



# IDFPR

## Illinois Department of Financial and Professional Regulation

Division of Professional Regulation

<https://idfpr.illinois.gov>

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### **1,500 Foot Prohibition Guidance**

Advisory Note: This guidance remains subject to further edits or additions by the Department. The Department will notify licensees if any updates are made to this guidance.

#### **July 1, 2022**

**1. My group won a conditional license in one of the 2021 lotteries. Can we operate within 1,500 of a dispensary?**

**Short Answer:** Maybe.

**Rule:** The [Cannabis Regulation and Tax Act](#) (“CRTA”) prohibits a dispensing organization from operating within 1,500 feet of a pre-existing dispensing organization.

“Dispensing organization” is defined as “a facility operated by an organization or business that is licensed by the Department of Financial and Professional Regulation to acquire cannabis from a cultivation center, craft grower, processing organization, or another dispensary for the purpose of selling or dispensing cannabis, cannabis-infused products, cannabis seeds, paraphernalia, or related supplies under this Act to purchasers or to qualified registered medical cannabis patients and caregivers. As used in this Act, “dispensing organization” includes a registered medical cannabis organization as defined in the Compassionate Use of Medical Cannabis Program Act or its successor Act that has obtained an Early Approval Adult Use Dispensing Organization License.” See Section 1-10 of the CRTA.

**Exception:** The CRTA carves out an important exception to the 1,500 foot prohibition for Social Equity Applicants who are to be issued a conditional license pursuant to any of the lotteries conducted in the summer of 2021<sup>1</sup> for 185 conditional licenses (“185 Licenses”). In order to participate in those lotteries, all applicants had to reach a minimum threshold of 213 out of 250 points; in other words, each applicant who won a conditional license in those lotteries was determined to be a Social Equity Applicant and qualifies for the exception.

The exception to the 1,500 foot prohibition is that Social Equity Applicants and Social Equity Justice Involved Applicants may operate within 1,500 feet of any pre-existing dispensing organizations that are (1) Early Approvals at a Same Site issued pursuant to Section 15-15 of the CRTA or (2) Early Approvals at a Secondary Site issued pursuant to Section 15-20 of the CRTA.

**2. My group won a conditional license in one of the 2021 lotteries. Can we operate within 1,500 of another group who also won a conditional license in one of the 2021 lotteries?**

**Short Answer:** The Department cannot issue a Conditional Use License or Adult Use License to a Social Equity or Social Equity Justice Involved Applicant at a location within 1,500 feet of another

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<sup>1</sup> 410 ILCS 705/15-25(e); 410 ILCS 705/15-35(c); and 410 ILCS 705/15-35.10(c).

Social Equity or Social Equity Justice Involved Applicant that has already been granted an Adult Use License under Section 15-36 of the CRTA.

As explained above, an exception exists for Social Equity Applicants to operate within 1,500 feet of another, pre-existing dispensary licensed as an Early Approval Same Site or Early Approval Secondary Site. However, the CRTA does not create such an exception for a Social Equity Applicant to operate within 1,500 feet of another pre-existing Social Equity Applicant. For determining whether a dispensary is “pre-existing” such that it would prevent another applicant from being within 1,500 feet, the Department will consider whether a Dispensary was issued a full Adult Use License at the time the applicant was issued its Conditional License.

For example, if Group A, a winner in one of the 2021 lotteries, receives zoning approval from its local government to operate on Block 1 which would put it within 1,500 feet of Dispensary Z, the Department may issue an Adult Use License to Group A at its proposed location on Block 1 in two circumstances: (1) if Dispensary Z was awarded an Adult Use License as an Early Approval Same Site or Early Approval Secondary Site or (2) if Dispensary Z received a Conditional License as a result of the 2021 lotteries, but had not been issued its Adult Use License at the time Group A is issued its Conditional License.

**Important Note:** The Department recognizes that it may award Conditional Licenses to two different groups at locations within 1,500 feet of each other. In such cases, the Department will still award Adult Use Licenses to both locations because neither can be considered a ‘pre-existing dispensary’ since neither has received its Adult Use License.