

AN ACT concerning regulation.

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

Section 1. The Illinois Administrative Procedure Act is amended by changing Section 5-45 as follows:

(5 ILCS 100/5-45) (from Ch. 127, par. 1005-45)

Sec. 5-45. Emergency rulemaking.

(a) "Emergency" means the existence of any situation that any agency finds reasonably constitutes a threat to the public interest, safety, or welfare.

(b) If any agency finds that an emergency exists that requires adoption of a rule upon fewer days than is required by Section 5-40 and states in writing its reasons for that finding, the agency may adopt an emergency rule without prior notice or hearing upon filing a notice of emergency rulemaking with the Secretary of State under Section 5-70. The notice shall include the text of the emergency rule and shall be published in the Illinois Register. Consent orders or other court orders adopting settlements negotiated by an agency may be adopted under this Section. Subject to applicable constitutional or statutory provisions, an emergency rule becomes effective immediately upon filing under Section 5-65 or at a stated date less than 10 days thereafter. The agency's

finding and a statement of the specific reasons for the finding shall be filed with the rule. The agency shall take reasonable and appropriate measures to make emergency rules known to the persons who may be affected by them.

(c) An emergency rule may be effective for a period of not longer than 150 days, but the agency's authority to adopt an identical rule under Section 5-40 is not precluded. No emergency rule may be adopted more than once in any 24-month period, except that this limitation on the number of emergency rules that may be adopted in a 24-month period does not apply to (i) emergency rules that make additions to and deletions from the Drug Manual under Section 5-5.16 of the Illinois Public Aid Code or the generic drug formulary under Section 3.14 of the Illinois Food, Drug and Cosmetic Act, (ii) emergency rules adopted by the Pollution Control Board before July 1, 1997 to implement portions of the Livestock Management Facilities Act, (iii) emergency rules adopted by the Illinois Department of Public Health under subsections (a) through (i) of Section 2 of the Department of Public Health Act when necessary to protect the public's health, (iv) emergency rules adopted pursuant to subsection (n) of this Section, (v) emergency rules adopted pursuant to subsection (o) of this Section, or (vi) emergency rules adopted pursuant to subsection (c-5) of this Section. Two or more emergency rules having substantially the same purpose and effect shall be deemed to be a single rule for purposes of this Section.

(c-5) To facilitate the maintenance of the program of group health benefits provided to annuitants, survivors, and retired employees under the State Employees Group Insurance Act of 1971, rules to alter the contributions to be paid by the State, annuitants, survivors, retired employees, or any combination of those entities, for that program of group health benefits, shall be adopted as emergency rules. The adoption of those rules shall be considered an emergency and necessary for the public interest, safety, and welfare.

(d) In order to provide for the expeditious and timely implementation of the State's fiscal year 1999 budget, emergency rules to implement any provision of Public Act 90-587 or 90-588 or any other budget initiative for fiscal year 1999 may be adopted in accordance with this Section by the agency charged with administering that provision or initiative, except that the 24-month limitation on the adoption of emergency rules and the provisions of Sections 5-115 and 5-125 do not apply to rules adopted under this subsection (d). The adoption of emergency rules authorized by this subsection (d) shall be deemed to be necessary for the public interest, safety, and welfare.

(e) In order to provide for the expeditious and timely implementation of the State's fiscal year 2000 budget, emergency rules to implement any provision of Public Act 91-24 or any other budget initiative for fiscal year 2000 may be adopted in accordance with this Section by the agency charged

with administering that provision or initiative, except that the 24-month limitation on the adoption of emergency rules and the provisions of Sections 5-115 and 5-125 do not apply to rules adopted under this subsection (e). The adoption of emergency rules authorized by this subsection (e) shall be deemed to be necessary for the public interest, safety, and welfare.

(f) In order to provide for the expeditious and timely implementation of the State's fiscal year 2001 budget, emergency rules to implement any provision of Public Act 91-712 or any other budget initiative for fiscal year 2001 may be adopted in accordance with this Section by the agency charged with administering that provision or initiative, except that the 24-month limitation on the adoption of emergency rules and the provisions of Sections 5-115 and 5-125 do not apply to rules adopted under this subsection (f). The adoption of emergency rules authorized by this subsection (f) shall be deemed to be necessary for the public interest, safety, and welfare.

(g) In order to provide for the expeditious and timely implementation of the State's fiscal year 2002 budget, emergency rules to implement any provision of Public Act 92-10 or any other budget initiative for fiscal year 2002 may be adopted in accordance with this Section by the agency charged with administering that provision or initiative, except that the 24-month limitation on the adoption of emergency rules and

the provisions of Sections 5-115 and 5-125 do not apply to rules adopted under this subsection (g). The adoption of emergency rules authorized by this subsection (g) shall be deemed to be necessary for the public interest, safety, and welfare.

(h) In order to provide for the expeditious and timely implementation of the State's fiscal year 2003 budget, emergency rules to implement any provision of Public Act 92-597 or any other budget initiative for fiscal year 2003 may be adopted in accordance with this Section by the agency charged with administering that provision or initiative, except that the 24-month limitation on the adoption of emergency rules and the provisions of Sections 5-115 and 5-125 do not apply to rules adopted under this subsection (h). The adoption of emergency rules authorized by this subsection (h) shall be deemed to be necessary for the public interest, safety, and welfare.

(i) In order to provide for the expeditious and timely implementation of the State's fiscal year 2004 budget, emergency rules to implement any provision of Public Act 93-20 or any other budget initiative for fiscal year 2004 may be adopted in accordance with this Section by the agency charged with administering that provision or initiative, except that the 24-month limitation on the adoption of emergency rules and the provisions of Sections 5-115 and 5-125 do not apply to rules adopted under this subsection (i). The adoption of

emergency rules authorized by this subsection (i) shall be deemed to be necessary for the public interest, safety, and welfare.

(j) In order to provide for the expeditious and timely implementation of the provisions of the State's fiscal year 2005 budget as provided under the Fiscal Year 2005 Budget Implementation (Human Services) Act, emergency rules to implement any provision of the Fiscal Year 2005 Budget Implementation (Human Services) Act may be adopted in accordance with this Section by the agency charged with administering that provision, except that the 24-month limitation on the adoption of emergency rules and the provisions of Sections 5-115 and 5-125 do not apply to rules adopted under this subsection (j). The Department of Public Aid may also adopt rules under this subsection (j) necessary to administer the Illinois Public Aid Code and the Children's Health Insurance Program Act. The adoption of emergency rules authorized by this subsection (j) shall be deemed to be necessary for the public interest, safety, and welfare.

(k) In order to provide for the expeditious and timely implementation of the provisions of the State's fiscal year 2006 budget, emergency rules to implement any provision of Public Act 94-48 or any other budget initiative for fiscal year 2006 may be adopted in accordance with this Section by the agency charged with administering that provision or initiative, except that the 24-month limitation on the

adoption of emergency rules and the provisions of Sections 5-115 and 5-125 do not apply to rules adopted under this subsection (k). The Department of Healthcare and Family Services may also adopt rules under this subsection (k) necessary to administer the Illinois Public Aid Code, the Senior Citizens and Persons with Disabilities Property Tax Relief Act, the Senior Citizens and Disabled Persons Prescription Drug Discount Program Act (now the Illinois Prescription Drug Discount Program Act), and the Children's Health Insurance Program Act. The adoption of emergency rules authorized by this subsection (k) shall be deemed to be necessary for the public interest, safety, and welfare.

(l) In order to provide for the expeditious and timely implementation of the provisions of the State's fiscal year 2007 budget, the Department of Healthcare and Family Services may adopt emergency rules during fiscal year 2007, including rules effective July 1, 2007, in accordance with this subsection to the extent necessary to administer the Department's responsibilities with respect to amendments to the State plans and Illinois waivers approved by the federal Centers for Medicare and Medicaid Services necessitated by the requirements of Title XIX and Title XXI of the federal Social Security Act. The adoption of emergency rules authorized by this subsection (l) shall be deemed to be necessary for the public interest, safety, and welfare.

(m) In order to provide for the expeditious and timely

implementation of the provisions of the State's fiscal year 2008 budget, the Department of Healthcare and Family Services may adopt emergency rules during fiscal year 2008, including rules effective July 1, 2008, in accordance with this subsection to the extent necessary to administer the Department's responsibilities with respect to amendments to the State plans and Illinois waivers approved by the federal Centers for Medicare and Medicaid Services necessitated by the requirements of Title XIX and Title XXI of the federal Social Security Act. The adoption of emergency rules authorized by this subsection (m) shall be deemed to be necessary for the public interest, safety, and welfare.

(n) In order to provide for the expeditious and timely implementation of the provisions of the State's fiscal year 2010 budget, emergency rules to implement any provision of Public Act 96-45 or any other budget initiative authorized by the 96th General Assembly for fiscal year 2010 may be adopted in accordance with this Section by the agency charged with administering that provision or initiative. The adoption of emergency rules authorized by this subsection (n) shall be deemed to be necessary for the public interest, safety, and welfare. The rulemaking authority granted in this subsection (n) shall apply only to rules promulgated during Fiscal Year 2010.

(o) In order to provide for the expeditious and timely implementation of the provisions of the State's fiscal year

2011 budget, emergency rules to implement any provision of Public Act 96-958 or any other budget initiative authorized by the 96th General Assembly for fiscal year 2011 may be adopted in accordance with this Section by the agency charged with administering that provision or initiative. The adoption of emergency rules authorized by this subsection (o) is deemed to be necessary for the public interest, safety, and welfare. The rulemaking authority granted in this subsection (o) applies only to rules promulgated on or after July 1, 2010 (the effective date of Public Act 96-958) through June 30, 2011.

(p) In order to provide for the expeditious and timely implementation of the provisions of Public Act 97-689, emergency rules to implement any provision of Public Act 97-689 may be adopted in accordance with this subsection (p) by the agency charged with administering that provision or initiative. The 150-day limitation of the effective period of emergency rules does not apply to rules adopted under this subsection (p), and the effective period may continue through June 30, 2013. The 24-month limitation on the adoption of emergency rules does not apply to rules adopted under this subsection (p). The adoption of emergency rules authorized by this subsection (p) is deemed to be necessary for the public interest, safety, and welfare.

(q) In order to provide for the expeditious and timely implementation of the provisions of Articles 7, 8, 9, 11, and 12 of Public Act 98-104, emergency rules to implement any

provision of Articles 7, 8, 9, 11, and 12 of Public Act 98-104 may be adopted in accordance with this subsection (q) by the agency charged with administering that provision or initiative. The 24-month limitation on the adoption of emergency rules does not apply to rules adopted under this subsection (q). The adoption of emergency rules authorized by this subsection (q) is deemed to be necessary for the public interest, safety, and welfare.

(r) In order to provide for the expeditious and timely implementation of the provisions of Public Act 98-651, emergency rules to implement Public Act 98-651 may be adopted in accordance with this subsection (r) by the Department of Healthcare and Family Services. The 24-month limitation on the adoption of emergency rules does not apply to rules adopted under this subsection (r). The adoption of emergency rules authorized by this subsection (r) is deemed to be necessary for the public interest, safety, and welfare.

(s) In order to provide for the expeditious and timely implementation of the provisions of Sections 5-5b.1 and 5A-2 of the Illinois Public Aid Code, emergency rules to implement any provision of Section 5-5b.1 or Section 5A-2 of the Illinois Public Aid Code may be adopted in accordance with this subsection (s) by the Department of Healthcare and Family Services. The rulemaking authority granted in this subsection (s) shall apply only to those rules adopted prior to July 1, 2015. Notwithstanding any other provision of this Section, any

emergency rule adopted under this subsection (s) shall only apply to payments made for State fiscal year 2015. The adoption of emergency rules authorized by this subsection (s) is deemed to be necessary for the public interest, safety, and welfare.

(t) In order to provide for the expeditious and timely implementation of the provisions of Article II of Public Act 99-6, emergency rules to implement the changes made by Article II of Public Act 99-6 to the Emergency Telephone System Act may be adopted in accordance with this subsection (t) by the Department of State Police. The rulemaking authority granted in this subsection (t) shall apply only to those rules adopted prior to July 1, 2016. The 24-month limitation on the adoption of emergency rules does not apply to rules adopted under this subsection (t). The adoption of emergency rules authorized by this subsection (t) is deemed to be necessary for the public interest, safety, and welfare.

(u) In order to provide for the expeditious and timely implementation of the provisions of the Burn Victims Relief Act, emergency rules to implement any provision of the Act may be adopted in accordance with this subsection (u) by the Department of Insurance. The rulemaking authority granted in this subsection (u) shall apply only to those rules adopted prior to December 31, 2015. The adoption of emergency rules authorized by this subsection (u) is deemed to be necessary for the public interest, safety, and welfare.

(v) In order to provide for the expeditious and timely implementation of the provisions of Public Act 99-516, emergency rules to implement Public Act 99-516 may be adopted in accordance with this subsection (v) by the Department of Healthcare and Family Services. The 24-month limitation on the adoption of emergency rules does not apply to rules adopted under this subsection (v). The adoption of emergency rules authorized by this subsection (v) is deemed to be necessary for the public interest, safety, and welfare.

(w) In order to provide for the expeditious and timely implementation of the provisions of Public Act 99-796, emergency rules to implement the changes made by Public Act 99-796 may be adopted in accordance with this subsection (w) by the Adjutant General. The adoption of emergency rules authorized by this subsection (w) is deemed to be necessary for the public interest, safety, and welfare.

(x) In order to provide for the expeditious and timely implementation of the provisions of Public Act 99-906, emergency rules to implement subsection (i) of Section 16-115D, subsection (g) of Section 16-128A, and subsection (a) of Section 16-128B of the Public Utilities Act may be adopted in accordance with this subsection (x) by the Illinois Commerce Commission. The rulemaking authority granted in this subsection (x) shall apply only to those rules adopted within 180 days after June 1, 2017 (the effective date of Public Act 99-906). The adoption of emergency rules authorized by this

subsection (x) is deemed to be necessary for the public interest, safety, and welfare.

(y) In order to provide for the expeditious and timely implementation of the provisions of Public Act 100-23, emergency rules to implement the changes made by Public Act 100-23 to Section 4.02 of the Illinois Act on the Aging, Sections 5.5.4 and 5-5.4i of the Illinois Public Aid Code, Section 55-30 of the Alcoholism and Other Drug Abuse and Dependency Act, and Sections 74 and 75 of the Mental Health and Developmental Disabilities Administrative Act may be adopted in accordance with this subsection (y) by the respective Department. The adoption of emergency rules authorized by this subsection (y) is deemed to be necessary for the public interest, safety, and welfare.

(z) In order to provide for the expeditious and timely implementation of the provisions of Public Act 100-554, emergency rules to implement the changes made by Public Act 100-554 to Section 4.7 of the Lobbyist Registration Act may be adopted in accordance with this subsection (z) by the Secretary of State. The adoption of emergency rules authorized by this subsection (z) is deemed to be necessary for the public interest, safety, and welfare.

(aa) In order to provide for the expeditious and timely initial implementation of the changes made to Articles 5, 5A, 12, and 14 of the Illinois Public Aid Code under the provisions of Public Act 100-581, the Department of Healthcare and Family

Services may adopt emergency rules in accordance with this subsection (aa). The 24-month limitation on the adoption of emergency rules does not apply to rules to initially implement the changes made to Articles 5, 5A, 12, and 14 of the Illinois Public Aid Code adopted under this subsection (aa). The adoption of emergency rules authorized by this subsection (aa) is deemed to be necessary for the public interest, safety, and welfare.

(bb) In order to provide for the expeditious and timely implementation of the provisions of Public Act 100-587, emergency rules to implement the changes made by Public Act 100-587 to Section 4.02 of the Illinois Act on the Aging, Sections 5.5.4 and 5-5.4i of the Illinois Public Aid Code, subsection (b) of Section 55-30 of the Alcoholism and Other Drug Abuse and Dependency Act, Section 5-104 of the Specialized Mental Health Rehabilitation Act of 2013, and Section 75 and subsection (b) of Section 74 of the Mental Health and Developmental Disabilities Administrative Act may be adopted in accordance with this subsection (bb) by the respective Department. The adoption of emergency rules authorized by this subsection (bb) is deemed to be necessary for the public interest, safety, and welfare.

(cc) In order to provide for the expeditious and timely implementation of the provisions of Public Act 100-587, emergency rules may be adopted in accordance with this subsection (cc) to implement the changes made by Public Act

100-587 to: Sections 14-147.5 and 14-147.6 of the Illinois Pension Code by the Board created under Article 14 of the Code; Sections 15-185.5 and 15-185.6 of the Illinois Pension Code by the Board created under Article 15 of the Code; and Sections 16-190.5 and 16-190.6 of the Illinois Pension Code by the Board created under Article 16 of the Code. The adoption of emergency rules authorized by this subsection (cc) is deemed to be necessary for the public interest, safety, and welfare.

(dd) In order to provide for the expeditious and timely implementation of the provisions of Public Act 100-864, emergency rules to implement the changes made by Public Act 100-864 to Section 3.35 of the Newborn Metabolic Screening Act may be adopted in accordance with this subsection (dd) by the Secretary of State. The adoption of emergency rules authorized by this subsection (dd) is deemed to be necessary for the public interest, safety, and welfare.

(ee) In order to provide for the expeditious and timely implementation of the provisions of Public Act 100-1172, emergency rules implementing the Illinois Underground Natural Gas Storage Safety Act may be adopted in accordance with this subsection by the Department of Natural Resources. The adoption of emergency rules authorized by this subsection is deemed to be necessary for the public interest, safety, and welfare.

(ff) In order to provide for the expeditious and timely initial implementation of the changes made to Articles 5A and

14 of the Illinois Public Aid Code under the provisions of Public Act 100-1181, the Department of Healthcare and Family Services may on a one-time-only basis adopt emergency rules in accordance with this subsection (ff). The 24-month limitation on the adoption of emergency rules does not apply to rules to initially implement the changes made to Articles 5A and 14 of the Illinois Public Aid Code adopted under this subsection (ff). The adoption of emergency rules authorized by this subsection (ff) is deemed to be necessary for the public interest, safety, and welfare.

(gg) In order to provide for the expeditious and timely implementation of the provisions of Public Act 101-1, emergency rules may be adopted by the Department of Labor in accordance with this subsection (gg) to implement the changes made by Public Act 101-1 to the Minimum Wage Law. The adoption of emergency rules authorized by this subsection (gg) is deemed to be necessary for the public interest, safety, and welfare.

(hh) In order to provide for the expeditious and timely implementation of the provisions of Public Act 101-10, emergency rules may be adopted in accordance with this subsection (hh) to implement the changes made by Public Act 101-10 to subsection (j) of Section 5-5.2 of the Illinois Public Aid Code. The adoption of emergency rules authorized by this subsection (hh) is deemed to be necessary for the public interest, safety, and welfare.

(ii) In order to provide for the expeditious and timely implementation of the provisions of Public Act 101-10, emergency rules to implement the changes made by Public Act 101-10 to Sections 5-5.4 and 5-5.4i of the Illinois Public Aid Code may be adopted in accordance with this subsection (ii) by the Department of Public Health. The adoption of emergency rules authorized by this subsection (ii) is deemed to be necessary for the public interest, safety, and welfare.

(jj) In order to provide for the expeditious and timely implementation of the provisions of Public Act 101-10, emergency rules to implement the changes made by Public Act 101-10 to Section 74 of the Mental Health and Developmental Disabilities Administrative Act may be adopted in accordance with this subsection (jj) by the Department of Human Services. The adoption of emergency rules authorized by this subsection (jj) is deemed to be necessary for the public interest, safety, and welfare.

(kk) In order to provide for the expeditious and timely implementation of the Cannabis Regulation and Tax Act, ~~and~~ Public Act 101-27, and this amendatory Act of the 102nd General Assembly, the Department of Revenue, the Department of Public Health, the Department of Agriculture, the Department of State Police, and the Department of Financial and Professional Regulation may adopt emergency rules in accordance with this subsection (kk). The rulemaking authority granted in this subsection (kk) shall apply only to rules

adopted before December 31, 2021. Notwithstanding the provisions of subsection (c), emergency rules adopted under this subsection (kk) shall be effective for 180 days. The adoption of emergency rules authorized by this subsection (kk) is deemed to be necessary for the public interest, safety, and welfare.

(ll) In order to provide for the expeditious and timely implementation of the provisions of the Leveling the Playing Field for Illinois Retail Act, emergency rules may be adopted in accordance with this subsection (ll) to implement the changes made by the Leveling the Playing Field for Illinois Retail Act. The adoption of emergency rules authorized by this subsection (ll) is deemed to be necessary for the public interest, safety, and welfare.

(mm) In order to provide for the expeditious and timely implementation of the provisions of Section 25-70 of the Sports Wagering Act, emergency rules to implement Section 25-70 of the Sports Wagering Act may be adopted in accordance with this subsection (mm) by the Department of the Lottery as provided in the Sports Wagering Act. The adoption of emergency rules authorized by this subsection (mm) is deemed to be necessary for the public interest, safety, and welfare.

(nn) In order to provide for the expeditious and timely implementation of the Sports Wagering Act, emergency rules to implement the Sports Wagering Act may be adopted in accordance with this subsection (nn) by the Illinois Gaming Board. The

adoption of emergency rules authorized by this subsection (nn) is deemed to be necessary for the public interest, safety, and welfare.

(oo) In order to provide for the expeditious and timely implementation of the provisions of subsection (c) of Section 20 of the Video Gaming Act, emergency rules to implement the provisions of subsection (c) of Section 20 of the Video Gaming Act may be adopted in accordance with this subsection (oo) by the Illinois Gaming Board. The adoption of emergency rules authorized by this subsection (oo) is deemed to be necessary for the public interest, safety, and welfare.

(pp) In order to provide for the expeditious and timely implementation of the provisions of Section 50 of the Sexual Assault Evidence Submission Act, emergency rules to implement Section 50 of the Sexual Assault Evidence Submission Act may be adopted in accordance with this subsection (pp) by the Department of State Police. The adoption of emergency rules authorized by this subsection (pp) is deemed to be necessary for the public interest, safety, and welfare.

(qq) In order to provide for the expeditious and timely implementation of the provisions of the Illinois Works Jobs Program Act, emergency rules may be adopted in accordance with this subsection (qq) to implement the Illinois Works Jobs Program Act. The adoption of emergency rules authorized by this subsection (qq) is deemed to be necessary for the public interest, safety, and welfare.

(Source: P.A. 100-23, eff. 7-6-17; 100-554, eff. 11-16-17; 100-581, eff. 3-12-18; 100-587, Article 95, Section 95-5, eff. 6-4-18; 100-587, Article 110, Section 110-5, eff. 6-4-18; 100-864, eff. 8-14-18; 100-1172, eff. 1-4-19; 100-1181, eff. 3-8-19; 101-1, eff. 2-19-19; 101-10, Article 20, Section 20-5, eff. 6-5-19; 101-10, Article 35, Section 35-5, eff. 6-5-19; 101-27, eff. 6-25-19; 101-31, Article 15, Section 15-5, eff. 6-28-19; 101-31, Article 25, Section 25-900, eff. 6-28-19; 101-31, Article 35, Section 35-3, eff. 6-28-19; 101-377, eff. 8-16-19; 101-601, eff. 12-10-19.)

Section 5. The Compassionate Use of Medical Cannabis Program Act is amended by changing Sections 55, 100, 115, 130, and 145 and by adding Sections 115.5 and 162 as follows:

(410 ILCS 130/55)

Sec. 55. Registration of qualifying patients and designated caregivers.

(a) The Department of Public Health shall issue registry identification cards to qualifying patients and designated caregivers who submit a completed application, and at minimum, the following, in accordance with Department of Public Health rules:

(1) A written certification, on a form developed by the Department of Public Health consistent with Section 36 and issued by a certifying health care professional,

within 90 days immediately preceding the date of an application and submitted by the qualifying patient or his or her designated caregiver;

(2) upon the execution of applicable privacy waivers, the patient's medical documentation related to his or her debilitating condition and any other information that may be reasonably required by the Department of Public Health to confirm that the certifying health care professional and patient have a bona fide health care professional-patient relationship, that the qualifying patient is in the certifying health care professional's care for his or her debilitating medical condition, and to substantiate the patient's diagnosis;

(3) the application or renewal fee as set by rule;

(4) the name, address, date of birth, and social security number of the qualifying patient, except that if the applicant is homeless no address is required;

(5) the name, address, and telephone number of the qualifying patient's certifying health care professional;

(6) the name, address, and date of birth of the designated caregiver, if any, chosen by the qualifying patient;

(7) blank ~~the name of the registered medical cannabis dispensing organization the qualifying patient designates;~~

(8) signed statements from the patient and designated

caregiver asserting that they will not divert medical cannabis; and

(9) (blank).

(b) Notwithstanding any other provision of this Act, a person provided a written certification for a debilitating medical condition who has submitted a completed online application to the Department of Public Health shall receive a provisional registration and be entitled to purchase medical cannabis from a ~~specified~~ licensed dispensing organization for a period of 90 days or until his or her application has been denied or he or she receives a registry identification card, whichever is earlier. However, a person may obtain an additional provisional registration after the expiration of 90 days after the date of application if the Department of Public Health does not provide the individual with a registry identification card or deny the individual's application within those 90 days.

The provisional registration may not be extended if the individual does not respond to the Department of Public Health's request for additional information or corrections to required application documentation.

In order for a person to receive medical cannabis under this subsection, a person must present his or her provisional registration along with a valid driver's license or State identification card to the licensed dispensing organization ~~specified in his or her application~~. The dispensing

organization shall verify the person's provisional registration through the Department of Public Health's online verification system.

Upon verification of the provided documents, the dispensing organization shall dispense no more than 2.5 ounces of medical cannabis during a 14-day period to the person for a period of 90 days, until his or her application has been denied, or until he or she receives a registry identification card from the Department of Public Health, whichever is earlier.

Persons with provisional registrations must keep their provisional registration in his or her possession at all times when transporting or engaging in the medical use of cannabis.

(c) No person or business shall charge a fee for assistance in the preparation, compilation, or submission of an application to the Compassionate Use of Medical Cannabis Program or the Opioid Alternative Pilot Program. A violation of this subsection is a Class C misdemeanor, for which restitution to the applicant and a fine of up to \$1,500 may be imposed. All fines shall be deposited into the Compassionate Use of Medical Cannabis Fund after restitution has been made to the applicant. The Department of Public Health shall refer individuals making complaints against a person or business under this Section to the Illinois State Police, who shall enforce violations of this provision. All application forms issued by the Department shall state that no person or

business may charge a fee for assistance in the preparation, compilation, or submission of an application to the Compassionate Use of Medical Cannabis Program or the Opioid Alternative Pilot Program.

(Source: P.A. 100-1114, eff. 8-28-18; 101-363, eff. 8-9-19.)

(410 ILCS 130/100)

Sec. 100. Cultivation center agent identification card.

(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 an application has been submitted.

(b) A cultivation center agent must keep his or her identification card visible at all times when on the property of a cultivation center and during the transportation of

medical cannabis to a registered dispensary organization.

(c) The cultivation center agent identification cards 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 State Police and the Department of Agriculture immediately upon discovery of the loss.

(f) 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 shall issue the agent's identification card to the agent. If denied, the cultivation center and the agent applicant shall be notified and the agent applicant must cease all activity at the cultivation center immediately.

(Source: P.A. 98-122, eff. 1-1-14.)

(410 ILCS 130/115)

Sec. 115. Registration of dispensing organizations.

(a) The Department of Financial and Professional Regulation may issue up to 60 dispensing organization registrations for operation. The Department of Financial and Professional Regulation may not issue less than the 60 registrations if there are qualified applicants who have applied with the Department of Financial and Professional Regulation. The organizations shall be geographically dispersed throughout the State to allow all registered qualifying patients reasonable proximity and access to a dispensing organization.

(a-5) ~~The For any dispensing organization registered on or after July 1, 2019, 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 ~~award not less than 20% of all available points to applicants that qualify as Social Equity Applicants.~~ 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 consecutive calendar years preceding the date of the application; and

(2) has high rates of arrest, conviction, and incarceration related to sale, possession, use, 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 ~~that meets one of the following criteria:~~

(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 control by one or more individuals who have been arrested for, convicted of, or adjudicated delinquent for any offense that is eligible for expungement under subsection (i) of Section 5.2 of the Criminal Identification Act ~~or member of an impacted family; or~~

(3) an applicant with at least 51% ownership and control by one or more members of an impacted family. ~~for applicants with a minimum of 10 full time employees, an~~

~~applicant with at least 51% of current employees who:~~

~~(A) currently reside in a Disproportionately Impacted Area; or~~

~~(B) have been arrested for, convicted of, or adjudicated delinquent for any offense that is eligible for expungement or member 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:

(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) information, in writing, regarding any instances in which a business or not for profit that any of the prospective board members managed or served on the board was convicted, fined, censured, or had a registration suspended or revoked in any administrative or judicial proceeding;~~

~~(6) (blank) proposed operating by laws that include procedures for the oversight of the medical cannabis dispensing organization and procedures to ensure accurate record keeping and security measures that are in accordance with the rules applied by the Department of Financial and Professional Regulation under this Act. The by-laws shall include a description of the enclosed, locked facility where medical cannabis will be stored by the dispensing organization; and~~

~~(7) (blank) signed statements from each dispensing organization agent stating that they will not divert medical cannabis.~~

(d) The Department of Financial and Professional Regulation shall conduct a background check of the prospective dispensing organization agents in order to carry out this Section. The Department of State Police shall charge a fee for conducting the criminal history record check, which shall be deposited in the State Police Services Fund and shall not exceed the actual cost of the record check. Each person applying as a dispensing organization agent shall submit a

full set of fingerprints to the Department of 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 Department of State Police and Federal Bureau of Investigation criminal history records databases. The Department of State Police shall furnish, following positive identification, all Illinois conviction information to the Department of Financial 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:

(1) the applicant failed to submit the materials required by this Section, including if the applicant's plans do not satisfy the security, oversight, or recordkeeping rules issued by the Department of Financial 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) 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

(6) one or more of the principal officers or board members is under 21 years of age.

(Source: P.A. 101-363, eff. 8-9-19.)

(410 ILCS 130/115.5 new)

Sec. 115.5. Social Equity Justice Involved Medical Lottery.

(a) In this Section:

"By lot" has the same meaning as defined in Section 1-10 of the Cannabis Regulation and Tax Act.

"Qualifying Applicant" has the same meaning as defined in subsection (a-5) of Section 115.

"Social Equity Justice Involved Applicant" has the same meaning as defined in subsection (a-5) of Section 115.

"Social Equity Justice Involved Medical Lottery" means the process of issuing 5 available medical cannabis dispensing organization registrations by lot, conducted by the Department of Financial and Professional Regulation, for applicants who are either: (i) Social Equity Justice Involved Applicants; or (ii) Qualifying Applicants.

(b) The Department of Financial and Professional

Regulation shall conduct a Social Equity Justice Involved Medical Lottery to award up to 5 medical cannabis dispensing organization registrations by lot in accordance with Section 115.

(c) The Department of Financial and Professional Regulation shall adopt rules through emergency rulemaking in accordance with subsection (kk) of Section 5-45 of the Illinois Administrative Procedure Act to create a registration process, a streamlined application, an application fee not to exceed \$5,000 for purposes of this Section, and limits on the number of entries into the Social Equity Justice Involved Medical Lottery, as well as any other measures to reduce barriers to enter the cannabis industry. The General Assembly finds that the adoption of rules to regulate cannabis use is deemed an emergency and necessary for the public interest, safety, and welfare.

(d) Social Equity Justice Involved Applicants awarded a registration under subsection (a-5) of Section 115 are eligible to serve purchasers at the same site and a secondary site under the Cannabis Regulation and Tax Act, subject to application and inspection processes established by the Department. The licenses issued under this Section shall be valid for 2 years after the date of issuance and shall renew in the manner proscribed by the Department.

(e) No applicant may be awarded more than one medical cannabis dispensing organization registration at the

conclusion of the lottery conducted under this Section.

(f) No individual may be listed as a principal officer of more than one medical cannabis dispensing organization registration awarded under this Section.

(410 ILCS 130/130)

Sec. 130. Requirements; prohibitions; penalties; dispensing organizations.

(a) The Department of Financial and Professional Regulation shall implement the provisions of this Section by rule.

(b) A dispensing organization shall maintain operating documents which shall include procedures for the oversight of the registered dispensing organization and procedures to ensure accurate recordkeeping.

(c) A dispensing organization shall implement appropriate security measures, as provided by rule, to deter and prevent the theft of cannabis and unauthorized entrance into areas containing cannabis.

(d) A dispensing organization may not be located within 1,000 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, or part day child care facility. A registered dispensing organization may not be located in a house, apartment, condominium, or an area zoned for residential use. This subsection shall not apply to

any dispensing organizations registered on or after July 1, 2019.

(e) A dispensing organization is prohibited from acquiring cannabis from anyone other than a cultivation center, craft grower, processing organization, another dispensing organization, or transporting organization licensed or registered under this Act or the Cannabis Regulation and Tax Act ~~registered cultivation center~~. A dispensing organization is prohibited from obtaining cannabis from outside the State of Illinois.

(f) A registered dispensing organization is prohibited from dispensing cannabis for any purpose except to assist registered qualifying patients with the medical use of cannabis directly or through the qualifying patients' designated caregivers.

(g) The area in a dispensing organization where medical cannabis is stored can only be accessed by dispensing organization agents working for the dispensing organization, Department of Financial and Professional Regulation 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.

(h) A dispensing organization may not dispense more than 2.5 ounces of cannabis to a registered qualifying patient, directly or via a designated caregiver, in any 14-day period

unless the qualifying patient has a Department of Public Health-approved quantity waiver. Any Department of Public Health-approved quantity waiver process must be made available to qualified veterans.

(i) Except as provided in subsection (i-5), before medical cannabis may be dispensed to a designated caregiver or a registered qualifying patient, a dispensing organization agent must determine that the individual is a current cardholder in the verification system and must verify each of the following:

(1) that the registry identification card presented to the registered dispensing organization is valid;

(2) that the person presenting the card is the person identified on the registry identification card presented to the dispensing organization agent;

(3) (blank); and ~~that the dispensing organization is the designated dispensing organization for the registered qualifying patient who is obtaining the cannabis directly or via his or her designated caregiver; and~~

(4) that the registered qualifying patient has not exceeded his or her adequate supply.

(i-5) A dispensing organization may dispense medical cannabis to an Opioid Alternative Pilot Program participant under Section 62 and to a person presenting proof of provisional registration under Section 55. Before dispensing medical cannabis, the dispensing organization shall comply with the requirements of Section 62 or Section 55, whichever

is applicable, and verify the following:

(1) that the written certification presented to the registered dispensing organization is valid and an original document;

(2) that the person presenting the written certification is the person identified on the written certification; and

(3) that the participant has not exceeded his or her adequate supply.

(j) Dispensing organizations shall ensure compliance with this limitation by maintaining internal, confidential records that include records specifying how much medical cannabis is dispensed to the registered qualifying patient and whether it was dispensed directly to the registered qualifying patient or to the designated caregiver. Each entry must include the date and time the cannabis was dispensed. Additional recordkeeping requirements may be set by rule.

(k) The health care professional-patient privilege as set forth by Section 8-802 of the Code of Civil Procedure shall apply between a qualifying patient and a registered dispensing organization and its agents with respect to communications and records concerning qualifying patients' debilitating conditions.

(l) A dispensing organization may not permit any person to consume cannabis on the property of a medical cannabis organization.

(m) A dispensing organization may not share office space with or refer patients to a certifying health care professional.

(n) Notwithstanding any other criminal penalties related to the unlawful possession of cannabis, the Department of Financial and Professional Regulation may revoke, suspend, place on probation, reprimand, refuse to issue or renew, or take any other disciplinary or non-disciplinary action as the Department of Financial and Professional Regulation may deem proper with regard to the registration of any person issued under this Act to operate a dispensing organization or act as a dispensing organization agent, including imposing fines not to exceed \$10,000 for each violation, for any violations of this Act and rules adopted in accordance with this Act. The procedures for disciplining a registered dispensing organization shall be determined by rule. All final administrative decisions of the Department of Financial and Professional Regulation are subject to judicial review under the Administrative Review Law and its rules. The term "administrative decision" is defined as in Section 3-101 of the Code of Civil Procedure.

(o) Dispensing organizations are subject to random inspection and cannabis testing by the Department of Financial and Professional Regulation, and the Illinois State Police, the Department of Revenue, the Department of Public Health, the Department of Agriculture, or as provided by rule.

(p) The Department of Financial and Professional Regulation shall adopt rules permitting returns, and potential refunds, for damaged or inadequate products.

(q) The Department of Financial and Professional Regulation may issue nondisciplinary citations for minor violations which may be accompanied by a civil penalty not to exceed \$10,000 per violation. The penalty shall be a civil penalty or other condition as established by rule. The citation shall be issued to the licensee and shall contain the licensee's name, address, and license number, a brief factual statement, the Sections of the law or rule allegedly violated, and the civil penalty, if any, imposed. The citation must clearly state that the licensee may choose, in lieu of accepting the citation, to request a hearing. If the licensee does not dispute the matter in the citation with the Department of Financial and Professional Regulation within 30 days after the citation is served, then the citation shall become final and shall not be subject to appeal.

(Source: P.A. 100-1114, eff. 8-28-18; 101-363, eff. 8-9-19.)

(410 ILCS 130/145)

Sec. 145. Confidentiality.

(a) The following information received and records kept by the Department of Public Health, Department of Financial and Professional Regulation, Department of Agriculture, or Department of State Police for purposes of administering this

Act are subject to all applicable federal privacy laws, confidential, and exempt from the Freedom of Information Act, and not subject to disclosure to any individual or public or private entity, except as necessary for authorized employees of those authorized agencies to perform official duties under this Act and the following information received and records kept by Department of Public Health, Department of Agriculture, Department of Financial and Professional Regulation, and Department of State Police, excluding any existing or non-existing Illinois or national criminal history record information as defined in subsection (d), may be disclosed to each other upon request:

(1) Applications and renewals, their contents, and supporting information submitted by qualifying patients and designated caregivers, including information regarding their designated caregivers and certifying health care professionals.

(2) Applications and renewals, their contents, and supporting information submitted by or on behalf of cultivation centers and dispensing organizations in compliance with this Act, including their physical addresses. This does not preclude the release of ownership information of cannabis business establishment licenses.

(3) The individual names and other information identifying persons to whom the Department of Public Health has issued registry identification cards.

(4) Any dispensing information required to be kept under Section 135, Section 150, or Department of Public Health, Department of Agriculture, or Department of Financial and Professional Regulation rules shall identify cardholders and registered cultivation centers by their registry identification numbers and medical cannabis dispensing organizations by their registration number and not contain names or other personally identifying information.

(5) All medical records provided to the Department of Public Health in connection with an application for a registry card.

(b) Nothing in this Section precludes the following:

(1) Department of Agriculture, Department of Financial and Professional Regulation, or Public Health employees may notify law enforcement about falsified or fraudulent information submitted to the Departments if the employee who suspects that falsified or fraudulent information has been submitted conferred with his or her supervisor and both agree that circumstances exist that warrant reporting.

(2) If the employee conferred with his or her supervisor and both agree that circumstances exist that warrant reporting, Department of Public Health employees may notify the Department of Financial and Professional Regulation if there is reasonable cause to believe a

certifying health care professional:

(A) issued a written certification without a bona fide health care professional-patient relationship under this Act;

(B) issued a written certification to a person who was not under the certifying health care professional's care for the debilitating medical condition; or

(C) failed to abide by the acceptable and prevailing standard of care when evaluating a patient's medical condition.

(3) The Department of Public Health, Department of Agriculture, and Department of Financial and Professional Regulation may notify State or local law enforcement about apparent criminal violations of this Act if the employee who suspects the offense has conferred with his or her supervisor and both agree that circumstances exist that warrant reporting.

(4) Medical cannabis cultivation center agents and medical cannabis dispensing organizations may notify the Department of Public Health, Department of Financial and Professional Regulation, or Department of Agriculture of a suspected violation or attempted violation of this Act or the rules issued under it.

(5) Each Department may verify registry identification cards under Section 150.

(6) The submission of the report to the General Assembly under Section 160.

(b-5) Each Department responsible for licensure under this Act shall publish on the Department's website a list of the ownership information of cannabis business establishment licensees under the Department's jurisdiction. The list shall include, but shall not be limited to, the name of the person or entity holding each cannabis business establishment license and the address at which the entity is operating under this Act. This list shall be published and updated monthly.

(c) Except for any ownership information released pursuant to subsection (b-5) or as otherwise authorized or required by law, it ~~is~~ is a Class B misdemeanor with a \$1,000 fine for any person, including an employee or official of the Department of Public Health, Department of Financial and Professional Regulation, or Department of Agriculture or another State agency or local government, to breach the confidentiality of information obtained under this Act.

(d) The Department of Public Health, the Department of Agriculture, the Department of State Police, and the Department of Financial and Professional Regulation shall not share or disclose any existing or non-existing Illinois or national criminal history record information. For the purposes of this Section, "any existing or non-existing Illinois or national criminal history record information" means any Illinois or national criminal history record information,

including but not limited to the lack of or non-existence of these records.

(Source: P.A. 101-363, eff. 8-9-19.)

(410 ILCS 130/162 new)

Sec. 162. Market research study. The Illinois Cannabis Regulation Oversight Officer shall conduct a market research study on or before January 1, 2022. The study shall evaluate the ownership demographics of licensees and applicants for licenses under this Act.

Section 10. The Cannabis Regulation and Tax Act is amended by changing Sections 1-10, 5-45, 7-30, 10-35, 10-40, 15-15, 15-25, 15-30, 15-35, 15-40, 15-70, 15-85, 15-135, 20-30, 25-5, 25-30, 25-35, 30-5, 30-30, 35-5, 35-25, 35-30, 40-25, 40-30, 55-21, 55-28, and 55-30 and by adding Sections 15-30.20, 15-35.10, 15-35.20, 20-55, 30-55, 35-45, and 40-45 as follows:

(410 ILCS 705/1-10)

Sec. 1-10. Definitions. In this Act:

"Adult Use Cultivation Center License" means a license issued by the Department of Agriculture that permits a person to act as a cultivation center under this Act and any administrative rule made in furtherance of this Act.

"Adult Use Dispensing Organization License" means a license issued by the Department of Financial and Professional

Regulation that permits a person to act as a dispensing organization under this Act and any administrative rule made in furtherance of this Act.

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

"Application points" means the number of points a Dispensary Applicant receives on an application for a Conditional Adult Use Dispensing Organization License.

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

"By lot" means a randomized method of choosing between 2 or more Eligible Tied Applicants or 2 or more Qualifying Applicants.

"Cannabis" means marijuana, hashish, and other substances that are identified as including any parts of the plant *Cannabis sativa* and including derivatives or subspecies, such as *indica*, of all strains of cannabis, whether growing or not; the seeds thereof, the resin extracted from any part of the plant; and any compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin, including tetrahydrocannabinol (THC) and all other naturally produced cannabinol derivatives, whether produced directly or indirectly by extraction; however, "cannabis" does not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted from it), fiber, oil or cake, or the sterilized seed of the plant that is incapable of germination. "Cannabis" does not include industrial hemp as defined and authorized under the Industrial Hemp Act. "Cannabis" also means cannabis flower, concentrate, and cannabis-infused products.

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

"Cannabis concentrate" means a product derived from cannabis that is produced by extracting cannabinoids, including tetrahydrocannabinol (THC), from the plant through

the use of propylene glycol, glycerin, butter, olive oil or other typical cooking fats; water, ice, or dry ice; or butane, propane, CO₂, ethanol, or isopropanol and with the intended use of smoking or making a cannabis-infused product. The use of any other solvent is expressly prohibited unless and until it is approved by the Department of Agriculture.

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

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

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

"Cannabis paraphernalia" means equipment, products, or materials intended to be used for planting, propagating, cultivating, growing, harvesting, manufacturing, producing, processing, preparing, testing, analyzing, packaging,

repackaging, storing, containing, concealing, ingesting, or otherwise introducing cannabis into the human body.

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

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

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

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

"Community College Cannabis Vocational Training Pilot Program faculty participant Agent Identification Card" means a document issued by the Department of Agriculture that identifies a person as Community College Cannabis Vocational Training Pilot Program faculty participant.

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

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

"Craft grower" means a facility operated by an organization or business that is licensed by the Department of Agriculture to cultivate, dry, cure, and package cannabis and perform other necessary activities to make cannabis available for sale at a dispensing organization or use at a processing organization. A craft grower may contain up to 5,000 square feet of canopy space on its premises for plants in the

flowering state. The Department of Agriculture may authorize an increase or decrease of flowering stage cultivation space in increments of 3,000 square feet by rule based on market need, craft grower capacity, and the licensee's history of compliance or noncompliance, with a maximum space of 14,000 square feet for cultivating plants in the flowering stage, which must be cultivated in all stages of growth in an enclosed and secure area. A craft grower may share premises with a processing organization or a dispensing organization, or both, provided each licensee stores currency and cannabis or cannabis-infused products in a separate secured vault to which the other licensee does not have access or all licensees sharing a vault share more than 50% of the same ownership.

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

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

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

"Cultivation center agent" means a principal officer,

board member, employee, or other agent of a cultivation center who is 21 years of age or older.

"Cultivation Center Agent Identification Card" means a document issued by the Department of Agriculture that identifies a person as a cultivation center agent.

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

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

"Dispensary Applicant" means the Proposed Dispensing Organization Name as stated on an application for a Conditional Adult Use Dispensing Organization License.

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

"Dispensing organization agent" means a principal officer,

employee, or agent of a dispensing organization who is 21 years of age or older.

"Dispensing organization agent identification card" means a document issued by the Department of Financial and Professional Regulation that identifies a person as a dispensing organization agent.

"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 consecutive calendar years preceding the date of the

application; and

(2) has high rates of arrest, conviction, and incarceration related to the sale, possession, use, cultivation, manufacture, or transport of cannabis.

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

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

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

its existing registered medical dispensary location.

"Eligible Tied Applicant" means a Tied Applicant that is eligible to participate in the process by which a remaining available license is distributed by lot pursuant to a Tied Applicant Lottery.

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

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

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

(2) a structure, such as a shed or greenhouse, that lies on the same plot of land as a residential building that (i) includes sleeping quarters and indoor plumbing

and (ii) is used as a primary residence by the person cultivating 5 or fewer cannabis plants that are more than 5 inches tall, such as a shed or greenhouse. The structure must remain locked when it is unoccupied by people.

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

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

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

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

"Individual" means a natural person.

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

"Kief" means the resinous crystal-like trichomes that are found on cannabis and that are accumulated, resulting in a

higher concentration of cannabinoids, untreated by heat or pressure, or extracted using a solvent.

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

"Limited access area" means a room or other area under the control of a cannabis dispensing organization licensed under this Act and upon the licensed premises where cannabis sales occur with access limited to purchasers, dispensing organization owners and other dispensing organization agents,

or service professionals conducting business with the dispensing organization, or, if sales to registered qualifying patients, caregivers, provisional patients, and Opioid Alternative Pilot Program participants licensed pursuant to the Compassionate Use of Medical Cannabis Program Act are also permitted at the dispensary, registered qualifying patients, caregivers, provisional patients, and Opioid Alternative Pilot Program participants.

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

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

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

"Ownership and control" means ownership of at least 51% of the business, including corporate stock if a corporation, and control over the management and day-to-day operations of the business and an interest in the capital, assets, and profits

and losses of the business proportionate to percentage of ownership.

"Person" means a natural individual, firm, partnership, association, joint stock company, joint venture, public or private corporation, limited liability company, or a receiver, executor, trustee, guardian, or other representative appointed by order of any court.

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

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

"Primary residence" means a dwelling where a person usually stays or stays more often than other locations. It may

be determined by, without limitation, presence, tax filings; address on an Illinois driver's license, an Illinois Identification Card, or an Illinois Person with a Disability Identification Card; or voter registration. No person may have more than one primary residence.

"Processing organization" or "processor" means a facility operated by an organization or business that is licensed by the Department of Agriculture to either extract constituent chemicals or compounds to produce cannabis concentrate or incorporate cannabis or cannabis concentrate into a product formulation to produce a cannabis product.

"Processing organization agent" means a principal officer, board member, employee, or agent of a processing organization.

"Processing organization agent identification card" means a document issued by the Department of Agriculture that identifies a person as a processing organization agent.

"Purchaser" means a person 21 years of age or older who acquires cannabis for a valuable consideration. "Purchaser" does not include a cardholder under the Compassionate Use of Medical Cannabis Program Act.

"Qualifying Applicant" means an applicant that submitted an application pursuant to Section 15-30 that received at least 85% of 250 application points available under Section 15-30 as the applicant's final score and meets the definition of "Social Equity Applicant" as set forth under this Section.

"Qualifying Social Equity Justice Involved Applicant"

means an applicant that submitted an application pursuant to Section 15-30 that received at least 85% of 250 application points available under Section 15-30 as the applicant's final score and meets the criteria of either paragraph (1) or (2) of the definition of "Social Equity Applicant" as set forth under this Section.

"Qualified Social Equity Applicant" means a Social Equity Applicant who has been awarded a conditional license under this Act to operate a cannabis business establishment.

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

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

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

(3) school records;

(4) a voter registration card;

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

(6) a paycheck stub;

(7) a utility bill;

(8) tax records; or

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

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

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

(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% ownership and control by one or more individuals who:

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

(ii) is a member of an impacted family;

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

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

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

Nothing in this Act shall be construed to preempt or limit the duties of any employer under the Job Opportunities for Qualified Applicants Act. Nothing in this Act shall permit an

employer to require an employee to disclose sealed or expunged offenses, unless otherwise required by law.

"Tied Applicant" means an application submitted by a Dispensary Applicant pursuant to Section 15-30 that received the same number of application points under Section 15-30 as the Dispensary Applicant's final score as one or more top-scoring applications in the same BLS Region and would have been awarded a license but for the one or more other top-scoring applications that received the same number of application points. Each application for which a Dispensary Applicant was required to pay a required application fee for the application period ending January 2, 2020 shall be considered an application of a separate Tied Applicant.

"Tied Applicant Lottery" means the process established under 68 Ill. Adm. Code 1291.50 for awarding Conditional Adult Use Dispensing Organization Licenses pursuant to Sections 15-25 and 15-30 among Eligible Tied Applicants.

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

"Transporting organization" or "transporter" means an organization or business that is licensed by the Department of

Agriculture to transport cannabis or cannabis-infused product on behalf of a cannabis business establishment or a community college licensed under the Community College Cannabis Vocational Training Pilot Program.

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

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

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

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

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

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

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

(410 ILCS 705/5-45)

Sec. 5-45. Illinois Cannabis Regulation Oversight Officer.

(a) The position of Illinois Cannabis Regulation Oversight Officer is created within the Department of Financial and Professional Regulation under the Secretary of Financial and Professional Regulation. The Cannabis Regulation Oversight Officer serves a coordinating role among State agencies regarding this Act and the Compassionate Use of Medical Cannabis Program Act. The Illinois Cannabis Regulation Oversight Officer shall be appointed by the Governor with the advice and consent of the Senate. The term of office of the Officer shall expire on the third Monday of January in odd-numbered years provided that he or she shall hold office until a successor is appointed and qualified. In case of vacancy in office during the recess of the Senate, the Governor shall make a temporary appointment until the next meeting of the Senate, when the Governor shall nominate some person to fill the office, and any person so nominated who is confirmed by the Senate shall hold office during the remainder of the term and until his or her successor is appointed and qualified.

(b) The Illinois Cannabis Regulation Oversight Officer has the authority to ~~may~~:

- (1) maintain a staff;
- (2) make recommendations for administrative and

statutory ~~policy, statute, and rule~~ changes;

(3) collect data both in Illinois and outside Illinois regarding the regulation of cannabis;

(4) compile or assist in the compilation of any reports required by this Act;

(5) ensure the coordination of efforts between various State agencies involved in regulating and taxing the sale of cannabis in Illinois; and

(6) encourage, promote, suggest, and report best practices for ensuring diversity in the cannabis industry in Illinois.

(c) The Illinois Cannabis Regulation Oversight Officer and the Officer's staff shall not:

(1) participate in the issuance or award of any cannabis business establishment license ~~licensing or the making of awards~~; or

(2) participate in discipline related to any cannabis business establishment ~~any adjudicative decision making process involving licensing or licensee discipline~~.

The Illinois Cannabis Regulation Officer is not prohibited from coordinating with and making recommendations to agencies regarding licensing and disciplinary policies and procedures.

(d) Any funding required for the Illinois Cannabis Regulation Oversight Officer, its staff, or its activities shall be drawn from the Cannabis Regulation Fund.

(e) The Illinois Cannabis Regulation Oversight Officer

shall commission and publish one or more disparity and availability studies that ~~a disparity and availability study by March 1, 2021 that~~: (1) evaluates whether there exists discrimination in the State's cannabis industry; and (2) if so, evaluates the impact of such discrimination on the State and includes recommendations to the Department of Financial and Professional Regulation and the Department of Agriculture for reducing or eliminating any identified barriers to entry in the cannabis market. Such disparity and availability studies shall examine each license type issued pursuant to Sections 15-25, 15-30.1, or 15-35.20, subsection (a) of Section 30-5, or subsection (a) of Section 35-5, and shall be initiated within 180 days from the issuance of the first of each license authorized by those Sections. The results of each disparity and availability study shall be reported to the General Assembly and the Governor no later than 12 months after the commission of each study.

The Illinois Cannabis Regulation Oversight Officer shall forward a copy of its findings and recommendations to the Department of Financial and Professional Regulation, the Department of Agriculture, the Department of Commerce and Economic Opportunity, the General Assembly, and the Governor.

(f) The Illinois Cannabis Regulation Oversight Officer may compile, collect, or otherwise gather data necessary for the administration of this Act and to carry out the Officer's duty relating to the recommendation of policy changes. The Illinois

Cannabis Regulation Oversight Officer may direct the Department of Agriculture, Department of Financial and Professional Regulation, Department of Public Health, Department of Human Services, and Department of Commerce and Economic Opportunity to assist in the compilation, collection, and data gathering authorized pursuant to this subsection. The Illinois Cannabis Regulation Oversight Officer shall compile all of the data into a single report and submit the report to the Governor and the General Assembly and publish the report on its website.

(Source: P.A. 101-27, eff. 6-25-19.)

(410 ILCS 705/7-30)

Sec. 7-30. Reporting. By January 1, 2021, and on January 1 of every year thereafter, or upon request by the Illinois Cannabis Regulation Oversight Officer, each cannabis business establishment licensed under this Act and the Compassionate Use of Medical Cannabis Program Act shall report to the Illinois Cannabis Regulation Oversight Officer, on a form to be provided by the Illinois Cannabis Regulation Oversight Officer, information that will allow it to assess the extent of diversity in the medical and adult use cannabis industry and methods for reducing or eliminating any identified barriers to entry, including access to capital. Failure of a cannabis business establishment to respond to the request of the Cannabis Regulation Oversight Officer to complete the

form, report, and any other request for information may be grounds for disciplinary action by the Department of Financial and Professional Regulation or the Department of Agriculture.

The information to be collected shall be designed to identify the following:

(1) the number and percentage of licenses provided to Social Equity Applicants and to businesses owned by minorities, women, veterans, and people with disabilities;

(2) the total number and percentage of employees in the cannabis industry who meet the criteria in (3)(i) or (3)(ii) in the definition of Social Equity Applicant or who are minorities, women, veterans, or people with disabilities;

(3) the total number and percentage of contractors and subcontractors in the cannabis industry that meet the definition of a Social Equity Applicant or who are owned by minorities, women, veterans, or people with disabilities, if known to the cannabis business establishment; and

(4) recommendations on reducing or eliminating any identified barriers to entry, including access to capital, in the cannabis industry.

(Source: P.A. 101-27, eff. 6-25-19.)

(410 ILCS 705/10-35)

Sec. 10-35. Limitations and penalties.

(a) This Act does not permit any person to engage in, and does not prevent the imposition of any civil, criminal, or other penalties for engaging in, any of the following conduct:

(1) undertaking any task under the influence of cannabis when doing so would constitute negligence, professional malpractice, or professional misconduct;

(2) possessing cannabis:

(A) in a school bus, unless permitted for a qualifying patient or caregiver pursuant to the Compassionate Use of Medical Cannabis Program Act;

(B) on the grounds of any preschool or primary or secondary school, unless permitted for a qualifying patient or caregiver pursuant to the Compassionate Use of Medical Cannabis Program Act;

(C) in any correctional facility;

(D) in a vehicle not open to the public unless the cannabis is in a reasonably secured, sealed or resealable container and reasonably inaccessible while the vehicle is moving; or

(E) in a private residence that is used at any time to provide licensed child care or other similar social service care on the premises;

(3) using cannabis:

(A) in a school bus, unless permitted for a qualifying patient or caregiver pursuant to the Compassionate Use of Medical Cannabis Program Act;

(B) on the grounds of any preschool or primary or secondary school, unless permitted for a qualifying patient or caregiver pursuant to the Compassionate Use of Medical Cannabis Program Act;

(C) in any correctional facility;

(D) in any motor vehicle;

(E) in a private residence that is used at any time to provide licensed child care or other similar social service care on the premises;

(F) in any public place; or

(G) knowingly in close physical proximity to anyone under 21 years of age who is not a registered medical cannabis patient under the Compassionate Use of Medical Cannabis Program Act;

(4) smoking cannabis in any place where smoking is prohibited under the Smoke Free Illinois Act;

(5) operating, navigating, or being in actual physical control of any motor vehicle, aircraft, watercraft, or snowmobile while using or under the influence of cannabis in violation of Section 11-501 or 11-502.1 of the Illinois Vehicle Code, Section 5-16 of the Boat Registration and Safety Act, or Section 5-7 of the Snowmobile Registration and Safety Act;

(6) facilitating the use of cannabis by any person who is not allowed to use cannabis under this Act or the Compassionate Use of Medical Cannabis Program Act;

(7) transferring cannabis to any person contrary to this Act or the Compassionate Use of Medical Cannabis Program Act;

(8) the use of cannabis by a law enforcement officer, corrections officer, probation officer, or firefighter while on duty; nothing in this Act prevents a public employer of law enforcement officers, corrections officers, probation officers, paramedics, or firefighters from prohibiting or taking disciplinary action for the consumption, possession, sales, purchase, or delivery of cannabis or cannabis-infused substances while on or off duty, unless provided for in the employer's policies. However, an employer may not take adverse employment action against an employee based solely on the lawful possession or consumption of cannabis or cannabis-infused substances by members of the employee's household. To the extent that this Section conflicts with any applicable collective bargaining agreement, the provisions of the collective bargaining agreement shall prevail. Further, nothing in this Act shall be construed to limit in any way the right to collectively bargain over the subject matters contained in this Act; or

(9) the use of cannabis by a person who has a school bus permit or a Commercial Driver's License while on duty.

As used in this Section, "public place" means any place where a person could reasonably be expected to be observed by

others. "Public place" includes all parts of buildings owned in whole or in part, or leased, by the State or a unit of local government. "Public place" includes all areas in a park, recreation area, wildlife area, or playground owned in whole or in part, leased, or managed by the State or a unit of local government. "Public place" does not include a private residence unless the private residence is used to provide licensed child care, foster care, or other similar social service care on the premises.

(b) Nothing in this Act shall be construed to prevent the arrest or prosecution of a person for reckless driving or driving under the influence of cannabis, operating a watercraft under the influence of cannabis, or operating a snowmobile under the influence of cannabis if probable cause exists.

(c) Nothing in this Act shall prevent a private business from restricting or prohibiting the use of cannabis on its property, including areas where motor vehicles are parked.

(d) Nothing in this Act shall require an individual or business entity to violate the provisions of federal law, including colleges or universities that must abide by the Drug-Free Schools and Communities Act Amendments of 1989, that require campuses to be drug free.

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

Sec. 10-40. Restore, Reinvest, and Renew Program.

(a) The General Assembly finds that in order to address the disparities described below, aggressive approaches and targeted resources to support local design and control of community-based responses to these outcomes are required. To carry out this intent, the Restore, Reinvest, and Renew (R3) Program is created for the following purposes:

(1) to directly address the impact of economic disinvestment, violence, and the historical overuse of criminal justice responses to community and individual needs by providing resources to support local design and control of community-based responses to these impacts;

(2) to substantially reduce both the total amount of gun violence and concentrated poverty in this State;

(3) to protect communities from gun violence through targeted investments and intervention programs, including economic growth and improving family violence prevention, community trauma treatment rates, gun injury victim services, and public health prevention activities;

(4) to promote employment infrastructure and capacity building related to the social determinants of health in the eligible community areas.

(b) In this Section, "Authority" means the Illinois Criminal Justice Information Authority in coordination with the Justice, Equity, and Opportunity Initiative of the Lieutenant Governor's Office.

(c) Eligibility of R3 Areas. Within 180 days after the effective date of this Act, the Authority shall identify as eligible, areas in this State by way of historically recognized geographic boundaries, to be designated by the Restore, Reinvest, and Renew Program Board as R3 Areas and therefore eligible to apply for R3 funding. Local groups within R3 Areas will be eligible to apply for State funding through the Restore, Reinvest, and Renew Program Board. Qualifications for designation as an R3 Area are as follows:

(1) Based on an analysis of data, communities in this State that are high need, underserved, disproportionately impacted by historical economic disinvestment, and ravaged by violence as indicated by the highest rates of gun injury, unemployment, child poverty rates, and commitments to and returns from the Illinois Department of Corrections.

(2) The Authority shall send to the Legislative Audit Commission and make publicly available its analysis and identification of eligible R3 Areas and shall recalculate the eligibility data every 4 years. On an annual basis, the Authority shall analyze data and indicate if data covering any R3 Area or portion of an Area has, for 4 consecutive years, substantially deviated from the average of statewide data on which the original calculation was made to determine the Areas, including disinvestment, violence, gun injury, unemployment, child poverty rates,

or commitments to or returns from the Illinois Department of Corrections.

(d) The Restore, Reinvest, and Renew Program Board shall encourage collaborative partnerships within each R3 Area to minimize multiple partnerships per Area.

(e) The Restore, Reinvest, and Renew Program Board is created and shall reflect the diversity of the State of Illinois, including geographic, racial, and ethnic diversity. Using the data provided by the Authority, the Restore, Reinvest, and Renew Program Board shall be responsible for designating the R3 Area boundaries and for the selection and oversight of R3 Area grantees. The Restore, Reinvest, and Renew Program Board ex officio members shall, within 4 months after the effective date of this Act, convene the Board to appoint a full Restore, Reinvest, and Renew Program Board and oversee, provide guidance to, and develop an administrative structure for the R3 Program.

(1) The ex officio members are:

(A) The Lieutenant Governor, or his or her designee, who shall serve as chair.

(B) The Attorney General, or his or her designee.

(C) The Director of Commerce and Economic Opportunity, or his or her designee.

(D) The Director of Public Health, or his or her designee.

(E) The Director of Corrections, or his or her designee.

(F) The Director of Juvenile Justice, or his or her designee.

(G) The Director of Children and Family Services, or his or her designee.

(H) The Executive Director of the Illinois Criminal Justice Information Authority, or his or her designee.

(I) The Director of Employment Security, or his or her designee.

(J) The Secretary of Human Services, or his or her designee.

(K) A member of the Senate, designated by the President of the Senate.

(L) A member of the House of Representatives, designated by the Speaker of the House of Representatives.

(M) A member of the Senate, designated by the Minority Leader of the Senate.

(N) A member of the House of Representatives, designated by the Minority Leader of the House of Representatives.

(2) Within 90 days after the R3 Areas have been designated by the Restore, Reinvest, and Renew Program Board, the following members shall be appointed to the

Board by the R3 board chair:

(A) Eight public officials of municipal geographic jurisdictions in the State that include an R3 Area, or their designees;

(B) Four community-based providers or community development organization representatives who provide services to treat violence and address the social determinants of health, or promote community investment, including, but not limited to, services such as job placement and training, educational services, workforce development programming, and wealth building. The community-based organization representatives shall work primarily in jurisdictions that include an R3 Area and no more than 2 representatives shall work primarily in Cook County. At least one of the community-based providers shall have expertise in providing services to an immigrant population;

(C) Two experts in the field of violence reduction;

(D) One male who has previously been incarcerated and is over the age of 24 at the time of appointment;

(E) One female who has previously been incarcerated and is over the age of 24 at the time of appointment;

(F) Two individuals who have previously been

incarcerated and are between the ages of 17 and 24 at the time of appointment; ~~and-~~

(G) Eight individuals who live or work in an R3 Area.

As used in this paragraph (2), "an individual who has been previously incarcerated" means a person who has been convicted of or pled guilty to one or more felonies, who was sentenced to a term of imprisonment, and who has completed his or her sentence. Board members shall serve without compensation and may be reimbursed for reasonable expenses incurred in the performance of their duties from funds appropriated for that purpose. Once all its members have been appointed as outlined in items (A) through (F) of this paragraph (2), the Board may exercise any power, perform any function, take any action, or do anything in furtherance of its purposes and goals upon the appointment of a quorum of its members. The Board terms of the non-ex officio and General Assembly Board members shall end 4 years from the date of appointment. The R3 board chair may remove an individual appointed to the Board who does not regularly attend Board meetings, based on criteria approved by the Board.

(f) Within 12 months after the effective date of this Act, the Board shall:

(1) develop a process to solicit applications from eligible R3 Areas;

(2) develop a standard template for both planning and implementation activities to be submitted by R3 Areas to the State;

(3) identify resources sufficient to support the full administration and evaluation of the R3 Program, including building and sustaining core program capacity at the community and State levels;

(4) review R3 Area grant applications and proposed agreements and approve the distribution of resources;

(5) develop a performance measurement system that focuses on positive outcomes;

(6) develop a process to support ongoing monitoring and evaluation of R3 programs; and

(7) deliver an annual report to the General Assembly and to the Governor to be posted on the Governor's Office and General Assembly websites and provide to the public an annual report on its progress.

(g) R3 Area grants.

(1) Grant funds shall be awarded by the Illinois Criminal Justice Information Authority, in coordination with the R3 board, based on the likelihood that the plan will achieve the outcomes outlined in subsection (a) and consistent with the requirements of the Grant Accountability and Transparency Act. The R3 Program shall also facilitate the provision of training and technical assistance for capacity building within and among R3

Areas.

(2) R3 Program Board grants shall be used to address economic development, violence prevention services, re-entry services, youth development, and civil legal aid.

(3) The Restore, Reinvest, and Renew Program Board and the R3 Area grantees shall, within a period of no more than 120 days from the completion of planning activities described in this Section, finalize an agreement on the plan for implementation. Implementation activities may:

(A) have a basis in evidence or best practice research or have evaluations demonstrating the capacity to address the purpose of the program in subsection (a);

(B) collect data from the inception of planning activities through implementation, with data collection technical assistance when needed, including cost data and data related to identified meaningful short-term, mid-term, and long-term goals and metrics;

(C) report data to the Restore, Reinvest, and Renew Program Board biannually; and

(D) report information as requested by the R3 Program Board.

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

(410 ILCS 705/15-15)

Sec. 15-15. Early Approval Adult Use Dispensing

Organization License.

(a) Any medical cannabis dispensing organization holding a valid registration under the Compassionate Use of Medical Cannabis Program Act as of the effective date of this Act may, within 60 days of the effective date of this Act, apply to the Department for an Early Approval Adult Use Dispensing Organization License to serve purchasers at any medical cannabis dispensing location in operation on the effective date of this Act, pursuant to this Section.

(b) A medical cannabis dispensing organization seeking issuance of an Early Approval Adult Use Dispensing Organization License to serve purchasers at any medical cannabis dispensing location in operation as of the effective date of this Act shall submit an application on forms provided by the Department. The application must be submitted by the same person or entity that holds the medical cannabis dispensing organization registration and include the following:

(1) Payment of a nonrefundable fee of \$30,000 to be deposited into the Cannabis Regulation Fund;

(2) Proof of registration as a medical cannabis dispensing organization that is in good standing;

(3) Certification that the applicant will comply with the requirements contained in the Compassionate Use of Medical Cannabis Program Act except as provided in this Act;

(4) The legal name of the dispensing organization;

(5) The physical address of the dispensing organization;

(6) The name, address, social security number, and date of birth of each principal officer and board member of the dispensing organization, each of whom must be at least 21 years of age;

(7) A nonrefundable Cannabis Business Development Fee equal to 3% of the dispensing organization's total sales between June 1, 2018 to June 1, 2019, or \$100,000, whichever is less, to be deposited into the Cannabis Business Development Fund; and

(8) Identification of one of the following Social Equity Inclusion Plans to be completed by March 31, 2021:

(A) Make a contribution of 3% of total sales from June 1, 2018 to June 1, 2019, or \$100,000, whichever is less, to the Cannabis Business Development Fund. This is in addition to the fee required by item (7) of this subsection (b);

(B) Make a grant of 3% of total sales from June 1, 2018 to June 1, 2019, or \$100,000, whichever is less, to a cannabis industry training or education program at an Illinois community college as defined in the Public Community College Act;

(C) Make a donation of \$100,000 or more to a program that provides job training services to persons

recently incarcerated or that operates in a Disproportionately Impacted Area;

(D) Participate as a host in a cannabis business establishment incubator program approved by the Department of Commerce and Economic Opportunity, and in which an Early Approval Adult Use Dispensing Organization License holder agrees to provide a loan of at least \$100,000 and mentorship to incubate, for at least a year, a Social Equity Applicant intending to seek a license or a licensee that qualifies as a Social Equity Applicant. As used in this Section, "incubate" means providing direct financial assistance and training necessary to engage in licensed cannabis industry activity similar to that of the host licensee. The Early Approval Adult Use Dispensing Organization License holder or the same entity holding any other licenses issued pursuant to this Act shall not take an ownership stake of greater than 10% in any business receiving incubation services to comply with this subsection. If an Early Approval Adult Use Dispensing Organization License holder fails to find a business to incubate to comply with this subsection before its Early Approval Adult Use Dispensing Organization License expires, it may opt to meet the requirement of this subsection by completing another item from this subsection; or

(E) Participate in a sponsorship program for at least 2 years approved by the Department of Commerce and Economic Opportunity in which an Early Approval Adult Use Dispensing Organization License holder agrees to provide an interest-free loan of at least \$200,000 to a Social Equity Applicant. The sponsor shall not take an ownership stake in any cannabis business establishment receiving sponsorship services to comply with this subsection.

(b-5) Beginning 90 days after the effective date of this amendatory Act of the 102nd General Assembly, an Early Approval Adult Use Dispensing Organization licensee whose license was issued pursuant to this Section may apply to relocate within the same geographic district where its existing associated medical cannabis dispensing organization dispensary licensed under the Compassionate Use of Medical Cannabis Act is authorized to operate. A request to relocate under this subsection is subject to approval by the Department. An Early Approval Adult Use Dispensing Organization's application to relocate its license under this subsection shall be deemed approved 30 days following the submission of a complete application to relocate, unless sooner approved or denied in writing by the Department. If an application to relocate is denied, the Department shall provide, in writing, the specific reason for denial.

An Early Approval Adult Use Dispensing Organization may

request to relocate under this subsection if:

(1) its existing location is within the boundaries of a unit of local government that prohibits the sale of adult use cannabis; or

(2) the Early Approval Adult Use Dispensing Organization has obtained the approval of the municipality or, if outside the boundaries of a municipality in an unincorporated area of the county, the approval of the county where the existing license is located to move to another location within that unit of local government.

At no time may an Early Approval Adult Use Dispensing Organization dispensary licensed under this Section operate in a separate facility from its associated medical cannabis dispensing organization dispensary licensed under the Compassionate Use of Medical Cannabis Act. The relocation of an Early Approval Adult Use Dispensing Organization License under this subsection shall be subject to Sections 55-25 and 55-28 of this Act.

(c) The license fee required by paragraph (1) of subsection (b) of this Section shall be in addition to any license fee required for the renewal of a registered medical cannabis dispensing organization license.

(d) Applicants must submit all required information, including the requirements in subsection (b) of this Section, to the Department. Failure by an applicant to submit all required information may result in the application being

disqualified.

(e) If the Department receives an application that fails to provide the required elements contained in subsection (b), the Department shall issue a deficiency notice to the applicant. The applicant shall have 10 calendar days from the date of the deficiency notice to submit complete information. Applications that are still incomplete after this opportunity to cure may be disqualified.

(f) If an applicant meets all the requirements of subsection (b) of this Section, the Department shall issue the Early Approval Adult Use Dispensing Organization License within 14 days of receiving a completed application unless:

(1) The licensee or a principal officer is delinquent in filing any required tax returns or paying any amounts owed to the State of Illinois;

(2) The Secretary of Financial and Professional Regulation determines there is reason, based on documented compliance violations, the licensee is not entitled to an Early Approval Adult Use Dispensing Organization License;
or

(3) Any principal officer fails to register and remain in compliance with this Act or the Compassionate Use of Medical Cannabis Program Act.

(g) A registered medical cannabis dispensing organization that obtains an Early Approval Adult Use Dispensing Organization License may begin selling cannabis,

cannabis-infused products, paraphernalia, and related items to purchasers under the rules of this Act no sooner than January 1, 2020.

(h) A dispensing organization holding a medical cannabis dispensing organization license issued under the Compassionate Use of Medical Cannabis Program Act must maintain an adequate supply of cannabis and cannabis-infused products for purchase by qualifying patients, caregivers, provisional patients, and Opioid Alternative Pilot Program participants. For the purposes of this subsection, "adequate supply" means a monthly inventory level that is comparable in type and quantity to those medical cannabis products provided to patients and caregivers on an average monthly basis for the 6 months before the effective date of this Act.

(i) If there is a shortage of cannabis or cannabis-infused products, a dispensing organization holding both a dispensing organization license under the Compassionate Use of Medical Cannabis Program Act and this Act shall prioritize serving qualifying patients, caregivers, provisional patients, and Opioid Alternative Pilot Program participants before serving purchasers.

(j) Notwithstanding any law or rule to the contrary, a person that holds a medical cannabis dispensing organization license issued under the Compassionate Use of Medical Cannabis Program Act and an Early Approval Adult Use Dispensing Organization License may permit purchasers into a limited

access area as that term is defined in administrative rules made under the authority in the Compassionate Use of Medical Cannabis Program Act.

(k) An Early Approval Adult Use Dispensing Organization License is valid until March 31, 2021. A dispensing organization that obtains an Early Approval Adult Use Dispensing Organization License shall receive written or electronic notice 90 days before the expiration of the license that the license will expire, and that informs the license holder that it may apply to renew its Early Approval Adult Use Dispensing Organization License on forms provided by the Department. The Department shall renew the Early Approval Adult Use Dispensing Organization License within 60 days of the renewal application being deemed complete if:

(1) the dispensing organization submits an application and the required nonrefundable renewal fee of \$30,000, to be deposited into the Cannabis Regulation Fund;

(2) the Department has not suspended or permanently revoked the Early Approval Adult Use Dispensing Organization License or a medical cannabis dispensing organization license on the same premises for violations of this Act, the Compassionate Use of Medical Cannabis Program Act, or rules adopted pursuant to those Acts;

(3) the dispensing organization has completed a Social Equity Inclusion Plan as provided by parts (A), (B), and (C) of paragraph (8) of subsection (b) of this Section or

has made substantial progress toward completing a Social Equity Inclusion Plan as provided by parts (D) and (E) of paragraph (8) of subsection (b) of this Section; and

(4) the dispensing organization is in compliance with this Act and rules.

(l) The Early Approval Adult Use Dispensing Organization License renewed pursuant to subsection (k) of this Section shall expire March 31, 2022. The Early Approval Adult Use Dispensing Organization Licensee shall receive written or electronic notice 90 days before the expiration of the license that the license will expire, and that informs the license holder that it may apply for an Adult Use Dispensing Organization License on forms provided by the Department. The Department shall grant an Adult Use Dispensing Organization License within 60 days of an application being deemed complete if the applicant has met all of the criteria in Section 15-36.

(m) If a dispensing organization fails to submit an application for renewal of an Early Approval Adult Use Dispensing Organization License or for an Adult Use Dispensing Organization License before the expiration dates provided in subsections (k) and (l) of this Section, the dispensing organization shall cease serving purchasers and cease all operations until it receives a renewal or an Adult Use Dispensing Organization License, as the case may be.

(n) A dispensing organization agent who holds a valid dispensing organization agent identification card issued under

the Compassionate Use of Medical Cannabis Program Act and is an officer, director, manager, or employee of the dispensing organization licensed under this Section may engage in all activities authorized by this Article to be performed by a dispensing organization agent.

(o) If the Department suspends, permanently revokes, or otherwise disciplines the Early Approval Adult Use Dispensing Organization License of a dispensing organization that also holds a medical cannabis dispensing organization license issued under the Compassionate Use of Medical Cannabis Program Act, the Department may consider the suspension, permanent revocation, or other discipline of the medical cannabis dispensing organization license.

(p) All fees collected pursuant to this Section shall be deposited into the Cannabis Regulation Fund, unless otherwise specified.

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

(410 ILCS 705/15-25)

Sec. 15-25. Awarding of Conditional Adult Use Dispensing Organization Licenses prior to January 1, 2021.

(a) The Department shall issue up to 75 Conditional Adult Use Dispensing Organization Licenses before May 1, 2020.

(b) The Department shall make the application for a Conditional Adult Use Dispensing Organization License available no later than October 1, 2019 and shall accept

applications no later than January 1, 2020.

(c) To ensure the geographic dispersion of Conditional Adult Use Dispensing Organization License holders, the following number of licenses shall be awarded in each BLS Region as determined by each region's percentage of the State's population:

- (1) Bloomington: 1
- (2) Cape Girardeau: 1
- (3) Carbondale-Marion: 1
- (4) Champaign-Urbana: 1
- (5) Chicago-Naperville-Elgin: 47
- (6) Danville: 1
- (7) Davenport-Moline-Rock Island: 1
- (8) Decatur: 1
- (9) Kankakee: 1
- (10) Peoria: 3
- (11) Rockford: 2
- (12) St. Louis: 4
- (13) Springfield: 1
- (14) Northwest Illinois nonmetropolitan: 3
- (15) West Central Illinois nonmetropolitan: 3
- (16) East Central Illinois nonmetropolitan: 2
- (17) South Illinois nonmetropolitan: 2

(d) An applicant seeking issuance of a Conditional Adult Use Dispensing Organization License shall submit an application on forms provided by the Department. An applicant

must meet the following requirements:

(1) Payment of a nonrefundable application fee of \$5,000 for each license for which the applicant is applying, which shall be deposited into the Cannabis Regulation Fund;

(2) Certification that the applicant will comply with the requirements contained in this Act;

(3) The legal name of the proposed dispensing organization;

(4) A statement that the dispensing organization agrees to respond to the Department's supplemental requests for information;

(5) From each principal officer, a statement indicating whether that person:

(A) has previously held or currently holds an ownership interest in a cannabis business establishment in Illinois; or

(B) has held an ownership interest in a dispensing organization or its equivalent in another state or territory of the United States that had the dispensing organization registration or license suspended, revoked, placed on probationary status, or subjected to other disciplinary action;

(6) Disclosure of whether any principal officer has ever filed for bankruptcy or defaulted on spousal support or child support obligation;

(7) A resume for each principal officer, including whether that person has an academic degree, certification, or relevant experience with a cannabis business establishment or in a related industry;

(8) A description of the training and education that will be provided to dispensing organization agents;

(9) A copy of the proposed operating bylaws;

(10) A copy of the proposed business plan that complies with the requirements in this Act, including, at a minimum, the following:

(A) A description of services to be offered; and

(B) A description of the process of dispensing cannabis;

(11) A copy of the proposed security plan that complies with the requirements in this Article, including:

(A) The process or controls that will be implemented to monitor the dispensary, secure the premises, agents, and currency, and prevent the diversion, theft, or loss of cannabis; and

(B) The process to ensure that access to the restricted access areas is restricted to, registered agents, service professionals, transporting organization agents, Department inspectors, and security personnel;

(12) A proposed inventory control plan that complies with this Section;

(13) A proposed floor plan, a square footage estimate, and a description of proposed security devices, including, without limitation, cameras, motion detectors, servers, video storage capabilities, and alarm service providers;

(14) The name, address, social security number, and date of birth of each principal officer and board member of the dispensing organization; each of those individuals shall be at least 21 years of age;

(15) Evidence of the applicant's status as a Social Equity Applicant, if applicable, and whether a Social Equity Applicant plans to apply for a loan or grant issued by the Department of Commerce and Economic Opportunity;

(16) The address, telephone number, and email address of the applicant's principal place of business, if applicable. A post office box is not permitted;

(17) Written summaries of any information regarding instances in which a business or not-for-profit that a prospective board member previously managed or served on were fined or censured, or any instances in which a business or not-for-profit that a prospective board member previously managed or served on had its registration suspended or revoked in any administrative or judicial proceeding;

(18) A plan for community engagement;

(19) Procedures to ensure accurate recordkeeping and security measures that are in accordance with this Article

and Department rules;

(20) The estimated volume of cannabis it plans to store at the dispensary;

(21) A description of the features that will provide accessibility to purchasers as required by the Americans with Disabilities Act;

(22) A detailed description of air treatment systems that will be installed to reduce odors;

(23) A reasonable assurance that the issuance of a license will not have a detrimental impact on the community in which the applicant wishes to locate;

(24) The dated signature of each principal officer;

(25) A description of the enclosed, locked facility where cannabis will be stored by the dispensing organization;

(26) Signed statements from each dispensing organization agent stating that he or she will not divert cannabis;

(27) The number of licenses it is applying for in each BLS Region;

(28) A diversity plan that includes a narrative of at least 2,500 words that establishes a goal of diversity in ownership, management, employment, and contracting to ensure that diverse participants and groups are afforded equality of opportunity;

(29) A contract with a private security contractor

agency that is licensed under Section 10-5 of the Private Detective, Private Alarm, Private Security, Fingerprint Vendor, and Locksmith Act of 2004 in order for the dispensary to have adequate security at its facility; and

(30) Other information deemed necessary by the Illinois Cannabis Regulation Oversight Officer to conduct the disparity and availability study referenced in subsection (e) of Section 5-45.

(e) An applicant who receives a Conditional Adult Use Dispensing Organization License under this Section has 180 days from the date of award to identify a physical location for the dispensing organization retail storefront. ~~Before a conditional licensee receives an authorization to build out the dispensing organization from the Department, the Department shall inspect the physical space selected by the conditional licensee. The Department shall verify the site is suitable for public access, the layout promotes the safe dispensing of cannabis, the location is sufficient in size, power allocation, lighting, parking, handicapped accessible parking spaces, accessible entry and exits as required by the Americans with Disabilities Act, product handling, and storage. The applicant shall also provide a statement of reasonable assurance that the issuance of a license will not have a detrimental impact on the community.~~ The applicant shall ~~also~~ provide evidence that the location is not within 1,500 feet of an existing dispensing organization, unless the

applicant is a Social Equity Applicant or Social Equity Justice Involved Applicant located or seeking to locate within 1,500 feet of a dispensing organization licensed under Section 15-15 or Section 15-20. If an applicant is unable to find a suitable physical address in the opinion of the Department within 180 days of the issuance of the Conditional Adult Use Dispensing Organization License, the Department may extend the period for finding a physical address another 180 days if the Conditional Adult Use Dispensing Organization License holder demonstrates concrete attempts to secure a location and a hardship. If the Department denies the extension or the Conditional Adult Use Dispensing Organization License holder is unable to find a location or become operational within 360 days of being awarded a conditional license, the Department shall rescind the conditional license and award it to the next highest scoring applicant in the BLS Region for which the license was assigned, provided the applicant receiving the license: (i) confirms a continued interest in operating a dispensing organization; (ii) can provide evidence that the applicant continues to meet all requirements for holding a Conditional Adult Use Dispensing Organization License set forth in this Act; and (iii) has not otherwise become ineligible to be awarded a dispensing organization license. If the new awardee is unable to accept the Conditional Adult Use Dispensing Organization License, the Department shall award the Conditional Adult Use Dispensing Organization License to

the next highest scoring applicant in the same manner. The new awardee shall be subject to the same required deadlines as provided in this subsection.

(e-5) If, within 180 days of being awarded a Conditional Adult Use Dispensing Organization License, a dispensing organization is unable to find a location within the BLS Region in which it was awarded a Conditional Adult Use Dispensing Organization License because no jurisdiction within the BLS Region allows for the operation of an Adult Use Dispensing Organization, the Department of Financial and Professional Regulation may authorize the Conditional Adult Use Dispensing Organization License holder to transfer its license to a BLS Region specified by the Department.

(f) A dispensing organization that is awarded a Conditional Adult Use Dispensing Organization License pursuant to the criteria in Section 15-30 shall not purchase, possess, sell, or dispense cannabis or cannabis-infused products until the person has received an Adult Use Dispensing Organization License issued by the Department pursuant to Section 15-36 of this Act.

(g) The Department shall conduct a background check of the prospective organization agents in order to carry out this Article. The Department of State Police shall charge the applicant a fee for conducting the criminal history record check, which shall be deposited into the State Police Services Fund and shall not exceed the actual cost of the record check.

Each person applying as a dispensing organization agent shall submit a full set of fingerprints to the Department of 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 Department of State Police and Federal Bureau of Identification criminal history records databases. The Department of State Police shall furnish, following positive identification, all Illinois conviction information to the Department.

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

(410 ILCS 705/15-30)

Sec. 15-30. Selection criteria for conditional licenses awarded under Section 15-25.

(a) Applicants for a Conditional Adult Use Dispensing Organization License must submit all required information, including the information required in Section 15-25, to the Department. Failure by an applicant to submit all required information may result in the application being disqualified.

(b) If the Department receives an application that fails to provide the required elements contained in this Section, the Department shall issue a deficiency notice to the applicant. The applicant shall have 10 calendar days from the date of the deficiency notice to resubmit the incomplete information. Applications that are still incomplete after this

opportunity to cure will not be scored and will be disqualified.

(c) The Department will award up to 250 points to complete applications based on the sufficiency of the applicant's responses to required information. Applicants will be awarded points based on a determination that the application satisfactorily includes the following elements:

(1) Suitability of Employee Training Plan (15 points).

The plan includes an employee training plan that demonstrates that employees will understand the rules and laws to be followed by dispensary employees, have knowledge of any security measures and operating procedures of the dispensary, and are able to advise purchasers on how to safely consume cannabis and use individual products offered by the dispensary.

(2) Security and Recordkeeping (65 points).

(A) The security plan accounts for the prevention of the theft or diversion of cannabis. The security plan demonstrates safety procedures for dispensing organization agents and purchasers, and safe delivery and storage of cannabis and currency. It demonstrates compliance with all security requirements in this Act and rules.

(B) A plan for recordkeeping, tracking, and monitoring inventory, quality control, and other policies and procedures that will promote standard

recordkeeping and discourage unlawful activity. This plan includes the applicant's strategy to communicate with the Department and the Department of State Police on the destruction and disposal of cannabis. The plan must also demonstrate compliance with this Act and rules.

(C) The security plan shall also detail which private security contractor licensed under Section 10-5 of the Private Detective, Private Alarm, Private Security, Fingerprint Vendor, and Locksmith Act of 2004 the dispensary will contract with in order to provide adequate security at its facility.

(3) Applicant's Business Plan, Financials, Operating and Floor Plan (65 points).

(A) The business plan shall describe, at a minimum, how the dispensing organization will be managed on a long-term basis. This shall include a description of the dispensing organization's point-of-sale system, purchases and denials of sale, confidentiality, and products and services to be offered. It will demonstrate compliance with this Act and rules.

(B) The operating plan shall include, at a minimum, best practices for day-to-day dispensary operation and staffing. The operating plan may also include information about employment practices,

including information about the percentage of full-time employees who will be provided a living wage.

(C) The proposed floor plan is suitable for public access, the layout promotes safe dispensing of cannabis, is compliant with the Americans with Disabilities Act and the Environmental Barriers Act, and facilitates safe product handling and storage.

(4) Knowledge and Experience (30 points).

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

(B) The applicant's principal officers must demonstrate knowledge of various cannabis product strains or varieties and describe the types and quantities of products planned to be sold. This includes confirmation of whether the dispensing organization plans to sell cannabis paraphernalia or edibles.

(C) Knowledge and experience may be demonstrated through experience in other comparable industries that reflect on the applicant's ability to operate a cannabis business establishment.

(5) Status as a Social Equity Applicant (50 points).

The applicant meets the qualifications for a Social Equity Applicant as set forth in this Act.

(6) Labor and employment practices (5 points): The applicant may describe plans to provide a safe, healthy, and economically beneficial working environment for its agents, including, but not limited to, codes of conduct, health care benefits, educational benefits, retirement benefits, living wage standards, and entering a labor peace agreement with employees.

(7) Environmental Plan (5 points): The applicant may demonstrate an environmental plan of action to minimize the carbon footprint, environmental impact, and resource needs for the dispensary, which may include, without limitation, recycling cannabis product packaging.

(8) Illinois owner (5 points): The applicant is 51% or more owned and controlled by an Illinois resident, who can prove residency in each of the past 5 years with tax records or 2 of the following:

(A) a signed lease agreement that includes the applicant's name;

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

(C) school records;

(D) a voter registration card;

(E) an Illinois driver's license, an Illinois Identification Card, or an Illinois Person with a

Disability Identification Card;

(F) a paycheck stub;

(G) a utility bill; or

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

(9) Status as veteran (5 points): The applicant is 51% or more controlled and owned by an individual or individuals who meet the qualifications of a veteran as defined by Section 45-57 of the Illinois Procurement Code.

(10) A diversity plan (5 points): that includes a narrative of not more than 2,500 words that establishes a goal of diversity in ownership, management, employment, and contracting to ensure that diverse participants and groups are afforded equality of opportunity.

(d) The Department may also award up to 2 bonus points for a plan to engage with the community. The applicant may demonstrate a desire to engage with its community by participating in one or more of, but not limited to, the following actions: (i) establishment of an incubator program designed to increase participation in the cannabis industry by persons who would qualify as Social Equity Applicants; (ii) providing financial assistance to substance abuse treatment centers; (iii) educating children and teens about the potential harms of cannabis use; or (iv) other measures demonstrating a commitment to the applicant's community. Bonus

points will only be awarded if the Department receives applications that receive an equal score for a particular region.

(e) The Department may verify information contained in each application and accompanying documentation to assess the applicant's veracity and fitness to operate a dispensing organization.

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

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

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

(3) Who has been found guilty of a violation of this Act, who has had any disciplinary order entered against it by the Department, who has entered into a disciplinary or nondisciplinary agreement with the Department, or whose medical cannabis dispensing organization, medical cannabis cultivation organization, or Early Approval Adult Use Dispensing Organization License, or Early Approval Adult Use Dispensing Organization License at a secondary site, or Early Approval Cultivation Center License was suspended, restricted, revoked, or denied for just cause, or the applicant's cannabis business establishment license was suspended, restricted, revoked, or denied in any other state; or

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

(g) The Department shall deny the license if any principal officer, board member, or person having a financial or voting interest of 5% or greater in the licensee is delinquent in filing any required tax returns or paying any amounts owed to the State of Illinois.

(h) The Department shall verify an applicant's compliance with the requirements of this Article and rules before issuing a dispensing organization license.

(i) Should the applicant be awarded a license, the information and plans provided in the application, including any plans submitted for bonus points, shall become a condition of the Conditional Adult Use Dispensing Organization Licenses and any Adult Use Dispensing Organization License issued to the holder of the Conditional Adult Use Dispensing Organization License, except as otherwise provided by this Act or rule. Dispensing organizations have a duty to disclose any material changes to the application. The Department shall review all material changes disclosed by the dispensing organization, and may re-evaluate its prior decision regarding the awarding of a license, including, but not limited to, suspending or permanently revoking a license. Failure to comply with the conditions or requirements in the application

may subject the dispensing organization to discipline, up to and including suspension or permanent revocation of its authorization or license by the Department.

(j) If an applicant has not begun operating as a dispensing organization within one year of the issuance of the Conditional Adult Use Dispensing Organization License, the Department may permanently revoke the Conditional Adult Use Dispensing Organization License and award it to the next highest scoring applicant in the BLS Region if a suitable applicant indicates a continued interest in the license or begin a new selection process to award a Conditional Adult Use Dispensing Organization License.

(k) The Department shall deny an application if granting that application would result in a single person or entity having a direct or indirect financial interest in more than 10 Early Approval Adult Use Dispensing Organization Licenses, Conditional Adult Use Dispensing Organization Licenses, or Adult Use Dispensing Organization Licenses. Any entity that is awarded a license that results in a single person or entity having a direct or indirect financial interest in more than 10 licenses shall forfeit the most recently issued license and suffer a penalty to be determined by the Department, unless the entity declines the license at the time it is awarded.

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

Sec. 15-30.20. Tied Applicant Lottery; additional requirements; timing.

(a) If awarding a license in a Tied Applicant Lottery would result in a Tied Applicant possessing more than 10 Early Approval Adult Use Dispensing Organization Licenses, Early Approval Adult Use Dispensing Organization Licenses at a secondary site, Conditional Adult Use Dispensing Organization Licenses, Adult Use Dispensing Organization Licenses, or any combination thereof, the Tied Applicant must choose which license to abandon pursuant to subsection (d) of Section 15-36 and notify the Department in writing within 5 business days after the date that the Tied Applicant Lottery is conducted.

(b) The Department shall publish the certified results of a Tied Applicant Lottery within 2 business days after the Tied Applicant Lottery is conducted.

(410 ILCS 705/15-35)

Sec. 15-35. Qualifying Applicant Lottery for Conditional Adult Use Dispensing Organization Licenses ~~License after January 1, 2021.~~

(a) In addition to any of the licenses issued under Section in Sections 15-15, Section 15-20, or Section 15-25, Section 15-30.20, or Section 15-35.10 of this Act, within 10 business days after the resulting final scores for all scored applications pursuant to Sections 15-25 and 15-30 are released, by December 21, 2021, the Department shall issue up

to 55 ~~110~~ Conditional Adult Use Dispensing Organization Licenses by lot, pursuant to the application process adopted under this Section. In order to be eligible to be awarded a Conditional Adult Use Dispensing Organization License by lot under this Section, a Dispensary Applicant must be a Qualifying Applicant.

The licenses issued under this Section shall be awarded in each BLS Region in the following amounts:

- (1) Bloomington: 1.
- (2) Cape Girardeau: 1.
- (3) Carbondale-Marion: 1.
- (4) Champaign-Urbana: 1.
- (5) Chicago-Naperville-Elgin: 36.
- (6) Danville: 1.
- (7) Davenport-Moline-Rock Island: 1.
- (8) Decatur: 1.
- (9) Kankakee: 1.
- (10) Peoria: 2.
- (11) Rockford: 1.
- (12) St. Louis: 3.
- (13) Springfield: 1.
- (14) Northwest Illinois nonmetropolitan: 1.
- (15) West Central Illinois nonmetropolitan: 1.
- (16) East Central Illinois nonmetropolitan: 1.
- (17) South Illinois nonmetropolitan: 1.

(a-5) Prior to issuing such licenses under subsection (a),

the Department may adopt rules through emergency rulemaking in accordance with subsection (kk) ~~(gg)~~ of Section 5-45 of the Illinois Administrative Procedure Act. The General Assembly finds that the adoption of rules to regulate cannabis use is deemed an emergency and necessary for the public interest, safety, and welfare. ~~Such rules may:~~

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

~~(A) Purchaser wait times;~~

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

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

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

~~(E) Population increases or shifts;~~

~~(F) Density of dispensing organizations in a region;~~

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

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

~~(I) Any other criteria the Department deems relevant.~~

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

~~(b) The Department shall distribute the available licenses established under this Section subject to the following: After January 1, 2022, the Department may by rule modify or raise the number of Adult Use Dispensing Organization Licenses assigned to each region, and modify or change the licensing application process to reduce or eliminate barriers based on the criteria in subsection (a). At no time shall the Department issue more than 500 Adult Use Dispensing Organization Licenses.~~

~~(1) The drawing by lot for all available licenses~~

issued under this Section shall occur on the same day when practicable.

(2) Within each BLS Region, the first Qualifying Applicant drawn will have the first right to an available license. The second Qualifying Applicant drawn will have the second right to an available license. The same pattern will continue for each subsequent Qualifying Applicant drawn.

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

(4) A Dispensary Applicant is prohibited from becoming a Qualifying Applicant if a principal officer resigns after the resulting final scores for all scored applications pursuant to Sections 15-25 and 15-30 are released.

(5) No Qualifying Applicant may be awarded more than 2 Conditional Adult Use Dispensing Organization Licenses at the conclusion of a lottery conducted under this Section.

(6) No individual may be listed as a principal officer of more than 2 Conditional Adult Use Dispensing Organization Licenses awarded under this Section.

(7) If, upon being selected for an available license established under this Section, a Qualifying Applicant exceeds the limits under paragraph (5) or (6), the Qualifying Applicant must choose which license to abandon

and notify the Department in writing within 5 business days. If the Qualifying Applicant does not notify the Department as required, the Department shall refuse to issue the Qualifying Applicant all available licenses established under this Section obtained by lot in all BLS Regions.

(8) If, upon being selected for an available license established under this Section, a Qualifying Applicant has a principal officer who is a principal officer in more than 10 Early Approval Adult Use Dispensing Organization Licenses, Conditional Adult Use Dispensing Organization Licenses, Adult Use Dispensing Organization Licenses, or any combination thereof, the licensees and the Qualifying Applicant listing that principal officer must choose which license to abandon pursuant to subsection (d) of Section 15-36 and notify the Department in writing within 5 business days. If the Qualifying Applicant or licensees do not notify the Department as required, the Department shall refuse to issue the Qualifying Applicant all available licenses established under this Section obtained by lot in all BLS Regions.

(9) All available licenses that have been abandoned under paragraph (7) or (8) shall be distributed to the next Qualifying Applicant drawn by lot.

Any and all rights conferred or obtained under this Section shall be limited to the provisions of this Section.

(c) An applicant who receives a Conditional Adult Use Dispensing Organization License under this Section has 180 days from the date it is awarded to identify a physical location for the dispensing organization's retail storefront. The applicant shall provide evidence that the location is not within 1,500 feet of an existing dispensing organization, unless the applicant is a Social Equity Applicant or Social Equity Justice Involved Applicant located or seeking to locate within 1,500 feet of a dispensing organization licensed under Section 15-15 or Section 15-20. If an applicant is unable to find a suitable physical address in the opinion of the Department within 180 days from the issuance of the Conditional Adult Use Dispensing Organization License, the Department may extend the period for finding a physical address another 180 days if the Conditional Adult Use Dispensing Organization License holder demonstrates a concrete attempt to secure a location and a hardship. If the Department denies the extension or the Conditional Adult Use Dispensing Organization License holder is unable to find a location or become operational within 360 days of being awarded a Conditional Adult Use Dispensing Organization License under this Section, the Department shall rescind the Conditional Adult Use Dispensing Organization License and award it pursuant to subsection (b), provided the applicant receiving the Conditional Adult Use Dispensing Organization License: (i) confirms a continued interest in operating a dispensing

organization; (ii) can provide evidence that the applicant continues to meet all requirements for holding a Conditional Adult Use Dispensing Organization License set forth in this Act; and (iii) has not otherwise become ineligible to be awarded a Conditional Adult Use Dispensing Organization License. If the new awardee is unable to accept the Conditional Adult Use Dispensing Organization License, the Department shall award the Conditional Adult Use Dispensing Organization License pursuant to subsection (b). The new awardee shall be subject to the same required deadlines as provided in this subsection.

(d) If, within 180 days of being awarded a Conditional Adult Use Dispensing Organization License, a dispensing organization is unable to find a location within the BLS Region in which it was awarded a Conditional Adult Use Dispensing Organization License because no jurisdiction within the BLS Region allows for the operation of an Adult Use Dispensing Organization, the Department may authorize the Conditional Adult Use Dispensing Organization License holder to transfer its Conditional Adult Use Dispensing Organization License to a BLS Region specified by the Department.

(e) A dispensing organization that is awarded a Conditional Adult Use Dispensing Organization License under this Section shall not purchase, possess, sell, or dispense cannabis or cannabis-infused products until the dispensing organization has received an Adult Use Dispensing Organization

License issued by the Department pursuant to Section 15-36.

(f) The Department shall conduct a background check of the prospective dispensing organization agents in order to carry out this Article. The Illinois State Police shall charge the applicant a fee for conducting the criminal history record check, which shall be deposited into the State Police Services Fund and shall not exceed the actual cost of the record check. Each person applying as a dispensing organization 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 with the Illinois State Police and the Federal Bureau of Investigation criminal history records databases. The Illinois State Police shall furnish, following positive identification, all Illinois conviction information to the Department.

(g) The Department may verify information contained in each application and accompanying documentation to assess the applicant's veracity and fitness to operate a dispensing organization.

(h) The Department may, in its discretion, refuse to issue authorization to an applicant who meets any of the following criteria:

(1) An applicant who is unqualified to perform the duties required of the applicant.

(2) An applicant who fails to disclose or states falsely any information called for in the application.

(3) An applicant who has been found guilty of a violation of this Act, who has had any disciplinary order entered against the applicant by the Department, who has entered into a disciplinary or nondisciplinary agreement with the Department, whose medical cannabis dispensing organization, medical cannabis cultivation organization, Early Approval Adult Use Dispensing Organization License, Early Approval Adult Use Dispensing Organization License at a secondary site, Early Approval Cultivation Center License, Conditional Adult Use Dispensing Organization License, or Adult Use Dispensing Organization License was suspended, restricted, revoked, or denied for just cause, or whose cannabis business establishment license was suspended, restricted, revoked, or denied in any other state.

(4) An applicant who has engaged in a pattern or practice of unfair or illegal practices, methods, or activities in the conduct of owning a cannabis business establishment or other business.

(i) The Department shall deny issuance of a license under this Section if any principal officer, board member, or person having a financial or voting interest of 5% or greater in the licensee is delinquent in filing any required tax return or paying any amount owed to the State of Illinois.

(j) The Department shall verify an applicant's compliance with the requirements of this Article and rules adopted under this Article before issuing a Conditional Adult Use Dispensing Organization License under this Section.

(k) If an applicant is awarded a Conditional Adult Use Dispensing Organization License under this Section, the information and plans provided in the application, including any plans submitted for bonus points, shall become a condition of the Conditional Adult Use Dispensing Organization License and any Adult Use Dispensing Organization License issued to the holder of the Conditional Adult Use Dispensing Organization License, except as otherwise provided by this Act or by rule. A dispensing organization has a duty to disclose any material changes to the application. The Department shall review all material changes disclosed by the dispensing organization and may reevaluate its prior decision regarding the awarding of a Conditional Adult Use Dispensing Organization License, including, but not limited to, suspending or permanently revoking a Conditional Adult Use Dispensing Organization License. Failure to comply with the conditions or requirements in the application may subject the dispensing organization to discipline up to and including suspension or permanent revocation of its authorization or Conditional Adult Use Dispensing Organization License by the Department.

(l) If an applicant has not begun operating as a

dispensing organization within one year after the issuance of the Conditional Adult Use Dispensing Organization License under this Section, the Department may permanently revoke the Conditional Adult Use Dispensing Organization License and award it to the next highest scoring applicant in the BLS Region if a suitable applicant indicates a continued interest in the Conditional Adult Use Dispensing Organization License or may begin a new selection process to award a Conditional Adult Use Dispensing Organization License.

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

(410 ILCS 705/15-35.10 new)

Sec. 15-35.10. Social Equity Justice Involved Lottery for Conditional Adult Use Dispensing Organization Licenses.

(a) In addition to any of the licenses issued under Section 15-15, Section 15-20, Section 15-25, Section 15-30.20, or Section 15-35, within 10 business days after the resulting final scores for all scored applications pursuant to Sections 15-25 and 15-30 are released, the Department shall issue up to 55 Conditional Adult Use Dispensing Organization Licenses by lot, pursuant to the application process adopted under this Section. In order to be eligible to be awarded a Conditional Adult Use Dispensing Organization License by lot, a Dispensary Applicant must be a Qualifying Social Equity Justice Involved Applicant.

The licenses issued under this Section shall be awarded in

each BLS Region in the following amounts:

- (1) Bloomington: 1.
- (2) Cape Girardeau: 1.
- (3) Carbondale-Marion: 1.
- (4) Champaign-Urbana: 1.
- (5) Chicago-Naperville-Elgin: 36.
- (6) Danville: 1.
- (7) Davenport-Moline-Rock Island: 1.
- (8) Decatur: 1.
- (9) Kankakee: 1.
- (10) Peoria: 2.
- (11) Rockford: 1.
- (12) St. Louis: 3.
- (13) Springfield: 1.
- (14) Northwest Illinois nonmetropolitan: 1.
- (15) West Central Illinois nonmetropolitan: 1.
- (16) East Central Illinois nonmetropolitan: 1.
- (17) South Illinois nonmetropolitan: 1.

(a-5) Prior to issuing licenses under subsection (a), the Department may adopt rules through emergency rulemaking in accordance with subsection (kk) of Section 5-45 of the Illinois Administrative Procedure Act. The General Assembly finds that the adoption of rules to regulate cannabis use is deemed an emergency and necessary for the public interest, safety, and welfare.

(b) The Department shall distribute the available licenses

established under this Section subject to the following:

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

(2) Within each BLS Region, the first Qualifying Social Equity Justice Involved Applicant drawn will have the first right to an available license. The second Qualifying Social Equity Justice Involved Applicant drawn will have the second right to an available license. The same pattern will continue for each subsequent applicant drawn.

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

(4) A Dispensary Applicant is prohibited from becoming a Qualifying Social Equity Justice Involved Applicant if a principal officer resigns after the resulting final scores for all scored applications pursuant to Sections 15-25 and 15-30 are released.

(5) No Qualifying Social Equity Justice Involved Applicant may be awarded more than 2 Conditional Adult Use Dispensing Organization Licenses at the conclusion of a lottery conducted under this Section.

(6) No individual may be listed as a principal officer of more than 2 Conditional Adult Use Dispensing Organization Licenses awarded under this Section.

(7) If, upon being selected for an available license established under this Section, a Qualifying Social Equity Justice Involved Applicant exceeds the limits under paragraph (5) or (6), the Qualifying Social Equity Justice Involved Applicant must choose which license to abandon and notify the Department in writing within 5 business days on forms prescribed by the Department. If the Qualifying Social Equity Justice Involved Applicant does not notify the Department as required, the Department shall refuse to issue the Qualifying Social Equity Justice Involved Applicant all available licenses established under this Section obtained by lot in all BLS Regions.

(8) If, upon being selected for an available license established under this Section, a Qualifying Social Equity Justice Involved Applicant has a principal officer who is a principal officer in more than 10 Early Approval Adult Use Dispensing Organization Licenses, Conditional Adult Use Dispensing Organization Licenses, Adult Use Dispensing Organization Licenses, or any combination thereof, the licensees and the Qualifying Social Equity Justice Involved Applicant listing that principal officer must choose which license to abandon pursuant to subsection (d) of Section 15-36 and notify the Department in writing within 5 business days on forms prescribed by the Department. If the Dispensary Applicant or licensees do not notify the Department as required, the Department

shall refuse to issue the Qualifying Social Equity Justice Involved Applicant all available licenses established under this Section obtained by lot in all BLS Regions.

(9) All available licenses that have been abandoned under paragraph (7) or (8) shall be distributed to the next Qualifying Social Equity Justice Involved Applicant drawn by lot.

Any and all rights conferred or obtained under this subsection shall be limited to the provisions of this subsection.

(c) An applicant who receives a Conditional Adult Use Dispensing Organization License under this Section has 180 days from the date of the award to identify a physical location for the dispensing organization's retail storefront. The applicant shall provide evidence that the location is not within 1,500 feet of an existing dispensing organization, unless the applicant is a Social Equity Applicant or Social Equity Justice Involved Applicant located or seeking to locate within 1,500 feet of a dispensing organization licensed under Section 15-15 or Section 15-20. If an applicant is unable to find a suitable physical address in the opinion of the Department within 180 days from the issuance of the Conditional Adult Use Dispensing Organization License, the Department may extend the period for finding a physical address another 180 days if the Conditional Adult Use Dispensing Organization License holder demonstrates a concrete

attempt to secure a location and a hardship. If the Department denies the extension or the Conditional Adult Use Dispensing Organization License holder is unable to find a location or become operational within 360 days of being awarded a Conditional Adult Use Dispensing Organization License under this Section, the Department shall rescind the Conditional Adult Use Dispensing Organization License and award it pursuant to subsection (b) and notify the new awardee at the email address provided in the awardee's application, provided the applicant receiving the Conditional Adult Use Dispensing Organization License: (i) confirms a continued interest in operating a dispensing organization; (ii) can provide evidence that the applicant continues to meet all requirements for holding a Conditional Adult Use Dispensing Organization License set forth in this Act; and (iii) has not otherwise become ineligible to be awarded a Conditional Adult Use Dispensing Organization License. If the new awardee is unable to accept the Conditional Adult Use Dispensing Organization License, the Department shall award the Conditional Adult Use Dispensing Organization License pursuant to subsection (b). The new awardee shall be subject to the same required deadlines as provided in this subsection.

(d) If, within 180 days of being awarded a Conditional Adult Use Dispensing Organization License, a dispensing organization is unable to find a location within the BLS Region in which it was awarded a Conditional Adult Use

Dispensing Organization License under this Section because no jurisdiction within the BLS Region allows for the operation of an Adult Use Dispensing Organization, the Department may authorize the Conditional Adult Use Dispensing Organization License holder to transfer its Conditional Adult Use Dispensing Organization License to a BLS Region specified by the Department.

(e) A dispensing organization that is awarded a Conditional Adult Use Dispensing Organization License under this Section shall not purchase, possess, sell, or dispense cannabis or cannabis-infused products until the dispensing organization has received an Adult Use Dispensing Organization License issued by the Department pursuant to Section 15-36.

(f) The Department shall conduct a background check of the prospective dispensing organization agents in order to carry out this Article. The Illinois State Police shall charge the applicant a fee for conducting the criminal history record check, which shall be deposited into the State Police Services Fund and shall not exceed the actual cost of the record check. Each person applying as a dispensing organization 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 with the Illinois State Police and the Federal Bureau of Investigation criminal history records databases.

The Illinois State Police shall furnish, following positive identification, all Illinois conviction information to the Department.

(g) The Department may verify information contained in each application and accompanying documentation to assess the applicant's veracity and fitness to operate a dispensing organization.

(h) The Department may, in its discretion, refuse to issue an authorization to an applicant who meets any of the following criteria:

(1) An applicant who is unqualified to perform the duties required of the applicant.

(2) An applicant who fails to disclose or states falsely any information called for in the application.

(3) An applicant who has been found guilty of a violation of this Act, who has had any disciplinary order entered against the applicant by the Department, who has entered into a disciplinary or nondisciplinary agreement with the Department, whose medical cannabis dispensing organization, medical cannabis cultivation organization, Early Approval Adult Use Dispensing Organization License, Early Approval Adult Use Dispensing Organization License at a secondary site, Early Approval Cultivation Center License, Conditional Adult Use Dispensing Organization License, or Adult Use Dispensing Organization License was suspended, restricted, revoked, or denied for just cause,

or whose cannabis business establishment license was suspended, restricted, revoked, or denied in any other state.

(4) An applicant who has engaged in a pattern or practice of unfair or illegal practices, methods, or activities in the conduct of owning a cannabis business establishment or other business.

(i) The Department shall deny the license if any principal officer, board member, or person having a financial or voting interest of 5% or greater in the licensee is delinquent in filing any required tax return or paying any amount owed to the State of Illinois.

(j) The Department shall verify an applicant's compliance with the requirements of this Article and rules adopted under this Article before issuing a Conditional Adult Use Dispensing Organization License.

(k) If an applicant is awarded a Conditional Adult Use Dispensing Organization License under this Section, the information and plans provided in the application, including any plans submitted for bonus points, shall become a condition of the Conditional Adult Use Dispensing Organization License and any Adult Use Dispensing Organization License issued to the holder of the Conditional Adult Use Dispensing Organization License, except as otherwise provided by this Act or by rule. Dispensing organizations have a duty to disclose any material changes to the application. The Department shall

review all material changes disclosed by the dispensing organization and may reevaluate its prior decision regarding the awarding of a Conditional Adult Use Dispensing Organization License, including, but not limited to, suspending or permanently revoking a Conditional Adult Use Dispensing Organization License. Failure to comply with the conditions or requirements in the application may subject the dispensing organization to discipline up to and including suspension or permanent revocation of its authorization or Conditional Adult Use Dispensing Organization License by the Department.

(1) If an applicant has not begun operating as a dispensing organization within one year after the issuance of the Conditional Adult Use Dispensing Organization License under this Section, the Department may permanently revoke the Conditional Adult Use Dispensing Organization License and award it to the next highest scoring applicant in the BLS Region if a suitable applicant indicates a continued interest in the Conditional Adult Use Dispensing Organization License or may begin a new selection process to award a Conditional Adult Use Dispensing Organization License.

(410 ILCS 705/15-35.20 new)

Sec. 15-35.20. Conditional Adult Use Dispensing Organization Licenses on or after January 1, 2022.

(a) In addition to any of the licenses issued under

Section 15-15, Section 15-20, Section 15-25, Section 15-35, or Section 15-35.10, by January 1, 2022, the Department may publish an application to issue additional Conditional Adult Use Dispensing Organization Licenses, pursuant to the application process adopted under this Section. The Department may adopt rules to issue any Conditional Adult Use Dispensing Organization Licenses under this Section. Such rules may:

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

(A) Purchaser wait times.

(B) Travel time to the nearest dispensary for potential purchasers.

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

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

(E) Population increases or shifts.

(F) Density of dispensing organizations in a region.

(G) The Department's capacity to appropriately regulate additional licenses.

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

(I) Any other criteria the Department deems relevant.

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

(b) At no time shall the Department issue more than 500 Adult Use Dispensing Organization Licenses.

(c) The Department shall issue at least 50 additional Conditional Adult Use Dispensing Organization Licenses on or before December 21, 2022.

(410 ILCS 705/15-40)

Sec. 15-40. Dispensing organization agent identification

card; agent training.

(a) The Department shall:

(1) verify the information contained in an application or renewal for a dispensing organization agent identification card submitted under this Article, 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 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;

(4) within one year from the effective date of this Act, allow for an electronic application process and provide a confirmation by electronic or other methods that an application has been submitted; and

(5) collect a \$100 nonrefundable fee from the applicant to be deposited into the Cannabis Regulation Fund.

(b) A dispensing organization agent must keep his or her identification card visible at all times when in the dispensary.

(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 cardholder; and
- (4) a photograph of the cardholder.

(d) The dispensing organization agent identification cards shall be immediately returned to the dispensing organization upon termination of employment.

(e) The Department shall not issue an agent identification card if the applicant is delinquent in filing any required tax returns or paying any amounts owed to the State of Illinois.

(f) Any card lost by a dispensing organization agent shall be reported to the Department of State Police and the Department immediately upon discovery of the loss.

(g) An applicant shall be denied a dispensing organization agent identification card renewal if he or she fails to complete the training provided for in this Section.

(h) A dispensing organization agent shall only be required to hold one card for the same employer regardless of what type of dispensing organization license the employer holds.

(i) Cannabis retail sales training requirements.

(1) Within 90 days of September 1, 2019, or 90 days of employment, whichever is later, all owners, managers, employees, and agents involved in the handling or sale of

cannabis or cannabis-infused product employed by an adult use dispensing organization or medical cannabis dispensing organization as defined in Section 10 of the Compassionate Use of Medical Cannabis Program Act shall attend and successfully complete a Responsible Vendor Program.

(2) Each owner, manager, employee, and agent of an adult use dispensing organization or medical cannabis dispensing organization shall successfully complete the program annually.

(3) Responsible Vendor Program Training modules shall include at least 2 hours of instruction time approved by the Department including:

(i) Health and safety concerns of cannabis use, including the responsible use of cannabis, its physical effects, onset of physiological effects, recognizing signs of impairment, and appropriate responses in the event of overconsumption.

(ii) Training on laws and regulations on driving while under the influence and operating a watercraft or snowmobile while under the influence.

(iii) Sales to minors prohibition. Training shall cover all relevant Illinois laws and rules.

(iv) Quantity limitations on sales to purchasers. Training shall cover all relevant Illinois laws and rules.

(v) Acceptable forms of identification. Training

shall include:

- (I) How to check identification; and
- (II) Common mistakes made in verification;
- (vi) Safe storage of cannabis;
- (vii) Compliance with all inventory tracking system regulations;
- (viii) Waste handling, management, and disposal;
- (ix) Health and safety standards;
- (x) Maintenance of records;
- (xi) Security and surveillance requirements;
- (xii) Permitting inspections by State and local licensing and enforcement authorities;
- (xiii) Privacy issues;
- (xiv) Packaging and labeling requirement for sales to purchasers; and
- (xv) Other areas as determined by rule.

(j) Blank.

(k) Upon the successful completion of the Responsible Vendor Program, the provider shall deliver proof of completion either through mail or electronic communication to the dispensing organization, which shall retain a copy of the certificate.

(l) The license of a dispensing organization or medical cannabis dispensing organization whose owners, managers, employees, or agents fail to comply with this Section may be suspended or permanently revoked under Section 15-145 or may

face other disciplinary action.

(m) The regulation of dispensing organization and medical cannabis dispensing employer and employee training is an exclusive function of the State, and regulation by a unit of local government, including a home rule unit, is prohibited. This subsection (m) is a denial and limitation of home rule powers and functions under subsection (h) of Section 6 of Article VII of the Illinois Constitution.

(n) Persons seeking Department approval to offer the training required by paragraph (3) of subsection (i) may apply for such approval between August 1 and August 15 of each odd-numbered year in a manner prescribed by the Department.

(o) Persons seeking Department approval to offer the training required by paragraph (3) of subsection (i) shall submit a nonrefundable application fee of \$2,000 to be deposited into the Cannabis Regulation Fund or a fee as may be set by rule. Any changes made to the training module shall be approved by the Department.

(p) The Department shall not unreasonably deny approval of a training module that meets all the requirements of paragraph (3) of subsection (i). A denial of approval shall include a detailed description of the reasons for the denial.

(q) Any person approved to provide the training required by paragraph (3) of subsection (i) shall submit an application for re-approval between August 1 and August 15 of each odd-numbered year and include a nonrefundable application fee

of \$2,000 to be deposited into the Cannabis Regulation Fund or a fee as may be set by rule.

(r) All persons applying to become or renewing their registrations to be agents, including agents-in-charge and principal officers, shall disclose any disciplinary action taken against them that may have occurred in Illinois, another state, or another country in relation to their employment at a cannabis business establishment or at any cannabis cultivation center, processor, infuser, dispensary, or other cannabis business establishment.

(s) An agent applicant may begin employment at a dispensing organization while the agent applicant's identification card application is pending. Upon approval, the Department shall issue the agent's identification card to the agent. If denied, the dispensing organization and the agent applicant shall be notified and the agent applicant must cease all activity at the dispensing organization immediately.

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

(410 ILCS 705/15-70)

Sec. 15-70. Operational requirements; prohibitions.

(a) A dispensing organization shall operate in accordance with the representations made in its application and license materials. It shall be in compliance with this Act and rules.

(b) A dispensing organization must include the legal name of the dispensary on the packaging of any cannabis product it

sells.

(c) All cannabis, cannabis-infused products, and cannabis seeds must be obtained from an Illinois registered adult use cultivation center, craft grower, infuser, or another dispensary.

(d) Dispensing organizations are prohibited from selling any product containing alcohol except tinctures, which must be limited to containers that are no larger than 100 milliliters.

(e) A dispensing organization shall inspect and count product received from a transporting organization, adult use cultivation center, craft grower, infuser organization, or other dispensing organization before dispensing it.

(f) A dispensing organization may only accept cannabis deliveries into a restricted access area. Deliveries may not be accepted through the public or limited access areas unless otherwise approved by the Department.

(g) A dispensing organization shall maintain compliance with State and local building, fire, and zoning requirements or regulations.

(h) A dispensing organization shall submit a list to the Department of the names of all service professionals that will work at the dispensary. The list shall include a description of the type of business or service provided. Changes to the service professional list shall be promptly provided. No service professional shall work in the dispensary until the name is provided to the Department on the service professional

list.

(i) A dispensing organization's license allows for a dispensary to be operated only at a single location.

(j) A dispensary may operate between 6 a.m. and 10 p.m. local time.

(k) A dispensing organization must keep all lighting outside and inside the dispensary in good working order and wattage sufficient for security cameras.

(l) A dispensing organization must keep all air treatment systems that will be installed to reduce odors in good working order.

(m) A dispensing organization must contract with a private security contractor that is licensed under Section 10-5 of the Private Detective, Private Alarm, Private Security, Fingerprint Vendor, and Locksmith Act of 2004 to provide on-site security at all hours of the dispensary's operation.

(n) A dispensing organization shall ensure that any building or equipment used by a dispensing organization for the storage or sale of cannabis is maintained in a clean and sanitary condition.

(o) The dispensary shall be free from infestation by insects, rodents, or pests.

(p) A dispensing organization shall not:

(1) Produce or manufacture cannabis;

(2) Accept a cannabis product from an adult use cultivation center, craft grower, infuser, dispensing

organization, or transporting organization unless it is pre-packaged and labeled in accordance with this Act and any rules that may be adopted pursuant to this Act;

(3) Obtain cannabis or cannabis-infused products from outside the State of Illinois;

(4) Sell cannabis or cannabis-infused products to a purchaser unless the dispensing organization is licensed under the Compassionate Use of Medical Cannabis Program Act, and the individual is registered under the Compassionate Use of Medical Cannabis Program or the purchaser has been verified to be 21 years of age or older;

(5) Enter into an exclusive agreement with any adult use cultivation center, craft grower, or infuser. Dispensaries shall provide consumers an assortment of products from various cannabis business establishment licensees such that the inventory available for sale at any dispensary from any single cultivation center, craft grower, processor, transporter, or infuser entity shall not be more than 40% of the total inventory available for sale. For the purpose of this subsection, a cultivation center, craft grower, processor, or infuser shall be considered part of the same entity if the licensees share at least one principal officer. The Department may request that a dispensary diversify its products as needed or otherwise discipline a dispensing organization for violating this requirement;

(6) Refuse to conduct business with an adult use cultivation center, craft grower, transporting organization, or infuser that has the ability to properly deliver the product and is permitted by the Department of Agriculture, on the same terms as other adult use cultivation centers, craft growers, infusers, or transporters with whom it is dealing;

(7) Operate drive-through windows;

(8) Allow for the dispensing of cannabis or cannabis-infused products in vending machines;

(9) Transport cannabis to residences or other locations where purchasers may be for delivery;

(10) Enter into agreements to allow persons who are not dispensing organization agents to deliver cannabis or to transport cannabis to purchasers;

(11) Operate a dispensary if its video surveillance equipment is inoperative;

(12) Operate a dispensary if the point-of-sale equipment is inoperative;

(13) Operate a dispensary if the State's cannabis electronic verification system is inoperative;

(14) Have fewer than 2 people working at the dispensary at any time while the dispensary is open;

(15) Be located within 1,500 feet of the property line of a pre-existing dispensing organization, unless the applicant is a Social Equity Applicant or Social Equity

Justice Involved Applicant located or seeking to locate within 1,500 feet of a dispensing organization licensed under Section 15-15 or Section 15-20;

(16) Sell clones or any other live plant material;

(17) Sell cannabis, cannabis concentrate, or cannabis-infused products in combination or bundled with each other or any other items for one price, and each item of cannabis, concentrate, or cannabis-infused product must be separately identified by quantity and price on the receipt;

(18) Violate any other requirements or prohibitions set by Department rules.

(q) It is unlawful for any person having an Early Approval Adult Use Cannabis Dispensing Organization License, a Conditional Adult Use Cannabis Dispensing Organization, an Adult Use Dispensing Organization License, or a medical cannabis dispensing organization license issued under the Compassionate Use of Medical Cannabis Program Act or any officer, associate, member, representative, or agent of such licensee to accept, receive, or borrow money or anything else of value or accept or receive credit (other than merchandising credit in the ordinary course of business for a period not to exceed 30 days) directly or indirectly from any adult use cultivation center, craft grower, infuser, or transporting organization in exchange for preferential placement on the dispensing organization's shelves, display cases, or website.

This includes anything received or borrowed or from any stockholders, officers, agents, or persons connected with an adult use cultivation center, craft grower, infuser, or transporting organization.

(r) It is unlawful for any person having an Early Approval Adult Use Cannabis Dispensing Organization License, a Conditional Adult Use Cannabis Dispensing Organization, an Adult Use Dispensing Organization License, or a medical cannabis dispensing organization license issued under the Compassionate Use of Medical Cannabis Program to enter into any contract with any person licensed to cultivate, process, or transport cannabis whereby such dispensing organization agrees not to sell any cannabis cultivated, processed, transported, manufactured, or distributed by any other cultivator, transporter, or infuser, and any provision in any contract violative of this Section shall render the whole of such contract void and no action shall be brought thereon in any court.

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

(410 ILCS 705/15-85)

Sec. 15-85. Dispensing cannabis.

(a) Before a dispensing organization agent dispenses cannabis to a purchaser, the agent shall:

(1) Verify the age of the purchaser by checking a government-issued identification card by use of an

electronic reader or electronic scanning device to scan a purchaser's government-issued identification, if applicable, to determine the purchaser's age and the validity of the identification;

(2) Verify the validity of the government-issued identification card by use of an electronic reader or electronic scanning device to scan a purchaser's government-issued identification, if applicable, to determine the purchaser's age and the validity of the identification;

(3) Offer any appropriate purchaser education or support materials;

(4) Enter the following information into the State's cannabis electronic verification system:

(i) The dispensing organization agent's identification number, or if the agent's card application is pending the Department's approval, a temporary and unique identifier until the agent's card application is approved or denied by the Department;

(ii) The dispensing organization's identification number;

(iii) The amount, type (including strain, if applicable) of cannabis or cannabis-infused product dispensed;

(iv) The date and time the cannabis was dispensed.

(b) A dispensing organization shall refuse to sell

cannabis or cannabis-infused products to any person unless the person produces a valid identification showing that the person is 21 years of age or older. A medical cannabis dispensing organization may sell cannabis or cannabis-infused products to a person who is under 21 years of age if the sale complies with the provisions of the Compassionate Use of Medical Cannabis Program Act and rules.

(c) For the purposes of this Section, valid identification must:

(1) Be valid and unexpired;

(2) Contain a photograph and the date of birth of the person.

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

(410 ILCS 705/15-135)

Sec. 15-135. Investigations.

(a) Dispensing organizations are subject to random and unannounced dispensary inspections and cannabis testing by the Department, the Department of State Police, ~~and~~ local law enforcement, or as provided by rule.

(b) The Department and its authorized representatives may enter any place, including a vehicle, in which cannabis is held, stored, dispensed, sold, produced, delivered, transported, manufactured, or disposed of and inspect, in a reasonable manner, the place and all pertinent equipment, containers and labeling, and all things including records,

files, financial data, sales data, shipping data, pricing data, personnel data, research, papers, processes, controls, and facility, and inventory any stock of cannabis and obtain samples of any cannabis or cannabis-infused product, any labels or containers for cannabis, or paraphernalia.

(c) The Department may conduct an investigation of an applicant, application, dispensing organization, principal officer, dispensary agent, third party vendor, or any other party associated with a dispensing organization for an alleged violation of this Act or rules or to determine qualifications to be granted a registration by the Department.

(d) The Department may require an applicant or holder of any license issued pursuant to this Article to produce documents, records, or any other material pertinent to the investigation of an application or alleged violations of this Act or rules. Failure to provide the required material may be grounds for denial or discipline.

(e) Every person charged with preparation, obtaining, or keeping records, logs, reports, or other documents in connection with this Act and rules and every person in charge, or having custody, of those documents shall, upon request by the Department, make the documents immediately available for inspection and copying by the Department, the Department's authorized representative, or others authorized by law to review the documents.

(Source: P.A. 101-27, eff. 6-25-19.)

(410 ILCS 705/20-30)

Sec. 20-30. Cultivation center requirements; prohibitions.

(a) The operating documents of a cultivation center shall include procedures for the oversight of the cultivation center a cannabis plant monitoring system including a physical inventory recorded weekly, accurate recordkeeping, and a staffing plan.

(b) A cultivation center shall implement a security plan reviewed by the Department of State Police that includes, but is not limited to: facility access controls, perimeter intrusion detection systems, personnel identification systems, 24-hour surveillance system to monitor the interior and exterior of the cultivation center facility and accessibility to authorized law enforcement, the Department of Public Health where processing takes place, and the Department of Agriculture in real time.

(c) All cultivation of cannabis by a cultivation center must take place in an enclosed, locked facility at the physical address provided to the Department of Agriculture during the licensing process. The cultivation center location shall only be accessed by the agents working for the cultivation center, the Department of Agriculture staff performing inspections, the Department of Public Health staff performing inspections, local and State law enforcement or other emergency personnel, contractors working on jobs

unrelated to cannabis, such as installing or maintaining security devices or performing electrical wiring, transporting organization agents as provided in this Act, individuals in a mentoring or educational program approved by the State, or other individuals as provided by rule.

(d) A cultivation center may not sell or distribute any cannabis or cannabis-infused products to any person other than a dispensing organization, craft grower, infuser organization, transporter, or as otherwise authorized by rule.

(e) A cultivation center may not either directly or indirectly discriminate in price between different dispensing organizations, craft growers, or infuser organizations that are purchasing a like grade, strain, brand, and quality of cannabis or cannabis-infused product. Nothing in this subsection (e) prevents a cultivation centers from pricing cannabis differently based on differences in the cost of manufacturing or processing, the quantities sold, such as volume discounts, or the way the products are delivered.

(f) All cannabis harvested by a cultivation center and intended for distribution to a dispensing organization must be entered into a data collection system, packaged and labeled under Section 55-21, and placed into a cannabis container for transport. All cannabis harvested by a cultivation center and intended for distribution to a craft grower or infuser organization must be packaged in a labeled cannabis container and entered into a data collection system before transport.

(g) Cultivation centers are subject to random inspections by the Department of Agriculture, the Department of Public Health, local safety or health inspectors, ~~and~~ the Department of State Police, or as provided by rule.

(h) A cultivation center agent shall notify local law enforcement, the Department of 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.

(i) A cultivation center shall comply with all State and any applicable federal rules and regulations regarding the use of pesticides on cannabis plants.

(j) No person or entity shall hold any legal, equitable, ownership, or beneficial interest, directly or indirectly, of more than 3 cultivation centers licensed under this Article. Further, no person or entity that is employed by, an agent of, has a contract to receive payment in any form from a cultivation center, is a principal officer of a cultivation center, or entity controlled by or affiliated with a principal officer of a cultivation shall hold any legal, equitable, ownership, or beneficial interest, directly or indirectly, in a cultivation that would result in the person or entity owning or controlling in combination with any cultivation center, principal officer of a cultivation center, or entity controlled or affiliated with a principal officer of a cultivation center by which he, she, or it is employed, is an

agent of, or participates in the management of, more than 3 cultivation center licenses.

(k) A cultivation center may not contain more than 210,000 square feet of canopy space for plants in the flowering stage for cultivation of adult use cannabis as provided in this Act.

(l) A cultivation center may process cannabis, cannabis concentrates, and cannabis-infused products.

(m) Beginning July 1, 2020, a cultivation center shall not transport cannabis or cannabis-infused products to a craft grower, dispensing organization, infuser organization, or laboratory licensed under this Act, unless it has obtained a transporting organization license.

(n) It is unlawful for any person having a cultivation center license or any officer, associate, member, representative, or agent of such licensee to offer or deliver money, or anything else of value, directly or indirectly to any person having an Early Approval Adult Use Dispensing Organization License, a Conditional Adult Use Dispensing Organization License, an Adult Use Dispensing Organization License, or a medical cannabis dispensing organization license issued under the Compassionate Use of Medical Cannabis Program Act, or to any person connected with or in any way representing, or to any member of the family of, such person holding an Early Approval Adult Use Dispensing Organization License, a Conditional Adult Use Dispensing Organization License, an Adult Use Dispensing Organization License, or a

medical cannabis dispensing organization license issued under the Compassionate Use of Medical Cannabis Program Act, or to any stockholders in any corporation engaged in the retail sale of cannabis, or to any officer, manager, agent, or representative of the Early Approval Adult Use Dispensing Organization License, a Conditional Adult Use Dispensing Organization License, an Adult Use Dispensing Organization License, or a medical cannabis dispensing organization license issued under the Compassionate Use of Medical Cannabis Program Act to obtain preferential placement within the dispensing organization, including, without limitation, on shelves and in display cases where purchasers can view products, or on the dispensing organization's website.

(o) A cultivation center must comply with any other requirements or prohibitions set by administrative rule of the Department of Agriculture.

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

(410 ILCS 705/20-55 new)

Sec. 20-55. Disclosure of ownership and control.

(a) Each Adult Use Cultivation Center applicant and license holder shall file and maintain a Table of Organization, Ownership, and Control with the Department. The Table of Organization, Ownership, and Control shall contain the information required by this Section in sufficient detail to identify all owners, directors, and principal officers, and

the title of each principal officer or business entity that, through direct or indirect means, manages, owns, or controls the applicant or license holder.

(b) The Table of Organization, Ownership, and Control shall identify the following information:

(1) The management structure, ownership, and control of the applicant or license holder including the name of each principal officer or business entity, the office or position held, and the percentage ownership interest, if any. If the business entity has a parent company, the name of each owner, board member, and officer of the parent company and his or her percentage ownership interest in the parent company and the Adult Use Cultivation Center.

(2) If the applicant or licensee is a business entity with publicly traded stock, the identification of ownership shall be provided as required in subsection (c).

(c) If a business entity identified in subsection (b) is a publicly traded company, the following information shall be provided in the Table of Organization, Ownership, and Control:

(1) The name and percentage of ownership interest of each individual or business entity with ownership of more than 5% of the voting shares of the entity, to the extent such information is known or contained in 13D or 13G Securities and Exchange Commission filings.

(2) To the extent known, the names and percentage of interest of ownership of persons who are relatives of one

another and who together exercise control over or own more than 10% of the voting shares of the entity.

(d) An Adult Use Cultivation Center with a parent company or companies, or partially owned or controlled by another entity must disclose to the Department the relationship and all owners, board members, officers, or individuals with control or management of those entities. An Adult Use Cultivation Center shall not shield its ownership or control from the Department.

(e) All principal officers must submit a complete online application with the Department within 14 days of the Adult Use Cultivation Center being licensed by the Department or within 14 days of Department notice of approval as a new principal officer.

(f) A principal officer may not allow his or her registration to expire.

(g) An Adult Use Cultivation Center separating with a principal officer must do so under this Act. The principal officer must communicate the separation to the Department within 5 business days.

(h) A principal officer not in compliance with the requirements of this Act shall be removed from his or her position with the Adult Use Cultivation Center or shall otherwise terminate his or her affiliation. Failure to do so may subject the Adult Use Cultivation Center to discipline, suspension, or revocation of its license by the Department.

(i) It is the responsibility of the Adult Use Cultivation Center and its principal officers to promptly notify the Department of any change of the principal place of business address, hours of operation, change in ownership or control, or a change of the Adult Use Cultivation Center's primary or secondary contact information. Any changes must be made to the Department in writing.

(410 ILCS 705/25-5)

(Section scheduled to be repealed on July 1, 2026)

Sec. 25-5. Administration.

(a) The Department shall establish and administer the Program in coordination with the Illinois Community College Board. The Department may issue ~~up to 8~~ Program licenses to applicants that meet the requirements outlined in this Article ~~by September 1, 2020.~~

(b) Beginning with the 2021-2022 academic year, and subject to subsection (h) of Section 2-12 of the Public Community College Act, community colleges awarded Program licenses may offer qualifying students a Career in Cannabis Certificate, which includes, but is not limited to, courses that allow participating students to work with, study, and grow live cannabis plants so as to prepare students for a career in the legal cannabis industry, and to instruct participating students on the best business practices, professional responsibility, and legal compliance of the

cannabis business industry.

(c) The Board may issue rules pertaining to the provisions in this Act.

(d) Notwithstanding any other provision of this Act, students shall be at least 18 years old in order to enroll in a licensee's Career in Cannabis Certificate's prescribed course of study.

(Source: P.A. 101-27, eff. 6-25-19.)

(410 ILCS 705/25-30)

(Section scheduled to be repealed on July 1, 2026)

Sec. 25-30. Inspection rights.

(a) A licensee's enclosed, locked facilities are subject to random inspections by the Department, ~~and~~ the Department of State Police, or as provided by rule.

(b) Nothing in this Section shall be construed to give the Department, ~~or~~ the Department of State Police, or any other entity identified by rule under subsection (a) a right of inspection or access to any location on the licensee's premises beyond the facilities licensed under this Article.

(Source: P.A. 101-27, eff. 6-25-19.)

(410 ILCS 705/25-35)

(Section scheduled to be repealed on July 1, 2026)

Sec. 25-35. Community College Cannabis Vocational Training Pilot Program faculty participant agent identification card.

(a) The Department shall:

(1) establish by rule the information required in an initial application or renewal application for an agent identification card submitted under this Article and the nonrefundable fee to accompany the initial application or renewal application;

(2) verify the information contained in an initial application or renewal application for an agent identification card submitted under this Article, and approve or deny an application within 30 days of receiving a completed initial application or renewal application and all supporting documentation required by rule;

(3) issue an agent identification card to a qualifying agent within 15 business days of approving the initial application or renewal application;

(4) enter the license number of the community college where the agent works; and

(5) allow for an electronic initial application and renewal application process, and provide a confirmation by electronic or other methods that an application has been submitted. Each Department may by rule require prospective agents to file their applications by electronic means and to provide notices to the agents by electronic means.

(b) An agent must keep his or her identification card visible at all times when in the enclosed, locked facility, or facilities for which he or she is an agent.

(c) The agent identification cards shall contain the following:

- (1) the name of the cardholder;
- (2) the date of issuance and expiration date of the identification card;
- (3) a random 10-digit alphanumeric identification number containing at least 4 numbers and at least 4 letters that is unique to the holder;
- (4) a photograph of the cardholder; and
- (5) the legal name of the community college employing the agent.

(d) An agent identification card shall be immediately returned to the community college of the agent upon termination of his or her employment.

(e) Any agent identification card lost shall be reported to the Department of State Police and the Department of Agriculture immediately upon discovery of the loss.

(f) An agent applicant may begin employment at a Community College Cannabis Vocational Training Pilot Program while the agent applicant's identification card application is pending. Upon approval, the Department shall issue the agent's identification card to the agent. If denied, the Community College Cannabis Vocational Training Pilot Program and the agent applicant shall be notified and the agent applicant must cease all activity at the Community College Cannabis Vocational Training Pilot Program immediately.

(Source: P.A. 101-27, eff. 6-25-19.)

(410 ILCS 705/30-5)

Sec. 30-5. Issuance of licenses.

(a) The Department of Agriculture shall issue up to 40 craft grower licenses by July 1, 2020. Any person or entity awarded a license pursuant to this subsection shall only hold one craft grower license and may not sell that license until after December 21, 2021.

(b) By December 21, 2021, the Department of Agriculture shall issue up to 60 additional craft grower licenses. Any person or entity awarded a license pursuant to this subsection shall not hold more than 2 craft grower licenses. The person or entity awarded a license pursuant to this subsection or subsection (a) of this Section may sell its craft grower license subject to the restrictions of this Act or as determined by administrative rule. Prior to issuing such licenses, the Department may adopt rules through emergency rulemaking in accordance with subsection (kk) ~~(gg)~~ of Section 5-45 of the Illinois Administrative Procedure Act, to modify or raise the number of craft grower licenses and modify or change the licensing application process ~~to reduce or eliminate barriers~~. The General Assembly finds that the adoption of rules to regulate cannabis use is deemed an emergency and necessary for the public interest, safety, and welfare. In determining whether to exercise the authority

granted by this subsection, the Department of Agriculture must consider the following factors:

(1) the percentage of cannabis sales occurring in Illinois not in the regulated market using data from the Substance Abuse and Mental Health Services Administration, National Survey on Drug Use and Health, Illinois Behavioral Risk Factor Surveillance System, and tourism data from the Illinois Office of Tourism to ascertain total cannabis consumption in Illinois compared to the amount of sales in licensed dispensing organizations;

(2) whether there is an adequate supply of cannabis and cannabis-infused products to serve registered medical cannabis patients;

(3) whether there is an adequate supply of cannabis and cannabis-infused products to serve purchasers;

(4) whether there is an oversupply of cannabis in Illinois leading to trafficking of cannabis to states where the sale of cannabis is not permitted by law;

(5) population increases or shifts;

(6) the density of craft growers in any area of the State;

(7) perceived security risks of increasing the number or location of craft growers;

(8) the past safety record of craft growers;

(9) the Department of Agriculture's capacity to appropriately regulate additional licensees;

(10) (blank) ~~the findings and recommendations from the disparity and availability study commissioned by the Illinois Cannabis Regulation Oversight Officer to reduce or eliminate any identified barriers to entry in the cannabis industry; and~~

(11) any other criteria the Department of Agriculture deems relevant.

(c) After January 1, 2022, the Department of Agriculture may by rule modify or raise the number of craft grower licenses and modify or change the licensing application process ~~to reduce or eliminate barriers based on the criteria in subsection (b)~~. At no time may the number of craft grower licenses exceed 150. Any person or entity awarded a license pursuant to this subsection shall not hold more than 3 craft grower licenses. A person or entity awarded a license pursuant to this subsection or subsection (a) or subsection (b) of this Section may sell its craft grower license or licenses subject to the restrictions of this Act or as determined by administrative rule.

(d) Upon the completion of the disparity and availability study pertaining to craft growers by the Cannabis Regulation Oversight Officer pursuant to subsection (e) of Section 5-45, the Department may modify or change the licensing application process to reduce or eliminate barriers from and remedy evidence of discrimination identified in the disparity and availability study.

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

(410 ILCS 705/30-30)

Sec. 30-30. Craft grower requirements; prohibitions.

(a) The operating documents of a craft grower shall include procedures for the oversight of the craft grower, a cannabis plant monitoring system including a physical inventory recorded weekly, accurate recordkeeping, and a staffing plan.

(b) A craft grower shall implement a security plan reviewed by the Department of State Police that includes, but is not limited to: facility access controls, perimeter intrusion detection systems, personnel identification systems, and a 24-hour surveillance system to monitor the interior and exterior of the craft grower facility and that is accessible to authorized law enforcement and the Department of Agriculture in real time.

(c) All cultivation of cannabis by a craft grower must take place in an enclosed, locked facility at the physical address provided to the Department of Agriculture during the licensing process. The craft grower location shall only be accessed by the agents working for the craft grower, the Department of Agriculture staff performing inspections, the Department of Public Health staff performing inspections, State and local law enforcement or other emergency personnel, contractors working on jobs unrelated to cannabis, such as

installing or maintaining security devices or performing electrical wiring, transporting organization agents as provided in this Act, or participants in the incubator program, individuals in a mentoring or educational program approved by the State, or other individuals as provided by rule. However, if a craft grower shares a premises with an infuser or dispensing organization, agents from those other licensees may access the craft grower portion of the premises if that is the location of common bathrooms, lunchrooms, locker rooms, or other areas of the building where work or cultivation of cannabis is not performed. At no time may an infuser or dispensing organization agent perform work at a craft grower without being a registered agent of the craft grower.

(d) A craft grower may not sell or distribute any cannabis to any person other than a cultivation center, a craft grower, an infuser organization, a dispensing organization, or as otherwise authorized by rule.

(e) A craft grower may not be located in an area zoned for residential use.

(f) A craft grower may not either directly or indirectly discriminate in price between different cannabis business establishments that are purchasing a like grade, strain, brand, and quality of cannabis or cannabis-infused product. Nothing in this subsection (f) prevents a craft grower from pricing cannabis differently based on differences in the cost

of manufacturing or processing, the quantities sold, such as volume discounts, or the way the products are delivered.

(g) All cannabis harvested by a craft grower and intended for distribution to a dispensing organization must be entered into a data collection system, packaged and labeled under Section 55-21, and, if distribution is to a dispensing organization that does not share a premises with the dispensing organization receiving the cannabis, placed into a cannabis container for transport. All cannabis harvested by a craft grower and intended for distribution to a cultivation center, to an infuser organization, or to a craft grower with which it does not share a premises, must be packaged in a labeled cannabis container and entered into a data collection system before transport.

(h) Craft growers are subject to random inspections by the Department of Agriculture, local safety or health inspectors, ~~and~~ the Department of State Police, or as provided by rule.

(i) A craft grower agent shall notify local law enforcement, the Department of State Police, and the Department of Agriculture within 24 hours of the discovery of any loss or theft. Notification shall be made by phone, in person, or written or electronic communication.

(j) A craft grower shall comply with all State and any applicable federal rules and regulations regarding the use of pesticides.

(k) A craft grower or craft grower agent shall not

transport cannabis or cannabis-infused products to any other cannabis business establishment without a transport organization license unless:

(i) If the craft grower is located in a county with a population of 3,000,000 or more, the cannabis business establishment receiving the cannabis is within 2,000 feet of the property line of the craft grower;

(ii) If the craft grower is located in a county with a population of more than 700,000 but fewer than 3,000,000, the cannabis business establishment receiving the cannabis is within 2 miles of the craft grower; or

(iii) If the craft grower is located in a county with a population of fewer than 700,000, the cannabis business establishment receiving the cannabis is within 15 miles of the craft grower.

(l) A craft grower may enter into a contract with a transporting organization to transport cannabis to a cultivation center, a craft grower, an infuser organization, a dispensing organization, or a laboratory.

(m) No person or entity shall hold any legal, equitable, ownership, or beneficial interest, directly or indirectly, of more than 3 craft grower licenses. Further, no person or entity that is employed by, an agent of, or has a contract to receive payment from or participate in the management of a craft grower, is a principal officer of a craft grower, or entity controlled by or affiliated with a principal officer of

a craft grower shall hold any legal, equitable, ownership, or beneficial interest, directly or indirectly, in a craft grower license that would result in the person or entity owning or controlling in combination with any craft grower, principal officer of a craft grower, or entity controlled or affiliated with a principal officer of a craft grower by which he, she, or it is employed, is an agent of, or participates in the management of more than 3 craft grower licenses.

(n) It is unlawful for any person having a craft grower license or any officer, associate, member, representative, or agent of the licensee to offer or deliver money, or anything else of value, directly or indirectly, to any person having an Early Approval Adult Use Dispensing Organization License, a Conditional Adult Use Dispensing Organization License, an Adult Use Dispensing Organization License, or a medical cannabis dispensing organization license issued under the Compassionate Use of Medical Cannabis Program Act, or to any person connected with or in any way representing, or to any member of the family of, the person holding an Early Approval Adult Use Dispensing Organization License, a Conditional Adult Use Dispensing Organization License, an Adult Use Dispensing Organization License, or a medical cannabis dispensing organization license issued under the Compassionate Use of Medical Cannabis Program Act, or to any stockholders in any corporation engaged in the retail sale of cannabis, or to any officer, manager, agent, or representative of the Early

Approval Adult Use Dispensing Organization License, a Conditional Adult Use Dispensing Organization License, an Adult Use Dispensing Organization License, or a medical cannabis dispensing organization license issued under the Compassionate Use of Medical Cannabis Program Act to obtain preferential placement within the dispensing organization, including, without limitation, on shelves and in display cases where purchasers can view products, or on the dispensing organization's website.

(o) A craft grower shall not be located within 1,500 feet of another craft grower or a cultivation center.

(p) A craft grower may process cannabis, cannabis concentrates, and cannabis-infused products.

(q) A craft grower must comply with any other requirements or prohibitions set by administrative rule of the Department of Agriculture.

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

(410 ILCS 705/30-55 new)

Sec. 30-55. Disclosure of ownership and control.

(a) Each craft grower applicant and licensee shall file and maintain a Table of Organization, Ownership, and Control with the Department. The Table of Organization, Ownership, and Control shall contain the information required by this Section in sufficient detail to identify all owners, directors, and principal officers, and the title of each principal officer or

business entity that, through direct or indirect means, manages, owns, or controls the applicant or licensee.

(b) The Table of Organization, Ownership and Control shall identify the following information:

(1) The management structure, ownership, and control of the applicant or license holder including the name of each principal officer or business entity, the office or position held, and the percentage ownership interest, if any. If the business entity has a parent company, the name of each owner, board member, and officer of the parent company and his or her percentage ownership interest in the parent company and the craft grower.

(2) If the applicant or licensee is a business entity with publicly traded stock, the identification of ownership shall be provided as required in subsection (c).

(c) If a business entity identified in subsection (b) is a publicly traded company, the following information shall be provided in the Table of Organization, Ownership, and Control:

(1) The name and percentage of ownership interest of each individual or business entity with ownership of more than 5% of the voting shares of the entity, to the extent such information is known or contained in 13D or 13G Securities and Exchange Commission filings.

(2) To the extent known, the names and percentage of interest of ownership of persons who are relatives of one another and who together exercise control over or own more

than 10% of the voting shares of the entity.

(d) A craft grower with a parent company or companies, or partially owned or controlled by another entity must disclose to the Department the relationship and all owners, board members, officers, or individuals with control or management of those entities. A craft grower shall not shield its ownership or control from the Department.

(e) All principal officers must submit a complete online application with the Department within 14 days of the craft grower being licensed by the Department or within 14 days of Department notice of approval as a new principal officer.

(f) A principal officer may not allow his or her registration to expire.

(g) A craft grower separating with a principal officer must do so under this Act. The principal officer must communicate the separation to the Department within 5 business days.

(h) A principal officer not in compliance with the requirements of this Act shall be removed from his or her position with the craft grower or shall otherwise terminate his or her affiliation. Failure to do so may subject the craft grower to discipline, suspension, or revocation of its license by the Department.

(i) It is the responsibility of the craft grower and its principal officers to promptly notify the Department of any change of the principal place of business address, hours of

operation, change in ownership or control, or a change of the craft grower's primary or secondary contact information. Any changes must be made to the Department in writing.

(410 ILCS 705/35-5)

Sec. 35-5. Issuance of licenses.

(a) The Department of Agriculture shall issue up to 40 infuser licenses through a process provided for in this Article no later than July 1, 2020.

(b) The Department of Agriculture shall make the application for infuser licenses available on January 7, 2020, or if that date falls on a weekend or holiday, the business day immediately succeeding the weekend or holiday and every January 7 or succeeding business day thereafter, and shall receive such applications no later than March 15, 2020, or, if that date falls on a weekend or holiday, the business day immediately succeeding the weekend or holiday and every March 15 or succeeding business day thereafter.

(c) By December 21, 2021, the Department of Agriculture may issue up to 60 additional infuser licenses. Prior to issuing such licenses, the Department may adopt rules through emergency rulemaking in accordance with subsection (kk) ~~(gg)~~ of Section 5-45 of the Illinois Administrative Procedure Act, to modify or raise the number of infuser licenses and modify or change the licensing application process to reduce or eliminate barriers. The General Assembly finds that the

adoption of rules to regulate cannabis use is deemed an emergency and necessary for the public interest, safety, and welfare.

In determining whether to exercise the authority granted by this subsection, the Department of Agriculture must consider the following factors:

(1) the percentage of cannabis sales occurring in Illinois not in the regulated market using data from the Substance Abuse and Mental Health Services Administration, National Survey on Drug Use and Health, Illinois Behavioral Risk Factor Surveillance System, and tourism data from the Illinois Office of Tourism to ascertain total cannabis consumption in Illinois compared to the amount of sales in licensed dispensing organizations;

(2) whether there is an adequate supply of cannabis and cannabis-infused products to serve registered medical cannabis patients;

(3) whether there is an adequate supply of cannabis and cannabis-infused products to serve purchasers;

(4) whether there is an oversupply of cannabis in Illinois leading to trafficking of cannabis to any other state;

(5) population increases or shifts;

(6) changes to federal law;

(7) perceived security risks of increasing the number or location of infuser organizations;

(8) the past security records of infuser organizations;

(9) the Department of Agriculture's capacity to appropriately regulate additional licenses;

(10) (blank) ~~the findings and recommendations from the disparity and availability study commissioned by the Illinois Cannabis Regulation Oversight Officer to reduce or eliminate any identified barriers to entry in the cannabis industry;~~ and

(11) any other criteria the Department of Agriculture deems relevant.

(d) After January 1, 2022, the Department of Agriculture may by rule modify or raise the number of infuser licenses, and modify or change the licensing application process to reduce or eliminate barriers based on the criteria in subsection (c).

(e) Upon the completion of the disparity and availability study pertaining to infusers by the Cannabis Regulation Oversight Officer pursuant to subsection (e) of Section 5-45, the Department of Agriculture may modify or change the licensing application process to reduce or eliminate barriers and remedy evidence of discrimination identified in the study.

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

(410 ILCS 705/35-25)

Sec. 35-25. Infuser organization requirements; prohibitions.

(a) The operating documents of an infuser shall include procedures for the oversight of the infuser, an inventory monitoring system including a physical inventory recorded weekly, accurate recordkeeping, and a staffing plan.

(b) An infuser shall implement a security plan reviewed by the Department of State Police that includes, but is not limited to: facility access controls, perimeter intrusion detection systems, personnel identification systems, and a 24-hour surveillance system to monitor the interior and exterior of the infuser facility and that is accessible to authorized law enforcement, the Department of Public Health, and the Department of Agriculture in real time.

(c) All processing of cannabis by an infuser must take place in an enclosed, locked facility at the physical address provided to the Department of Agriculture during the licensing process. The infuser location shall only be accessed by the agents working for the infuser, the Department of Agriculture staff performing inspections, the Department of Public Health staff performing inspections, State and local law enforcement or other emergency personnel, contractors working on jobs unrelated to cannabis, such as installing or maintaining security devices or performing electrical wiring, transporting organization agents as provided in this Act, participants in the incubator program, individuals in a mentoring or educational program approved by the State, local safety or health inspectors, or other individuals as provided by rule.

However, if an infuser shares a premises with a craft grower or dispensing organization, agents from these other licensees may access the infuser portion of the premises if that is the location of common bathrooms, lunchrooms, locker rooms, or other areas of the building where processing of cannabis is not performed. At no time may a craft grower or dispensing organization agent perform work at an infuser without being a registered agent of the infuser.

(d) An infuser may not sell or distribute any cannabis to any person other than a dispensing organization, or as otherwise authorized by rule.

(e) An infuser may not either directly or indirectly discriminate in price between different cannabis business establishments that are purchasing a like grade, strain, brand, and quality of cannabis or cannabis-infused product. Nothing in this subsection (e) prevents an infuser from pricing cannabis differently based on differences in the cost of manufacturing or processing, the quantities sold, such volume discounts, or the way the products are delivered.

(f) All cannabis infused by an infuser and intended for distribution to a dispensing organization must be entered into a data collection system, packaged and labeled under Section 55-21, and, if distribution is to a dispensing organization that does not share a premises with the infuser, placed into a cannabis container for transport. All cannabis produced by an infuser and intended for distribution to a cultivation center,

infuser organization, or craft grower with which it does not share a premises, must be packaged in a labeled cannabis container and entered into a data collection system before transport.

(g) Infusers are subject to random inspections by the Department of Agriculture, the Department of Public Health, the Department of State Police, ~~and~~ local law enforcement, or as provided by rule.

(h) An infuser agent shall notify local law enforcement, the Department of State Police, and the Department of Agriculture within 24 hours of the discovery of any loss or theft. Notification shall be made by phone, in person, or by written or electronic communication.

(i) An infuser organization may not be located in an area zoned for residential use.

(j) An infuser or infuser agent shall not transport cannabis or cannabis-infused products to any other cannabis business establishment without a transport organization license unless:

(i) If the infuser is located in a county with a population of 3,000,000 or more, the cannabis business establishment receiving the cannabis or cannabis-infused product is within 2,000 feet of the property line of the infuser;

(ii) If the infuser is located in a county with a population of more than 700,000 but fewer than 3,000,000,

the cannabis business establishment receiving the cannabis or cannabis-infused product is within 2 miles of the infuser; or

(iii) If the infuser is located in a county with a population of fewer than 700,000, the cannabis business establishment receiving the cannabis or cannabis-infused product is within 15 miles of the infuser.

(k) An infuser may enter into a contract with a transporting organization to transport cannabis to a dispensing organization or a laboratory.

(l) An infuser organization may share premises with a craft grower or a dispensing organization, or both, provided each licensee stores currency and cannabis or cannabis-infused products in a separate secured vault to which the other licensee does not have access or all licensees sharing a vault share more than 50% of the same ownership.

(m) It is unlawful for any person or entity having an infuser organization license or any officer, associate, member, representative or agent of such licensee to offer or deliver money, or anything else of value, directly or indirectly to any person having an Early Approval Adult Use Dispensing Organization License, a Conditional Adult Use Dispensing Organization License, an Adult Use Dispensing Organization License, or a medical cannabis dispensing organization license issued under the Compassionate Use of Medical Cannabis Program Act, or to any person connected with

or in any way representing, or to any member of the family of, such person holding an Early Approval Adult Use Dispensing Organization License, a Conditional Adult Use Dispensing Organization License, an Adult Use Dispensing Organization License, or a medical cannabis dispensing organization license issued under the Compassionate Use of Medical Cannabis Program Act, or to any stockholders in any corporation engaged the retail sales of cannabis, or to any officer, manager, agent, or representative of the Early Approval Adult Use Dispensing Organization License, a Conditional Adult Use Dispensing Organization License, an Adult Use Dispensing Organization License, or a medical cannabis dispensing organization license issued under the Compassionate Use of Medical Cannabis Program Act to obtain preferential placement within the dispensing organization, including, without limitation, on shelves and in display cases where purchasers can view products, or on the dispensing organization's website.

(n) At no time shall an infuser organization or an infuser agent perform the extraction of cannabis concentrate from cannabis flower.

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

(410 ILCS 705/35-30)

Sec. 35-30. Infuser agent identification card.

(a) The Department of Agriculture shall:

(1) establish by rule the information required in an

initial application or renewal application for an agent identification card submitted under this Act and the nonrefundable fee to accompany the initial application or renewal application;

(2) verify the information contained in an initial application or renewal application for an agent identification card submitted under this Act, and approve or deny an application within 30 days of receiving a completed initial application or renewal application and all supporting documentation required by rule;

(3) issue an agent identification card to a qualifying agent within 15 business days of approving the initial application or renewal application;

(4) enter the license number of the infuser where the agent works; and

(5) allow for an electronic initial application and renewal application process, and provide a confirmation by electronic or other methods that an application has been submitted. The Department of Agriculture may by rule require prospective agents to file their applications by electronic means and provide notices to the agents by electronic means.

(b) An agent must keep his or her identification card visible at all times when on the property of a cannabis business establishment including the cannabis business establishment for which he or she is an agent.

(c) The agent identification cards shall contain the following:

- (1) the name of the cardholder;
- (2) the date of issuance and expiration date of the identification card;
- (3) a random 10-digit alphanumeric identification number containing at least 4 numbers and at least 4 letters that is unique to the holder;
- (4) a photograph of the cardholder; and
- (5) the legal name of the infuser organization employing the agent.

(d) An agent identification card shall be immediately returned to the infuser organization of the agent upon termination of his or her employment.

(e) Any agent identification card lost by a transporting agent shall be reported to the Department of State Police and the Department of Agriculture immediately upon discovery of the loss.

(f) An agent applicant may begin employment at an infuser organization while the agent applicant's identification card application is pending. Upon approval, the Department shall issue the agent's identification card to the agent. If denied, the infuser organization and the agent applicant shall be notified and the agent applicant must cease all activity at the infuser organization immediately.

(Source: P.A. 101-27, eff. 6-25-19.)

(410 ILCS 705/35-45 new)

Sec. 35-45. Disclosure of ownership and control.

(a) Each infuser organization applicant and licensee shall file and maintain a Table of Organization, Ownership and Control with the Department. The Table of Organization, Ownership and Control shall contain the information required by this Section in sufficient detail to identify all owners, directors, and principal officers, and the title of each principal officer or business entity that, through direct or indirect means, manages, owns, or controls the applicant or licensee.

(b) The Table of Organization, Ownership, and Control shall identify the following information:

(1) The management structure, ownership, and control of the applicant or license holder including the name of each principal officer or business entity, the office or position held, and the percentage ownership interest, if any. If the business entity has a parent company, the name of each owner, board member, and officer of the parent company and his or her percentage ownership interest in the parent company and the infuser organization.

(2) If the applicant or licensee is a business entity with publicly traded stock, the identification of ownership shall be provided as required in subsection (c).

(c) If a business entity identified in subsection (b) is a

publicly traded company, the following information shall be provided in the Table of Organization, Ownership, and Control:

(1) The name and percentage of ownership interest of each individual or business entity with ownership of more than 5% of the voting shares of the entity, to the extent such information is known or contained in 13D or 13G Securities and Exchange Commission filings.

(2) To the extent known, the names and percentage of interest of ownership of persons who are relatives of one another and who together exercise control over or own more than 10% of the voting shares of the entity.

(d) An infuser organization with a parent company or companies, or partially owned or controlled by another entity must disclose to the Department the relationship and all owners, board members, officers, or individuals with control or management of those entities. An infuser organization shall not shield its ownership or control from the Department.

(e) All principal officers must submit a complete online application with the Department within 14 days of the infuser organization being licensed by the Department or within 14 days of Department notice of approval as a new principal officer.

(f) A principal officer may not allow his or her registration to expire.

(g) An infuser organization separating with a principal officer must do so under this Act. The principal officer must

communicate the separation to the Department within 5 business days.

(h) A principal officer not in compliance with the requirements of this Act shall be removed from his or her position with the infuser organization or shall otherwise terminate his or her affiliation. Failure to do so may subject the infuser organization to discipline, suspension, or revocation of its license by the Department.

(i) It is the responsibility of the infuser organization and its principal officers to promptly notify the Department of any change of the principal place of business address, hours of operation, change in ownership or control, or a change of the infuser organization's primary or secondary contact information. Any changes must be made to the Department in writing.

(410 ILCS 705/40-25)

Sec. 40-25. Transporting organization requirements; prohibitions.

(a) The operating documents of a transporting organization shall include procedures for the oversight of the transporter, an inventory monitoring system including a physical inventory recorded weekly, accurate recordkeeping, and a staffing plan.

(b) A transporting organization may not transport cannabis or cannabis-infused products to any person other than a cultivation center, a craft grower, an infuser organization, a

dispensing organization, a testing facility, or as otherwise authorized by rule.

(c) All cannabis transported by a transporting organization must be entered into a data collection system and placed into a cannabis container for transport.

(d) Transporters are subject to random inspections by the Department of Agriculture, the Department of Public Health, ~~and~~ the Department of State Police, or as provided by rule.

(e) A transporting organization agent shall notify local law enforcement, the Department of State Police, and the Department of Agriculture within 24 hours of the discovery of any loss or theft. Notification shall be made by phone, in person, or by written or electronic communication.

(f) No person under the age of 21 years shall be in a commercial vehicle or trailer transporting cannabis goods.

(g) No person or individual who is not a transporting organization agent shall be in a vehicle while transporting cannabis goods.

(h) Transporters may not use commercial motor vehicles with a weight rating of over 10,001 pounds.

(i) It is unlawful for any person to offer or deliver money, or anything else of value, directly or indirectly, to any of the following persons to obtain preferential placement within the dispensing organization, including, without limitation, on shelves and in display cases where purchasers can view products, or on the dispensing organization's

website:

(1) a person having a transporting organization license, or any officer, associate, member, representative, or agent of the licensee;

(2) a person having an Early Applicant Adult Use Dispensing Organization License, an Adult Use Dispensing Organization License, or a medical cannabis dispensing organization license issued under the Compassionate Use of Medical Cannabis Program Act;

(3) a person connected with or in any way representing, or a member of the family of, a person holding an Early Applicant Adult Use Dispensing Organization License, an Adult Use Dispensing Organization License, or a medical cannabis dispensing organization license issued under the Compassionate Use of Medical Cannabis Program Act; or

(4) a stockholder, officer, manager, agent, or representative of a corporation engaged in the retail sale of cannabis, an Early Applicant Adult Use Dispensing Organization License, an Adult Use Dispensing Organization License, or a medical cannabis dispensing organization license issued under the Compassionate Use of Medical Cannabis Program Act.

(j) A transporting organization agent must keep his or her identification card visible at all times when on the property of a cannabis business establishment and during the

transporting of cannabis when acting under his or her duties as a transportation organization agent. During these times, the transporting organization agent must also provide the identification card upon request of any law enforcement officer engaged in his or her official duties.

(k) A copy of the transporting organization's registration and a manifest for the delivery shall be present in any vehicle transporting cannabis.

(l) Cannabis shall be transported so it is not visible or recognizable from outside the vehicle.

(m) A vehicle transporting cannabis must not bear any markings to indicate the vehicle contains cannabis or bear the name or logo of the cannabis business establishment.

(n) Cannabis must be transported in an enclosed, locked storage compartment that is secured or affixed to the vehicle.

(o) The Department of Agriculture may, by rule, impose any other requirements or prohibitions on the transportation of cannabis.

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

(410 ILCS 705/40-30)

Sec. 40-30. Transporting agent identification card.

(a) The Department of Agriculture shall:

(1) establish by rule the information required in an initial application or renewal application for an agent identification card submitted under this Act and the

nonrefundable fee to accompany the initial application or renewal application;

(2) verify the information contained in an initial application or renewal application for an agent identification card submitted under this Act and approve or deny an application within 30 days of receiving a completed initial application or renewal application and all supporting documentation required by rule;

(3) issue an agent identification card to a qualifying agent within 15 business days of approving the initial application or renewal application;

(4) enter the license number of the transporting organization where the agent works; and

(5) allow for an electronic initial application and renewal application process, and provide a confirmation by electronic or other methods that an application has been submitted. The Department of Agriculture may by rule require prospective agents to file their applications by electronic means and provide notices to the agents by electronic means.

(b) An agent must keep his or her identification card visible at all times when on the property of a cannabis business establishment, including the cannabis business establishment for which he or she is an agent.

(c) The agent identification cards shall contain the following:

- (1) the name of the cardholder;
- (2) the date of issuance and expiration date of the identification card;
- (3) a random 10-digit alphanumeric identification number containing at least 4 numbers and at least 4 letters that is unique to the holder;
- (4) a photograph of the cardholder; and
- (5) the legal name of the transporting organization employing the agent.

(d) An agent identification card shall be immediately returned to the transporting organization of the agent upon termination of his or her employment.

(e) Any agent identification card lost by a transporting agent shall be reported to the Department of State Police and the Department of Agriculture immediately upon discovery of the loss.

(f) An application for an agent identification card shall be denied if the applicant is delinquent in filing any required tax returns or paying any amounts owed to the State of Illinois.

(g) An agent applicant may begin employment at a transporting organization while the agent applicant's identification card application is pending. Upon approval, the Department shall issue the agent's identification card to the agent. If denied, the transporting organization and the agent applicant shall be notified and the agent applicant must cease

all activity at the transporting organization immediately.

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

(410 ILCS 705/40-45 new)

Sec. 40-45. Disclosure of ownership and control.

(a) Each transporting organization applicant and licensee shall file and maintain a Table of Organization, Ownership, and Control with the Department. The Table of Organization, Ownership, and Control shall contain the information required by this Section in sufficient detail to identify all owners, directors, and principal officers, and the title of each principal officer or business entity that, through direct or indirect means, manages, owns, or controls the applicant or licensee.

(b) The Table of Organization, Ownership, and Control shall identify the following information:

(1) The management structure, ownership, and control of the applicant or license holder including the name of each principal officer or business entity, the office or position held, and the percentage ownership interest, if any. If the business entity has a parent company, the name of each owner, board member, and officer of the parent company and his or her percentage ownership interest in the parent company and the transporting organization.

(2) If the applicant or licensee is a business entity with publicly traded stock, the identification of

ownership shall be provided as required in subsection (c).

(c) If a business entity identified in subsection (b) is a publicly traded company, the following information shall be provided in the Table of Organization, Ownership, and Control:

(1) The name and percentage of ownership interest of each individual or business entity with ownership of more than 5% of the voting shares of the entity, to the extent such information is known or contained in 13D or 13G Securities and Exchange Commission filings.

(2) To the extent known, the names and percentage of interest of ownership of persons who are relatives of one another and who together exercise control over or own more than 10% of the voting shares of the entity.

(d) A transporting organization with a parent company or companies, or partially owned or controlled by another entity must disclose to the Department the relationship and all owners, board members, officers, or individuals with control or management of those entities. A transporting organization shall not shield its ownership or control from the Department.

(e) All principal officers must submit a complete online application with the Department within 14 days of the transporting organization being licensed by the Department or within 14 days of Department notice of approval as a new principal officer.

(f) A principal officer may not allow his or her registration to expire.

(g) A transporting organization separating with a principal officer must do so under this Act. The principal officer must communicate the separation to the Department within 5 business days.

(h) A principal officer not in compliance with the requirements of this Act shall be removed from his or her position with the transporting organization or shall otherwise terminate his or her affiliation. Failure to do so may subject the transporting organization to discipline, suspension, or revocation of its license by the Department.

(i) It is the responsibility of the transporting organization and its principal officers to promptly notify the Department of any change of the principal place of business address, hours of operation, change in ownership or control, or a change of the transporting organization's primary or secondary contact information. Any changes must be made to the Department in writing.

(410 ILCS 705/55-21)

Sec. 55-21. Cannabis product packaging and labeling.

(a) Each cannabis product produced for sale shall be registered with the Department of Agriculture on forms provided by the Department of Agriculture. Each product registration shall include a label and the required registration fee at the rate established by the Department of Agriculture for a comparable medical cannabis product, or as

established by rule. The registration fee is for the name of the product offered for sale and one fee shall be sufficient for all package sizes.

(b) All harvested cannabis intended for distribution to a cannabis enterprise must be packaged in a sealed, labeled container.

(c) Any product containing cannabis shall be sold packaged in a sealed, odor-proof, and child-resistant cannabis container consistent with current standards, including the Consumer Product Safety Commission standards referenced by the Poison Prevention Act unless the sale is between or among a craft grower, infuser, or cultivation center.

(d) All cannabis-infused products shall be individually wrapped or packaged at the original point of preparation. The packaging of the cannabis-infused product shall conform to the labeling requirements of the Illinois Food, Drug and Cosmetic Act, in addition to the other requirements set forth in this Section.

(e) Each cannabis product shall be labeled before sale and each label shall be securely affixed to the package and shall state in legible English and any languages required by the Department of Agriculture:

(1) the name and post office box of the registered cultivation center or craft grower where the item was manufactured;

(2) the common or usual name of the item and the

registered name of the cannabis product that was registered with the Department of Agriculture under subsection (a);

(3) a unique serial number that will match the product with a cultivation center or craft grower batch and lot number to facilitate any warnings or recalls the Department of Agriculture, cultivation center, or craft grower deems appropriate;

(4) the date of final testing and packaging, if sampled, and the identification of the independent testing laboratory;

(5) the date of harvest and "use by" date;

(6) the quantity (in ounces or grams) of cannabis contained in the product;

(7) a pass/fail rating based on the laboratory's microbiological, mycotoxins, and pesticide and solvent residue analyses, if sampled;

(8) content list.

(A) A list of the following, including the minimum and maximum percentage content by weight for subdivisions (e) (8) (A) (i) through (iv):

- (i) delta-9-tetrahydrocannabinol (THC);
- (ii) tetrahydrocannabinolic acid (THCA);
- (iii) cannabidiol (CBD);
- (iv) cannabidiolic acid (CBDA); and
- (v) all other ingredients of the item,

including any colors, artificial flavors, and preservatives, listed in descending order by predominance of weight shown with common or usual names.

(B) The acceptable tolerances for the minimum percentage printed on the label for any of subdivisions (e) (8) (A) (i) through (iv) shall not be below 85% or above 115% of the labeled amount.

(f) Packaging must not contain information that:

- (1) is false or misleading;
- (2) promotes excessive consumption;
- (3) depicts a person under 21 years of age consuming cannabis;
- (4) includes the image of a cannabis leaf;
- (5) includes any image designed or likely to appeal to minors, including cartoons, toys, animals, or children, or any other likeness to images, characters, or phrases that are popularly used to advertise to children, or any packaging or labeling that bears reasonable resemblance to any product available for consumption as a commercially available candy, or that promotes consumption of cannabis;
- (6) contains any seal, flag, crest, coat of arms, or other insignia likely to mislead the purchaser to believe that the product has been endorsed, made, or used by the State of Illinois or any of its representatives except where authorized by this Act.

(g) Cannabis products produced by concentrating or extracting ingredients from the cannabis plant shall contain the following information, where applicable:

(1) If solvents were used to create the concentrate or extract, a statement that discloses the type of extraction method, including any solvents or gases used to create the concentrate or extract; and

(2) Any other chemicals or compounds used to produce or were added to the concentrate or extract.

(h) All cannabis products must contain warning statements established for purchasers, of a size that is legible and readily visible to a consumer inspecting a package, which may not be covered or obscured in any way. The Department of Public Health shall define and update appropriate health warnings for packages including specific labeling or warning requirements for specific cannabis products.

(i) Unless modified by rule to strengthen or respond to new evidence and science, the following warnings shall apply to all cannabis products unless modified by rule: "This product contains cannabis and is intended for use by adults 21 and over. Its use can impair cognition and may be habit forming. This product should not be used by pregnant or breastfeeding women. It is unlawful to sell or provide this item to any individual, and it may not be transported outside the State of Illinois. It is illegal to operate a motor vehicle while under the influence of cannabis. Possession or use of

this product may carry significant legal penalties in some jurisdictions and under federal law."

(j) Warnings for each of the following product types must be present on labels when offered for sale to a purchaser:

(1) Cannabis that may be smoked must contain a statement that "Smoking is hazardous to your health."

(2) Cannabis-infused products (other than those intended for topical application) must contain a statement "CAUTION: This product contains cannabis, and intoxication following use may be delayed 2 or more hours. This product was produced in a facility that cultivates cannabis, and that may also process common food allergens."

(3) Cannabis-infused products intended for topical application must contain a statement "DO NOT EAT" in bold, capital letters.

(k) Each cannabis-infused product intended for consumption must be individually packaged, must include the total milligram content of THC and CBD, and may not include more than a total of 100 milligrams of THC per package. A package may contain multiple servings of 10 milligrams of THC, indicated by scoring, wrapping, or by other indicators designating individual serving sizes. The Department of Agriculture may change the total amount of THC allowed for each package, or the total amount of THC allowed for each serving size, by rule.

(l) No individual other than the purchaser may alter or destroy any labeling affixed to the primary packaging of

cannabis or cannabis-infused products.

(m) For each commercial weighing and measuring device used at a facility, the cultivation center or craft grower must:

(1) Ensure that the commercial device is licensed under the Weights and Measures Act and the associated administrative rules (8 Ill. Adm. Code 600);

(2) Maintain documentation of the licensure of the commercial device; and

(3) Provide a copy of the license of the commercial device to the Department of Agriculture for review upon request.

(n) It is the responsibility of the Department to ensure that packaging and labeling requirements, including product warnings, are enforced at all times for products provided to purchasers. Product registration requirements and container requirements may be modified by rule by the Department of Agriculture.

(o) Labeling, including warning labels, may be modified by rule by the Department of Agriculture.

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

(410 ILCS 705/55-28)

Sec. 55-28. Restricted cannabis zones.

(a) As used in this Section:

"Legal voter" means a person:

(1) who is duly registered to vote in a municipality

with a population of over 500,000;

(2) whose name appears on a poll list compiled by the city board of election commissioners since the last preceding election, regardless of whether the election was a primary, general, or special election;

(3) who, at the relevant time, is a resident of the address at which he or she is registered to vote; and

(4) whose address, at the relevant time, is located in the precinct where such person seeks to file a notice of intent to initiate a petition process, circulate a petition, or sign a petition under this Section.

As used in the definition of "legal voter", "relevant time" means any time that:

(i) a notice of intent is filed, pursuant to subsection (c) of this Section, to initiate the petition process under this Section;

(ii) the petition is circulated for signature in the applicable precinct; or

(iii) the petition is signed by registered voters in the applicable precinct.

"Petition" means the petition described in this Section.

"Precinct" means the smallest constituent territory within a municipality with a population of over 500,000 in which electors vote as a unit at the same polling place in any election governed by the Election Code.

"Restricted cannabis zone" means a precinct within which

home cultivation, one or more types of cannabis business establishments, or both has been prohibited pursuant to an ordinance initiated by a petition under this Section.

(b) The legal voters of any precinct within a municipality with a population of over 500,000 may petition their local alderman, using a petition form made available online by the city clerk, to introduce an ordinance establishing the precinct as a restricted zone. Such petition shall specify whether it seeks an ordinance to prohibit, within the precinct: (i) home cultivation; (ii) one or more types of cannabis business establishments; or (iii) home cultivation and one or more types of cannabis business establishments.

Upon receiving a petition containing the signatures of at least 25% of the registered voters of the precinct, and concluding that the petition is legally sufficient following the posting and review process in subsection (c) of this Section, the city clerk shall notify the local alderman of the ward in which the precinct is located. Upon being notified, that alderman, following an assessment of relevant factors within the precinct, including but not limited to, its geography, density and character, the prevalence of residentially zoned property, current licensed cannabis business establishments in the precinct, the current amount of home cultivation in the precinct, and the prevailing viewpoint with regard to the issue raised in the petition, may introduce an ordinance to the municipality's governing body creating a

restricted cannabis zone in that precinct.

(c) A person seeking to initiate the petition process described in this Section shall first submit to the city clerk notice of intent to do so, on a form made available online by the city clerk. That notice shall include a description of the potentially affected area and the scope of the restriction sought. The city clerk shall publicly post the submitted notice online.

To be legally sufficient, a petition must contain the requisite number of valid signatures and all such signatures must be obtained within 90 days of the date that the city clerk publicly posts the notice of intent. Upon receipt, the city clerk shall post the petition on the municipality's website for a 30-day comment period. The city clerk is authorized to take all necessary and appropriate steps to verify the legal sufficiency of a submitted petition. Following the petition review and comment period, the city clerk shall publicly post online the status of the petition as accepted or rejected, and if rejected, the reasons therefor. If the city clerk rejects a petition as legally insufficient, a minimum of 12 months must elapse from the time the city clerk posts the rejection notice before a new notice of intent for that same precinct may be submitted.

(c-5) Within 3 days after receiving an application for zoning approval to locate a cannabis business establishment within a municipality with a population of over 500,000, the

municipality shall post a public notice of the filing on its website and notify the alderman of the ward in which the proposed cannabis business establishment is to be located of the filing. No action shall be taken on the zoning application for 7 business days following the notice of the filing for zoning approval.

If a notice of intent to initiate the petition process to prohibit the type of cannabis business establishment proposed in the precinct of the proposed cannabis business establishment is filed prior to the filing of the application or within the 7-day period after the filing of the application, the municipality shall not approve the application for at least 90 days after the city clerk publicly posts the notice of intent to initiate the petition process. If a petition is filed within the 90-day petition-gathering period described in subsection (c), the municipality shall not approve the application for an additional 90 days after the city clerk's receipt of the petition; provided that if the city clerk rejects a petition as legally insufficient, the municipality may approve the application prior to the end of the 90 days. If a petition is not submitted within the 90-day petition-gathering period described in subsection (c), the municipality may approve the application unless the approval is otherwise stayed pursuant to this subsection by a separate notice of intent to initiate the petition process filed timely within the 7-day period.

If no legally sufficient petition is timely filed, a minimum of 12 months must elapse before a new notice of intent for that same precinct may be submitted.

(d) Notwithstanding any law to the contrary, the municipality may enact an ordinance creating a restricted cannabis zone. The ordinance shall:

(1) identify the applicable precinct boundaries as of the date of the petition;

(2) state whether the ordinance prohibits within the defined boundaries of the precinct, and in what combination: (A) one or more types of cannabis business establishments; or (B) home cultivation;

(3) be in effect for 4 years, unless repealed earlier; and

(4) once in effect, be subject to renewal by ordinance at the expiration of the 4-year period without the need for another supporting petition.

(e) An Early Approval Adult Use Dispensing Organization License permitted to relocate under subsection (b-5) of Section 15-15 shall not relocate to a restricted cannabis zone.

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

(410 ILCS 705/55-30)

Sec. 55-30. Confidentiality.

(a) Information provided by the cannabis business

establishment licensees or applicants to the Department of Agriculture, the Department of Public Health, the Department of Financial and Professional Regulation, the Department of Commerce and Economic Opportunity, or other agency shall be limited to information necessary for the purposes of administering this Act. The information is subject to the provisions and limitations contained in the Freedom of Information Act and may be disclosed in accordance with Section 55-65.

(b) The following information received and records kept by the Department of Agriculture, the Department of Public Health, the Department of State Police, and the Department of Financial and Professional Regulation for purposes of administering this Article are subject to all applicable federal privacy laws, are confidential and exempt from disclosure under the Freedom of Information Act, except as provided in this Act, and not subject to disclosure to any individual or public or private entity, except to the Department of Financial and Professional Regulation, the Department of Agriculture, the Department of Public Health, and the Department of State Police as necessary to perform official duties under this Article and to the Attorney General as necessary to enforce the provisions of this Act. The following information received and kept by the Department of Financial and Professional Regulation or the Department of Agriculture may be disclosed to the Department of Public

Health, the Department of Agriculture, the Department of Revenue, the Department of State Police, or the Attorney General upon proper request:

(1) Applications and renewals, their contents, and supporting information submitted by or on behalf of dispensing organizations, cannabis business establishments, or Community College Cannabis Vocational Program licensees, in compliance with this Article, including their physical addresses; however, this does not preclude the release of ownership information about cannabis business establishment licenses, or information submitted with an application required to be disclosed pursuant to subsection (f);

(2) Any plans, procedures, policies, or other records relating to cannabis business establishment ~~dispensing organization~~ security; and

(3) Information otherwise exempt from disclosure by State or federal law.

Illinois or national criminal history record information, or the nonexistence or lack of such information, may not be disclosed by the Department of Financial and Professional Regulation or the Department of Agriculture, except as necessary to the Attorney General to enforce this Act.

(c) The name and address of a dispensing organization licensed under this Act shall be subject to disclosure under the Freedom of Information Act. The name and cannabis business

establishment address of the person or entity holding each cannabis business establishment license shall be subject to disclosure.

(d) All information collected by the Department of Financial and Professional Regulation or the Department of Agriculture in the course of an examination, inspection, or investigation of a licensee or applicant, including, but not limited to, any complaint against a licensee or applicant filed with the Department of Financial and Professional Regulation or the Department of Agriculture and information collected to investigate any such complaint, shall be maintained for the confidential use of the Department of Financial and Professional Regulation or the Department of Agriculture and shall not be disclosed, except as otherwise provided in this Act. A formal complaint against a licensee by the Department of Financial and Professional Regulation or the Department of Agriculture or any disciplinary order issued by the Department of Financial and Professional Regulation or the Department of Agriculture against a licensee or applicant shall be a public record, except as otherwise provided by law. Complaints from consumers or members of the general public received regarding a specific, named licensee or complaints regarding conduct by unlicensed entities shall be subject to disclosure under the Freedom of Information Act.

(e) The Department of Agriculture, the Department of State Police, and the Department of Financial and Professional

Regulation shall not share or disclose any Illinois or national criminal history record information, or the nonexistence or lack of such information, to any person or entity not expressly authorized by this Act.

(f) Each Department responsible for licensure under this Act shall publish on the Department's website a list of the ownership information of cannabis business establishment licensees under the Department's jurisdiction. The list shall include, but is not limited to: the name of the person or entity holding each cannabis business establishment license; and the address at which the entity is operating under this Act. This list shall be published and updated monthly.

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

Section 15. The Illinois Vehicle Code is amended by changing Sections 11-502.1 and 11-502.15 as follows:

(625 ILCS 5/11-502.1)

Sec. 11-502.1. Possession of medical cannabis in a motor vehicle.

(a) No driver, who is a medical cannabis cardholder, may use medical cannabis within the passenger area of any motor vehicle upon a highway in this State.

(b) No driver, who is a medical cannabis cardholder, a medical cannabis designated caregiver, medical cannabis cultivation center agent, or dispensing organization agent may

possess medical cannabis within any area of any motor vehicle upon a highway in this State except in a secured, sealed or resealable, odor-proof, and child-resistant medical cannabis container that is inaccessible.

(c) No passenger, who is a medical cannabis card holder, a medical cannabis designated caregiver, or medical cannabis dispensing organization agent may possess medical cannabis within any passenger area of any motor vehicle upon a highway in this State except in a secured, sealed or resealable, odor-proof, and child-resistant medical cannabis container that is inaccessible.

(d) Any person who violates subsections (a) through (c) of this Section:

(1) commits a Class A misdemeanor;

(2) shall be subject to revocation of his or her medical cannabis card for a period of 2 years from the end of the sentence imposed; and

(3) ~~(4)~~ shall be subject to revocation of his or her status as a medical cannabis caregiver, medical cannabis cultivation center agent, or medical cannabis dispensing organization agent for a period of 2 years from the end of the sentence imposed.

(Source: P.A. 101-27, eff. 6-25-19; revised 8-6-19.)

(625 ILCS 5/11-502.15)

Sec. 11-502.15. Possession of adult use cannabis in a

motor vehicle.

(a) No driver may use cannabis within the passenger area of any motor vehicle upon a highway in this State.

(b) No driver may possess cannabis within any area of any motor vehicle upon a highway in this State except in a secured, sealed or resealable, odor-proof, child-resistant cannabis container that is inaccessible.

(c) No passenger may possess cannabis within any passenger area of any motor vehicle upon a highway in this State except in a secured, sealed or resealable, odor-proof, child-resistant cannabis container that is inaccessible.

(d) Any person who knowingly violates subsection (a), (b), or (c) of this Section commits a Class A misdemeanor.

(Source: P.A. 101-27, eff. 6-25-19.)

Section 97. Severability. The provisions of this Act are severable under Section 1.31 of the Statute on Statutes.

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