoked;

- (5) one or more of the principal officers or board members is under 21 years of age;
- (6) a principal officer or board member of the cultivation center has been convicted of a felony under the laws of this State, any other state, or the United States:
- (7) a principal officer or board member of the cultivation center has been convicted of any violation of Article 28 of the Criminal Code of 2012, or substantially similar laws of any other jurisdiction; or
- (8) the person has submitted an application for a certificate under this Act which contains false information.
- 18 (Source: P.A. 102-538, eff. 8-20-21.)
- 19 (410 ILCS 130/95)
- Sec. 95. Background checks.
- 21 (a) (Blank). The Department of Agriculture through the
 22 Illinois State Police shall conduct a background check of the
 23 prospective cultivation center agents. The Illinois State
 24 Police shall charge a fee for conducting the criminal history
 25 record check, which shall be deposited in the State Police

Services Fund and shall not exceed the actual cost of the record cheek. In order to carry out this provision, each person applying as a cultivation center agent shall submit a full set of fingerprints to the Illinois State Police for the purpose of obtaining a State and federal criminal records check. These fingerprints shall be checked against the fingerprint records now and hereafter, to the extent allowed by law, filed in the Illinois State Police and Federal Bureau of Investigation criminal history records databases. The Illinois State Police shall furnish, following positive identification, all Illinois conviction information to the Department of Agriculture.

- (b) (Blank). When applying for the initial permit, the background checks for the principal officer, board members, and registered agents shall be completed prior to submitting the application to the Department of Agriculture.
- (c) Through the Illinois State Police, the licensing or issuing Department shall conduct a criminal history record check of the prospective principal officers, board members, and agents of a medical cannabis dispensing organization or cultivation center applying for a license or agent identification card under this Act.

Each medical cannabis dispensing organization or cultivation center's prospective principal officer, board member, or agent shall submit his or her fingerprints to the Illinois State Police in the form and manner prescribed by the

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1 <u>Illinois State Police.</u>

- 2 Unless otherwise provided in this Act, the fingerprints 3 shall be transmitted through a live scan fingerprint vendor 4 licensed by the Department of Financial and Professional 5 Regulation. The fingerprints shall be checked against the fingerprint records now and hereafter filed in the Illinois 6 7 State Police and Federal Bureau of Investigation criminal history records databases. The Illinois State Police shall 8 9 charge a fee for conducting the criminal history record check, 10 which shall be deposited into the State Police Services Fund 11 and shall not exceed the actual cost of the State and national 12 criminal history record check. The Illinois State Police shall 13 furnish, if there is a positive identification, all Illinois 14 conviction information and shall forward the national criminal 15 history record information to:
- 16 <u>(1) the Department of Agriculture, with respect to a</u>

 17 <u>cultivation center; or</u>
 - (2) the Department of Financial and Professional Regulation, with respect to a dispensing organization.
- 20 <u>(d) When applying for the initial license or</u>
 21 <u>identification card, the background checks for all prospective</u>
 22 <u>principal officers, board members, and agents shall be</u>
 23 <u>completed before submitting the application to the licensing</u>
 24 or issuing agency.
 - (e) All applications for licensure under this Act by applicants with criminal convictions shall be subject to

- 1 <u>Sections 2105-131, 2105-135, and 2105-205 of the Department of</u>
- 2 Professional Regulation Law of the Civil Administrative Code
- 3 of Illinois. However, nothing in this Section or Act shall be
- 4 construed to prevent or otherwise inhibit the ability of an
- 5 otherwise qualified individual from serving as a principal
- 6 officer or agent of a cannabis business establishment on the
- 7 <u>sole basis of a nonviolent criminal conviction related to</u>
- 8 cannabis.

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- 9 (Source: P.A. 102-538, eff. 8-20-21.)
- 10 (410 ILCS 130/100)
- 11 Sec. 100. Cultivation center agent identification card.
- 12 (a) The Department of Agriculture shall:
 - (1) verify the information contained in an application or renewal for a cultivation center identification card submitted under this Act, and approve or deny an application or renewal, within 30 days of receiving a completed application or renewal application and all supporting documentation required by rule;
 - (2) issue a cultivation center agent identification card to a qualifying agent within 15 business days of approving the application or renewal;
 - (3) enter the registry identification number of the cultivation center where the agent works; and
 - (4) allow for an electronic application process, and provide a confirmation by electronic or other methods that

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- an application has been submitted.
- 2 (b) A cultivation center agent must keep his or her 3 identification card visible at all times when on the property 4 of a cultivation center and during the transportation of 5 medical cannabis to a registered dispensary organization.
- 6 (c) The cultivation center agent identification cards
 7 shall contain the following:
 - (1) the name of the cardholder;
 - (2) the date of issuance and expiration date of cultivation center agent identification cards;
 - (3) a random 10-digit alphanumeric identification number containing at least 4 numbers and at least 4 letters that is unique to the holder; and
 - (4) a photograph of the cardholder.
 - (d) The cultivation center agent identification cards shall be immediately returned to the cultivation center upon termination of employment.
 - (e) Any card lost by a cultivation center agent shall be reported to the Illinois State Police and the Department of Agriculture immediately upon discovery of the loss.
 - (f) (Blank). An applicant shall be denied a cultivation center agent identification card if he or she has been convicted of an excluded offense.
 - (g) An agent applicant may begin employment at a cultivation center while the agent applicant's identification card application is pending. Upon approval, the Department

- 1 shall issue the agent's identification card to the agent. If
- denied, the cultivation center and the agent applicant shall
- 3 be notified and the agent applicant must cease all activity at
- 4 the cultivation center immediately.
- 5 (Source: P.A. 102-98, eff. 7-15-21; 102-538, eff. 8-20-21;
- 6 102-813, eff. 5-13-22.)
- 7 (410 ILCS 130/105)
- 8 Sec. 105. Requirements; prohibitions; penalties for
- 9 cultivation centers.
- 10 (a) The operating documents of a registered cultivation
- 11 center shall include procedures for the oversight of the
- 12 cultivation center, a cannabis plant monitoring system
- including a physical inventory recorded weekly, a cannabis
- 14 container system including a physical inventory recorded
- weekly, accurate record keeping, and a staffing plan.
- 16 (b) A registered cultivation center shall implement a
- 17 security plan reviewed by the Illinois State Police and
- 18 including but not limited to: facility access controls,
- 19 perimeter intrusion detection systems, personnel
- 20 identification systems, 24-hour surveillance system to monitor
- 21 the interior and exterior of the registered cultivation center
- facility and accessible to authorized law enforcement and the
- 23 Department of Agriculture in real-time.
- 24 (c) A registered cultivation center may not be located
- 25 within 2,500 feet of the property line of a pre-existing

- public or private preschool or elementary or secondary school or day care center, day care home, group day care home, part day child care facility, or an area zoned for residential use.
 - (d) All cultivation of cannabis for distribution to a registered dispensing organization must take place in an enclosed, locked facility as it applies to cultivation centers at the physical address provided to the Department of Agriculture during the registration process. The cultivation center location shall only be accessed by the cultivation center agents working for the registered cultivation center, Department of Agriculture staff performing inspections, Department of Public Health staff performing inspections, law enforcement or other emergency personnel, and contractors working on jobs unrelated to medical cannabis, such as installing or maintaining security devices or performing electrical wiring.
 - (e) A cultivation center may not sell or distribute any cannabis to any individual or entity other than another cultivation center, a dispensing organization registered under this Act, or a laboratory licensed by the Department of Agriculture.
 - (f) All harvested cannabis intended for distribution to a dispensing organization must be packaged in a labeled medical cannabis container and entered into a data collection system.
- 25 (g) (Blank). No person who has been convicted of an excluded offense may be a cultivation center agent.

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- 1 (h) Registered cultivation centers are subject to random 2 inspection by the Illinois State Police.
- 3 (i) Registered cultivation centers are subject to random 4 inspections by the Department of Agriculture and the 5 Department of Public Health.
 - (j) A cultivation center agent shall notify local law enforcement, the Illinois State Police, and the Department of Agriculture within 24 hours of the discovery of any loss or theft. Notification shall be made by phone or in-person, or by written or electronic communication.
- 11 (k) A cultivation center shall comply with all State and 12 federal rules and regulations regarding the use of pesticides.
- 13 (Source: P.A. 101-363, eff. 8-9-19; 102-538, eff. 8-20-21.)
- 14 (410 ILCS 130/115)
- 15 Sec. 115. Registration of dispensing organizations.
- 16 Department of Financial and Professional The (a) 17 Regulation may issue up to 60 dispensing organization 18 registrations for operation. The Department of Financial and 19 Professional Regulation may not issue less than the 60 20 registrations if there are qualified applicants who have 21 applied with the Department of Financial and Professional 22 Regulation. The organizations shall be geographically 23 dispersed throughout the State to allow all registered 24 qualifying patients reasonable proximity and access to a 25 dispensing organization.

(a-5) The Department of Financial and Professional
Regulation shall adopt rules to create a registration process
for Social Equity Justice Involved Applicants and Qualifying
Applicants, a streamlined application, and a Social Equity
Justice Involved Medical Lottery under Section 115.5 to issue
the remaining available 5 dispensing organization
registrations for operation. For purposes of this Section:

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

- (1) meets at least one of the following criteria:
- (A) the area has a poverty rate of at least 20% according to the latest federal decennial census; or
- (B) 75% or more of the children in the area participate in the federal free lunch program according to reported statistics from the State Board of Education; or
- (C) at least 20% of the households in the area receive assistance under the Supplemental Nutrition Assistance Program; or
- (D) the area has an average unemployment rate, as determined by the Illinois Department of Employment Security, that is more than 120% of the national unemployment average, as determined by the United States Department of Labor, for a period of at least 2

L	consecutive	calendar	years	preceding	the	date	of	the
2	application;	and						

- 3 (2) has high rates of arrest, conviction, and 4 incarceration related to sale, possession, use, 5 cultivation, manufacture, or transport of cannabis.
 - "Qualifying Applicant" means an applicant that: (i) submitted an application pursuant to Section 15-30 of the Cannabis Regulation and Tax Act that received at least 85% of 250 application points available under Section 15-30 of the Cannabis Regulation and Tax Act as the applicant's final score; (ii) received points at the conclusion of the scoring process for meeting the definition of a "Social Equity Applicant" as set forth under the Cannabis Regulation and Tax Act; and (iii) is an applicant that did not receive a Conditional Adult Use Dispensing Organization License through a Qualifying Applicant Lottery pursuant to Section 15-35 of the Cannabis Regulation and Tax Act or any Tied Applicant Lottery conducted under the Cannabis Regulation and Tax Act.
 - "Social Equity Justice Involved Applicant" means an applicant that is an Illinois resident and one of the following:
 - (1) an applicant with at least 51% ownership and control by one or more individuals who have resided for at least 5 of the preceding 10 years in a Disproportionately Impacted Area;
 - (2) an applicant with at least 51% of ownership and

1	control by one or more individuals who have been arrested
2	for, convicted of, or adjudicated delinquent for any
3	offense that is eligible for expungement under subsection
4	(i) of Section 5.2 of the Criminal Identification Act; or

- (3) an applicant with at least 51% ownership and control by one or more members of an impacted family.
- (b) A dispensing organization may only operate if it has been issued a registration from the Department of Financial and Professional Regulation. The Department of Financial and Professional Regulation shall adopt rules establishing the procedures for applicants for dispensing organizations.
- (c) When applying for a dispensing organization registration, the applicant shall submit, at a minimum, the following in accordance with Department of Financial and Professional Regulation rules:
- 16 (1) a non-refundable application fee established by rule;
 - (2) the proposed legal name of the dispensing organization;
 - (3) the proposed physical address of the dispensing organization;
 - (4) the name, address, and date of birth of each principal officer and board member of the dispensing organization, provided that all those individuals shall be at least 21 years of age;
 - (5) (blank);

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- 1 (6) (blank); and
- 2 (7) (blank).
- Department of Financial 3 (d) The and Professional Regulation shall conduct a background check pursuant to 4 5 Section 95. of the prospective dispensing organization agents in order to carry out this Section. The Department of State 6 Police shall charge a fee for conducting the criminal history 7 record check, which shall be deposited in the State Police 8 9 Services Fund and shall not exceed the actual cost of the 10 record check. Each person applying as a dispensing 11 organization agent shall submit a full set of fingerprints to 12 the Department of State Police for the purpose of obtaining a State and federal criminal records check. These fingerprints 13 shall be checked against the fingerprint records now and 14 hereafter, to the extent allowed by law, filed in the 15 16 Department of State Police and Federal Bureau of Investigation 17 criminal history records databases. The Department of State Police shall furnish, following positive identification, all 18 19 Illinois conviction information to the Department of Financial 20 and Professional Regulation.
 - (e) A dispensing organization must pay a registration fee set by the Department of Financial and Professional Regulation.
 - (f) An application for a medical cannabis dispensing organization registration must be denied if any of the following conditions are met:

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L	(1) the applicant failed to submit the materials
2	required by this Section, including if the applicant's
3	plans do not satisfy the security, oversight, or
4	recordkeeping rules issued by the Department of Financial
5	and Professional Regulation;

- (2) the applicant would not be in compliance with local zoning rules issued in accordance with Section 140;
- (3) the applicant does not meet the requirements of Section 130;
- (4) (blank); one or more of the prospective principal officers or board members has been convicted of an excluded offense;
- (5) one or more of the prospective principal officers or board members has served as a principal officer or board member for a registered medical cannabis dispensing organization that has had its registration revoked; and
- 17 (6) one or more of the principal officers or board 18 members is under 21 years of age.
- 19 (Source: P.A. 101-363, eff. 8-9-19; 102-98, eff. 7-15-21.)
- 20 (410 ILCS 130/120)
- Sec. 120. Dispensing organization agent identification card.
- 23 (a) The Department of Financial and Professional 24 Regulation shall:
- 25 (1) verify the information contained in an application

or	renewal	for	a	disp	ensing	C	orga	nizat	tion	ag	ent
iden	tificatio	n card	subm	nitted	l under	th	is .	Act,	and	appr	ove
or d	leny an	applica	tion	or	renewa	1,	wit	hin	30	days	of
rece	iving a (complete	ed aj	pplic	ation	or	rene	ewal	app	licat	ion
and a	all suppo	rting d	ocume	entat:	ion red	quir	red l	by ru	le;		

- (2) issue a dispensing organization agent identification card to a qualifying agent within 15 business days of approving the application or renewal;
- (3) enter the registry identification number of the dispensing organization where the agent works; and
- (4) allow for an electronic application process, and provide a confirmation by electronic or other methods that an application has been submitted.
- (b) A dispensing agent must keep his or her identification card visible at all times when on the property of a dispensing organization.
- (c) The dispensing organization agent identification cards shall contain the following:
 - (1) the name of the cardholder;
 - (2) the date of issuance and expiration date of the dispensing organization agent identification cards;
 - (3) a random 10 digit alphanumeric identification number containing at least 4 numbers and at least 4 letters; that is unique to the holder; and
 - (4) a photograph of the cardholder.
 - (d) The dispensing organization agent identification cards

- shall be immediately returned to the dispensing organization
- 2 upon termination of employment.
- 3 (e) Any card lost by a dispensing organization agent shall
- 4 be reported to the Illinois State Police and the Department of
- 5 Financial and Professional Regulation immediately upon
- 6 discovery of the loss.
- 7 (f) (Blank). An applicant shall be denied a dispensing
- 8 organization agent identification card if he or she has been
- 9 convicted of an excluded offense.
- 10 (Source: P.A. 98-122, eff. 1-1-14; 98-1172, eff. 1-12-15.)
- 11 Section 10. The Cannabis Regulation and Tax Act is amended
- 12 by changing Section 5-20 as follows:
- 13 (410 ILCS 705/5-20)
- 14 Sec. 5-20. Background checks.
- 15 (a) Through the Illinois State Police, the licensing or
- 16 issuing Department shall conduct a criminal history record
- 17 check of the prospective principal officers, board members,
- and agents of a cannabis business establishment applying for a
- 19 license or identification card under this Act.
- 20 Each cannabis business establishment prospective principal
- 21 officer, board member, or agent shall submit his or her
- 22 fingerprints to the Illinois State Police in the form and
- 23 manner prescribed by the Illinois State Police.
- 24 Unless otherwise provided in this Act, such fingerprints

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shall be transmitted through a live scan fingerprint vendor 1 2 licensed by the Department of Financial and Professional 3 Regulation. These fingerprints shall be checked against the fingerprint records now and hereafter filed in the Illinois 5 State Police and Federal Bureau of Investigation criminal history records databases. The Illinois State Police shall 6 7 charge a fee for conducting the criminal history record check, which shall be deposited into the State Police Services Fund 8 9 and shall not exceed the actual cost of the State and national 10 criminal history record check. The Illinois State Police shall 11 furnish, pursuant to positive identification, all Illinois 12 conviction information and shall forward the national criminal 13 history record information to:

- (i) the Department of Agriculture, with respect to a cultivation center, craft grower, infuser organization, or transporting organization; or
- (ii) the Department of Financial and Professional Regulation, with respect to a dispensing organization.
- (b) When applying for the initial license or identification card, the background checks for all prospective principal officers, board members, and agents shall be completed before submitting the application to the licensing or issuing agency.
- 24 (c) All applications for licensure under this Act by 25 applicants with criminal convictions shall be subject to 26 Sections 2105-131, 2105-135, and 2105-205 of the Department of

- 1 Professional Regulation Law of the Civil Administrative Code
- of Illinois. However, nothing in this Section or Act shall be
- 3 construed to prevent or otherwise inhibit the ability of an
- 4 otherwise qualified individual from serving as a principal
- 5 officer or agent of a cannabis business establishment on the
- 6 <u>sole basis of a nonviolent criminal conviction related to</u>
- 7 <u>cannabis</u>.
- 8 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19;
- 9 102-538, eff. 8-20-21.)