

ILLINOIS REGISTER

DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENTS

The Department of Financial and Professional Regulation is posting these proposed amendments in an effort to make the public aware of possible changes that may have an impact on the industry/profession.

The general public may submit written comments to the Department during the first 45-day public comment period. Any suggested changes will be considered by the Department and (if applicable) the appropriate Board.

These proposed amendments were published in the August 21, 2020 Illinois Register. The 45-day comment period will end October 6, 2020.

Please submit written comments to Craig Cellini as stated in the attached notice.

- 1) Heading of the Part: Rules for Administration of the Compassionate Use of Medical Cannabis Pilot Program
- 2) Code Citation: 68 Ill. Adm. Code 1290
- 3)

<u>Section Numbers</u> :	<u>Proposed Actions</u> :
1290.10	Amendment
1290.30	Amendment
1290.40	Amendment
1290.50	Repealed
1290.60	Amendment
1290.65	New Section
1290.70	Amendment
1290.75	New Section
1290.80	Amendment
1290.100	Amendment
1290.110	Amendment
1290.120	Amendment
1290.125	New Section
1290.130	Amendment
1290.140	Amendment
1290.150	Amendment
1290.200	Repealed
1290.210	Repealed
1290.220	Repealed
1290.230	Repealed
1290.240	New Section

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1290.250	New Section
1290.260	New Section
1290.270	New Section
1290.300	Amendment
1290.320	Amendment
1290.400	Amendment
1290.405	Amendment
1290.410	Amendment
1290.415	Amendment
1290.425	Amendment
1290.430	Amendment
1290.431	Amendment
1290.435	Amendment
1290.440	Amendment
1290.445	Amendment
1290.450	Amendment
1290.451	New Section
1290.455	Amendment
1290.460	Amendment
1290.465	Repealed
1290.500	Amendment
1290.510	Amendment
1290.515	New Section
1290.520	Amendment
1290.530	Repealed
1290.560	Amendment
1290.570	Amendment
1290.590	Repealed
1290.610	Amendment

- 4) Statutory Authority: Implementing and authorized by the sunset reauthorization of the Compassionate Use of Medical Cannabis Program Act [410 ILCS 130]

- 5) A Complete Description of the Subjects and Issues Involved: These proposed rules are statutorily required and necessary to implement Public Act 101-363. Among other amended and new requirements created, Public Act 101-363 specifically directs the Department of Financial and Professional Regulation to adopt rules “permitting the return, and potential refunds, for damaged or inadequate products.” The Public Act also creates a new requirement that if the Department awards any future medical cannabis dispensing organization licenses, 20% of all points awarded when scoring an application

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must be awarded based on the applicant's status as a "social equity applicant" as defined in statute. The proposed rules reflect these new requirements.

In addition to the changes specifically dictated by statute, the Department re-organized, clarified, and updated the medical cannabis rules, which have gone mostly unchanged since the first medical cannabis rules were adopted in 2014. While rules mostly related to the Opioid Alternative Pilot Program were adopted in May 2019, those changes were narrow in scope. The proposed rules have been updated to reflect the best practices and lessons learned from the medical cannabis program's first five years, including but not limited to amended facility security requirements, inventory tracking practices, disciplinary provisions, and agent responsibilities.

- 6) Any published studies or reports, along with the sources of underlying data, that were used when comprising this rulemaking, in accordance with 1 Ill. Adm. Code 100.355: None
- 7) Will this rulemaking replace any emergency rule currently in effect? No
- 8) Does this rulemaking contain an automatic repeal date? No
- 9) Does this rulemaking contain incorporations by reference? No
- 10) Are there any other proposed rulemakings pending on this Part? No
- 11) Statement of Statewide Policy Objectives: This rulemaking will not require a local government to establish, expand or modify its activities in such a way as to necessitate additional expenditures from local revenues.
- 12) Time, Place, and Manner in which interested persons may comment on this proposed rulemaking: Persons who wish to comment on this proposed rulemaking may submit written comments no later than 45 days after the publication of this Notice to:

Department of Financial and Professional Regulation
Attention: Craig Cellini
320 West Washington, 2nd Floor
Springfield, IL 62786

217/785-0813

Fax: 217/557-4451

All written comments received within 45 days after this issue of the Illinois Register will be considered.

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- 13) Initial Regulatory Flexibility Analysis:
- A) Types of small businesses, small municipalities and not for profit corporations affected: Licensed cannabis dispensaries will be affected.
 - B) Reporting, bookkeeping or other procedures required for compliance: None
 - C) Types of professional skills necessary for compliance: None
- 14) Small Business Impact Analysis:
- A) Types of businesses subject to the proposed rule:
54 – professional, scientific and technical services
 - B) Categories that the agency reasonably believes the rulemaking will impact, including:
ii – regulatory requirements
- 15) Regulatory Agenda on which this rulemaking was summarized: July 2019

The full text of the Proposed Amendments begins on the next page:

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TITLE 68: PROFESSIONS AND OCCUPATIONS

CHAPTER VII: DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION
SUBCHAPTER b: PROFESSIONS AND OCCUPATIONS

PART 1290

RULES FOR ADMINISTRATION OF THE COMPASSIONATE
USE OF MEDICAL CANNABIS ~~PILOT~~ PROGRAM

SUBPART A: GENERAL PROVISIONS

Section
1290.10 Definitions

SUBPART B: DISPENSING ORGANIZATION DISTRICTS

Section
1290.20 Dispensing Organization Districts

SUBPART C: APPLICATION REQUIREMENTS FOR A
MEDICAL CANNABIS DISPENSARY REGISTRATION AUTHORIZATION

Section
1290.30 Dispensing Organization Principal Officers
1290.40 Dispensing Organization Authorization Process
1290.50 Dispensing Organization – Application Requirements for Authorization
[\(Repealed\)](#)
1290.60 Selection Process
[1290.65 Awarding Authorizations by Lot](#)
1290.70 Selection Criteria
[1290.75 Social Equity Applicant Criteria](#)
1290.80 Fees

SUBPART D: DISPENSARY REGISTRATION

Section
1290.100 Dispensing Organization – Registration Process
1290.110 Dispensing Organization – Registration Requirements
1290.120 Dispensing Organization – Financial Responsibility
[1290.125 Disclosure of Ownership and Control](#)
1290.130 Changes to a Dispensing Organization Registration

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- 1290.140 Request to Relocate a Dispensary
- 1290.150 Dispensing Organization Renewals

SUBPART E: REGISTRATION OF DISPENSING ORGANIZATION AGENTS

Section

- 1290.200 Dispensing Organization Agent-in-Charge [\(Repealed\)](#)
- 1290.210 Dispensing Organization Agents [\(Repealed\)](#)
- 1290.220 Persons with Significant Influence or Control; Disassociation [\(Repealed\)](#)
- 1290.230 State and Federal Criminal History Records Check [\(Repealed\)](#)
- [1290.240](#) [Dispensing Organization Agents](#)
- [1290.250](#) [Dispensing Organization Agent-in Charge](#)
- [1290.260](#) [Persons with Significant Influence or Control; Disassociation](#)
- [1290.270](#) [State and Federal Criminal History Records Check](#)

SUBPART F: DISPENSARY OPERATION

Section

- 1290.300 Operational Requirements
- 1290.320 Dispensary Access Overnight

SUBPART G: SECURITY AND RECORDKEEPING

Section

- 1290.400 Inventory Control System
- 1290.405 Storage Requirements
- 1290.410 Security Requirements
- 1290.415 Recordkeeping [and Record Retention](#)
- 1290.420 Cleaning and Sanitation
- 1290.425 Administration
- 1290.430 Dispensing Medical Cannabis to Patients and Provisional Patients
- 1290.431 Dispensing Medical Cannabis to OAPP Participants
- 1290.435 Signage
- 1290.440 Recall of Medical Cannabis
- 1290.445 Report of Loss or Theft of Cannabis
- 1290.450 Destruction and Disposal
- [1290.451](#) [Returns and Refunds](#)
- 1290.455 Dispensary Advertisements
- 1290.460 Closure of a Dispensary
- 1290.465 Zoning Rules Related to Dispensary [\(Repealed\)](#)

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SUBPART H: DISCIPLINE

Section

1290.500	Investigations
1290.510	Grounds for Discipline
1290.515	Unprofessional or Unethical Conduct
1290.520	Temporary Suspension
1290.530	Consent to Administrative Supervision Order (Repealed)
1290.540	Subpoenas; Oaths; Attendance of Witnesses (Repealed)
1290.550	Request for Hearing (Repealed)
1290.560	Findings and Recommendations
1290.570	Restoration of Registration from Discipline
1290.575	Appointment of a Hearing Officer
1290.580	Transcript; Record of Proceedings
1290.590	Certification of Record; Receipt (Repealed)

SUBPART I: GENERAL

Section

1290.600	Intergovernmental Cooperation
1290.610	Variances
1290.620	Administrative Decisions

AUTHORITY: Implementing and authorized by the Compassionate Use of Medical Cannabis [Pilot](#) Program Act [410 ILCS 130].

SOURCE: Repealed at 13 Ill. Reg. 10923, effective June 21, 1989; adopted at 38 Ill. Reg. 16875, effective July 24, 2014; emergency amendment at 38 Ill. Reg. 17798, effective August 8, 2014, for a maximum of 150 days; amended at 39 Ill. Reg. 695, effective December 29, 2014; emergency amendment at 42 Ill. Reg. 23202, effective December 3, 2018, for a maximum of 150 days; emergency expired May 1, 2019; amended at 43 Ill. Reg. 6593, effective May 20, 2019; amended at 44 Ill. Reg. _____, effective _____.

SUBPART A: GENERAL PROVISIONS

Section 1290.10 Definitions

Definitions for this Part can be located in Section 10 of the Compassionate Use of Medical Cannabis-[Pilot](#) Program Act. The following definitions shall also apply to this Part:

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"Act" means the Compassionate Use of Medical Cannabis ~~Pilot~~ Program Act [410 ILCS 130].

"ADA" means the Americans With Disabilities Act of 1990 (42 USC 12101).

"Address of record" means the address recorded by the Division in the applicant's or registrant's application file or the registration file maintained by the Division.

~~"Administratively complete" means that a dispensary registration application meets all requirements of the Act and this Part.~~

"Advanced practice registered nurse" or "APRN" means a person who is licensed under the Nurse Practice Act [225 ILCS 65] as an APRN and has a controlled substances license under Article III of the Illinois Controlled Substances Act [720 ILCS 570].

"Advertise" means advertise as defined in the Cannabis Regulation and Tax Act [410 ILCS 705].

"Applicant" means any person who is applying with the ~~Division~~Department for an authorization ~~to register a dispensary under the Act.~~

"Area zoned for residential use" means an area zoned exclusively for residential use; provided that, in municipalities with a population over 2,000,000, "an area zoned for residential use" means an area zoned as a residential district or a residential planned development.

"Application date" is the date the application for authorization or registration was delivered to and received by the Division, and the applicant received a receipt noting that date.

"Authorization" means an approval awarded to an applicant by the Division that permits an applicant to apply for a dispensing organization registration.

~~"Authorization notice" means the notice sent by the Division to the applicant that has been awarded an authorization. The authorization notice will include a registry identification number to be used on all future communication with the Division.~~

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"Batch" means a specific harvest of cannabis or cannabis-infused products that are identifiable by a batch number, every portion or package of which is uniform within recognized tolerances for the factors that were subject to a laboratory test and that appear in the labeling.

"Batch number" means a unique numeric or alphanumeric identifier assigned to a batch by a cultivation center when the batch is first planted.

"Bulk Cannabis Inventory" means cannabis and cannabis-infused products stored pursuant to Section 1290.405. Bulk cannabis inventory is included in the dispensing organization's total inventory available for sale.

"Cannabis" means *marihuana, hashish and other substances which are identified as including any parts of the plant Cannabis sativa and including derivatives or subspecies, such as Indica, of all strains of cannabis, whether growing or not; the seeds thereof, the resin extracted from any part of such plant; and any compound, manufacture, salt, derivative, mixture, or preparation of such plant, its seeds, or resin, including tetrahydrocannabinol (THC) and all other cannabinol derivatives, including its naturally occurring or synthetically produced ingredients, whether produced directly or indirectly by extraction, or independently by means of chemical synthesis or by a combination of extraction and chemical synthesis; but shall not include the mature stalks of such plant, fiber produced from such stalks, oil or cake made from the seeds of such plant, any other compound, manufacture, salt, derivative, mixture, or preparation of such mature stalks (except the resin extracted therefrom), fiber, oil or cake, or the sterilized seed of such plant which is incapable of germination.* (Section 3 of the Cannabis Control Act)

"Cannabis Control Act" means 720 ILCS 550.

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

"Cannabis wholesaler" means a registered cultivation center or other business licensed or registered by the Illinois Department of Agriculture that may, by law, transport cannabis to a dispensary.

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"Certifying health care professional" means a physician, an APRN, or a physician assistant.

"CPA" means certified public accountant.

"CRTA" means the Cannabis Regulation and Tax Act [410 ILCS 705].

"Damaged" shall have its common meaning and include medical cannabis that is unusable, unused, expired, spoiled, contaminated, deteriorated, mislabeled, undesired, excess, adulterated, misbranded, deteriorated or in containers or packaging that was tampered with or opened.

"Department" means the Illinois Department of Financial and Professional Regulation.

"Director" means the Director of the Illinois Department of Financial and Professional Regulation-Division of Professional Regulation or his or her designee.

"Dispensary" means the physical premises where medical cannabis is dispensed by a dispensing organization.

"Dispensing organization" or "dispensary organization" means a medical cannabis dispensing organization as defined in the Act.

"Dispensing organization agent" or "dispensary agent" means a medical cannabis dispensing organization agent as defined in the Act.

"Dispensing organization agent-in-charge" or "dispensary agent-in-charge" means the person who has day to day control and management over the dispensary.

"Dispensing Organization District" or "District" means one of the 43 geographically dispersed areas identified in the Act and this Part where one or more dispensing organizations may be located.

"Dispensing organization registration" or "Registration" authorizes the applicant to open and operate a dispensing organization within the District designated by the Division.

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"Dispensing organization registration authorization" or "Authorization" is the permission given by the Division to an applicant for a dispensing organization allowing it to file documents to obtain a dispensary registration.

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

meets at least one of the following criteria:

the area has a poverty rate of at least 20%, according to the latest federal decennial census;

75% or more of the children in the area participate in the federal free lunch program, according to reported statistics from the State Board of Education;

at least 20% of the households in the area receive assistance under the Supplemental Nutrition Assistance Program; or

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

has high rates of arrest, conviction, and incarceration related to sale, possession, use, cultivation, manufacture, or transport of cannabis.
(CRTA Section 1-10)

"Division" means the Department of Financial and Professional Regulation-Division of Professional Regulation with the authority delegated by the Secretary.

"DOA" means the Illinois Department of Agriculture.

"DPH" means the Illinois Department of Public Health.

"Excluded offense" means:

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a violent crime defined in Section 3 of the Rights of Crime Victims and Witnesses Act or a substantially similar offense that was classified as a felony in the jurisdiction where the person was convicted; or

a violation of a state or federal controlled substance law that was classified as a felony in the jurisdiction where the person was convicted, except that the Department may waive this restriction if the person demonstrates to the 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 [as defined in Section 10 of the Act](#).

This exception does not apply if the conviction was under state law and involved a violation of an existing medical cannabis law. (Section 10 of the Act)

"Financial interest" means any actual or future right to ownership, investment or compensation arrangement, either directly or indirectly, through business, investment, spouse, parent or child, in the dispensing organization. Financial interest does not include ownership of investment securities in a publicly-held corporation that is traded on a national securities exchange or over-the-counter market in the United States, provided the investment securities held by the person and the person's spouse, parent or child, in the aggregate, do not exceed ~~5%~~[five percent](#) ownership in the dispensing organization.

"Fingerprint-based criminal history records check" means a fingerprint-based criminal history records check conducted by the ISP in accordance with the Act, 20 Ill. Adm. Code 1265.30 (Electronic Transmission of Fingerprint Requirements) or the Uniform Conviction Information Act (UCIA) [20 ILCS 2635].

"Good standing" means the dispensing organization's registration is not under investigation, is not on probation and is not subject to disciplinary or other restrictions by the Division as defined in the Act or this Part.

"HIPAA" means the Health Insurance Portability and Accountability Act (45 CFR 164).

["ID" means the Division issued identification card.](#)

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"Illinois Cannabis Tracking System" means a web-based system established and maintained by ~~DPH~~the Department of Public Health that is available to ~~DOA~~the Department of Agriculture, the Department of Financial and Professional Regulation, ISP~~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 Pilot Program participant. (Section 10(1-10) of the Act)

"ISP" means Illinois Department of State Police.

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

"Limited access area" means a room or rooms under the control of the dispensing organization and on the registered dispensary premises into which cannabis is dispensed from a restricted access area~~with access limited~~ to qualifying patients, provisional registration patients, Opioid Alternative Pilot Program Participants, and designated caregivers, ~~dispensary agents, service professionals working on jobs at the dispensary, or persons authorized by the Act and this Part.~~

~~"Livescan" means an inkless electronic system designed to capture an individual's fingerprint images and demographic data in a digitized format that can be transmitted to ISP, for processing. The data is forwarded to the ISP Bureau of Identification (BOI) over a virtual private network (VPN) and then processed by ISP's Automated Fingerprint Identification System (AFIS). Once received at the BOI for processing, the inquiry may then be forwarded to the Federal Bureau of Investigation (FBI) electronically for processing.~~

"Livescan vendor" means an entity licensed by the Department to provide commercial fingerprinting services under the Private Detective, Private Alarm, Private Security, Fingerprint Vendor, and Locksmith Act of 2004 [225 ILCS 447].

"Medical cannabis" means cannabis and its constituent cannabinoids, such as tetrahydrocannabinol (THC) and cannabidiol (CBD), used as an herbal remedy or therapy to treat disease or alleviate symptoms. Medical cannabis can be administered in a variety of ways, including, but not limited to: vaporizing or

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smoking dried buds; using concentrates; ingesting tinctures or tonics; applying topicals such as ointments, balms; or consuming medical cannabis-infused food products.

"Medical cannabis container" means a sealed, traceable, food compliant, tamper resistant, tamper evident container or package used for the purpose of containment of medical cannabis from a cultivation center to a dispensing organization. (Section 10(n) of the Act)

"Medical cannabis-infused products" means food, oils, ointments, or other products containing cannabis that are not smoked (e.g., sodas, teas or capsules) as defined in the Act. (Section 10(q) of the Act)

"Member of an impacted family" means an individual who has a parent, legal guardian, child, spouse, or dependent, or was a dependent of an individual who, prior to the effective date of the CRTA, was arrested for, convicted of or adjudicated delinquent for any offense that is eligible for expungement by the CRTA. (CRTA Section 1-10)

"Monitoring" means continuous and uninterrupted video surveillance of dispensary activities and oversight for potential suspicious actions. Monitoring through video surveillance includes the purpose of summoning a law enforcement officer to the premises during alarm conditions. The Division and law enforcement agencies shall have the ability to access a dispensing organization's monitoring system in real-time via a secure web-based portal.

"Notify" means to send via regular United States mail or email ~~and United States certified mail~~.

"OAPP" means the Opioid Alternative Pilot Program.

"Opioid" means a narcotic drug or substance that is a Schedule II controlled substance under Section 206(b)(1), (2), (3), or (5), or (c) of the Illinois Controlled Substances Act. (Section 10(r-5) of the Act)

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

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"Ownership structure" means a description of the business type, structure and identity of each person with ownership, control or financial interest in the dispensing organization.

"Person" includes, but is not limited to, a natural person, sole proprietorship, partnership, joint venture, limited liability company, corporation, association, agency, business entity, not-for-profit or organization.

"Physician" means a doctor of medicine or doctor of osteopathy licensed under the Medical Practice Act of 1987 [225 ILCS 60] to practice medicine and who has a controlled substances license under Article III of the Illinois Controlled Substances Act [720 ILCS 570]. "Physician" does not include a licensed practitioner under any other Act, including, but not limited to, the Illinois Dental Practice Act [225 ILCS 25].

"Physician assistant" means a physician assistant licensed under the Physician Assistant Practice Act of 1987 [225 ILCS 95] who has a controlled substances license under Article III of the Illinois Controlled Substances Act.

"Point of sale" means a web-based system maintained by the dispensing organization to track cannabis inventory, sales and currency. The dispensary's point of sale equipment interfaces in real-time with the State verification system and Illinois Cannabis Tracking System to record all sales.

"Principal officer" includes:

a board member of a dispensing organization;

an owner with more than 1% interest in a privately held dispensing organization or more than a 5% interest in a publicly traded cannabis company;

the president, vice president, secretary, treasurer, partner, officer, member or manager member of a dispensing organization;

a person with a profit sharing financial interest or revenue sharing agreement with, or a financial interest in, a dispensing organization;

a person with authority to control the dispensing organization; or

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a person who assumes responsibility for the debts of the dispensing organization.

This definition includes any person of a holding or parent company or entity engaged in a management agreement that exerts indirect or direct control over the medical cannabis dispensing organization~~a dispensing organization applicant or registered dispensing organization's board member, owner with more than one percent interest of the total dispensing organization or more than five percent interest of the total dispensing organization of a publicly traded company, president, vice president, secretary, treasurer, partner, officer, member, manager member, shareholder or person with a profit sharing, financial interest or revenue sharing arrangement. The definition includes a person with authority to control the dispensing organization, a person who assumes responsibility for the debts of the dispensing organization and a person who is further defined in this Part.~~

"Promptly" means as soon as reasonably practicable, but not later than 5~~five~~ days.

"Provisional registration" means a document issued by ~~the DPH~~the Department of Public Health to a qualifying patient who has submitted:

an online application and paid a fee to participate in the Compassionate Use of Medical Cannabis ~~Pilot~~ Program pending approval or denial of the patient's application; or

a completed application for terminal illness. (Section 10(s-5) of the Act)

"Public access area" is the dispensary's entrance, vestibule or waiting room area accessible to the public and under the control of the registered dispensing organization.~~Persons in the public access area must be present in furtherance of the Act.~~

"Registered" or "Registration" means a dispensing organization licensed by the Division to operate a medical cannabis dispensary as defined in the Act.

"Registration applicant" means an applicant that has been awarded an authorization by the Division.

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"Reinforced vault" means a room built to the specifications listed in Section 1290.410(j).

~~"Restricted access area" means a room or rooms, or other contiguous area under control of the dispensing organization and on the registered premises where cannabis is stored, deliveries of cannabis are received, cash or receipts are stored, or cannabis is destroyed or disposed of with access limited to dispensary agents, the Division, ISP, emergency personnel and service professionals as described in this Part, where cannabis is stored, held, packaged, sold or processed for sale.~~

~~"Registration packet" is the information and documents submitted by a dispensing organization authorized by the Division to register a dispensing organization.~~

"Secretary" means the Secretary of the Department.

~~"Service professional" means a person who must be present at the dispensary to perform work other than duties that can only be performed by agents, agents-in-charge or principal officers, including but not limited to those installing or maintaining security devices, delivering cannabis, or providing construction services.~~

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

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

an applicant with at least 51% of ownership and control by one or more individuals who:

have been arrested for, convicted of, or adjudicated delinquent for any offense that is eligible for expungement; or

is a member of an impacted family;

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

currently reside in a Disproportionately Impacted Area;

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have been arrested for, convicted of, or adjudicated delinquent for any offense that is eligible for expungement; or

is a member of an impacted family.

"State verification system" means a web-based system established and maintained by ~~DPH~~*the Department of Public Health* that is available to ~~DOA~~*the Department of Agriculture, the Department of Financial and Professional Regulation*, law enforcement personnel, and registered medical cannabis dispensing organization agents on a 24-hour basis for the verification of registry identification cards, the tracking of delivery of medical cannabis to medical cannabis dispensing organizations, and the tracking of the date of sale, amount, and price of medical cannabis purchased by a registered qualifying patient. (Section 10(x) of the Act)

"Trust" means a fiduciary relationship in which one party, known as a trustor, gives another party, the trustee, the right to hold title to property or assets for the benefit of a third party, the beneficiary.

"Veteran" means person who served in one of the five active-duty Armed Services or their respective Guard or Reserve units, and who was discharged or released from service under conditions other than dishonorable.

"Visitor" means a person authorized by the Division and the dispensary to enter a dispensary's limited access area, as defined in this Part, and is not a qualifying patient, designated caregiver, dispensary agent, emergency personnel or service professional.

"Written certification" means a document dated and signed by a certifying health care professional~~physician~~, stating:

*that the qualifying patient has a debilitating medical condition and specifying the debilitating medical condition the qualifying patient has;
and*

that:

*the certifying health care professional~~physician~~ is treating or managing treatment of the patient's debilitating medical condition;
or*

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an Opioid Alternative Pilot Program participant has a medical condition for which opioids have been or could be prescribed.

A written certification shall be made only in the course of a bona fide ~~certifying health care professional~~physician-patient relationship, after the ~~certifying health care professional~~physician has completed an assessment of either a qualifying patient's medical history or OAPP participant, reviewed relevant records related to the patient's debilitating condition, and conducted a physical examination. (Section 10(y) of the Act)

(Source: Amended at 44 Ill. Reg. _____, effective _____)

SUBPART C: APPLICATION REQUIREMENTS FOR A
MEDICAL CANNABIS DISPENSARY REGISTRATION AUTHORIZATION

Section 1290.30 Dispensing Organization Principal Officers

- a) In addition to the individuals identified in the dispensing organization's by-laws as principal officers, the following individuals are considered principal officers:
- 1) If a corporation, the officers of the corporation;
 - 2) If a partnership, the partners;
 - 3) If a limited liability company, the members and managers of the limited liability company;
 - 4) If an association or cooperative, the members of the association or cooperative;
 - 5) If a joint venture, the individuals who signed the joint venture agreement; and
 - 6) If a business organization other than the types listed in subsections (a)(1) through (5), the members of the business organization.
- b) All principal officers must be natural persons. A dispensing organization may not be established as a trust. A trust may not have an ownership interest in a registered dispensing organization.

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- c) Any person with a financial interest in a management agreement is deemed to have a financial interest in the dispensing organization that it is managing. Managing a dispensing organization may include, but is not limited to, directing or advising on pricing, product selection, personnel or marketing decisions.
- de) If a dispensing organization parent company, holding company or any other entity exerts management or control over the dispensing organization, ~~that entity is a dispensing organization principal officer, including~~ the officers, board members and ~~the individuals with an ownership interest in it~~ that have more than a ~~one~~ 1 percent ownership interest in that entity are also principal officers in the dispensing organization.
- e) No principal officer shall have a financial interest in more than five registrations or authorizations under the Act or hold themselves out as an owner of more than five registrations or authorizations under the Act. If a principal officer has a financial interest in more than five registrations or authorizations under this Act, the principal officer must promptly notify the Division.
- f) All principal officers must be approved and receive a principal officer ID issued by the Division.
- g) A principal officer not in compliance with the requirements of the Act and this Part shall be removed from his or her position with the dispensing organization or shall otherwise terminate his or her affiliation. Failure to do so may subject the dispensing organization to discipline, suspension or revocation of its registration by the Division.
- h) A principal officer must not allow his or her principal officer ID to expire.
- i) A principal officer shall comply with, and is subject to, the provisions and requirements of Section 1290.240.

(Source: Amended at 44 Ill. Reg. _____, effective _____)

Section 1290.40 Dispensing Organization Authorization Process

- a) An applicant shall file an application with the Division for authorization to register a dispensing organization. Applications must contain the information

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required by the Division and be submitted in the form and format directed by the Division.

- b) The Division shall review applications and issue authorizations according to the requirements of the Act and this Part.
- 1) ~~An applicant shall file an application with the Division for authorization to register a dispensing organization.~~
- 12) ~~Applications for authorizations shall be made on forms furnished by the Division.~~ The application shall be signed by all principal officers certifying under penalty of perjury that all information contained in the application is true and accurate.
- 23) An applicant is limited to one application for authorization per District. An applicant may only be awarded an authorization for the District identified in its application.
- 4) ~~The instructions on the application will reflect the total maximum number of points available for each required criteria and bonus point category. The instructions and application will also identify the minimum number of points necessary from the required criteria to be eligible for consideration of the bonus point categories. All applications will be reviewed and points awarded based upon the same point system in a fair and unbiased manner.~~
- 35) An applicant may submit separate applications for authorization in up to five Districts per application period. If submitting an application in more than one District, the applicant shall identify all the Districts in which the applicant has applied.
- 46) Each application requires ~~a non-refundable one~~ application fee (see Section 1290.80). The Division will award up to 250 points to complete and timely file applications based on the sufficiency of the applicant's responses to information requested in the application. An applicant may be awarded points for each category identified in this subsection. An application may receive none, some, or all of the points available in a category, depending on the category and the applicant's response. The categories and the maximum number of points available are Applications for authorization will be scored in five required categories. ~~Should the applicant meet the minimum percentage in the five required categories, it~~

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~~may be eligible to be scored in the bonus category. The required five categories and the bonus category will be scored based on the following point structure:~~

~~A) The suitability of the proposed employee training plan dispensary category is (maximum of 15) 50 points).~~

~~B) The business and operation plan category is 200 points.~~

~~B) C) The security and recordkeeping plan category is (maximum of 65) 200 points).~~

~~C) D) A business plan, financials, operating plan and floor plan (maximum of 65) The recordkeeping and inventory plan category is 200 points).~~

~~D) E) The applicant's knowledge and experience (maximum of 30) financial disclosure category is 150 points).~~

~~E) F) Qualification as a Social Equity Applicant (maximum of 50) The bonus category is 100 points).~~

~~F) Information regarding proposed labor and employment practices (maximum of 5 points).~~

~~G) An environmental plan (maximum of 5 points).~~

~~H) Qualification as an Illinois owner (maximum of 5 points).~~

~~I) Qualification as a veteran (maximum of 5 points).~~

~~J) A diversity plan (maximum of 5 points).~~

~~7) If submitting an application in more than one District, the applicant shall identify the Districts it has applied in or Districts where it is registered.~~

~~58) Each applicant must submit to and qualify through a fingerprint-based criminal history records check as set forth in Section 1290.230.~~

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- ~~69)~~ The Division shall review and score each complete and timely filed application. Incomplete or untimely filed applications will not be accepted by the Division and will not be scored to determine whether it meets the minimum criteria and shall determine qualified applicants.
- ~~10)~~ The Division may consider the location of a proposed dispensary relevant to other proposed or existing dispensaries, in the same or adjacent Districts, to ensure that dispensaries are geographically dispersed.
- ~~11)~~ If the Division determines that the number of qualified applicants exceeds the number of authorizations available, the Division will select the most qualified applicant in that District using the selection process established in Section 1290.60.
- ~~712)~~ Applicants~~Qualified applicants~~ chosen through the selection process will receive an authorization issued by the Division.
- ~~13)~~ If the Division determines that a District has no qualified applicants or fewer qualified applicants than authorized registrations, the Division shall post a notification on the Division's website detailing the dates of the next open application period.
- ~~14)~~ No person or entity shall have a financial interest in more than five registrations or hold itself out as an owner of more than five registrations. No person shall be a principal officer in more than five registered dispensing organizations. If a qualified applicant has been granted more than five authorizations or registrations by the Division, the applicant shall promptly notify the Division.
- ~~15)~~ If a dispensing organization's registration is void or invalid for any reason, including but not limited to revocation, suspension or nonrenewal, the Division will post a notification on the Division's website detailing the dates of the next open application period.
- b) Upon receipt of the authorization notice, the applicant may submit for registration approval.
- c) If an applicant is awarded an authorization, the information and plans provided in the application become a condition of the authorization. Failure to comply with the conditions in the application may subject the authorization recipient to

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discipline, up to and including revocation of its authorization. Revocation of an authorization shall serve as a final administrative decision by the Division.

(Source: Amended at 44 Ill. Reg. _____, effective _____)

Section 1290.50 Dispensing Organization – Application Requirements for Authorization
(Repealed)

- a) ~~Applications must be submitted on Division provided forms and include the following information:~~
- ~~1) The legal name of the proposed dispensing organization.~~
 - ~~2) The name, address, telephone number, date of birth, social security number and e-mail address of the proposed dispensing organization's principal officers. A post office box may not be used.~~
 - ~~3) The name of the proposed dispensary.~~
 - ~~4) If the entity applying is a sole proprietorship, a copy of creation documents.~~
 - ~~5) If the entity applying is a business organization other than a sole proprietorship, the following information for the entity applying:
 - ~~A) The type of business organization.~~
 - ~~B) If a partnership, a copy of any partnership or joint venture documents, and if there is no written agreement, a statement signed by all principal officers affirming there is no agreement.~~
 - ~~C) If a limited liability company, a copy of the Articles of Organization, operating agreement, and certificate of good standing issued by the Secretary of State or obtained from the Secretary of State's website dated within seven days prior to the date the application is filed with the Division. Limited liability company applicants shall include a listing of all affiliated persons or business entities holding an ownership interest in the company.~~~~

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- ~~D) If a corporation, the name of the registered agent, a copy of the Articles of Incorporation, Corporate Resolutions if any, and a certificate of good standing issued by the Secretary of State or obtained from the Secretary of State's website within seven days prior to the date the application is filed with the Division. If using an assumed name, a copy of the assumed name registration issued by the Secretary of State. Corporate applicants shall include a listing of all persons or businesses holding an ownership interest in the corporation.~~
- ~~E) If an unincorporated association, organization or not-for-profit organization, documents or agreements relevant to its creation, ownership, profit sharing and liability. If there are no documents as detailed in this subsection (a)(5)(E), a statement signed by all principal officers stating so.~~
- ~~6) From each principal officer, a statement indicating whether that person:
 - ~~A) Has held an ownership interest in a dispensing organization, other cannabis-related business, or its equivalent in another state or territory of the United States that had the dispensary registration or license suspended, revoked, placed on probationary status or subjected to other disciplinary action.~~
 - ~~B) Is a physician that will be on the dispensing organization's board of directors or an employee, pursuant to Section 35(b)(5) of the Act.~~
 - ~~C) Is a registered qualified patient, designated caregiver, provisional patient or OAPP patient.~~~~
- ~~7) Disclosure of whether any principal officer has ever:
 - ~~A) Filed for bankruptcy; or~~
 - ~~B) Defaulted on alimony or child support obligation.~~~~
- ~~8) A resume for each principal officer, including whether that person has an academic degree, certification or relevant experience with a medical cannabis business or in a related industry.~~

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- 9) ~~A patient education plan detailing the benefits or drawbacks of cannabis strains or products in connection with the debilitating conditions identified in the Act and an OAPP participant education plan detailing the benefits or drawbacks of cannabis strains or products in connection with medical conditions for which opioids can be, or are, prescribed for, and initiatives to keep product costs reasonable.~~
- 10) ~~A description of the training and education that will be provided to dispensary agents.~~
- 11) ~~A copy of the proposed operating by laws.~~
- 12) ~~A copy of the proposed business plan that complies with the requirements in this Part, including, at a minimum, the following:~~
 - A) ~~A description of products intended to be offered;~~
 - B) ~~A description of services to be offered; and~~
 - C) ~~A description of the process of dispensing cannabis from a restricted access area to a limited access area.~~
- 13) ~~A copy of the proposed security plan that complies with the requirements in this Part, including:~~
 - A) ~~A description of the delivery process by which cannabis will be received from a cultivation center, including receipt of manifests and protocols that will be used to avoid diversion, theft or loss at the dispensary acceptance point;~~
 - B) ~~The process or controls that will be implemented to monitor the dispensary, secure the premises, agents, patients, opioid participants and currency, and prevent the diversion, theft or loss of cannabis; and~~
 - C) ~~The process to ensure that access to the limited access areas is restricted to qualifying patients, provisional registration patients, OAPP participants, designated caregivers, registered agents, service professionals or persons authorized by the Act and this Part.~~

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- 14) ~~A proposed inventory control plan that complies with this Part.~~
 - A) ~~The process for integrating the dispensary's point of sale with the State verification system and Illinois Cannabis Tracking System using a program interface to record sales and patients, provisional patients, designated caregivers and OAPP participants in real time;~~
 - B) ~~A description of the medical cannabis order fulfillment process for patients, provisional patients and OAPP participants;~~
 - C) ~~A description of the patient, provisional patient and OAPP participant sale process;~~
 - D) ~~A description of the process of dispensing cannabis from the restricted access area to the limited access area.~~

- 15) ~~A proposed recordkeeping plan and State verification system for patients, provisional patients, designated caregivers and OAPP participants that complies with this Part.~~

- 16) ~~A copy of the current local zoning ordinance sections relevant to dispensary operations. Documentation, if any, of the approval, the conditional approval or the status of a request for zoning approval from the local zoning office that the proposed dispensary location is in compliance with the local zoning rules and the zoning provisions in Section 130 of the Act.~~

- 17) ~~For the building or land to be used as the proposed dispensary:~~
 - A) ~~If the property is not owned by the applicant, a written statement from the property owner and landlord, if any, certifying consent that the applicant may operate a dispensary on the premises; or~~
 - B) ~~If the property is owned by the applicant, confirmation of ownership.~~

- 18) ~~A copy of any proposed marketing or advertising plan or materials.~~

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- ~~19) A map of the area surrounding the proposed dispensary, extending a minimum of 1,000 feet from the property line in all directions. The map must clearly demonstrate that the property line of the proposed dispensary is not located within 1,000 feet of the property line of a pre-existing public or private preschool or elementary or secondary school or day care center, day care home, group day care home or part day child care facility. The map must clearly demonstrate that the dispensary is not in an area zoned for residential use and identify the existing adjacent businesses. For purposes of this subsection (a)(19), "pre-existing" means existing as of the date the proposed dispensing organization submitted its application to the Division.~~
- ~~20) A plot plan of the dispensary drawn to scale. The applicant shall submit general specifications of the building exterior and interior layout.~~
- ~~21) A statement that the dispensing organization agrees to respond to the Division's supplemental requests for information.~~
- b) ~~Financial Disclosure~~
The applicant shall provide a statement disclosing relevant business transactions and financial information connected with the application. Financial disclosures include:

 - ~~1) A Table of Organization, Ownership and Control, including the ownership structure and names of the principal officers of the dispensing organization.~~
 - ~~2) A current organization chart that includes position descriptions and the names and resumes of each person holding each position. The resumes shall establish specific skills, education, experience or significant accomplishments that are relevant to owning or operating a dispensing organization.~~
 - ~~3) Depending on business type as applicable, agreements between any two or more principal officers that relate to the assets, liabilities, property, revenue, royalties, profit or future profit of the dispensing organization or comparable documents that establish the legal structure of the applicant, operations, management and control.~~

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- 4) ~~A copy of compensation agreements among any persons having a financial interest in the dispensing organization.~~
 - 5) ~~The nature, type, terms, covenants and priorities of all outstanding debts, including but are not limited to bonds, loans, mortgages, trust deeds, lines of credit, notes issued or executed, or to be issued or executed, in connection with the proposed dispensary.~~
 - 6) ~~Audited financial statements for the previous fiscal year, which shall include, but are not limited to, an income statement, balance sheet, statement of retained earnings or owners' equity, statement of cash flows, and all notes to those statements and related financial schedules, prepared in accordance with generally accepted accounting principles, with the accompanying independent auditor's report. The audit must be compiled by and certified by an auditor or CPA. If the applicant was formed within the year preceding the application, provide certified financial statements for the period of time the applicant has been in existence.~~
 - 7) ~~Complete copies of all federal, state and foreign (with translation) tax returns filed by the principal officers of the proposed dispensing organization for the last three years, or for the period each principal officer has filed tax returns if less than three years.~~
 - 8) ~~Disclosure of all funding sources used for the proposed dispensing organization, including documentation verifying the source of the funds and copies of closing documents in connection with the purchase of a registered business.~~
 - 9) ~~The applicant has a continuing duty to promptly disclose material changes in the financial information provided to the Division. If an applicant is issued a registration, this duty of ongoing disclosure shall continue throughout the registered period.~~
- e) ~~Documentation acceptable to the Division that the applicant has at least \$400,000 in liquid assets under its control for each application. Documentation acceptable to the Division includes:~~
- 1) ~~A signed statement from an Illinois Licensed CPA or financial institution attesting to proof of \$400,000 in liquid assets under the control of a principal officer or the entity applying.~~

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- 2) ~~The signed statement must be dated within 10 calendar days before the application is submitted.~~
- 3) ~~Documentation otherwise requested by the Division in writing.~~
- d) ~~An attestation under penalty of perjury signed and dated by each principal officer identified in subsection (a)(2):~~
 - 1) ~~That the person has not been convicted of an excluded offense;~~
 - 2) ~~That the information provided to the Division is true and correct;~~
 - 3) ~~That, if the proposed organization is issued an authorization, the applicant will not operate until the Division approves the applicant's registration packet, the dispensary is inspected and the applicant obtains a registration from the Division;~~
 - 4) ~~That the applicant acknowledges receipt and advisement of the notices contained in the application and agrees to and accepts the limitations of liability and the requirement to indemnify, hold harmless and defend the State of Illinois, including:~~
 - A) ~~Limitation of Liability—the State of Illinois shall not be liable to the dispensing organization, dispensing organization employees, family members or guests, qualifying patients or caregivers, qualifying patient's or caregiver's employer or employees, family members or guests for any damage, injury, accident, loss, compensation or claim, based on, arising out of or resulting from the registrant's participation in the Compassionate Use of Medical Cannabis Pilot Program, including, but not limited to, the following: arrest, seizure of persons or property, prosecution pursuant to federal laws by federal prosecutors, any fire, robbery, theft, mysterious disappearance or any other casualty; or the actions of any other registrants or persons. This limitation of liability provision shall survive expiration or the early termination of the registration if the registration is granted; and~~

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- B) ~~The Division requires each registrant to include a signed statement in the registration packet that, at minimum, certifies that the applicant has actual notice that, notwithstanding any State law:~~
- ~~i) Cannabis is a prohibited Schedule I controlled substance under federal law;~~
 - ~~ii) Participation in the Compassionate Use of Medical Cannabis Pilot Program (program) is permitted only to the extent provided by the strict requirements of the Act and this Part;~~
 - ~~iii) Any activity not sanctioned by the Act or this Part may be a violation of State law;~~
 - ~~iv) Growing, distributing or possessing cannabis in any capacity, except through a federally approved research program, is a violation of federal law;~~
 - ~~v) Use of medical cannabis may affect an individual's ability to receive federal or state licensure in other areas;~~
 - ~~vi) Use of medical cannabis, in tandem with other conduct, may be a violation of State or federal law;~~
 - ~~vii) Participation in the medical cannabis program does not authorize any person to violate federal law or State law and, other than as set out in Section 25 of the Act, does not provide any immunity from or affirmative defense to arrest or prosecution under federal law or State law; and~~
 - ~~viii) Applicants shall indemnify, hold harmless and defend the State of Illinois for any and all civil or criminal penalties resulting from participation in the program.~~
- C) ~~The Division has the authority to include additional certifications in the application that would be sufficient to ensure compliance with the program and all other applicable laws.~~

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~~e) All proposed principal officers must be natural persons. The Division will communicate with the proposed dispensing organization's principal officers. The Division will not communicate exclusively with a consultant or attorney working on behalf of the proposed dispensing organization.~~

~~f) The non-refundable application fee (see Section 1290.80).~~

(Source: Repealed at 44 Ill. Reg. _____, effective _____)

Section 1290.60 Selection Process

~~a) The Division will conduct a comprehensive, fair and impartial evaluation of the applications timely received. It will award dispensing organization authorizations on a competitive basis.~~

~~b) Applications will be assessed to determine whether they meet the mandatory minimum qualification criteria. Application items are mandatory unless otherwise indicated. An applicant that fails to submit the information required by this Part may be disqualified prior to the review and scoring process.~~

ae) The Division will accept applications, assigning each one a unique identification number. During the selection process, the application will be reviewed and referred to by its unique identification number.

bd) An application will be disqualified if one or more of the prospective principal officers has been convicted of an excluded offense.

c) An application may be disqualified for any of the following reasons:

1) One of the proposed principal officers has committed one or more of the violations identified in Section 1290.510 or 1290.515, or has committed a substantially similar violation in another jurisdiction;

2) One of the proposed principal officers has been convicted of a felony or misdemeanor that would impair the ability of the person to engage in the practice of being a principal officer of a dispensing organization (see 20 ILCS 2105/2105-131);

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- 3) One of the proposed principal officers has served as an owner, officer, or director of a licensed cannabis related business that has been disciplined in Illinois or any other state.
- de) When the Division receives more than one complete and timely filed application for an authorization in a District, the Division will choose the recipient of the authorization applicant through a selection and scoring process (see Section 1290.70).
- ef) The Division will rank each complete and timely filed application based on its total score.
- fg) Authorizations will be issued to non-disqualified the applicants in each District in order of priority based on meeting at least the minimum criteria in each category and with the highest number of application points until all authorizations allocated in the District have been issued total score overall per District and based on the number of allocated registrations per District.
- gh) If two or more non-disqualified applicants receive the same number of application points, authorizations will be awarded pursuant to Section 1290.65. In the event that two or more applicants receive the same total high score, the Division will select the applicant that received the highest score in the security and recordkeeping categories. In the event that the applicants received the same score in the security and recordkeeping categories, the tied applicants will be interviewed by a panel of three Department employees selected by the Director. The panel will interview the applicants based on the information gathered during the application process. The panel will make a written recommendation to the Director, and the Director will review the recommendation and make a final written determination.
- i) The Division may issue up to 60 dispensing organization authorizations. If the Division concludes that, during the first request for applications, no qualified applications are timely received for a District or Districts, the Division reserves the right to award fewer than 60 authorizations. If a second round of applications is required, the second round will be conducted in the same manner as the first.
- hj) Successful applicants will receive an An authorization notice from the Division will be sent to a successful applicant. The authorization notice will include a registry identification number to be used on all future communication with the Division.

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- ~~ik)~~ Notwithstanding Section 1290.620, nothing in this Part is intended to confer a property or other right, duty, privilege or interest entitling an applicant to an administrative hearing upon denial of an application.
- ~~l)~~ ~~To reassign a registration, the Division will publish on its website, and in such other places as the Division deems appropriate, a notice of open applications for dispensary registration. The notice shall include:~~
- ~~1)~~ ~~The number of registrations anticipated to be awarded;~~
 - ~~2)~~ ~~Information on how to obtain an application;~~
 - ~~3)~~ ~~The deadline for receipt of applications;~~
 - ~~4)~~ ~~Acceptable methods for submitting an application; and~~
 - ~~5)~~ ~~The available District.~~

(Source: Amended at 44 Ill. Reg. _____, effective _____)

Section 1290.65 Awarding Authorizations by Lot

- a) For the purposes of this Section:

"Applicant" means the Proposed Dispensing Organization Name as stated on an authorization application.

"Application points" means the number of points an applicant receives at the conclusion of the scoring process.

"By lot" means a randomized method of choosing between two or more eligible applicants.

"Eligible applicant" means a tied applicant that is eligible to participate in the process by which a remaining available authorization is distributed by lot.

"Remaining available authorization" means an authorization in a District that is not awarded by the Division at the conclusion of the scoring process period. There may be more than one remaining available authorization in a District. For

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example, if four authorizations are available in a District and the five highest scoring applicants receive scores of 245, 240, 235, 235 and 235 points, the applicants receiving 245 and 240 application points will be awarded authorizations and the three applicants receiving 235 points may become eligible applicants. Likewise, if one authorization is available in a District and there are 5 applicants with the highest score, all 5 applicants may become eligible applicants.

"Scoring process period" is the period of time between the conclusion of the submission period for an authorization application and when the Division publishes the following information:

the names of the applicants that have been awarded authorizations based on receiving the highest number of application points; and

the names of tied applicants that may become eligible applicants.

"Tied applicant" means an applicant that has received the same number of application points as one or more other applicants in the same District and would have been awarded an authorization but for the one or more other applicants that received the same number of application points.

- b) A tied applicant may qualify as an eligible applicant subject to the following:
- 1) A tied applicant is prohibited from becoming an eligible applicant if a principal officer of the tied applicant is a principal officer of more tied applicants than the number of remaining available authorizations. For example, if an individual is a principal officer of four tied applicants and there are two remaining available authorizations, no more than two of those tied applicants may become eligible applicants.
 - 2) A tied applicant is prohibited from becoming an eligible applicant if a principal officer of a tied applicant resigns after the conclusion of the scoring process period.
 - 3) A tied applicant is prohibited from becoming an eligible applicant if, after the conclusion of the declination period identified in subsection (c), a principal officer of the applicant is a principal officer of more tied applicants than the number of remaining available authorizations.

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- c) A tied applicant may decline to become an eligible applicant by informing the Division within 5 business days after the conclusion of the scoring process period. The declination must be submitted on forms approved by the Division.

- d) If, at the conclusion of the scoring process period, there are two or more eligible applicants, the Division may distribute the remaining available authorizations by lot, subject to the following:
 - 1) The Division shall publish a list of eligible applicants at least 5 business days before the day the remaining available authorizations are distributed.
 - 2) The drawing by lot for all remaining available authorizations will occur on the same day.
 - 3) For each District, the Division will draw a number of eligible applicants equal to five times the number of remaining eligible authorizations.
 - 4) Within each District, the first eligible applicant drawn will have the first right to a remaining available authorization. The second eligible applicant drawn will have the second right to a remaining available authorization. The same pattern will continue for each subsequent eligible applicant drawn.
 - 5) The process for distributing remaining available authorizations will be recorded by the Division in a format chosen by the Division.
 - 6) If, upon being selected for a remaining available authorization, the eligible applicant has a principal officer that is a principal officer in more than 5 Dispensing Organization Authorizations and Registrations, the registrants and the eligible applicant listing the principal officer must choose which authorizations or registrations to abandon and notify the Division in writing within 5 business days. If the eligible applicants or registrants do not notify the Division as required, the Division shall refuse to issue to the eligible applicants all remaining available authorizations obtained by lot in all Districts.
 - 7) All remaining available authorizations that have been abandoned shall be distributed to the next eligible applicant drawn by lot. If there are no additional eligible applicants, the authorization shall be awarded to the

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applicant receiving the next highest number of application points in the District.

(Source: Added at 44 Ill. Reg. _____, effective _____)

Section 1290.70 Selection Criteria

- a) ~~Applicants must submit all required information, including that required in Section 1290.50. Failure by an applicant to submit all required information may result in the application being disqualified.~~
- ab) If the Division receives an application with missing information, the Division may issue a deficiency notice to the applicant. The applicant shall have ~~10~~^{seven} calendar days from the date of the deficiency notice to resubmit the ~~missing~~^{incomplete} information. Applications that are ~~still~~ incomplete after this opportunity to cure will not be scored and will be disqualified.
- be) The Division will award up to 250 points to ~~administratively~~ complete and timely filed applications based on the clarity, organization and quality of the applicant's responses to required information. Applicants will be awarded points based on the determination that the application satisfactorily includes~~according to the~~ following element~~categories~~:
 - 1) Suitability of the Employee Training Plan (15 points)~~Proposed Dispensary~~
The plan shall include an employee training plan that demonstrates that employees will understand the rules and statutes to be followed by dispensary employees, have knowledge of any security measures and operating procedures of the dispensary, and are able to advise patients, provisional patients, caregivers, and OAPP participants on how to safely consume cannabis and use individual products offered by the dispensary.
 - A) ~~A demonstration that the proposed location is suitable for public access, the layout promotes safe dispensing of medical cannabis, it is sufficient in size, power allocation, lighting, parking, handicapped accessible parking spaces, ADA accessible entry and exits, product handling, and storage.~~
 - B) ~~A statement of reasonable assurance that the issuance of a registration will not have a detrimental impact on the community.~~

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- 2) Security and Recordkeeping (65 points)
 - A) The security plan ~~shall account~~will demonstrate the capability for the prevention of the theft or diversion of medical cannabis. The security plan ~~demonstrates~~will demonstrate safety procedures for dispensary employees, patients, provisional patients, OAPP participants and caregivers, and safe delivery and storage of cannabis and currency. ~~The plan shall~~It will demonstrate compliance with all security requirements in the Act and this Part.
 - B) A plan for recordkeeping, tracking and monitoring inventory, quality control and other policies and procedures that will promote standard recordkeeping and discourage unlawful activity. This plan ~~shall~~will include the applicant's strategy to communicate with the Division and ISP on the destruction and disposal of cannabis. The plan must also demonstrate compliance with the Act and this Part.
 - C) The security plan shall detail which private security contractor, licensed under Section 10-5 of the Private Detective, Private Alarm, Private Security, Fingerprint Vendor, and Locksmith Act of 2004 [225 ILCS 447], the dispensary will contract with in order to provide on-site security at all hours of the dispensary's operation.
- 3) Applicant's Business Plan, Financials, and Operating and Floor Plan (65 points)
 - A) The business plan shall describe, at a minimum, how the dispensing organization will be managed on a long-term basis. This shall include a description of the State verification system, dispensing organization's point of sale system, Illinois Cannabis Tracking System, purchases and denials of sale, confidentiality, and products and services to be offered. It must demonstrate compliance with the Act and this Part.
 - B) ~~The financial plan shall describe, at a minimum, the source of the \$400,000 liquid asset requirement and the amount and source of the organization's equity and debt commitment to ensure financial stability, including a demonstration of the immediate and long-~~

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~~term financial health and resources for the design, development and operation of the dispensary.~~

~~B~~C) The operating plan shall include, at a minimum, ~~a timetable that provides an estimated time from authorization through year one of registration and the assumptions used as the basis for those estimates. It will include~~ best practices for day-to-day dispensary operation and staffing. The operating plan may also include information about employment practices, including information about the percentage of full-time employees who will be provided a living wage.

C) The proposed floor plan shall be suitable for public access, promote safe dispensing of cannabis, be compliant with the Americans With Disabilities Act and the Environmental Barriers Act, and facilitate safe product handling and storage.

4) Knowledge and Experience (30 points)

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

B) The applicant must demonstrate knowledge of various cannabis product strains or varieties, and describe the types and quantities of products planned to be sold. This includes confirmation of whether the dispensary plans to sell medical cannabis paraphernalia or edibles.

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

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

The applicant meets the qualifications for a Social Equity Applicant set forth in Section 1290.75.

6) Labor and Employment Practices (5 points)

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

7) Environment Plan (5 points)

The applicant may demonstrate an environmental plan of action to minimize the carbon footprint, environmental impact, and resource needs of the dispensary, which may include, without limitation, recycling cannabis product packaging.

8) Illinois Owner (5 points)

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

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

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

C) school records;

D) a voter registration card;

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

F) a paycheck stub;

G) a utility bill; or

H) any other proof of residency approved by the Division.

9) Status of a Veteran (5 points)

The applicant is 51% or more controlled and owned by an individual or individuals who meet the definition of "veteran" in Section 45-57 of the Illinois Procurement Code [30 ILCS 500].

10) A Diversity Plan (5 points)

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

- d) ~~The Division will award bonus points for preferred, but not required, initiatives based on the applicant's ability to meet requirements in the following categories:~~
 - 1) ~~Labor and Employment Practices: The applicant may describe plans to provide a safe, healthy and economically beneficial working environment for its agents, including, but not limited to, codes of conduct, healthcare benefits, educational benefits, retirement benefits, and living wage standards.~~
 - 2) ~~Research Plan: The applicant may provide the Division with a detailed proposal to conduct, or facilitate, a scientific study or studies related to the medicinal use of cannabis. The applicant may include in its proposal a detailed description of:~~
 - A) ~~The methodology of the study to accurately assess the effects of cannabis;~~
 - B) ~~The issues to be studied;~~
 - C) ~~The methods that will be used to identify and select study participants;~~
 - D) ~~The identity of each person or organization associated with the study, including the role of each;~~
 - E) ~~The duration of the study and anticipated peer review; and~~
 - F) ~~The intended use of the study results.~~
 - 3) ~~Community Benefits Plan: The applicant may provide a description of plans the applicant has to support the local community, the class of citizens served, or a plan for reduction in product costs for indigent patients that qualify.~~

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- 4) ~~Substance Abuse Prevention Plan: The applicant may provide a detailed description of any plans it will take to combat substance abuse in its District, including the extent to which the applicant will partner or work with existing substance abuse programs.~~
 - 5) ~~Local Community/Neighborhood Report: The applicant may provide comments, concerns or support received regarding the potential impact of the proposed location on the local community and neighborhood.~~
 - 6) ~~Environmental Plan: The applicant may demonstrate an environmental plan of action to minimize the carbon footprint, environmental impact, and resource needs for the dispensary.~~
 - 7) ~~Verification of Minority Owned, Female Owned, Veteran Owned or Disabled Person Owned Business: The minority, female, veteran or disabled applicants must own at least 51% of the entity applying for registration. The percentage totals may include any combination of minority, female, veteran or disabled applicants. The minority, female, veteran or disabled applicant must also share in control of management and day-to-day operations of the dispensary. Documentation must be submitted at the time of application that demonstrates the respective status of the applicant, including, but not limited to, certification under the Business Enterprise for Minorities, Females, and Persons with Disabilities Act [30 ILCS 575] for minority, female or disabled person applicants, or a DD214 for veteran applicants. For purposes of this subsection, minority, female, and disabled shall be defined as found in Section 2 of the Business Enterprise for Minorities, Females, and Persons with Disabilities Act [30 ILCS 575/2].~~
 - 8) ~~Illinois Based Applicants: Documentation that the applicant's principal place of business is headquartered in Illinois, including the names, addresses and verification of the applicant's proposed agents that reside in Illinois. The applicant may also provide a plan for generating Illinois-based jobs and economic development.~~
- e) ~~The Division may verify information contained in each application and accompanying documentation to assess the applicant's character and fitness to operate a dispensary. In addition to the qualifications required in the Act and this Part, the Division may not grant an authorization or registration unless it is satisfied that the applicant is:~~

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- 1) ~~A person of good character, honesty and integrity;~~
 - 2) ~~A person whose background, including criminal record, reputation, habits and social or business associations, does not discredit or tend to discredit public confidence and trust in the Illinois medical cannabis industry or the State of Illinois, or pose a threat to the public health, security, safety, morals, good order and general welfare of the State of Illinois;~~
 - 3) ~~A person who does not create or enhance the dangers of unsuitable, unfair or illegal practices, methods and activities in the conduct of owning a medical cannabis dispensary;~~
 - 4) ~~A person who does not present questionable business practices and financial arrangements incidental to the conduct of owning a medical cannabis dispensary or otherwise;~~
 - 5) ~~A person who, either individually or through employees, demonstrates business ability and experience to establish, operate and maintain a business for the type of license for which application is made; and~~
 - 6) ~~A person who does not associate with, either socially or in business affairs, or employ, persons of notorious or unsavory reputation or who have extensive police records, or who have failed to cooperate with an officially constituted investigatory or administrative body.~~
- f) The Division may, in its discretion, refuse to issue an authorization to any applicant:
- 1) ~~Who is unqualified to perform the duties required of the applicant;~~
 - 2) ~~Who fails to disclose or states falsely any information called for in the application;~~
 - 3) ~~Who has been found guilty of a violation of the Act, or whose medical cannabis dispensary or cultivation center license was suspended, restricted, revoked or denied for just cause in any other state; or~~
 - 4) ~~For any other just cause.~~

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- ~~g) Should the applicant be awarded an authorization, the information and plans provided in the application become a condition of the authorization. Dispensing organizations have a duty to disclose any material changes to the application. All changes shall be equal to or better than the original information or plans. Failure to comply with the conditions or requirements in the application may subject the dispensing organization to discipline, up to and including suspension or revocation of its authorization by the Division. Revocation of an authorization shall serve as a final administrative decision by the Division.~~

(Source: Amended at 44 Ill. Reg. _____, effective _____)

Section 1290.75 Social Equity Applicant Criteria

- a) An applicant qualifies as a Social Equity Applicant if it is an Illinois resident and satisfies one of the following criteria:
- 1) an applicant with at least 51% ownership and control by one or more individuals who have resided for at least 5 of the preceding 10 years in a Disproportionately Impacted Area;
 - 2) an applicant with at least 51% ownership and control by one or more individuals who:
 - A) have been arrested for, convicted of, or adjudicated delinquent for any offense that is eligible for expungement; or
 - B) are a member of an impacted family;
 - 3) for applicants with a minimum of 10 full-time employees, an applicant with at least 51% of current employees who:
 - A) currently reside in a Disproportionately Impacted Area; or
 - B) have been arrested for, convicted of, or adjudicated delinquent for any offense that is eligible for expungement; or
 - C) are a member of an impacted family.
- b) For the purposes of determining which applicants qualify as Social Equity applicants, Disproportionately Impacted Area means a census tract or comparable

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geographic area as determined by the Department of Commerce and Economic Opportunity.

(Source: Added at 44 Ill. Reg. _____, effective _____)

Section 1290.80 Fees

The following non-refundable fees shall be paid to the Division.

- a) Application Fees:
 - 1) The authorization application fee is \$5,000. One application fee is to be submitted with each application.
 - 2) The registration fee is \$30,000. One registration fee is required for each registration.
 - 3) A change of ownership fee is \$10,000. One change of ownership fee shall be submitted for each dispensary. The change of ownership fee does not apply to the addition or substitution of a single principal officer change within a 6-month period.
 - 43) The application fee for a principal officer, agent-in charge, or agent ~~ID~~dispensing organization agent is \$100. This fee includes the agent ~~ID~~identification card.
 - 54) The fee for a request to change the Division approved location of a dispensing organization within its assigned District is ~~\$10,000~~\$5,000. If the dispensing organization qualifies as a Social Equity Applicant, the fee is reduced to \$5,000.
 - 6) For Social Equity Applicants, the Department will waive 50% of any nonrefundable authorization application fees, any nonrefundable fees associated with purchasing a license to operate a dispensing organization if the acquiring party is the Social Equity Applicant, and any surety bond or other financial requirements, provided the Social Equity Applicant meets the following qualifications at the time the payment is due:
 - A) the applicant, including all individuals and entities with 10% or greater ownership and all parent companies, subsidiaries, and

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affiliates, has less than a total of \$750,000 of income in the previous calendar year; and

B) the applicant, including all individuals and entities with 10% or greater ownership and all parent companies, subsidiaries, and affiliates, has no more than 2 other dispensing organizations and/or licenses for "cannabis business establishments" as that term is defined in the CRTA.

7) The Department may require Social Equity Applicants to attest that they meet the requirements for a fee waiver and provide evidence of annual total income in the previous calendar year.

b) ~~Renewal Fees:~~

1) The annual renewal fee for a dispensing organization registration renewal issued before March 1, 2021 is a prorated fee of \$2,000 for every month between the renewal date and March 2021 (e.g., if a renewal is issued in February 2021, the renewal fee would equal \$4,000). The renewal fee for a dispensing organization registration renewal issued on or after March 1, 2021 is \$50,000.~~is \$25,000.~~

2) The annual renewal fee for a dispensing organization agent ID~~identification card~~ is \$50.

c) ~~Renewal Late Fees~~General Fees:

1) The late fee for renewal of a dispensing organization registration is \$5,000.~~The fee for the issuance of a replacement dispensing organization Registration is \$50.~~

2) The late fee for renewal of a dispensing organization agent ID is \$50.~~The fee for the issuance of a replacement dispensing organization agent identification card is \$50.~~

d) All monies collected under the Act shall be deposited in the Compassionate Use of Medical Cannabis Fund in the State treasury.

(Source: Amended at 44 Ill. Reg. _____, effective _____)

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SUBPART D: DISPENSARY REGISTRATION

Section 1290.100 Dispensing Organization – Registration Process

- a) No person may own, operate or act as a dispensing organization or represent that the person or organization is a registered dispensing organization unless first obtaining a registration from the Division.
- b) The registration process shall include the following:
 - ~~1)~~ If the Division issues an authorization to an applicant, the Division will notify the applicant that it may file for a registration with the Division.
 - ~~12)~~ Only a registration applicant granted an authorization is permitted to seek a registration to become register a dispensing organization.
 - ~~23)~~ A registration applicant dispensing organization shall submit to the Division all materials requested by the Division in the form and format directed by the Divisions supporting information and documents in a registration packet. The registration packet shall include all required registration materials in accordance with this Section and this Part. All registration materials shall be submitted together.
 - ~~34)~~ A registration applicant dispensing organization must submit its file the registration materials to packet with the Division within 180 120 days after the date it receives its of the authorization notification, unless otherwise authorized by the Division.
 - ~~45)~~ The Division may identify incomplete or missing information in from the registration materials packet, may request additional information from the registration applicant, or may deny the registration applicant's request for a registration packet.
 - ~~56)~~ If a registration applicant's request for a registration packet is denied by the Division, the registration applicant dispensing organization may refile its materials within 10 calendar business days, providing the information requested and addressing any deficiencies with the information or documents that caused the its denial. If the registration applicant's request for a registration packet is denied by the Division a second time and the registration applicant fails to cure the deficiencies within 10 calendar days

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~~after the second denial, more than three times,~~ the Division may ~~revoke~~withdraw the authorization. A letter to a registration applicant ~~revoking~~withdrawing an authorization shall serve as a final administrative decision by the Division.

- c) The registration applicant has 180 days from the receipt of the authorization to identify a suitable physical location, unless otherwise approved by the Division. The dispensing organization has 360 days from the receipt of the authorization to become operational. If the registration applicant fails to identify a suitable physical location or fails to become operational within 360 days after being granted an authorization, the Division shall rescind the conditional approval letter and revoke the authorization.
- d) Once all required information and documents have been submitted by the registration applicant, the Division will review the submission~~registration packet~~. The Division may request revisions to the submission and retains final approval over dispensary features. Once the ~~submission~~registration packet is complete and meets the Division's approval, the Division will conditionally approve the registration. ~~Final approval is contingent on the build-out and Division inspection.~~
- e) After receipt of a conditional approval letter~~Upon completion of the dispensary,~~ the ~~registration applicant~~dispensing organization shall contact the Division ~~for request~~ an inspection. The Division will inspect the dispensary to confirm compliance with the registration submission materials~~packet~~, the Act, and this Part. A registration will be issued only after the dispensary passes an inspection.
- e) ~~A registration will be issued only after the completion of a successful inspection.~~
- f) The dispensary shall not open until it has passed inspection and the Division has issued a registration.
- gf) Prior to opening~~Once the Division has issued a registration,~~ the ~~dispensing~~dispensary organization shall notify the Division of the proposed opening date.
- g) ~~A dispensing organization is not prohibited from applying for a cultivation center permit in connection with DOA's rules.~~

(Source: Amended at 44 Ill. Reg. _____, effective _____)

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Section 1290.110 Dispensing Organization – Registration Requirements

- a) ~~A registration applicant's registration materials~~The registration packet shall be equal to or better than the information contained in the application, and shall provide ~~additional~~ detail on construction, start-up, operation, security measures, ~~and~~ dispensing procedures and any other subjects identified by the Division. If a registration applicant's materials deviate from the requirements established by its authorization application, any proposed changes must represent improvements to the organization's security and operations.
- b) A ~~registration applicant~~person granted an authorization shall submit ~~a registration materials packet~~ to the Division that ~~include~~includes the following ~~registration requirements~~:
- 1) The legal name of the ~~registration applicant~~dispensing organization;
 - 2) The name of the dispensary;
 - ~~3) The registry identification number for the dispensing organization;~~
 - 34) The proposed physical address of the dispensary ~~facility~~;
 - 45) The address, telephone number and e-mail address of the ~~registration~~ applicant's principal place of business, if different from the location where the medical cannabis will be dispensed. A post office box is not permitted;
 - ~~6) The name, address, date of birth and social security number for each proposed dispensing organization agent;~~
 - 57) The proposed hours of operation;
 - ~~8) Any proposed text or graphic materials to be shown on the exterior of the proposed dispensary;~~
 - 69) Documentation of ownership or lease of a proposed dispensary location that meets all the requirements of the Act and this Part.~~The distance from the proposed dispensary's property line to the property line of the closest pre-existing public or private preschool or elementary or secondary school~~

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~~or day care center, day care home, group day care home and part day child care facility. For purposes of this subsection (b)(9), "pre-existing" means existing as of the date the proposed dispensing organization submitted its application to the Division.~~

- ~~710~~) The anticipated date the ~~registration applicant~~~~dispensing organization~~ will be ready for a Division inspection;
- ~~811~~) An attestation under penalty of perjury that the information provided to the Division ~~for registration~~ is true and correct;
- ~~912~~) Certification issued by the local jurisdiction's zoning ~~authority~~~~office~~ authorizing the use of the proposed ~~location~~~~plot~~ as a dispensary;
- ~~1013~~) A site plan drawn to scale of the proposed dispensary showing streets, traffic direction, sidewalks, trees, alleys, property lines, additional buildings on-site, parking areas and handicapped parking spaces, fences, exterior walled areas, garages, vehicle delivery access doors, hangars, security features and outdoor areas as applicable;
- ~~1114~~) A floor plan or blueprint drawn to scale of the ~~proposed~~ dispensary building that ~~shall~~, at a minimum, ~~shows and identifies~~~~show and identify~~:
- A) Layout and square footage of each room;
 - B) Overall square footage of the dispensary facility;
 - C) Name and function of each room;
 - D) Doorways or pathways between rooms;
 - E) Means of ingress and egress;
 - F) Location of restricted, limited and public access areas. All limited and restricted access areas shall be clearly described in the floor plan ~~of the premises~~, in the form and manner determined by the Division, reflecting walls, partitions, counter heights, and all areas of entry and exit. The floor plan shall show all storage, disposal and retail sales areas;

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- G) Location of cannabis storage areas while the [proposed](#) dispensary is open for business;
- H) Location of cannabis storage areas while the [proposed](#) dispensary is closed for business;
- I) Location of the patient, provisional patient or OAPP participant counseling area;
- J) Location [and description](#) of all safes and/or [reinforced](#) vaults that will be used to store cannabis, cannabis-infused products or currency, identifying day storage and night storage;
- K) Location of each computer used to check qualifying patient cards, designated caregiver registry cards, provisional registrations and verify OAPP participants;
- L) Location of each computer and cash register used for point of sale transactions and to access the State verification system and Illinois Cannabis Tracking System;
- M) Location of bullet-proof glass, if any;
- N) Location of drawer, grate or conduit through the bullet-proof glass, if any;
- O) Location of bullet-proof walls, if any;
- P) Location of fire exits;
- Q) Location of each toilet facility;
- R) Location of a break room and personal storage lockers, if any;
- S) Location of each video camera;
- T) Location of each panic button; and
- U) Location of natural windows or skylights.

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- ~~1215~~) Policies and procedures that comply with the requirements [of the Act](#) ~~and~~ this Part, outlined in an Operation and Management Practices Plan, including:
- A) Inventory control and recordkeeping using the State verification system and Illinois Cannabis Tracking System;
 - B) Qualifying patient, designated caregiver, provisional patient and OAPP participant recordkeeping;
 - C) Dispensing medical cannabis to patients, designated caregivers, provisional patients, and OAPP participants that comply with the requirements in Sections 1290.430 and 1290.435;
 - D) Inventory control and recordkeeping using the [proposed](#) dispensary's point of sale recordkeeping;
 - E) Security;
 - F) Patient care education and support;
 - G) Accessible business hours and safe dispensing; and
 - H) A staffing plan that ensures adequate staffing, training and education.
- ~~16)~~ ~~An explanation of related products or services to be offered, if any, other than cannabis.~~
- ~~17)~~ ~~A plan for working with cultivation centers to acquire medical cannabis and ensure the dispensary has a continuous supply for registered qualifying patients, designated caregivers, provisional patients and OAPP participants.~~
- ~~18)~~ ~~The estimated volume of cannabis it plans to store at the dispensary.~~
- ~~1319~~) A detailed description of air treatment systems that will be installed to reduce odors.

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- ~~1420~~) A description of the features that will provide accessibility to qualifying patients, designated caregivers, provisional patients and OAPP participants as required by the ADA.
- ~~1521~~) A plan detailing how the registration applicant~~dispensing organization~~ will perform a physical daily inventory of all medical cannabis to ensure inventory is balanced in the State verification system, Illinois Cannabis Tracking System and point of sale system.
- ~~22~~) ~~An attestation that the dispensing organization will have a reinforced vault room with dimensions sufficient for storage of cannabis, cash and currency.~~
- ~~1623~~) Documentation that the proposed building meets State and local building and fire codes, and ~~that~~ all local ordinances ~~are met for the proposed location~~.
- ~~24~~) ~~A reasonable assurance that the issuance of a registration will not have a detrimental impact on the community.~~
- ~~1725~~) A plan to prevent patient, provisional patient, designated caregiver and OAPP participant overflow in waiting rooms and patient care areas.
- ~~1826~~) A signed statement by each proposed principal officer or agent that they will not divert medical cannabis.
- ~~1927~~) The registration fee (see Section 1290.80).
- ~~2028~~) Any additional information requested by the Division.
- c) The registration submission packet shall be signed and dated by each proposed principal officer.
- d) Upon Division approval of the registration submission packet, the information and plans in the registration submission packet become a condition of the registration. Registration applicants~~Dispensing organizations~~ have a duty to disclose any material changes to the information contained in the registration materials packet.

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- e) Once ~~the~~ registration ~~submission documentation is complete, reviewed, confirmed, and~~ meets the Division's approval, the Division may issue a conditional approval.
- f) ~~After receipt of a conditional approval, and when the dispensing organization is ready to open, it shall contact the Division for an inspection. The dispensary shall not open until it has passed inspection and the Division has issued a registration.~~
- g) ~~Prior to opening, the dispensing organization shall notify the Division of the proposed opening date.~~
- fh) The Division may refuse to issue a registration or may revoke an authorization ~~a registration must be denied pursuant to Section 115(f) of the Act for a violation of this Part~~ for any of the following reasons:
 - 1) The registration applicant fails to complete the dispensary build-out in connection with the requirements of this Part or in the timeframe required ~~The applicant failed to submit the materials required by the Act and this Part;~~
 - 2) The registration applicant or one of its proposed principal officers has committed one or more of the violations identified in Section 1290.510 or 1290.515, or has committed a substantially similar violation in another jurisdiction ~~The applicant selected a location that is not in compliance with local zoning rules and cannot cure the zoning deficiency in a reasonable time;~~
 - 3) One of the registration applicant's proposed principal officers has been convicted of a felony or misdemeanor that would impair the ability of the person to engage in the practice of being a principal officer of a dispensing organization (see 20 ILCS 2105/2105-131) ~~The applicant does not meet the requirements of Section 130 or 140 of the Act;~~
 - 4) ~~One or more of the principal officers has been convicted of an excluded offense;~~
 - 45) The registration applicant or one of its proposed ~~One or more of the~~ principal officers has served as an owner, officer or director ~~or officer~~ of a licensed cannabis related business ~~registered medical cannabis dispensing~~

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~~organization that has been disciplined in Illinois or any other state had its registration revoked;~~

~~6) One or more of the principal officers is under 21 years of age;~~

~~7) One or more of the principal officers is a registered qualifying patient or a designated caregiver.~~

g) The Division will revoke an authorization and refuse to issue a registration if the registration applicant meets any of the conditions identified in Section 115(f) of the Act.

(Source: Amended at 44 Ill. Reg. _____, effective _____)

Section 1290.120 Dispensing Organization – Financial Responsibility

a) Evidence of financial responsibility is ~~required~~a requirement for the issuance of a registration, maintenance of a registration, or reactivation of a registration. ~~Evidence of financial responsibility shall be used to guarantee that the dispensing organization timely and successfully completes dispensary construction, operates in a manner that provides an uninterrupted supply of cannabis, faithfully pays registration renewal fees, keeps accurate books and records, makes regulatorily required reports, complies with State tax requirements, and conducts the dispensary in conformity with the Act and this Part. Evidence of financial responsibility shall be provided by one of the following:~~

b) Evidence of financial responsibility shall be provided by one of the following:

1a) Establishing and maintaining an escrow or surety account in a financial institution in the amount of \$50,000, with escrow terms, approved by the Division, that it shall be payable to the Division in the event of circumstances outlined in this Section.

A1) A financial institution may not ~~release funds~~return money in an escrow or surety account ~~to the dispensing organization that established the account or a representative of the organization~~ unless presented with~~the organization or representative presents~~ a statement issued by the Division indicating that the ~~funds~~account may be released.

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~~B2)~~ The escrow or surety account shall not be canceled on less than 30 days' notice in writing to the Division, unless otherwise approved by the Division. If an escrow or surety account is canceled and the ~~dispensing organizationregistrant~~ fails to secure a new account with the required amount on or before the effective date of cancellation, the ~~dispensing organization'sregistrant's~~ registration may be revoked. ~~The total and aggregate liability of the surety on the bond is limited to the amount specified in the escrow or surety account.~~

2b) Providing a surety bond in the amount of \$50,000, naming the dispensing organization as principal of the bond, with terms, approved by the Division, that the bond defaults to the Division in the event of circumstances outlined in this Section.

~~A1)~~ The business name and registration number on the bond must correspond exactly with the business name and registration number in the Division's records.

~~B2)~~ The bond must be written on a form approved by the ~~Division~~Department.

~~C3)~~ A copy of the bond must be received by the Division within 90 days after the effective date.

D4) The bond shall not be canceled by a surety on less than 30 days' notice in writing to the Division. If a bond is canceled and the ~~dispensing organizationregistrant~~ fails to file a new bond with the Division in the required amount on or before the effective date of cancellation, the ~~dispensing organization'sregistrant's~~ registration may be revoked. ~~The total and aggregate liability of the surety on the bond is limited to the amount specified in the bond.~~

(Source: Amended at 44 Ill. Reg. _____, effective _____)

Section 1290.125 Disclosure of Ownership and Control

a) Each applicant for an authorization, registration applicant, and dispensing organization shall file and maintain a current Table of Organization, Ownership and Control with the Division. That Table shall contain the information required

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by this Section in sufficient detail to identify all principal officers and the title of each principal officer or business entity that directly or indirectly manages, owns, controls or has financial interest in the applicant or registration holder. This information shall be provided in the form and format directed by the Division.

- b) The Table of Organization, Ownership and Control shall identify the following information:
- 1) The management structure, including:
 - A) the office or position to be held by each individual;
 - B) the percentage ownership interest of each individual or business entity, if any;
 - C) if the business entity has one or more parent companies, the name of each parent company and the names of the parent company principal officers and their percentage ownership interest in the parent company. This should be completed for each level of ownership of the applicant, registration applicant, or dispensing organization until all persons that directly or indirectly manage, own, or control the applicant, registration applicant, or dispensing organization are identified;
 - D) if the applicant, registration applicant, or dispensing organization is partially owned or controlled by another entity, it must disclose to the Division the terms of the relationship and all owners, board members, officers or individuals with control or management of the owning or controlling entities; and
 - E) if the business entity identified in the Table is a publicly traded company, it must provide the Division with the name and percentage of ownership of each individual or business entity that owns or controls more than 5% of the voting shares of the entity and, to the extent known, the names and percentages of ownership or control by persons who are related and who together own or exercise control over more than 10% of the voting shares of the entity.

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- 2) If the applicant, registration applicant, or dispensing organization is a business entity with publicly traded stock, the identification of ownership shall be provided as required in subsection (c).
- c) If a business entity identified in subsection (b) is a publicly traded company, the following information shall be provided in the Table of Organization, Ownership and Control:
 - 1) The name and percentage of ownership interest of each individual or business entity with ownership or control of more than 5% of the voting shares of the entity, to the extent that information is known or contained in 13D or 13G Securities and Exchange Commission filings.
 - 2) To the extent known, the names and percentage of interest of ownership or control of persons who are relatives of one another and who together exercise control over, or own more than 5% of, the voting shares of the entity.
- d) Applicant, registration applicant, or dispensing organization ownership and control must be transparent. An applicant, registration applicant, or dispensing organization with a parent company or companies, or partially owned, controlled or managed by another entity, must disclose the relationship and all owners, board members, officers or individuals with control or management of those entities. An applicant, registration applicant or dispensing organization shall not shield its ownership, management or control from the Division.
- e) A dispensing organization may only add or remove principal officers after receiving approval from the Division.
- f) The Division may prohibit the addition of a proposed principal officer to a dispensing organization for that officer's failure to comply with the Act or this Part.

(Source: Added at 44 Ill. Reg. _____, effective _____)

Section 1290.130 Changes to a Dispensing Organization Registration

- a) A registration issued by the Division shall be valid only for~~shall be issued to~~ the specific dispensing organization identified on the application and for the specific

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~~location proposed. The registration is valid only for the owner, premises and name designated on the registration and the location for which it is issued.~~

- b) ~~It is the responsibility of the dispensing organization and its principal officers to notify the Division in advance of any proposal to change the conditions of its registration as contained in its current registration materials. Any proposed change must be requested by the dispensing organization in writing. If the Division disapproves, the proposed change cannot be implemented by the dispensing organization. A dispensing organization may not transfer or assign a registration.~~
- c) ~~A dispensing organization shall not assign a registration. A dispensing organization shall provide written notice to the Division of the addition or removal of persons or entities listed as principal officers. Notice shall be provided to the Division a minimum of 10 business days prior to the change, unless impracticable and the Division approves a different time in writing.~~
- d) ~~A dispensing organization may apply to the Division to approve a sale of the dispensary. Applications for sale must contain the information required by the Division and be submitted in the form and format directed by the Division. The information provided by the proposed new ownership entity regarding the operation of the dispensing organization must meet or exceed the conditions provided in the dispensing organization's current registration materials. All proposed new principal officers shall be subject to the requirements of the Act and this Part.~~
- e) ~~The Division may prohibit the addition of a principal officer to a dispensing organization for failure to comply with the Act or this Part.~~
- f) ~~A dispensing organization shall provide written notice to the Division of a change in more than 49% of the dispensary ownership. The Division will review the ownership structure to determine whether the change in ownership has had the effect of a transfer of the registration. The dispensing organization shall supply all ownership documents and change of ownership documents requested by the Division.~~
- g) ~~The dispensing organization shall provide the Division with the personal information for all new dispensary agents as required in this Part and all new dispensary agents shall be subject to the requirements of this Part. A dispensing~~

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~~organization agent must obtain an agent card from the Division before beginning work at a dispensary.~~

- ~~h) A principal officer not in compliance with the requirements of the Act and this Part shall be removed from his or her position with the dispensing organization or shall otherwise terminate his or her affiliation. Failure to do so may subject the dispensing organization to discipline, suspension or revocation of its registration by the Division.~~
- ~~i) Prior to remodeling, expansion, reduction or other physical, non-cosmetic alteration of a dispensary, the dispensing organization must notify the Division and confirm the alterations are in compliance with the Act and this Part.~~
- ~~j) It is the responsibility of the registered dispensing organization and its principal officers to promptly notify the Division of any change of the principal place of business address.~~

(Source: Amended at 44 Ill. Reg. _____, effective _____)

Section 1290.140 Request to Relocate a Dispensary

- a) A dispensing organization may relocate a dispensary ~~within~~ the District where the dispensary is registered ~~or awarded an authorization~~. To relocate a registered dispensary, the dispensing organization shall submit an application requesting the change and the relocation fee (see Section 1290.80) to the Division. An application must contain the information required by the Division and be submitted in the form and format directed by the Division.
- b) The new dispensary location shall meet all the requirements of the Act and this Part.
- c) If the information and documents submitted by the dispensing organization comply with the Act and this Part and the proposed location is suitable for medical cannabis patients equal to or better than the prior location, the Division will issue a conditional approval to relocate. The dispensary organization may continue to operate at the existing location, until it begins operation at the new location ~~is ready~~. The dispensary organization may not sell cannabis from ~~operate~~ two locations under the same registration at the same time ~~number~~.

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- ~~d)~~ ~~Once the new dispensary is finished, the dispensing organization shall notify the Division and request an inspection.~~
- ~~de)~~ Prior to issuing ~~an amended~~ registration and approval to operate, the Division will inspect the proposed dispensary to confirm compliance with the Act and this Part. Final approval for the dispensing organization to operate will be issued by the Division only after the completion of a successful inspection.
- ~~f)~~ ~~A dispensing organization shall not dispense medical cannabis at the new location until the Division approves the dispensary and issues an amended registration noting the new location.~~
- ~~g)~~ ~~Once the Division has issued an amended registration, the dispensing organization shall notify the Division of the proposed dispensary opening date.~~
- ~~ch)~~ The registration that includes the new address shall retain the expiration date of the previously issued registration.
- ~~fi)~~ An application for a relocation of a dispensary may not be combined with an application for renewing a dispensing organization registration. ~~The Division shall process each application separately.~~
- ~~gj)~~ ~~If a~~ Should the dispensing organization ~~relocates~~relocate, it shall provide reasonable notice to~~inform~~ its existing patients of the new dispensary location.

(Source: Amended at 44 Ill. Reg. _____, effective _____)

Section 1290.150 Dispensing Organization Renewals

- a) Every dispensing organization registration issued or renewed under the Act before March 1, 2021, shall expire on March 31, 2021 and March 31 of each odd-number year thereafter annually, on the date it was issued. A registered dispensing organization ~~will~~shall receive written notice from the Division 90 days ~~before~~prior to the expiration of its registration ~~expires~~that the registration will expire.
- b) The Division will accept renewal applications within 90~~45~~ days prior to a registration's expiration date.~~before the date a registration expires. Provided the dispensing organization is in compliance with the Act and this Part, and the~~

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~~renewal fee is paid, the Division shall renew the registration within 45 days after the renewal request submission. (See Section 1290.80.)~~

- c) If the dispensary ~~premises~~ is leased, when submitting for renewal the dispensing organization must provide documentation that the dispensary location ~~registered premises~~ has been leased for the term of renewal ~~following calendar year~~.
- d) Upon a dispensing organization's request for a renewal, the Division shall consider the dispensing organization's compliance history and history of violations in this State or other jurisdictions, including the number and severity of violations ~~compliance with regulations promulgated under the Act, the number and severity of any violations, and the correction of violations, penalties or other enforcement actions~~.
- e) The Director of the Division may deny a dispensing organization's request to renew a registration due to poor compliance history, due to a history of violations in this State or other jurisdictions, or, if the registration ~~#~~ has been disciplined under the Act or this Part.
- f) If a dispensing organization fails to submit a renewal application and renewal fee within 30 days after its registration expires, the registration will be deemed abandoned and the dispensing organization and any principal officers will no longer hold a property right or interest in the registration. The Division may award, to a new applicant, a registration to replace the abandoned registration ~~renewal fee is not paid before the registration's expiration date, and the dispensing organization has not requested an extension of time to renew, the registration expires on the registration expiration date~~.
- g) Dispensing medical cannabis on an expired registration is unlawful under the Act, unlicensed activity and grounds for discipline.
- h) If the Division, after notice to the dispensing organization, denies the request to renew a registration and the registrant contests the non-renewal, it shall be entitled to an administrative hearing in accordance with the hearing rights prescribed in the Act and this Part.

(Source: Amended at 44 Ill. Reg. _____, effective _____)

SUBPART E: REGISTRATION OF DISPENSING ORGANIZATION AGENTS

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Section 1290.200 Dispensing Organization Agent-in-Charge (Repealed)

- a) ~~Every dispensing organization shall designate, at a minimum, one agent in charge for each registered dispensary. The designated agent in charge must hold a dispensing organization agent identification card. Maintaining an agent in charge is a continuing requirement for the registration, except as provided in subsection (g).~~
- b) ~~The agent in charge shall be a principal officer or a full time agent of the dispensing organization and shall manage the dispensary. Managing the dispensary includes, but is not limited to, responsibility for opening and closing the dispensary, delivery acceptance, oversight of sales and dispensary agents, recordkeeping, inventory, dispensary agent training, and compliance with the Act and this Part. Participation in affairs also includes the responsibility for maintaining all files subject to inspection by the Division at the dispensary.~~
- e) ~~The agent in charge is responsible for promptly notifying the Division of any change of information required to be reported to the Division.~~
- d) ~~In determining whether an agent in charge manages the dispensary, the Division may consider the responsibilities identified in this Section, the number of dispensary agents under the supervision of the agent in charge, and the employment relationship between the agent in charge and the dispensing organization, including the existence of a contract for employment and any other relevant fact or circumstance.~~
- e) ~~The agent in charge is responsible for notifying the Division of a change in the employment status of all dispensing organization agents within five business days after the change, including notice to the Division if the termination of an agent was for diversion of product or theft of currency.~~
- f) ~~In the event of the separation of an agent in charge due to death, incapacity, termination or any other reason and if the dispensary does not have an active agent in charge, the dispensing organization shall immediately contact the Division and request a temporary certificate of authority allowing the continuing operation. The request shall include the name of an interim agent in charge until a replacement is identified, or shall include the name of the replacement. The Division shall issue the temporary certificate of authority promptly after it approves the request. If a dispensing organization fails to promptly request a temporary certificate of authority after the separation of the agent in charge, its~~

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~~registration shall cease until the Division approves the temporary certificate of authority or registers a new agent in charge. No temporary certificate of authority shall be valid for more than 90 days. The succeeding agent in charge shall register with the Division in compliance with this Part. Once the permanent succeeding agent in charge is registered with the Division, the temporary certificate of authority is void. No temporary certificate of authority shall be issued for the separation of an agent in charge due to disciplinary action by the Division related to his or her conduct on behalf of the dispensing organization.~~

- ~~g) The dispensing organization agent in charge registration shall expire annually on the date it was issued. The agent in charge's registration shall be renewed annually. The Division shall review the dispensary's compliance history when determining whether to grant the request to renew.~~
- ~~h) Upon termination of an agent in charge's employment, the dispensing organization shall immediately reclaim the dispensary agent identification card. The dispensing organization shall promptly return the identification card to the Division.~~
- ~~i) The Division may deny an application for, or renewal of, or revoke an agent in charge identification card, or discipline an agent in charge, for any of the following reasons:
 - ~~1) Submission of misleading, incorrect, false or fraudulent information in the application or renewal application;~~
 - ~~2) Violation of the requirements of the Act or this Part;~~
 - ~~3) Fraudulent use of the agent in charge identification card;~~
 - ~~4) Selling, distributing, transferring in any manner, or giving medical cannabis to any unauthorized person;~~
 - ~~5) Tampering with, falsifying, altering, modifying or duplicating an agent in charge identification card;~~
 - ~~6) Tampering with, falsifying, altering or modifying the surveillance video footage, point of sale system, Illinois Cannabis Tracking System, or the State verification system;~~~~

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- 7) ~~Tampering with, falsifying, altering or modifying patient, provisional patient, designated caregiver or OAPP participant applications;~~
- 8) ~~Failure to notify the Division immediately upon discovery that the agent in charge identification card has been lost, stolen or destroyed;~~
- 9) ~~Failure to notify the Division within five business days after a change in the information provided in the application for an agent in charge identification card;~~
- 10) ~~Conviction of an excluded offense or any incident listed in Section 1290.200 or 1290.510 following the issuance of an agent in charge identification card;~~
- 11) ~~Overdispensing; or~~
- 12) ~~For any unethical, dishonorable and unprofessional conduct.~~

(Source: Repealed at 44 Ill. Reg. _____, effective _____)

Section 1290.210 Dispensing Organization Agents (Repealed)

- a) ~~All principal officers, agents in charge and agents of the dispensing organization are dispensing organization agents and shall hold an agent identification card. No person shall enter a dispensary to begin work at a dispensary prior to holding an agent identification card.~~
- b) ~~Only a dispensing organization principal officer or an agent in charge may apply for an agent identification card for himself or herself or other dispensary agents.~~
- c) ~~A dispensing organization agent shall visibly display an agent identification card issued by the Division at all times while at the dispensary.~~
- d) ~~An agent registration application shall be submitted by a dispensing organization principal officer or agent in charge on forms provided by the Division, along with the following:~~
 - 1) ~~The name of the dispensing organization employing the agent, and the address of the dispensary;~~

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- 2) ~~A full set of fingerprints submitted to ISP as outlined in this Part;~~
 - 3) ~~A copy of the applicant's valid driver's license or State issued identification;~~
 - 4) ~~Electronic picture of applicant;~~
 - 5) ~~A document verifying the applicant's place of residency, such as a bank statement, cancelled check, insurance policy, etc. The document must contain the applicant's full residence address;~~
 - 6) ~~A sworn statement that the applicant has not been convicted of an excluded offense in any jurisdiction;~~
 - 7) ~~The applicant's social security number;~~
 - 8) ~~The registration fee (see Section 1290.80); and~~
 - 9) ~~Any additional information requested by the Division in the verification process.~~
- e) ~~The Division will deny an application or renewal of an agent identification card for a person convicted of an excluded offense.~~
 - f) ~~If no excluded offense is found relating to the fingerprints, the applicant has submitted all required information and the applicant is otherwise qualified under the Act, the Division may approve the application or renewal. Within 15 days after approving an application or renewal, the Division shall issue an agent identification card that will be valid for the period specified on the face of the card and will be renewable upon the conditions set forth in this Part.~~
 - g) ~~Dispensing organization agents have access to restricted access areas. They are responsible for the sale of cannabis and dispensary operations. Agents may accept deliveries from cultivation centers, and must document sales in compliance with the Act and this Part.~~
 - h) ~~It is the responsibility of each registered dispensing organization to notify the Division of an agent's change of address.~~

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- i) ~~Dispensing organization agents must promptly report any diversion or theft, or suspicion of diversion or theft, of cannabis or currency to the Division.~~
- j) ~~At least 30 days prior to the expiration of an agent identification card, the dispensing organization or the agent shall request the Division renew the annual agent identification card, include any information requested by the Division, and authorize ISP to conduct a criminal background check.~~
- k) ~~No dispensing organization shall, after the expiration of an agent identification card, employ or retain the holder of the card in any capacity. Upon expiration of an agent registration, the agent shall not enter the dispensary.~~
- l) ~~Upon termination of employment, the agent identification card shall be immediately returned to the dispensing organization. The dispensing organization shall promptly return the agent identification card to the Division.~~
- m) ~~The agent identification card is not transferable. It is the property of the State of Illinois and shall be surrendered upon demand of the Director.~~
- n) ~~A dispensing organization agent shall promptly report an arrest and any subsequent conviction of an excluded offense to the dispensing organization and to the Division.~~
- o) ~~Should the Division not be able to obtain the State or federal criminal records check from ISP as required by the Act and this Part, the Division may contract with a private detective or investigating agency licensed under the Private Detective, Private Alarm, Private Security, Fingerprint Vendor, and Locksmith Act of 2004 [225 ILCS 447] and in good standing with the Department for the purpose of conducting the records checks.~~
- p) ~~The Division may deny an application for, or a renewal of, or revoke an agent identification card, or discipline an agent, for any of the following reasons:~~
 - 1) ~~Submission of misleading, incorrect, false or fraudulent information in the application or renewal application;~~
 - 2) ~~Violation of the requirements of the Act or this Part;~~
 - 3) ~~Fraudulent use of the agent identification card;~~

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- 4) ~~Selling, distributing, transferring in any manner, or giving medical cannabis to any unauthorized person;~~
- 5) ~~Tampering with, falsifying, altering, modifying or duplicating an agent identification card;~~
- 6) ~~Tampering with, falsifying, altering or modifying the surveillance video footage, point of sale system, Illinois Cannabis Tracking System, or the State verification system;~~
- 7) ~~Tampering with, falsifying, altering or modifying patient, provisional patient, designated caregiver or OAPP participant applications;~~
- 8) ~~Failure to notify the Division within five business days after becoming aware that the agent identification card has been lost, stolen or destroyed;~~
- 9) ~~Failure to notify the Division within five business days after a change in the information provided in the application for an agent identification card or renewal;~~
- 10) ~~Conviction of an excluded offense following the issuance of an agent identification card;~~
- 11) ~~For conduct that demonstrates incompetence or unfitness to work in a dispensary; or~~
- 12) ~~For any unethical, dishonorable or unprofessional conduct.~~

(Source: Repealed at 44 Ill. Reg. _____, effective _____)

Section 1290.220 Persons with Significant Influence or Control; Disassociation (Repealed)

- a) ~~Any individual in connection with the dispensing organization who is not a principal officer or agent, and who may significantly influence or control the activities of the dispensing organization, other than a bank or other licensed lending institution holding a mortgage or other lien, may be subject to a background investigation or an examination of the business relationship with the dispensary.~~

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- b) ~~The Division may order the disassociation of any person from the dispensing organization if the person fails to cooperate with the Division's investigation or if the person would be prohibited from being a principal officer pursuant to the Act and this Part. The order issued by the Director shall be directed to the applicant or registrant, and non-compliance with the order may result in the revocation, suspension or other discipline of the registration.~~

(Source: Repealed at 44 Ill. Reg. _____, effective _____)

Section 1290.230 State and Federal Criminal History Records Check (Repealed)

- a) ~~Persons required to submit to a State and federal criminal history records check for convictions of an excluded offense shall submit to a fingerprint based criminal history records check by providing a full set of fingerprints in an electronic format to an ISP livescan vendor whose equipment has been certified by ISP or a fingerprint vendor agency licensed by the Department. Out of state residents unable to utilize an Illinois fingerprint vendor agency may request an ISP Fee Applicant Card from the Division for out of state fingerprint processing.~~
- b) ~~The ISP will act as the Division's agent, receiving electronic fingerprints and conducting background checks of each individual applying for an agent identification card.~~
- c) ~~ISP will conduct background checks for conviction information contained in the ISP and Federal Bureau of Identification criminal history databases, as permitted.~~
- d) ~~For verification of a statutorily imposed duty to conduct background checks pursuant to the Act, ISP will transmit the results of the background check to the Division and the transmittal shall conclude the verification process.~~
- e) ~~The electronic background checks shall be submitted as outlined in either the Uniform Conviction Information Act [20 ILCS 2635] or 20 Ill. Adm. Code 1265.30 (Electronic Transmission of Fingerprint Requirements).~~
- f) ~~Electronic transmission of fingerprint data to ISP shall be accomplished utilizing livescan procedures or other comparable technology approved for use by ISP.~~
- g) ~~Manual fingerprints will not be accepted and shall not be scanned and converted into an electronic format, unless otherwise approved by the Division.~~

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- h) ~~Fingerprints shall be taken within one month prior to the application date or renewal date for an agent identification card, unless otherwise approved by the Division.~~
- i) ~~Fingerprint images of the individual being fingerprinted, and related alphanumeric identification data submitted, shall be submitted electronically to ISP.~~
- j) ~~If the fingerprints are rejected by ISP, the dispensary agent shall have his or her fingerprints collected electronically by a live scan fingerprint vendor a second time.~~
- k) ~~In the event of equipment malfunction or other special circumstance that make electronic transmission of fingerprint data impractical, the Division may allow limited use of paper fingerprint records.~~
- l) ~~The dispensing organization shall submit to the Division a copy of the livescan request form, with the agent identification card application or renewal and the receipt provided from the livescan fingerprint vendor containing the Transaction Control Number (TCN), as proof that fingerprints have been collected.~~
- m) ~~Dispensary agent identification card applications submitted without a copy of the livescan request form and receipt will be deemed incomplete and will not be processed until fingerprinting is completed.~~
- n) ~~Fees associated with the livescan fingerprint-based criminal history records check shall be the responsibility of the dispensing organization seeking an agent identification card.~~

(Source: Repealed at 44 Ill. Reg. _____, effective _____)

Section 1290.240 Dispensing Organization Agents

- a) All agents of a dispensing organization shall apply for and hold a valid agent ID issued by the Division. No person shall work at a dispensary prior to holding an agent ID. The agent ID is the property of the State of Illinois and shall be surrendered upon demand of the Division.
- b) A dispensing organization agent shall visibly display his or her agent ID at all times while in the dispensary.

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- c) Dispensing organization agents have access to restricted access areas. They are responsible for the sale of cannabis and dispensary operations. Agents may accept deliveries of cannabis and must document sales in compliance with the Act and this Part.
- d) Dispensing organization agents must immediately report any diversion or theft, or suspicion of diversion or theft, of cannabis or currency to the Division.
- e) Dispensing organization agents must promptly notify the Division if their agent ID has been lost, stolen, or destroyed.
- f) The agent ID shall expire annually on the date it was issued. The agent's registration shall be renewed annually.
- g) The Division may deny an application for, or renewal of, or revoke an agent ID based on the person's compliance history, based on history of violations in this State or other jurisdictions, including the number and severity of violations, or if the agent has been disciplined under the Act or this Part.
- h) The Division may deny an application for, or renewal of, or revoke an agent ID for a person determined by the Division to have committed one or more of the violations identified in Section 1290.510 or 1290.515.
- i) The Division shall deny an application for, or renewal of, or revoke an agent ID for a person convicted of an excluded offense, as defined in Section 10 of the Act.
- j) Upon termination of employment, the agent shall immediately return any non-transferrable agent ID to the dispensing organization, and the dispensing organization shall promptly return the ID to the Division.
- k) A dispensing organization agent shall promptly report an arrest and any subsequent conviction of an excluded offense to the dispensing organization and the Division.

(Source: Added at 44 Ill. Reg. _____, effective _____)

Section 1290.250 Dispensing Organization Agent-in-Charge

- a) Every dispensing organization shall designate, at a minimum, one agent-in-charge for each registered dispensary. The designated agent-in-charge must apply for

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and hold a valid agent-in-charge ID issued by the Division. Maintaining an agent-in-charge is a continuing requirement for the dispensing organization, except as provided in subsection (g).

- b) The agent-in-charge shall comply with, and is subject to, the provisions and requirements of Section 1290.240.
- c) The agent-in-charge shall be a principal officer or a full-time agent of the dispensing organization and shall manage the dispensary. Managing the dispensary includes, but is not limited to, responsibility for opening and closing the dispensary, delivery acceptance, oversight of sales and dispensary agents, recordkeeping, inventory, dispensary agent training, and compliance with the Act and this Part. Only the agent-in-charge may manage a dispensary, except as provided in subsection (f).
- d) The agent-in-charge is responsible for promptly notifying the Division of any change of information required to be reported to the Division.
- e) The agent-in-charge shall promptly notify the Division of a change in the employment status of any dispensing organization agents, agents-in-charge, or principal officer and shall inform the Division if the termination of an agent was for any violation of this Part, including diversion of product or theft of currency.
- f) In the event of the separation of an agent-in-charge, and if the dispensary does not have an active agent-in-charge, the dispensing organization shall immediately contact the Division and request approval to continue to operate. The request shall include the name of the interim agent-in-charge and is subject to approval by the Division.
- g) The Division may consider the compliance history of the dispensing organization when determining whether to grant a request to renew an agent-in-charge ID.
- h) The operations of the dispensing organization and maintenance of security provisions are the dual responsibility of the agent-in-charge and the principal officers of the dispensing organization. The Division may deny an application for, or renewal of, or revoke an agent-in-charge ID, or discipline an agent-in-charge if the dispensing organization or agent-in-charge is determined by the Division to have committed one or more of the violations identified in Section 1290.510 or 1290.515.

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(Source: Added at 44 Ill. Reg. _____, effective _____)

Section 1290.260 Persons with Significant Influence or Control; Disassociation

- a) Any individual with a business relationship with the dispensing organization who is not a principal officer, agent-in-charge, or agent, and who may significantly influence or control the activities of the dispensing organization, other than a bank or other licensed lending institution holding a mortgage or other lien on the dispensing organization, may be subject to a background investigation or an examination of the business relationship with the dispensing organization.
- b) The Division may order the disassociation of any person from the dispensing organization if the person fails to cooperate with the Division's investigation or if the person would be prohibited from being a principal officer pursuant to the Act and this Part. The order issued by the Director shall be directed to the applicant or registrant, and non-compliance with the order may result in the revocation, suspension or other discipline of the registration.

(Source: Added at 44 Ill. Reg. _____, effective _____)

Section 1290.270 State and Federal Criminal History Records Check

- a) Persons required to submit to a State and federal criminal history records check shall submit to a fingerprint-based criminal history records check by providing a full set of fingerprints in an electronic format to an ISP livescan vendor whose equipment has been certified by ISP or a fingerprint vendor agency licensed by the Department.
- b) The ISP will act as the Division's agent, receiving electronic fingerprints and conducting background checks of each individual applying for a principal officer, agent-in-charge, or agent ID.
- c) Fingerprints shall be taken within 30 days prior to the application or renewal date for a principal officer, agent-in-charge, or agent ID, unless otherwise approved by the Division.
- d) The dispensing organization shall submit to the Division a copy of the fingerprint consent form, with the principal officer, agent-in-charge, or agent ID application or renewal and the receipt provided from the livescan fingerprint vendor

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containing the Transaction Control Number (TCN), as proof that fingerprints have been collected.

- e) Dispensary principal officer, agent-in-charge, or agent ID applications submitted without a copy of the fingerprint consent form and receipt will be deemed incomplete and shall be denied.

(Source: Added at 44 Ill. Reg. _____, effective _____)

SUBPART F: DISPENSARY OPERATION

Section 1290.300 Operational Requirements

- a) ~~It is the duty of the Division to enforce the provisions of the Act and this Part relating to the registration and oversight of dispensing organization, unless otherwise provided in the Act.~~
- a**b**) A dispensing organization awarded a registration shall operate in accordance with the Act, this Part, and the representations made in its application and registration materials packet. ~~It shall be in compliance with the Act and this Part while registered with the Division.~~
- e) ~~Only a dispensing organization that has been issued a registration by the Division shall own and operate a dispensary.~~
- b**d**) A dispensing organization must include the trade name of the dispensary on the packaging of any cannabis product it sells.
- c**e**) All medical cannabis and cannabis-infused products must be obtained from a cannabis wholesaler ~~an Illinois registered cultivation center (see 8 Ill. Adm. Code 1000).~~
- d**f**) A dispensing organization shall inspect and count all cannabis and cannabis-infused products ~~product received from the cultivation center~~ before dispensing them ~~it~~.
- e**g**) A dispensing organization may only accept ~~medical~~ cannabis deliveries into a restricted access area. Deliveries may not be accepted through the public or limited access areas unless otherwise approved by the Division.

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- ~~fh~~) A dispensing organization shall maintain compliance with State and local building, fire and zoning requirements or regulations.
- ~~gi~~) A dispensing organization shall submit for Division approval a list ~~to the Division~~ of the names of all service professionals who will work at the dispensary. The list shall include a description of the type of business or service provided. Changes to the service professional list shall be promptly provided. No service professional shall work in the dispensary until the name is provided to the Division on the service professional list.
- ~~jj~~) ~~A registration shall allow the registrant to operate at a single location.~~
- ~~hk~~) A dispensing organization~~dispensary~~ may operate between 6 a.m. and 108 p.m. local time.
- ~~ih~~) A dispensing organization must keep all lighting outside and inside the dispensary in good working order ~~and wattage sufficient for security cameras~~.
- ~~jm~~) A dispensing organization shall not:
- 1) Produce or manufacture cannabis;
 - 2) Allow consumption of cannabis at the dispensary, in the limited or restricted access areas of the dispensary, or in violation of State or local statutes or regulations;
 - 3) ~~Dispense~~~~Accept~~ a cannabis product from a cannabis wholesaler~~cultivation center~~ unless it is pre-packaged and labeled in accordance with this Part, 8 Ill. Adm. Code 1000 and 77 Ill. Adm. Code 946;
 - 4) Sell cannabis or cannabis-infused products to a person~~consumer~~ unless the individual presents an active registered qualifying patient, provisional patient, OAPP participant or designated caregiver card issued by DPH;
 - 5) Enter into an exclusive agreement with any cannabis cultivation center, craft grower, processor or infuser entity. Dispensaries shall provide patients, provisional patients and participants an assortment of products from various cultivation centers so that the inventory available for sale at any dispensary shall not be more than 40% of the total inventory available for sale. For the purpose of this subsection (j)(5), a cultivation center,

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craft grower, processor or infuser shall be considered part of the same entity if the licensees share at least one principal officer. The Division may request that a dispensary diversify its products as needed or otherwise discipline a dispensing organization for violating this requirement;

- 6) Refuse to conduct business with a cultivation center that has the ability to properly deliver the product and is permitted by DOA, on the same terms as other cultivation centers with whom it is dealing;
- 7) Operate drive through windows;
- 8) Transport cannabis from the dispensary, other than as authorized by the Act and this Part ~~to residences of registered qualifying patients, provisional patients, OAPP participants or designated caregivers;~~
- 9) Operate a dispensary if its video surveillance equipment is inoperative;
- 10) Operate a dispensary if the point of sale equipment is inoperative;
- 11) Operate a dispensary if the State verification system or the Illinois Cannabis Tracking System is inoperative;
- 12) Have fewer than two people working at the dispensary at any time while the dispensary is open;
- 13) Contract with, pay, or have a profit sharing arrangement with third party groups that assist individuals with finding a certifying health care professional ~~physician~~ or completing the patient or participant application; or
- 14) Pay a referral fee to a third-party group for sending patients or participants to a specific dispensary.

(Source: Amended at 44 Ill. Reg. _____, effective _____)

Section 1290.320 Dispensary Access Oversight

- a) ~~Access to a dispensary is restricted as defined in the Act and this Part.~~ No persons, except the following, are permitted entry into the dispensary's restricted access areas ~~in the dispensary~~:

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- 1) ~~Dispensing organization agents, agents-in-charge and principal officer the Division or the Division's authorized representative, ISP, or other federal or State officials performing duties as required by federal or State law;~~
 - 2) Division personnel or the Division's authorized representatives;
 - 3) Law enforcement or other emergency personnel in the performance of their official duties;
 - 4) ~~Cannabis delivery agents registered or licensed by DOA~~ Cultivation center agents with cultivation center agent identification cards may deliver medical cannabis to a dispensary;
 - 3) ~~Emergency personnel when necessary to perform official duties;~~
 - 5) Other individuals approved by the Division;
 - 6) ~~Service professionals approved pursuant to~~ In connection with Section 1290.300(i), a dispensing organization may allow service professionals to enter when working on a job that requires their presence at the dispensary, such as installing or maintaining security devices or providing construction services; and
- b5) Any person, ~~other than a dispensary agent,~~ authorized to have access to the restricted access area of a dispensing organization under subsections ~~be at a dispensary pursuant to this subsection (a)(2) through (6) and with access to the restricted access area~~ must be accompanied at all times by a dispensing organization agent.
- cb) No person, except those identified in subsection (a) and the following, ~~is~~ are permitted entry into the dispensary's limited access ~~area~~ areas:
- 1) Qualified patients, provisional patients, and designated caregivers;
 - 2) OAPP participants;
 - 3) ~~Dispensing organization agents, the Division or the Division's authorized representative, ISP, or other federal, State or local representatives performing duties as required by federal or State law;~~

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- 4) ~~Emergency personnel when necessary to perform official emergency duties;~~
- 5) ~~Cultivation center agents with cultivation center agent identification cards may access dispensaries to perform duties supporting the delivery of medical cannabis, including but not limited to educating dispensary agents and correcting mislabeled product;~~
- 6) ~~In connection with Section 1290.300(i), a dispensing organization may allow service professionals to enter when they are working on a job that requires their presence at the dispensary, such as installing or maintaining security devices or providing construction services;~~
- 37) ~~Upon a dispensary's prior written request, the Division may approve a request to allow a visitor to the center the limited access area of a dispensary with prior approval from the Division. The dispensing organization shall provide the Division with a written request in advance that includes ~~written request must include~~ the name of the dispensing organization agent requesting the visit, the name of the visitor, the reason for the visit, and the date and time of the proposed visit. ~~The purpose of the visit~~ Visits must be ~~for a purpose~~ in furtherance of the Act. The Division must issue written approval before the visitor can enter the limited access area ~~dispensing organization allows a visitor access to the dispensary. Visitors are prohibited from entering the restricted access area.~~~~
- 48) Any person, other than a dispensary agent, agent-in-charge or principal officer authorized by this subsection (c) to have access to the limited access area of a dispensing organization must be monitored at all times by a dispensing organization agent ~~be at a dispensary by this subsection (b) shall be monitored, while in the limited access area, at all times by a dispensing organization agent.~~
- d) All persons authorized to be at a dispensary pursuant to subsection (a) or ~~(cb)~~ must present valid government issued identification with a picture prior to entry.
 - 1) Once the person is verified, a dispensing organization agent shall record the person in a log with the date, time and purpose of the visit. The log shall be maintained at the dispensary and made available to the Department, at any time, for a period of ~~5~~ five years.

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- 2) A dispensing organization agent shall issue a numbered identification badge to persons authorized to be in a dispensary. Identification badges shall be worn while in the dispensary. All visitor identification badges shall be returned to a dispensing organization agent upon exit.
- 3) The dispensing organization shall institute best practices to preserve confidentiality of patient and OAPP participant identity and patient and OAPP participant sales.

(Source: Amended at 44 Ill. Reg. _____, effective _____)

SUBPART G: SECURITY AND RECORDKEEPING

Section 1290.400 Inventory Control System

- a) A dispensing organization agent-in-charge shall have primary oversight of the dispensing organization's State verification system, its point of sale system, and Illinois Cannabis Tracking System. The inventory point of sale system shall be real-time, web-based and accessible by the Division 24 hours a day, ~~7~~seven days a week.
- b) A dispensing organization shall establish an account with the State verification system and Illinois Cannabis Tracking System that documents:
 - 1) Each sales transaction at the time of sale and each day's beginning inventory, acquisitions, sales, disposal and ending inventory.
 - 2) Acquisition of medical cannabis and medical cannabis-infused products from a permitted cultivation center, including:
 - A) A description of the products including the quantity, strain, variety and batch number of each product received;
 - B) The name and registry identification number of the permitted cultivation center providing the medical cannabis;
 - C) The name and registry identification number of the permitted cultivation center agent delivering the medical cannabis;

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- D) The name and registry identification number of the dispensing organization agent receiving the medical cannabis; and
- E) The date of acquisition.
- 3) The disposal of medical cannabis, including:
 - A) A description of the products, including the quantity, strain, variety, batch number and reason for the cannabis being disposed;
 - B) The method of disposal; and
 - C) The date and time of disposal.
- c) A dispensing organization shall use a point of sale system that establishes and maintains a real time interface with the State verification system to track, consistent with the Act and this Part, patient and provisional patient limits, patient and provisional patient sales at the time of sale, inventory, currency and destruction.
- d) A dispensing organization shall use a point of sale system that establishes and maintains a real time interface with the Illinois Cannabis Tracking System to track OAPP participant's limits, OAPP participant sales at the time of sale, inventory, currency, OAPP participant's chosen dispensary and written certification.
- e) Upon medical cannabis delivery, a dispensing organization shall confirm the product's name, strain name, weight and identification number on the manifest matches the information on the medical cannabis product label and package. The product name listed and the weight listed in the State verification system and Illinois Cannabis Tracking System shall match the product packaging.
- f) A dispensing organization~~The agent in charge~~ shall conduct a daily physical count of all inventory, except as permitted under subsection (f)(4) and also conduct an inventory reconciliation documenting and balancing medical cannabis inventory by confirming the State verification system and Illinois Cannabis Tracking System matches the dispensing organization's point of sale system and the amount of physical product at the dispensary.
- 1) A dispensing organization must receive Division approval prior to completing an inventory adjustment. It shall provide a detailed reason for

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the adjustment. Inventory adjustment documentation shall be kept at the dispensary for two years from the date performed.

- 2) If, after the daily inventory reconciliation, the dispensing organization identifies an imbalance in the amount of medical cannabis due to mistake, the dispensing organization shall determine how the imbalance occurred and, immediately upon discovery, take and document corrective action. If the dispensing organization cannot identify the reason for the mistake within two calendar days after first discovery, it shall inform the Division immediately in writing of the imbalance and the corrective action taken to date. The dispensing organization shall work diligently to determine the reason for the mistake.
- 3) If, after the daily inventory reconciliation or through other means, the dispensing organization identifies an imbalance in the amount of medical cannabis ~~after the daily inventory reconciliation or through other means~~ due to theft, criminal activity or suspected criminal activity, the dispensing organization shall immediately determine how the reduction occurred and take and document corrective action. Within 24 hours after the first discovery of the reduction due to theft, criminal activity or suspected criminal activity, the dispensing organization shall inform the Division and ISP in writing in connection with Section 1290.445.
- 4) A dispensing organization is not required to perform a daily physical count of bulk cannabis inventory. The dispensing organization must verify daily that any bulk cannabis inventory meets the requirements of Section 1290.405(g). If the packaging of bulk cannabis inventory becomes torn or tampered with, it must be recounted and resealed before the completion of the next daily physical count.~~The dispensing organization shall file an annual compilation report with the Division, including a financial statement that shall include, but not be limited to, an income statement, balance sheet, profit and loss statement, statement of cash flow, wholesale cost, and sales, and any other documentation requested by the Division in writing. The financial statement shall include any other information the Division deems necessary in order to effectively administer the Act and all rules, orders and final decisions promulgated under the Act. Statements required by this subsection (f)(4) shall be filed with the Division within 60 days after the end of the calendar year. The compilation report shall include a letter authored by a licensed CPA that it has been reviewed and is accurate based on the information provided. The~~

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~~dispensing organization, financial statement and accompanying documents are not required to be audited unless specifically requested by the Division.~~

- g) A dispensing organization shall maintain the documentation required in this Section in a secure locked location at the dispensing organization.;
- 1) ~~Maintain the documentation required in this Section in a secure locked location at the dispensing organization for five years from the date on the document;~~
 - 2) ~~Provide any documentation required to be maintained in this Section to the Division for review upon request; and~~
 - 3) ~~If maintaining a bank account, retain for a period of five years a record of each deposit or withdrawal from the account.~~
- h) A dispensing organization shall ensure the oldest stock of cannabis and cannabis-infused product is dispensed first. This requirement may be deviated from if necessary, on a temporary basis;
- i) ~~A dispensing organization shall not accept returns of medical cannabis. If cannabis is abandoned at a dispensing organization the dispensary, it shall be accounted for and destroyed in compliance with this Part.~~

(Source: Amended at 44 Ill. Reg. _____, effective _____)

Section 1290.405 Storage Requirements

- a) ~~Authorized On-Premises Storage. A dispensing organization must store inventory on the registered premises. All inventory shall be stored and secured on the registered premises must be secured in the restricted access area of the dispensary, and managed consistent with the Act and this Part tracked consistently with the inventory tracking rules.~~
- b) A dispensary shall be of suitable size and construction to facilitate cleaning, maintenance and proper operationoperations.
- c) A dispensary shall maintain adequate lighting, ventilation, temperature, humidity control and equipment.

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- ~~d)~~ ~~Containers storing medical cannabis that have been tampered with or opened shall be labeled with the date opened and quarantined from other medical cannabis products in the vault until they are disposed of.~~
- ~~e)~~ ~~Medical cannabis that was tampered with or damaged shall not be stored at the registered premises for more than seven calendar days.~~
- ~~f)~~ ~~Medical cannabis samples shall be in a sealed container. Samples shall be maintained in the restricted access area.~~
- ~~dg)~~ The dispensary storage areas shall be maintained in accordance with the security requirements (see Section 1290.410).
- ~~eh)~~ Medical cannabis must be stored at appropriate temperatures and under appropriate conditions to help ensure that its packaging, strength, quality and purity are not adversely affected.
- ~~f)~~ Medical cannabis samples shall be in a sealed container. Samples shall be maintained in the restricted access area.
- ~~g)~~ Bulk cannabis inventory is cannabis stored in the reinforced vault in clear, heat-sealed or taped shrink wrap bags or sheeting that is labeled with the date the inventory is sealed, the last 4 digits of the batch number, the number of items contained within the wrapping, and the date the inventory was last counted.
- ~~h)~~ Cannabis or a cannabis-infused product that has been mislabeled, tampered with, opened or damaged shall be quarantined. It shall be marked with the date placed in quarantine and placed in the reinforced vault in a container labelled "quarantined". Quarantined products shall not be considered part of the dispensing organization's total inventory available for sale and must be destroyed unless otherwise approved by the Division.
- ~~i)~~ Quarantined products shall not be stored at the dispensary for more than 7 calendar days unless approved by the Division.

(Source: Amended at 44 Ill. Reg. _____, effective _____)

Section 1290.410 Security Requirements

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- a) A dispensing organization shall develop and implement a security plan ~~measures~~ to deter and prevent improper entry into the dispensary and theft of cannabis or currency.
- b) ~~A dispensing organization shall submit changes to the floor plan or security plan to the Division for pre-approval. All cannabis shall be maintained and stored in a restricted access area during construction.~~
- be) Security measures in the plan shall include, but not be limited to, ~~The dispensing organization shall implement security measures to protect the premises, registered qualifying patients, provisional patients, designated caregivers, OAPP participants and dispensing organization agents including, but not limited to~~ the following:
 - 1) ~~Establishing~~ Establish a locked door or barrier between the dispensary's public facility's entrance and the limited access area;
 - 2) ~~Preventing~~ Prevent individuals from remaining on the premises if they are not engaging in activity permitted by the Act or this Part;
 - 3) ~~Maintaining~~ Develop a policy that addresses the maximum capacity and patient flow in the waiting rooms and patient care areas;
 - 4) ~~Dispose of cannabis in accordance with this Part;~~
 - 45) ~~Dispensing~~ During hours of operation, store and dispense all cannabis from the restricted access area. ~~During operational hours, cannabis shall be stored in an enclosed locked room or cabinet and shall be accessible only to specifically authorized agents;~~
 - 5) Storing cannabis during all hours in an enclosed locked room or cabinet that is accessible only to dispensing organization agents;
 - 6) Storing cannabis during non-operational hours in a locked reinforced vault room ~~When the dispensary is closed, store all cannabis and currency in a reinforced vault room in the restricted access area and in a manner as to prevent diversion, theft or loss;~~
 - 7) Storing currency during non-operational hours in a locked reinforced vault room or other location in a manner that prevents diversion, theft or loss;

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- 87) ~~Keeping~~Keep the reinforced vault room ~~and any other equipment or cannabis storage areas~~ securely locked and protected from unauthorized entry at all times;
- 98) ~~Keeping~~Keep an electronic daily log of dispensing organization~~dispensary~~ agents who~~with~~ access ~~to~~ the reinforced vault room ~~and knowledge of the access code or combination~~;
- 10) ~~Requiring an agent-in-charge to review, no less than every 7 days, the electronic daily log (see subsection (b)(9)) to ensure the vault has not been accessed at unusual or specific times~~;
- 119) ~~Maintaining~~Keep all locks and security equipment in good working order;
- 1240) ~~Maintaining an operational~~The security and alarm system at all times~~shall be operational at all times~~.
- 1314) ~~Preventing~~Prohibit keys, ~~if applicable~~, from being left in ~~the~~ locks, or stored ~~or placed~~ in a location accessible to persons other than specifically authorized personnel;
- 1412) ~~Maintaining integrity~~Prohibit ~~accessibility~~ of security systems~~measures~~, including but not limited to limiting access to combination numbers, passwords or ~~other security measures~~~~electronic or biometric security systems~~ to ~~persons other than~~ specifically authorized agents;
- 1513) ~~Ensuring~~Ensure the dispensary interior and exterior premises are sufficiently lit to facilitate surveillance;
- 1614) ~~Ensuring~~Ensure that trees, bushes and other foliage outside of the dispensary premises do not allow for a person or persons to conceal themselves ~~from sight~~;
- 1715) ~~Developing~~Develop ~~emergency~~ policies and procedures for immediately securing all product and currency following any instance of diversion, theft or loss of cannabis; for conducting an investigation into the cause of the diversion, theft, or loss; and to remediate any deficiencies that may have allowed the diversion, theft, or loss to occur; ~~and conduct an assessment to determine whether additional safeguards are necessary; and~~

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~~1816)~~ Develop sufficient additional safeguards in response to any special security concerns, or as required by the Division; ~~and-~~

19) Installing counters that separate limited access areas from restricted access areas. The counters shall be at least 48" in height, except that spans of counters up to 36" in length may be reduced to 36" in height.

~~d)~~ ~~The Division may request or approve alternative security provisions that it determines are an adequate substitute for a security requirement specified in this Part. Any additional protections may be considered by the Division in evaluating overall security measures.~~

ce) A dispensing organization shall provide additional security measures as needed and ~~in a manner~~ appropriate for the community where it operates.

df) Restricted Access Areas

1) All restricted access areas must be identified by the posting of a sign that shall be a minimum of 12" x 12" and that states "Do Not Enter – Restricted Access Area – Authorized Personnel Only" in lettering no smaller than one inch in height.

2) All restricted access areas shall be clearly described in the floor plan of the dispensing organization registered premises, in the form and format directed ~~manner determined~~ by the Division, reflecting walls, partitions, counters and all areas of entry and exit. The floor plan shall show all storage, disposal and retail sales areas.

3) All restricted access areas must be secure, with locking devices that prevent access from the limited access areas.

eg) Security and Alarm Systems

1) A dispensing organization shall have ~~an adequate security plan and~~ security system designed to monitor, prevent and detect unauthorized intrusion ~~diversion~~, and theft or loss of cannabis ~~or~~, currency. The system shall use or unauthorized intrusion using commercial grade equipment and be installed by an Illinois licensed private alarm contractor or private alarm contractor agency. The system ~~that~~ shall include, at a minimum; include:

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- A) A perimeter alarm on all entry points to the dispensary premises and glass break protection on perimeter windows;
- B) Glass break protection and security shatterproof ~~tinted~~ film on ~~exterior of~~ perimeter windows;
- C) A failure notification system that provides an alert to designated dispensing organization agents within 5 minutes ~~audible, text or visual notification~~ of any operational failure ~~of~~ the surveillance system, ~~including, but not limited to, panic buttons, alarms and video monitoring system. The failure notification system shall provide an alert to designated dispensing organization agents within five minutes after the failure, either by telephone or text message;~~
- D) A sufficient number of ~~duress alarm, panic and hold up buttons and alarms, a duress button and~~ alarm, ~~or holdup alarm~~ and an after-hours intrusion detection alarm, each of which that by design and purpose will directly or indirectly notify, ~~by the most efficient means,~~ the Public Safety Answering Point (PSAP) for the law enforcement agency having primary jurisdiction;
- E) Security equipment to deter and prevent unauthorized entrance into the dispensary, including electronic door locks on the doors in, or providing access to, limited and restricted access areas, and that include devices or a series of devices to detect unauthorized intrusion; ~~that may include a signal system interconnected with a radio frequency method, cellular, private radio signals or other mechanical or electronic device.~~
- F) Video surveillance monitors with 19-inch screens or larger;
- G) Video surveillance that provides unobstructed views of all enclosed dispensary areas, unless prohibited by law. The surveillance equipment used must capture the image, with clear and certain identification, of any person entering or exiting the limited access area;

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- H) Video surveillance that provides unobstructed views of all outside areas, the storefront, and the parking lot. The surveillance equipment used must capture the image, with clear and certain identification, of any person entering or exiting the dispensary, the immediate surrounding area, and the license plates of vehicles in the parking lot;
 - I) Video surveillance at each point-of-sale terminal that captures the sale, the individuals, and the computer monitors used for the sale. The surveillance equipment used must capture the image, with clear and certain identification of any person involved in the sale;
 - J) Video surveillance, available for immediate viewing by the Division, that provides 24-hour recordings that are correctly time and date stamped. Recordings shall be retained for no less than 90 days, and may not be deleted without Division approval if the dispensing organization is aware of the loss or theft of cannabis; a pending criminal, civil or administrative investigation; or a legal proceeding for which the recording may contain relevant information;
 - K) Video surveillance that will immediately and at any time produce a clear, color still photo from the surveillance video, either live or recorded;
 - L) Video surveillance that will export still images in an industry standard image format, including JPG, BMP or GIF. Exported video shall have the ability to be archived in a format that ensures authentication of the video and guarantees that no alteration of the recorded image has taken place. Exported video shall also have the ability to be saved in an industry standard file format that can be played on a standard computer operating system;
- 2) All security system equipment and recordings shall be maintained in good working order, in a secure location so as to prevent theft, loss, destruction or alterations.
- 3) Access to surveillance monitoring recording equipment ~~resides~~ shall be limited to persons that are essential to surveillance operations, law enforcement authorities acting within their jurisdiction, security system

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service personnel, and the Division personnel. A current list of authorized dispensary agents and service personnel that have access to the surveillance equipment must be available to the Division upon request.

- 4) All security and video surveillance equipment shall be inspected and tested at regular intervals, not to exceed one month from the previous inspection and test to ensure the systems remain functional.
 - 5) The security system shall provide protection against theft and diversion that is facilitated or hidden by tampering with computers or electronic records.
 - 6) In the event of a power outage, theThe dispensary shall ensure all access doors remain secure and any video surveillance system remains fully operational for no less than 4 hours~~are not solely controlled by an electronic access panel to ensure that locks are not released during a power outage.~~
 - 7) The dispensing organization must immediately report any security system outage to the Division, including, but not limited to, any loss of video recordings, and must promptly submit an outage report in the form and format directed by the Division.
- h) ~~To monitor the dispensary, the dispensing organization shall incorporate continuous electronic video monitoring, including the following:~~
- 1) ~~Monitors of 19 inches or greater;~~
 - 2) ~~Unobstructed video surveillance of all enclosed dispensary areas, unless prohibited by law, including all points of entry and exit that shall be appropriate for the normal lighting conditions of the area under surveillance. The cameras shall be directed so all areas are captured, including, but not limited to, safes, vaults, sales areas and areas where cannabis is stored, handled, dispensed or destroyed. Cameras shall be:~~
 - A) ~~angled to allow for facial recognition, the capture of clear and certain identification of any person entering or exiting the dispensary area; and~~
 - B) ~~in lighting sufficient during all times of night or day;~~

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- 3) ~~Unobstructed video surveillance of outside areas, the storefront and the parking lot, that shall be appropriate for the normal lighting conditions of the area under surveillance. Cameras shall be angled so as to allow for the capture of facial recognition, clear and certain identification of any person entering or exiting the dispensary, the immediate surrounding area, and license plates of vehicles in the parking lot;~~
- 4) ~~Twenty four hour recordings from all video cameras available for immediate viewing by the Division upon request. Recordings shall not be destroyed or altered and shall be retained for at least 90 days. Recordings shall be retained as long as necessary if the dispensing organization is aware of the loss or theft of cannabis; a pending criminal, civil or administrative investigation; or a legal proceeding for which the recording may contain relevant information;~~
- 5) ~~The ability to immediately produce a clear, color still photo from the surveillance video, either live or recorded;~~
- 6) ~~A date and time stamp embedded on all video surveillance recordings. The date and time shall be synchronized and set correctly and shall not significantly obscure the picture;~~
- 7) ~~The ability to remain operational during a power outage and ensure all access doors are not solely controlled by an electronic access panel to ensure that locks are not released during a power outage;~~
- 8) ~~Exporting of still images in an industry standard image format, including JPG, BMP and GIF. Exported video shall have the ability to be archived in a proprietary format that ensures authentication of the video and guarantees that no alteration of the recorded image has taken place. Exported video shall also have the ability to be saved in an industry standard file format that can be played on a standard computer operating system. All recordings shall be erased or destroyed prior to disposal;~~
- 9) ~~A video surveillance system that is operational during a power outage with a four hour minimum battery backup;~~
- 10) ~~A video printer capable of immediately producing a clear still photo from any video camera image;~~

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- ~~11) A video camera or cameras recording at each point of sale terminal allowing for the identification of the dispensary agent distributing the cannabis and any qualifying patient or designated caregiver purchasing medical cannabis. The camera or cameras shall capture the sale, the individuals and the computer monitors used for the sale;~~
- ~~12) Storage of video recordings from the video cameras for at least 90 calendar days; and~~
- ~~13) A failure notification system that provides an audible and visual notification of any failure in the electronic video monitoring system.~~
- f) All electronic video surveillance monitoring must record at least the equivalent of eight frames per second and be available to the Division and ISP 24 hours a day in real-time via a secure web-based portal with reverse functionality.
- g) A reinforced vault built to the following specifications:
 - 1) The walls, floors, and ceilings of a vault shall be constructed of:
 - A) At least 8 inches of reinforced concrete;
 - B) All of the following:
 - i) 18-gauge structural studs made of galvanized sheet metal meeting requirements of ASTM A1003;
 - ii) 9-gauge, Type II, Class 1 carbon steel security mesh and attachment clips meeting ASTM F1267 on either side of the studs; and
 - iii) an interior covered by UL and ULC Classified, Type X (per ASTM C1658), impact-resistant, moisture-resistant, noncombustible gypsum board tested to ASTM E136; or
 - C) Comparable materials and standards approved by the Division;
 - 2) The door and frame unit of a vault shall conform to the following specifications or the equivalent: 30 man-minutes against surreptitious

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entry, 10 man-minutes against forced entry, 20 man-hours against lock manipulation, and 20 man-hours against radiological techniques;

- 3) A vault, if operations require it to remain open for frequent access, shall be equipped with a "day-gate" that is self-closing and self-locking, or the equivalent, for use during the hours of operation in which the vault door is open;
- 4) The walls or perimeter of a vault shall be equipped with an alarm that, upon unauthorized entry, transmits a signal directly to a central station protection company, ISP or a local police agency that has a legal duty to respond, or a 24-hour control station operation by the registrant; and
- 5) The door of a vault shall be equipped with contact switches.

~~j) The dispensing organization shall maintain policies and procedures that include:~~

- ~~1) Security plan with protocols for patient, provisional patient, OAPP participant, caregiver and agent safety, and management and security of cannabis and currency, as outlined in the Act and this Part;~~
- ~~2) Restricted access to the areas in the dispensary that contain cannabis to authorized agents;~~
- ~~3) Identification of authorized agents;~~
- ~~4) Controlled access and prevention of loitering both inside and outside the dispensary;~~
- ~~5) Conducting electronic monitoring; and~~
- ~~6) Use of a panic button.~~

(Source: Amended at 44 Ill. Reg. _____, effective _____)

Section 1290.415 Recordkeeping and Record Retention

- a) Dispensing organization records must be maintained electronically, except as provided in subsection (c), and be available for inspection by the Division upon request. Dispensing organization records must be maintained for 5 years, unless

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otherwise specified in the Act and this Part. The dispensing organization shall develop recordkeeping policies and procedures consistent with this Part.

- b) Records required to be maintained~~Required written records~~ include, but are not limited to, the following:
- 1) Operating procedures;
 - 2) Inventory records, including a binder for voided transactions~~policies and procedures~~;
 - 3) Security Records;
 - 4) Audit records;
 - 5) Staffing plan;~~and~~
 - 6) Business records that shall include manual or computerized records of:
 - A) Assets and liabilities;
 - B) Monetary transactions;
 - C) Written or electronic accounts that shall include bank statements, journals, ledgers and supporting documents, agreements, checks, invoices, receipts and vouchers; and
 - D) Any other financial accounts reasonably related to the dispensary operations;~~;~~
 - 7) Storage and transfer of records. If a dispensary closes due to insolvency, revocation, bankruptcy or for any other reason, all records must be preserved at the expense of the dispensing organization for at least 3~~three~~ years in a form and location in Illinois approved by~~acceptable to~~ the Division. The dispensing organization shall keep the records longer if requested by the Division;~~The dispensing organization shall notify the Division of the location where the dispensary records are stored or transferred.~~
 - 8) Records of continuing education training provided to each agent;

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- 9) Destruction and disposal of records; and
- ~~108~~) All other records, policies and procedures required by the Act and this Part.
- c) The dispensing organization shall retain a physical copy of its policies and procedures on site at the dispensary.
- d) The dispensing organization shall file an annual report with the Division. The report shall include a financial statement, reviewed and certified as accurate by a licensed CPA, that contains an income statement, reviewed and certified as accurate by a licensed CPA, which contains an income statement, balance sheet, profit and loss statement, statement of cash flow, wholesale cost and retail sale information, and any other documentation requested in writing by the Division. The financial statement is not required to be audited. The report shall also include a certification from a principal officer of the dispensing organization confirming that the organization's written policies and procedures are currently in compliance with the Act and this Part. The report shall be filed with the Division within 60 days after the end of the calendar year.

(Source: Amended at 44 Ill. Reg. _____, effective _____)

Section 1290.425 Administration

- a) A dispensing organization shall operate continuously and maintain an uninterrupted supply of medical cannabis for qualifying patients, provisional patients, OAPP participants and designated caregivers.
- b) A dispensary shall be open for a minimum of 35 hours pera week, except as otherwise authorized by the Division.
- c) A dispensing organization shall ~~establish, maintain and comply with~~ written policies and procedures preparing for and protecting against any crisis that affects the security or operation of the dispensary in the event of strike, fire, flood, tornado, or other natural disaster or other situations of local, State or national emergency, as submitted in an Operations and Management Practices Plan, approved by the Division, for the security, storage, inventory and distribution of cannabis. These policies and procedures shall include methods for identifying, recording and reporting diversion, theft or loss, and for correcting errors and

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~~inaccuracies in inventories. At a minimum, dispensing organizations shall ensure the written policies and procedures provide for the following:~~

- ~~1) Conduct mandatory and voluntary recalls of cannabis products. The procedure shall be adequate to deal with recalls due to any action initiated at the request of the Division and any voluntary action by the dispensing organization to remove defective or potentially defective cannabis from the market or any action undertaken to promote public health and safety;~~
- ~~2) Prepare for, protect against, and handle any crises that affects the security or operation of a dispensary in the event of strike, fire, flood or other natural disaster, or other situations of local, State or national emergency;~~
- ~~3) Ensure that outdated, damaged, deteriorated, misbranded or adulterated cannabis is segregated from other cannabis and destroyed. This procedure shall provide for written documentation of the cannabis disposition;~~
- ~~4) Ensure the oldest stock of a cannabis product is distributed first. The procedure may permit deviation from this requirement, if such deviation is temporary and appropriate;~~

d5) A dispensing organization shall provide annually at least 8 hours of continuing education to agents and principal officers on the following: Training of Agents

A) Train agents:

- 1i) in the provisions of the Act and [this Part](#) the Division's administrative rules;
- 2ii) ~~operating to effectively operate~~ the point of sale system, ~~the State verification system, Illinois Cannabis Tracking System,~~ and proper inventory handling and tracking;
- 3iii) ~~adhering to~~ adhere to patient, provisional patient, OAPP participant and caregiver confidentiality requirements;
- 4iv) ~~in specific~~ uses of cannabis or cannabis-infused products offered for sale at the dispensary;
- 5v) ~~in~~ regulatory inspection preparedness and law-enforcement interaction;

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- ~~6vi)~~ ~~in~~ awareness of the legal requirements to maintain~~for maintaining~~ status as an agent; ~~and~~
- ~~7)~~ at least 2 hours of responsible vendor training, as defined in CRTA Section 15-40; and
- ~~8vii)~~ ~~in~~ other topics approved by~~specified by the dispensing organization or~~ the Division.
 - ~~B)~~ ~~The dispensing organization shall maintain evidence of all training provided for every agent in its files and subject to inspection and audit by the Division. The dispensing organization shall ensure agents receive a minimum of eight hours of training annually, unless otherwise approved by the Division;~~
- ~~6)~~ ~~Develop and maintain business records consistent with industry standards, including by laws, consents, manual or computerized records of assets and liabilities, audits, monetary transactions, journals, ledgers and supporting documents, including agreements, checks, invoices, receipts and vouchers. These records shall be retained for five years;~~
- ~~7)~~ ~~Inventory control, including:~~
 - ~~A)~~ ~~Tracking qualifying patient and provisional patient records, including purchases, denials of sale and confidentiality;~~
 - ~~B)~~ ~~Tracking OAPP participant records, including purchases, denials of sale, verification of written certification, selected dispensary, and confidentiality; and~~
 - ~~C)~~ ~~Disposal of unusable or damaged cannabis as required by the Act and this Part; and~~
- ~~8)~~ ~~Patient and participant education and support, including:~~
 - ~~A)~~ ~~Updated information about the purported effectiveness of various forms and methods of medical cannabis administration;~~

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- ~~B) Updated information about the purported effectiveness of strains of medical cannabis on specific conditions;~~
 - ~~C) Current educational information issued by DPH about the health risks associated with the use or abuse of cannabis;~~
 - ~~D) Whether possession of cannabis is illegal under federal law;~~
 - ~~E) Information about possible side effects;~~
 - ~~F) Prohibition on smoking medical cannabis in public places; and~~
 - ~~G) Offer any other appropriate patient education or support materials.~~
- e) A dispensing organization shall provide annually at least 8 hours of continuing education to agents-in-charge on the following:
- 1) The topics listed in subsection (d);
 - 2) Operating the State verification system, Illinois Cannabis Tracking System; and
 - 3) Duties performed only by an agent-in-charge.
- ~~d) A dispensing organization shall maintain copies of the policies and procedures on the dispensary premises and provide copies to the Division upon request.~~
- ~~e) A dispensing organization shall review dispensing organization policies and procedures at least once every 12 months from the issue date of the registration and update as needed or as requested by the Division.~~
- ~~f) A dispensing organization shall ensure that each principal officer and each dispensary agent has a current agent identification card in the agent's immediate possession when the agent is at the dispensary.~~
- f) A dispensing organization shall ensure that any identifying information about a qualifying patient, provisional patient, OAPP participant or caregiver is kept in compliance with the privacy and security rules of HIPAA (45 CFR 164).

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- ~~h)~~ ~~A dispensing organization shall provide prompt written notice to the Division, including the date of the event, when a dispensing organization agent no longer is employed by the dispensing organization;~~
- ~~i)~~ ~~A dispensing organization shall promptly document and report any loss or theft of medical cannabis from the dispensary to ISP and the Division. It is the duty of any agent who becomes aware of the loss or theft to report it as provided in this Part. If the dispensing organization knows that a principal officer or dispensary agent has been arrested for or convicted of an excluded offense, the dispensing organization shall promptly notify the Division.~~
- ~~gj)~~ A dispensing organization shall post its registration and hours of operation~~the following information~~ in a conspicuous location in an area of the dispensary accessible to consumers:
 - ~~1)~~ ~~The dispensing organization's registration; and~~
 - ~~2)~~ ~~The hours of operation.~~
- ~~h)~~ Unless otherwise available to the public, a dispensing organization shall, upon request, provide patients, provisional patients, caregivers and OAPP participants with laboratory testing results for all cannabis flower, cannabis concentrates, and cannabis-infused product from a laboratory approved by DOA to test cannabis. This requirement may be met by the cultivation center, craft grower, infuser or dispensing organization posting up-to-date laboratory testing results on its website.
- ~~ik)~~ A dispensing organization shall not:
 - 1) Allow a certifying health care professional~~physician~~ to conduct a physical examination of a patient for purposes of diagnosing a debilitating medical condition or a medical condition for which opioids have been or could be prescribed at the dispensary;
 - 2) Allow a certifying health care professional~~physician~~ to hold a direct or indirect economic interest in the dispensary if the certifying health care professional~~physician~~ recommends the use of medical cannabis to patients or OAPP participants or is in a partnership or other fee or profit-sharing relationship with a certifying health care professional~~physician~~ who recommends medical cannabis;

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- 3) Accept referral of patients or OAPP participants from a certifying health care professional~~physician~~; or
- 4) Allow a certifying health care professional~~physician~~ to advertise at the dispensary.
- j) A certifying health care professional~~physician~~ may work as an independent contractor with a dispensing organization, provided that the certifying health care professional~~physician's~~ involvement is limited exclusively to designing, implementing or conducting non-proprietary medical research or studies.
- m) ~~Violation of any requirement under this Section may subject the dispensing organization to discipline, up to and including revocation of its registration.~~

(Source: Amended at 44 Ill. Reg. _____, effective _____)

Section 1290.430 Dispensing Medical Cannabis to Patients and Provisional Patients

- a) *A person provided a written certification for a debilitating medical condition who has submitted a valid completed online application to the Department and his or her designated caregiver shall receive a provisional registration and shall be entitled to purchase medical cannabis from a specified licensed dispensing organization for a period of 90 days or until his or her application has been denied or he or she receives a registry identification card, whichever is earlier.* (Section 55(b) of the Act)
- b) Before a dispensing organization allows a qualifying patient or designated caregiver into the limited access area, it must verify the person has an unexpired~~person's identity by comparing the~~ DPH issued patient identification card or designated caregiver card ~~with an Illinois driver's license or State identification card or federally issued identification.~~
- c) Before a dispensing organization allows a provisional patient into the limited access area, it must verify the person's identity by comparing the provisional patient's name and date of birth in the Illinois Cannabis Tracking System~~provisional registration along~~ with an unexpired State or federally issued photo identification that contains the date of birth of the person.

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- d) Before a dispensing organization agent dispenses medical cannabis to a qualifying patient, provisional patient or a designated caregiver, the agent shall:
- ~~1)~~ ~~Verify the validity of the qualifying patient or designated caregiver's DPH patient registry identification card or verify the validity of the provisional patient's provisional registration;~~
 - ~~2)~~ Confirm the qualifying patient, provisional patient or designated caregiver's registry identification number in the State verification system;
 - ~~3)~~ ~~Verify that the qualifying patient or designated caregiver has a current authorization by DPH to purchase medical cannabis;~~
 - ~~4)~~ ~~Verify that the provisional patient's provisional registration has not expired and is authorized by DPH to purchase medical cannabis;~~
 - ~~25)~~ Verify ~~that~~ the amount of medical cannabis the qualifying patient, provisional patient or designated caregiver is requesting would not cause the qualifying patient or provisional patient to exceed the limit on obtaining no more than ~~2½two and one-half~~ ounces of medical cannabis during any 14-calendar-day period, unless approved by DPH; and
 - ~~36)~~ Enter the following information into the State verification system for the qualifying patient, provisional patient or designated caregiver:
 - A) The dispensing organization agent's ~~registration~~registry identification number;
 - B) The dispensing organization's identification number;
 - C) The amount, type and strain of medical cannabis dispensed;
 - D) ~~The identity~~Identity of the individual to whom the medical cannabis was dispensed, whether the qualifying patient, provisional patient or qualifying patient's designated caregiver; and
 - E) The date and time the medical cannabis was dispensed.

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- e) A dispensary may not dispense more than the DPH approved amount of usable cannabis to a qualifying patient, provisional patient or designated caregiver over a 14-day period~~during a period of 14 days.~~
- f) In the event a dispensing organization dispenses in excess of a patient's usable amount, it shall notify the Division in writing within 48 hours. The notification shall include the date and time of the transaction that caused the overage, the name of the agent in charge on duty, the amount of the overage, the patient or provisional patient's registry identification number and a detailed narrative of the circumstances surrounding the overage. The notification report shall describe~~outline~~ the methods the dispensary will use to ~~self-correct and~~ prevent this type of over-dispensing from reoccurring.
- g) A dispensing organization shall notify DPH if it determines a person is attempting to submit or did submit a fraudulent written certification in the patient application.
- h) Designated caregivers of registered qualifying patients and provisional patients under 18 years of age and patients and provisional patients under 18 years of age shall not be dispensed medical cannabis other than medical cannabis-infused products~~A dispensary that sells edible cannabis-infused products must do so in compliance with the Act, DPH's administrative rules and this Part.~~

(Source: Amended at 44 Ill. Reg. _____, effective _____)

Section 1290.431 Dispensing Medical Cannabis to OAPP Participants

- a) Before a dispensing organization allows an OAPP participant into the limited access area, it must verify the person's identity by comparing the OAPP participant's name and date of birth in the Illinois Cannabis Tracking System with an unexpired~~a~~ State or federally issued photo identification that contains the date of birth of the person.
- b) Before a dispensing organization agent dispenses medical cannabis to an OAPP participant, the agent shall:
 - 1) Confirm the OAPP participant is in the Illinois Cannabis Tracking System and is authorized by DPH to purchase medical cannabis;
 - 2) Verify the OAPP participant's identity by confirming the following:

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- A) Name, phone number, and participant's identity using a State or federal identification card;
 - B) Date of birth and that the participant is not under 21 years of age;
 - C) Original written certification was submitted in the application and includes the name of the issuing [certifying health care professional](#)~~physician~~;
 - D) The written certification was issued within 90 days prior to registering in the Opioid Participant Pilot Program; and
 - E) The start and expiration date the OAPP participant can purchase medical cannabis;
- 3) Confirm the OAPP participant is not a registered qualifying patient or provisional patient;
 - 4) Verify that the amount of medical cannabis the OAPP participant is requesting would not cause the OAPP participant to exceed the limit of obtaining more than ~~2½two and one half~~ ounces of medical cannabis during any 14-calendar day period; and
 - 5) Enter the following information into the Illinois Cannabis Tracking System for the OAPP participant:
 - A) The dispensing organization agent's [registration](#) identification number;
 - B) The dispensing organization's registry identification number;
 - C) The amount, type, strain, weight and usable weight of medical cannabis dispensed;
 - D) ~~The identity~~[Identity](#) of the individual to whom medical cannabis was dispensed; and
 - E) The date and time the medical cannabis was dispensed.

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- c) In the event a dispensing organization dispenses in excess of an OAPP participant's usable amount, it shall notify the Division in writing within 48 hours. The notification shall include the date and time of the transaction that caused the overage, the name of the agent-in-charge on duty, the amount of the overage, the OAPP participant's registry identification number, and a detailed narrative of the circumstances surrounding the overage. The notification report shall ~~describe~~^{outline} the methods the dispensary will use to ~~self-correct and~~ prevent this type of over-dispensing from reoccurring.
- d) A dispensing organization shall notify DPH if it determines a person is attempting to submit or did submit a fraudulent written certification in an OAPP application.

(Source: Amended at 44 Ill. Reg. _____, effective _____)

Section 1290.435 Signage

Any dispensing organization that sells edible cannabis-infused products must display a placard that states the following: "Edible cannabis-infused products were produced in a kitchen ~~not~~ ~~subject to public health inspections~~ that may also process common food allergens." The placard shall be no smaller than 24 inches tall by 36 inches wide, with typed letters no smaller than 2 inches. The placard shall be clearly visible and readable by customers and shall be written in English. (Section 80(a) of the Act) The signage shall be placed in the area where edible cannabis-infused products are sold, and may be translated into additional languages as needed.

(Source: Amended at 44 Ill. Reg. _____, effective _____)