

Pritzker Administration To Propose New, Simplified Approach To Cannabis Dispensary Applications

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CHICAGO – Following extensive conversations with stakeholders, the Illinois Department of Financial and Professional Regulation (IDFPR) is filing rules to simplify the cannabis dispensary license application process, remove barriers for social equity applicants, and expand opportunities targeted to the communities most impacted by the

failed war on drugs. IDFPR is required by the Cannabis Regulation and Tax Act (CRTA) to issue at least 50 new adult use cannabis dispensary licenses by the end of 2022.

“From day one, Illinois has been dedicated to leading the nation in an equity-centric approach to legalizing cannabis, and these proposed changes to the application process will make it much easier for social equity applicants to pursue licenses.” said Gov. JB Pritzker. “I appreciate all the feedback we have received from stakeholders since the start of the cannabis program, whose work informed this proposal and is continuing to make Illinois’ growing cannabis industry the most equitable in the nation.”

“We are committed to an inclusive and equitable cannabis program that continues to build on its successes while also recognizing and taking steps to improve it further,” said Mario Treto, Jr., Acting Secretary of the Illinois Department of Financial and Professional Regulation. “We look forward to introducing even more participants to Illinois’ adult use cannabis program and encourage all feedback to help ensure we continue to grow the program together.”

The Pritzker Administration is committed to ensuring the new legal cannabis industry reflects the diversity of the state. 100% of craft grow, infuser, and transporter licensee applicants managed by the Illinois Department of Agriculture qualified as social equity applicants. 67% of said applicants live in areas disproportionately impacted by the failed war on drugs, 15% have been personally involved with the justice system and 5% have a family member involved with the justice system.

Under the new proposed rules, applicants will be able to apply online with certain basic information (such as the name of the organization, list of principal officers, contact information, and a \$250 fee). IDFPR plans to issue 55 conditional licenses to be distributed across the existing 17 BLS Regions detailed in the CRTA. During the license lottery process, principal officers cannot be included on more than one lottery entry and applicants cannot have more than one lottery entry across all 17 regions. If deemed eligible for a conditional license, applicants will need to meet certain social equity criteria before the conditional license is issued.

IDFPR anticipates opening the conditional license application window during the late summer or early fall of 2022, depending on when the rules become permanent. All applicants who submit an approved application will participate in a lottery conducted by IDFPR with the Illinois Lottery. IDFPR will post a list of applicants participating in the lottery. The date of the lottery will be announced by IDFPR in the coming months. IDFPR will publish the certified results after the lottery has concluded. If an applicant

does not meet eligibility criteria, IDFPR will offer the opportunity for the conditional license to the next applicant on a list of applicants drawn chronologically after the 55 applicants selected during the lottery.

Each applicant drawn for an opportunity for a conditional license will have 45 calendar days to prove certain social equity, eligibility criteria. This includes meeting the social equity applicant ownership criteria outlined in the CRTA:

- The applicant has at least 51% ownership and control by one or more individuals who have resided for at least five of the preceding ten years in a Disproportionately Impacted Area, or
- The applicant has at least 51% ownership and control by one or more individuals who:
 - o have been arrested for, convicted of, or adjudicated delinquent for any offense that is eligible for expungement under the CRTA, or
 - o is a member of an impacted family.

OR by meeting alternate criteria which will be described in the upcoming release of the new adult use lottery rules.

IDFPR will have 60 calendar days after the lottery to ensure the 55 applicants selected in the lottery meet the criteria detailed above. Applicants selected in the lottery will be provided an opportunity to provide supplemental information to satisfy these criteria.

The rules will be available on IDFPR's website after they are published in the [Illinois Register](#).

Additional information will be made available in the coming months on [IDFPR's Adult Use Cannabis Program webpage](#).