JB PRITZKER Governor DEBORAH HAGAN Secretary

NOTICE TO APPLICANTS FOR AN EARLY APPROVAL ADULT USE DISPENSING ORGANIZATION LICENSE

August 15, 2019

The Department of Financial and Professional Regulation ("IDFPR"), Division of Professional Regulation, Cannabis Control Section ("CCS") will be releasing the applications for Early Approval Adult Use Dispensing Organization Licenses at a Secondary Site ("Early Approval Adult Use Dispensing Organization License") on its website on or about Monday, https://www.idfpr.com/profs/adultusecan.asp.

In response to inquiries from potential applicants, the CCS is providing this Notice before releasing the application regarding the Cannabis Regulation and Tax Act's ("Act") provisions related to the 1,500-foot restriction between dispensaries.

The Act prohibits a dispensing organization from operating within 1,500 feet of another licensed dispensing organization. A "dispensing organization" is defined, in relevant part, as "a facility operated by an organization or business that is licensed by the Department of Financial and Professional Regulation to acquire cannabis. . . for the purpose of selling or dispensing cannabis." 410 ILCS 705/1-10. Section 15-20(b) of the Act allows current licensees to "apply to the Department for an Early Approval Adult Use Dispensing Organization License to operate a dispensing organization to serve purchasers at a secondary site not within 1,500 feet of another medical cannabis dispensing organization or adult use dispensing organization." 410 ILCS 705/15-20(b). Section 15-70(n)(15) of the Act prohibits any adult use dispensing organization from being "located within 1,500 feet of the property line of a pre-existing dispensing organization." 410 ILCS 705/15-70(n)(15).

We are aware that potential conflicts may arise between applicants for Early Approval Adult Use Dispensing Organization Licenses if they seek locations for their second site dispensaries that are within 1,500 feet of each other. In the event of such a conflict, the applicant who receives a license first will be the one permitted to operate. IDFPR will not grant a license for a secondary site until the applicant's facility has passed final inspection by the CCS, which will occur after receipt of the necessary zoning approval. IDFPR will also not grant a license if it has granted another dispensing organization a license at a location within 1,500 feet of the applicant's

proposed location. In this situation, IDFPR will require the applicant to amend its application with a different location, and if the applicant does not do so, it will deny the application.

One way to minimize the possibility of such conflicts is for potential applicants to make themselves aware of the proposed locations of other applicants. Such information is typically publicly available as part of a municipality's zoning approval process. For example, any zoning approval or permit requests filed with the City of Chicago can be obtained from the Department of Planning and Development or Department of Buildings via a FOIA request through the following website: https://www.chicago.gov/city/en/narr/foia/foia contacts.html.

The CCS will strive to ensure a fair and transparent process for awarding Early Approval Adult Use Dispensing Organization Licenses. If you have questions for CCS related to applications for Early Approval Adult Use Dispensing Organization Licenses, please submit them via e-mail to FPR.AdultUseCannabis@illinois.gov. The CCS will not be responding to individual questions at this time and, instead, will address questions by providing additional information about the application process to all eligible applicants at the same time.