



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

HB4306

Introduced 1/14/2026, by Rep. Bob Morgan

SYNOPSIS AS INTRODUCED:

See Index

Amends the Use Tax Act, the Service Use Tax Act, the Service Occupation Tax Act, and the Retailers' Occupation Tax Act. Provides that, beginning on July 1, 2026, "prescription and nonprescription medicines and drugs" includes cannabis purchased by a qualified registered patient, provisional patient, or designated caregiver from a dispensing organization registered under the Compassionate Use of Medical Cannabis Program Act or the Cannabis Regulation and Tax Act. Amends the Compassionate Use of Medical Cannabis Program Act. Adds, changes, and provides for the repeal of certain definitions. Makes conforming changes to terms in the Act. Repeals certain provisions on June 30, 2026. Adds references to the Cannabis Regulation and Tax Act, supplanting certain provisions in the Act on July 1, 2026. Provides for repeal of certain provisions on January 1, 2027, subjecting certain activities to the Cannabis Regulation and Tax Act. Repeals certain provisions. Amends the Cannabis Regulation and Tax Act. Adds and changes definitions. Makes conforming changes to terms in the Act. Removes certain references and provides for repeal of certain provisions related to the Compassionate Use of Medical Cannabis Program Act. Makes provisions regarding mergers of certain licenses and medical patient prioritization. Provides for Adult Use Dispensing Organization licensee relocation. Provides for rescission of a conditional license, with certain requirements. Makes changes to provisions regarding Adult Use Dispensing Organization Licenses. Adds to requirements for Responsible Vendor Program Training modules. Adds new prohibitions and exceptions to provisions regarding changes to a dispensing organization. Requires prioritizing qualifying patients, provisional patients, and dedicated caregivers, with certain requirements. Adds certain State agencies and local health officials to provisions regarding investigations. Makes changes to provisions regarding Cultivation Center Licenses. Makes other changes. Effective immediately.

LRB104 16544 BDA 29942 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 Use Tax Act is amended by changing Section
5 3-10 as follows:

6 (35 ILCS 105/3-10) from Ch. 120, par. 439.33-10

7 Sec. 3-10. Rate of tax. Unless otherwise provided in this
8 Section, the tax imposed by this Act is at the rate of 6.25% of
9 either the selling price or the fair market value, if any, of
10 the tangible personal property, which, on and after January 1,
11 2025, includes leases of tangible personal property. In all
12 cases where property functionally used or consumed is the same
13 as the property that was purchased at retail, then the tax is
14 imposed on the selling price of the property. In all cases
15 where property functionally used or consumed is a by-product
16 or waste product that has been refined, manufactured, or
17 produced from property purchased at retail, then the tax is
18 imposed on the lower of the fair market value, if any, of the
19 specific property so used in this State or on the selling price
20 of the property purchased at retail. For purposes of this
21 Section "fair market value" means the price at which property
22 would change hands between a willing buyer and a willing
23 seller, neither being under any compulsion to buy or sell and

1 both having reasonable knowledge of the relevant facts. The
2 fair market value shall be established by Illinois sales by
3 the taxpayer of the same property as that functionally used or
4 consumed, or if there are no such sales by the taxpayer, then
5 comparable sales or purchases of property of like kind and
6 character in Illinois.

7 Beginning on July 1, 2000 and through December 31, 2000,
8 with respect to motor fuel, as defined in Section 1.1 of the
9 Motor Fuel Tax Law, and gasohol, as defined in Section 3-40 of
10 the Use Tax Act, the tax is imposed at the rate of 1.25%.

11 Beginning on August 6, 2010 through August 15, 2010, and
12 beginning again on August 5, 2022 through August 14, 2022,
13 with respect to sales tax holiday items as defined in Section
14 3-6 of this Act, the tax is imposed at the rate of 1.25%.

15 With respect to gasohol, the tax imposed by this Act
16 applies to (i) 70% of the proceeds of sales made on or after
17 January 1, 1990, and before July 1, 2003, (ii) 80% of the
18 proceeds of sales made on or after July 1, 2003 and on or
19 before July 1, 2017, (iii) 100% of the proceeds of sales made
20 after July 1, 2017 and prior to January 1, 2024, (iv) 90% of
21 the proceeds of sales made on or after January 1, 2024 and on
22 or before December 31, 2028, and (v) 100% of the proceeds of
23 sales made after December 31, 2028. If, at any time, however,
24 the tax under this Act on sales of gasohol is imposed at the
25 rate of 1.25%, then the tax imposed by this Act applies to 100%
26 of the proceeds of sales of gasohol made during that time.

1 With respect to mid-range ethanol blends, the tax imposed
2 by this Act applies to (i) 80% of the proceeds of sales made on
3 or after January 1, 2024 and on or before December 31, 2028 and
4 (ii) 100% of the proceeds of sales made thereafter. If, at any
5 time, however, the tax under this Act on sales of mid-range
6 ethanol blends is imposed at the rate of 1.25%, then the tax
7 imposed by this Act applies to 100% of the proceeds of sales of
8 mid-range ethanol blends made during that time.

9 With respect to majority blended ethanol fuel, the tax
10 imposed by this Act does not apply to the proceeds of sales
11 made on or after July 1, 2003 and on or before December 31,
12 2028 but applies to 100% of the proceeds of sales made
13 thereafter.

14 With respect to biodiesel blends with no less than 1% and
15 no more than 10% biodiesel, the tax imposed by this Act applies
16 to (i) 80% of the proceeds of sales made on or after July 1,
17 2003 and on or before December 31, 2018 and (ii) 100% of the
18 proceeds of sales made after December 31, 2018 and before
19 January 1, 2024. On and after January 1, 2024 and on or before
20 December 31, 2030, the taxation of biodiesel, renewable
21 diesel, and biodiesel blends shall be as provided in Section
22 3-5.1. If, at any time, however, the tax under this Act on
23 sales of biodiesel blends with no less than 1% and no more than
24 10% biodiesel is imposed at the rate of 1.25%, then the tax
25 imposed by this Act applies to 100% of the proceeds of sales of
26 biodiesel blends with no less than 1% and no more than 10%

1 biodiesel made during that time.

2 With respect to biodiesel and biodiesel blends with more
3 than 10% but no more than 99% biodiesel, the tax imposed by
4 this Act does not apply to the proceeds of sales made on or
5 after July 1, 2003 and on or before December 31, 2023. On and
6 after January 1, 2024 and on or before December 31, 2030, the
7 taxation of biodiesel, renewable diesel, and biodiesel blends
8 shall be as provided in Section 3-5.1.

9 Until July 1, 2022 and from July 1, 2023 through December
10 31, 2025, with respect to food for human consumption that is to
11 be consumed off the premises where it is sold (other than
12 alcoholic beverages, food consisting of or infused with adult
13 use cannabis, soft drinks, and food that has been prepared for
14 immediate consumption), the tax is imposed at the rate of 1%.
15 Beginning on July 1, 2022 and until July 1, 2023, with respect
16 to food for human consumption that is to be consumed off the
17 premises where it is sold (other than alcoholic beverages,
18 food consisting of or infused with adult use cannabis, soft
19 drinks, and food that has been prepared for immediate
20 consumption), the tax is imposed at the rate of 0%. On and
21 after January 1, 2026, food for human consumption that is to be
22 consumed off the premises where it is sold (other than
23 alcoholic beverages, food consisting of or infused with adult
24 use cannabis, soft drinks, candy, and food that has been
25 prepared for immediate consumption) is exempt from the tax
26 imposed by this Act.

1 With respect to prescription and nonprescription
2 medicines, drugs, medical appliances, products classified as
3 Class III medical devices by the United States Food and Drug
4 Administration that are used for cancer treatment pursuant to
5 a prescription, as well as any accessories and components
6 related to those devices, modifications to a motor vehicle for
7 the purpose of rendering it usable by a person with a
8 disability, and insulin, blood sugar testing materials,
9 syringes, and needles used by human diabetics, the tax is
10 imposed at the rate of 1%. For the purposes of this Section,
11 until September 1, 2009: the term "soft drinks" means any
12 complete, finished, ready-to-use, non-alcoholic drink, whether
13 carbonated or not, including, but not limited to, soda water,
14 cola, fruit juice, vegetable juice, carbonated water, and all
15 other preparations commonly known as soft drinks of whatever
16 kind or description that are contained in any closed or sealed
17 bottle, can, carton, or container, regardless of size; but
18 "soft drinks" does not include coffee, tea, non-carbonated
19 water, infant formula, milk or milk products as defined in the
20 Grade A Pasteurized Milk and Milk Products Act, or drinks
21 containing 50% or more natural fruit or vegetable juice.

22 Notwithstanding any other provisions of this Act,
23 beginning September 1, 2009, "soft drinks" means non-alcoholic
24 beverages that contain natural or artificial sweeteners. "Soft
25 drinks" does not include beverages that contain milk or milk
26 products, soy, rice or similar milk substitutes, or greater

1 than 50% of vegetable or fruit juice by volume.

2 Until August 1, 2009, and notwithstanding any other
3 provisions of this Act, "food for human consumption that is to
4 be consumed off the premises where it is sold" includes all
5 food sold through a vending machine, except soft drinks and
6 food products that are dispensed hot from a vending machine,
7 regardless of the location of the vending machine. Beginning
8 August 1, 2009, and notwithstanding any other provisions of
9 this Act, "food for human consumption that is to be consumed
10 off the premises where it is sold" includes all food sold
11 through a vending machine, except soft drinks, candy, and food
12 products that are dispensed hot from a vending machine,
13 regardless of the location of the vending machine.

14 Notwithstanding any other provisions of this Act,
15 beginning September 1, 2009, "food for human consumption that
16 is to be consumed off the premises where it is sold" does not
17 include candy. For purposes of this Section, "candy" means a
18 preparation of sugar, honey, or other natural or artificial
19 sweeteners in combination with chocolate, fruits, nuts or
20 other ingredients or flavorings in the form of bars, drops, or
21 pieces. "Candy" does not include any preparation that contains
22 flour or requires refrigeration.

23 Notwithstanding any other provisions of this Act,
24 beginning September 1, 2009, "nonprescription medicines and
25 drugs" does not include grooming and hygiene products. For
26 purposes of this Section, "grooming and hygiene products"

1 includes, but is not limited to, soaps and cleaning solutions,
2 shampoo, toothpaste, mouthwash, antiperspirants, and sun tan
3 lotions and screens, unless those products are available by
4 prescription only, regardless of whether the products meet the
5 definition of "over-the-counter-drugs". For the purposes of
6 this paragraph, "over-the-counter-drug" means a drug for human
7 use that contains a label that identifies the product as a drug
8 as required by 21 CFR 201.66. The "over-the-counter-drug"
9 label includes:

10 (A) a "Drug Facts" panel; or

11 (B) a statement of the "active ingredient(s)" with a
12 list of those ingredients contained in the compound,
13 substance or preparation.

14 Beginning on January 1, 2014 (the effective date of Public
15 Act 98-122), and through June 30, 2026, "prescription and
16 nonprescription medicines and drugs" includes medical cannabis
17 purchased from a registered dispensing organization under the
18 Compassionate Use of Medical Cannabis Program Act.

19 Beginning on July 1, 2026, "prescription and
20 nonprescription medicines and drugs" includes cannabis
21 purchased by a qualified registered patient, provisional
22 patient, or designated caregiver from a dispensing
23 organization registered under the Compassionate Use of Medical
24 Cannabis Program Act or the Cannabis Regulation and Tax Act.

25 As used in this Section, through June 30, 2026, "adult use
26 cannabis" means cannabis subject to tax under the Cannabis

1 Cultivation Privilege Tax Law and the Cannabis Purchaser
2 Excise Tax Law and does not include cannabis subject to tax
3 under the Compassionate Use of Medical Cannabis Program Act.

4 Beginning July 1, 2026, as used in this Section, "adult
5 use cannabis" means cannabis subject to tax under the Cannabis
6 Cultivation Privilege Tax Law and the Cannabis Purchaser
7 Excise Tax Law and does not include cannabis purchased by a
8 qualified registered patient, provisional patient, or
9 designated caregiver.

10 If the property that is purchased at retail from a
11 retailer is acquired outside Illinois and used outside
12 Illinois before being brought to Illinois for use here and is
13 taxable under this Act, the "selling price" on which the tax is
14 computed shall be reduced by an amount that represents a
15 reasonable allowance for depreciation for the period of prior
16 out-of-state use. No depreciation is allowed in cases where
17 the tax under this Act is imposed on lease receipts.

18 (Source: P.A. 103-9, eff. 6-7-23; 103-154, eff. 6-30-23;
19 103-592, eff. 1-1-25; 103-781, eff. 8-5-24; 104-417, eff.
20 8-15-25.)

21 Section 10. The Service Use Tax Act is amended by changing
22 Section 3-10 as follows:

23 (35 ILCS 110/3-10)

24 Sec. 3-10. Rate of tax. Unless otherwise provided in this

1 Section, the tax imposed by this Act is at the rate of 6.25% of
2 the selling price of tangible personal property transferred,
3 including, on and after January 1, 2025, transferred by lease,
4 as an incident to the sale of service, but, for the purpose of
5 computing this tax, in no event shall the selling price be less
6 than the cost price of the property to the serviceman.

7 Beginning on July 1, 2000 and through December 31, 2000,
8 with respect to motor fuel, as defined in Section 1.1 of the
9 Motor Fuel Tax Law, and gasohol, as defined in Section 3-40 of
10 the Use Tax Act, the tax is imposed at the rate of 1.25%.

11 With respect to gasohol, as defined in the Use Tax Act, the
12 tax imposed by this Act applies to (i) 70% of the selling price
13 of property transferred as an incident to the sale of service
14 on or after January 1, 1990, and before July 1, 2003, (ii) 80%
15 of the selling price of property transferred as an incident to
16 the sale of service on or after July 1, 2003 and on or before
17 July 1, 2017, (iii) 100% of the selling price of property
18 transferred as an incident to the sale of service after July 1,
19 2017 and before January 1, 2024, (iv) 90% of the selling price
20 of property transferred as an incident to the sale of service
21 on or after January 1, 2024 and on or before December 31, 2028,
22 and (v) 100% of the selling price of property transferred as an
23 incident to the sale of service after December 31, 2028. If, at
24 any time, however, the tax under this Act on sales of gasohol,
25 as defined in the Use Tax Act, is imposed at the rate of 1.25%,
26 then the tax imposed by this Act applies to 100% of the

1 proceeds of sales of gasohol made during that time.

2 With respect to mid-range ethanol blends, as defined in
3 Section 3-44.3 of the Use Tax Act, the tax imposed by this Act
4 applies to (i) 80% of the selling price of property
5 transferred as an incident to the sale of service on or after
6 January 1, 2024 and on or before December 31, 2028 and (ii)
7 100% of the selling price of property transferred as an
8 incident to the sale of service after December 31, 2028. If, at
9 any time, however, the tax under this Act on sales of mid-range
10 ethanol blends is imposed at the rate of 1.25%, then the tax
11 imposed by this Act applies to 100% of the selling price of
12 mid-range ethanol blends transferred as an incident to the
13 sale of service during that time.

14 With respect to majority blended ethanol fuel, as defined
15 in the Use Tax Act, the tax imposed by this Act does not apply
16 to the selling price of property transferred as an incident to
17 the sale of service on or after July 1, 2003 and on or before
18 December 31, 2028 but applies to 100% of the selling price
19 thereafter.

20 With respect to biodiesel blends, as defined in the Use
21 Tax Act, with no less than 1% and no more than 10% biodiesel,
22 the tax imposed by this Act applies to (i) 80% of the selling
23 price of property transferred as an incident to the sale of
24 service on or after July 1, 2003 and on or before December 31,
25 2018 and (ii) 100% of the proceeds of the selling price after
26 December 31, 2018 and before January 1, 2024. On and after

1 January 1, 2024 and on or before December 31, 2030, the
2 taxation of biodiesel, renewable diesel, and biodiesel blends
3 shall be as provided in Section 3-5.1 of the Use Tax Act. If,
4 at any time, however, the tax under this Act on sales of
5 biodiesel blends, as defined in the Use Tax Act, with no less
6 than 1% and no more than 10% biodiesel is imposed at the rate
7 of 1.25%, then the tax imposed by this Act applies to 100% of
8 the proceeds of sales of biodiesel blends with no less than 1%
9 and no more than 10% biodiesel made during that time.

10 With respect to biodiesel, as defined in the Use Tax Act,
11 and biodiesel blends, as defined in the Use Tax Act, with more
12 than 10% but no more than 99% biodiesel, the tax imposed by
13 this Act does not apply to the proceeds of the selling price of
14 property transferred as an incident to the sale of service on
15 or after July 1, 2003 and on or before December 31, 2023. On
16 and after January 1, 2024 and on or before December 31, 2030,
17 the taxation of biodiesel, renewable diesel, and biodiesel
18 blends shall be as provided in Section 3-5.1 of the Use Tax
19 Act.

20 At the election of any registered serviceman made for each
21 fiscal year, for whom the aggregate annual cost price of
22 tangible personal property transferred as an incident to the
23 sales of service is less than 35%, or 75% in the case of
24 servicemen transferring prescription drugs or servicemen
25 engaged in graphic arts production, of the aggregate annual
26 total gross receipts from all sales of service, the tax

1 imposed by this Act shall be based on the serviceman's cost
2 price of the tangible personal property transferred as an
3 incident to the sale of those services. This election may also
4 be made by any serviceman maintaining a place of business in
5 this State who makes retail sales from outside of this State to
6 Illinois customers but is not required to be registered under
7 Section 2a of the Retailers' Occupation Tax Act. Beginning
8 January 1, 2026, this election shall not apply to any sale of
9 service made through a marketplace that has met the threshold
10 in subsection (b-5) of Section 2d of this Act.

11 Beginning January 1, 2026, the tax shall be imposed at the
12 rate of 6.25% of 50% of the entire billing to the service
13 customer for all sales of service made through a marketplace
14 that has met the threshold in subsection (b-5) of Section 2d of
15 this Act. In no event shall 50% of the entire billing be less
16 than the cost price of the property to the marketplace
17 serviceman or the marketplace facilitator on its own sales of
18 service.

19 Until July 1, 2022 and from July 1, 2023 through December
20 31, 2025, the tax shall be imposed at the rate of 1% on food
21 prepared for immediate consumption and transferred incident to
22 a sale of service subject to this Act or the Service Occupation
23 Tax Act by an entity licensed under the Hospital Licensing
24 Act, the Nursing Home Care Act, the Assisted Living and Shared
25 Housing Act, the ID/DD Community Care Act, the MC/DD Act, the
26 Specialized Mental Health Rehabilitation Act of 2013, or the

1 Child Care Act of 1969, or an entity that holds a permit issued
2 pursuant to the Life Care Facilities Act. Until July 1, 2022
3 and from July 1, 2023 through December 31, 2025, the tax shall
4 also be imposed at the rate of 1% on food for human consumption
5 that is to be consumed off the premises where it is sold (other
6 than alcoholic beverages, food consisting of or infused with
7 adult use cannabis, soft drinks, and food that has been
8 prepared for immediate consumption and is not otherwise
9 included in this paragraph).

10 Beginning on July 1, 2022 and until July 1, 2023, the tax
11 shall be imposed at the rate of 0% on food prepared for
12 immediate consumption and transferred incident to a sale of
13 service subject to this Act or the Service Occupation Tax Act
14 by an entity licensed under the Hospital Licensing Act, the
15 Nursing Home Care Act, the Assisted Living and Shared Housing
16 Act, the ID/DD Community Care Act, the MC/DD Act, the
17 Specialized Mental Health Rehabilitation Act of 2013, or the
18 Child Care Act of 1969, or an entity that holds a permit issued
19 pursuant to the Life Care Facilities Act. Beginning on July 1,
20 2022 and until July 1, 2023, the tax shall also be imposed at
21 the rate of 0% on food for human consumption that is to be
22 consumed off the premises where it is sold (other than
23 alcoholic beverages, food consisting of or infused with adult
24 use cannabis, soft drinks, and food that has been prepared for
25 immediate consumption and is not otherwise included in this
26 paragraph).

1 On and after January 1, 2026, food prepared for immediate
2 consumption and transferred incident to a sale of service
3 subject to this Act or the Service Occupation Tax Act by an
4 entity licensed under the Hospital Licensing Act, the Nursing
5 Home Care Act, the Assisted Living and Shared Housing Act, the
6 ID/DD Community Care Act, the MC/DD Act, the Specialized
7 Mental Health Rehabilitation Act of 2013, or the Child Care
8 Act of 1969, or by an entity that holds a permit issued
9 pursuant to the Life Care Facilities Act is exempt from the tax
10 under this Act. On and after January 1, 2026, food for human
11 consumption that is to be consumed off the premises where it is
12 sold (other than alcoholic beverages, food consisting of or
13 infused with adult use cannabis, soft drinks, candy, and food
14 that has been prepared for immediate consumption and is not
15 otherwise included in this paragraph) is exempt from the tax
16 under this Act.

17 The tax shall be imposed at the rate of 1% on prescription
18 and nonprescription medicines, drugs, medical appliances,
19 products classified as Class III medical devices by the United
20 States Food and Drug Administration that are used for cancer
21 treatment pursuant to a prescription, as well as any
22 accessories and components related to those devices,
23 modifications to a motor vehicle for the purpose of rendering
24 it usable by a person with a disability, and insulin, blood
25 sugar testing materials, syringes, and needles used by human
26 diabetics. For the purposes of this Section, until September

1 1, 2009: the term "soft drinks" means any complete, finished,
2 ready-to-use, non-alcoholic drink, whether carbonated or not,
3 including, but not limited to, soda water, cola, fruit juice,
4 vegetable juice, carbonated water, and all other preparations
5 commonly known as soft drinks of whatever kind or description
6 that are contained in any closed or sealed bottle, can,
7 carton, or container, regardless of size; but "soft drinks"
8 does not include coffee, tea, non-carbonated water, infant
9 formula, milk or milk products as defined in the Grade A
10 Pasteurized Milk and Milk Products Act, or drinks containing
11 50% or more natural fruit or vegetable juice.

12 Notwithstanding any other provisions of this Act,
13 beginning September 1, 2009, "soft drinks" means non-alcoholic
14 beverages that contain natural or artificial sweeteners. "Soft
15 drinks" does not include beverages that contain milk or milk
16 products, soy, rice or similar milk substitutes, or greater
17 than 50% of vegetable or fruit juice by volume.

18 Until August 1, 2009, and notwithstanding any other
19 provisions of this Act, "food for human consumption that is to
20 be consumed off the premises where it is sold" includes all
21 food sold through a vending machine, except soft drinks and
22 food products that are dispensed hot from a vending machine,
23 regardless of the location of the vending machine. Beginning
24 August 1, 2009, and notwithstanding any other provisions of
25 this Act, "food for human consumption that is to be consumed
26 off the premises where it is sold" includes all food sold

1 through a vending machine, except soft drinks, candy, and food
2 products that are dispensed hot from a vending machine,
3 regardless of the location of the vending machine.

4 Notwithstanding any other provisions of this Act,
5 beginning September 1, 2009, "food for human consumption that
6 is to be consumed off the premises where it is sold" does not
7 include candy. For purposes of this Section, "candy" means a
8 preparation of sugar, honey, or other natural or artificial
9 sweeteners in combination with chocolate, fruits, nuts or
10 other ingredients or flavorings in the form of bars, drops, or
11 pieces. "Candy" does not include any preparation that contains
12 flour or requires refrigeration.

13 Notwithstanding any other provisions of this Act,
14 beginning September 1, 2009, "nonprescription medicines and
15 drugs" does not include grooming and hygiene products. For
16 purposes of this Section, "grooming and hygiene products"
17 includes, but is not limited to, soaps and cleaning solutions,
18 shampoo, toothpaste, mouthwash, antiperspirants, and sun tan
19 lotions and screens, unless those products are available by
20 prescription only, regardless of whether the products meet the
21 definition of "over-the-counter-drugs". For the purposes of
22 this paragraph, "over-the-counter-drug" means a drug for human
23 use that contains a label that identifies the product as a drug
24 as required by 21 CFR 201.66. The "over-the-counter-drug"
25 label includes:

26 (A) a "Drug Facts" panel; or

1 (B) a statement of the "active ingredient(s)" with a
2 list of those ingredients contained in the compound,
3 substance or preparation.

4 Beginning on January 1, 2014 (the effective date of Public
5 Act 98-122), and through June 30, 2026, "prescription and
6 nonprescription medicines and drugs" includes medical cannabis
7 purchased from a registered dispensing organization under the
8 Compassionate Use of Medical Cannabis Program Act.

9 Beginning on July 1, 2026, "prescription and
10 nonprescription medicines and drugs" includes cannabis
11 purchased by a qualified registered patient, provisional
12 patient, or designated caregiver from a dispensing
13 organization registered under the Compassionate Use of Medical
14 Cannabis Program Act or the Cannabis Regulation and Tax Act.

15 As used in this Section, through June 30, 2026, "adult use
16 cannabis" means cannabis subject to tax under the Cannabis
17 Cultivation Privilege Tax Law and the Cannabis Purchaser
18 Excise Tax Law and does not include cannabis subject to tax
19 under the Compassionate Use of Medical Cannabis Program Act.

20 Beginning July 1, 2026, as used in this Section, "adult
21 use cannabis" means cannabis subject to tax under the Cannabis
22 Cultivation Privilege Tax Law and the Cannabis Purchaser
23 Excise Tax Law and does not include cannabis purchased by a
24 qualified registered patient, provisional patient, or
25 designated caregiver.

26 If the property that is acquired from a serviceman is

1 acquired outside Illinois and used outside Illinois before
2 being brought to Illinois for use here and is taxable under
3 this Act, the "selling price" on which the tax is computed
4 shall be reduced by an amount that represents a reasonable
5 allowance for depreciation for the period of prior
6 out-of-state use. No depreciation is allowed in cases where
7 the tax under this Act is imposed on lease receipts.

8 (Source: P.A. 103-9, eff. 6-7-23; 103-154, eff. 6-30-23;
9 103-592, eff. 1-1-25; 103-781, eff. 8-5-24; 104-6, eff.
10 6-16-25; 104-417, eff. 8-15-25.)

11 Section 15. The Service Occupation Tax Act is amended by
12 changing Section 3-10 as follows:

13 (35 ILCS 115/3-10)

14 Sec. 3-10. Rate of tax. Unless otherwise provided in this
15 Section, the tax imposed by this Act is at the rate of 6.25% of
16 the "selling price", as defined in Section 2 of the Service Use
17 Tax Act, of the tangible personal property, including, on and
18 after January 1, 2025, tangible personal property transferred
19 by lease. For the purpose of computing this tax, in no event
20 shall the "selling price" be less than the cost price to the
21 serviceman of the tangible personal property transferred. The
22 selling price of each item of tangible personal property
23 transferred as an incident of a sale of service may be shown as
24 a distinct and separate item on the serviceman's billing to

1 the service customer. If the selling price is not so shown, the
2 selling price of the tangible personal property is deemed to
3 be 50% of the serviceman's entire billing to the service
4 customer. When, however, a serviceman contracts to design,
5 develop, and produce special order machinery or equipment, the
6 tax imposed by this Act shall be based on the serviceman's cost
7 price of the tangible personal property transferred incident
8 to the completion of the contract.

9 Beginning on July 1, 2000 and through December 31, 2000,
10 with respect to motor fuel, as defined in Section 1.1 of the
11 Motor Fuel Tax Law, and gasohol, as defined in Section 3-40 of
12 the Use Tax Act, the tax is imposed at the rate of 1.25%.

13 With respect to gasohol, as defined in the Use Tax Act, the
14 tax imposed by this Act shall apply to (i) 70% of the cost
15 price of property transferred as an incident to the sale of
16 service on or after January 1, 1990, and before July 1, 2003,
17 (ii) 80% of the selling price of property transferred as an
18 incident to the sale of service on or after July 1, 2003 and on
19 or before July 1, 2017, (iii) 100% of the selling price of
20 property transferred as an incident to the sale of service
21 after July 1, 2017 and prior to January 1, 2024, (iv) 90% of
22 the selling price of property transferred as an incident to
23 the sale of service on or after January 1, 2024 and on or
24 before December 31, 2028, and (v) 100% of the selling price of
25 property transferred as an incident to the sale of service
26 after December 31, 2028. If, at any time, however, the tax

1 under this Act on sales of gasohol, as defined in the Use Tax
2 Act, is imposed at the rate of 1.25%, then the tax imposed by
3 this Act applies to 100% of the proceeds of sales of gasohol
4 made during that time.

5 With respect to mid-range ethanol blends, as defined in
6 Section 3-44.3 of the Use Tax Act, the tax imposed by this Act
7 applies to (i) 80% of the selling price of property
8 transferred as an incident to the sale of service on or after
9 January 1, 2024 and on or before December 31, 2028 and (ii)
10 100% of the selling price of property transferred as an
11 incident to the sale of service after December 31, 2028. If, at
12 any time, however, the tax under this Act on sales of mid-range
13 ethanol blends is imposed at the rate of 1.25%, then the tax
14 imposed by this Act applies to 100% of the selling price of
15 mid-range ethanol blends transferred as an incident to the
16 sale of service during that time.

17 With respect to majority blended ethanol fuel, as defined
18 in the Use Tax Act, the tax imposed by this Act does not apply
19 to the selling price of property transferred as an incident to
20 the sale of service on or after July 1, 2003 and on or before
21 December 31, 2028 but applies to 100% of the selling price
22 thereafter.

23 With respect to biodiesel blends, as defined in the Use
24 Tax Act, with no less than 1% and no more than 10% biodiesel,
25 the tax imposed by this Act applies to (i) 80% of the selling
26 price of property transferred as an incident to the sale of

1 service on or after July 1, 2003 and on or before December 31,
2 2018 and (ii) 100% of the proceeds of the selling price after
3 December 31, 2018 and before January 1, 2024. On and after
4 January 1, 2024 and on or before December 31, 2030, the
5 taxation of biodiesel, renewable diesel, and biodiesel blends
6 shall be as provided in Section 3-5.1 of the Use Tax Act. If,
7 at any time, however, the tax under this Act on sales of
8 biodiesel blends, as defined in the Use Tax Act, with no less
9 than 1% and no more than 10% biodiesel is imposed at the rate
10 of 1.25%, then the tax imposed by this Act applies to 100% of
11 the proceeds of sales of biodiesel blends with no less than 1%
12 and no more than 10% biodiesel made during that time.

13 With respect to biodiesel, as defined in the Use Tax Act,
14 and biodiesel blends, as defined in the Use Tax Act, with more
15 than 10% but no more than 99% biodiesel material, the tax
16 imposed by this Act does not apply to the proceeds of the
17 selling price of property transferred as an incident to the
18 sale of service on or after July 1, 2003 and on or before
19 December 31, 2023. On and after January 1, 2024 and on or
20 before December 31, 2030, the taxation of biodiesel, renewable
21 diesel, and biodiesel blends shall be as provided in Section
22 3-5.1 of the Use Tax Act.

23 At the election of any registered serviceman made for each
24 fiscal year, for whom the aggregate annual cost price of
25 tangible personal property transferred as an incident to the
26 sales of service is less than 35%, or 75% in the case of

1 servicemen transferring prescription drugs or servicemen
2 engaged in graphic arts production, of the aggregate annual
3 total gross receipts from all sales of service, the tax
4 imposed by this Act shall be based on the serviceman's cost
5 price of the tangible personal property transferred incident
6 to the sale of those services. This election may also be made
7 by a serviceman maintaining a place of business in this State
8 who makes retail sales from outside of this State to Illinois
9 customers but is not required to be registered under Section
10 2a of the Retailers' Occupation Tax Act. Beginning January 1,
11 2026, this election shall not apply to any sale of service made
12 through a marketplace that has met the threshold in subsection
13 (d) of Section 3 of this Act.

14 Beginning January 1, 2026, the tax shall be imposed at the
15 rate of 6.25% of 50% of the entire billing to the service
16 customer for all sales of service made through a marketplace
17 that has met the threshold in subsection (d) of Section 3 of
18 this Act. In no event shall 50% of the entire billing be less
19 than the cost price of the property to the marketplace
20 serviceman or the marketplace facilitator on its own sales of
21 service.

22 Until July 1, 2022 and from July 1, 2023 through December
23 31, 2025, the tax shall be imposed at the rate of 1% on food
24 prepared for immediate consumption and transferred incident to
25 a sale of service subject to this Act or the Service Use Tax
26 Act by an entity licensed under the Hospital Licensing Act,

1 the Nursing Home Care Act, the Assisted Living and Shared
2 Housing Act, the ID/DD Community Care Act, the MC/DD Act, the
3 Specialized Mental Health Rehabilitation Act of 2013, or the
4 Child Care Act of 1969, or an entity that holds a permit issued
5 pursuant to the Life Care Facilities Act. Until July 1, 2022
6 and from July 1, 2023 through December 31, 2025, the tax shall
7 also be imposed at the rate of 1% on food for human consumption
8 that is to be consumed off the premises where it is sold (other
9 than alcoholic beverages, food consisting of or infused with
10 adult use cannabis, soft drinks, and food that has been
11 prepared for immediate consumption and is not otherwise
12 included in this paragraph).

13 Beginning on July 1, 2022 and until July 1, 2023, the tax
14 shall be imposed at the rate of 0% on food prepared for
15 immediate consumption and transferred incident to a sale of
16 service subject to this Act or the Service Use Tax Act by an
17 entity licensed under the Hospital Licensing Act, the Nursing
18 Home Care Act, the Assisted Living and Shared Housing Act, the
19 ID/DD Community Care Act, the MC/DD Act, the Specialized
20 Mental Health Rehabilitation Act of 2013, or the Child Care
21 Act of 1969, or an entity that holds a permit issued pursuant
22 to the Life Care Facilities Act. Beginning July 1, 2022 and
23 until July 1, 2023, the tax shall also be imposed at the rate
24 of 0% on food for human consumption that is to be consumed off
25 the premises where it is sold (other than alcoholic beverages,
26 food consisting of or infused with adult use cannabis, soft

1 drinks, and food that has been prepared for immediate
2 consumption and is not otherwise included in this paragraph).

3 On and after January 1, 2026, food prepared for immediate
4 consumption and transferred incident to a sale of service
5 subject to this Act or the Service Use Tax Act by an entity
6 licensed under the Hospital Licensing Act, the Nursing Home
7 Care Act, the Assisted Living and Shared Housing Act, the
8 ID/DD Community Care Act, the MC/DD Act, the Specialized
9 Mental Health Rehabilitation Act of 2013, or the Child Care
10 Act of 1969, or an entity that holds a permit issued pursuant
11 to the Life Care Facilities Act is exempt from the tax imposed
12 by this Act. On and after January 1, 2026, food for human
13 consumption that is to be consumed off the premises where it is
14 sold (other than alcoholic beverages, food consisting of or
15 infused with adult use cannabis, soft drinks, candy, and food
16 that has been prepared for immediate consumption and is not
17 otherwise included in this paragraph) is exempt from the tax
18 imposed by this Act.

19 The tax shall be imposed at the rate of 1% on prescription
20 and nonprescription medicines, drugs, medical appliances,
21 products classified as Class III medical devices by the United
22 States Food and Drug Administration that are used for cancer
23 treatment pursuant to a prescription, as well as any
24 accessories and components related to those devices,
25 modifications to a motor vehicle for the purpose of rendering
26 it usable by a person with a disability, and insulin, blood

1 sugar testing materials, syringes, and needles used by human
2 diabetics. For the purposes of this Section, until September
3 1, 2009: the term "soft drinks" means any complete, finished,
4 ready-to-use, non-alcoholic drink, whether carbonated or not,
5 including, but not limited to, soda water, cola, fruit juice,
6 vegetable juice, carbonated water, and all other preparations
7 commonly known as soft drinks of whatever kind or description
8 that are contained in any closed or sealed can, carton, or
9 container, regardless of size; but "soft drinks" does not
10 include coffee, tea, non-carbonated water, infant formula,
11 milk or milk products as defined in the Grade A Pasteurized
12 Milk and Milk Products Act, or drinks containing 50% or more
13 natural fruit or vegetable juice.

14 Notwithstanding any other provisions of this Act,
15 beginning September 1, 2009, "soft drinks" means non-alcoholic
16 beverages that contain natural or artificial sweeteners. "Soft
17 drinks" does not include beverages that contain milk or milk
18 products, soy, rice or similar milk substitutes, or greater
19 than 50% of vegetable or fruit juice by volume.

20 Until August 1, 2009, and notwithstanding any other
21 provisions of this Act, "food for human consumption that is to
22 be consumed off the premises where it is sold" includes all
23 food sold through a vending machine, except soft drinks and
24 food products that are dispensed hot from a vending machine,
25 regardless of the location of the vending machine. Beginning
26 August 1, 2009, and notwithstanding any other provisions of

1 this Act, "food for human consumption that is to be consumed
2 off the premises where it is sold" includes all food sold
3 through a vending machine, except soft drinks, candy, and food
4 products that are dispensed hot from a vending machine,
5 regardless of the location of the vending machine.

6 Notwithstanding any other provisions of this Act,
7 beginning September 1, 2009, "food for human consumption that
8 is to be consumed off the premises where it is sold" does not
9 include candy. For purposes of this Section, "candy" means a
10 preparation of sugar, honey, or other natural or artificial
11 sweeteners in combination with chocolate, fruits, nuts or
12 other ingredients or flavorings in the form of bars, drops, or
13 pieces. "Candy" does not include any preparation that contains
14 flour or requires refrigeration.

15 Notwithstanding any other provisions of this Act,
16 beginning September 1, 2009, "nonprescription medicines and
17 drugs" does not include grooming and hygiene products. For
18 purposes of this Section, "grooming and hygiene products"
19 includes, but is not limited to, soaps and cleaning solutions,
20 shampoo, toothpaste, mouthwash, antiperspirants, and sun tan
21 lotions and screens, unless those products are available by
22 prescription only, regardless of whether the products meet the
23 definition of "over-the-counter-drugs". For the purposes of
24 this paragraph, "over-the-counter-drug" means a drug for human
25 use that contains a label that identifies the product as a drug
26 as required by 21 CFR 201.66. The "over-the-counter-drug"

1 label includes:

2 (A) a "Drug Facts" panel; or

3 (B) a statement of the "active ingredient(s)" with a
4 list of those ingredients contained in the compound,
5 substance or preparation.

6 Beginning on January 1, 2014 (the effective date of Public
7 Act 98-122), and through June 30, 2026, "prescription and
8 nonprescription medicines and drugs" includes medical cannabis
9 purchased from a registered dispensing organization under the
10 Compassionate Use of Medical Cannabis Program Act.

11 Beginning on July 1, 2026, "prescription and
12 nonprescription medicines and drugs" includes cannabis
13 purchased by a qualified registered patient, provisional
14 patient, or designated caregiver from a dispensing
15 organization registered under the Compassionate Use of Medical
16 Cannabis Program Act or the Cannabis Regulation and Tax Act.

17 As used in this Section, through June 30, 2026, "adult use
18 cannabis" means cannabis subject to tax under the Cannabis
19 Cultivation Privilege Tax Law and the Cannabis Purchaser
20 Excise Tax Law and does not include cannabis subject to tax
21 under the Compassionate Use of Medical Cannabis Program Act.

22 Beginning July 1, 2026, as used in this Section, "adult
23 use cannabis" means cannabis subject to tax under the Cannabis
24 Cultivation Privilege Tax Law and the Cannabis Purchaser
25 Excise Tax Law and does not include cannabis purchased by a
26 qualified registered patient, provisional patient, or

1 designated caregiver.

2 (Source: P.A. 103-9, eff. 6-7-23; 103-154, eff. 6-30-23;
3 103-592, eff. 1-1-25; 103-781, eff. 8-5-24; 104-6, eff.
4 6-16-25; 104-417, eff. 8-15-25.)

5 Section 20. The Retailers' Occupation Tax Act is amended
6 by changing Section 2-10 as follows:

7 (35 ILCS 120/2-10) from Ch. 120, par. 441-10

8 Sec. 2-10. Rate of tax. Unless otherwise provided in this
9 Section, the tax imposed by this Act is at the rate of 6.25% of
10 gross receipts from sales, which, on and after January 1,
11 2025, includes leases, of tangible personal property made in
12 the course of business.

13 Beginning on July 1, 2000 and through December 31, 2000,
14 with respect to motor fuel, as defined in Section 1.1 of the
15 Motor Fuel Tax Law, and gasohol, as defined in Section 3-40 of
16 the Use Tax Act, the tax is imposed at the rate of 1.25%.

17 Beginning on August 6, 2010 through August 15, 2010, and
18 beginning again on August 5, 2022 through August 14, 2022,
19 with respect to sales tax holiday items as defined in Section
20 2-8 of this Act, the tax is imposed at the rate of 1.25%.

21 Within 14 days after July 1, 2000 (the effective date of
22 Public Act 91-872), each retailer of motor fuel and gasohol
23 shall cause the following notice to be posted in a prominently
24 visible place on each retail dispensing device that is used to

1 dispense motor fuel or gasohol in the State of Illinois: "As of
2 July 1, 2000, the State of Illinois has eliminated the State's
3 share of sales tax on motor fuel and gasohol through December
4 31, 2000. The price on this pump should reflect the
5 elimination of the tax." The notice shall be printed in bold
6 print on a sign that is no smaller than 4 inches by 8 inches.
7 The sign shall be clearly visible to customers. Any retailer
8 who fails to post or maintain a required sign through December
9 31, 2000 is guilty of a petty offense for which the fine shall
10 be \$500 per day per each retail premises where a violation
11 occurs.

12 With respect to gasohol, as defined in the Use Tax Act, the
13 tax imposed by this Act applies to (i) 70% of the proceeds of
14 sales made on or after January 1, 1990, and before July 1,
15 2003, (ii) 80% of the proceeds of sales made on or after July
16 1, 2003 and on or before July 1, 2017, (iii) 100% of the
17 proceeds of sales made after July 1, 2017 and prior to January
18 1, 2024, (iv) 90% of the proceeds of sales made on or after
19 January 1, 2024 and on or before December 31, 2028, and (v)
20 100% of the proceeds of sales made after December 31, 2028. If,
21 at any time, however, the tax under this Act on sales of
22 gasohol, as defined in the Use Tax Act, is imposed at the rate
23 of 1.25%, then the tax imposed by this Act applies to 100% of
24 the proceeds of sales of gasohol made during that time.

25 With respect to mid-range ethanol blends, as defined in
26 Section 3-44.3 of the Use Tax Act, the tax imposed by this Act

1 applies to (i) 80% of the proceeds of sales made on or after
2 January 1, 2024 and on or before December 31, 2028 and (ii)
3 100% of the proceeds of sales made after December 31, 2028. If,
4 at any time, however, the tax under this Act on sales of
5 mid-range ethanol blends is imposed at the rate of 1.25%, then
6 the tax imposed by this Act applies to 100% of the proceeds of
7 sales of mid-range ethanol blends made during that time.

8 With respect to majority blended ethanol fuel, as defined
9 in the Use Tax Act, the tax imposed by this Act does not apply
10 to the proceeds of sales made on or after July 1, 2003 and on
11 or before December 31, 2028 but applies to 100% of the proceeds
12 of sales made thereafter.

13 With respect to biodiesel blends, as defined in the Use
14 Tax Act, with no less than 1% and no more than 10% biodiesel,
15 the tax imposed by this Act applies to (i) 80% of the proceeds
16 of sales made on or after July 1, 2003 and on or before
17 December 31, 2018 and (ii) 100% of the proceeds of sales made
18 after December 31, 2018 and before January 1, 2024. On and
19 after January 1, 2024 and on or before December 31, 2030, the
20 taxation of biodiesel, renewable diesel, and biodiesel blends
21 shall be as provided in Section 3-5.1 of the Use Tax Act. If,
22 at any time, however, the tax under this Act on sales of
23 biodiesel blends, as defined in the Use Tax Act, with no less
24 than 1% and no more than 10% biodiesel is imposed at the rate
25 of 1.25%, then the tax imposed by this Act applies to 100% of
26 the proceeds of sales of biodiesel blends with no less than 1%

1 and no more than 10% biodiesel made during that time.

2 With respect to biodiesel, as defined in the Use Tax Act,
3 and biodiesel blends, as defined in the Use Tax Act, with more
4 than 10% but no more than 99% biodiesel, the tax imposed by
5 this Act does not apply to the proceeds of sales made on or
6 after July 1, 2003 and on or before December 31, 2023. On and
7 after January 1, 2024 and on or before December 31, 2030, the
8 taxation of biodiesel, renewable diesel, and biodiesel blends
9 shall be as provided in Section 3-5.1 of the Use Tax Act.

10 Until July 1, 2022 and from July 1, 2023 through December
11 31, 2025, with respect to food for human consumption that is to
12 be consumed off the premises where it is sold (other than
13 alcoholic beverages, food consisting of or infused with adult
14 use cannabis, soft drinks, and food that has been prepared for
15 immediate consumption), the tax is imposed at the rate of 1%.
16 Beginning July 1, 2022 and until July 1, 2023, with respect to
17 food for human consumption that is to be consumed off the
18 premises where it is sold (other than alcoholic beverages,
19 food consisting of or infused with adult use cannabis, soft
20 drinks, and food that has been prepared for immediate
21 consumption), the tax is imposed at the rate of 0%. On and
22 after January 1, 2026, food for human consumption that is to be
23 consumed off the premises where it is sold (other than
24 alcoholic beverages, food consisting of or infused with adult
25 use cannabis, soft drinks, candy, and food that has been
26 prepared for immediate consumption) is exempt from the tax

1 imposed by this Act.

2 With respect to prescription and nonprescription
3 medicines, drugs, medical appliances, products classified as
4 Class III medical devices by the United States Food and Drug
5 Administration that are used for cancer treatment pursuant to
6 a prescription, as well as any accessories and components
7 related to those devices, modifications to a motor vehicle for
8 the purpose of rendering it usable by a person with a
9 disability, and insulin, blood sugar testing materials,
10 syringes, and needles used by human diabetics, the tax is
11 imposed at the rate of 1%. For the purposes of this Section,
12 until September 1, 2009: the term "soft drinks" means any
13 complete, finished, ready-to-use, non-alcoholic drink, whether
14 carbonated or not, including, but not limited to, soda water,
15 cola, fruit juice, vegetable juice, carbonated water, and all
16 other preparations commonly known as soft drinks of whatever
17 kind or description that are contained in any closed or sealed
18 bottle, can, carton, or container, regardless of size; but
19 "soft drinks" does not include coffee, tea, non-carbonated
20 water, infant formula, milk or milk products as defined in the
21 Grade A Pasteurized Milk and Milk Products Act, or drinks
22 containing 50% or more natural fruit or vegetable juice.

23 Notwithstanding any other provisions of this Act,
24 beginning September 1, 2009, "soft drinks" means non-alcoholic
25 beverages that contain natural or artificial sweeteners. "Soft
26 drinks" does not include beverages that contain milk or milk

1 products, soy, rice or similar milk substitutes, or greater
2 than 50% of vegetable or fruit juice by volume.

3 Until August 1, 2009, and notwithstanding any other
4 provisions of this Act, "food for human consumption that is to
5 be consumed off the premises where it is sold" includes all
6 food sold through a vending machine, except soft drinks and
7 food products that are dispensed hot from a vending machine,
8 regardless of the location of the vending machine. Beginning
9 August 1, 2009, and notwithstanding any other provisions of
10 this Act, "food for human consumption that is to be consumed
11 off the premises where it is sold" includes all food sold
12 through a vending machine, except soft drinks, candy, and food
13 products that are dispensed hot from a vending machine,
14 regardless of the location of the vending machine.

15 Notwithstanding any other provisions of this Act,
16 beginning September 1, 2009, "food for human consumption that
17 is to be consumed off the premises where it is sold" does not
18 include candy. For purposes of this Section, "candy" means a
19 preparation of sugar, honey, or other natural or artificial
20 sweeteners in combination with chocolate, fruits, nuts or
21 other ingredients or flavorings in the form of bars, drops, or
22 pieces. "Candy" does not include any preparation that contains
23 flour or requires refrigeration.

24 Notwithstanding any other provisions of this Act,
25 beginning September 1, 2009, "nonprescription medicines and
26 drugs" does not include grooming and hygiene products. For

1 purposes of this Section, "grooming and hygiene products"
2 includes, but is not limited to, soaps and cleaning solutions,
3 shampoo, toothpaste, mouthwash, antiperspirants, and sun tan
4 lotions and screens, unless those products are available by
5 prescription only, regardless of whether the products meet the
6 definition of "over-the-counter-drugs". For the purposes of
7 this paragraph, "over-the-counter-drug" means a drug for human
8 use that contains a label that identifies the product as a drug
9 as required by 21 CFR 201.66. The "over-the-counter-drug"
10 label includes:

11 (A) a "Drug Facts" panel; or

12 (B) a statement of the "active ingredient(s)" with a
13 list of those ingredients contained in the compound,
14 substance or preparation.

15 Beginning on January 1, 2014 (the effective date of Public
16 Act 98-122), and through June 30, 2026, "prescription and
17 nonprescription medicines and drugs" includes medical cannabis
18 purchased from a registered dispensing organization under the
19 Compassionate Use of Medical Cannabis Program Act.

20 Beginning on July 1, 2026, "prescription and
21 nonprescription medicines and drugs" includes cannabis
22 purchased by a qualified registered patient, provisional
23 patient, or designated caregiver from a dispensing
24 organization registered under the Compassionate Use of Medical
25 Cannabis Program Act or the Cannabis Regulation and Tax Act.

26 As used in this Section, through June 30, 2026, "adult use

1 cannabis" means cannabis subject to tax under the Cannabis
2 Cultivation Privilege Tax Law and the Cannabis Purchaser
3 Excise Tax Law and does not include cannabis subject to tax
4 under the Compassionate Use of Medical Cannabis Program Act.

5 Beginning July 1, 2026, as used in this Section, "adult
6 use cannabis" means cannabis subject to tax under the Cannabis
7 Cultivation Privilege Tax Law and the Cannabis Purchaser
8 Excise Tax Law and does not include cannabis purchased by a
9 qualified registered patient, provisional patient, or
10 designated caregiver.

11 (Source: P.A. 103-9, eff. 6-7-23; 103-154, eff. 6-30-23;
12 103-592, eff. 1-1-25; 103-781, eff. 8-5-24; 104-417, eff.
13 8-15-25.)

14 Section 25. The Compassionate Use of Medical Cannabis
15 Program Act is amended by changing Sections 7, 10, 15, 25, 30,
16 35, 57, 60, 70, 75, 85, 90, 95, 100, 105, 110, 115, 120, 125,
17 130, 140, 150, 180, 200, 205, and 210 and by adding Section 43
18 as follows:

19 (410 ILCS 130/7)

20 Sec. 7. Lawful user and lawful products. For the purposes
21 of this Act and to clarify the legislative findings on the
22 lawful use of cannabis:

23 (1) A cardholder under this Act shall not be
24 considered an unlawful user or addicted to narcotics

1 solely as a result of his or her qualifying patient,
2 provisional patient, or designated caregiver status.

3 (2) All ~~medical~~ cannabis products purchased by a
4 qualifying patient, provisional patient, or designated
5 caregiver at a licensed dispensing organization shall be
6 lawful products ~~and a distinction shall be made between~~
7 ~~medical and non medical uses of cannabis as a result of~~
8 ~~the qualifying patient's cardholder status, provisional~~
9 ~~registration for qualifying patient cardholder status, or~~
10 ~~participation in the Opioid Alternative Pilot Program~~
11 ~~under the authorized use granted under State law.~~

12 (3) An individual with a provisional registration for
13 qualifying patient cardholder status, a qualifying patient
14 in the Compassionate Use of Medical Cannabis Program, or
15 an Opioid Alternative Pilot Program participant under
16 Section 62 shall not be considered an unlawful user or
17 addicted to narcotics solely as a result of his or her
18 application to or participation in the program.

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

20 (410 ILCS 130/10)

21 Sec. 10. Definitions. The following terms, as used in this
22 Act, shall have the meanings set forth in this Section:

23 (a) "Adequate medical supply" means:

24 (1) 2.5 ounces of usable cannabis during a period of
25 14 days and that is derived solely from an intrastate

1 source.

2 (2) Subject to the rules of the Department of Public
3 Health, a patient may apply for a waiver where a
4 certifying health care professional provides a substantial
5 medical basis in a signed, written statement asserting
6 that, based on the patient's medical history, in the
7 certifying health care professional's professional
8 judgment, 2.5 ounces is an insufficient adequate medical
9 supply for a 14-day period to properly alleviate the
10 patient's debilitating medical condition or symptoms
11 associated with the debilitating medical condition.

12 (3) This subsection may not be construed to authorize
13 the possession of more than 2.5 ounces at any time without
14 authority from the Department of Public Health.

15 (4) The pre-mixed weight of medical cannabis used in
16 making a cannabis infused product shall apply toward the
17 limit on the total amount of medical cannabis a registered
18 qualifying patient may possess at any one time.

19 (a-5) "Advanced practice registered nurse" means a person
20 who is licensed under the Nurse Practice Act as an advanced
21 practice registered nurse and has a controlled substances
22 license under Article III of the Illinois Controlled
23 Substances Act.

24 (b) "Cannabis" has the same meaning given to that term in
25 Section 1-10 ~~3~~ of the Cannabis Regulation and Tax Control Act.

26 (b-5) "Cannabis business establishment" has the same

1 meaning given to that term in Section 1-10 of the Cannabis
2 Regulation and Tax Act.

3 (c) "Cannabis plant monitoring system" means a system that
4 includes, but is not limited to, testing and data collection
5 established and maintained by the registered cultivation
6 center and available to the Department for the purposes of
7 documenting each cannabis plant and for monitoring plant
8 development throughout the life cycle of a cannabis plant
9 cultivated for the intended use by a qualifying patient from
10 seed planting to final packaging.

11 (d) "Cardholder" means a qualifying patient, provisional
12 patient, or a designated caregiver who has been issued and
13 possesses a valid registry identification card by the
14 Department of Public Health.

15 (d-5) "Certifying health care professional" means a
16 physician, an advanced practice registered nurse, or a
17 physician assistant.

18 (e) "Cultivation center" means a facility operated by an
19 organization or business that is registered by the Department
20 of Agriculture to perform necessary activities to provide only
21 registered medical cannabis dispensing organizations with
22 usable medical cannabis. Beginning July 1, 2026, cultivation
23 centers registered under this Act are subject to regulation
24 exclusively as a cultivation center under the Cannabis
25 Regulation and Tax Act. Cultivation center registrations under
26 this Act shall not be renewed after July 1, 2027.

1 (f) "Cultivation center agent" means a principal officer,
2 board member, employee, or agent of a registered cultivation
3 center who is 21 years of age. This subsection is inoperative
4 on and after January 1, 2027 ~~or older and has not been~~
5 ~~convicted of an excluded offense.~~

6 (g) "Cultivation center agent identification card" means a
7 document issued by the Department of Agriculture that
8 identifies a person as a cultivation center agent. This
9 subsection is inoperative on and after January 1, 2027.

10 (h) "Debilitating medical condition" means one or more of
11 the following:

12 (1) cancer, glaucoma, positive status for human
13 immunodeficiency virus, acquired immune deficiency
14 syndrome, hepatitis C, amyotrophic lateral sclerosis,
15 Crohn's disease (including, but not limited to, ulcerative
16 colitis), agitation of Alzheimer's disease,
17 cachexia/wasting syndrome, muscular dystrophy, severe
18 fibromyalgia, spinal cord disease, including but not
19 limited to arachnoiditis, Tarlov cysts, hydromyelia,
20 syringomyelia, Rheumatoid arthritis, fibrous dysplasia,
21 spinal cord injury, traumatic brain injury and
22 post-concussion syndrome, Multiple Sclerosis,
23 Arnold-Chiari malformation and Syringomyelia,
24 Spinocerebellar Ataxia (SCA), Parkinson's, Tourette's,
25 Myoclonus, Dystonia, Reflex Sympathetic Dystrophy, RSD
26 (Complex Regional Pain Syndromes Type I), Causalgia, CRPS

1 (Complex Regional Pain Syndromes Type II),
2 Neurofibromatosis, Chronic Inflammatory Demyelinating
3 Polyneuropathy, Sjogren's syndrome, Lupus, Interstitial
4 Cystitis, Myasthenia Gravis, Hydrocephalus, nail-patella
5 syndrome, residual limb pain, seizures (including those
6 characteristic of epilepsy), post-traumatic stress
7 disorder (PTSD), autism, chronic pain, irritable bowel
8 syndrome, migraines, osteoarthritis, anorexia nervosa,
9 Ehlers-Danlos Syndrome, Neuro-Behcet's Autoimmune
10 Disease, neuropathy, polycystic kidney disease, superior
11 canal dehiscence syndrome, or the treatment of these
12 conditions;

13 (1.5) terminal illness with a diagnosis of 6 months or
14 less; if the terminal illness is not one of the qualifying
15 debilitating medical conditions, then the certifying
16 health care professional shall on the certification form
17 identify the cause of the terminal illness; or

18 (2) any other debilitating medical condition or its
19 treatment that is added by the Department of Public Health
20 by rule as provided in Section 45.

21 (i) "Designated caregiver" means a person who: (1) is at
22 least 21 years of age; (2) has agreed to assist with a
23 patient's medical use of cannabis; ~~(3) has not been convicted~~
24 ~~of an excluded offense;~~ and (3) ~~(4)~~ assists no more than one
25 registered qualifying patient with his or her medical use of
26 cannabis. Beginning July 1, 2026, a designated caregiver

1 registered under this Act may perform the designated
2 caregiver's duties at any dispensary licensed by the
3 Department of Financial and Professional Regulation under the
4 Cannabis Regulation and Tax Act.

5 (j) "Dispensing organization agent identification card"
6 means a document issued by the Department of Financial and
7 Professional Regulation that identifies a person as a medical
8 cannabis dispensing organization agent. This subsection is
9 inoperative on and after January 1, 2027.

10 (k) "Enclosed, locked facility" means a room, greenhouse,
11 building, or other enclosed area equipped with locks or other
12 security devices that permit access only by a cultivation
13 center's agents or a dispensing organization's agent working
14 for the registered cultivation center or the registered
15 dispensing organization to cultivate, store, and distribute
16 cannabis for registered qualifying patients. This subsection
17 is inoperative on and after January 1, 2027.

18 (l) (Blank). ~~"Excluded offense" for cultivation center~~
19 ~~agents and dispensing organizations means:~~

20 ~~(1) a violent crime defined in Section 3 of the Rights~~
21 ~~of Crime Victims and Witnesses Act or a substantially~~
22 ~~similar offense that was classified as a felony in the~~
23 ~~jurisdiction where the person was convicted; or~~

24 ~~(2) a violation of a state or federal controlled~~
25 ~~substance law, the Cannabis Control Act, or the~~
26 ~~Methamphetamine Control and Community Protection Act that~~

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

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

~~(1-5) (Blank).~~

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

1 Pilot Program participant.

2 (m) "Medical cannabis cultivation center registration"
3 means a registration issued by the Department of Agriculture.
4 This subsection is inoperative on and after January 1, 2027.

5 (n) "Medical cannabis container" means a sealed,
6 traceable, food compliant, tamper resistant, tamper evident
7 container, or package used for the purpose of containment of
8 medical cannabis from a cultivation center to a dispensing
9 organization. This subsection is inoperative on and after
10 January 1, 2027.

11 (o) "Medical cannabis dispensing organization", or
12 "dispensing organization", or "dispensary organization",
13 through June 30, 2026, means a facility operated by an
14 organization or business that is registered by the Department
15 of Financial and Professional Regulation to acquire medical
16 cannabis from a registered cultivation center for the purpose
17 of dispensing cannabis, paraphernalia, or related supplies and
18 educational materials to registered qualifying patients,
19 individuals with a provisional registration for qualifying
20 patient cardholder status, or an Opioid Alternative Pilot
21 Program participant. Beginning July 1, 2026, medical cannabis
22 dispensing organizations licensed under this Act are subject
23 to regulation as a dispensary under the Cannabis Regulation
24 and Tax Act.

25 (p) "Medical cannabis dispensing organization agent" or
26 "dispensing organization agent" means a principal officer,

1 board member, employee, or agent of a registered medical
2 cannabis dispensing organization who is 21 years of age or
3 older and has not been convicted of an excluded offense.
4 Beginning July 1, 2026, a medical cannabis dispensing
5 organization agent licensed under this Act is subject to
6 regulation as a dispensary organization agent under the
7 Cannabis Regulation and Tax Act.

8 (q) "Medical cannabis infused product" means food, oils,
9 ointments, or other products containing usable cannabis that
10 are not smoked.

11 (r) "Medical use" means the acquisition; administration;
12 delivery; possession; transfer; transportation; or use of
13 cannabis to treat or alleviate a registered qualifying
14 patient's debilitating medical condition or symptoms
15 associated with the patient's debilitating medical condition.

16 (r-5) "Opioid" means a narcotic drug or substance that is
17 a Schedule II controlled substance under paragraph (1), (2),
18 (3), or (5) of subsection (b) or under subsection (c) of
19 Section 206 of the Illinois Controlled Substances Act.

20 (r-10) "Opioid Alternative Pilot Program participant"
21 means an individual who has received a valid written
22 certification to participate in the Opioid Alternative Pilot
23 Program for a medical condition for which an opioid has been or
24 could be prescribed by a certifying health care professional
25 based on generally accepted standards of care.

26 (s) "Physician" means a doctor of medicine or doctor of

1 osteopathy licensed under the Medical Practice Act of 1987 to
2 practice medicine and who has a controlled substances license
3 under Article III of the Illinois Controlled Substances Act.
4 It does not include a licensed practitioner under any other
5 Act including but not limited to the Illinois Dental Practice
6 Act.

7 (s-1) "Physician assistant" means a physician assistant
8 licensed under the Physician Assistant Practice Act of 1987
9 and who has a controlled substances license under Article III
10 of the Illinois Controlled Substances Act.

11 (s-5) "Provisional registration" means a document issued
12 by the Department of Public Health to a qualifying patient who
13 has submitted: (1) an online application and paid a fee to
14 participate in Compassionate Use of Medical Cannabis Program
15 pending approval or denial of the patient's application; or
16 (2) a completed application for terminal illness.

17 (s-10) "Provisional patient" means a qualifying patient
18 who has received a provisional registration from the
19 Department of Public Health.

20 (t) "Qualifying patient" or "registered qualifying
21 patient" means a person who has been diagnosed by a certifying
22 health care professional as having a debilitating medical
23 condition.

24 (u) "Registered" means licensed, permitted, or otherwise
25 certified by the Department of Agriculture, Department of
26 Public Health, or Department of Financial and Professional

1 Regulation.

2 (v) "Registry identification card" means a document issued
3 by the Department of Public Health that identifies a person as
4 a registered qualifying patient, provisional patient, or
5 registered designated caregiver.

6 (w) "Usable cannabis" means the seeds, leaves, buds, and
7 flowers of the cannabis plant and any mixture or preparation
8 thereof, but does not include the stalks, and roots of the
9 plant. It does not include the weight of any non-cannabis
10 ingredients combined with cannabis, such as ingredients added
11 to prepare a topical administration, food, or drink.

12 (x) "Verification system" means a Web-based system
13 established and maintained by the Department of Public Health
14 that is available to the Department of Agriculture, the
15 Department of Financial and Professional Regulation, law
16 enforcement personnel, and registered medical cannabis
17 dispensing organization agents on a 24-hour basis for the
18 verification of registry identification cards, the tracking of
19 delivery of medical cannabis to medical cannabis dispensing
20 organizations, and the tracking of the date of sale, amount,
21 and price of medical cannabis purchased by a registered
22 qualifying patient.

23 (y) "Written certification" means a document dated and
24 signed by a certifying health care professional, stating (1)
25 that the qualifying patient has a debilitating medical
26 condition and specifying the debilitating medical condition

1 the qualifying patient has; and (2) that (A) the certifying
2 health care professional is treating or managing treatment of
3 the patient's debilitating medical condition; or (B) an Opioid
4 Alternative Pilot Program participant has a medical condition
5 for which opioids have been or could be prescribed. A written
6 certification shall be made only in the course of a bona fide
7 health care professional-patient relationship, after the
8 certifying health care professional has completed an
9 assessment of either a qualifying patient's medical history or
10 Opioid Alternative Pilot Program participant, reviewed
11 relevant records related to the patient's debilitating
12 condition, and conducted a physical examination.

13 (z) "Bona fide health care professional-patient
14 relationship" means a relationship established at a hospital,
15 certifying health care professional's office, or other health
16 care facility in which the certifying health care professional
17 has an ongoing responsibility for the assessment, care, and
18 treatment of a patient's debilitating medical condition or a
19 symptom of the patient's debilitating medical condition.

20 A veteran who has received treatment at a VA hospital
21 shall be deemed to have a bona fide health care
22 professional-patient relationship with a VA certifying health
23 care professional if the patient has been seen for his or her
24 debilitating medical condition at the VA Hospital in
25 accordance with VA Hospital protocols.

26 A bona fide health care professional-patient relationship

1 under this subsection is a privileged communication within the
2 meaning of Section 8-802 of the Code of Civil Procedure.

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

4 (410 ILCS 130/15)

5 Sec. 15. Authority.

6 (a) It is the duty of the Department of Public Health to
7 enforce the following provisions of this Act unless otherwise
8 provided for by this Act:

9 (1) establish and maintain a confidential registry of
10 qualifying patients authorized to engage in the medical
11 use of cannabis and their caregivers;

12 (2) distribute educational materials about the health
13 benefits and risks associated with the use of cannabis and
14 prescription medications;

15 (3) adopt rules to administer the patient and
16 caregiver registration program; and

17 (4) adopt rules establishing food handling
18 requirements for cannabis-infused products that are
19 prepared for human consumption.

20 (b) Through July 1, 2026, it ~~it~~ is the duty of the
21 Department of Agriculture to enforce the provisions of this
22 Act relating to the registration and oversight of cultivation
23 centers unless otherwise provided for in this Act.

24 (c) Through July 1, 2026, it ~~it~~ is the duty of the
25 Department of Financial and Professional Regulation to enforce

1 the provisions of this Act relating to the registration and
2 oversight of dispensing organizations unless otherwise
3 provided for in this Act.

4 (d) Through July 1, 2026, the ~~The~~ Department of Public
5 Health, the Department of Agriculture, or the Department of
6 Financial and Professional Regulation shall enter into
7 intergovernmental agreements, as necessary, to carry out the
8 provisions of this Act including, but not limited to, the
9 provisions relating to the registration and oversight of
10 cultivation centers, dispensing organizations, and qualifying
11 patients and caregivers. Beginning July 1, 2026, the
12 Department of Public Health may enter into intergovernmental
13 agreements, as necessary, to carry out the provisions of this
14 Act, including, but not limited to, the provisions relating to
15 qualifying patients and caregivers.

16 (e) The Department of Public Health, the Department of
17 Agriculture through July 1, 2026, or the Department of
18 Financial and Professional Regulation through July 1, 2026 may
19 suspend, revoke, or impose other penalties upon a registration
20 for violations of this Act and any rules adopted in accordance
21 thereto. The suspension or revocation of, or imposition of any
22 other penalty upon, a registration is a final Agency action,
23 subject to judicial review. Jurisdiction and venue for
24 judicial review are vested in the Circuit Court.

25 (Source: P.A. 98-122, eff. 1-1-14; 98-1172, eff. 1-12-15;
26 99-519, eff. 6-30-16.)

1 (410 ILCS 130/25)

2 Sec. 25. Immunities and presumptions related to the
3 medical use of cannabis.

4 (a) A registered qualifying patient is not subject to
5 arrest, prosecution, or denial of any right or privilege,
6 including, but not limited to, civil penalty or disciplinary
7 action by an occupational or professional licensing board, for
8 the medical use of cannabis in accordance with this Act, if the
9 registered qualifying patient possesses an amount of cannabis
10 that does not exceed an adequate medical supply as defined in
11 subsection (a) of Section 10 of this Act of usable cannabis
12 and, where the registered qualifying patient is a licensed
13 professional, the use of cannabis does not impair that
14 licensed professional when he or she is engaged in the
15 practice of the profession for which he or she is licensed.

16 (b) A registered designated caregiver is not subject to
17 arrest, prosecution, or denial of any right or privilege,
18 including, but not limited to, civil penalty or disciplinary
19 action by an occupational or professional licensing board, for
20 acting in accordance with this Act to assist a registered
21 qualifying patient to whom he or she is connected through the
22 Department's registration process with the medical use of
23 cannabis if the designated caregiver possesses an amount of
24 cannabis that does not exceed an adequate medical supply as
25 defined in subsection (a) of Section 10 of this Act of usable

1 cannabis. A school nurse or school administrator is not
2 subject to arrest, prosecution, or denial of any right or
3 privilege, including, but not limited to, a civil penalty, for
4 acting in accordance with Section 22-33 of the School Code
5 relating to administering or assisting a student in
6 self-administering a medical cannabis infused product. The
7 total amount possessed between the qualifying patient and
8 caregiver shall not exceed the patient's adequate supply as
9 defined in subsection (a) of Section 10 of this Act.

10 (c) A registered qualifying patient or registered
11 designated caregiver is not subject to arrest, prosecution, or
12 denial of any right or privilege, including, but not limited
13 to, civil penalty or disciplinary action by an occupational or
14 professional licensing board for possession of cannabis that
15 is incidental to medical use, but is not usable cannabis as
16 defined in this Act.

17 (d) (1) There is a rebuttable presumption that a registered
18 qualifying patient is engaged in, or a designated caregiver is
19 assisting with, the medical use of cannabis in accordance with
20 this Act if the qualifying patient or designated caregiver:

21 (A) is in possession of a valid registry
22 identification card; and

23 (B) is in possession of an amount of cannabis that
24 does not exceed the amount allowed under subsection (a) of
25 Section 10.

26 (2) The presumption may be rebutted by evidence that

1 conduct related to cannabis was not for the purpose of
2 treating or alleviating the qualifying patient's debilitating
3 medical condition or symptoms associated with the debilitating
4 medical condition in compliance with this Act.

5 (e) A certifying health care professional is not subject
6 to arrest, prosecution, or penalty in any manner, or denial of
7 any right or privilege, including, but not limited to, civil
8 penalty or disciplinary action by the Medical Disciplinary
9 Board or by any other occupational or professional licensing
10 board, solely for providing written certifications or for
11 otherwise stating that, in the certifying health care
12 professional's professional opinion, a patient is likely to
13 receive therapeutic or palliative benefit from the medical use
14 of cannabis to treat or alleviate the patient's debilitating
15 medical condition or symptoms associated with the debilitating
16 medical condition, provided that nothing shall prevent a
17 professional licensing or disciplinary board from sanctioning
18 a certifying health care professional for: (1) issuing a
19 written certification to a patient who is not under the
20 certifying health care professional's care for a debilitating
21 medical condition; or (2) failing to properly evaluate a
22 patient's medical condition or otherwise violating the
23 standard of care for evaluating medical conditions.

24 (f) No person may be subject to arrest, prosecution, or
25 denial of any right or privilege, including, but not limited
26 to, civil penalty or disciplinary action by an occupational or

1 professional licensing board, solely for: (1) selling cannabis
2 paraphernalia to a cardholder upon presentation of an
3 unexpired registry identification card in the recipient's
4 name, if employed and registered as a dispensing agent by a
5 registered dispensing organization; (2) being in the presence
6 or vicinity of the medical use of cannabis as allowed under
7 this Act; or (3) assisting a registered qualifying patient
8 with the act of administering cannabis.

9 (g) A registered cultivation center is not subject to
10 prosecution; search or inspection, except by the Department of
11 Agriculture, Department of Public Health, or State or local
12 law enforcement under Section 130; seizure; or penalty in any
13 manner, or denial of any right or privilege, including, but
14 not limited to, civil penalty or disciplinary action by a
15 business licensing board or entity, for acting under this Act
16 and Department of Agriculture rules to: acquire, possess,
17 cultivate, manufacture, deliver, transfer, transport, supply,
18 or sell cannabis to registered dispensing organizations. This
19 subsection does not apply to events occurring on and after
20 July 1, 2026; however, the authority granted in this
21 subsection remains in force and effect for events occurring on
22 or before June 30, 2026.

23 (h) A registered cultivation center agent is not subject
24 to prosecution, search, or penalty in any manner, or denial of
25 any right or privilege, including, but not limited to, civil
26 penalty or disciplinary action by a business licensing board

1 or entity, for working or volunteering for a registered
2 cannabis cultivation center under this Act and Department of
3 Agriculture rules, including to perform the actions listed
4 under subsection (g). This subsection does not apply to events
5 occurring on and after July 1, 2026; however, the authority
6 granted in this subsection remains in force and effect for
7 events occurring on or before June 30, 2026.

8 (i) A registered dispensing organization is not subject to
9 prosecution; search or inspection, except by the Department of
10 Financial and Professional Regulation or State or local law
11 enforcement pursuant to Section 130; seizure; or penalty in
12 any manner, or denial of any right or privilege, including,
13 but not limited to, civil penalty or disciplinary action by a
14 business licensing board or entity, for acting under this Act
15 and Department of Financial and Professional Regulation rules
16 to: acquire, possess, or dispense cannabis, or related
17 supplies, and educational materials to registered qualifying
18 patients or registered designated caregivers on behalf of
19 registered qualifying patients. This subsection does not apply
20 to events occurring on and after July 1, 2026; however, the
21 authority granted in this subsection remains in force and
22 effect for events occurring on or before June 30, 2026.

23 (j) A registered dispensing organization agent is not
24 subject to prosecution, search, or penalty in any manner, or
25 denial of any right or privilege, including, but not limited
26 to, civil penalty or disciplinary action by a business

1 licensing board or entity, for working or volunteering for a
2 dispensing organization under this Act and Department of
3 Financial and Professional Regulation rules, including to
4 perform the actions listed under subsection (i). This
5 subsection does not apply to events occurring on and after
6 July 1, 2026; however, the authority granted in this
7 subsection remains in force and effect for events occurring on
8 or before June 30, 2026.

9 (k) Any cannabis, cannabis paraphernalia, illegal
10 property, or interest in legal property that is possessed,
11 owned, or used in connection with the medical use of cannabis
12 as allowed under this Act, or acts incidental to that use, may
13 not be seized or forfeited. This Act does not prevent the
14 seizure or forfeiture of cannabis exceeding the amounts
15 allowed under this Act or the Cannabis Regulation and Tax Act,
16 nor shall it prevent seizure or forfeiture if the basis for the
17 action is unrelated to the cannabis that is possessed,
18 manufactured, transferred, or used under this Act or the
19 Cannabis Regulation and Tax Act.

20 (l) Mere possession of, or application for, a registry
21 identification card or registration certificate does not
22 constitute probable cause or reasonable suspicion, nor shall
23 it be used as the sole basis to support the search of the
24 person, property, or home of the person possessing or applying
25 for the registry identification card. The possession of, or
26 application for, a registry identification card does not

1 preclude the existence of probable cause if probable cause
2 exists on other grounds.

3 (m) Nothing in this Act shall preclude local or State law
4 enforcement agencies from searching a registered cultivation
5 center where there is probable cause to believe that the
6 criminal laws of this State have been violated and the search
7 is conducted in conformity with the Illinois Constitution, the
8 Constitution of the United States, and all State statutes.

9 (n) Nothing in this Act shall preclude local or State law
10 enforcement agencies from searching a registered dispensing
11 organization where there is probable cause to believe that the
12 criminal laws of this State have been violated and the search
13 is conducted in conformity with the Illinois Constitution, the
14 Constitution of the United States, and all State statutes.

15 (o) No individual employed by the State of Illinois shall
16 be subject to criminal or civil penalties for taking any
17 action in accordance with the provisions of this Act, when the
18 actions are within the scope of his or her employment.
19 Representation and indemnification of State employees shall be
20 provided to State employees as set forth in Section 2 of the
21 State Employee Indemnification Act.

22 (p) No law enforcement or correctional agency, nor any
23 individual employed by a law enforcement or correctional
24 agency, shall be subject to criminal or civil liability,
25 except for willful and wanton misconduct, as a result of
26 taking any action within the scope of the official duties of

1 the agency or individual to prohibit or prevent the possession
2 or use of cannabis by a cardholder incarcerated at a
3 correctional facility, jail, or municipal lockup facility, on
4 parole or mandatory supervised release, or otherwise under the
5 lawful jurisdiction of the agency or individual.

6 (Source: P.A. 101-363, eff. 8-19-19; 101-370, eff. 1-1-20;
7 102-558, eff. 8-20-21.)

8 (410 ILCS 130/30)

9 Sec. 30. Limitations and penalties.

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

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

16 (2) Possessing cannabis:

17 (A) except as provided under Section 22-33 of the
18 School Code, in a school bus;

19 (B) except as provided under Section 22-33 of the
20 School Code, on the grounds of any preschool or
21 primary or secondary school;

22 (C) in any correctional facility;

23 (D) in a vehicle under Section 11-502.1 of the
24 Illinois Vehicle Code;

25 (E) in a vehicle not open to the public unless the

1 medical cannabis is in a reasonably secured, sealed
2 container and reasonably inaccessible while the
3 vehicle is moving; or

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

7 (3) Using cannabis:

8 (A) except as provided under Section 22-33 of the
9 School Code, in a school bus;

10 (B) except as provided under Section 22-33 of the
11 School Code, on the grounds of any preschool or
12 primary or secondary school;

13 (C) in any correctional facility;

14 (D) in any motor vehicle;

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

18 (F) except as provided under Section 22-33 of the
19 School Code and Section 31 of this Act, in any public
20 place. "Public place" as used in this subsection means
21 any place where an individual could reasonably be
22 expected to be observed by others. A "public place"
23 includes all parts of buildings owned in whole or in
24 part, or leased, by the State or a local unit of
25 government. A "public place" does not include a
26 private residence unless the private residence is used

1 to provide licensed child care, foster care, or other
2 similar social service care on the premises. For
3 purposes of this subsection, a "public place" does not
4 include a health care facility. For purposes of this
5 Section, a "health care facility" includes, but is not
6 limited to, hospitals, nursing homes, hospice care
7 centers, and long-term care facilities;

8 (G) except as provided under Section 22-33 of the
9 School Code and Section 31 of this Act, knowingly in
10 close physical proximity to anyone under the age of 18
11 years of age;

12 (4) Smoking medical cannabis in any public place where
13 an individual could reasonably be expected to be observed
14 by others, in a health care facility, or any other place
15 where smoking is prohibited under the Smoke Free Illinois
16 Act;

17 (5) Operating, navigating, or being in actual physical
18 control of any motor vehicle, aircraft, or motorboat while
19 using or under the influence of cannabis in violation of
20 Sections 11-501 and 11-502.1 of the Illinois Vehicle Code;

21 (6) Using or possessing cannabis if that person does
22 not have a debilitating medical condition and is not a
23 registered qualifying patient or caregiver;

24 (7) Allowing any person who is not allowed to use
25 cannabis under this Act to use cannabis that a cardholder
26 is allowed to possess under this Act;

1 (8) Transferring cannabis to any person contrary to
2 the provisions of this Act;

3 (9) The use of medical cannabis by an active duty law
4 enforcement officer, correctional officer, correctional
5 probation officer, or firefighter; or

6 (10) The use of medical cannabis by a person who has a
7 school bus permit or a Commercial Driver's License.

8 (b) Nothing in this Act shall be construed to prevent the
9 arrest or prosecution of a registered qualifying patient for
10 reckless driving or driving under the influence of cannabis
11 where probable cause exists.

12 (c) Notwithstanding any other criminal penalties related
13 to the unlawful possession of cannabis, knowingly making a
14 misrepresentation to a law enforcement official of any fact or
15 circumstance relating to the medical use of cannabis to avoid
16 arrest or prosecution is a petty offense punishable by a fine
17 of up to \$1,000, which shall be in addition to any other
18 penalties that may apply for making a false statement or for
19 the use of cannabis other than use undertaken under this Act.

20 (d) Notwithstanding any other criminal penalties related
21 to the unlawful possession of cannabis, any person who makes a
22 misrepresentation of a medical condition to a certifying
23 health care professional or fraudulently provides material
24 misinformation to a certifying health care professional in
25 order to obtain a written certification is guilty of a petty
26 offense punishable by a fine of up to \$1,000.

1 (e) Any registered qualifying patient, provisional
2 patient, cardholder or designated ~~registered~~ caregiver who
3 sells cannabis shall have his or her registry identification
4 card revoked and is subject to other penalties for the
5 unauthorized sale of cannabis.

6 (f) Any registered qualifying patient or provisional
7 patient who commits a violation of Section 11-502.1 of the
8 Illinois Vehicle Code or refuses a properly requested test
9 related to operating a motor vehicle while under the influence
10 of cannabis shall have his or her registry identification card
11 revoked.

12 (g) No registered qualifying patient, provisional patient,
13 or designated caregiver shall knowingly obtain, seek to
14 obtain, or possess, individually or collectively, an amount of
15 usable cannabis from a registered medical cannabis dispensing
16 organization that would cause him or her to exceed the
17 authorized adequate medical supply under subsection (a) of
18 Section 10.

19 (h) Nothing in this Act shall prevent a private business
20 from restricting or prohibiting the medical use of cannabis on
21 its property.

22 (i) Nothing in this Act shall prevent a university,
23 college, or other institution of post-secondary education from
24 restricting or prohibiting the use of medical cannabis on its
25 property.

26 (Source: P.A. 101-363, eff. 8-9-19; 102-67, eff. 7-9-21.)

1 (410 ILCS 130/35)

2 Sec. 35. Certifying health care professional requirements.

3 (a) A certifying health care professional who certifies a
4 debilitating medical condition for a qualifying patient shall
5 comply with all of the following requirements:

6 (1) The certifying health care professional shall be
7 currently licensed under the Medical Practice Act of 1987
8 to practice medicine in all its branches, the Nurse
9 Practice Act, or the Physician Assistant Practice Act of
10 1987, shall be in good standing, and must hold a
11 controlled substances license under Article III of the
12 Illinois Controlled Substances Act.

13 (2) A certifying health care professional certifying a
14 patient's condition shall comply with generally accepted
15 standards of medical practice, the provisions of the Act
16 under which he or she is licensed and all applicable
17 rules.

18 (3) The physical examination required by this Act may
19 ~~not~~ be performed by remote means, including telemedicine.

20 (4) The certifying health care professional shall
21 maintain a record-keeping system for all patients for whom
22 the certifying health care professional has certified the
23 patient's medical condition. These records shall be
24 accessible to and subject to review by the Department of
25 Public Health and the Department of Financial and

1 Professional Regulation upon request.

2 (b) A certifying health care professional may not:

3 (1) accept, solicit, or offer any form of remuneration
4 from or to a qualifying patient, provisional patient,
5 designated ~~primary~~ caregiver, cultivation center, or
6 dispensing organization, including each principal officer,
7 board member, agent, and employee, to certify a patient,
8 other than accepting payment from a patient for the fee
9 associated with the required examination, except for the
10 limited purpose of performing a medical cannabis-related
11 research study;

12 (1.5) accept, solicit, or offer any form of
13 remuneration from or to a medical cannabis cultivation
14 center or dispensary organization for the purposes of
15 referring a patient to a specific dispensary organization;

16 (1.10) engage in any activity that is prohibited under
17 Section 22.2 of the Medical Practice Act of 1987,
18 regardless of whether the certifying health care
19 professional is a physician, advanced practice registered
20 nurse, or physician assistant;

21 (2) offer a discount of any other item of value to a
22 qualifying patient or provisional patient who uses or
23 agrees to use a particular designated ~~primary~~ caregiver or
24 dispensing organization to obtain medical cannabis;

25 (3) conduct a personal physical examination of a
26 patient for purposes of diagnosing a debilitating medical

1 condition at a location where medical cannabis is sold or
2 distributed or at the address of a principal officer,
3 agent, or employee or a medical cannabis organization;

4 (4) hold a direct or indirect economic interest in a
5 cultivation center or dispensing organization if he or she
6 recommends the use of medical cannabis to qualified
7 patients or is in a partnership or other fee or
8 profit-sharing relationship with a certifying health care
9 professional who recommends medical cannabis, except for
10 the limited purpose of performing a medical
11 cannabis-related research study;

12 (5) serve on the board of directors or as an employee
13 of a cultivation center or dispensing organization;

14 (6) refer patients to a cultivation center, a
15 dispensing organization, or a registered designated
16 caregiver; or

17 (7) advertise in a cultivation center or a dispensing
18 organization.

19 (c) The Department of Public Health may with reasonable
20 cause refer a certifying health care professional, who has
21 certified a debilitating medical condition of a patient, to
22 the Illinois Department of Financial and Professional
23 Regulation for potential violations of this Section.

24 (d) Any violation of this Section or any other provision
25 of this Act or rules adopted under this Act is a violation of
26 the certifying health care professional's licensure act.

1 (e) A certifying health care professional who certifies a
2 debilitating medical condition for a qualifying patient may
3 notify the Department of Public Health in writing: (1) if the
4 certifying health care professional has reason to believe
5 either that the registered qualifying patient has ceased to
6 suffer from a debilitating medical condition; (2) that the
7 bona fide health care professional-patient relationship has
8 terminated; or (3) that continued use of medical cannabis
9 would result in contraindication with the patient's other
10 medication. The registered qualifying patient's registry
11 identification card shall be revoked by the Department of
12 Public Health after receiving the certifying health care
13 professional's notification.

14 (f) Nothing in this Act shall preclude a certifying health
15 care professional from referring a patient for health
16 services, except when the referral is limited to certification
17 purposes only, under this Act.

18 (Source: P.A. 101-363, eff. 8-9-19; 102-558, eff. 8-20-21.)

19 (410 ILCS 130/43 new)

20 Sec. 43. Dispensary medical cannabis patient complaint
21 process. The Department of Financial and Professional
22 Regulation shall adopt rules, in consultation with the
23 Department of Public Health, that create a process that
24 provides for notice, an opportunity be heard, and an impartial
25 tribunal and that allows a qualifying patient or other

1 cardholder to file a complaint with the Department of
2 Financial and Professional Regulation if a dispensary under
3 this Act or under the Cannabis Regulation and Tax Act fails to
4 adequately provide medical cannabis products to the
5 cardholder, with, at a minimum, the following additional
6 requirements:

7 (1) Following the receipt of a complaint under this
8 Section, the Department of Financial and Professional
9 Regulation shall notify the dispensary that is the subject
10 of the complaint within 10 business days of the receipt by
11 the Department of Financial and Professional Regulation of
12 the complaint.

13 (2) Upon notification by the Department of Financial
14 and Professional Regulation of the complaint under this
15 Section, the dispensary that is the subject of the
16 complaint shall remedy the complaint within 10 business
17 days or, alternatively, justify within 10 business days
18 its inability to remedy the complaint.

19 (3) If the Department of Financial and Professional
20 Regulation finds the dispensary insufficiently attempted
21 to remedy the complaint under this Section, the Department
22 of Financial and Professional Regulation may issue a fine
23 of up to \$5,000 per founded complaint.

24 (4) Founded complaints under this Section shall be
25 posted in general terms on the Department of Financial and
26 Professional Regulation's website.

1 (5) The Department of Financial and Professional
2 Regulation has the right to dismiss repeat complaints
3 without further action by the dispensary that is the
4 subject of the repeat complaints.

5 Review of administrative decisions under this Section or
6 rules adopted under this Section is as provided under Section
7 155.

8 (410 ILCS 130/57)

9 Sec. 57. Designated Caregivers ~~Qualifying patients.~~

10 (a) Qualifying patients or provisional patients that are
11 under the age of 18 years shall not be prohibited from
12 appointing up to 3 designated caregivers who meet the
13 definition of "designated caregiver" under Section 10 so long
14 as at least one designated caregiver is a biological parent or
15 legal guardian.

16 (b) Qualifying patients and provisional patients that are
17 18 years of age or older shall not be prohibited from
18 appointing up to 3 designated caregivers who meet the
19 definition of "designated caregiver" under Section 10.

20 (c) Beginning July 1, 2026, designated caregivers,
21 qualifying patients, or provisional patients registered under
22 this Act may purchase an adequate medical supply at any
23 dispensing organization licensed by the Department of
24 Financial and Professional Regulation under the Cannabis
25 Regulation and Tax Act.

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

2 (410 ILCS 130/60)

3 Sec. 60. Issuance of registry identification cards.

4 (a) Except as provided in subsection (b), the Department
5 of Public Health shall:

6 (1) verify the information contained in an application
7 or renewal for a registry identification card submitted
8 under this Act, and approve or deny an application or
9 renewal, within 90 days of receiving a completed
10 application or renewal application and all supporting
11 documentation specified in Section 55;

12 (2) issue registry identification cards to a
13 qualifying patient and his or her designated caregiver, if
14 any, within 15 business days of approving the application
15 or renewal; and

16 ~~(3) enter the registry identification number of the~~
17 ~~registered dispensing organization the patient designates~~
18 ~~into the verification system; and~~

19 (3) ~~(4)~~ allow for an electronic application process,
20 and provide a confirmation by electronic or other methods
21 that an application has been submitted.

22 Notwithstanding any other provision of this Act, the
23 Department of Public Health shall adopt rules for qualifying
24 patients and applicants with life-long debilitating medical
25 conditions, who may be charged annual renewal fees. The

1 Department of Public Health shall not require patients and
2 applicants with life-long debilitating medical conditions to
3 apply to renew registry identification cards.

4 (b) The Department of Public Health may not issue a
5 registry identification card to a qualifying patient who is
6 under 18 years of age, unless that patient suffers from
7 seizures, including those characteristic of epilepsy, or as
8 provided by administrative rule. The Department of Public
9 Health shall adopt rules for the issuance of a registry
10 identification card for qualifying patients who are under 18
11 years of age and suffering from seizures, including those
12 characteristic of epilepsy. The Department of Public Health
13 may adopt rules to allow other individuals under 18 years of
14 age to become registered qualifying patients under this Act
15 with the consent of a parent or legal guardian. Registered
16 qualifying patients under 18 years of age shall be prohibited
17 from consuming forms of cannabis other than medical cannabis
18 infused products and purchasing any usable cannabis.

19 (c) A veteran who has received treatment at a VA hospital
20 is deemed to have a bona fide health care professional-patient
21 relationship with a VA certifying health care professional if
22 the patient has been seen for his or her debilitating medical
23 condition at the VA hospital in accordance with VA hospital
24 protocols. All reasonable inferences regarding the existence
25 of a bona fide health care professional-patient relationship
26 shall be drawn in favor of an applicant who is a veteran and

1 has undergone treatment at a VA hospital.

2 (c-10) An individual who submits an application as someone
3 who is terminally ill shall have all fees waived. The
4 Department of Public Health shall within 30 days after this
5 amendatory Act of the 99th General Assembly adopt emergency
6 rules to expedite approval for terminally ill individuals.
7 These rules shall include, but not be limited to, rules that
8 provide that applications by individuals with terminal
9 illnesses shall be approved or denied within 14 days of their
10 submission.

11 (d) No later than 6 months after the effective date of this
12 amendatory Act of the 101st General Assembly, the Secretary of
13 State shall remove all existing notations on driving records
14 that the person is a registered qualifying patient or his or
15 her caregiver under this Act.

16 (e) Upon the approval of the registration and issuance of
17 a registry card under this Section, the Department of Public
18 Health shall electronically forward the registered qualifying
19 patient's identification card information to the Prescription
20 Monitoring Program established under the Illinois Controlled
21 Substances Act and certify that the individual is permitted to
22 engage in the medical use of cannabis. For the purposes of
23 patient care, the Prescription Monitoring Program shall make a
24 notation on the person's prescription record stating that the
25 person is a registered qualifying patient who is entitled to
26 the lawful medical use of cannabis. If the person no longer

1 holds a valid registry card, the Department of Public Health
2 shall notify the Prescription Monitoring Program and
3 Department of Human Services to remove the notation from the
4 person's record. The Department of Human Services and the
5 Prescription Monitoring Program shall establish a system by
6 which the information may be shared electronically. This
7 confidential list may not be combined or linked in any manner
8 with any other list or database except as provided in this
9 Section.

10 (f) (Blank).

11 (Source: P.A. 100-1114, eff. 8-28-18; 101-363, eff. 8-9-19;
12 101-593, eff. 12-4-19.)

13 (410 ILCS 130/70)

14 Sec. 70. Registry identification cards.

15 (a) A cardholder ~~registered qualifying patient or~~
16 ~~designated caregiver~~ must keep the cardholder's ~~their~~ registry
17 identification card in the cardholder's ~~his or her~~ possession
18 at all times when engaging in the medical use of cannabis.

19 (b) Registry identification cards shall contain the
20 following:

21 (1) the name of the cardholder;

22 (2) a designation of whether the cardholder is a
23 designated caregiver or qualifying patient;

24 (3) the date of issuance and expiration date of the
25 registry identification card;

1 (4) a random alphanumeric identification number that
2 is unique to the cardholder;

3 (5) if the cardholder is a designated caregiver, the
4 random alphanumeric identification number of the
5 registered qualifying patient the designated caregiver is
6 receiving the registry identification card to assist; and

7 (6) a photograph of the cardholder, if required by
8 Department of Public Health rules.

9 (c) To maintain a valid registration identification card,
10 a registered qualifying patient and designated caregiver must
11 annually resubmit, at least 45 days prior to the expiration
12 date stated on the registry identification card, a completed
13 renewal application, renewal fee, and accompanying
14 documentation as described in Department of Public Health
15 rules. The Department of Public Health shall send a
16 notification to a registered qualifying patient or registered
17 designated caregiver 90 days prior to the expiration of the
18 registered qualifying patient's or registered designated
19 caregiver's identification card. If the Department of Public
20 Health fails to grant or deny a renewal application received
21 in accordance with this Section, then the renewal is deemed
22 granted and the registered qualifying patient or registered
23 designated caregiver may continue to use the expired
24 identification card until the Department of Public Health
25 denies the renewal or issues a new identification card.

26 (d) Except as otherwise provided in this Section, the

1 expiration date is 3 years after the date of issuance.

2 (e) The Department of Public Health may electronically
3 store in the card any or all of the information listed in
4 subsection (b), along with the address and date of birth of the
5 cardholder ~~and the qualifying patient's designated dispensary~~
6 ~~organization~~, to allow it to be read by law enforcement
7 agents.

8 (Source: P.A. 98-122, eff. 1-1-14; 99-519, eff. 6-30-16.)

9 (410 ILCS 130/75)

10 Sec. 75. Notifications to Department of Public Health and
11 responses; civil penalty.

12 (a) The following notifications and Department of Public
13 Health responses are required:

14 (1) A registered qualifying patient shall notify the
15 Department of Public Health of any change in his or her
16 name or address, or if the registered qualifying patient
17 ceases to have his or her debilitating medical condition,
18 within 10 days of the change.

19 (2) A registered designated caregiver shall notify the
20 Department of Public Health of any change in his or her
21 name or address, or if the designated caregiver becomes
22 aware the registered qualifying patient passed away,
23 within 10 days of the change.

24 (3) Before a registered qualifying patient changes his
25 or her designated caregiver, the qualifying patient must

1 notify the Department of Public Health.

2 (4) If a cardholder loses his or her registry
3 identification card, he or she shall notify the Department
4 within 10 days of becoming aware the card has been lost.

5 (b) When a cardholder notifies the Department of Public
6 Health of items listed in subsection (a), but remains eligible
7 under this Act, the Department of Public Health shall issue
8 the cardholder a new registry identification card with a new
9 random alphanumeric identification number within 15 business
10 days of receiving the updated information and a fee as
11 specified in Department of Public Health rules. If the person
12 notifying the Department of Public Health is a registered
13 qualifying patient, the Department shall also issue his or her
14 registered designated caregiver, if any, a new registry
15 identification card within 15 business days of receiving the
16 updated information.

17 (c) If a registered qualifying patient ceases to be a
18 registered qualifying patient or changes his or her registered
19 designated caregiver, the Department of Public Health shall
20 promptly notify the designated caregiver. The registered
21 designated caregiver's protections under this Act as to that
22 qualifying patient shall expire 15 days after notification by
23 the Department.

24 (d) A cardholder who fails to make a notification to the
25 Department of Public Health that is required by this Section
26 is subject to a civil infraction, punishable by a penalty of no

1 more than \$150.

2 (e) (Blank). ~~A registered qualifying patient shall notify~~
3 ~~the Department of Public Health of any change to his or her~~
4 ~~designated registered dispensing organization. The Department~~
5 ~~of Public Health shall provide for immediate changes of a~~
6 ~~registered qualifying patient's designated registered~~
7 ~~dispensing organization. Registered dispensing organizations~~
8 ~~must comply with all requirements of this Act.~~

9 (f) If the registered qualifying patient's certifying
10 health care professional notifies the Department in writing
11 that either the registered qualifying patient has ceased to
12 suffer from a debilitating medical condition, that the bona
13 fide health care professional-patient relationship has
14 terminated, or that continued use of medical cannabis would
15 result in contraindication with the patient's other
16 medication, the card shall become null and void. However, the
17 registered qualifying patient shall have 15 days to destroy
18 his or her remaining medical cannabis and related
19 paraphernalia.

20 (Source: P.A. 101-363, eff. 8-9-19; 102-558, eff. 8-20-21.)

21 (410 ILCS 130/85)

22 Sec. 85. Issuance and denial of medical cannabis
23 cultivation permit.

24 (a) The Department of Agriculture may register up to 22
25 cultivation center registrations for operation. The Department

1 of Agriculture may not issue more than one registration per
2 each Illinois State Police District boundary as specified on
3 the date of January 1, 2013. The Department of Agriculture may
4 not issue less than the 22 registrations if there are
5 qualified applicants who have applied with the Department.

6 (b) The registrations shall be issued and renewed annually
7 as determined by administrative rule.

8 (c) The Department of Agriculture shall determine a
9 registration fee by rule.

10 (d) A cultivation center may only operate if it has been
11 issued a valid registration from the Department of
12 Agriculture. When applying for a cultivation center
13 registration, the applicant shall submit the following in
14 accordance with Department of Agriculture rules:

15 (1) the proposed legal name of the cultivation center;

16 (2) the proposed physical address of the cultivation
17 center and description of the enclosed, locked facility as
18 it applies to cultivation centers where medical cannabis
19 will be grown, harvested, manufactured, packaged, or
20 otherwise prepared for distribution to a dispensing
21 organization;

22 (3) the name, address, and date of birth of each
23 principal officer and board member of the cultivation
24 center, provided that all those individuals shall be at
25 least 21 years of age;

26 (4) any instance in which a business that any of the

1 prospective board members of the cultivation center had
2 managed or served on the board of the business and was
3 convicted, fined, censured, or had a registration or
4 license suspended or revoked in any administrative or
5 judicial proceeding;

6 (5) cultivation, inventory, and packaging plans;

7 (6) proposed operating by-laws that include procedures
8 for the oversight of the cultivation center, development
9 and implementation of a plant monitoring system, medical
10 cannabis container tracking system, accurate record
11 keeping, staffing plan, and security plan reviewed by the
12 Illinois State Police that are in accordance with the
13 rules issued by the Department of Agriculture under this
14 Act. A physical inventory shall be performed of all plants
15 and medical cannabis containers on a weekly basis;

16 (7) experience with agricultural cultivation
17 techniques and industry standards;

18 (8) any academic degrees, certifications, or relevant
19 experience with related businesses;

20 (9) the identity of every person, association, trust,
21 or corporation having any direct or indirect pecuniary
22 interest in the cultivation center operation with respect
23 to which the registration is sought. If the disclosed
24 entity is a trust, the application shall disclose the
25 names and addresses of the beneficiaries; if a
26 corporation, the names and addresses of all stockholders

1 and directors; if a partnership, the names and addresses
2 of all partners, both general and limited;

3 (10) verification from the Illinois State Police that
4 all background checks of the principal officer, board
5 members, and registered agents have been conducted ~~and~~
6 ~~those individuals have not been convicted of an excluded~~
7 ~~offense;~~

8 (11) provide a copy of the current local zoning
9 ordinance to the Department of Agriculture and verify that
10 proposed cultivation center is in compliance with the
11 local zoning rules issued in accordance with Section 140;

12 (12) an application fee set by the Department of
13 Agriculture by rule; and

14 (13) any other information required by Department of
15 Agriculture rules, including, but not limited to a
16 cultivation center applicant's experience with the
17 cultivation of agricultural or horticultural products,
18 operating an agriculturally related business, or operating
19 a horticultural business.

20 (e) An application for a cultivation center permit must be
21 denied if any of the following conditions are met:

22 (1) the applicant failed to submit the materials
23 required by this Section, including if the applicant's
24 plans do not satisfy the security, oversight, inventory,
25 or recordkeeping rules issued by the Department of
26 Agriculture;

1 (2) the applicant would not be in compliance with
2 local zoning rules issued in accordance with Section 140;

3 (3) (blank); ~~one or more of the prospective principal~~
4 ~~officers or board members has been convicted of an~~
5 ~~excluded offense;~~

6 (4) one or more of the prospective principal officers
7 or board members has served as a principal officer or
8 board member for a registered dispensing organization or
9 cultivation center that has had its registration revoked;
10 or

11 (5) one or more of the principal officers or board
12 members is under 21 years of age;

13 (6) (blank); ~~a principal officer or board member of~~
14 ~~the cultivation center has been convicted of a felony~~
15 ~~under the laws of this State, any other state, or the~~
16 ~~United States;~~

17 (7) (blank); ~~or a principal officer or board member of~~
18 ~~the cultivation center has been convicted of any violation~~
19 ~~of Article 28 of the Criminal Code of 2012, or~~
20 ~~substantially similar laws of any other jurisdiction; or~~

21 (8) the person has submitted an application for a
22 certificate under this Act which contains false
23 information.

24 (f) Beginning July 1, 2026, the Department shall cease to
25 issue or renew any medical cannabis cultivation permit.
26 Licenses that hold dual medical cannabis cultivation permits

1 and Adult use cultivation center licenses may continue all
2 operations with a valid cultivation center license issued
3 under the Cannabis Regulation and Tax Act.

4 (g) This Section is repealed on January 1, 2027.

5 (Source: P.A. 102-538, eff. 8-20-21.)

6 (410 ILCS 130/90)

7 Sec. 90. Renewal of cultivation center registrations.

8 (a) Registrations shall be renewed annually. The
9 registered cultivation center shall receive written notice 90
10 days prior to the expiration of its current registration that
11 the registration will expire. The Department of Agriculture
12 shall grant a renewal application within 45 days of its
13 submission if the following conditions are satisfied:

14 (1) the registered cultivation center submits a
15 renewal application and the required renewal fee
16 established by the Department of Agriculture by rule; and

17 (2) the Department of Agriculture has not suspended
18 the registration of the cultivation center or suspended or
19 revoked the registration for violation of this Act or
20 rules adopted under this Act.

21 (b) Beginning July 1, 2026, all cultivation center permits
22 issued under Section 85 shall be renewed in accordance with
23 Section 20-45 of the Cannabis Regulation and Tax Act and shall
24 be subject to the requirements and prohibitions of the
25 Cannabis Regulation and Tax Act.

1 (c) This Section is repealed on January 1, 2027.

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

3 (410 ILCS 130/95)

4 Sec. 95. Background checks.

5 (a) The Department of Agriculture through the Illinois
6 State Police shall conduct a background check of the
7 prospective cultivation center agents. The Illinois State
8 Police shall charge a fee for conducting the criminal history
9 record check, which shall be deposited in the State Police
10 Services Fund and shall not exceed the actual cost of the
11 record check. In order to carry out this provision, each
12 person applying as a cultivation center agent shall submit a
13 full set of fingerprints to the Illinois State Police for the
14 purpose of obtaining a State and federal criminal records
15 check. These fingerprints shall be checked against the
16 fingerprint records now and hereafter, to the extent allowed
17 by law, filed in the Illinois State Police and Federal Bureau
18 of Investigation criminal history records databases. The
19 Illinois State Police shall furnish, following positive
20 identification, all Illinois conviction information to the
21 Department of Agriculture.

22 (b) When applying for the initial permit, the background
23 checks for the principal officer, board members, and
24 registered agents shall be completed prior to submitting the
25 application to the Department of Agriculture.

1 (c) This Section is repealed on January 1, 2027.

2 (Source: P.A. 102-538, eff. 8-20-21.)

3 (410 ILCS 130/100)

4 Sec. 100. Cultivation center agent identification card.

5 (a) The Department of Agriculture shall:

6 (1) verify the information contained in an application
7 or renewal for a cultivation center identification card
8 submitted under this Act, and approve or deny an
9 application or renewal, within 30 days of receiving a
10 completed application or renewal application and all
11 supporting documentation required by rule;

12 (2) issue a cultivation center agent identification
13 card to a qualifying agent within 15 business days of
14 approving the application or renewal;

15 (3) enter the registry identification number of the
16 cultivation center where the agent works; and

17 (4) allow for an electronic application process, and
18 provide a confirmation by electronic or other methods that
19 an application has been submitted.

20 (b) A cultivation center agent must keep his or her
21 identification card visible at all times when on the property
22 of a cultivation center and during the transportation of
23 medical cannabis to a registered dispensary organization.

24 (c) The cultivation center agent identification cards
25 shall contain the following:

- 1 (1) the name of the cardholder;
- 2 (2) the date of issuance and expiration date of
3 cultivation center agent identification cards;
- 4 (3) a random 10-digit alphanumeric identification
5 number containing at least 4 numbers and at least 4
6 letters that is unique to the holder; and
- 7 (4) a photograph of the cardholder.

8 (d) The cultivation center agent identification cards
9 shall be immediately returned to the cultivation center upon
10 termination of employment.

11 (e) Any card lost by a cultivation center agent shall be
12 reported to the Illinois State Police and the Department of
13 Agriculture immediately upon discovery of the loss.

14 (f) (Blank). ~~An applicant shall be denied a cultivation~~
15 ~~center agent identification card if he or she has been~~
16 ~~convicted of an excluded offense.~~

17 (g) An agent applicant may begin employment at a
18 cultivation center while the agent applicant's identification
19 card application is pending. Upon approval, the Department
20 shall issue the agent's identification card to the agent. If
21 denied, the cultivation center and the agent applicant shall
22 be notified and the agent applicant must cease all activity at
23 the cultivation center immediately.

24 (h) Beginning July 1, 2026, all cultivation center
25 identification cards and renewals shall be renewed in
26 accordance with Section 20-45 of the Cannabis Regulation and

1 Tax Act.

2 (i) This Section is repealed on January 1, 2027.

3 (Source: P.A. 102-98, eff. 7-15-21; 102-538, eff. 8-20-21;
4 102-813, eff. 5-13-22.)

5 (410 ILCS 130/105)

6 Sec. 105. Requirements; prohibitions; penalties for
7 cultivation centers.

8 (a) The operating documents of a registered cultivation
9 center shall include procedures for the oversight of the
10 cultivation center, a cannabis plant monitoring system
11 including a physical inventory recorded weekly, a cannabis
12 container system including a physical inventory recorded
13 weekly, accurate record keeping, and a staffing plan.

14 (b) A registered cultivation center shall implement a
15 security plan reviewed by the Illinois State Police and
16 including but not limited to: facility access controls,
17 perimeter intrusion detection systems, personnel
18 identification systems, 24-hour surveillance system to monitor
19 the interior and exterior of the registered cultivation center
20 facility and accessible to authorized law enforcement and the
21 Department of Agriculture in real-time.

22 (c) A registered cultivation center may not be located
23 within 2,500 feet of the property line of a pre-existing
24 public or private preschool or elementary or secondary school
25 or day care center, day care home, group day care home, part

1 day child care facility, or an area zoned for residential use.

2 (d) All cultivation of cannabis for distribution to a
3 registered dispensing organization must take place in an
4 enclosed, locked facility as it applies to cultivation centers
5 at the physical address provided to the Department of
6 Agriculture during the registration process. The cultivation
7 center location shall only be accessed by the cultivation
8 center agents working for the registered cultivation center,
9 Department of Agriculture staff performing inspections,
10 Department of Public Health staff performing inspections, law
11 enforcement or other emergency personnel, and contractors
12 working on jobs unrelated to medical cannabis, such as
13 installing or maintaining security devices or performing
14 electrical wiring.

15 (e) A cultivation center may not sell or distribute any
16 cannabis to any individual or entity other than another
17 cultivation center, a dispensing organization registered under
18 this Act, or a laboratory licensed by the Department of
19 Agriculture.

20 (f) All harvested cannabis intended for distribution to a
21 dispensing organization must be packaged in a labeled medical
22 cannabis container and entered into a data collection system.

23 (g) (Blank). ~~No person who has been convicted of an~~
24 ~~excluded offense may be a cultivation center agent.~~

25 (h) Registered cultivation centers are subject to random
26 inspection by the Illinois State Police.

1 (i) Registered cultivation centers are subject to random
2 inspections by the Department of Agriculture and the
3 Department of Public Health.

4 (j) A cultivation center agent shall notify local law
5 enforcement, the Illinois State Police, and the Department of
6 Agriculture within 24 hours of the discovery of any loss or
7 theft. Notification shall be made by phone or in-person, or by
8 written or electronic communication.

9 (k) A cultivation center shall comply with all State and
10 federal rules and regulations regarding the use of pesticides.

11 (l) This Section is repealed on January 1, 2027.

12 (Source: P.A. 101-363, eff. 8-9-19; 102-538, eff. 8-20-21.)

13 (410 ILCS 130/110)

14 Sec. 110. Suspension; revocation; other penalties for
15 cultivation centers and agents. Notwithstanding any other
16 criminal penalties related to the unlawful possession of
17 cannabis, the Department of Agriculture may revoke, suspend,
18 place on probation, reprimand, issue cease and desist orders,
19 refuse to issue or renew a registration, or take any other
20 disciplinary or non-disciplinary action as the Department of
21 Agriculture may deem proper with regard to a registered
22 cultivation center or cultivation center agent, including
23 imposing fines not to exceed \$50,000 for each violation, for
24 any violations of this Act and rules adopted under this Act.
25 The procedures for disciplining a registered cultivation

1 center or cultivation center agent and for administrative
2 hearings shall be determined by rule. All final administrative
3 decisions of the Department of Agriculture are subject to
4 judicial review under the Administrative Review Law and its
5 rules. The term "administrative decision" is defined as in
6 Section 3-101 of the Code of Civil Procedure. This Section is
7 repealed on January 1, 2027.

8 (Source: P.A. 98-122, eff. 1-1-14; 98-1172, eff. 1-12-15.)

9 (410 ILCS 130/115)

10 Sec. 115. Registration of dispensing organizations.

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

21 (a-5) The Department of Financial and Professional
22 Regulation shall adopt rules to create a registration process
23 for Social Equity Justice Involved Applicants and Qualifying
24 Applicants, a streamlined application, and a Social Equity
25 Justice Involved Medical Lottery under Section 115.5 to issue

1 the remaining available 5 dispensing organization
2 registrations for operation. For purposes of this Section:

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

7 (1) meets at least one of the following criteria:

8 (A) the area has a poverty rate of at least 20%
9 according to the latest federal decennial census; or

10 (B) 75% or more of the children in the area
11 participate in the federal free lunch program
12 according to reported statistics from the State Board
13 of Education; or

14 (C) at least 20% of the households in the area
15 receive assistance under the Supplemental Nutrition
16 Assistance Program; or

17 (D) the area has an average unemployment rate, as
18 determined by the Illinois Department of Employment
19 Security, that is more than 120% of the national
20 unemployment average, as determined by the United
21 States Department of Labor, for a period of at least 2
22 consecutive calendar years preceding the date of the
23 application; and

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

1 "Qualifying Applicant" means an applicant that: (i)
2 submitted an application pursuant to Section 15-30 of the
3 Cannabis Regulation and Tax Act that received at least 85% of
4 250 application points available under Section 15-30 of the
5 Cannabis Regulation and Tax Act as the applicant's final
6 score; (ii) received points at the conclusion of the scoring
7 process for meeting the definition of a "Social Equity
8 Applicant" as set forth under the Cannabis Regulation and Tax
9 Act; and (iii) is an applicant that did not receive a
10 Conditional Adult Use Dispensing Organization License through
11 a Qualifying Applicant Lottery pursuant to Section 15-35 of
12 the Cannabis Regulation and Tax Act or any Tied Applicant
13 Lottery conducted under the Cannabis Regulation and Tax Act.

14 "Social Equity Justice Involved Applicant" means an
15 applicant that is an Illinois resident and one of the
16 following:

17 (1) an applicant with at least 51% ownership and
18 control by one or more individuals who have resided for at
19 least 5 of the preceding 10 years in a Disproportionately
20 Impacted Area;

21 (2) an applicant with at least 51% of ownership and
22 control by one or more individuals who have been arrested
23 for, convicted of, or adjudicated delinquent for any
24 offense that is eligible for expungement under subsection
25 (i) of Section 5.2 of the Criminal Identification Act; or

26 (3) an applicant with at least 51% ownership and

1 control by one or more members of an impacted family.

2 (b) A dispensing organization may only operate if it has
3 been issued a registration from the Department of Financial
4 and Professional Regulation. The Department of Financial and
5 Professional Regulation shall adopt rules establishing the
6 procedures for applicants for dispensing organizations.

7 (c) When applying for a dispensing organization
8 registration, the applicant shall submit, at a minimum, the
9 following in accordance with Department of Financial and
10 Professional Regulation rules:

11 (1) a non-refundable application fee established by
12 rule;

13 (2) the proposed legal name of the dispensing
14 organization;

15 (3) the proposed physical address of the dispensing
16 organization;

17 (4) the name, address, and date of birth of each
18 principal officer and board member of the dispensing
19 organization, provided that all those individuals shall be
20 at least 21 years of age;

21 (5) (blank);

22 (6) (blank); and

23 (7) (blank).

24 (d) The Department of Financial and Professional
25 Regulation shall conduct a background check of the prospective
26 dispensing organization agents in order to carry out this

1 Section. The Department of State Police shall charge a fee for
2 conducting the criminal history record check, which shall be
3 deposited in the State Police Services Fund and shall not
4 exceed the actual cost of the record check. Each person
5 applying as a dispensing organization agent shall submit a
6 full set of fingerprints to the Department of State Police for
7 the purpose of obtaining a State and federal criminal records
8 check. These fingerprints shall be checked against the
9 fingerprint records now and hereafter, to the extent allowed
10 by law, filed in the Department of State Police and Federal
11 Bureau of Investigation criminal history records databases.
12 The Department of State Police shall furnish, following
13 positive identification, all Illinois conviction information
14 to the Department of Financial and Professional Regulation.

15 (e) A dispensing organization must pay a registration fee
16 set by the Department of Financial and Professional
17 Regulation.

18 (f) An application for a medical cannabis dispensing
19 organization registration must be denied if any of the
20 following conditions are met:

21 (1) the applicant failed to submit the materials
22 required by this Section, including if the applicant's
23 plans do not satisfy the security, oversight, or
24 recordkeeping rules issued by the Department of Financial
25 and Professional Regulation;

26 (2) the applicant would not be in compliance with

1 local zoning rules issued in accordance with Section 140;

2 (3) the applicant does not meet the requirements of
3 Section 130;

4 (4) one or more of the prospective principal officers
5 or board members has been convicted of an excluded
6 offense;

7 (5) one or more of the prospective principal officers
8 or board members has served as a principal officer or
9 board member for a registered medical cannabis dispensing
10 organization that has had its registration revoked; and

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

13 (g) This Section is repealed on January 1, 2027.

14 (Source: P.A. 101-363, eff. 8-9-19; 102-98, eff. 7-15-21.)

15 (410 ILCS 130/120)

16 Sec. 120. Dispensing organization agent identification
17 card.

18 (a) The Department of Financial and Professional
19 Regulation shall:

20 (1) verify the information contained in an application
21 or renewal for a dispensing organization agent
22 identification card submitted under this Act, and approve
23 or deny an application or renewal, within 30 days of
24 receiving a completed application or renewal application
25 and all supporting documentation required by rule;

1 (2) issue a dispensing organization agent
2 identification card to a qualifying agent within 15
3 business days of approving the application or renewal;

4 (3) enter the registry identification number of the
5 dispensing organization where the agent works; and

6 (4) allow for an electronic application process, and
7 provide a confirmation by electronic or other methods that
8 an application has been submitted.

9 (b) A dispensing agent must keep his or her identification
10 card visible at all times when on the property of a dispensing
11 organization.

12 (c) The dispensing organization agent identification cards
13 shall contain the following:

14 (1) the name of the cardholder;

15 (2) the date of issuance and expiration date of the
16 dispensing organization agent identification cards;

17 (3) a random 10 digit alphanumeric identification
18 number containing at least 4 numbers and at least 4
19 letters; that is unique to the holder; and

20 (4) a photograph of the cardholder.

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

24 (e) Any card lost by a dispensing organization agent shall
25 be reported to the Illinois State Police and the Department of
26 Financial and Professional Regulation immediately upon

1 discovery of the loss.

2 (f) Agent renewal on and after July 1, 2026 shall be in
3 accordance with Section 15-40 of the Cannabis Regulation Tax
4 Act. ~~An applicant shall be denied a dispensing organization~~
5 ~~agent identification card if he or she has been convicted of an~~
6 ~~excluded offense.~~

7 (g) This Section is repealed on January 1, 2027.

8 (Source: P.A. 98-122, eff. 1-1-14; 98-1172, eff. 1-12-15.)

9 (410 ILCS 130/125)

10 Sec. 125. Medical cannabis dispensing organization
11 certification renewal.

12 (a) The registered dispensing organization shall receive
13 written notice 90 days prior to the expiration of its current
14 registration that the registration will expire. The Department
15 of Financial and Professional Regulation shall grant a renewal
16 application within 45 days of its submission if the following
17 conditions are satisfied:

18 (1) the registered dispensing organization submits a
19 renewal application and the required renewal fee
20 established by the Department of Financial and
21 Professional Regulation rules; and

22 (2) the Department of Financial and Professional
23 Regulation has not suspended the registered dispensing
24 organization or suspended or revoked the registration for
25 violation of this Act or rules adopted under this Act.

1 (b) If a dispensing organization fails to renew its
2 registration prior to expiration, the dispensing organization
3 shall cease operations until registration is renewed.

4 (c) If a dispensing organization agent fails to renew his
5 or her registration prior to its expiration, he or she shall
6 cease to work or volunteer at a dispensing organization until
7 his or her registration is renewed.

8 (d) Any dispensing organization that continues to operate
9 or dispensing agent that continues to work or volunteer at a
10 dispensing organization that fails to renew its registration
11 shall be subject to penalty as provided in Section 130.

12 (e) A dispensing organization licensed under this Act
13 shall renew its license in accordance with Section 15-45 of
14 the Cannabis Regulation Tax Act on and after July 1, 2026.

15 (f) This Section is repealed on January 1, 2027.

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

17 (410 ILCS 130/130)

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

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

23 (b) A dispensing organization shall maintain operating
24 documents which shall include procedures for the oversight of
25 the registered dispensing organization and procedures to

1 ensure accurate recordkeeping.

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

6 (d) A dispensing organization may not be located within
7 1,000 feet of the property line of a pre-existing public or
8 private preschool or elementary or secondary school or day
9 care center, day care home, group day care home, or part day
10 child care facility. A registered dispensing organization may
11 not be located in a house, apartment, condominium, or an area
12 zoned for residential use. This subsection shall not apply to
13 any dispensing organizations registered on or after July 1,
14 2019.

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

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

1 (g) The area in a dispensing organization where medical
2 cannabis is stored can only be accessed by dispensing
3 organization agents working for the dispensing organization,
4 Department of Financial and Professional Regulation staff
5 performing inspections, law enforcement or other emergency
6 personnel, and contractors working on jobs unrelated to
7 medical cannabis, such as installing or maintaining security
8 devices or performing electrical wiring.

9 (h) A dispensing organization may not dispense more than
10 2.5 ounces of cannabis to a registered qualifying patient,
11 directly or via a designated caregiver, in any 14-day period
12 unless the qualifying patient has a Department of Public
13 Health-approved quantity waiver. Any Department of Public
14 Health-approved quantity waiver process must be made available
15 to qualified veterans.

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

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

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

26 (3) (blank); and

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

3 (i-5) A dispensing organization may dispense medical
4 cannabis to an Opioid Alternative Pilot Program participant
5 under Section 62 and to a person presenting proof of
6 provisional registration under Section 55. Before dispensing
7 medical cannabis, the dispensing organization shall comply
8 with the requirements of Section 62 or Section 55, whichever
9 is applicable, and verify the following:

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

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

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

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

26 (k) The health care professional-patient privilege as set

1 forth by Section 8-802 of the Code of Civil Procedure shall
2 apply between a qualifying patient and a registered dispensing
3 organization and its agents with respect to communications and
4 records concerning qualifying patients' debilitating
5 conditions.

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

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

12 (n) Notwithstanding any other criminal penalties related
13 to the unlawful possession of cannabis, the Department of
14 Financial and Professional Regulation may revoke, suspend,
15 place on probation, reprimand, refuse to issue or renew, or
16 take any other disciplinary or non-disciplinary action as the
17 Department of Financial and Professional Regulation may deem
18 proper with regard to the registration of any person issued
19 under this Act to operate a dispensing organization or act as a
20 dispensing organization agent, including imposing fines not to
21 exceed \$10,000 for each violation, for any violations of this
22 Act and rules adopted in accordance with this Act. The
23 procedures for disciplining a registered dispensing
24 organization shall be determined by rule. All final
25 administrative decisions of the Department of Financial and
26 Professional Regulation are subject to judicial review under

1 the Administrative Review Law and its rules. The term
2 "administrative decision" is defined as in Section 3-101 of
3 the Code of Civil Procedure.

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

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

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

1 (r) This Section is repealed on January 1, 2027.

2 (Source: P.A. 101-363, eff. 8-9-19; 102-98, eff. 7-15-21.)

3 (410 ILCS 130/140)

4 Sec. 140. Local ordinances. A unit of local government may
5 enact reasonable zoning ordinances or resolutions, not in
6 conflict with this Act or with Department of Agriculture or
7 Department of Financial and Professional Regulation rules,
8 regulating registered medical cannabis cultivation center or
9 medical cannabis dispensing organizations. No unit of local
10 government, including a home rule unit, or school district may
11 regulate registered medical cannabis organizations other than
12 as provided in this Act and may not unreasonably prohibit the
13 cultivation, dispensing, and use of medical cannabis
14 authorized by this Act. This Section is a denial and
15 limitation under subsection (i) of Section 6 of Article VII of
16 the Illinois Constitution on the concurrent exercise by home
17 rule units of powers and functions exercised by the State.

18 This Section is repealed on January 1, 2027.

19 (Source: P.A. 98-122, eff. 1-1-14; 98-1172, eff. 1-12-15.)

20 (410 ILCS 130/150)

21 Sec. 150. Registry identification and registration
22 certificate verification.

23 (a) The Department of Public Health shall maintain a
24 confidential list of the persons to whom the Department of

1 Public Health has issued registry identification cards and
2 their addresses, phone numbers, and registry identification
3 numbers. This confidential list may not be combined or linked
4 in any manner with any other list or database except as
5 provided in this Section.

6 (b) Within 180 days of the effective date of this Act, the
7 Department of Public Health, Department of Financial and
8 Professional Regulation, and Department of Agriculture shall
9 together establish a computerized database or verification
10 system. The database or verification system must allow law
11 enforcement personnel and medical cannabis dispensary
12 organization agents to determine whether or not the
13 identification number corresponds with a current, valid
14 registry identification card. The system shall only disclose
15 whether the identification card is valid, whether the
16 cardholder is a registered qualifying patient, provisional
17 patient, or a registered designated caregiver, ~~the registry~~
18 ~~identification number of the registered medical cannabis~~
19 ~~dispensing organization designated to serve the registered~~
20 ~~qualifying patient who holds the card,~~ and the registry
21 identification number of the patient who is assisted by a
22 registered designated caregiver who holds the card. The
23 Department of Public Health, the Department of Agriculture,
24 the Illinois State Police, and the Department of Financial and
25 Professional Regulation shall not share or disclose any
26 existing or non-existing Illinois or national criminal history

1 record information. Notwithstanding any other requirements
2 established by this subsection, the Department of Public
3 Health shall issue registry cards to qualifying patients, the
4 Department of Financial and Professional Regulation may issue
5 registration cards to medical cannabis dispensing
6 organizations for the period during which the database is
7 being established, and the Department of Agriculture may issue
8 registration to medical cannabis cultivation organizations for
9 the period during which the database is being established.

10 (c) For the purposes of this Section, "any existing or
11 non-existing Illinois or national criminal history record
12 information" means any Illinois or national criminal history
13 record information, including but not limited to the lack of
14 or non-existence of these records.

15 (Source: P.A. 102-538, eff. 8-20-21.)

16 (410 ILCS 130/180)

17 Sec. 180. Destruction of medical cannabis.

18 (a) All cannabis byproduct, scrap, and harvested cannabis
19 not intended for distribution to a medical cannabis
20 organization must be destroyed and disposed of pursuant to
21 State law. Documentation of destruction and disposal shall be
22 retained at the cultivation center for a period of not less
23 than 5 years.

24 (b) A cultivation center shall prior to the destruction,
25 notify the Department of Agriculture and the Illinois State

1 Police.

2 (c) The cultivation center shall keep record of the date
3 of destruction and how much was destroyed.

4 (d) A dispensary organization shall destroy all cannabis,
5 including cannabis-infused products, that are not sold to
6 registered qualifying patients. Documentation of destruction
7 and disposal shall be retained at the dispensary organization
8 for a period of not less than 5 years.

9 (e) A dispensary organization shall prior to the
10 destruction, notify the Department of Financial and
11 Professional Regulation and the Illinois State Police.

12 (f) This Section is repealed on January 1, 2027.

13 (Source: P.A. 102-538, eff. 8-20-21.)

14 (410 ILCS 130/200)

15 Sec. 200. Tax imposed.

16 (a) Beginning on January 1, 2014 and through June 30, 2026
17 ~~the effective date of this Act,~~ a tax is imposed upon the
18 privilege of cultivating medical cannabis at a rate of 7% of
19 the sales price per ounce. Beginning July 1, 2026, the
20 privilege of cultivating cannabis shall be subject to the tax
21 imposed under Section 60-10 of the Cannabis Regulation and Tax
22 Act. Through June 30, 2026, The proceeds from this tax shall be
23 deposited into the Compassionate Use of Medical Cannabis Fund
24 created under the Compassionate Use of Medical Cannabis
25 Program Act. This tax shall be paid by a cultivation center and

1 is not the responsibility of a dispensing organization or a
2 qualifying patient.

3 (b) The tax imposed under this Act shall be in addition to
4 all other occupation or privilege taxes imposed by the State
5 of Illinois or by any municipal corporation or political
6 subdivision thereof.

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

8 (410 ILCS 130/205)

9 Sec. 205. Department enforcement.

10 (a) Every person subject to the tax under this Law shall
11 apply to the Department (upon a form prescribed and furnished
12 by the Department) for a certificate of registration under
13 this Law. Application for a certificate of registration shall
14 be made to the Department upon forms furnished by the
15 Department. The certificate of registration which is issued by
16 the Department to a retailer under the Retailers' Occupation
17 Tax Act shall permit the taxpayer to engage in a business which
18 is taxable under this Law without registering separately with
19 the Department. Beginning July 1, 2026, a person licensed as a
20 cultivation center or dispensing organization under the
21 Cannabis Regulation and Tax Act shall be deemed to be
22 sufficiently licensed under this Law by virtue of his or her
23 being properly licensed under the Cannabis Regulation and Tax
24 Act.

25 (b) The Department shall have full power to administer and

1 enforce this Law, to collect all taxes and penalties due
2 hereunder, to dispose of taxes and penalties so collected in
3 the manner hereinafter provided, and to determine all rights
4 to credit memoranda, arising on account of the erroneous
5 payment of tax or penalty hereunder. In the administration of,
6 and compliance with, this Law, the Department and persons who
7 are subject to this Law shall have the same rights, remedies,
8 privileges, immunities, powers and duties, and be subject to
9 the same conditions, restrictions, limitations, penalties and
10 definitions of terms, and employ the same modes of procedure,
11 as are prescribed in Sections 1, 1a, 2 through 2-65 (in respect
12 to all provisions therein other than the State rate of tax),
13 2a, 2b, 2c, 3 (except provisions relating to transaction
14 returns and quarter monthly payments, and except for
15 provisions that are inconsistent with this Law), 4, 5, 5a, 5b,
16 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11,
17 11a, 12 and 13 of the Retailers' Occupation Tax Act and Section
18 3-7 of the Uniform Penalty and Interest Act as fully as if
19 those provisions were set forth herein.

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

21 (410 ILCS 130/210)

22 Sec. 210. Returns.

23 (a) This subsection (a) applies to returns due on or
24 before the effective date of this amendatory Act of the 101st
25 General Assembly. On or before the twentieth day of each

1 calendar month, every person subject to the tax imposed under
2 this Law during the preceding calendar month shall file a
3 return with the Department, stating:

4 (1) The name of the taxpayer;

5 (2) The number of ounces of medical cannabis sold to a
6 dispensing organization or a registered qualifying patient
7 during the preceding calendar month;

8 (3) The amount of tax due;

9 (4) The signature of the taxpayer; and

10 (5) Such other reasonable information as the
11 Department may require.

12 If a taxpayer fails to sign a return within 30 days after
13 the proper notice and demand for signature by the Department,
14 the return shall be considered valid and any amount shown to be
15 due on the return shall be deemed assessed.

16 The taxpayer shall remit the amount of the tax due to the
17 Department at the time the taxpayer files his or her return.

18 (b) Beginning on the effective date of this amendatory Act
19 of the 101st General Assembly, Section 60-20 ~~65-20~~ of the
20 Cannabis Regulation and Tax Act shall apply to returns filed
21 and taxes paid under this Act to the same extent as if those
22 provisions were set forth in full in this Section.

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

24 (410 ILCS 130/80 rep.)

25 (410 ILCS 130/115.5 rep.)

1 (410 ILCS 130/135 rep.)

2 (410 ILCS 130/162 rep.)

3 Section 30. The Compassionate Use of Medical Cannabis
4 Program Act is amended by repealing Sections 80, 115.5, 135,
5 and 162.

6 Section 35. The Cannabis Regulation and Tax Act is amended
7 by changing Sections 1-10, 10-10, 10-15, 15-10, 15-15, 15-20,
8 15-25, 15-35, 15-35.10, 15-36, 15-40, 15-45, 15-60, 15-65,
9 15-70, 15-75, 15-85, 15-100, 15-135, and 15-145 and the
10 heading of Article 20 and Sections 20-10, 20-15, 20-20, 20-21,
11 20-30, and 20-45 and by adding Sections 15-13, 15-17, 15-23,
12 and 15-24 as follows:

13 (410 ILCS 705/1-10)

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

15 "Adequate medical supply" means:

16 (1) 2.5 ounces of usable cannabis during a period of
17 14 days and that is derived solely from an intrastate
18 source.

19 (2) Subject to the rules of the Department of Public
20 Health, a patient may apply for a waiver where a
21 certifying health care professional provides a substantial
22 medical basis in a signed, written statement asserting
23 that, based on the patient's medical history, in the
24 certifying health care professional's professional

1 judgment, 2.5 ounces is an insufficient adequate medical
2 supply for a 14-day period to properly alleviate the
3 patient's debilitating medical condition or symptoms
4 associated with the debilitating medical condition.

5 (3) This subsection may not be construed to authorize
6 the possession of more than 2.5 ounces at any time without
7 authority from the Department of Public Health.

8 (4) The pre-mixed weight of medical cannabis used in
9 making a cannabis-infused product shall apply toward the
10 limit on the total amount of medical cannabis a registered
11 qualifying patient may possess at any one time.

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

16 "Adult Use Dispensing Organization License" means a
17 license issued by the Department of Financial and Professional
18 Regulation that permits a person to act as a dispensing
19 organization under this Act and any administrative rule made
20 in furtherance of this Act.

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

1 cannabis business establishment.

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

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

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

18 "Cannabis" means marijuana, hashish, and other substances
19 that are identified as including any parts of the plant
20 Cannabis sativa and including derivatives or subspecies, such
21 as indica, of all strains of cannabis, whether growing or not;
22 the seeds thereof, the resin extracted from any part of the
23 plant; and any compound, manufacture, salt, derivative,
24 mixture, or preparation of the plant, its seeds, or resin,
25 including tetrahydrocannabinol (THC) and all other naturally
26 produced cannabinol derivatives, whether produced directly or

1 indirectly by extraction; however, "cannabis" does not include
2 the mature stalks of the plant, fiber produced from the
3 stalks, oil or cake made from the seeds of the plant, any other
4 compound, manufacture, salt, derivative, mixture, or
5 preparation of the mature stalks (except the resin extracted
6 from it), fiber, oil or cake, or the sterilized seed of the
7 plant that is incapable of germination. "Cannabis" does not
8 include industrial hemp as defined and authorized under the
9 Industrial Hemp Act. "Cannabis" also means cannabis flower,
10 concentrate, and cannabis-infused products.

11 "Cannabis business establishment" means a cultivation
12 center, craft grower, ~~processing organization~~, infuser
13 organization, dispensing organization, or transporting
14 organization.

15 "Cannabis concentrate" means a product derived from
16 cannabis that is produced by extracting cannabinoids,
17 including tetrahydrocannabinol (THC), from the plant through
18 the use of propylene glycol, glycerin, butter, olive oil, or
19 other typical cooking fats; water, ice, or dry ice; or butane,
20 propane, CO₂, ethanol, or isopropanol and with the intended
21 use of smoking or making a cannabis-infused product. The use
22 of any other solvent is expressly prohibited unless and until
23 it is approved by the Department of Agriculture.

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

1 transportation.

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

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

14 "Cannabis paraphernalia" means equipment, products, or
15 materials intended to be used for planting, propagating,
16 cultivating, growing, harvesting, manufacturing, producing,
17 processing, preparing, testing, analyzing, packaging,
18 repackaging, storing, containing, concealing, ingesting, or
19 otherwise introducing cannabis into the human body.

20 "Cannabis plant monitoring system" or "plant monitoring
21 system" means a system that includes, but is not limited to,
22 testing and data collection established and maintained by the
23 cultivation center, craft grower, or infuser ~~processing~~
24 organization and that is available to the Department of
25 Revenue, the Department of Agriculture, the Department of
26 Financial and Professional Regulation, and the Illinois State

1 Police for the purposes of documenting each cannabis plant and
2 monitoring plant development throughout the life cycle of a
3 cannabis plant cultivated for the intended use by a customer
4 from seed planting to final packaging.

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

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

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

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

23 "Conditional Adult Use Dispensing Organization License"
24 means a contingent license awarded to applicants for an Adult
25 Use Dispensing Organization License that reserves the right to
26 an Adult Use Dispensing Organization License if the applicant

1 meets certain conditions described in this Act, but does not
2 entitle the recipient to begin purchasing or selling cannabis
3 or cannabis-infused products.

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

12 "Craft grower" means a facility operated by an
13 organization or business that is licensed by the Department of
14 Agriculture to cultivate, dry, cure, and package cannabis and
15 perform other necessary activities to make cannabis available
16 for sale at a dispensing organization or use at an infuser ~~a~~
17 ~~processing~~ organization. A craft grower may contain up to
18 5,000 square feet of canopy space on its premises for plants in
19 the flowering state. The Department of Agriculture may
20 authorize an increase or decrease of flowering stage
21 cultivation space in increments of 3,000 square feet by rule
22 based on market need, craft grower capacity, and the
23 licensee's history of compliance or noncompliance, with a
24 maximum space of 14,000 square feet for cultivating plants in
25 the flowering stage, which must be cultivated in all stages of
26 growth in an enclosed and secure area. A craft grower may share

1 premises with an infuser ~~a processing~~ organization or a
2 dispensing organization, or both, provided each licensee
3 stores currency and cannabis or cannabis-infused products in a
4 separate secured vault to which the other licensee does not
5 have access or all licensees sharing a vault share more than
6 50% of the same ownership.

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

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

13 "Cultivation center" means a facility operated by an
14 organization or business that is licensed by the Department of
15 Agriculture to cultivate, process, transport (unless otherwise
16 limited by this Act), and perform other necessary activities
17 to provide cannabis and cannabis-infused products to cannabis
18 business establishments. As used in this Act, "cultivation
19 center" includes any cultivation center which prior to July 1,
20 2026, was a cultivation center as defined in the Compassionate
21 Use of Medical Cannabis Program Act.

22 "Cultivation center agent" means a principal officer,
23 board member, employee, or other agent of a cultivation center
24 who is 21 years of age or older.

25 "Cultivation Center Agent Identification Card" means a
26 document issued by the Department of Agriculture that

1 identifies a person as a cultivation center agent.

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

3 "Designated caregiver" means a person who: (1) is at least
4 21 years of age; (2) has agreed to assist with a patient's
5 medical use of cannabis; (3) and assists no more than one
6 registered qualifying patient with his or her medical use of
7 cannabis.

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

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

14 "Dispensing organization" or "dispensary" means a facility
15 operated by an organization or business that is licensed by
16 the Department of Financial and Professional Regulation to
17 acquire cannabis from a cultivation center, craft grower, or
18 infuser ~~processing~~ organization licensed by the Department of
19 Agriculture, or another dispensary licensed by the Department
20 of Financial and Professional Regulation, for the purpose of
21 selling or dispensing cannabis, cannabis-infused products,
22 cannabis seeds, paraphernalia, or related supplies under this
23 Act to purchasers or to qualified registered medical cannabis
24 patients and caregivers. As used in this Act, "dispensing
25 organization" includes any dispensary which, prior to July 1,
26 2026, was a ~~a~~ registered medical cannabis organization as

1 defined in the Compassionate Use of Medical Cannabis Program
2 Act or its successor Act or that ~~has~~ obtained an Early Approval
3 Adult Use Dispensing Organization License or Early Approval
4 Adult Use Dispensing Organization License at a Secondary Site
5 under this Act.

6 "Dispensing organization agent" means a principal officer,
7 employee, or agent of a dispensing organization who is 21
8 years of age or older.

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

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

17 (1) meets at least one of the following criteria:

18 (A) the area has a poverty rate of at least 20%
19 according to the latest federal decennial census; or

20 (B) 75% or more of the children in the area
21 participate in the federal free lunch program
22 according to reported statistics from the State Board
23 of Education; or

24 (C) at least 20% of the households in the area
25 receive assistance under the Supplemental Nutrition
26 Assistance Program; or

1 (D) the area has an average unemployment rate, as
2 determined by the Illinois Department of Employment
3 Security, that is more than 120% of the national
4 unemployment average, as determined by the United
5 States Department of Labor, for a period of at least 2
6 consecutive calendar years preceding the date of the
7 application; and

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

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

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

26 "Early Approval Adult Use Dispensing Organization at a

1 secondary site" means a license that permits a medical
2 cannabis dispensing organization licensed under the
3 Compassionate Use of Medical Cannabis Program Act as of the
4 effective date of this Act to begin selling cannabis or
5 cannabis-infused product to purchasers as permitted by this
6 Act on January 1, 2020 at a different dispensary location from
7 its existing registered medical dispensary location.

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

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

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

- 23 (1) a space within a residential building that (i) is
24 the primary residence of the individual cultivating 5 or
25 fewer cannabis plants that are more than 5 inches tall and
26 (ii) includes sleeping quarters and indoor plumbing. The

1 space must only be accessible by a key or code that is
2 different from any key or code that can be used to access
3 the residential building from the exterior; or

4 (2) a structure, such as a shed or greenhouse, that
5 lies on the same plot of land as a residential building
6 that (i) includes sleeping quarters and indoor plumbing
7 and (ii) is used as a primary residence by the person
8 cultivating 5 or fewer cannabis plants that are more than
9 5 inches tall, such as a shed or greenhouse. The structure
10 must remain locked when it is unoccupied by people.

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

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

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

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

25 "Individual" means a natural person.

26 "Infuser organization" or "infuser" means a facility

1 operated by an organization or business that is licensed by
2 the Department of Agriculture to directly incorporate cannabis
3 or cannabis concentrate into a product formulation to produce
4 a cannabis-infused product.

5 "Infuser organization agent" means a principal officer,
6 board member, employee, or other agent of an infuser
7 organization.

8 "Infuser organization agent identification card" means a
9 document issued by the Department of Agriculture that
10 identifies a person as an infuser organization agent.

11 "Kief" means the resinous crystal-like trichomes that are
12 found on cannabis and that are accumulated, resulting in a
13 higher concentration of cannabinoids, untreated by heat or
14 pressure, or extracted using a solvent.

15 "Labor peace agreement" means an agreement between a
16 cannabis business establishment and any labor organization
17 recognized under the National Labor Relations Act, referred to
18 in this Act as a bona fide labor organization, that prohibits
19 labor organizations and members from engaging in picketing,
20 work stoppages, boycotts, and any other economic interference
21 with the cannabis business establishment. This agreement means
22 that the cannabis business establishment has agreed not to
23 disrupt efforts by the bona fide labor organization to
24 communicate with, and attempt to organize and represent, the
25 cannabis business establishment's employees. The agreement
26 shall provide a bona fide labor organization access at

1 reasonable times to areas in which the cannabis business
2 establishment's employees work, for the purpose of meeting
3 with employees to discuss their right to representation,
4 employment rights under State law, and terms and conditions of
5 employment. This type of agreement shall not mandate a
6 particular method of election or certification of the bona
7 fide labor organization.

8 "Limited access area" means a room or other area under the
9 control of a cannabis dispensing organization licensed under
10 this Act and upon the licensed premises where cannabis sales
11 occur with access limited to purchasers, dispensing
12 organization owners and other dispensing organization agents,
13 or service professionals conducting business with the
14 dispensing organization, or, if sales to registered qualifying
15 patients, caregivers, provisional patients, and Opioid
16 Alternative Pilot Program participants licensed pursuant to
17 the Compassionate Use of Medical Cannabis Program Act are also
18 permitted at the dispensary, registered qualifying patients,
19 caregivers, provisional patients, and Opioid Alternative Pilot
20 Program participants.

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

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

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

9 "Ownership and control" means ownership of at least 51% of
10 the business, including corporate stock if a corporation, and
11 control over the management and day-to-day operations of the
12 business and an interest in the capital, assets, and profits
13 and losses of the business proportionate to percentage of
14 ownership.

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

20 "Possession limit" means the amount of cannabis under
21 Section 10-10 that may be possessed at any one time by a person
22 21 years of age or older or who is a registered qualifying
23 medical cannabis patient or caregiver under the Compassionate
24 Use of Medical Cannabis Program Act.

25 "Principal officer" includes a cannabis business
26 establishment applicant or licensed cannabis business

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

11 "Primary residence" means a dwelling where a person
12 usually stays or stays more often than other locations. It may
13 be determined by, without limitation, presence, tax filings;
14 address on an Illinois driver's license, an Illinois
15 Identification Card, or an Illinois Person with a Disability
16 Identification Card; or voter registration. No person may have
17 more than one primary residence.

18 "Provisional patient" means a qualifying patient who has
19 received a provisional registration from the Department of
20 Public Health.

21 "Processor license" means a license issued to an infuser
22 organization that is licensed by the Department of Agriculture
23 under subsection (f) of Section 35-31 to extract raw materials
24 from cannabis flower.

25 ~~"Processing organization" or "processor" means a facility~~
26 ~~operated by an organization or business that is licensed by~~

1 ~~the Department of Agriculture to either extract constituent~~
2 ~~chemicals or compounds to produce cannabis concentrate or~~
3 ~~incorporate cannabis or cannabis concentrate into a product~~
4 ~~formulation to produce a cannabis product.~~

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

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

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

14 "Qualifying Applicant" means an applicant that submitted
15 an application pursuant to Section 15-30 that received at
16 least 85% of 250 application points available under Section
17 15-30 as the applicant's final score and meets the definition
18 of "Social Equity Applicant" as set forth under this Section.

19 "Qualifying patient" or "qualified patient" means a person
20 who has been diagnosed by a certifying health care
21 professional as having a debilitating medical condition as
22 defined under the Compassionate Use of Medical Cannabis
23 Program Act.

24 "Qualifying Social Equity Justice Involved Applicant"
25 means an applicant that submitted an application pursuant to
26 Section 15-30 that received at least 85% of 250 application

1 points available under Section 15-30 as the applicant's final
2 score and meets the criteria of either paragraph (1) or (2) of
3 the definition of "Social Equity Applicant" as set forth under
4 this Section.

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

8 "Resided" means an individual's primary residence was
9 located within the relevant geographic area as established by
10 2 of the following:

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

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

15 (3) school records;

16 (4) a voter registration card;

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

20 (6) a paycheck stub;

21 (7) a utility bill;

22 (8) tax records; or

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

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

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

3 (1) an applicant with at least 51% ownership and
4 control by one or more individuals who have resided for at
5 least 5 of the preceding 10 years in a Disproportionately
6 Impacted Area;

7 (2) an applicant with at least 51% ownership and
8 control by one or more individuals who:

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

12 (ii) is a member of an impacted family;

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

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

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

22 Nothing in this Act shall be construed to preempt or limit
23 the duties of any employer under the Job Opportunities for
24 Qualified Applicants Act. Nothing in this Act shall permit an
25 employer to require an employee to disclose sealed or expunged
26 offenses, unless otherwise required by law.

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

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

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

23 "Transporting organization" or "transporter" means an
24 organization or business that is licensed by the Department of
25 Agriculture to transport cannabis or cannabis-infused product
26 on behalf of a cannabis business establishment or a community

1 college licensed under the Community College Cannabis
2 Vocational Training Pilot Program.

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

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

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

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

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

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

24 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19;
25 102-98, eff. 7-15-21; 102-538, eff. 8-20-21; 102-813, eff.
26 5-13-22.)

1 (410 ILCS 705/10-10)

2 Sec. 10-10. Possession limit.

3 (a) Except if otherwise authorized by this Act, for a
4 person who is 21 years of age or older and a resident of this
5 State, the possession limit is as follows:

6 (1) 30 grams of cannabis flower;

7 (2) no more than 500 milligrams of THC contained in
8 cannabis-infused product;

9 (3) 5 grams of cannabis concentrate; and

10 (4) for registered qualifying patients, any cannabis
11 produced by cannabis plants grown under subsection (b) of
12 Section 10-5, provided any amount of cannabis produced in
13 excess of 30 grams of raw cannabis or its equivalent must
14 remain secured within the residence or residential
15 property in which it was grown.

16 (b) For a person who is 21 years of age or older and who is
17 not a resident of this State, the possession limit is:

18 (1) 15 grams of cannabis flower;

19 (2) 2.5 grams of cannabis concentrate; and

20 (3) 250 milligrams of THC contained in a
21 cannabis-infused product.

22 (c) The possession limits found in subsections (a) and (b)
23 of this Section are to be considered cumulative.

24 (d) No person shall knowingly obtain, seek to obtain, or
25 possess an amount of cannabis from a dispensing organization

1 or craft grower that would cause him or her to exceed the
2 possession limit under this Section, including cannabis that
3 is cultivated by a person under this Act or obtained as a
4 qualified registered medical patient, provisional patient, or
5 designated caregiver.

6 (d-1) No qualified registered patient, provisional
7 patient, or designated caregiver shall knowingly obtain, seek
8 to obtain, or possess, individually or collectively, an amount
9 that would cause the individual to exceed their adequate
10 medical supply ~~under the Compassionate Use of Medical Cannabis~~
11 ~~Program Act.~~

12 (e) Cannabis and cannabis-derived substances regulated
13 under the Industrial Hemp Act are not covered by this Act.

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

15 (410 ILCS 705/10-15)

16 Sec. 10-15. Persons under 21 years of age.

17 (a) Nothing in this Act is intended to permit the transfer
18 of cannabis, with or without remuneration, to a person under
19 21 years of age, or to allow a person under 21 years of age to
20 purchase, possess, use, process, transport, grow, or consume
21 cannabis except where authorized by this Act, the
22 Compassionate Use of Medical Cannabis Program Act or ~~by~~ the
23 Community College Cannabis Vocational Pilot Program.

24 (b) Notwithstanding any other provisions of law
25 authorizing ~~the~~ possession of ~~medical~~ cannabis or

1 cannabis-infused products by a qualified registered medical
2 patient, provisional patient, or designated caregiver, nothing
3 in this Act authorizes a person who is under 21 years of age to
4 possess cannabis. A person under 21 years of age with cannabis
5 in his or her possession is guilty of a civil law violation as
6 outlined in paragraph (a) of Section 4 of the Cannabis Control
7 Act.

8 (c) If the person under the age of 21 was in a motor
9 vehicle at the time of the offense, the Secretary of State may
10 suspend or revoke the driving privileges of any person for a
11 violation of this Section under Section 6-206 of the Illinois
12 Vehicle Code and the rules adopted under it.

13 (d) It is unlawful for any parent or guardian to knowingly
14 permit his or her residence, any other private property under
15 his or her control, or any vehicle, conveyance, or watercraft
16 under his or her control to be used by an invitee of the
17 parent's child or the guardian's ward, if the invitee is under
18 the age of 21, in a manner that constitutes a violation of this
19 Section. A parent or guardian is deemed to have knowingly
20 permitted his or her residence, any other private property
21 under his or her control, or any vehicle, conveyance, or
22 watercraft under his or her control to be used in violation of
23 this Section if he or she knowingly authorizes or permits
24 consumption of cannabis by underage invitees. Any person who
25 violates this subsection (d) is guilty of a Class A
26 misdemeanor and the person's sentence shall include, but shall

1 not be limited to, a fine of not less than \$500. If a violation
2 of this subsection (d) directly or indirectly results in great
3 bodily harm or death to any person, the person violating this
4 subsection is guilty of a Class 4 felony. In this subsection
5 (d), where the residence or other property has an owner and a
6 tenant or lessee, the trier of fact may infer that the
7 residence or other property is occupied only by the tenant or
8 lessee.

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

10 (410 ILCS 705/15-10)

11 Sec. 15-10. Medical cannabis dispensing organization
12 exemption. This Article does not apply to medical cannabis
13 dispensing organizations registered under the Compassionate
14 Use of Medical Cannabis ~~Pilot~~ Program Act, except where
15 otherwise specified. This Section is repealed on January 1,
16 2027.

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

18 (410 ILCS 705/15-13 new)

19 Sec. 15-13. Adult Use and medical cannabis dispensing
20 organization license merger; medical patient prioritization.

21 (a) Beginning July 1, 2026, all medical cannabis
22 dispensing organizations registered under the Compassionate
23 Use of Medical Cannabis Program Act and that have received an
24 Early Approval Adult Use Dispensing Organization License shall

1 be deemed to be an adult use dispensing organization licensed
2 pursuant to Section 15-36 of this Act. In addition to selling
3 cannabis and cannabis-infused products to persons 21 years of
4 age or older, beginning July 1, 2026, but no later than October
5 1, 2026, all dispensing organizations licensed pursuant to
6 Section 15-36 of this Act shall also offer services to
7 registered qualifying patients, provisional patients, and
8 designated caregivers.

9 (b) Beginning July 1, 2026, all dispensing organization
10 agents registered under the Compassionate Use of Medical
11 Cannabis Program Act shall be deemed to be a dispensing
12 organization agent as that term is defined in this Act. All
13 dispensing organization agents registered under the
14 Compassionate Use of Medical Cannabis Program Act shall have
15 the same rights, privileges, duties, and responsibilities of
16 dispensing organization agents licensed under this Act. All
17 dispensing organization agents shall be subject to this Act
18 and any administrative rules adopted under this Act.

19 (c) On and after July 1, 2026, any dispensing organization
20 previously registered as an Early Approval Adult Use
21 Dispensing Organization License or an Early Approval Adult Use
22 Dispensing Organization at a secondary site shall renew
23 pursuant to Section 15-45 of this Act. The Department shall
24 prorate any dispensing organization previously registered as
25 an Early Approval Adult Use Dispensing Organization License or
26 an Early Approval Adult Use Dispensing Organization at a

1 secondary site's first renewal fee due under Section 15-45.

2 (d) By October 1, 2026, all dispensing organizations shall
3 pay a one-time fee of \$10,000 to be deposited into the
4 Compassionate Use of Medical Cannabis Fund. After this
5 one-time fee, all dispensing organizations shall renew
6 pursuant to the provisions of Section 15-45. The Department
7 may approve payment plans that extend beyond October 1, 2026
8 for the fee paid under this subsection if the first payment
9 under the payment plan is remitted by October 1, 2026.

10 (e) All dispensing organizations must maintain an adequate
11 supply of cannabis and cannabis-infused products for purchase
12 by qualifying patients, designated caregivers, and provisional
13 patients. For the purposes of this subsection, the Department
14 may promulgate administrative rules establishing what
15 constitutes an adequate supply.

16 (f) If there is a shortage of cannabis or cannabis-infused
17 products, a dispensing organization shall prioritize serving
18 qualifying patients, designated caregivers, and provisional
19 patients before serving purchasers.

20 (g) Beginning July 1, 2026, cannabis and cannabis-infused
21 products purchased from a dispensing organization by a
22 qualified patient, provisional patient, or designated
23 caregiver are not subject to tax under Section 65-10 of this
24 Act.

1 Sec. 15-15. Early Approval Adult Use Dispensing
2 Organization License.

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

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

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

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

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

1 Act;

2 (4) The legal name of the dispensing organization;

3 (5) The physical address of the dispensing
4 organization;

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

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

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

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

21 (B) Make a grant of 3% of total sales from June 1,
22 2018 to June 1, 2019, or \$100,000, whichever is less,
23 to a cannabis industry training or education program
24 at an Illinois community college as defined in the
25 Public Community College Act;

26 (C) Make a donation of \$100,000 or more to a

1 program that provides job training services to persons
2 recently incarcerated or that operates in a
3 Disproportionately Impacted Area;

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

1 item from this subsection; or

2 (E) Participate in a sponsorship program for at
3 least 2 years approved by the Department of Commerce
4 and Economic Opportunity in which an Early Approval
5 Adult Use Dispensing Organization License holder
6 agrees to provide an interest-free loan of at least
7 \$200,000 to a Social Equity Applicant. The sponsor
8 shall not take an ownership stake in any cannabis
9 business establishment receiving sponsorship services
10 to comply with this subsection.

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

1 An Early Approval Adult Use Dispensing Organization may
2 request to relocate under this subsection if:

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

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

12 At no time may an Early Approval Adult Use Dispensing
13 Organization dispensary licensed under this Section operate in
14 a separate facility from its associated medical cannabis
15 dispensing organization dispensary licensed under the
16 Compassionate Use of Medical Cannabis Act. The relocation of
17 an Early Approval Adult Use Dispensing Organization License
18 under this subsection shall be subject to Sections 55-25 and
19 55-28 of this Act.

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

24 (d) Applicants must submit all required information,
25 including the requirements in subsection (b) of this Section,
26 to the Department. Failure by an applicant to submit all

1 required information may result in the application being
2 disqualified.

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

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

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

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

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

25 (g) A registered medical cannabis dispensing organization
26 that obtains an Early Approval Adult Use Dispensing

1 Organization License may begin selling cannabis,
2 cannabis-infused products, paraphernalia, and related items to
3 purchasers under the rules of this Act no sooner than January
4 1, 2020.

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

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

23 (j) Notwithstanding any law or rule to the contrary, a
24 person that holds a medical cannabis dispensing organization
25 license issued under the Compassionate Use of Medical Cannabis
26 Program Act and an Early Approval Adult Use Dispensing

1 Organization License may permit purchasers into a limited
2 access area as that term is defined in administrative rules
3 made under the authority in the Compassionate Use of Medical
4 Cannabis Program Act.

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

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

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

25 (3) the dispensing organization has completed a Social
26 Equity Inclusion Plan as provided by parts (A), (B), and

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

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

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

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

26 (n) A dispensing organization agent who holds a valid

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

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

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

18 (q) On and after July 1, 2026, all dispensaries which were
19 previously issued an Early Approval Adult Use Dispensing
20 Organization License pursuant to this Section shall be deemed
21 to be a dispensary pursuant to Section 15-36 of this Act.

22 (r) This Section is repealed on January 1, 2027.

23 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19;
24 102-98, eff. 7-15-21.)

25 (410 ILCS 705/15-17 new)

1 Sec. 15-17. Early Approval Adult Use Dispensing
2 Organization License merger with Adult Use Dispensing
3 Organization License.

4 (a) On and after July 1, 2026, all dispensing
5 organizations previously registered as an Early Approval Adult
6 Use Dispensing Organization License shall be a dispensing
7 organization or a dispensary under this Act and shall be an
8 Adult Use Dispensing Organization License holder under Section
9 15-36 of this Act.

10 (b) The BLS Region in which the dispensing organization
11 licensee's Early Approval Adult Use Dispensing Organization
12 License was originally issued shall be considered the
13 licensee's BLS Region. The dispensing organization shall
14 remain in that BLS Region even if the license or licensee
15 changes its ownership, is sold, is relocated under Section
16 15-24 of this Act, or receives authorization under subsection
17 (e-5) of Section 15-25.

18 (410 ILCS 705/15-20)

19 Sec. 15-20. Early Approval Adult Use Dispensing
20 Organization License; secondary site.

21 (a) Any medical cannabis dispensing organization holding a
22 valid registration under the Compassionate Use of Medical
23 Cannabis Program Act as of the effective date of this Act may,
24 within 60 days of the effective date of this Act, apply to the
25 Department for an Early Approval Adult Use Dispensing

1 Organization License to operate a dispensing organization to
2 serve purchasers at a secondary site not within 1,500 feet of
3 another medical cannabis dispensing organization or adult use
4 dispensing organization. The Early Approval Adult Use
5 Dispensing Organization secondary site shall be within any BLS
6 Region that shares territory with the dispensing organization
7 district to which the medical cannabis dispensing organization
8 is assigned under the administrative rules for dispensing
9 organizations under the Compassionate Use of Medical Cannabis
10 Program Act.

11 (a-5) If, within 360 days of the effective date of this
12 Act, a dispensing organization is unable to find a location
13 within the BLS Regions prescribed in subsection (a) of this
14 Section in which to operate an Early Approval Adult Use
15 Dispensing Organization at a secondary site because no
16 jurisdiction within the prescribed area allows the operation
17 of an Adult Use Dispensing Organization, the Department of
18 Financial and Professional Regulation may waive the geographic
19 restrictions of subsection (a) of this Section and specify
20 another BLS Region into which the dispensary may be placed.

21 (b) (Blank).

22 (c) A medical cannabis dispensing organization seeking
23 issuance of an Early Approval Adult Use Dispensing
24 Organization License at a secondary site to serve purchasers
25 at a secondary site as prescribed in subsection (a) of this
26 Section shall submit an application on forms provided by the

1 Department. The application must meet or include the following
2 qualifications:

3 (1) a payment of a nonrefundable application fee of
4 \$30,000;

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

7 (3) submission of the application by the same person
8 or entity that holds the medical cannabis dispensing
9 organization registration;

10 (4) the legal name of the medical cannabis dispensing
11 organization;

12 (5) the physical address of the medical cannabis
13 dispensing organization and the proposed physical address
14 of the secondary site;

15 (6) a copy of the current local zoning ordinance
16 Sections relevant to dispensary operations and
17 documentation of the approval, the conditional approval or
18 the status of a request for zoning approval from the local
19 zoning office that the proposed dispensary location is in
20 compliance with the local zoning rules;

21 (7) a plot plan of the dispensary drawn to scale. The
22 applicant shall submit general specifications of the
23 building exterior and interior layout;

24 (8) a statement that the dispensing organization
25 agrees to respond to the Department's supplemental
26 requests for information;

1 (9) for the building or land to be used as the proposed
2 dispensary:

3 (A) if the property is not owned by the applicant,
4 a written statement from the property owner and
5 landlord, if any, certifying consent that the
6 applicant may operate a dispensary on the premises; or

7 (B) if the property is owned by the applicant,
8 confirmation of ownership;

9 (10) a copy of the proposed operating bylaws;

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

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

14 (B) a description of the process of dispensing
15 cannabis;

16 (12) a copy of the proposed security plan that
17 complies with the requirements in this Article, including:

18 (A) a description of the delivery process by which
19 cannabis will be received from a transporting
20 organization, including receipt of manifests and
21 protocols that will be used to avoid diversion, theft,
22 or loss at the dispensary acceptance point; and

23 (B) the process or controls that will be
24 implemented to monitor the dispensary, secure the
25 premises, agents, patients, and currency, and prevent
26 the diversion, theft, or loss of cannabis; and

1 (C) the process to ensure that access to the
2 restricted access areas is restricted to, registered
3 agents, service professionals, transporting
4 organization agents, Department inspectors, and
5 security personnel;

6 (13) a proposed inventory control plan that complies
7 with this Section;

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

12 (15) a nonrefundable Cannabis Business Development Fee
13 equal to \$200,000, to be deposited into the Cannabis
14 Business Development Fund; and

15 (16) a commitment to completing one of the following
16 Social Equity Inclusion Plans in subsection (d).

17 (d) Before receiving an Early Approval Adult Use
18 Dispensing Organization License at a secondary site, a
19 dispensing organization shall indicate the Social Equity
20 Inclusion Plan that the applicant plans to achieve before the
21 expiration of the Early Approval Adult Use Dispensing
22 Organization License from the list below:

23 (1) make a contribution of 3% of total sales from June
24 1, 2018 to June 1, 2019, or \$100,000, whichever is less, to
25 the Cannabis Business Development Fund. This is in
26 addition to the fee required by paragraph (16) of

1 subsection (c) of this Section;

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

7 (3) make a donation of \$100,000 or more to a program
8 that provides job training services to persons recently
9 incarcerated or that operates in a Disproportionately
10 Impacted Area;

11 (4) participate as a host in a cannabis business
12 establishment incubator program approved by the Department
13 of Commerce and Economic Opportunity, and in which an
14 Early Approval Adult Use Dispensing Organization License
15 at a secondary site holder agrees to provide a loan of at
16 least \$100,000 and mentorship to incubate, for at least a
17 year, a Social Equity Applicant intending to seek a
18 license or a licensee that qualifies as a Social Equity
19 Applicant. In this paragraph (4), "incubate" means
20 providing direct financial assistance and training
21 necessary to engage in licensed cannabis industry activity
22 similar to that of the host licensee. The Early Approval
23 Adult Use Dispensing Organization License holder or the
24 same entity holding any other licenses issued under this
25 Act shall not take an ownership stake of greater than 10%
26 in any business receiving incubation services to comply

1 with this subsection. If an Early Approval Adult Use
2 Dispensing Organization License at a secondary site holder
3 fails to find a business to incubate in order to comply
4 with this subsection before its Early Approval Adult Use
5 Dispensing Organization License at a secondary site
6 expires, it may opt to meet the requirement of this
7 subsection by completing another item from this subsection
8 before the expiration of its Early Approval Adult Use
9 Dispensing Organization License at a secondary site to
10 avoid a penalty; or

11 (5) participate in a sponsorship program for at least
12 2 years approved by the Department of Commerce and
13 Economic Opportunity in which an Early Approval Adult Use
14 Dispensing Organization License at a secondary site holder
15 agrees to provide an interest-free loan of at least
16 \$200,000 to a Social Equity Applicant. The sponsor shall
17 not take an ownership stake of greater than 10% in any
18 business receiving sponsorship services to comply with
19 this subsection.

20 (e) The license fee required by paragraph (1) of
21 subsection (c) of this Section is in addition to any license
22 fee required for the renewal of a registered medical cannabis
23 dispensing organization license.

24 (f) Applicants must submit all required information,
25 including the requirements in subsection (c) of this Section,
26 to the Department. Failure by an applicant to submit all

1 required information may result in the application being
2 disqualified. Principal officers shall not be required to
3 submit to the fingerprint and background check requirements of
4 Section 5-20.

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

12 (h) Once all required information and documents have been
13 submitted, the Department will review the application. The
14 Department may request revisions and retains final approval
15 over dispensary features. Once the application is complete and
16 meets the Department's approval, the Department shall
17 conditionally approve the license. Final approval is
18 contingent on the build-out and Department inspection.

19 (i) Upon submission of the Early Approval Adult Use
20 Dispensing Organization at a secondary site application, the
21 applicant shall request an inspection and the Department may
22 inspect the Early Approval Adult Use Dispensing Organization's
23 secondary site to confirm compliance with the application and
24 this Act.

25 (j) The Department shall only issue an Early Approval
26 Adult Use Dispensing Organization License at a secondary site

1 after the completion of a successful inspection.

2 (k) If an applicant passes the inspection under this
3 Section, the Department shall issue the Early Approval Adult
4 Use Dispensing Organization License at a secondary site within
5 10 business days unless:

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

11 (2) the Secretary of Financial and Professional
12 Regulation determines there is reason, based on documented
13 compliance violations, the licensee is not entitled to an
14 Early Approval Adult Use Dispensing Organization License
15 at its secondary site.

16 (l) Once the Department has issued a license, the
17 dispensing organization shall notify the Department of the
18 proposed opening date.

19 (m) A registered medical cannabis dispensing organization
20 that obtains an Early Approval Adult Use Dispensing
21 Organization License at a secondary site may begin selling
22 cannabis, cannabis-infused products, paraphernalia, and
23 related items to purchasers under the rules of this Act no
24 sooner than January 1, 2020.

25 (n) If there is a shortage of cannabis or cannabis-infused
26 products, a dispensing organization holding both a dispensing

1 organization license under the Compassionate Use of Medical
2 Cannabis Program Act and this Article shall prioritize serving
3 qualifying patients and caregivers before serving purchasers.

4 (o) An Early Approval Adult Use Dispensing Organization
5 License at a secondary site is valid until March 31, 2021. A
6 dispensing organization that obtains an Early Approval Adult
7 Use Dispensing Organization License at a secondary site shall
8 receive written or electronic notice 90 days before the
9 expiration of the license that the license will expire, and
10 inform the license holder that it may renew its Early Approval
11 Adult Use Dispensing Organization License at a secondary site.
12 The Department shall renew an Early Approval Adult Use
13 Dispensing Organization License at a secondary site within 60
14 days of submission of the renewal application being deemed
15 complete if:

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

19 (2) the Department has not suspended or permanently
20 revoked the Early Approval Adult Use Dispensing
21 Organization License or a medical cannabis dispensing
22 organization license held by the same person or entity for
23 violating this Act or rules adopted under this Act or the
24 Compassionate Use of Medical Cannabis Program Act or rules
25 adopted under that Act; and

26 (3) the dispensing organization has completed a Social

1 Equity Inclusion Plan provided by paragraph (1), (2), or
2 (3) of subsection (d) of this Section or has made
3 substantial progress toward completing a Social Equity
4 Inclusion Plan provided by paragraph (4) or (5) of
5 subsection (d) of this Section.

6 (p) The Early Approval Adult Use Dispensing Organization
7 Licensee at a secondary site renewed pursuant to subsection
8 (o) shall receive written or electronic notice 90 days before
9 the expiration of the license that the license will expire,
10 and that informs the license holder that it may apply for an
11 Adult Use Dispensing Organization License on forms provided by
12 the Department. The Department shall grant an Adult Use
13 Dispensing Organization License within 60 days of an
14 application being deemed complete if the applicant has meet
15 all of the criteria in Section 15-36.

16 (q) If a dispensing organization fails to submit an
17 application for renewal of an Early Approval Adult Use
18 Dispensing Organization License or for an Adult Use Dispensing
19 Organization License before the expiration dates provided in
20 subsections (o) and (p) of this Section, the dispensing
21 organization shall cease serving purchasers until it receives
22 a renewal or an Adult Use Dispensing Organization License.

23 (r) A dispensing organization agent who holds a valid
24 dispensing organization agent identification card issued under
25 the Compassionate Use of Medical Cannabis Program Act and is
26 an officer, director, manager, or employee of the dispensing

1 organization licensed under this Section may engage in all
2 activities authorized by this Article to be performed by a
3 dispensing organization agent.

4 (s) If the Department suspends, permanently revokes, or
5 otherwise disciplines the Early Approval Adult Use Dispensing
6 Organization License of a dispensing organization that also
7 holds a medical cannabis dispensing organization license
8 issued under the Compassionate Use of Medical Cannabis Program
9 Act, the Department may consider the suspension, permanent
10 revocation, or other discipline as grounds to take
11 disciplinary action against the medical cannabis dispensing
12 organization.

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

16 (u) On and after July 1, 2026, all dispensaries that were
17 previously issued an Early Approval Adult Use Dispensing
18 Organization at a secondary site license pursuant to this
19 Section shall be deemed to be a dispensary pursuant to Section
20 15-36 of this Act.

21 (v) This Section is repealed on January 1, 2027.

22 (Source: P.A. 104-417, eff. 8-15-25.)

23 (410 ILCS 705/15-23 new)

24 Sec. 15-23. Early Approval Adult Use Dispensing
25 Organization at a secondary site license merger with Adult Use

1 Dispensing Organization license.

2 (a) On and after July 1, 2026, all dispensing
3 organizations previously registered as an Early Approval Adult
4 Use Dispensing Organization at a secondary site license shall
5 be a dispensing organization or a dispensary under this Act
6 and shall be an Adult Use Dispensing Organization License
7 holder under Section 15-36 of this Act.

8 (b) The BLS Region in which the dispensing organization
9 licensee's Early Approval Adult Use Dispensing Organization at
10 a secondary site license was originally issued shall be
11 considered the licensee's BLS Region. The dispensing
12 organization shall remain in that BLS Region even if the
13 license or licensee changes its ownership, is sold, is
14 relocated under Section 15-24 of this Act, or receives
15 authorization under subsection (e-5) of Section 15-25

16 (410 ILCS 705/15-24 new)

17 Sec. 15-24. Adult Use Dispensing Organization Licensee
18 relocation.

19 (a) An Adult Use Dispensing Organization licensee may
20 apply to relocate within the Licensee's specific BLS Region
21 consistent with this Section. A request to relocate under this
22 Section is subject to approval by the Department. An Adult Use
23 Dispensing Organization's application to relocate its license
24 under this Section shall be considered to be approved 30 days
25 following the submission of a complete application to

1 relocate, unless the request is sooner approved or denied in
2 writing by the Department. If an application to relocate is
3 denied, the Department shall provide, in writing, the specific
4 reason for denial. An Adult Use Dispensing Organization may
5 request to relocate under this Section only if:

6 (1) the Adult Use Dispensing Organization's existing
7 location is within the boundaries of a unit of local
8 government that prohibits the sale of adult use cannabis;

9 (2) the Adult Use Dispensing Organization has obtained
10 the zoning approval of a new location by the municipality
11 it currently operates in if the new location is within
12 that same municipality, or if outside the boundaries of a
13 municipality in an unincorporated area of the county, the
14 zoning approval of a new location by the county where it
15 currently operates in if the new location is within the
16 same county, to move to a different location within that
17 unit of local government; or

18 (3) the Adult Use Dispensing Organization has obtained
19 the approval, as evidenced by a letter of intent or full
20 zoning approval, to operate within the boundaries of a new
21 unit of local government, so long as the new unit of local
22 government is within the dispensing organization's
23 specific BLS Region.

24 (b) The relocation of an Adult Use Dispensing Organization
25 Licensee under this Section shall be subject to Sections 55-25
26 and 55-28.

1 (410 ILCS 705/15-25)

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

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

6 (b) The Department shall make the application for a
7 Conditional Adult Use Dispensing Organization License
8 available no later than October 1, 2019 and shall accept
9 applications no later than January 1, 2020.

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

- 15 (1) Bloomington: 1
16 (2) Cape Girardeau: 1
17 (3) Carbondale-Marion: 1
18 (4) Champaign-Urbana: 1
19 (5) Chicago-Naperville-Elgin: 47
20 (6) Danville: 1
21 (7) Davenport-Moline-Rock Island: 1
22 (8) Decatur: 1
23 (9) Kankakee: 1
24 (10) Peoria: 3
25 (11) Rockford: 2

- 1 (12) St. Louis: 4
- 2 (13) Springfield: 1
- 3 (14) Northwest Illinois nonmetropolitan: 3
- 4 (15) West Central Illinois nonmetropolitan: 3
- 5 (16) East Central Illinois nonmetropolitan: 2
- 6 (17) South Illinois nonmetropolitan: 2

7 (d) An applicant seeking issuance of a Conditional Adult
8 Use Dispensing Organization License shall submit an
9 application on forms provided by the Department. An applicant
10 must meet the following requirements:

11 (1) Payment of a nonrefundable application fee of
12 \$5,000 for each license for which the applicant is
13 applying, which shall be deposited into the Cannabis
14 Regulation Fund;

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

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

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

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

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

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

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

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

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

16 (9) A copy of the proposed operating bylaws;

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

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

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

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

25 (A) The process or controls that will be
26 implemented to monitor the dispensary, secure the

1 premises, agents, and currency, and prevent the
2 diversion, theft, or loss of cannabis; and

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

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

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

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

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

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

25 (17) Written summaries of any information regarding
26 instances in which a business or not-for-profit that a

1 prospective board member previously managed or served on
2 were fined or censured, or any instances in which a
3 business or not-for-profit that a prospective board member
4 previously managed or served on had its registration
5 suspended or revoked in any administrative or judicial
6 proceeding;

7 (18) A plan for community engagement;

8 (19) Procedures to ensure accurate recordkeeping and
9 security measures that are in accordance with this Article
10 and Department rules;

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

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

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

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

21 (24) The dated signature of each principal officer;

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

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

1 cannabis;

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

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

9 (29) A contract with a private security contractor
10 agency that is licensed under Section 10-5 of the Private
11 Detective, Private Alarm, Private Security, Fingerprint
12 Vendor, and Locksmith Act of 2004 in order for the
13 dispensary to have adequate security at its facility; and

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

18 (e) An applicant who receives a Conditional Adult Use
19 Dispensing Organization License under this Section has 180
20 days from the date of award to identify a physical location for
21 the dispensing organization retail storefront. The applicant
22 shall provide evidence that the location is not within 1,500
23 feet of an existing dispensing organization, unless the
24 applicant is a Social Equity Applicant or Social Equity
25 Justice Involved Applicant located or seeking to locate within
26 1,500 feet of a dispensing organization licensed under Section

1 15-15 or Section 15-20. If an applicant is unable to find a
2 suitable physical address in the opinion of the Department
3 within 180 days of the issuance of the Conditional Adult Use
4 Dispensing Organization License, the Department may extend the
5 period for finding a physical address an additional 540 days
6 if the Conditional Adult Use Dispensing Organization License
7 holder demonstrates concrete attempts to secure a location and
8 a hardship. If the Department denies the extension or the
9 Conditional Adult Use Dispensing Organization License holder
10 is unable to either find a location within 720 days of being
11 awarded a conditional license and become operational within
12 180 days thereafter, or become operational within 720 days of
13 being awarded a conditional license, the Department may,
14 considering the totality of the circumstances, rescind the
15 conditional license. If the conditional license holder does
16 not become operational within 365 days after having found a
17 location, the Department may mandate a date by which the
18 conditional license holder shall become operational prior to
19 the Department rescinding the conditional license. If the
20 Department rescinds ~~shall rescind~~ the conditional license, it
21 may issue ~~and award~~ it to the next highest scoring applicant in
22 the BLS Region for which the license was assigned, provided
23 the applicant receiving the license: (i) confirms a continued
24 interest in operating a dispensing organization; (ii) can
25 provide evidence that the applicant continues to meet all
26 requirements for holding a Conditional Adult Use Dispensing

1 Organization License set forth in this Act; and (iii) has not
2 otherwise become ineligible to be awarded a dispensing
3 organization license. If the new awardee is unable to accept
4 the Conditional Adult Use Dispensing Organization License, the
5 Department may issue ~~shall award~~ the Conditional Adult Use
6 Dispensing Organization License to the next highest scoring
7 applicant in the same manner. The new awardee shall be subject
8 to the same required deadlines as provided in this subsection.

9 (e-5) If, within 720 days of being awarded a Conditional
10 Adult Use Dispensing Organization License, a dispensing
11 organization is unable to find a location within the BLS
12 Region in which it was awarded a Conditional Adult Use
13 Dispensing Organization License because no jurisdiction within
14 the BLS Region allows for the operation of an Adult Use
15 Dispensing Organization, the Department of Financial and
16 Professional Regulation may authorize the Conditional Adult
17 Use Dispensing Organization License holder to transfer its
18 license to a BLS Region specified by the Department.

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

26 (g) The Department shall conduct a background check of the

1 prospective organization agents in order to carry out this
2 Article. The Illinois State Police shall charge the applicant
3 a fee for conducting the criminal history record check, which
4 shall be deposited into the State Police Services Fund and
5 shall not exceed the actual cost of the record check. Each
6 person applying as a dispensing organization agent shall
7 submit a full set of fingerprints to the Illinois State Police
8 for the purpose of obtaining a State and federal criminal
9 records check. These fingerprints shall be checked against the
10 fingerprint records now and hereafter, to the extent allowed
11 by law, filed in the Illinois State Police and Federal Bureau
12 of Identification criminal history records databases. The
13 Illinois State Police shall furnish, following positive
14 identification, all Illinois conviction information to the
15 Department.

16 (Source: P.A. 102-98, eff. 7-15-21; 102-538, eff. 8-20-21;
17 102-813, eff. 5-13-22; 103-8, eff. 6-7-23.)

18 (410 ILCS 705/15-35)

19 Sec. 15-35. Qualifying Applicant Lottery for Conditional
20 Adult Use Dispensing Organization Licenses.

21 (a) In addition to any of the licenses issued under
22 Section 15-15, Section 15-20, Section 15-25, Section 15-30.20,
23 or Section 15-35.10 of this Act, within 10 business days after
24 the resulting final scores for all scored applications
25 pursuant to Sections 15-25 and 15-30 are released, the

1 Department shall issue up to 55 Conditional Adult Use
2 Dispensing Organization Licenses by lot, pursuant to the
3 application process adopted under this Section. In order to be
4 eligible to be awarded a Conditional Adult Use Dispensing
5 Organization License by lot under this Section, a Dispensary
6 Applicant must be a Qualifying Applicant.

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

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

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

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

7 (b) The Department shall distribute the available licenses
8 established under this Section subject to the following:

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

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

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

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

26 (5) No Qualifying Applicant may be awarded more than 2

1 Conditional Adult Use Dispensing Organization Licenses at
2 the conclusion of a lottery conducted under this Section.

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

6 (7) If, upon being selected for an available license
7 established under this Section, a Qualifying Applicant
8 exceeds the limits under paragraph (5) or (6), the
9 Qualifying Applicant must choose which license to abandon
10 and notify the Department in writing within 5 business
11 days. If the Qualifying Applicant does not notify the
12 Department as required, the Department shall refuse to
13 issue the Qualifying Applicant all available licenses
14 established under this Section obtained by lot in all BLS
15 Regions.

16 (8) If, upon being selected for an available license
17 established under this Section, a Qualifying Applicant has
18 a principal officer who is a principal officer in more
19 than 10 Early Approval Adult Use Dispensing Organization
20 Licenses, Conditional Adult Use Dispensing Organization
21 Licenses, Adult Use Dispensing Organization Licenses, or
22 any combination thereof, the licensees and the Qualifying
23 Applicant listing that principal officer must choose which
24 license to abandon pursuant to subsection (d) of Section
25 15-36 and notify the Department in writing within 5
26 business days. If the Qualifying Applicant or licensees do

1 not notify the Department as required, the Department
2 shall refuse to issue the Qualifying Applicant all
3 available licenses established under this Section obtained
4 by lot in all BLS Regions.

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

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

10 (c) An applicant who receives a Conditional Adult Use
11 Dispensing Organization License under this Section has 180
12 days from the date it is awarded to identify a physical
13 location for the dispensing organization's retail storefront.
14 The applicant shall provide evidence that the location is not
15 within 1,500 feet of an existing dispensing organization,
16 unless the applicant is a Social Equity Applicant or Social
17 Equity Justice Involved Applicant located or seeking to locate
18 within 1,500 feet of a dispensing organization licensed under
19 Section 15-15 or Section 15-20. If an applicant is unable to
20 find a suitable physical address in the opinion of the
21 Department within 180 days from the issuance of the
22 Conditional Adult Use Dispensing Organization License, the
23 Department may extend the period for finding a physical
24 address an additional 540 days if the Conditional Adult Use
25 Dispensing Organization License holder demonstrates a concrete
26 attempt to secure a location and a hardship. If the Department

1 denies the extension or the Conditional Adult Use Dispensing
2 Organization License holder is unable to either find a
3 location within 720 days of being awarded a conditional
4 license and become operational within 180 days thereafter, or
5 become operational within 720 days of being awarded a
6 Conditional Adult Use Dispensing Organization License under
7 this Section, the Department may, considering the totality of
8 the circumstances, rescind the conditional license. If the
9 conditional license holder does not become operational within
10 365 days after having found a location, the Department may
11 mandate a date by which the conditional license holder shall
12 become operational prior to the Department rescinding the
13 conditional license. If the Department rescinds ~~shall rescind~~
14 the Conditional Adult Use Dispensing Organization License, it
15 may issue ~~and award~~ it pursuant to subsection (b), provided
16 the applicant receiving the Conditional Adult Use Dispensing
17 Organization License: (i) confirms a continued interest in
18 operating a dispensing organization; (ii) can provide evidence
19 that the applicant continues to meet all requirements for
20 holding a Conditional Adult Use Dispensing Organization
21 License set forth in this Act; and (iii) has not otherwise
22 become ineligible to be awarded a Conditional Adult Use
23 Dispensing Organization License. If the new awardee is unable
24 to accept the Conditional Adult Use Dispensing Organization
25 License, the Department may issue ~~shall award~~ the Conditional
26 Adult Use Dispensing Organization License pursuant to

1 subsection (b). The new conditional license holder ~~awardee~~
2 shall be subject to the same required deadlines as provided in
3 this subsection.

4 (d) If, within 720 days of being awarded a Conditional
5 Adult Use Dispensing Organization License, a dispensing
6 organization is unable to find a location within the BLS
7 Region in which it was awarded a Conditional Adult Use
8 Dispensing Organization License because no jurisdiction within
9 the BLS Region allows for the operation of an Adult Use
10 Dispensing Organization, the Department may authorize the
11 Conditional Adult Use Dispensing Organization License holder
12 to transfer its Conditional Adult Use Dispensing Organization
13 License to a BLS Region specified by the Department.

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

20 (f) The Department shall conduct a background check of the
21 prospective dispensing organization agents in order to carry
22 out this Article. The Illinois State Police shall charge the
23 applicant a fee for conducting the criminal history record
24 check, which shall be deposited into the State Police Services
25 Fund and shall not exceed the actual cost of the record check.
26 Each person applying as a dispensing organization agent shall

1 submit a full set of fingerprints to the Illinois State Police
2 for the purpose of obtaining a State and federal criminal
3 records check. These fingerprints shall be checked against the
4 fingerprint records now and hereafter, to the extent allowed
5 by law, filed with the Illinois State Police and the Federal
6 Bureau of Investigation criminal history records databases.
7 The Illinois State Police shall furnish, following positive
8 identification, all Illinois conviction information to the
9 Department.

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

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

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

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

21 (3) An applicant who has been found guilty of a
22 violation of this Act, who has had any disciplinary order
23 entered against the applicant by the Department, who has
24 entered into a disciplinary or nondisciplinary agreement
25 with the Department, whose medical cannabis dispensing
26 organization, medical cannabis cultivation organization,

1 Early Approval Adult Use Dispensing Organization License,
2 Early Approval Adult Use Dispensing Organization License
3 at a secondary site, Early Approval Cultivation Center
4 License, Conditional Adult Use Dispensing Organization
5 License, or Adult Use Dispensing Organization License was
6 suspended, restricted, revoked, or denied for just cause,
7 or whose cannabis business establishment license was
8 suspended, restricted, revoked, or denied in any other
9 state.

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

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

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

23 (k) If an applicant is awarded a Conditional Adult Use
24 Dispensing Organization License under this Section, the
25 information and plans provided in the application, including
26 any plans submitted for bonus points, shall become a condition

1 of the Conditional Adult Use Dispensing Organization License
2 and any Adult Use Dispensing Organization License issued to
3 the holder of the Conditional Adult Use Dispensing
4 Organization License, except as otherwise provided by this Act
5 or by rule. A dispensing organization has a duty to disclose
6 any material changes to the application. The Department shall
7 review all material changes disclosed by the dispensing
8 organization and may reevaluate its prior decision regarding
9 the awarding of a Conditional Adult Use Dispensing
10 Organization License, including, but not limited to,
11 suspending or permanently revoking a Conditional Adult Use
12 Dispensing Organization License. Failure to comply with the
13 conditions or requirements in the application may subject the
14 dispensing organization to discipline up to and including
15 suspension or permanent revocation of its authorization or
16 Conditional Adult Use Dispensing Organization License by the
17 Department.

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

1 Adult Use Dispensing Organization License.

2 (Source: P.A. 102-98, eff. 7-15-21; 103-8, eff. 6-7-23.)

3 (410 ILCS 705/15-35.10)

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

6 (a) In addition to any of the licenses issued under
7 Section 15-15, Section 15-20, Section 15-25, Section 15-30.20,
8 or Section 15-35, within 10 business days after the resulting
9 final scores for all scored applications pursuant to Sections
10 15-25 and 15-30 are released, the Department shall issue up to
11 55 Conditional Adult Use Dispensing Organization Licenses by
12 lot, pursuant to the application process adopted under this
13 Section. In order to be eligible to be awarded a Conditional
14 Adult Use Dispensing Organization License by lot, a Dispensary
15 Applicant must be a Qualifying Social Equity Justice Involved
16 Applicant.

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

- 19 (1) Bloomington: 1.
20 (2) Cape Girardeau: 1.
21 (3) Carbondale-Marion: 1.
22 (4) Champaign-Urbana: 1.
23 (5) Chicago-Naperville-Elgin: 36.
24 (6) Danville: 1.
25 (7) Davenport-Moline-Rock Island: 1.

- 1 (8) Decatur: 1.
- 2 (9) Kankakee: 1.
- 3 (10) Peoria: 2.
- 4 (11) Rockford: 1.
- 5 (12) St. Louis: 3.
- 6 (13) Springfield: 1.
- 7 (14) Northwest Illinois nonmetropolitan: 1.
- 8 (15) West Central Illinois nonmetropolitan: 1.
- 9 (16) East Central Illinois nonmetropolitan: 1.
- 10 (17) South Illinois nonmetropolitan: 1.

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

18 (b) The Department shall distribute the available licenses
19 established under this Section subject to the following:

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

23 (2) Within each BLS Region, the first Qualifying
24 Social Equity Justice Involved Applicant drawn will have
25 the first right to an available license. The second
26 Qualifying Social Equity Justice Involved Applicant drawn

1 will have the second right to an available license. The
2 same pattern will continue for each subsequent applicant
3 drawn.

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

7 (4) A Dispensary Applicant is prohibited from becoming
8 a Qualifying Social Equity Justice Involved Applicant if a
9 principal officer resigns after the resulting final scores
10 for all scored applications pursuant to Sections 15-25 and
11 15-30 are released.

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

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

19 (7) If, upon being selected for an available license
20 established under this Section, a Qualifying Social Equity
21 Justice Involved Applicant exceeds the limits under
22 paragraph (5) or (6), the Qualifying Social Equity Justice
23 Involved Applicant must choose which license to abandon
24 and notify the Department in writing within 5 business
25 days on forms prescribed by the Department. If the
26 Qualifying Social Equity Justice Involved Applicant does

1 not notify the Department as required, the Department
2 shall refuse to issue the Qualifying Social Equity Justice
3 Involved Applicant all available licenses established
4 under this Section obtained by lot in all BLS Regions.

5 (8) If, upon being selected for an available license
6 established under this Section, a Qualifying Social Equity
7 Justice Involved Applicant has a principal officer who is
8 a principal officer in more than 10 Early Approval Adult
9 Use Dispensing Organization Licenses, Conditional Adult
10 Use Dispensing Organization Licenses, Adult Use Dispensing
11 Organization Licenses, or any combination thereof, the
12 licensees and the Qualifying Social Equity Justice
13 Involved Applicant listing that principal officer must
14 choose which license to abandon pursuant to subsection (d)
15 of Section 15-36 and notify the Department in writing
16 within 5 business days on forms prescribed by the
17 Department. If the Dispensary Applicant or licensees do
18 not notify the Department as required, the Department
19 shall refuse to issue the Qualifying Social Equity Justice
20 Involved Applicant all available licenses established
21 under this Section obtained by lot in all BLS Regions.

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

26 Any and all rights conferred or obtained under this

1 subsection shall be limited to the provisions of this
2 subsection.

3 (c) An applicant who receives a Conditional Adult Use
4 Dispensing Organization License under this Section has 180
5 days from the date of the award to identify a physical location
6 for the dispensing organization's retail storefront. The
7 applicant shall provide evidence that the location is not
8 within 1,500 feet of an existing dispensing organization,
9 unless the applicant is a Social Equity Applicant or Social
10 Equity Justice Involved Applicant located or seeking to locate
11 within 1,500 feet of a dispensing organization licensed under
12 Section 15-15 or Section 15-20. If an applicant is unable to
13 find a suitable physical address in the opinion of the
14 Department within 180 days from the issuance of the
15 Conditional Adult Use Dispensing Organization License, the
16 Department may extend the period for finding a physical
17 address an additional 540 days if the Conditional Adult Use
18 Dispensing Organization License holder demonstrates a concrete
19 attempt to secure a location and a hardship. If the Department
20 denies the extension or the Conditional Adult Use Dispensing
21 Organization License holder is unable to either find a
22 location within 720 days and become operational within 180
23 days thereafter, or become operational within 720 days of
24 being awarded a Conditional Adult Use Dispensing Organization
25 License under this Section, the Department may, considering
26 the totality of the circumstances, rescind the conditional

1 license. If the conditional license holder does not become
2 operational within 365 days after having found a location, the
3 Department may mandate a date by which the conditional license
4 holder shall become operational prior to the Department
5 rescinding the conditional license. If the Department rescinds
6 ~~shall rescind~~ the Conditional Adult Use Dispensing
7 Organization License, it may issue ~~and award~~ it pursuant to
8 subsection (b) and notify the new awardee at the email address
9 provided in the awardee's application, provided the applicant
10 receiving the Conditional Adult Use Dispensing Organization
11 License: (i) confirms a continued interest in operating a
12 dispensing organization; (ii) can provide evidence that the
13 applicant continues to meet all requirements for holding a
14 Conditional Adult Use Dispensing Organization License set
15 forth in this Act; and (iii) has not otherwise become
16 ineligible to be awarded a Conditional Adult Use Dispensing
17 Organization License. If the new awardee is unable to accept
18 the Conditional Adult Use Dispensing Organization License, the
19 Department may issue ~~shall award~~ the Conditional Adult Use
20 Dispensing Organization License pursuant to subsection (b).
21 The new conditional license holder ~~awardee~~ shall be subject to
22 the same required deadlines as provided in this subsection.

23 (d) If, within 720 ~~180~~ days of being awarded a Conditional
24 Adult Use Dispensing Organization License, a dispensing
25 organization is unable to find a location within the BLS
26 Region in which it was awarded a Conditional Adult Use

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

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

14 (f) The Department shall conduct a background check of the
15 prospective dispensing organization agents in order to carry
16 out this Article. The Illinois State Police shall charge the
17 applicant a fee for conducting the criminal history record
18 check, which shall be deposited into the State Police Services
19 Fund and shall not exceed the actual cost of the record check.
20 Each person applying as a dispensing organization agent shall
21 submit a full set of fingerprints to the Illinois State Police
22 for the purpose of obtaining a State and federal criminal
23 records check. These fingerprints shall be checked against the
24 fingerprint records now and hereafter, to the extent allowed
25 by law, filed with the Illinois State Police and the Federal
26 Bureau of Investigation criminal history records databases.

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

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

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

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

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

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

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

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

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

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

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

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

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

22 (Source: P.A. 102-98, eff. 7-15-21; 103-8, eff. 6-7-23.)

23 (410 ILCS 705/15-36)

24 Sec. 15-36. Adult Use Dispensing Organization License.

25 (a) A person is only eligible to receive or hold an Adult

1 Use Dispensing Organization License if the person has been
2 issued ~~awarded~~ a Conditional Adult Use Dispensing Organization
3 License pursuant to this Act or its administrative rules, was
4 issued an Early Approval Adult Use Dispensing Organization
5 License, an Early Approval Adult Use Dispensing Organization
6 License at a Secondary Site, or was a registered medical
7 dispensing organization as defined under the Compassionate Use
8 of Medical Cannabis Act ~~has renewed its license pursuant to~~
9 ~~subsection (k) of Section 15-15 or subsection (p) of Section~~
10 ~~15-20.~~

11 (a-5) Beginning July 1, 2026, all dispensing organizations
12 registered under the Compassionate Use of Medical Cannabis
13 Program Act and Sections 15-15 and 15-20 of this Act shall be a
14 dispensing organization or a dispensary as those terms are
15 defined in this Act and shall be an Adult Use Dispensing
16 Organization License holder under this Section. Beginning July
17 1, 2026, all dispensing organizations registered under the
18 Compassionate Use of Medical Cannabis Program Act and Sections
19 15-15 and 15-20 of this Act shall have the same rights,
20 privileges, duties, and responsibilities of dispensing
21 organizations licensed pursuant to this Section and shall be
22 subject to any administrative rules adopted under this Act.

23 (a-10) In addition to selling cannabis and
24 cannabis-infused products to persons 21 years of age or older,
25 beginning July 1, 2026, but no later than October 1, 2026, all
26 dispensing organizations licensed pursuant to this Act shall

1 also offer cannabis and cannabis-infused products for sale to
2 registered qualifying patients, provisional patients, and
3 designated caregivers.

4 (a-15) By October 1, 2026, all dispensing organizations
5 licensed under Section 15-36 shall pay the fee under
6 subsection (d) of Section 15-13 of this Act or shall have
7 entered into an approved payment plan with the Department to
8 pay the fee.

9 (b) The Department shall not issue an Adult Use Dispensing
10 Organization License until:

11 (1) the Department has inspected the dispensary site
12 and proposed operations and verified that they are in
13 compliance with this Act and local zoning laws;

14 (2) the Conditional Adult Use Dispensing Organization
15 License holder has paid a license fee of \$70,000 ~~\$60,000~~
16 or a prorated amount accounting for the difference of time
17 between when the Adult Use Dispensing Organization License
18 is issued and March 31 of the next even-numbered year;
19 \$60,000 (or the proportional prorated amount paid) of the
20 fee shall be remitted into the Cannabis Regulation Fund,
21 and \$10,000 (or the proportional prorated amount paid) of
22 the fee shall be remitted into the Compassionate Use of
23 Medical Cannabis Fund; and

24 (3) the Conditional Adult Use Dispensing Organization
25 License holder has met all the requirements in this Act
26 and rules.

1 (c) No person or entity shall hold any legal, equitable,
2 ownership, or beneficial interest, directly or indirectly, of
3 more than 10 dispensing organizations licensed under this
4 Article. Further, no person or entity that is:

5 (1) employed by, is an agent of, or participates in
6 the management of a dispensing organization or registered
7 medical cannabis dispensing organization;

8 (2) a principal officer of a dispensing organization
9 or registered medical cannabis dispensing organization; or

10 (3) an entity controlled by or affiliated with a
11 principal officer of a dispensing organization or
12 registered medical cannabis dispensing organization;

13 shall hold any legal, equitable, ownership, or beneficial
14 interest, directly or indirectly, in a dispensing organization
15 that would result in such person or entity owning or
16 participating in the management of more than 10 Early Approval
17 Adult Use Dispensing Organization Licenses, Early Approval
18 Adult Use Dispensing Organization Licenses at a secondary
19 site, Conditional Adult Use Dispensing Organization Licenses,
20 or Adult Use Dispensing Organization Licenses. For the purpose
21 of this subsection, participating in management may include,
22 without limitation, controlling decisions regarding staffing,
23 pricing, purchasing, marketing, store design, hiring, and
24 website design.

25 (d) The Department shall deny an application if granting
26 that application would result in a person or entity obtaining

1 direct or indirect financial interest in more than 10 Early
2 Approval Adult Use Dispensing Organization Licenses,
3 Conditional Adult Use Dispensing Organization Licenses, Adult
4 Use Dispensing Organization Licenses, or any combination
5 thereof. If a person or entity is awarded a Conditional Adult
6 Use Dispensing Organization License that would cause the
7 person or entity to be in violation of this subsection, he,
8 she, or it shall choose which license application it wants to
9 abandon and such licenses shall become available to the next
10 qualified applicant in the region in which the abandoned
11 license was awarded.

12 (Source: P.A. 104-417, eff. 8-15-25.)

13 (410 ILCS 705/15-40)

14 Sec. 15-40. Dispensing organization agent identification
15 card; agent training.

16 (a) The Department shall:

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

24 (2) issue a dispensing organization agent
25 identification card to a qualifying agent within 15

1 business days of approving the application or renewal;

2 (3) enter the registry identification number of the
3 dispensing organization where the agent works;

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

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

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

14 (c) The dispensing organization agent identification cards
15 shall contain the following:

16 (1) the name of the cardholder;

17 (2) the date of issuance and expiration date of the
18 dispensing organization agent identification cards;

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

22 (4) a photograph of the cardholder.

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

26 (e) The Department shall not issue an agent identification

1 card if the applicant is delinquent in filing any required tax
2 returns or paying any amounts owed to the State of Illinois.

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

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

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

12 (i) Cannabis retail sales training requirements.

13 (1) Within 90 days of September 1, 2019, or 90 days of
14 employment, whichever is later, all owners, managers,
15 employees, and agents involved in the handling or sale of
16 cannabis or cannabis-infused product employed by an adult
17 use dispensing organization or medical cannabis dispensing
18 organization as defined in Section 10 of the Compassionate
19 Use of Medical Cannabis Program Act shall attend and
20 successfully complete a Responsible Vendor Program.

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

25 (3) Responsible Vendor Program Training modules shall
26 include at least 2 hours of instruction time approved by

1 the Department including:

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

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

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

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

15 (v) Acceptable forms of identification. Training
16 shall include:

17 (I) How to check identification; and

18 (II) Common mistakes made in verification;

19 (vi) Safe storage of cannabis;

20 (vii) Compliance with all inventory tracking
21 system regulations;

22 (viii) Waste handling, management, and disposal;

23 (ix) Health and safety standards;

24 (x) Maintenance of records;

25 (xi) Security and surveillance requirements;

26 (xii) Permitting inspections by State and local

1 licensing and enforcement authorities;

2 (xiii) Privacy issues, including, but not limited
3 to, the safe storage and handling of confidential
4 information such as qualifying patient information;

5 (xiv) Packaging and labeling requirement for sales
6 to purchasers; ~~and~~

7 (xv) Prioritizing the needs of a qualifying
8 patient, provisional patient, or designated caregiver;
9 and

10 (xvi) Other areas as determined by rule.

11 (j) Blank.

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

17 (l) The license of a dispensing organization or medical
18 cannabis dispensing organization whose owners, managers,
19 employees, or agents fail to comply with this Section may be
20 suspended or permanently revoked under Section 15-145 or may
21 face other disciplinary action.

22 (m) The regulation of dispensing organization and medical
23 cannabis dispensing employer and employee training is an
24 exclusive function of the State, and regulation by a unit of
25 local government, including a home rule unit, is prohibited.
26 This subsection (m) is a denial and limitation of home rule

1 powers and functions under subsection (h) of Section 6 of
2 Article VII of the Illinois Constitution.

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

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

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

17 (q) Any person approved to provide the training required
18 by paragraph (3) of subsection (i) shall submit an application
19 for re-approval between August 1 and August 15 of each
20 odd-numbered year and include a nonrefundable application fee
21 of \$2,000 to be deposited into the Cannabis Regulation Fund or
22 a fee as may be set by rule.

23 (r) All persons applying to become or renewing their
24 registrations to be agents, including agents-in-charge and
25 principal officers, shall disclose any disciplinary action
26 taken against them that may have occurred in Illinois, another

1 state, or another country in relation to their employment at a
2 cannabis business establishment or at any cannabis cultivation
3 center, ~~processor~~, infuser, dispensary, or other cannabis
4 business establishment.

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

12 (t) Beginning July 1, 2026, all dispensing organization
13 agents registered under the Compassionate Use of Medical
14 Cannabis Program Act shall, subject to the agent being in good
15 standing with all licensing requirements, be deemed to be an
16 agent under this Act. The Department shall issue all agents
17 previously registered as an agent under the Compassionate Use
18 of Medical Cannabis Program Act a new license number at the
19 time of their first renewal on or after July 1, 2026.

20 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19;
21 102-98, eff. 7-15-21; 102-538, eff. 8-20-21; 102-813, eff.
22 5-13-22.)

23 (410 ILCS 705/15-45)

24 Sec. 15-45. Renewal.

25 (a) Adult Use Dispensing Organization Licenses shall

1 expire on March 31 of even-numbered years.

2 (b) Agent identification cards shall expire one year from
3 the date they are issued.

4 (c) Licensees and dispensing agents shall submit a renewal
5 application as provided by the Department and pay the required
6 renewal fee. The Department shall require an agent, employee,
7 contracting, and subcontracting diversity report and an
8 environmental impact report with its renewal application. No
9 license or agent identification card shall be renewed if it is
10 currently under revocation or suspension for violation of this
11 Article or any rules that may be adopted under this Article or
12 the licensee, principal officer, board member, person having a
13 financial or voting interest of 5% or greater in the licensee,
14 or agent is delinquent in filing any required tax returns or
15 paying any amounts owed to the State of Illinois.

16 (d) Renewal fees are:

17 (1) For a dispensing organization, \$60,000, to be
18 deposited into the Cannabis Regulation Fund; and \$10,000
19 to be deposited into Compassionate Use of Medical Cannabis
20 Fund.

21 (2) For an agent identification card, \$100, to be
22 deposited into the Cannabis Regulation Fund.

23 (e) If a dispensing organization fails to renew its
24 license before expiration, the dispensing organization shall
25 cease operations until the license is renewed.

26 (f) If a dispensing organization agent fails to renew his

1 or her registration before its expiration, he or she shall
2 cease to perform duties authorized by this Article at a
3 dispensing organization until his or her registration is
4 renewed.

5 (g) Any dispensing organization that continues to operate
6 or dispensing agent that continues to perform duties
7 authorized by this Article at a dispensing organization that
8 fails to renew its license is subject to penalty as provided in
9 this Article, or any rules that may be adopted pursuant to this
10 Article.

11 (h) The Department shall not renew a license if the
12 applicant is delinquent in filing any required tax returns or
13 paying any amounts owed to the State of Illinois. The
14 Department shall not renew a dispensing agent identification
15 card if the applicant is delinquent in filing any required tax
16 returns or paying any amounts owed to the State of Illinois.

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

18 (410 ILCS 705/15-60)

19 Sec. 15-60. Changes to a dispensing organization.

20 (a) A Conditional Adult Use Dispensing Organization
21 License may not be sold, transferred, assigned, or used as
22 collateral, and the organization holding the license may not
23 add new principal officers to its ownership structure or
24 change its ownership structure. Notwithstanding the foregoing,
25 this prohibition does not preclude third parties who are not

1 registered as principal officers from investing in, lending
2 to, or otherwise providing capital to the Conditional Adult
3 Use Dispensing Organization License holder. Pursuant to this
4 subsection, third parties are not required to register as
5 principal officers of the Conditional Adult Use Dispensing
6 Organization License holder so long as any third party
7 interest cannot be realized or otherwise vest until the
8 Conditional Adult Use Dispensing Organization License holder
9 is issued a corresponding Adult Use Dispensing Organization
10 License under Section 15-36. In order to realize that interest
11 or have the interest vest, all third parties are subject to the
12 Department's approval processes in this Section, either
13 through the sale or transfer of the Adult Use Dispensing
14 Organization License to the third party or through the third
15 party's registration and approval as principal officer to the
16 Adult Use Dispensing Organization License holder.

17 (a-5) A license shall be issued to the specific dispensing
18 organization identified on the application and for the
19 specific location proposed. The license is valid only as
20 designated on the license and for the location for which it is
21 issued.

22 (b) A dispensing organization may only add principal
23 officers after being approved by the Department.

24 (c) A dispensing organization shall provide written notice
25 of the removal of a principal officer within 5 business days
26 after removal. The notice shall include the written agreement

1 of the principal officer being removed, unless otherwise
2 approved by the Department, and allocation of ownership shares
3 after removal in an updated ownership chart.

4 (d) A dispensing organization shall provide a written
5 request to the Department for the addition of principal
6 officers. A dispensing organization shall submit proposed
7 principal officer applications on forms approved by the
8 Department.

9 (e) All proposed new principal officers shall be subject
10 to the requirements of this Act, this Article, and any rules
11 that may be adopted pursuant to this Act.

12 (f) The Department may prohibit the addition of a
13 principal officer to a dispensing organization for failure to
14 comply with this Act, this Article, and any rules that may be
15 adopted pursuant to this Act.

16 (g) A dispensing organization may not assign a license.

17 (h) A dispensing organization may not transfer a license
18 without prior Department approval. Such approval may be
19 withheld if the person to whom the license is being
20 transferred does not commit to the same or a similar community
21 engagement plan provided as part of the dispensing
22 organization's application under paragraph (18) of subsection
23 (d) of Section 15-25, and such transferee's license shall be
24 conditional upon that commitment.

25 (i) With the addition or removal of principal officers,
26 the Department will review the ownership structure to

1 determine whether the change in ownership has had the effect
2 of a transfer of the license. The dispensing organization
3 shall supply all ownership documents requested by the
4 Department.

5 (j) A dispensing organization may apply to the Department
6 to approve a sale of the dispensing organization. A request to
7 sell the dispensing organization must be on application forms
8 provided by the Department. A request for an approval to sell a
9 dispensing organization must comply with the following:

10 (1) New application materials shall comply with this
11 Act and any rules that may be adopted pursuant to this Act;

12 (2) Application materials shall include a change of
13 ownership fee of \$5,000 to be deposited into the Cannabis
14 Regulation Fund;

15 (3) The application materials shall provide proof that
16 the transfer of ownership will not have the effect of
17 granting any of the owners or principal officers direct or
18 indirect ownership or control of more than 10 adult use
19 dispensing organization licenses;

20 (4) New principal officers shall each complete the
21 proposed new principal officer application;

22 (5) If the Department approves the application
23 materials and proposed new principal officer applications,
24 it will perform an inspection before approving the sale
25 and issuing the dispensing organization license;

26 (6) If a new license is approved, the Department will

1 issue a new license number and certificate to the new
2 dispensing organization.

3 (k) The dispensing organization shall provide the
4 Department with the personal information for all new
5 dispensing organizations agents as required in this Article
6 and all new dispensing organization agents shall be subject to
7 the requirements of this Article. A dispensing organization
8 agent must obtain an agent identification card from the
9 Department before beginning work at a dispensary.

10 (l) Before remodeling, expansion, reduction, or other
11 physical, noncosmetic alteration of a dispensary, the
12 dispensing organization must notify the Department and confirm
13 the alterations are in compliance with this Act and any rules
14 that may be adopted pursuant to this Act.

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

16 (410 ILCS 705/15-65)

17 Sec. 15-65. Administration.

18 (a) A dispensing organization shall establish, maintain,
19 and comply with written policies and procedures as submitted
20 in the Business, Financial and Operating plan as required in
21 this Article or by rules established by the Department, and
22 approved by the Department, for the security, storage,
23 inventory, and distribution of cannabis. These policies and
24 procedures shall include methods for identifying, recording,
25 and reporting diversion, theft, or loss, and for correcting

1 errors and inaccuracies in inventories. At a minimum,
2 dispensing organizations shall ensure the written policies and
3 procedures provide for the following:

4 (1) Mandatory and voluntary recalls of cannabis
5 products. The policies shall be adequate to deal with
6 recalls due to any action initiated at the request of the
7 Department and any voluntary action by the dispensing
8 organization to remove defective or potentially defective
9 cannabis from the market or any action undertaken to
10 promote public health and safety, including:

11 (i) A mechanism reasonably calculated to contact
12 purchasers who have, or likely have, obtained the
13 product from the dispensary, including information on
14 the policy for return of the recalled product;

15 (ii) A mechanism to identify and contact the ~~adult~~
16 ~~use~~ cultivation center, craft grower, or infuser that
17 manufactured the cannabis;

18 (iii) Policies for communicating with the
19 Department, the Department of Agriculture, and the
20 Department of Public Health within 24 hours of
21 discovering defective or potentially defective
22 cannabis; and

23 (iv) Policies for destruction of any recalled
24 cannabis product;

25 (2) Responses to local, State, or national
26 emergencies, including natural disasters, that affect the

1 security or operation of a dispensary;

2 (3) Segregation and destruction of outdated, damaged,
3 deteriorated, misbranded, or adulterated cannabis. This
4 procedure shall provide for written documentation of the
5 cannabis disposition;

6 (4) Ensure the oldest stock of a cannabis product is
7 distributed first. The procedure may permit deviation from
8 this requirement, if such deviation is temporary and
9 appropriate;

10 (5) Training of dispensing organization agents in the
11 provisions of this Act and rules, to effectively operate
12 the point-of-sale system and the State's verification
13 system, proper inventory handling and tracking, specific
14 uses of cannabis or cannabis-infused products, instruction
15 regarding regulatory inspection preparedness and law
16 enforcement interaction, awareness of the legal
17 requirements for maintaining status as an agent, and other
18 topics as specified by the dispensing organization or the
19 Department. The dispensing organization shall maintain
20 evidence of all training provided to each agent in its
21 files that is subject to inspection and audit by the
22 Department. The dispensing organization shall ensure
23 agents receive a minimum of 8 hours of training subject to
24 the requirements in subsection (i) of Section 15-40
25 annually, unless otherwise approved by the Department;

26 (6) Maintenance of business records consistent with

1 industry standards, including bylaws, consents, manual or
2 computerized records of assets and liabilities, audits,
3 monetary transactions, journals, ledgers, and supporting
4 documents, including agreements, checks, invoices,
5 receipts, and vouchers. Records shall be maintained in a
6 manner consistent with this Act and shall be retained for
7 5 years;

8 (7) Inventory control, including:

9 (i) Tracking purchases and denials of sale;

10 (ii) Disposal of unusable or damaged cannabis as
11 required by this Act and rules; and

12 (8) Purchaser education and support, including:

13 (i) Whether possession of cannabis is illegal
14 under federal law;

15 (ii) Current educational information issued by the
16 Department of Public Health about the health risks
17 associated with the use or abuse of cannabis;

18 (iii) Information about possible side effects;

19 (iv) Prohibition on smoking cannabis in public
20 places; and

21 (v) Offering any other appropriate purchaser
22 education or support materials.

23 (b) Blank.

24 (c) A dispensing organization shall maintain copies of the
25 policies and procedures on the dispensary premises and provide
26 copies to the Department upon request. The dispensing

1 organization shall review the dispensing organization policies
2 and procedures at least once every 12 months from the issue
3 date of the license and update as needed due to changes in
4 industry standards or as requested by the Department.

5 (d) A dispensing organization shall ensure that each
6 principal officer and each dispensing organization agent has a
7 current agent identification card in the agent's immediate
8 possession when the agent is at the dispensary.

9 (e) A dispensing organization shall provide prompt written
10 notice to the Department, including the date of the event,
11 when a dispensing organization agent no longer is employed by
12 the dispensing organization.

13 (f) A dispensing organization shall promptly document and
14 report any loss or theft of cannabis from the dispensary to the
15 Illinois State Police and the Department. It is the duty of any
16 dispensing organization agent who becomes aware of the loss or
17 theft to report it as provided in this Article.

18 (g) A dispensing organization shall post the following
19 information in a conspicuous location in an area of the
20 dispensary accessible to consumers:

21 (1) The dispensing organization's license;

22 (2) The hours of operation.

23 (h) Signage that shall be posted inside the premises.

24 (1) All dispensing organizations must display a
25 placard that states the following: "Cannabis consumption
26 can impair cognition and driving, is for adult use only,

1 may be habit forming, and should not be used by pregnant or
2 breastfeeding women.".

3 (2) Any dispensing organization that sells edible
4 cannabis-infused products must display a placard that
5 states the following:

6 (A) "Edible cannabis-infused products were
7 produced in a kitchen that may also process common
8 food allergens."; and

9 (B) "The effects of cannabis products can vary
10 from person to person, and it can take as long as two
11 hours to feel the effects of some cannabis-infused
12 products. Carefully review the portion size
13 information and warnings contained on the product
14 packaging before consuming.".

15 (3) All of the required signage in this subsection (h)
16 shall be no smaller than 24 inches tall by 36 inches wide,
17 with typed letters no smaller than 2 inches. The signage
18 shall be clearly visible and readable by customers. The
19 signage shall be placed in the area where cannabis and
20 cannabis-infused products are sold and may be translated
21 into additional languages as needed. The Department may
22 require a dispensary to display the required signage in a
23 different language, other than English, if the Secretary
24 deems it necessary.

25 (i) A dispensing organization shall prominently post
26 notices inside the dispensing organization that state

1 activities that are strictly prohibited and punishable by law,
2 including, but not limited to:

3 (1) no minors permitted on the premises unless the
4 minor is a minor qualifying patient under the
5 Compassionate Use of Medical Cannabis Program Act;

6 (2) distribution to persons under the age of 21 is
7 prohibited;

8 (3) transportation of cannabis or cannabis products
9 across state lines is prohibited.

10 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19;
11 102-538, eff. 8-20-21.)

12 (410 ILCS 705/15-70)

13 Sec. 15-70. Operational requirements; prohibitions.

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

17 (b) Beginning July 1, 2026, but no later than October 1,
18 2026, all dispensaries shall develop and implement a patient
19 prioritization plan demonstrating that the dispensary is
20 prioritizing qualifying patients, provisional patients, and
21 dedicated caregivers. Prioritization may include, but is not
22 limited to, the following: a dedicated service line for
23 patients or caregivers; a dedicated time of the day for
24 patients or caregivers, so long as the dispensary remains open
25 at all other hours of operation to serve patients and

1 caregivers; and a dedicated register for patients or
2 caregivers ~~A dispensing organization must include the legal~~
3 ~~name of the dispensary on the packaging of any cannabis~~
4 ~~product it sells.~~

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

9 (c-5) A dispensing organization may sell cannabis and
10 cannabis-infused products purchased from any cultivation
11 center, craft grower, infuser, or other dispensary to persons
12 over 21 years of age and to qualifying patients, designated
13 caregivers, and provisional patients.

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

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

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

25 (g) A dispensing organization shall maintain compliance
26 with State and local building, fire, and zoning requirements

1 or regulations.

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

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

12 (j) All dispensaries' hours of operation may be ~~A~~
13 ~~dispensary may operate~~ between 6 a.m. and 10 p.m. local time.

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

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

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

25 (n) A dispensing organization shall ensure that any
26 building or equipment used by a dispensing organization for

1 the storage or sale of cannabis is maintained in a clean and
2 sanitary condition.

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

5 (p) A dispensing organization shall not:

6 (1) Produce or manufacture cannabis;

7 (2) Accept a cannabis product from a ~~an adult use~~
8 cultivation center, craft grower, infuser, dispensing
9 organization, or transporting organization unless it is
10 pre-packaged and labeled in accordance with this Act and
11 any rules that may be adopted pursuant to this Act;

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

14 (4) Sell cannabis or cannabis-infused products to a
15 purchaser unless the purchaser has been verified to be 21
16 years of age or older, or beginning July 1, 2026, the
17 person is verified to be a qualifying patient, provisional
18 patient, or designated caregiver ~~dispensing organization~~
19 ~~is licensed under the Compassionate Use of Medical~~
20 ~~Cannabis Program Act, and the individual is registered~~
21 ~~under the Compassionate Use of Medical Cannabis Program or~~
22 ~~the purchaser has been verified to be 21 years of age or~~
23 ~~older;~~

24 (5) Enter into an exclusive agreement with any adult
25 use cultivation center, craft grower, or infuser.
26 Dispensaries shall provide consumers an assortment of

1 products from various cannabis business establishment
2 licensees such that the inventory available for sale at
3 any dispensary from any single cultivation center, craft
4 grower, ~~processor,~~ transporter, or infuser entity shall
5 not be more than 40% of the total inventory available for
6 sale. For the purpose of this subsection, a cultivation
7 center, craft grower, ~~processor,~~ or infuser shall be
8 considered part of the same entity if the licensees share
9 at least one principal officer. The Department may request
10 that a dispensary diversify its products as needed or
11 otherwise discipline a dispensing organization for
12 violating this requirement;

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

20 (7) (Blank); ~~Operate drive-through windows;~~

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

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

25 (10) Enter into agreements to allow persons who are
26 not dispensing organization agents to deliver cannabis or

1 to transport cannabis to purchasers;

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

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

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

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

10 (15) Be located within 1,500 feet of the property line
11 of a pre-existing dispensing organization, unless the
12 applicant is a Social Equity Applicant or Social Equity
13 Justice Involved Applicant located or seeking to locate
14 within 1,500 feet of a dispensing organization licensed
15 under Section 15-15 or Section 15-20;

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

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

23 (18) Have a certifying health care professional
24 on-site at the dispensary, make referrals to a certifying
25 health care professional, include links to a certifying
26 health care professional on the dispensary's website, or

1 otherwise direct patients to a certifying health care
2 professional;

3 (19) Beginning July 1, 2026, fail to prioritize
4 qualifying patients, provisional patients, and designated
5 caregivers; or

6 (20) Violate any other requirements or prohibitions
7 set by Department rules.

8 (q) It is unlawful for any person having an Early Approval
9 Adult Use Dispensing Organization License, a Conditional Adult
10 Use Dispensing Organization License, an Adult Use Dispensing
11 Organization License, or a medical cannabis dispensing
12 organization license issued under the Compassionate Use of
13 Medical Cannabis Program Act or any officer, associate,
14 member, representative, or agent of such licensee to accept,
15 receive, or borrow money or anything else of value or accept or
16 receive credit (other than merchandising credit in the
17 ordinary course of business for a period not to exceed 30 days)
18 directly or indirectly from any ~~adult-use~~ cultivation center,
19 craft grower, infuser, or transporting organization in
20 exchange for preferential placement on the dispensing
21 organization's shelves, display cases, or website. This
22 includes anything received or borrowed or from any
23 stockholders, officers, agents, or persons connected with a ~~an~~
24 ~~adult-use~~ cultivation center, craft grower, infuser, or
25 transporting organization.

26 (r) It is unlawful for any person having an Early Approval

1 Adult Use Dispensing Organization License, a Conditional Adult
2 Use Dispensing Organization License, an Adult Use Dispensing
3 Organization License, or a medical cannabis dispensing
4 organization license issued under the Compassionate Use of
5 Medical Cannabis Program to enter into any contract with any
6 person licensed to cultivate, process, or transport cannabis
7 whereby such dispensing organization agrees not to sell any
8 cannabis cultivated, processed, transported, manufactured, or
9 distributed by any other cultivator, transporter, or infuser,
10 and any provision in any contract violative of this Section
11 shall render the whole of such contract void and no action
12 shall be brought thereon in any court.

13 (Source: P.A. 104-417, eff. 8-15-25.)

14 (410 ILCS 705/15-75)

15 Sec. 15-75. Inventory control system.

16 (a) A dispensing organization agent-in-charge shall have
17 primary oversight of the dispensing organization's cannabis
18 inventory verification system, and its point-of-sale system.
19 The inventory point-of-sale system shall be real-time,
20 web-based, and accessible by the Department at any time. The
21 point-of-sale system shall track, at a minimum the date of
22 sale, amount, price, and currency.

23 (b) A dispensing organization shall establish an account
24 with the State's verification system that documents:

25 (1) Each sales transaction at the time of sale and

1 each day's beginning inventory, acquisitions, sales,
2 disposal, and ending inventory.

3 (2) Acquisition of cannabis and cannabis-infused
4 products from a licensed ~~adult-use~~ cultivation center,
5 craft grower, infuser, or transporter, including:

6 (i) A description of the products, including the
7 quantity, strain, variety, and batch number of each
8 product received;

9 (ii) The name and registry identification number
10 of the licensed ~~adult-use~~ cultivation center, craft
11 grower, or infuser providing the cannabis and
12 cannabis-infused products;

13 (iii) The name and registry identification number
14 of the licensed ~~adult-use~~ cultivation center, craft
15 grower, infuser, or transporting agent delivering the
16 cannabis;

17 (iv) The name and registry identification number
18 of the dispensing organization agent receiving the
19 cannabis; and

20 (v) The date of acquisition.

21 (3) The disposal of cannabis, including:

22 (i) A description of the products, including the
23 quantity, strain, variety, batch number, and reason
24 for the cannabis being disposed;

25 (ii) The method of disposal; and

26 (iii) The date and time of disposal.

1 (c) Upon cannabis delivery, a dispensing organization
2 shall confirm the product's name, strain name, weight, and
3 identification number on the manifest matches the information
4 on the cannabis product label and package. The product name
5 listed and the weight listed in the State's verification
6 system shall match the product packaging.

7 (d) The agent-in-charge shall conduct daily inventory
8 reconciliation documenting and balancing cannabis inventory by
9 confirming the State's verification system matches the
10 dispensing organization's point-of-sale system and the amount
11 of physical product at the dispensary.

12 (1) A dispensing organization must receive Department
13 approval before completing an inventory adjustment. It
14 shall provide a detailed reason for the adjustment.
15 Inventory adjustment documentation shall be kept at the
16 dispensary for 2 years from the date performed.

17 (2) If the dispensing organization identifies an
18 imbalance in the amount of cannabis after the daily
19 inventory reconciliation due to mistake, the dispensing
20 organization shall determine how the imbalance occurred
21 and immediately upon discovery take and document
22 corrective action. If the dispensing organization cannot
23 identify the reason for the mistake within 2 calendar days
24 after first discovery, it shall inform the Department
25 immediately in writing of the imbalance and the corrective
26 action taken to date. The dispensing organization shall

1 work diligently to determine the reason for the mistake.

2 (3) If the dispensing organization identifies an
3 imbalance in the amount of cannabis after the daily
4 inventory reconciliation or through other means due to
5 theft, criminal activity, or suspected criminal activity,
6 the dispensing organization shall immediately determine
7 how the reduction occurred and take and document
8 corrective action. Within 24 hours after the first
9 discovery of the reduction due to theft, criminal
10 activity, or suspected criminal activity, the dispensing
11 organization shall inform the Department and the Illinois
12 State Police in writing.

13 (4) The dispensing organization shall file an annual
14 compilation report with the Department, including a
15 financial statement that shall include, but not be limited
16 to, an income statement, balance sheet, profit and loss
17 statement, statement of cash flow, wholesale cost and
18 sales, and any other documentation requested by the
19 Department in writing. The financial statement shall
20 include any other information the Department deems
21 necessary in order to effectively administer this Act and
22 all rules, orders, and final decisions promulgated under
23 this Act. Statements required by this Section shall be
24 filed with the Department within 60 days after the end of
25 the calendar year. The compilation report shall include a
26 letter authored by a licensed certified public accountant

1 that it has been reviewed and is accurate based on the
2 information provided. The dispensing organization,
3 financial statement, and accompanying documents are not
4 required to be audited unless specifically requested by
5 the Department.

6 (e) A dispensing organization shall:

7 (1) Maintain the documentation required in this
8 Section in a secure locked location at the dispensing
9 organization for 5 years from the date on the document;

10 (2) Provide any documentation required to be
11 maintained in this Section to the Department for review
12 upon request; and

13 (3) If maintaining a bank account, retain for a period
14 of 5 years a record of each deposit or withdrawal from the
15 account.

16 (f) If a dispensing organization chooses to have a return
17 policy for cannabis and cannabis products, the dispensing
18 organization shall seek prior approval from the Department.

19 (g) Beginning July 1, 2026, all dispensing organizations
20 shall maintain internal, confidential records that record a
21 registered qualifying patient, provisional patient, or
22 designated caregiver's transactions for the patient's adequate
23 medical supply and whether it was dispensed directly to the
24 patient or to the designated caregiver. Each entry must
25 include the amount and the date and time the cannabis was
26 dispensed. Additional recordkeeping requirements may be set by

1 rule.

2 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19;
3 102-538, eff. 8-20-21.)

4 (410 ILCS 705/15-85)

5 Sec. 15-85. Dispensing cannabis.

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

8 (1) Verify the age of the purchaser by checking a
9 government-issued identification card by use of an
10 electronic reader or electronic scanning device to scan a
11 purchaser's government-issued identification, if
12 applicable, to determine the purchaser's age and the
13 validity of the identification;

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

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

22 (3-5) Verify the qualifying patient, provisional
23 patient, or designated caregiver's registration card, if
24 purchasing as a patient or caregiver;

25 (4) Enter the following information into the State's

1 cannabis electronic verification system:

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

7 (ii) The dispensing organization's identification
8 number;

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

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

13 (b) A dispensing organization shall refuse to sell
14 cannabis or cannabis-infused products to any person unless the
15 person produces a valid identification showing that the person
16 is 21 years of age or older or a qualifying patient,
17 provisional patient, or designated caregivers registered under
18 the Compassionate Use of Medical Cannabis Program Act. ~~A~~
19 ~~medical cannabis dispensing organization may sell cannabis or~~
20 ~~cannabis-infused products to a person who is under 21 years of~~
21 ~~age if the sale complies with the provisions of the~~
22 ~~Compassionate Use of Medical Cannabis Program Act and rules.~~

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

25 (d) A dispensing organization shall not dispense to a
26 registered qualifying patient, provisional patient, or a

1 designated caregiver, an amount exceeding the patient's
2 adequate medical supply unless the qualifying patient has a
3 Department of Public Health-approved quantity waiver.

4 (e)Notwithstanding any other provision of law, a
5 dispensing organization may offer pickup or drive-through
6 locations for cannabis or cannabis-infused products to
7 purchasers over 21 years of age, qualifying patients,
8 provisional patients, and designated caregivers in accordance
9 with Section 15-100 of this Act.

10 (1) Be valid and unexpired;

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

13 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19;
14 102-98, eff. 7-15-21.)

15 (410 ILCS 705/15-100)

16 Sec. 15-100. Security.

17 (a) A dispensing organization shall implement security
18 measures to deter and prevent entry into and theft of cannabis
19 or currency.

20 (b) A dispensing organization shall submit any changes to
21 the floor plan or security plan to the Department for
22 pre-approval. All cannabis shall be maintained and stored in a
23 restricted access area during construction.

24 (c) The dispensing organization shall implement security
25 measures to protect the premises, purchasers, and dispensing

1 organization agents including, but not limited to the
2 following:

3 (1) Establish a locked door or barrier between the
4 facility's entrance and the limited access area;

5 (2) Prevent individuals from remaining on the premises
6 if they are not engaging in activity permitted by this Act
7 or rules;

8 (3) Develop a policy that addresses the maximum
9 capacity and purchaser flow in the waiting rooms and
10 limited access areas;

11 (4) Dispose of cannabis in accordance with this Act
12 and rules;

13 (5) During hours of operation, store ~~and dispense~~ all
14 cannabis in ~~from~~ the restricted access area. ~~During~~
15 ~~operational hours, cannabis shall be stored~~ in an enclosed
16 locked room or cabinet and accessible only to specifically
17 authorized dispensing organization agents;

18 (5.5) During hours of operation, dispense all cannabis
19 from the restricted access area, including a drive-through
20 window, or from a pickup location in close proximity to
21 the restricted access area. Orders in the pickup or
22 drive-through location may only be placed by the purchaser
23 or patient in advance, and the dispensing organization
24 shall, prior to dispensing the cannabis, confirm that the
25 purchaser, registered qualifying patient, provisional
26 patient, or designated caregiver is in compliance with

1 Section 15-85 of this Act. As used in this paragraph,
2 "pickup location in close proximity" means an area
3 contiguous to the real property of the dispensary, such as
4 a sidewalk or parking lot;

5 (6) When the dispensary is closed, store all cannabis
6 and currency in a reinforced vault room in the restricted
7 access area and in a manner as to prevent diversion,
8 theft, or loss;

9 (7) Keep the reinforced vault room and any other
10 equipment or cannabis storage areas securely locked and
11 protected from unauthorized entry;

12 (8) Keep an electronic daily log of dispensing
13 organization agents with access to the reinforced vault
14 room and knowledge of the access code or combination;

15 (9) Keep all locks and security equipment in good
16 working order;

17 (10) Maintain an operational security and alarm system
18 at all times;

19 (11) Prohibit keys, if applicable, from being left in
20 the locks, or stored or placed in a location accessible to
21 persons other than specifically authorized personnel;

22 (12) Prohibit accessibility of security measures,
23 including combination numbers, passwords, or electronic or
24 biometric security systems to persons other than
25 specifically authorized dispensing organization agents;

26 (13) Ensure that the dispensary interior and exterior

1 premises are sufficiently lit to facilitate surveillance;

2 (14) Ensure that trees, bushes, and other foliage
3 outside of the dispensary premises do not allow for a
4 person or persons to conceal themselves from sight;

5 (15) Develop emergency policies and procedures for
6 securing all product and currency following any instance
7 of diversion, theft, or loss of cannabis, and conduct an
8 assessment to determine whether additional safeguards are
9 necessary; ~~and~~

10 (16) Develop sufficient additional safeguards in
11 response to any special security concerns, or as required
12 by the Department; and

13 (17) Maintain a security and safe storage plan for
14 qualifying patient information. The health care
15 professional-patient privilege as set forth by Section
16 8-802 of the Code of Civil Procedure shall apply between a
17 qualifying patient, provisional patient, and a dispensing
18 organization and its agents with respect to communications
19 and records concerning patients' debilitating conditions.

20 (d) The Department may request or approve alternative
21 security provisions that it determines are an adequate
22 substitute for a security requirement specified in this
23 Article. Any additional protections may be considered by the
24 Department in evaluating overall security measures.

25 (e) A dispensing organization may share premises with a
26 craft grower or an infuser organization, or both, provided

1 each licensee stores currency and cannabis or cannabis-infused
2 products in a separate secured vault to which the other
3 licensee does not have access or all licensees sharing a vault
4 share more than 50% of the same ownership.

5 (f) A dispensing organization shall provide additional
6 security as needed and in a manner appropriate for the
7 community where it operates.

8 (g) Restricted access areas.

9 (1) All restricted access areas must be identified by
10 the posting of a sign that is a minimum of 12 inches by 12
11 inches and that states "Do Not Enter - Restricted Access
12 Area - Authorized Personnel Only" in lettering no smaller
13 than one inch in height.

14 (2) All restricted access areas shall be clearly
15 described in the floor plan of the premises, in the form
16 and manner determined by the Department, reflecting walls,
17 partitions, counters, and all areas of entry and exit. The
18 floor plan shall show all storage, disposal, and retail
19 sales areas.

20 (3) All restricted access areas must be secure, with
21 locking devices that prevent access from the limited
22 access areas.

23 (h) Security and alarm.

24 (1) A dispensing organization shall have an adequate
25 security plan and security system to prevent and detect
26 diversion, theft, or loss of cannabis, currency, or

1 unauthorized intrusion using commercial grade equipment
2 installed by an Illinois licensed private alarm contractor
3 or private alarm contractor agency that shall, at a
4 minimum, include:

5 (i) A perimeter alarm on all entry points and
6 glass break protection on perimeter windows;

7 (ii) Security shatterproof tinted film on exterior
8 windows;

9 (iii) A failure notification system that provides
10 an audible, text, or visual notification of any
11 failure in the surveillance system, including, but not
12 limited to, panic buttons, alarms, and video
13 monitoring system. The failure notification system
14 shall provide an alert to designated dispensing
15 organization agents within 5 minutes after the
16 failure, either by telephone or text message;

17 (iv) A duress alarm, panic button, and alarm, or
18 holdup alarm and after-hours intrusion detection alarm
19 that by design and purpose will directly or indirectly
20 notify, by the most efficient means, the Public Safety
21 Answering Point for the law enforcement agency having
22 primary jurisdiction;

23 (v) Security equipment to deter and prevent
24 unauthorized entrance into the dispensary, including
25 electronic door locks on the limited and restricted
26 access areas that include devices or a series of

1 devices to detect unauthorized intrusion that may
2 include a signal system interconnected with a radio
3 frequency method, cellular, private radio signals or
4 other mechanical or electronic device.

5 (2) All security system equipment and recordings shall
6 be maintained in good working order, in a secure location
7 so as to prevent theft, loss, destruction, or alterations.

8 (3) Access to surveillance monitoring recording
9 equipment shall be limited to persons who are essential to
10 surveillance operations, law enforcement authorities
11 acting within their jurisdiction, security system service
12 personnel, and the Department. A current list of
13 authorized dispensing organization agents and service
14 personnel that have access to the surveillance equipment
15 must be available to the Department upon request.

16 (4) All security equipment shall be inspected and
17 tested at regular intervals, not to exceed one month from
18 the previous inspection, and tested to ensure the systems
19 remain functional.

20 (5) The security system shall provide protection
21 against theft and diversion that is facilitated or hidden
22 by tampering with computers or electronic records.

23 (6) The dispensary shall ensure all access doors are
24 not solely controlled by an electronic access panel to
25 ensure that locks are not released during a power outage.

26 (i) To monitor the dispensary, the dispensing organization

1 shall incorporate continuous electronic video monitoring
2 including the following:

3 (1) All monitors must be 19 inches or greater;

4 (2) Unobstructed video surveillance of all enclosed
5 dispensary areas, unless prohibited by law, including all
6 points of entry and exit that shall be appropriate for the
7 normal lighting conditions of the area under surveillance.
8 The cameras shall be directed so all areas are captured,
9 including, but not limited to, safes, vaults, sales areas,
10 and areas where cannabis is stored, handled, dispensed, or
11 destroyed. Cameras shall be angled to allow for facial
12 recognition, the capture of clear and certain
13 identification of any person entering or exiting the
14 dispensary area and in lighting sufficient during all
15 times of night or day;

16 (3) Unobstructed video surveillance of outside areas,
17 the storefront, and the parking lot, that shall be
18 appropriate for the normal lighting conditions of the area
19 under surveillance. Cameras shall be angled so as to allow
20 for the capture of facial recognition, clear and certain
21 identification of any person entering or exiting the
22 dispensary and the immediate surrounding area, and license
23 plates of vehicles in the parking lot;

24 (4) 24-hour recordings from all video cameras
25 available for immediate viewing by the Department upon
26 request. Recordings shall not be destroyed or altered and

1 shall be retained for at least 90 days. Recordings shall
2 be retained as long as necessary if the dispensing
3 organization is aware of the loss or theft of cannabis or a
4 pending criminal, civil, or administrative investigation
5 or legal proceeding for which the recording may contain
6 relevant information;

7 (5) The ability to immediately produce a clear, color
8 still photo from the surveillance video, either live or
9 recorded;

10 (6) A date and time stamp embedded on all video
11 surveillance recordings. The date and time shall be
12 synchronized and set correctly and shall not significantly
13 obscure the picture;

14 (7) The ability to remain operational during a power
15 outage and ensure all access doors are not solely
16 controlled by an electronic access panel to ensure that
17 locks are not released during a power outage;

18 (8) All video surveillance equipment shall allow for
19 the exporting of still images in an industry standard
20 image format, including .jpg, .bmp, and .gif. Exported
21 video shall have the ability to be archived in a
22 proprietary format that ensures authentication of the
23 video and guarantees that no alteration of the recorded
24 image has taken place. Exported video shall also have the
25 ability to be saved in an industry standard file format
26 that can be played on a standard computer operating

1 system. All recordings shall be erased or destroyed before
2 disposal;

3 (9) The video surveillance system shall be operational
4 during a power outage with a 4-hour minimum battery
5 backup;

6 (10) A video camera or cameras recording at each
7 point-of-sale location allowing for the identification of
8 the dispensing organization agent distributing the
9 cannabis and any purchaser. The camera or cameras shall
10 capture the sale, the individuals and the computer
11 monitors used for the sale;

12 (11) A failure notification system that provides an
13 audible and visual notification of any failure in the
14 electronic video monitoring system; and

15 (12) All electronic video surveillance monitoring must
16 record at least the equivalent of 8 frames per second and
17 be available as recordings to the Department and the
18 Illinois State Police 24 hours a day via a secure
19 web-based portal with reverse functionality.

20 (j) The requirements contained in this Act are minimum
21 requirements for operating a dispensing organization. The
22 Department may establish additional requirements by rule.

23 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19;
24 102-538, eff. 8-20-21.)

25 (410 ILCS 705/15-135)

1 Sec. 15-135. Investigations.

2 (a) Dispensing organizations are subject to random and
3 unannounced dispensary inspections and cannabis testing by the
4 Department, the Department of Agriculture, the Department of
5 Revenue, the Department of Public Health, the Illinois State
6 Police, local law enforcement, local health officials, or as
7 provided by rule.

8 (b) The Department and its authorized representatives may
9 enter any place, including a vehicle, in which cannabis is
10 held, stored, dispensed, sold, produced, delivered,
11 transported, manufactured, or disposed of and inspect, in a
12 reasonable manner, the place and all pertinent equipment,
13 containers and labeling, and all things including records,
14 files, financial data, sales data, shipping data, pricing
15 data, personnel data, research, papers, processes, controls,
16 and facility, and inventory any stock of cannabis and obtain
17 samples of any cannabis or cannabis-infused product, any
18 labels or containers for cannabis, or paraphernalia.

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

25 (d) The Department may require an applicant or holder of
26 any license issued pursuant to this Article to produce

1 documents, records, or any other material pertinent to the
2 investigation of an application or alleged violations of this
3 Act or rules. Failure to provide the required material may be
4 grounds for denial or discipline.

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

13 (Source: P.A. 101-27, eff. 6-25-19; 102-98, eff. 7-15-21;
14 102-538, eff. 8-20-21; 102-813, eff. 5-13-22.)

15 (410 ILCS 705/15-145)

16 Sec. 15-145. Grounds for discipline.

17 (a) The Department may deny issuance, refuse to renew or
18 restore, or may reprimand, place on probation, suspend,
19 revoke, or take other disciplinary or nondisciplinary action
20 against any license or agent identification card or may impose
21 a fine for any of the following:

22 (1) Material misstatement in furnishing information to
23 the Department;

24 (2) Violations of this Act or rules;

25 (3) Obtaining an authorization or license by fraud or

1 misrepresentation;

2 (4) A pattern of conduct that demonstrates
3 incompetence or that the applicant has engaged in conduct
4 or actions that would constitute grounds for discipline
5 under this Act;

6 (5) Aiding or assisting another person in violating
7 any provision of this Act or rules;

8 (6) Failing to respond to a written request for
9 information by the Department within 30 days;

10 (7) Engaging in unprofessional, dishonorable, or
11 unethicial conduct of a character likely to deceive,
12 defraud, or harm the public;

13 (8) Adverse action by another United States
14 jurisdiction or foreign nation;

15 (9) A finding by the Department that the licensee,
16 after having his or her license placed on suspended or
17 probationary status, has violated the terms of the
18 suspension or probation;

19 (10) Conviction, entry of a plea of guilty, nolo
20 contendere, or the equivalent in a State or federal court
21 of a principal officer or agent-in-charge of a felony
22 offense in accordance with Sections 2105-131, 2105-135,
23 and 2105-205 of the Department of Professional Regulation
24 Law of the Civil Administrative Code of Illinois;

25 (11) Excessive use of or addiction to alcohol,
26 narcotics, stimulants, or any other chemical agent or

1 drug;

2 (12) A finding by the Department of a discrepancy in a
3 Department audit of cannabis;

4 (13) A finding by the Department of a discrepancy in a
5 Department audit of capital or funds;

6 (14) A finding by the Department of acceptance of
7 cannabis from a source other than a cultivation center ~~an~~
8 ~~Adult Use Cultivation Center~~, craft grower, infuser, or
9 transporting organization licensed by the Department of
10 Agriculture, or a dispensing organization licensed by the
11 Department;

12 (15) An inability to operate using reasonable
13 judgment, skill, or safety due to physical or mental
14 illness or other impairment or disability, including,
15 without limitation, deterioration through the aging
16 process or loss of motor skills or mental incompetence;

17 (16) Failing to report to the Department within the
18 time frames established, or if not identified, 14 days, of
19 any adverse action taken against the dispensing
20 organization or an agent by a licensing jurisdiction in
21 any state or any territory of the United States or any
22 foreign jurisdiction, any governmental agency, any law
23 enforcement agency or any court defined in this Section;

24 (17) Any violation of the dispensing organization's
25 policies and procedures submitted to the Department
26 annually as a condition for licensure;

1 (18) Failure to inform the Department of any change of
2 address within 10 business days;

3 (19) Disclosing customer names, personal information,
4 or protected health information in violation of any State
5 or federal law;

6 (20) Operating a dispensary before obtaining a license
7 from the Department;

8 (21) Performing duties authorized by this Act prior to
9 receiving a license to perform such duties;

10 (22) Dispensing cannabis when prohibited by this Act
11 or rules;

12 (23) Any fact or condition that, if it had existed at
13 the time of the original application for the license,
14 would have warranted the denial of the license;

15 (24) Permitting a person without a valid agent
16 identification card to perform licensed activities under
17 this Act;

18 (25) Failure to assign an agent-in-charge as required
19 by this Article;

20 (26) Failure to provide the training required by
21 paragraph (3) of subsection (i) of Section 15-40 within
22 the provided timeframe;

23 (27) Personnel insufficient in number or unqualified
24 in training or experience to properly operate the
25 dispensary business;

26 (28) Any pattern of activity that causes a harmful

1 impact on the community; and

2 (29) Failing to prevent diversion, theft, or loss of
3 cannabis.

4 (b) All fines and fees imposed under this Section shall be
5 paid within 60 days after the effective date of the order
6 imposing the fine or as otherwise specified in the order.

7 (c) A circuit court order establishing that an
8 agent-in-charge or principal officer holding an agent
9 identification card is subject to involuntary admission as
10 that term is defined in Section 1-119 or 1-119.1 of the Mental
11 Health and Developmental Disabilities Code shall operate as a
12 suspension of that card.

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

14 (410 ILCS 705/Art. 20 heading)

15 Article 20.

16 ~~Adult Use~~ Cultivation Centers

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

18 (410 ILCS 705/20-10)

19 Sec. 20-10. Early Approval of Adult Use Cultivation Center
20 License.

21 (a) Any medical cannabis cultivation center registered and
22 in good standing under the Compassionate Use of Medical
23 Cannabis Program Act as of the effective date of this Act may,
24 within 60 days of the effective date of this Act but no later

1 than 180 days from the effective date of this Act, apply to the
2 Department of Agriculture for an Early Approval Adult Use
3 Cultivation Center License to produce cannabis and
4 cannabis-infused products at its existing facilities as of the
5 effective date of this Act.

6 (b) A medical cannabis cultivation center seeking issuance
7 of an Early Approval Adult Use Cultivation Center License
8 shall submit an application on forms provided by the
9 Department of Agriculture. The application must meet or
10 include the following qualifications:

11 (1) Payment of a nonrefundable application fee of
12 \$100,000 to be deposited into the Cannabis Regulation
13 Fund;

14 (2) Proof of registration as a medical cannabis
15 cultivation center that is in good standing;

16 (3) Submission of the application by the same person
17 or entity that holds the medical cannabis cultivation
18 center registration;

19 (4) Certification that the applicant will comply with
20 the requirements of Section 20-30;

21 (5) The legal name of the cultivation center;

22 (6) The physical address of the cultivation center;

23 (7) The name, address, social security number, and
24 date of birth of each principal officer and board member
25 of the cultivation center; each of those individuals shall
26 be at least 21 years of age;

1 (8) A nonrefundable Cannabis Business Development Fee
2 equal to 5% of the cultivation center's total sales
3 between June 1, 2018 to June 1, 2019 or \$750,000,
4 whichever is less, but at not less than \$250,000, to be
5 deposited into the Cannabis Business Development Fund; and

6 (9) A commitment to completing one of the following
7 Social Equity Inclusion Plans provided for in this
8 subsection (b) before the expiration of the Early Approval
9 Adult Use Cultivation Center License:

10 (A) A contribution of 5% of the cultivation
11 center's total sales from June 1, 2018 to June 1, 2019,
12 or \$100,000, whichever is less, to one of the
13 following:

14 (i) the Cannabis Business Development Fund.
15 This is in addition to the fee required by item (8)
16 of this subsection (b);

17 (ii) a cannabis industry training or education
18 program at an Illinois community college as
19 defined in the Public Community College Act;

20 (iii) a program that provides job training
21 services to persons recently incarcerated or that
22 operates in a Disproportionately Impacted Area.

23 (B) Participate as a host in a cannabis business
24 incubator program for at least one year approved by
25 the Department of Commerce and Economic Opportunity,
26 and in which an Early Approval Adult Use Cultivation

1 Center License holder agrees to provide a loan of at
2 least \$100,000 and mentorship to incubate, for at
3 least a year, a Social Equity Applicant intending to
4 seek a license or a licensee that qualifies as a Social
5 Equity Applicant. As used in this Section, "incubate"
6 means providing direct financial assistance and
7 training necessary to engage in licensed cannabis
8 industry activity similar to that of the host
9 licensee. The Early Approval Adult Use Cultivation
10 Center License holder or the same entity holding any
11 other licenses issued pursuant to this Act shall not
12 take an ownership stake of greater than 10% in any
13 business receiving incubation services to comply with
14 this subsection. If an Early Approval Adult Use
15 Cultivation Center License holder fails to find a
16 business to incubate to comply with this subsection
17 before its Early Approval Adult Use Cultivation Center
18 License expires, it may opt to meet the requirement of
19 this subsection by completing another item from this
20 subsection prior to the expiration of its Early
21 Approval Adult Use Cultivation Center License to avoid
22 a penalty.

23 (c) An Early Approval Adult Use Cultivation Center License
24 is valid until March 31, 2021. A cultivation center that
25 obtains an Early Approval Adult Use Cultivation Center License
26 shall receive written or electronic notice 90 days before the

1 expiration of the license that the license will expire, and
2 inform the license holder that it may renew its Early Approval
3 Adult Use Cultivation Center License. The Department of
4 Agriculture shall grant a renewal of an Early Approval Adult
5 Use Cultivation Center License within 60 days of submission of
6 an application if:

7 (1) the cultivation center submits an application and
8 the required renewal fee of \$100,000 for an Early Approval
9 Adult Use Cultivation Center License;

10 (2) the Department of Agriculture has not suspended
11 the license of the cultivation center or suspended or
12 revoked the license for violating this Act or rules
13 adopted under this Act; and

14 (3) the cultivation center has completed a Social
15 Equity Inclusion Plan as required by item (9) of
16 subsection (b) of this Section.

17 (c-5) The Early Approval Adult Use Cultivation Center
18 License renewed pursuant to subsection (c) of this Section
19 shall expire March 31, 2022. The Early Approval Adult Use
20 Cultivation Center Licensee shall receive written or
21 electronic notice 90 days before the expiration of the license
22 that the license will expire, and inform the license holder
23 that it may apply for a ~~an Adult Use~~ Cultivation Center
24 License. The Department of Agriculture shall grant a
25 Cultivation Center ~~an Adult Use Dispensing Organization~~
26 License within 60 days of an application being deemed complete

1 if the applicant meets all of the criteria in Section 20-21.

2 (d) The license fee required by paragraph (1) of
3 subsection (c) of this Section shall be in addition to any
4 license fee required for the renewal of a registered medical
5 cannabis cultivation center license that expires during the
6 effective period of the Early Approval Adult Use Cultivation
7 Center License.

8 (e) Applicants must submit all required information,
9 including the requirements in subsection (b) of this Section,
10 to the Department of Agriculture. Failure by an applicant to
11 submit all required information may result in the application
12 being disqualified.

13 (f) If the Department of Agriculture receives an
14 application with missing information, the Department may issue
15 a deficiency notice to the applicant. The applicant shall have
16 10 calendar days from the date of the deficiency notice to
17 submit complete information. Applications that are still
18 incomplete after this opportunity to cure may be disqualified.

19 (g) If an applicant meets all the requirements of
20 subsection (b) of this Section, the Department of Agriculture
21 shall issue the Early Approval Adult Use Cultivation Center
22 License within 14 days of receiving the application unless:

23 (1) The licensee; principal officer, board member, or
24 person having a financial or voting interest of 5% or
25 greater in the licensee; or agent is delinquent in filing
26 any required tax returns or paying any amounts owed to the

1 State of Illinois;

2 (2) The Director of Agriculture determines there is
3 reason, based on an inordinate number of documented
4 compliance violations, the licensee is not entitled to an
5 Early Approval Adult Use Cultivation Center License; or

6 (3) The licensee fails to commit to the Social Equity
7 Inclusion Plan.

8 (h) A cultivation center may begin producing cannabis and
9 cannabis-infused products once the Early Approval Adult Use
10 Cultivation Center License is approved. A cultivation center
11 that obtains an Early Approval Adult Use Cultivation Center
12 License may begin selling cannabis and cannabis-infused
13 products on December 1, 2019.

14 (i) An Early Approval Adult Use Cultivation Center License
15 holder must continue to produce and provide an adequate supply
16 of cannabis and cannabis-infused products for purchase by
17 qualifying patients and caregivers. For the purposes of this
18 subsection, "adequate supply" means a monthly production level
19 that is comparable in type and quantity to those medical
20 cannabis products produced for patients and caregivers on an
21 average monthly basis for the 6 months before the effective
22 date of this Act.

23 (j) If there is a shortage of cannabis or cannabis-infused
24 products, a license holder shall prioritize patients
25 registered under the Compassionate Use of Medical Cannabis
26 Program Act over adult use purchasers.

1 (k) If an Early Approval Adult Use Cultivation Center
2 licensee fails to submit an application for a ~~an Adult Use~~
3 Cultivation Center License before the expiration of the Early
4 Approval Adult Use Cultivation Center License pursuant to
5 subsection (c-5) of this Section, the cultivation center shall
6 cease all ~~adult use~~ cultivation until it receives a ~~an Adult~~
7 ~~Use~~ Cultivation Center License.

8 (l) A cultivation center agent who holds a valid
9 cultivation center agent identification card issued under the
10 Compassionate Use of Medical Cannabis Program Act and is an
11 officer, director, manager, or employee of the cultivation
12 center licensed under this Section may engage in all
13 activities authorized by this Article to be performed by a
14 cultivation center agent.

15 (m) If the Department of Agriculture suspends or revokes
16 the Early Approval Adult Use Cultivation Center License of a
17 cultivation center that also holds a medical cannabis
18 cultivation center license issued under the Compassionate Use
19 of Medical Cannabis Program Act, the Department of Agriculture
20 may suspend or revoke the medical cannabis cultivation center
21 license concurrently with the Early Approval Adult Use
22 Cultivation Center License.

23 (n) All fees or fines collected from an Early Approval
24 Adult Use Cultivation Center License holder as a result of a
25 disciplinary action in the enforcement of this Act shall be
26 deposited into the Cannabis Regulation Fund.

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

2 (410 ILCS 705/20-15)

3 Sec. 20-15. Conditional ~~Adult Use~~ Cultivation Center
4 application.

5 (a) If the Department of Agriculture makes available
6 additional cultivation center licenses pursuant to Section
7 20-5, applicants for a Conditional Adult Use Cultivation
8 Center License shall electronically submit the following in
9 such form as the Department of Agriculture may direct:

10 (1) the nonrefundable application fee set by rule by
11 the Department of Agriculture, to be deposited into the
12 Cannabis Regulation Fund;

13 (2) the legal name of the cultivation center;

14 (3) the proposed physical address of the cultivation
15 center;

16 (4) the name, address, social security number, and
17 date of birth of each principal officer and board member
18 of the cultivation center; each principal officer and
19 board member shall be at least 21 years of age;

20 (5) the details of any administrative or judicial
21 proceeding in which any of the principal officers or board
22 members of the cultivation center (i) pled guilty, were
23 convicted, were fined, or had a registration or license
24 suspended or revoked, or (ii) managed or served on the
25 board of a business or non-profit organization that pled

1 guilty, was convicted, was fined, or had a registration or
2 license suspended or revoked;

3 (6) proposed operating bylaws that include procedures
4 for the oversight of the cultivation center, including the
5 development and implementation of a plant monitoring
6 system, accurate recordkeeping, staffing plan, and
7 security plan approved by the Illinois State Police that
8 are in accordance with the rules issued by the Department
9 of Agriculture under this Act. A physical inventory shall
10 be performed of all plants and cannabis on a weekly basis
11 by the cultivation center;

12 (7) verification from the Illinois State Police that
13 all background checks of the prospective principal
14 officers, board members, and agents of the cannabis
15 business establishment have been conducted;

16 (8) a copy of the current local zoning ordinance or
17 permit and verification that the proposed cultivation
18 center is in compliance with the local zoning rules and
19 distance limitations established by the local
20 jurisdiction;

21 (9) proposed employment practices, in which the
22 applicant must demonstrate a plan of action to inform,
23 hire, and educate minorities, women, veterans, and persons
24 with disabilities, engage in fair labor practices, and
25 provide worker protections;

26 (10) whether an applicant can demonstrate experience

1 in or business practices that promote economic empowerment
2 in Disproportionately Impacted Areas;

3 (11) experience with the cultivation of agricultural
4 or horticultural products, operating an agriculturally
5 related business, or operating a horticultural business;

6 (12) a description of the enclosed, locked facility
7 where cannabis will be grown, harvested, manufactured,
8 processed, packaged, or otherwise prepared for
9 distribution to a dispensing organization;

10 (13) a survey of the enclosed, locked facility,
11 including the space used for cultivation;

12 (14) cultivation, processing, inventory, and packaging
13 plans;

14 (15) a description of the applicant's experience with
15 agricultural cultivation techniques and industry
16 standards;

17 (16) a list of any academic degrees, certifications,
18 or relevant experience of all prospective principal
19 officers, board members, and agents of the related
20 business;

21 (17) the identity of every person having a financial
22 or voting interest of 5% or greater in the cultivation
23 center operation with respect to which the license is
24 sought, whether a trust, corporation, partnership, limited
25 liability company, or sole proprietorship, including the
26 name and address of each person;

1 (18) a plan describing how the cultivation center will
2 address each of the following:

3 (i) energy needs, including estimates of monthly
4 electricity and gas usage, to what extent it will
5 procure energy from a local utility or from on-site
6 generation, and if it has or will adopt a sustainable
7 energy use and energy conservation policy;

8 (ii) water needs, including estimated water draw
9 and if it has or will adopt a sustainable water use and
10 water conservation policy; and

11 (iii) waste management, including if it has or
12 will adopt a waste reduction policy;

13 (19) a diversity plan that includes a narrative of not
14 more than 2,500 words that establishes a goal of diversity
15 in ownership, management, employment, and contracting to
16 ensure that diverse participants and groups are afforded
17 equality of opportunity;

18 (20) any other information required by rule;

19 (21) a recycling plan:

20 (A) Purchaser packaging, including cartridges,
21 shall be accepted by the applicant and recycled.

22 (B) Any recyclable waste generated by the cannabis
23 cultivation facility shall be recycled per applicable
24 State and local laws, ordinances, and rules.

25 (C) Any cannabis waste, liquid waste, or hazardous
26 waste shall be disposed of in accordance with 8 Ill.

1 Adm. Code 1000.460, except, to the greatest extent
2 feasible, all cannabis plant waste will be rendered
3 unusable by grinding and incorporating the cannabis
4 plant waste with compostable mixed waste to be
5 disposed of in accordance with 8 Ill. Adm. Code
6 1000.460(g)(1);

7 (22) commitment to comply with local waste provisions:
8 a cultivation facility must remain in compliance with
9 applicable State and federal environmental requirements,
10 including, but not limited to:

11 (A) storing, securing, and managing all
12 recyclables and waste, including organic waste
13 composed of or containing finished cannabis and
14 cannabis products, in accordance with applicable State
15 and local laws, ordinances, and rules; and

16 (B) disposing liquid waste containing cannabis or
17 byproducts of cannabis processing in compliance with
18 all applicable State and federal requirements,
19 including, but not limited to, the cannabis
20 cultivation facility's permits under Title X of the
21 Environmental Protection Act; and

22 (23) a commitment to a technology standard for
23 resource efficiency of the cultivation center facility.

24 (A) A cannabis cultivation facility commits to use
25 resources efficiently, including energy and water. For
26 the following, a cannabis cultivation facility commits

1 to meet or exceed the technology standard identified
2 in items (i), (ii), (iii), and (iv), which may be
3 modified by rule:

4 (i) lighting systems, including light bulbs;

5 (ii) HVAC system;

6 (iii) water application system to the crop;

7 and

8 (iv) filtration system for removing
9 contaminants from wastewater.

10 (B) Lighting. The Lighting Power Densities (LPD)
11 for cultivation space commits to not exceed an average
12 of 36 watts per gross square foot of active and growing
13 space canopy, or all installed lighting technology
14 shall meet a photosynthetic photon efficacy (PPE) of
15 no less than 2.2 micromoles per joule fixture and
16 shall be featured on the DesignLights Consortium (DLC)
17 Horticultural Specification Qualified Products List
18 (QPL). In the event that DLC requirement for minimum
19 efficacy exceeds 2.2 micromoles per joule fixture,
20 that PPE shall become the new standard.

21 (C) HVAC.

22 (i) For cannabis grow operations with less
23 than 6,000 square feet of canopy, the licensee
24 commits that all HVAC units will be
25 high-efficiency ductless split HVAC units, or
26 other more energy efficient equipment.

1 (ii) For cannabis grow operations with 6,000
2 square feet of canopy or more, the licensee
3 commits that all HVAC units will be variable
4 refrigerant flow HVAC units, or other more energy
5 efficient equipment.

6 (D) Water application.

7 (i) The cannabis cultivation facility commits
8 to use automated watering systems, including, but
9 not limited to, drip irrigation and flood tables,
10 to irrigate cannabis crop.

11 (ii) The cannabis cultivation facility commits
12 to measure runoff from watering events and report
13 this volume in its water usage plan, and that on
14 average, watering events shall have no more than
15 20% of runoff of water.

16 (E) Filtration. The cultivator commits that HVAC
17 condensate, dehumidification water, excess runoff, and
18 other wastewater produced by the cannabis cultivation
19 facility shall be captured and filtered to the best of
20 the facility's ability to achieve the quality needed
21 to be reused in subsequent watering rounds.

22 (F) Reporting energy use and efficiency as
23 required by rule.

24 (b) Applicants must submit all required information,
25 including the information required in Section 20-10, to the
26 Department of Agriculture. Failure by an applicant to submit

1 all required information may result in the application being
2 disqualified.

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

10 (d) (Blank).

11 (e) A cultivation center that is awarded a Conditional
12 Adult Use Cultivation Center License pursuant to the criteria
13 in Section 20-20 shall not grow, purchase, possess, or sell
14 cannabis or cannabis-infused products until the person has
15 received an Adult Use Cultivation Center License issued by the
16 Department of Agriculture pursuant to Section 20-21 of this
17 Act.

18 (Source: P.A. 104-417, eff. 8-15-25.)

19 (410 ILCS 705/20-20)

20 Sec. 20-20. Conditional Cultivation Center ~~Adult Use~~
21 License scoring applications.

22 (a) The Department of Agriculture shall by rule develop a
23 system to score cultivation center applications to
24 administratively rank applications based on the clarity,
25 organization, and quality of the applicant's responses to

1 required information. Applicants shall be awarded points based
2 on the following categories:

3 (1) Suitability of the proposed facility;

4 (2) Suitability of employee training plan;

5 (3) Security and recordkeeping;

6 (4) Cultivation plan;

7 (5) Product safety and labeling plan;

8 (6) Business plan;

9 (7) The applicant's status as a Social Equity
10 Applicant, which shall constitute no less than 20% of
11 total available points;

12 (8) Labor and employment practices, which shall
13 constitute no less than 2% of total available points;

14 (9) Environmental plan as described in paragraphs
15 (18), (21), (22), and (23) of subsection (a) of Section
16 20-15;

17 (10) The applicant is 51% or more owned and controlled
18 by an individual or individuals who have been an Illinois
19 resident for the past 5 years as proved by tax records or 2
20 of the following:

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

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

25 (C) school records;

26 (D) a voter registration card;

1 (E) an Illinois driver's license, an Illinois
2 Identification Card, or an Illinois Person with a
3 Disability Identification Card;

4 (F) a paycheck stub;

5 (G) a utility bill; or

6 (H) any other proof of residency or other
7 information necessary to establish residence as
8 provided by rule;

9 (11) The applicant is 51% or more controlled and owned
10 by an individual or individuals who meet the
11 qualifications of a veteran as defined by Section 45-57 of
12 the Illinois Procurement Code;

13 (12) a diversity plan that includes a narrative of not
14 more than 2,500 words that establishes a goal of diversity
15 in ownership, management, employment, and contracting to
16 ensure that diverse participants and groups are afforded
17 equality of opportunity; and

18 (13) Any other criteria the Department of Agriculture
19 may set by rule for points.

20 (b) The Department may also award bonus points for the
21 applicant's plan to engage with the community. Bonus points
22 will only be awarded if the Department receives applications
23 that receive an equal score for a particular region.

24 (c) Should the applicant be awarded a cultivation center
25 license, the information and plans that an applicant provided
26 in its application, including any plans submitted for the

1 acquiring of bonus points, becomes a mandatory condition of
2 the permit. Any variation from or failure to perform such
3 plans may result in discipline, including the revocation or
4 nonrenewal of a license.

5 (d) Should the applicant be awarded a cultivation center
6 license, it shall pay a fee of \$100,000 prior to receiving the
7 license, to be deposited into the Cannabis Regulation Fund.
8 The Department of Agriculture may by rule adjust the fee in
9 this Section after January 1, 2021.

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

11 (410 ILCS 705/20-21)

12 Sec. 20-21. ~~Adult Use~~ Cultivation Center License.

13 (a) A person or entity is only eligible to receive a ~~an~~
14 ~~Adult Use~~ Cultivation Center License if the person or entity
15 has first been awarded a Conditional ~~Adult Use~~ Cultivation
16 Center License pursuant to this Act or the person or entity has
17 renewed its Early Approval Cultivation Center License pursuant
18 to subsection (c) of Section 20-10.

19 (b) The Department of Agriculture shall not issue a ~~an~~
20 ~~Adult Use~~ Cultivation Center License until:

21 (1) the Department of Agriculture has inspected the
22 cultivation center site and proposed operations and
23 verified that they are in compliance with this Act and
24 local zoning laws;

25 (2) the Conditional ~~Adult Use~~ Cultivation Center

1 License holder has paid a registration fee of \$100,000 or
2 a prorated amount accounting for the difference of time
3 between when the ~~Adult Use~~ Cultivation Center License is
4 issued and March 31 of the next even-numbered year; and

5 (3) The Conditional ~~Adult Use~~ Cultivation Center
6 License holder has met all the requirements in the Act and
7 rules.

8 (c) Notwithstanding any other provision of law, on and
9 after July 1, 2026, the Department shall cease to issue or
10 renew any medical cannabis cultivation permit issued under the
11 Compassionate Use of Medical Cannabis Act. Licensees that hold
12 dual Medical Cannabis Cultivation Permits and Adult Use
13 Cultivation Center Licenses may continue all operations with a
14 valid Cultivation Center License issued under this Act that is
15 in good standing.

16 (1) The Department shall create a process for
17 licensees under this subsection (c) to transition to sole
18 operation as Cultivation Centers, which includes a refund
19 or proration of medical cultivation center permit fees.

20 (2) Any statements or plans submitted as part of an
21 initial application for a medical cannabis cultivation
22 permit, as well as all subsequent modifications and
23 alterations, shall remain a mandatory condition of the
24 cultivation center license.

25 (3) Cultivation Centers shall not relocate except
26 within the same Illinois State Police District boundary as

1 specified on the date in which the initial Medical
2 Cannabis Cultivation Permit was initially issued.

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

4 (410 ILCS 705/20-30)

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

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

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

20 (c) All cultivation of cannabis by a cultivation center
21 must take place in an enclosed, locked facility at the
22 physical address provided to the Department of Agriculture
23 during the licensing process. The cultivation center location
24 shall only be accessed by the agents working for the
25 cultivation center, the Department of Agriculture staff

1 performing inspections, the Department of Public Health staff
2 performing inspections, local and State law enforcement or
3 other emergency personnel, contractors working on jobs
4 unrelated to cannabis, such as installing or maintaining
5 security devices or performing electrical wiring, transporting
6 organization agents as provided in this Act, individuals in a
7 mentoring or educational program approved by the State, or
8 other individuals as provided by rule.

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

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

22 (f) All cannabis harvested by a cultivation center and
23 intended for distribution to a dispensing organization must be
24 entered into a data collection system, packaged and labeled
25 under Section 55-21, and placed into a cannabis container for
26 transport. All cannabis harvested by a cultivation center and

1 intended for distribution to a craft grower or infuser
2 organization must be packaged in a labeled cannabis container
3 and entered into a data collection system before transport.

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

8 (h) A cultivation center agent shall notify local law
9 enforcement, the Illinois State Police, and the Department of
10 Agriculture within 24 hours of the discovery of any loss or
11 theft. Notification shall be made by phone or in person, or by
12 written or electronic communication.

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

16 (j) No person or entity shall hold any legal, equitable,
17 ownership, or beneficial interest, directly or indirectly, of
18 more than 3 cultivation centers licensed under this Article.
19 Further, no person or entity that is employed by, an agent of,
20 has a contract to receive payment in any form from a
21 cultivation center, is a principal officer of a cultivation
22 center, or entity controlled by or affiliated with a principal
23 officer of a cultivation shall hold any legal, equitable,
24 ownership, or beneficial interest, directly or indirectly, in
25 a cultivation that would result in the person or entity owning
26 or controlling in combination with any cultivation center,

1 principal officer of a cultivation center, or entity
2 controlled or affiliated with a principal officer of a
3 cultivation center by which he, she, or it is employed, is an
4 agent of, or participates in the management of, more than 3
5 cultivation center licenses.

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

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

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

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

1 holding an Early Approval Adult Use Dispensing Organization
2 License, a Conditional Adult Use Dispensing Organization
3 License, an Adult Use Dispensing Organization License, or a
4 medical cannabis dispensing organization license issued under
5 the Compassionate Use of Medical Cannabis Program Act, or to
6 any stockholders in any corporation engaged in the retail sale
7 of cannabis, or to any officer, manager, agent, or
8 representative of the Early Approval Adult Use Dispensing
9 Organization License, a Conditional Adult Use Dispensing
10 Organization License, an Adult Use Dispensing Organization
11 License, or a medical cannabis dispensing organization license
12 issued under the Compassionate Use of Medical Cannabis Program
13 Act to obtain preferential placement within the dispensing
14 organization, including, without limitation, on shelves and in
15 display cases where purchasers can view products, or on the
16 dispensing organization's website.

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

20 (p) A cultivation center may not be located within 2,500
21 feet of the property line of a preexisting public or private
22 preschool or elementary or secondary school or day care
23 center, day care home, group day care home, part day child care
24 facility, or an area zoned for residential use.

25 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19;
26 102-98, eff. 7-15-21; 102-538, eff. 8-20-21; 102-813, eff.

1 5-13-22.)

2 (410 ILCS 705/20-45)

3 Sec. 20-45. Renewal of cultivation center licenses and
4 agent identification cards.

5 (a) Licenses and identification cards issued under this
6 Act shall be renewed annually. A cultivation center shall
7 receive written or electronic notice 90 days before the
8 expiration of its current license that the license will
9 expire. The Department of Agriculture shall grant a renewal
10 within 45 days of submission of a renewal application if:

11 (1) the cultivation center submits a renewal
12 application and the required nonrefundable renewal fee of
13 \$100,000, or another amount as the Department of
14 Agriculture may set by rule after January 1, 2021, to be
15 deposited into the Cannabis Regulation Fund. On or after
16 July 1, 2026, the Cultivation Center License renewal fee
17 shall be \$200,000 to be deposited into the Cannabis
18 Regulation Fund. Licensees that have not yet renewed their
19 medical permit in calendar year 2026 by July 1, 2026 shall
20 remit \$100,000 by December 31, 2026 to be deposited into
21 the Cannabis Regulation Fund. Licensees that renewed both
22 a Cultivation Center License and a Medical Cultivation
23 Center Permit under the Compassionate Use of Medical
24 Cannabis Act between March 1, 2026 and July 1, 2026 do not
25 owe any additional fees until the next renewal period.

1 (2) the Department of Agriculture has not suspended
2 the license of the cultivation center or suspended or
3 revoked the license for violating this Act or rules
4 adopted under this Act;

5 (3) the cultivation center has continued to operate in
6 accordance with all plans submitted as part of its
7 application and approved by the Department of Agriculture
8 or any amendments thereto that have been approved by the
9 Department of Agriculture;

10 (4) the cultivation center has submitted an agent,
11 employee, contracting, and subcontracting diversity report
12 as required by the Department; and

13 (5) the cultivation center has submitted an
14 environmental impact report.

15 (b) If a cultivation center fails to renew its license
16 before expiration, it shall cease operations until its license
17 is renewed.

18 (c) If a cultivation center agent fails to renew his or her
19 identification card before its expiration, he or she shall
20 cease to work as an agent of the cultivation center until his
21 or her identification card is renewed.

22 (d) Any cultivation center that continues to operate, or
23 any cultivation center agent who continues to work as an
24 agent, after the applicable license or identification card has
25 expired without renewal is subject to the penalties provided
26 under Section 45-5.

1 (e) The Department of Agriculture shall not renew a
2 license or an agent identification card if the applicant is
3 delinquent in filing any required tax returns or paying any
4 amounts owed to the State of Illinois

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

6 (410 ILCS 705/20-50 rep.)

7 Section 40. The Cannabis Regulation and Tax Act is amended
8 by repealing Section 20-50.

9 Section 45. The Cannabis Regulation and Tax Act is amended
10 by changing Sections 25-35, 30-35, and 30-45 as follows:

11 (410 ILCS 705/25-35)

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

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

15 (a) The Department shall:

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

21 (2) verify the information contained in an initial
22 application or renewal application for an agent
23 identification card submitted under this Article, and

1 approve or deny an application within 30 days of receiving
2 a completed initial application or renewal application and
3 all supporting documentation required by rule;

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

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

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

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

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

20 (1) the name of the cardholder;

21 (2) the date of issuance and expiration date of the
22 identification card;

23 (3) a random 10-digit alphanumeric identification
24 number containing at least 4 numbers and at least 4
25 letters that is unique to the holder;

26 (4) a photograph of the cardholder; and

1 (5) the legal name of the community college employing
2 the agent.

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

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

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

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

22 (Source: P.A. 101-27, eff. 6-25-19; 102-98, eff. 7-15-21;
23 102-538, eff. 8-20-21; 102-813, eff. 5-13-22.)

24 (410 ILCS 705/30-35)

25 Sec. 30-35. Craft grower agent identification card.

1 (a) The Department of Agriculture shall:

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

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

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

16 (4) enter the license number of the craft grower where
17 the agent works; and

18 (5) allow for an electronic initial application and
19 renewal application process, and provide a confirmation by
20 electronic or other methods that an application has been
21 submitted. The Department of Agriculture may by rule
22 require prospective agents to file their applications by
23 electronic means and provide notices to the agents by
24 electronic means.

25 (b) An agent must keep his or her identification card
26 visible at all times when on the property of a cannabis

1 business establishment, including the craft grower
2 organization for which he or she is an agent.

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

5 (1) the name of the cardholder;

6 (2) the date of issuance and expiration date of the
7 identification card;

8 (3) a random 10-digit alphanumeric identification
9 number containing at least 4 numbers and at least 4
10 letters that is unique to the holder;

11 (4) a photograph of the cardholder; and

12 (5) the legal name of the craft grower organization
13 employing the agent.

14 (d) An agent identification card shall be immediately
15 returned to the cannabis business establishment of the agent
16 upon termination of his or her employment.

17 (e) Any agent identification card lost by a craft grower
18 agent shall be reported to the Illinois State Police and the
19 Department of Agriculture immediately upon discovery of the
20 loss.

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

25 (Source: P.A. 101-27, eff. 6-25-19; 102-538, eff. 8-20-21.)

1 (410 ILCS 705/30-45)

2 Sec. 30-45. Renewal of craft grower licenses and agent
3 identification cards.

4 (a) Licenses and identification cards issued under this
5 Act shall be renewed annually. A craft grower shall receive
6 written or electronic notice 90 days before the expiration of
7 its current license that the license will expire. The
8 Department of Agriculture shall grant a renewal within 45 days
9 of submission of a renewal application if:

10 (1) the craft grower submits a renewal application and
11 the required nonrefundable renewal fee of \$40,000, or
12 another amount as the Department of Agriculture may set by
13 rule after January 1, 2021;

14 (2) the Department of Agriculture has not suspended
15 the license of the craft grower or suspended or revoked
16 the license for violating this Act or rules adopted under
17 this Act;

18 (3) the craft grower has continued to operate in
19 accordance with all plans submitted as part of its
20 application and approved by the Department of Agriculture
21 or any amendments thereto that have been approved by the
22 Department of Agriculture;

23 (4) the craft grower has submitted an agent, employee,
24 contracting, and subcontracting diversity report as
25 required by the Department; and

26 (5) the craft grower has submitted an environmental

1 impact report.

2 (b) If a craft grower fails to renew its license before
3 expiration, it shall cease operations until its license is
4 renewed.

5 (c) If a craft grower agent fails to renew his or her
6 identification card before its expiration, he or she shall
7 cease to work as an agent of the craft grower organization
8 until his or her identification card is renewed.

9 (d) Any craft grower that continues to operate, or any
10 craft grower agent who continues to work as an agent, after the
11 applicable license or identification card has expired without
12 renewal is subject to the penalties provided under Section
13 45-5.

14 (e) All fees or fines collected from the renewal of a craft
15 grower license shall be deposited into the Cannabis Regulation
16 Fund.

17 (f) The Department of Agriculture shall not renew a
18 license or an agent identification card if the applicant is
19 delinquent in filing any required tax returns or paying any
20 amounts owed to the State of Illinois

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

22 (410 ILCS 705/30-50 rep.)

23 Section 50. The Cannabis Regulation and Tax Act is amended
24 by repealing Section 30-50.

1 Section 55. The Cannabis Regulation and Tax Act is amended
2 by changing Sections 35-25, 35-30, 55-5, 55-10, 55-85, 60-5,
3 60-10, 65-5, 65-10, 65-30, 65-38, and 65-42 as follows:

4 (410 ILCS 705/35-25)

5 Sec. 35-25. Infuser organization requirements;
6 prohibitions.

7 (a) The operating documents of an infuser shall include
8 procedures for the oversight of the infuser, an inventory
9 monitoring system including a physical inventory recorded
10 weekly, accurate recordkeeping, and a staffing plan.

11 (b) An infuser shall implement a security plan reviewed by
12 the Illinois State Police that includes, but is not limited
13 to: facility access controls, perimeter intrusion detection
14 systems, personnel identification systems, and a 24-hour
15 surveillance system to monitor the interior and exterior of
16 the infuser facility and that is accessible to authorized law
17 enforcement, the Department of Public Health, and the
18 Department of Agriculture in real time.

19 (c) All processing of cannabis by an infuser must take
20 place in an enclosed, locked facility at the physical address
21 provided to the Department of Agriculture during the licensing
22 process. The infuser location shall only be accessed by the
23 agents working for the infuser, the Department of Agriculture
24 staff performing inspections, the Department of Public Health
25 staff performing inspections, State and local law enforcement

1 or other emergency personnel, contractors working on jobs
2 unrelated to cannabis, such as installing or maintaining
3 security devices or performing electrical wiring, transporting
4 organization agents as provided in this Act, participants in
5 the incubator program, individuals in a mentoring or
6 educational program approved by the State, local safety or
7 health inspectors, or other individuals as provided by rule.
8 However, if an infuser shares a premises with a craft grower or
9 dispensing organization, agents from these other licensees may
10 access the infuser portion of the premises if that is the
11 location of common bathrooms, lunchrooms, locker rooms, or
12 other areas of the building where processing of cannabis is
13 not performed. At no time may a craft grower or dispensing
14 organization agent perform work at an infuser without being a
15 registered agent of the infuser.

16 (d) An infuser may not sell or distribute any cannabis to
17 any person other than a dispensing organization, or as
18 otherwise authorized by rule.

19 (e) An infuser may not either directly or indirectly
20 discriminate in price between different cannabis business
21 establishments that are purchasing a like grade, strain,
22 brand, and quality of cannabis or cannabis-infused product.
23 Nothing in this subsection (e) prevents an infuser from
24 pricing cannabis differently based on differences in the cost
25 of manufacturing or processing, the quantities sold, such
26 volume discounts, or the way the products are delivered.

1 (f) All cannabis infused by an infuser and intended for
2 distribution to a dispensing organization must be entered into
3 a data collection system, packaged and labeled under Section
4 55-21, and, if distribution is to a dispensing organization
5 that does not share a premises with the infuser, placed into a
6 cannabis container for transport. All cannabis produced by an
7 infuser and intended for distribution to a cultivation center,
8 infuser organization, or craft grower with which it does not
9 share a premises, must be packaged in a labeled cannabis
10 container and entered into a data collection system before
11 transport.

12 (g) Infusers are subject to random inspections by the
13 Department of Agriculture, the Department of Public Health,
14 the Illinois State Police, local law enforcement, or as
15 provided by rule.

16 (h) An infuser agent shall notify local law enforcement,
17 the Illinois State Police, and the Department of Agriculture
18 within 24 hours of the discovery of any loss or theft.
19 Notification shall be made by phone, in person, or by written
20 or electronic communication.

21 (i) An infuser organization may not be located in an area
22 zoned for residential use.

23 (j) An infuser or infuser agent shall not transport
24 cannabis or cannabis-infused products to any other cannabis
25 business establishment without a transport organization
26 license unless:

1 (i) If the infuser is located in a county with a
2 population of 3,000,000 or more, the cannabis business
3 establishment receiving the cannabis or cannabis-infused
4 product is within 2,000 feet of the property line of the
5 infuser;

6 (ii) If the infuser is located in a county with a
7 population of more than 700,000 but fewer than 3,000,000,
8 the cannabis business establishment receiving the cannabis
9 or cannabis-infused product is within 2 miles of the
10 infuser; or

11 (iii) If the infuser is located in a county with a
12 population of fewer than 700,000, the cannabis business
13 establishment receiving the cannabis or cannabis-infused
14 product is within 15 miles of the infuser.

15 (k) An infuser may enter into a contract with a
16 transporting organization to transport cannabis to a
17 dispensing organization or a laboratory.

18 (l) An infuser organization may share premises with a
19 craft grower or a dispensing organization, or both, provided
20 each licensee stores currency and cannabis or cannabis-infused
21 products in a separate secured vault to which the other
22 licensee does not have access or all licensees sharing a vault
23 share more than 50% of the same ownership.

24 (m) It is unlawful for any person or entity having an
25 infuser organization license or any officer, associate,
26 member, representative or agent of such licensee to offer or

1 deliver money, or anything else of value, directly or
2 indirectly to any person having an Early Approval Adult Use
3 Dispensing Organization License, a Conditional Adult Use
4 Dispensing Organization License, an Adult Use Dispensing
5 Organization License, or a medical cannabis dispensing
6 organization license issued under the Compassionate Use of
7 Medical Cannabis Program Act, or to any person connected with
8 or in any way representing, or to any member of the family of,
9 such person holding an Early Approval Adult Use Dispensing
10 Organization License, a Conditional Adult Use Dispensing
11 Organization License, an Adult Use Dispensing Organization
12 License, or a medical cannabis dispensing organization license
13 issued under the Compassionate Use of Medical Cannabis Program
14 Act, or to any stockholders in any corporation engaged the
15 retail sales of cannabis, or to any officer, manager, agent,
16 or representative of the Early Approval Adult Use Dispensing
17 Organization License, a Conditional Adult Use Dispensing
18 Organization License, an Adult Use Dispensing Organization
19 License, or a medical cannabis dispensing organization license
20 issued under the Compassionate Use of Medical Cannabis Program
21 Act to obtain preferential placement within the dispensing
22 organization, including, without limitation, on shelves and in
23 display cases where purchasers can view products, or on the
24 dispensing organization's website.

25 (n) At no time shall an infuser organization or an infuser
26 agent perform the extraction of cannabis concentrate from

1 cannabis flower, except if the infuser organization has also
2 been issued a processor license under subsection (f) of
3 Section 35-31.

4 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19;
5 102-98, eff. 7-15-21; 102-538, eff. 8-20-21; 102-813, eff.
6 5-13-22.)

7 (410 ILCS 705/35-30)

8 Sec. 35-30. Infuser agent identification card.

9 (a) The Department of Agriculture shall:

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

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

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

24 (4) enter the license number of the infuser where the
25 agent works; and

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

8 (b) An agent must keep his or her identification card
9 visible at all times when on the property of a cannabis
10 business establishment including the cannabis business
11 establishment for which he or she is an agent.

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

14 (1) the name of the cardholder;

15 (2) the date of issuance and expiration date of the
16 identification card;

17 (3) a random 10-digit alphanumeric identification
18 number containing at least 4 numbers and at least 4
19 letters that is unique to the holder;

20 (4) a photograph of the cardholder; and

21 (5) the legal name of the infuser organization
22 employing the agent.

23 (d) An agent identification card shall be immediately
24 returned to the infuser organization of the agent upon
25 termination of his or her employment.

26 (e) Any agent identification card lost by a transporting

1 agent shall be reported to the Illinois State Police and the
2 Department of Agriculture immediately upon discovery of the
3 loss.

4 (f) An agent applicant may begin employment at an infuser
5 organization while the agent applicant's identification card
6 application is pending. Upon approval, the Department shall
7 issue the agent's identification card to the agent. If denied,
8 the infuser organization and the agent applicant shall be
9 notified and the agent applicant must cease all activity at
10 the infuser organization immediately.

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

15 (Source: P.A. 101-27, eff. 6-25-19; 102-98, eff. 7-15-21;
16 102-538, eff. 8-20-21; 102-813, eff. 5-13-22.)

17 (410 ILCS 705/55-5)

18 Sec. 55-5. Preparation of cannabis-infused products.

19 (a) The Department of Agriculture may regulate the
20 production of cannabis-infused products by a cultivation
21 center, a craft grower, an infuser organization, or a
22 dispensing organization and establish rules related to
23 refrigeration, hot-holding, and handling of cannabis-infused
24 products. All cannabis-infused products shall meet the
25 packaging and labeling requirements contained in Section

1 55-21.

2 (b) Cannabis-infused products for sale or distribution at
3 a dispensing organization must be prepared by an approved
4 agent of a cultivation center, craft grower, or infuser
5 organization.

6 (c) A cultivation center, craft grower, or infuser
7 organization that prepares cannabis-infused products for sale
8 or distribution by a dispensing organization shall be under
9 the operational supervision of a Department of Public Health
10 certified food service sanitation manager.

11 (d) Dispensing organizations may not manufacture, process,
12 or produce cannabis-infused products.

13 (e) The Department of Public Health shall adopt and
14 enforce rules for the manufacture and processing of
15 cannabis-infused products, and for that purpose it may at all
16 times enter every building, room, basement, enclosure, or
17 premises occupied or used, or suspected of being occupied or
18 used, for the production, preparation, manufacture for sale,
19 storage, sale, processing, distribution, or transportation of
20 cannabis-infused products, and to inspect the premises
21 together with all utensils, fixtures, furniture, and machinery
22 used for the preparation of these products.

23 (f) The Department of Agriculture shall by rule establish
24 a maximum level of THC that may be contained in each serving of
25 cannabis-infused product, and within the product package.

26 (g) If a local public health agency has a reasonable

1 belief that a cannabis-infused product poses a public health
2 hazard, it may refer the cultivation center, craft grower, or
3 infuser that manufactured or processed the cannabis-infused
4 product to the Department of Public Health. If the Department
5 of Public Health finds that a cannabis-infused product poses a
6 health hazard, it may bring an action for immediate injunctive
7 relief to require that action be taken as the court may deem
8 necessary to meet the hazard of the cultivation facility or
9 seek other relief as provided by rule.

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

11 (410 ILCS 705/55-10)

12 Sec. 55-10. Maintenance of inventory. Through June 30,
13 2026, all ~~All~~ dispensing organizations authorized to serve
14 both registered qualifying patients and caregivers and
15 purchasers are required to report which cannabis and
16 cannabis-infused products are purchased for sale under the
17 Compassionate Use of Medical Cannabis Program Act, and which
18 cannabis and cannabis-infused products are purchased under
19 this Act. Nothing in this Section prohibits a registered
20 qualifying patient under the Compassionate Use of Medical
21 Cannabis Program Act from purchasing cannabis as a purchaser
22 under this Act.

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

24 (410 ILCS 705/55-85)

1 Sec. 55-85. Medical cannabis.

2 ~~(a)~~ Nothing in this Act shall be construed to limit any
3 privileges or rights of a qualifying ~~medical cannabis~~ patient
4 including minor patients, designated ~~primary~~ caregiver,
5 medical cannabis cultivation center, or medical cannabis
6 dispensing organization under the Compassionate Use of Medical
7 Cannabis Program Act, and where there is conflict between this
8 Act and the Compassionate Use of Medical Cannabis Program Act
9 as they relate to medical cannabis patients, the Compassionate
10 Use of Medical Cannabis Program Act shall prevail.

11 ~~(b) Dispensary locations that obtain an Early Approval
12 Adult Use Dispensary Organization License or an Adult Use
13 Dispensary Organization License in accordance with this Act at
14 the same location as a medical cannabis dispensing
15 organization registered under the Compassionate Use of Medical
16 Cannabis Program Act shall maintain an inventory of medical
17 cannabis and medical cannabis products on a monthly basis that
18 is substantially similar in variety and quantity to the
19 products offered at the dispensary during the 6 month period
20 immediately before the effective date of this Act.~~

21 ~~(c) Beginning June 30, 2020, the Department of Agriculture
22 shall make a quarterly determination whether inventory
23 requirements established for dispensaries in subsection (b)
24 should be adjusted due to changing patient need.~~

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

1 (410 ILCS 705/60-5)

2 Sec. 60-5. Definitions. In this Article:

3 "Cannabis" has the meaning given to that term in Article 1
4 of this Act, except that, through June 30, 2026, it does not
5 include cannabis that is subject to tax under the
6 Compassionate Use of Medical Cannabis Program Act.

7 "Craft grower" has the meaning given to that term in
8 Article 1 of this Act.

9 "Cultivation center" has the meaning given to that term in
10 Article 1 of this Act. On and after July 1, 2026, "cultivation
11 center" includes any cultivation center which, prior to July
12 1, 2026, was a cultivation center as defined in the
13 Compassionate Use of Medical Cannabis Program Act.

14 "Cultivator" or "taxpayer" means a cultivation center or
15 craft grower who is subject to tax under this Article. On and
16 after July 1, 2026, "cultivator" includes any cultivator
17 which, prior to July 1, 2026, was a cultivator as defined under
18 the Compassionate Use of Medical Cannabis Program Act.

19 "Department" means the Department of Revenue.

20 "Director" means the Director of Revenue.

21 "Dispensing organization" or "dispensary" has the meaning
22 given to that term in Article 1 of this Act.

23 "Gross receipts" from the sales of cannabis by a
24 cultivator means the total selling price or the amount of such
25 sales, as defined in this Article. In the case of charges and
26 time sales, the amount thereof shall be included only when

1 payments are received by the cultivator.

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

7 "Infuser" means "infuser organization" or "infuser" as
8 defined in Article 1 of this Act.

9 "Selling price" or "amount of sale" means the
10 consideration for a sale valued in money whether received in
11 money or otherwise, including cash, credits, property, and
12 services, and shall be determined without any deduction on
13 account of the cost of the property sold, the cost of materials
14 used, labor or service cost, or any other expense whatsoever,
15 but does not include separately stated charges identified on
16 the invoice by cultivators to reimburse themselves for their
17 tax liability under this Article.

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

19 (410 ILCS 705/60-10)

20 Sec. 60-10. Tax imposed.

21 (a) Beginning September 1, 2019, a tax is imposed upon the
22 privilege of cultivating cannabis at the rate of 7% of the
23 gross receipts from the first sale of cannabis by a
24 cultivator. The sale of any product that contains any amount
25 of cannabis or any derivative thereof is subject to the tax

1 under this Section on the full selling price of the product.
2 The Department may determine the selling price of the cannabis
3 when the seller and purchaser are affiliated persons, when the
4 sale and purchase of cannabis is not an arm's length
5 transaction, or when cannabis is transferred by a craft grower
6 to the craft grower's dispensing organization or infuser ~~or~~
7 ~~processing~~ organization and a value is not established for the
8 cannabis. The value determined by the Department shall be
9 commensurate with the actual price received for products of
10 like quality, character, and use in the area. If there are no
11 sales of cannabis of like quality, character, and use in the
12 same area, then the Department shall establish a reasonable
13 value based on sales of products of like quality, character,
14 and use in other areas of the State, taking into consideration
15 any other relevant factors.

16 (b) The Cannabis Cultivation Privilege Tax imposed under
17 this Article is solely the responsibility of the cultivator
18 who makes the first sale and is not the responsibility of a
19 subsequent purchaser, a dispensing organization, or an
20 infuser. Persons subject to the tax imposed under this Article
21 may, however, reimburse themselves for their tax liability
22 hereunder by separately stating reimbursement for their tax
23 liability as an additional charge.

24 (c) The tax imposed under this Article shall be in
25 addition to all other occupation, privilege, or excise taxes
26 imposed by the State of Illinois or by any unit of local

1 government.

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

3 (410 ILCS 705/65-5)

4 Sec. 65-5. Definitions. In this Article:

5 "Adjusted delta-9-tetrahydrocannabinol level" means, for a
6 delta-9-tetrahydrocannabinol dominant product, the sum of the
7 percentage of delta-9-tetrahydrocannabinol plus .877
8 multiplied by the percentage of tetrahydrocannabinolic acid.

9 "Cannabis" has the meaning given to that term in Article 1
10 of this Act, except that through June 30, 2026, it does not
11 include cannabis that is subject to tax under the
12 Compassionate Use of Medical Cannabis Program Act.

13 "Cannabis-infused product" means beverage food, oils,
14 ointments, tincture, topical formulation, or another product
15 containing cannabis that is not intended to be smoked.

16 "Cannabis retailer" means a dispensing organization that
17 sells cannabis for use and not for resale.

18 "Craft grower" has the meaning given to that term in
19 Article 1 of this Act.

20 "Department" means the Department of Revenue.

21 "Director" means the Director of Revenue.

22 "Dispensing organization" or "dispensary" has the meaning
23 given to that term in Article 1 of this Act.

24 "Person" means a natural individual, firm, partnership,
25 association, joint stock company, joint adventure, public or

1 private corporation, limited liability company, or a receiver,
2 executor, trustee, guardian, or other representative appointed
3 by order of any court.

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

9 "Purchase price" means the consideration paid for a
10 purchase of cannabis, valued in money, whether received in
11 money or otherwise, including cash, gift cards, credits, and
12 property and shall be determined without any deduction on
13 account of the cost of materials used, labor or service costs,
14 or any other expense whatsoever. However, "purchase price"
15 does not include consideration paid for:

16 (1) any charge for a payment that is not honored by a
17 financial institution;

18 (2) any finance or credit charge, penalty or charge
19 for delayed payment, or discount for prompt payment; and

20 (3) any amounts added to a purchaser's bill because of
21 charges made under the tax imposed by this Article, the
22 Municipal Cannabis Retailers' Occupation Tax Law, the
23 County Cannabis Retailers' Occupation Tax Law, the
24 Retailers' Occupation Tax Act, the Use Tax Act, the
25 Service Occupation Tax Act, the Service Use Tax Act, or
26 any locally imposed occupation or use tax.

1 "Purchaser" means a person who acquires cannabis for a
2 valuable consideration.

3 "Qualifying patient" or "qualified patient" means a person
4 who has been diagnosed by a certifying health care
5 professional as having a debilitating medical condition as
6 defined under the Compassionate Use of Medical Cannabis
7 Program Act.

8 "Taxpayer" means a cannabis retailer who is required to
9 collect the tax imposed under this Article.

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

11 (410 ILCS 705/65-10)

12 Sec. 65-10. Tax imposed.

13 (a) Beginning January 1, 2020, a tax is imposed upon
14 purchasers for the privilege of using cannabis, and not for
15 the purpose of resale, at the following rates:

16 (1) Any cannabis, other than a cannabis-infused
17 product, with an adjusted delta-9-tetrahydrocannabinol
18 level at or below 35% shall be taxed at a rate of 10% of
19 the purchase price;

20 (2) Any cannabis, other than a cannabis-infused
21 product, with an adjusted delta-9-tetrahydrocannabinol
22 level above 35% shall be taxed at a rate of 25% of the
23 purchase price; and

24 (3) A cannabis-infused product shall be taxed at a
25 rate of 20% of the purchase price.

1 (b) The purchase of any product that contains any amount
2 of cannabis or any derivative thereof is subject to the tax
3 under subsection (a) of this Section on the full purchase
4 price of the product.

5 (c) Through June 30, 2026, the ~~The~~ tax imposed under this
6 Section is not imposed on cannabis that is subject to tax under
7 the Compassionate Use of Medical Cannabis Program Act. The tax
8 imposed by this Section is not imposed with respect to any
9 transaction in interstate commerce, to the extent the
10 transaction may not, under the Constitution and statutes of
11 the United States, be made the subject of taxation by this
12 State. Beginning July 1, 2026, the tax imposed under this
13 Article shall not be imposed on cannabis or cannabis-infused
14 products purchased by a qualified patient, designated
15 caregiver, or provisional patient when purchasing cannabis or
16 cannabis-infused products under this Act as part of their
17 adequate medical supply as these terms are defined under
18 Section 1-10 of this Act.

19 (d) The tax imposed under this Article shall be in
20 addition to all other occupation, privilege, or excise taxes
21 imposed by the State of Illinois or by any municipal
22 corporation or political subdivision thereof.

23 (e) The tax imposed under this Article shall not be
24 imposed on any purchase by a purchaser if the cannabis
25 retailer is prohibited by federal or State Constitution,
26 treaty, convention, statute, or court decision from collecting

1 the tax from the purchaser.

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

3 (410 ILCS 705/65-30)

4 Sec. 65-30. Return and payment of tax by cannabis
5 retailer. Each cannabis retailer that is required or
6 authorized to collect the tax imposed by this Article shall
7 make a return to the Department, by electronic means, on or
8 before the 20th day of each month for the preceding calendar
9 month stating the following:

10 (1) the cannabis retailer's name;

11 (2) the address of the cannabis retailer's principal
12 place of business and the address of the principal place
13 of business (if that is a different address) from which
14 the cannabis retailer is engaged in the business of
15 selling cannabis subject to tax under this Article;

16 (3) the total purchase price received by the cannabis
17 retailer for cannabis subject to tax under this Article;

18 (4) the amount of tax due at each rate;

19 (5) the signature of the cannabis retailer; and

20 (6) any other information as the Department may
21 reasonably require.

22 All returns required to be filed and payments required to
23 be made under this Article shall be by electronic means.
24 Cannabis retailers who demonstrate hardship in paying
25 electronically may petition the Department to waive the

1 electronic payment requirement.

2 Any amount that is required to be shown or reported on any
3 return or other document under this Article shall, if the
4 amount is not a whole-dollar amount, be increased to the
5 nearest whole-dollar amount if the fractional part of a dollar
6 is \$0.50 or more and decreased to the nearest whole-dollar
7 amount if the fractional part of a dollar is less than \$0.50.
8 If a total amount of less than \$1 is payable, refundable, or
9 creditable, the amount shall be disregarded if it is less than
10 \$0.50 and shall be increased to \$1 if it is \$0.50 or more.

11 The cannabis retailer making the return provided for in
12 this Section shall also pay to the Department, in accordance
13 with this Section, the amount of tax imposed by this Article,
14 less a discount of 1.75%, but not to exceed \$1,000 per return
15 period, which is allowed to reimburse the cannabis retailer
16 for the expenses incurred in keeping records, collecting tax,
17 preparing and filing returns, remitting the tax, and supplying
18 data to the Department upon request. No discount may be
19 claimed by a cannabis retailer on returns not timely filed and
20 for taxes not timely remitted. No discount may be claimed by a
21 taxpayer for any return that is not filed electronically. No
22 discount may be claimed by a taxpayer for any payment that is
23 not made electronically, unless a waiver has been granted
24 under this Section.

25 Notwithstanding any other provision of this Article
26 concerning the time within which a cannabis retailer may file

1 a return, any such cannabis retailer who ceases to engage in
2 the kind of business that makes the person responsible for
3 filing returns under this Article shall file a final return
4 under this Article with the Department within one month after
5 discontinuing the business.

6 Each cannabis retailer shall make estimated payments to
7 the Department on or before the 7th, 15th, 22nd, and last day
8 of the month during which tax liability to the Department is
9 incurred. The payments shall be in an amount not less than the
10 lower of either 22.5% of the cannabis retailer's actual tax
11 liability for the month or 25% of the cannabis retailer's
12 actual tax liability for the same calendar month of the
13 preceding year. The amount of the quarter-monthly payments
14 shall be credited against the final tax liability of the
15 cannabis retailer's return for that month. If any such
16 quarter-monthly payment is not paid at the time or in the
17 amount required by this Section, then the cannabis retailer
18 shall be liable for penalties and interest on the difference
19 between the minimum amount due as a payment and the amount of
20 the quarter-monthly payment actually and timely paid, except
21 insofar as the cannabis retailer has previously made payments
22 for that month to the Department in excess of the minimum
23 payments previously due as provided in this Section.

24 If any payment provided for in this Section exceeds the
25 taxpayer's liabilities under this Article, as shown on an
26 original monthly return, the Department shall, if requested by

1 the taxpayer, issue to the taxpayer a credit memorandum no
2 later than 30 days after the date of payment. The credit
3 evidenced by the credit memorandum may be assigned by the
4 taxpayer to a similar taxpayer under this Article, in
5 accordance with reasonable rules to be prescribed by the
6 Department. If no such request is made, the taxpayer may
7 credit the excess payment against tax liability subsequently
8 to be remitted to the Department under this Article, in
9 accordance with reasonable rules prescribed by the Department.
10 If the Department subsequently determines that all or any part
11 of the credit taken was not actually due to the taxpayer, the
12 taxpayer's discount shall be reduced, if necessary, to reflect
13 the difference between the credit taken and that actually due,
14 and that taxpayer shall be liable for penalties and interest
15 on the difference. If a cannabis retailer fails to sign a
16 return within 30 days after the proper notice and demand for
17 signature by the Department is received by the cannabis
18 retailer, the return shall be considered valid and any amount
19 shown to be due on the return shall be deemed assessed.

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

21 (410 ILCS 705/65-38)

22 Sec. 65-38. Violations and penalties.

23 (a) When the amount due is under \$300, any retailer of
24 cannabis who fails to file a return, willfully fails or
25 refuses to make any payment to the Department of the tax

1 imposed by this Article, or files a fraudulent return, or any
2 officer or agent of a corporation engaged in the business of
3 selling cannabis to purchasers located in this State who signs
4 a fraudulent return filed on behalf of the corporation, or any
5 accountant or other agent who knowingly enters false
6 information on the return of any taxpayer under this Article
7 is guilty of a Class 4 felony.

8 (b) When the amount due is \$300 or more, any retailer of
9 cannabis who files, or causes to be filed, a fraudulent
10 return, or any officer or agent of a corporation engaged in the
11 business of selling cannabis to purchasers located in this
12 State who files or causes to be filed or signs or causes to be
13 signed a fraudulent return filed on behalf of the corporation,
14 or any accountant or other agent who knowingly enters false
15 information on the return of any taxpayer under this Article
16 is guilty of a Class 3 felony.

17 (c) Any person who violates any provision of Section
18 65-20, or fails to keep books and records as required under
19 this Article, ~~or willfully violates a rule of the Department~~
20 ~~for the administration and enforcement of this Article~~ is
21 guilty of a Class 4 felony. A person commits a separate offense
22 on each day that he or she engages in business in violation of
23 Section 65-20 ~~or a rule of the Department for the~~
24 ~~administration and enforcement of this Article~~. If a person
25 fails to produce the books and records for inspection by the
26 Department upon request, a prima facie presumption shall arise

1 that the person has failed to keep books and records as
2 required under this Article. A person who is unable to rebut
3 this presumption is in violation of this Article and is
4 subject to the penalties provided in this Section.

5 (d) Any person who ~~violates any provision of Sections~~
6 ~~65-20, fails to keep books and records as required under this~~
7 ~~Article, or~~ willfully violates a rule of the Department for
8 the administration and enforcement of this Article, is guilty
9 of a business offense and may be fined up to \$5,000. ~~If a~~
10 ~~person fails to produce books and records for inspection by~~
11 ~~the Department upon request, a prima facie presumption shall~~
12 ~~arise that the person has failed to keep books and records as~~
13 ~~required under this Article. A person who is unable to rebut~~
14 ~~this presumption is in violation of this Article and is~~
15 ~~subject to the penalties provided in this Section.~~ A person
16 commits a separate offense on each day that he or she engages
17 in business in violation of a rule of the Department for the
18 administration and enforcement of this Article ~~Section 65-20.~~

19 (e) Any taxpayer or agent of a taxpayer who with the intent
20 to defraud purports to make a payment due to the Department by
21 issuing or delivering a check or other order upon a real or
22 fictitious depository for the payment of money, knowing that
23 it will not be paid by the depository, is guilty of a deceptive
24 practice in violation of Section 17-1 of the Criminal Code of
25 2012.

26 (f) Any person who fails to keep books and records or fails

1 to produce books and records for inspection, as required by
2 Section 65-36, is liable to pay to the Department, for deposit
3 in the Tax Compliance and Administration Fund, a penalty of
4 \$1,000 for the first failure to keep books and records or
5 failure to produce books and records for inspection, as
6 required by Section 65-36, and \$3,000 for each subsequent
7 failure to keep books and records or failure to produce books
8 and records for inspection, as required by Section 65-36.

9 (g) Any person who knowingly acts as a retailer of
10 cannabis in this State without first having obtained a
11 certificate of registration to do so in compliance with
12 Section 65-20 of this Article shall be guilty of a Class 4
13 felony.

14 (h) A person commits the offense of tax evasion under this
15 Article when he or she knowingly attempts in any manner to
16 evade or defeat the tax imposed on him or her or on any other
17 person, or the payment thereof, and he or she commits an
18 affirmative act in furtherance of the evasion. As used in this
19 Section, "affirmative act in furtherance of the evasion" means
20 an act designed in whole or in part to (i) conceal,
21 misrepresent, falsify, or manipulate any material fact or (ii)
22 tamper with or destroy documents or materials related to a
23 person's tax liability under this Article. Two or more acts of
24 sales tax evasion may be charged as a single count in any
25 indictment, information, or complaint and the amount of tax
26 deficiency may be aggregated for purposes of determining the

1 amount of tax that is attempted to be or is evaded and the
2 period between the first and last acts may be alleged as the
3 date of the offense.

4 (1) When the amount of tax, the assessment or payment
5 of which is attempted to be or is evaded is less than \$500,
6 a person is guilty of a Class 4 felony.

7 (2) When the amount of tax, the assessment or payment
8 of which is attempted to be or is evaded is \$500 or more
9 but less than \$10,000, a person is guilty of a Class 3
10 felony.

11 (3) When the amount of tax, the assessment or payment
12 of which is attempted to be or is evaded is \$10,000 or more
13 but less than \$100,000, a person is guilty of a Class 2
14 felony.

15 (4) When the amount of tax, the assessment or payment
16 of which is attempted to be or is evaded is \$100,000 or
17 more, a person is guilty of a Class 1 felony.

18 Any person who knowingly sells, purchases, installs,
19 transfers, possesses, uses, or accesses any automated sales
20 suppression device, zapper, or phantom-ware in this State is
21 guilty of a Class 3 felony.

22 As used in this Section:

23 "Automated sales suppression device" or "zapper" means a
24 software program that falsifies the electronic records of an
25 electronic cash register or other point-of-sale system,
26 including, but not limited to, transaction data and

1 transaction reports. The term includes the software program,
2 any device that carries the software program, or an Internet
3 link to the software program.

4 "Phantom-ware" means a hidden programming option embedded
5 in the operating system of an electronic cash register or
6 hardwired into an electronic cash register that can be used to
7 create a second set of records or that can eliminate or
8 manipulate transaction records in an electronic cash register.

9 "Electronic cash register" means a device that keeps a
10 register or supporting documents through the use of an
11 electronic device or computer system designed to record
12 transaction data for the purpose of computing, compiling, or
13 processing retail sales transaction data in any manner.

14 "Transaction data" includes: items purchased by a
15 purchaser; the price of each item; a taxability determination
16 for each item; a segregated tax amount for each taxed item; the
17 amount of cash or credit tendered; the net amount returned to
18 the customer in change; the date and time of the purchase; the
19 name, address, and identification number of the vendor; and
20 the receipt or invoice number of the transaction.

21 "Transaction report" means a report that documents,
22 without limitation, the sales, taxes, or fees collected, media
23 totals, and discount voids at an electronic cash register and
24 that is printed on a cash register tape at the end of a day or
25 shift, or a report that documents every action at an
26 electronic cash register and is stored electronically.

1 A prosecution for any act in violation of this Section may
2 be commenced at any time within 5 years of the commission of
3 that act.

4 (i) The Department may adopt rules to administer the
5 penalties under this Section.

6 (j) Any person whose principal place of business is in
7 this State and who is charged with a violation under this
8 Section shall be tried in the county where his or her principal
9 place of business is located unless he or she asserts a right
10 to be tried in another venue.

11 (k) Except as otherwise provided in subsection (h), a
12 prosecution for a violation described in this Section may be
13 commenced within 3 years after the commission of the act
14 constituting the violation.

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

16 (410 ILCS 705/65-42)

17 Sec. 65-42. Seizure and forfeiture. After seizing any
18 cannabis as provided in Section 65-41, the Department must
19 hold a hearing and determine whether (i) the retailer was
20 properly registered to sell the cannabis; (ii) the retailer
21 possessed the cannabis in violation of this Act; (iii) the
22 retailer possessed the cannabis in violation of any reasonable
23 rule or regulation adopted by the Department for the
24 enforcement of this Act; or (iv) the tax imposed by Article 60
25 had been paid on the cannabis at the time of its seizure by the

1 Department. The Department is not required to hold such a
2 hearing if a waiver and consent to forfeiture has been
3 executed by the owner of the cannabis, if the owner is known,
4 and by the person in whose possession the cannabis so taken was
5 found, if that person is known and if that person is not the
6 owner of said cannabis. The Department shall give not less
7 than 20 days' notice of the time and place of the hearing to
8 the owner of the cannabis, if the owner is known, and also to
9 the person in whose possession the cannabis was found, if that
10 person is known and if the person in possession is not the
11 owner of the cannabis. If neither the owner nor the person in
12 possession of the cannabis is known, the Department must cause
13 publication of the time and place of the hearing to be made at
14 least once in each week for 3 weeks successively in a newspaper
15 of general circulation in the county where the hearing is to be
16 held.

17 If, as the result of the hearing, the Department makes any
18 of the findings listed in (i) through (iv) above ~~determines~~
19 ~~that the retailer was not properly registered at the time the~~
20 ~~cannabis was seized~~, or upon receipt of a properly executed
21 waiver and consent to forfeiture as provided in this Section,
22 the Department must enter an order declaring the cannabis
23 confiscated and forfeited to the State, to be held by the
24 Department for disposal by it as provided in Section 65-43.
25 The Department must give notice of the order to the owner of
26 the cannabis, if the owner is known, and also to the person in

1 whose possession the cannabis was found, if that person is
2 known and if the person in possession is not the owner of the
3 cannabis. If neither the owner nor the person in possession of
4 the cannabis is known, the Department must cause publication
5 of the order to be made at least once in each week for 3 weeks
6 successively in a newspaper of general circulation in the
7 county where the hearing was held.

8 (Source: P.A. 103-1001, eff. 8-9-24.)

9 Section 99. Effective date. This Act takes effect upon
10 becoming law.

1 INDEX

2 Statutes amended in order of appearance

3 35 ILCS 105/3-10 from Ch. 120, par. 439.33-10

4 35 ILCS 110/3-10

5 35 ILCS 115/3-10

6 35 ILCS 120/2-10 from Ch. 120, par. 441-10

7 410 ILCS 130/7

8 410 ILCS 130/10

9 410 ILCS 130/15

10 410 ILCS 130/25

11 410 ILCS 130/30

12 410 ILCS 130/35

13 410 ILCS 130/43 new

14 410 ILCS 130/57

15 410 ILCS 130/60

16 410 ILCS 130/70

17 410 ILCS 130/75

18 410 ILCS 130/85

19 410 ILCS 130/90

20 410 ILCS 130/95

21 410 ILCS 130/100

22 410 ILCS 130/105

23 410 ILCS 130/110

24 410 ILCS 130/115

25 410 ILCS 130/120

- 1 410 ILCS 130/125
- 2 410 ILCS 130/130
- 3 410 ILCS 130/140
- 4 410 ILCS 130/150
- 5 410 ILCS 130/180
- 6 410 ILCS 130/200
- 7 410 ILCS 130/205
- 8 410 ILCS 130/210
- 9 410 ILCS 130/80 rep.
- 10 410 ILCS 130/115.5 rep.
- 11 410 ILCS 130/135 rep.
- 12 410 ILCS 130/162 rep.
- 13 410 ILCS 705/1-10
- 14 410 ILCS 705/10-10
- 15 410 ILCS 705/10-15
- 16 410 ILCS 705/15-10
- 17 410 ILCS 705/15-13 new
- 18 410 ILCS 705/15-15
- 19 410 ILCS 705/15-17 new
- 20 410 ILCS 705/15-20
- 21 410 ILCS 705/15-23 new
- 22 410 ILCS 705/15-24 new
- 23 410 ILCS 705/15-25
- 24 410 ILCS 705/15-35
- 25 410 ILCS 705/15-35.10
- 26 410 ILCS 705/15-36

1 410 ILCS 705/15-40
2 410 ILCS 705/15-45
3 410 ILCS 705/15-60
4 410 ILCS 705/15-65
5 410 ILCS 705/15-70
6 410 ILCS 705/15-75
7 410 ILCS 705/15-85
8 410 ILCS 705/15-100
9 410 ILCS 705/15-135
10 410 ILCS 705/15-145
11 410 ILCS 705/Art. 20
12 heading
13 410 ILCS 705/20-10
14 410 ILCS 705/20-15
15 410 ILCS 705/20-20
16 410 ILCS 705/20-21
17 410 ILCS 705/20-30
18 410 ILCS 705/20-45
19 410 ILCS 705/20-50 rep.
20 410 ILCS 705/25-35
21 410 ILCS 705/30-35
22 410 ILCS 705/30-45
23 410 ILCS 705/30-50 rep.
24 410 ILCS 705/35-25
25 410 ILCS 705/35-30
26 410 ILCS 705/55-5

- 1 410 ILCS 705/55-10
- 2 410 ILCS 705/55-85
- 3 410 ILCS 705/60-5
- 4 410 ILCS 705/60-10
- 5 410 ILCS 705/65-5
- 6 410 ILCS 705/65-10
- 7 410 ILCS 705/65-30
- 8 410 ILCS 705/65-38
- 9 410 ILCS 705/65-42