



## 103RD GENERAL ASSEMBLY

### State of Illinois

2023 and 2024

**HB4193**

Introduced 10/25/2023, by Rep. La Shawn K. Ford

#### SYNOPSIS AS INTRODUCED:

New Act

Creates the Prevention of Use of Hemp Cannabinoid Products Intended for Human Consumption by Ingestion or Inhalation by Persons Under 21 Years of Age Act. Permits the sale and possession of hemp cannabinoids by persons 21 years of age or over. Provides that no person shall offer or sell hemp cannabinoid products to consumers in the State unless the person applies for and holds a hemp retailer license issued by the Department of Financial and Professional Regulation. Provides that no person shall sell ready-to-eat hemp products to end consumers without holding a hemp food establishment license issued by the Department of Public Health. Provides that a hemp food establishment that sells ready-to-eat cannabinoid products shall be exclusively licensed and located in the State. Provides that hemp food establishments and hemp retailers shall require proof of age from a purchaser of any cannabinoid products before selling the product to that person. Provides that the Department of Financial and Professional Regulation shall administer and enforce the provisions of the Act relating to licensing and oversight of hemp distributor establishment unless otherwise provided in the Act. Establishes standards for the issuance of licenses under the Act. Provides for criminal and civil penalties for violation of the Act.

LRB103 34956 RLC 64843 b

1 AN ACT concerning hemp cannabinoids.

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

4 Section 1. Short title. This Act may be cited as the  
5 Prevention of Use of Hemp Cannabinoid Products Intended for  
6 Human Consumption by Ingestion or Inhalation by Persons Under  
7 21 Years of Age Act.

8 Section 5. Definitions. In this Act:

9 "Cannabinoid menu item" means a restaurant-type food that  
10 incorporates ready-to-eat cannabinoids included on a menu or  
11 menu board or offered as a food on display.

12 "Hemp business establishment" means a hemp retailer or  
13 hemp food establishment.

14 "Hemp cannabinoid" means the chemical constituents of hemp  
15 plants that are naturally occurring and biologically active.

16 "Hemp cannabinoid product" means a finished product for  
17 sale to hemp cannabinoid users at hemp business establishments  
18 within the State that contains cannabinoids derived from hemp  
19 and is intended for human consumption by inhalation or  
20 ingestion.

21 "Hemp cannabinoid user" means a member of the general  
22 public who buys or uses hemp and who is protected by laws  
23 against unfair or fraudulent practices in the marketplace.

1 "Hemp food establishment" means a facility regulated by  
2 the Illinois Department of Public Health that incorporates  
3 intermediate hemp products in the manufacturing, processing,  
4 or preparation of prepackaged or ready-to-eat hemp cannabinoid  
5 products for human ingestion and which meets the requirements  
6 of this Act.

7 "Hemp retailer" means a retailer operated by an  
8 organization or business that is licensed by the Department of  
9 Financial and Professional Regulation to sell hemp cannabinoid  
10 products to hemp cannabinoid users.

11 "Ingestion" means the process of consuming cannabinoid  
12 products through the mouth, whether by swallowing into the  
13 gastrointestinal system or through tissue absorption.

14 "Inhalation" means the process of consuming cannabinoid  
15 products through the mouth or nasal passage into the  
16 respiratory system.

17 "Intermediate hemp products" means products that are made  
18 from processed hemp that may only be sold to hemp business  
19 establishments to be used as ingredients for other  
20 intermediate hemp products or final hemp cannabinoid products  
21 for human consumption by ingestion or inhalation.  
22 "Intermediate hemp products" include products that contain  
23 more than 0.3% THC.

24 "Menu" means the primary writing of the establishment from  
25 which a customer makes an order selection, including, but not  
26 limited to, breakfast, lunch, and dinner menus, dessert menus,

1 beverage menus, other specialty menus, electronic menus, menu  
2 boards, and menus published on the Internet.

3 "Ready-to-eat hemp cannabinoid product" means a type of  
4 hemp cannabinoid product available for human consumption,  
5 including time or temperature control, or both, for food  
6 safety, as "ready-to-eat food" is defined in Section 1-201.10  
7 of the Food Code 2017 of the United States Public Health  
8 Service of the Food and Drug Administration, that does not  
9 exceed 50 milligrams of THC per serving, and that utilizes  
10 intermediate hemp products as an input as is produced as a  
11 single serving in a retail food establishment.

12 Section 10. Sale of hemp cannabinoid products.

13 (a) The retail sale of hemp cannabinoids is allowed as  
14 provided in this Act.

15 (b) No person shall offer or sell hemp cannabinoid  
16 products to consumers in the State unless the person applies  
17 for and holds a hemp retailer license issued by the Department  
18 of Financial and Professional Regulation. No person shall sell  
19 ready-to-eat hemp products to end consumers without holding a  
20 hemp food establishment license issued by the Department of  
21 Public Health.

22 (c) A hemp food establishment that sells ready-to-eat  
23 cannabinoid products shall be exclusively licensed and located  
24 in the State.

25 (d) No person shall sell a hemp cannabinoid product to any

1 person under the age of 21.

2 (e) No person shall sell, buy for, distribute samples of,  
3 or furnish any cannabinoid product to any person under the age  
4 of 21.

5 (f) No person under 21 years of age in the furtherance or  
6 facilitation of obtaining hemp cannabinoid products shall  
7 display or use a false or forged identification card or  
8 transfer, alter, or deface an identification card.

9 (g) A hemp food establishment or hemp retailer that sells  
10 cannabinoid products intended for inhalation shall post a  
11 clear and conspicuous sign directly adjacent to the display of  
12 the product that states the following: "THE SALE OF  
13 CANNABINOID PRODUCTS INTENDED FOR INHALATION TO PERSONS UNDER  
14 THE AGE OF 21 IS PROHIBITED. PROOF OF AGE IS REQUIRED FOR  
15 PURCHASE."

16 (h) Cannabinoid products may not be mailed, shipped, or  
17 otherwise delivered to a purchaser unless, before the delivery  
18 to the purchaser, the hemp retailer obtains confirmation that  
19 the purchaser is 21 years of age or older.

20 (i) Hemp food establishments and hemp retailers shall  
21 require proof of age from a purchaser of any cannabinoid  
22 products before selling the product to that person. Hemp food  
23 establishments and hemp retailers shall exercise diligence in  
24 the management and supervision of their premises and in the  
25 supervision and training of their employees to prevent the  
26 underage sale of these products.

1           (j) A product containing cannabinoids must not be  
2 considered adulterated or unsafe solely because the product  
3 contains cannabinoids or other material extracted or derived  
4 from hemp plants.

5           (k) A person, hemp food establishment, or hemp retailer  
6 that violates subsection (e) is guilty of a Class 4 felony. A  
7 person under the age of 21 who violates subsection (f) is  
8 guilty of a Class A misdemeanor.

9           Section 15. Licensing and regulation of hemp retailers.

10           (a) The Department of Financial and Professional  
11 Regulation shall administer and enforce the provisions of this  
12 Act relating to licensing and oversight of hemp distributor  
13 establishment unless otherwise provided in this Act.

14           (b) No person shall operate a hemp retail establishment  
15 for the purpose of serving purchasers of hemp cannabinoid  
16 products without a license issued under this Act by the  
17 Department.

18           (c) Subject to the provisions of this Act, the Department  
19 may exercise the following powers and duties:

20               (1) prescribe forms to be issued for the  
21 administration and enforcement of this Act;

22               (2) examine, inspect, and investigate the premises,  
23 operations, and records of hemp retail organization  
24 applicants and licensees;

25               (3) conduct investigations of possible violations of

1 this Act pertaining to hemp retail organizations; and

2 (4) conduct hearings on proceedings to refuse to issue  
3 or renew licenses or to revoke, suspend, place on  
4 probation, reprimand, or otherwise discipline a license  
5 holder under this Act or take other nondisciplinary  
6 action.

7 (d) The Department may not limit the number of hemp  
8 retailer licenses.

9 (e) The Department may not limit the number of hemp  
10 retailer licenses an individual may hold.

11 (f) Applicants for a hemp retail license must submit all  
12 information required by the Department. Failure by an  
13 applicant to submit all required information may result in the  
14 application being disqualified.

15 (g) The Department may verify information contained in  
16 each application and accompanying documentation to assess the  
17 applicant's veracity and fitness to operate a hemp retailer  
18 establishment.

19 (h) The Department may refuse to issue a license to any  
20 applicant who:

21 (1) fails to disclose or states falsely any  
22 information called for in the applications;

23 (2) has been found guilty of a violation of this Act,  
24 who has had any disciplinary order entered against it by  
25 the Department, who has entered into a disciplinary or  
26 nondisciplinary agreement with the Department, or whose

1 hemp business establishment license was suspended,  
2 restricted, revoked, or denied in another State; or

3 (3) has engaged in a pattern or practice of unfair or  
4 illegal practices, methods, or activities in the conduct  
5 of owning a hemp business establishment or other business.

6 (i) The Department shall deny the license if any principal  
7 officer, board member, or persons having a financial or voting  
8 interest of 5% or greater on the license is delinquent in  
9 filing any required tax returns or paying any amounts owed to  
10 the State.

11 (j) The Department shall verify an applicant's compliance  
12 with the requirements of this Act and rules before issuing a  
13 hemp retailer license.

14 Section 20. Operational requirements of hemp retailers.

15 (a) A hemp retailers shall operate in accordance with the  
16 representations made in its application and license materials.  
17 It shall be in compliance with this Act and rules.

18 (b) A hemp retailer establishment that obtains a hemp food  
19 establishment license may prepare and sell ready-to-eat hemp  
20 cannabinoid products.

21 (c) A hemp retailer establishment shall maintain  
22 compliance with State and local building, fire, and zoning  
23 requirements and regulations.

24 (d) A hemp retailer's license allows for a hemp retailer  
25 to be operated only at a single location.

1 (e) A hemp retailer establishment shall ensure that any  
2 building or equipment used by the hemp retailer establishment  
3 for the sale of hemp, hemp cannabinoid products, and  
4 ready-to-eat hemp cannabinoid products are maintained in a  
5 clean and sanitary condition.

6 (f) A hemp retailer establishment shall be free from  
7 infestation by insects, rodents, or pests.

8 (g) A hemp retailer license shall not give the licensee  
9 the right to:

10 (1) grow hemp;

11 (2) produce or manufacture hemp or hemp cannabinoid  
12 products;

13 (3) sell hemp cannabinoid products to a purchaser  
14 unless the purchaser is a medical patient or that the  
15 purchaser has been verified to be 21 years of age or older;  
16 or

17 (4) violate any other requirements or prohibitions set  
18 by Department rules.

19 (h) A hemp retailer license may be obtained by an  
20 out-of-state entity if:

21 (1) the applicant and any and all principals officers  
22 on the application retains a registered agent or office  
23 and agrees to submit to tax nexus within the State for  
24 jurisdictional, regulatory, and enforcement purposes; and

25 (2) the applicant maintains a log of all sales to  
26 residents located within the State to be submitted for

1 inspection by the Department.

2 Section 25. Regulation of hemp food establishments.

3 (a) As used in this Section, "Department" means the  
4 Department of Public Health.

5 (b) The Department shall administer and enforce the  
6 provisions of this Act relating to the licensing and oversight  
7 of hemp food establishments unless otherwise provided in this  
8 Act.

9 (c) No person shall operate a hemp food establishment for  
10 the purpose of serving hemp cannabinoid products for human  
11 ingestions or ready-to-eat hemp cannabinoid products without a  
12 license issued under this Act.

13 (d) Subject to the provisions of this Act, the Department  
14 may exercise the following powers and duties:

15 (1) prescribe forms to be issued for the  
16 administration and enforcement of this Act;

17 (2) examine, inspect, and investigate the premises,  
18 operations, and records of hemp food establishment  
19 applicants and licensees;

20 (3) conduct investigations of possible violations of  
21 this Act pertaining to hemp food establishments; and

22 (4) conduct hearings on proceedings to refuse to issue  
23 or renew licenses or to revoke, suspend, place on  
24 probation, reprimand, or otherwise discipline a license  
25 holder under this Act or take other nondisciplinary

1 action.

2 (e) The Department may not limit the number of hemp food  
3 establishment licenses.

4 (f) The Department shall not limit the number of licenses  
5 an individual may hold. Applicants for a hemp food  
6 establishment license must submit all information required by  
7 the Department. Failure by an applicant to submit all required  
8 information may result in the application being disqualified.

9 (g) The Department may verify information contained in  
10 each application and accompanying documentation to assess the  
11 applicant's veracity and fitness to operate a hemp food  
12 establishment.

13 (h) The Department may refuse to issue an authorization to  
14 any applicant who:

15 (1) fails to disclose or falsifies any information  
16 called for in the application;

17 (2) has been found guilty of a violation of this Act,  
18 who has had any disciplinary order entered against the  
19 applicant by the Department, who has entered into a  
20 disciplinary or nondisciplinary agreement with the  
21 Department, or whose hemp business establishment license  
22 was suspended, restricted, revoked, or denied in another  
23 state; or

24 (3) has engaged in a pattern or practice of unfair or  
25 illegal practices, methods, or activities in the conduct  
26 of owning a hemp business establishment or other business.

1           (i) The Department shall deny the license if any principal  
2 officer, board member, or persons having a financial or voting  
3 interest of 5% or greater on the license is delinquent in  
4 filing any required tax returns or paying any amounts owed to  
5 the State.

6           (j) The Department shall verify an applicant's compliance  
7 with the requirements of this Act and rules before issuing a  
8 hemp food establishment license.

9           Section 30. Operational requirements of hemp food  
10 establishments.

11           (a) A hemp food establishment dealing in the manufacture  
12 and sale of food items that does not comply with the existing  
13 State laws related to food handling or does not comply with the  
14 health and food handling regulations of a unit of local  
15 government having jurisdiction over the establishment may be  
16 enjoined from doing business in the following manner: the  
17 Department of Public Health or a local department of health  
18 may seek an injunction in the circuit court of the county in  
19 which the establishment is located. An injunction, if granted,  
20 shall prohibit the hemp food establishment from selling hemp  
21 cannabinoid products for human ingestion until it complies  
22 with any applicable State law or regulations of a unit of local  
23 government. However, no injunction may be sought or granted  
24 before January 1, 2025, to enforce any rule or regulation  
25 requiring a licensed food business to adhere to those rules

1 and regulations.

2 (b) The Department of Public Health shall adopt and  
3 enforce rules for the manufacturing and processing of hemp  
4 cannabinoid products for human ingestions at a hemp food  
5 establishment, and, for that purpose, it may at all times  
6 enter every building, room, basement, enclosure, or premises  
7 occupied or used, or suspected of being occupied or used, for  
8 the production, preparation, manufacture for sale, storage,  
9 sale, processing, distribution, or transportation and to  
10 inspect the premises of a hemp food establishment together  
11 with all utensils, fixtures, furniture, and machinery used for  
12 the preparation of these products.

13 (c) A hemp food establishment shall be under the  
14 operational supervision of a certified food service sanitation  
15 manager in accordance with rules adopted under this Act.

16 (d) A hemp food establishment shall operate in accordance  
17 with the representations made in its application and license  
18 materials. It shall be in compliance with this Act and rules.

19 (e) A hemp food establishment shall comply with the food  
20 handling, preparation, packaging and labeling provisions of  
21 the Illinois Food, Drug and Cosmetic Act, the Food Handling  
22 Regulation Enforcement Act, and the Sanitary Food Preparation  
23 Act.

24 (f) A hemp food establishment that obtains a hemp retailer  
25 license may prepare and sell ready-to-eat hemp cannabinoid  
26 products.

1 (g) A hemp food establishment shall maintain compliance  
2 with State and local building, fire, and zoning requirements.

3 (h) A hemp food establishment license allows for a hemp  
4 food establishment to be operated only at a single location.

5 (i) A hemp food establishment shall ensure that any  
6 building or equipment used by the hemp food establishment for  
7 the storage, preparation, or sale of hemp cannabinoid products  
8 for human ingestion and ready-to-eat hemp cannabinoid products  
9 are maintained in a clean and sanitary condition.

10 (j) A hemp food establishment shall be free from  
11 infestation by insects, rodents, or pests.

12 (k) A hemp food establishment, when combined with an  
13 on-site hemp retailer license, allows for the preparation and  
14 sale of ready-to-eat hemp cannabinoid products.

15 (l) A hemp food establishment license shall not give the  
16 establishment the right to:

17 (1) grow hemp;

18 (2) process hemp;

19 (3) prepare and sell ready-to-eat hemp cannabinoid  
20 products to a purchaser unless the purchaser has been  
21 verified to be 21 years of age or older; or

22 (4) violate any other requirements or prohibitions set  
23 by the Department of Health rules.

24 Section 35. Recipes and dosing of ready-to-eat hemp  
25 cannabinoid products. In order to sell ready-to-eat hemp

1 cannabinoid products, a hemp food establishment shall:

2 (1) keep THC dosing at or below 50 milligrams per  
3 serving;

4 (2) submit a standard operating procedure for dosing  
5 to the Department of Public Health for approval and  
6 registration. The approval shall be granted within 30 days  
7 of submission unless the Department provides good cause,  
8 in writing, for withholding approval;

9 (3) submit the recipe, at the hemp food  
10 establishment's expense, to a third-party testing  
11 laboratory for potency testing to ensure 0.3% THC  
12 compliance on an annual basis;

13 (4) use only the varietal or proportional varietals of  
14 ingredients included in the tested recipe for all  
15 subsequent batches of the recipe; and

16 (5) provide documentation of the annual test results  
17 of the recipe submitted under this paragraph upon  
18 registration and to an inspector upon request during any  
19 inspection authorized by the Department.

20 Section 40. Disclosure and labeling of ready-to-eat hemp  
21 cannabinoid products.

22 (a) Hemp food establishments must ensure that the total  
23 milligram content of each type of cannabinoid exceeding one  
24 milligram contained in each ready-to-eat hemp cannabinoid menu  
25 item is listed on the menu adjacent to the name or the price of

1 the associated menu item.

2 (b) Hemp food establishments must ensure that served  
3 ready-to-eat hemp cannabinoid menu items include a label that:

4 (1) indicates the total milligram content of the  
5 served items; and

6 (2) provides a QR code for a link to a web page  
7 containing a copy of:

8 (A) the testing results of the intermediate hemp  
9 product used;

10 (B) the dosing standard operating procedure; and

11 (C) a representative compliance test for the  
12 recipe.

13 Section 45. Administrative hearings.

14 (a) Administrative hearings involving licenses issued  
15 under this Act shall be conducted under the Department issuing  
16 the licenses' rules governing formal administrative  
17 proceedings.

18 (b) The following administrative fines may be imposed by  
19 the Department upon any person or entity who violates any  
20 provision of this Act or any rule adopted by any State  
21 department under this Act:

22 (1) a penalty of \$2,500 for a first violation;

23 (2) a penalty of \$5,000 for a second violation at the  
24 same location within 2 years of the first violation; and

25 (3) a penalty of \$10,000 for a third or subsequent

1 violation at the same location within 2 years of the  
2 second or subsequent violation.

3 Any penalty of \$5,000 or greater that is not paid within  
4 120 days of issuance of notice from the Department shall be  
5 submitted to the Department of Revenue for collection as  
6 provided under the Illinois State Collection Act of 1986. The  
7 Department may prohibit any person from selling or  
8 distributing a hemp cannabinoid product for failure to pay an  
9 administrative monetary penalty within 60 days of issuance of  
10 notice from the Department.

11 (c) All final administrative decisions of the Department  
12 are subject to judicial review under the Administrative Review  
13 Law. For the purposes of this subsection, "administrative  
14 decision" has the meaning given to that term in Section 3-101  
15 of the Code of Civil Procedure.