



## 104TH GENERAL ASSEMBLY

### State of Illinois

2025 and 2026

HB3074

Introduced 2/6/2025, by Rep. Sonya M. Harper

#### SYNOPSIS AS INTRODUCED:

410 ILCS 705/Art. 43 heading new  
410 ILCS 705/43-1 new  
410 ILCS 705/43-5 new  
410 ILCS 705/43-10 new  
410 ILCS 705/43-15 new  
410 ILCS 705/43-20 new  
410 ILCS 705/43-25 new  
410 ILCS 705/43-27 new  
410 ILCS 705/43-30 new  
410 ILCS 705/43-35 new  
410 ILCS 705/43-40 new

Amends the Cannabis Regulation and Tax Act. Requires the Department of Financial and Professional Regulation to issue cannabis delivery organization licenses. Contains provisions regarding applications for cannabis delivery organization licenses. Requires the Department to develop a system to score applications for cannabis delivery licenses. Provides that applicants must qualify as social equity applicants in order to be awarded a cannabis delivery organization license. Requires applicants to pay a \$500 application fee and a prorated fee of \$500 prior to receiving a license, to be deposited into the Cannabis Regulation Fund. Contains requirements and prohibitions for cannabis delivery organizations. Provides that cannabis delivery organizations may obtain cannabis products from any cannabis business organization licensed in the State. Contains requirements for the issuance of cannabis delivery agent identification cards. Requires the Department to conduct a background check through the Illinois State Police of certain officers, board members, and agents of cannabis delivery organizations. Contains provisions regarding the renewal of cannabis delivery organization licenses and agent identification cards. Contains other provisions.

LRB104 05667 BDA 15697 b

1 AN ACT concerning health.

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

4 Section 5. The Cannabis Regulation and Tax Act is amended  
5 by adding Article 43 as follows:

6 (410 ILCS 705/Art. 43 heading new)

7 ARTICLE 43.

8 License and Regulation of  
9 Cannabis Delivery Organizations.

10 (410 ILCS 705/43-1 new)

11 Sec. 43-1. Definition. In this Article, "Department" means  
12 the Department of Financial and Professional Regulation.

13 (410 ILCS 705/43-5 new)

14 Sec. 43-5. Issuance of licenses.

15 (a) The Department shall issue cannabis delivery  
16 organization licenses through a process provided for in this  
17 Article and by rule.

18 (b) The Department shall make the application for cannabis  
19 delivery organization licenses at a time set by rule.

20 (410 ILCS 705/43-10 new)

1       Sec. 43-10. Application.

2       (a) When applying for a cannabis delivery organization  
3 license, the applicant shall submit the following in such form  
4 as the Department may direct:

5           (1) a nonrefundable application fee of \$500 or, after  
6 January 1, 2026, another amount as set by rule by the  
7 Department, to be deposited into the Cannabis Regulation  
8 Fund;

9           (2) the legal name of the cannabis delivery  
10 organization;

11           (3) the proposed physical address of the cannabis  
12 delivery organization, if one is proposed;

13           (4) the name, address, social security number, and  
14 date of birth of each principal officer and board member  
15 of the cannabis delivery organization;

16           (5) the details of any administrative or judicial  
17 proceeding in which any of the principal officers or board  
18 members of the cannabis delivery organization (i) pled  
19 guilty, were convicted, fined, or had a registration or  
20 license suspended or revoked or (ii) managed or served on  
21 the board of a business or nonprofit organization that  
22 pled guilty, was convicted, fined, or had a registration  
23 or license suspended or revoked;

24           (6) verification from the Illinois State Police that  
25 all background checks of the prospective principal  
26 officers, board members, and agents of the cannabis

1 delivery organization have been conducted;

2 (7) a copy of the current local zoning ordinance or  
3 permit and verification that the proposed cannabis  
4 delivery organization is in compliance with the local  
5 zoning rules and distance limitations established by the  
6 local jurisdiction, if the cannabis delivery organization  
7 has a business address;

8 (8) proposed employment practices, in which the  
9 applicant must demonstrate a plan of action to inform,  
10 hire, and educate minorities, women, veterans, and persons  
11 with disabilities, engage in fair labor practices, and  
12 provide worker protections;

13 (9) whether an applicant can demonstrate experience in  
14 or business practices that promote economic empowerment in  
15 Disproportionately Impacted Areas;

16 (10) the identity of every person having a financial  
17 or voting interest of 5% or more in the cannabis delivery  
18 organization with respect to which the license is sought,  
19 whether a trust, corporation, partnership, limited  
20 liability company, or sole proprietorship, including the  
21 name and address of each person; and

22 (11) any other information required by rule.

23 (b) Applicants must submit all required information,  
24 including the information required in Section 43-35, to the  
25 Department. Failure by an applicant to submit all required  
26 information may result in the application being disqualified.

1       (c) Each principal officer and board member of an  
2 applicant shall be at least 21 years of age.

3       (d) If the Department receives an application with missing  
4 information, the Department may issue a deficiency notice to  
5 the applicant. The applicant shall have 10 calendar days from  
6 the date of the deficiency notice to resubmit the incomplete  
7 information. Applications that are still incomplete after this  
8 opportunity to cure will not be scored and will be  
9 disqualified.

10       (410 ILCS 705/43-15 new)

11       Sec. 43-15. Issuing licenses.

12       (a) The Department shall, by rule, develop a system to  
13 score cannabis delivery applications to administratively rank  
14 applications based on the clarity, organization, and quality  
15 of the applicant's responses to required information.  
16 Applicants shall be awarded points based on the following  
17 categories:

18           (1) suitability of employee training plan;

19           (2) security and recordkeeping plan;

20           (3) business plan;

21           (4) labor and employment practices, which shall  
22 constitute no less than 2% of total available points;

23           (5) environmental plan that demonstrates an  
24 environmental plan of action to minimize the carbon  
25 footprint, environmental impact, and resource needs for

1 the cannabis delivery organization;

2 (6) the applicant is 51% or more owned and controlled  
3 by an individual or individuals who have been an Illinois  
4 resident for the past 5 years as proved by tax records or 2  
5 of the following:

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

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

10 (C) school records;

11 (D) a voter registration card;

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

15 (F) a paycheck stub;

16 (G) a utility bill; or

17 (H) any other proof of residency or other  
18 information necessary to establish residence as  
19 provided by rule;

20 (7) a diversity plan that includes a narrative of not  
21 more than 2,500 words that establishes a goal of diversity  
22 in ownership, management, employment, and contracting to  
23 ensure that diverse participants and groups are afforded  
24 equality of opportunity; and

25 (8) any other criteria the Department may, by rule,  
26 set for points.

1       (b) Applicants must qualify as a social equity applicant  
2 in order to be awarded a cannabis delivery organization  
3 license.

4       (c) Should an applicant be awarded a cannabis delivery  
5 organization license, the information and plans that the  
6 applicant provided in its application, including any plans  
7 submitted for the acquiring of bonus points, shall be a  
8 mandatory condition of the permit. Any variation from or  
9 failure to perform such plans may result in discipline,  
10 including the revocation or nonrenewal of a license.

11       (d) If an applicant is awarded a cannabis delivery  
12 organization license, the applicant shall pay a prorated fee  
13 of \$500 prior to receiving the license, to be deposited into  
14 the Cannabis Regulation Fund. The Department may, by rule,  
15 adjust the fee in this Section after January 1, 2026.

16       (410 ILCS 705/43-20 new)

17       Sec. 43-20. Denial of application. An application for a  
18 cannabis delivery organization license shall be denied if any  
19 of the following conditions are met:

20           (1) the applicant failed to submit the materials  
21 required by this Article;

22           (2) the applicant would not be in compliance with  
23 local zoning rules or permit requirements;

24           (3) one or more of the prospective principal officers  
25 or board members causes a violation of Section 43-25;

1           (4) one or more of the principal officers or board  
2           members is under 21 years of age;

3           (5) the person has submitted an application for a  
4           license under this Article that contains false  
5           information; or

6           (6) the licensee, principal officer, board member, or  
7           person having a financial or voting interest of 5% or  
8           greater in the licensee is delinquent in filing any  
9           required tax returns or paying any amounts owed to the  
10           State of Illinois.

11           (410 ILCS 705/43-25 new)

12           Sec. 43-25. Cannabis delivery organization requirements;  
13           prohibitions.

14           (a) The operating documents of a cannabis delivery  
15           organization shall include procedures for the oversight of the  
16           organization, an inventory monitoring system including a  
17           physical inventory recorded weekly, accurate recordkeeping,  
18           and a staffing plan.

19           (b) All cannabis delivered by a cannabis delivery  
20           organization must be entered into a data collection system and  
21           placed into a cannabis container for transport.

22           (c) Cannabis delivery organizations are subject to random  
23           inspections by the Department, the Department of Public  
24           Health, and the Illinois State Police.

25           (d) A cannabis delivery organization agent shall notify

1 local law enforcement, the Illinois State Police, and the  
2 Department of Agriculture within 24 hours after the discovery  
3 of any loss or theft. Notification shall be made by phone, in  
4 person, or by written or electronic communication.

5 (e) No person under the age of 21 years shall be in a  
6 vehicle transporting cannabis goods.

7 (f) No person or individual who is not a cannabis delivery  
8 organization agent shall be in a vehicle while transporting  
9 cannabis goods.

10 (g) A cannabis delivery organization agent must keep his  
11 or her identification card visible at all times when on the  
12 property of a cannabis business establishment and during the  
13 transportation of cannabis when acting under his or her duties  
14 as a cannabis delivery organization agent. During these times,  
15 the cannabis delivery organization agent must also provide the  
16 identification card upon request of any law enforcement  
17 officer engaged in his or her official duties.

18 (h) A copy of the cannabis delivery organization's  
19 registration and a manifest for the delivery shall be present  
20 in any vehicle transporting cannabis.

21 (i) Cannabis shall be transported so it is not visible or  
22 recognizable from outside the vehicle.

23 (j) A vehicle transporting cannabis must not bear any  
24 markings to indicate the vehicle contains cannabis or bear the  
25 name or logo of the cannabis business establishment.

26 (k) Cannabis must be transported in an enclosed, locked

1 storage compartment that is secured or affixed to the vehicle.

2 (1) The Department may, by rule, impose any other  
3 requirements or prohibitions on the transportation of  
4 cannabis.

5 (410 ILCS 705/43-27 new)

6 Sec. 43-27. Procurement of cannabis products. A cannabis  
7 delivery organization may obtain cannabis products from any  
8 cannabis business organization licensed in the State.

9 (410 ILCS 705/43-30 new)

10 Sec. 43-30. Cannabis delivery agent identification card.

11 (a) The Department shall:

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

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

23 (3) issue an agent identification card to a qualifying  
24 agent within 15 business days of approving the initial

1 application or renewal application;

2 (4) enter the license number of the cannabis delivery  
3 organization where the agent works; and

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

11 (b) An agent must keep his or her identification card  
12 visible at all times when on the property of a cannabis  
13 business establishment, including the cannabis delivery  
14 organization for which he or she is an agent.

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

17 (1) the name of the cardholder;

18 (2) the date of issuance and expiration date of the  
19 identification card;

20 (3) a random 10-digit alphanumeric identification  
21 number containing at least 4 numbers and at least 4  
22 letters that are unique to the holder;

23 (4) a photograph of the cardholder; and

24 (5) the legal name of the cannabis delivery  
25 organization employing the agent.

26 (d) An agent identification card shall be immediately

1 returned to the cannabis delivery organization of the agent  
2 upon termination of his or her employment.

3 (e) Any agent identification card lost by a cannabis  
4 delivery agent shall be reported to the Illinois State Police  
5 and the Department immediately upon discovery of the loss.

6 (f) An application for an agent identification card shall  
7 be denied if the applicant is delinquent in filing any  
8 required tax returns or paying any amounts owed to the State of  
9 Illinois.

10 (410 ILCS 705/43-35 new)

11 Sec. 43-35. Cannabis delivery organization background  
12 checks.

13 (a) Through the Illinois State Police, the Department  
14 shall conduct a background check of the prospective principal  
15 officers, board members, and agents of a cannabis delivery  
16 organization applying for a license or identification card  
17 under this Article. The Illinois State Police shall charge a  
18 fee set by rule for conducting the criminal history record  
19 check, which shall be deposited into the State Police Services  
20 Fund and shall not exceed the actual cost of the record check.  
21 In order to carry out this provision, each cannabis delivery  
22 organization's prospective principal officer, board member, or  
23 agent shall submit a full set of fingerprints to the Illinois  
24 State Police for the purpose of obtaining a State and federal  
25 criminal records check. These fingerprints shall be checked

1 against the fingerprint records now and hereafter, to the  
2 extent allowed by law, filed in the Illinois State Police and  
3 Federal Bureau of Investigation criminal history records  
4 databases. The Illinois State Police shall furnish, following  
5 positive identification, all conviction information to the  
6 Department.

7 (b) When applying for the initial license or  
8 identification card, the background checks for all prospective  
9 principal officers, board members, and agents shall be  
10 completed before submitting the application to the Department.

11 (410 ILCS 705/43-40 new)

12 Sec. 43-40. Renewal of cannabis delivery organization  
13 licenses and agent identification cards.

14 (a) Licenses and identification cards issued under this  
15 Article shall be renewed annually. A cannabis delivery  
16 organization shall receive written or electronic notice 90  
17 days before the expiration of its current license that the  
18 license will expire. The Department shall grant a renewal  
19 within 45 days of submission of a renewal application if:

20 (1) the cannabis delivery organization submits a  
21 renewal application and the required nonrefundable renewal  
22 fee of \$500, or after January 1, 2026, another amount set  
23 by rule by the Department, to be deposited into the  
24 Cannabis Regulation Fund;

25 (2) the Department has not suspended or revoked the

1 license of the cannabis delivery organization for  
2 violating this Act or rules adopted under this Act;

3 (3) the cannabis delivery organization has continued  
4 to operate in accordance with all plans submitted as part  
5 of its application and approved by the Department or any  
6 amendments thereto that have been approved by the  
7 Department; and

8 (4) the cannabis delivery organization has submitted  
9 an agent, employee, contracting, and subcontracting  
10 diversity report as required by the Department.

11 (b) If a cannabis delivery organization fails to renew its  
12 license before expiration, it shall cease operations until its  
13 license is renewed.

14 (c) If a cannabis delivery organization agent fails to  
15 renew his or her identification card before its expiration, he  
16 or she shall cease to work as an agent of the cannabis delivery  
17 organization until his or her identification card is renewed.

18 (d) Any cannabis delivery organization that continues to  
19 operate, or any cannabis delivery organization agent who  
20 continues to work as an agent, after the applicable license or  
21 identification card has expired without renewal is subject to  
22 the penalties provided under Section 45-5.

23 (e) The Department shall not renew a license or an agent  
24 identification card if the applicant is delinquent in filing  
25 any required tax returns or paying any amounts owed to the  
26 State of Illinois.