

1 Tied Applicants

2 (410 ILCS 705/18-1 new)

3 Sec. 18-1. Definitions. In this Article:

4 "Applicant" means the Proposed Dispensing Organization
5 Name as stated on a license application for a Conditional Adult
6 Use Dispensing Organization License issued under subsection
7 (a) of Section 15-25.

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

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

20 "By lot" means a randomized method of choosing between 2 or
21 more eligible applicants.

22 "Department" means the Department of Financial and
23 Professional Regulation.

24 "Dispensing Organization License" means any Early Approval
25 Adult Use Dispensing Organization License, Conditional Adult

1 Use Dispensing Organization License, or Adult Use Dispensing
2 Organization Licenses.

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

6 "License" means a Conditional Adult Use Dispensing
7 Organization Licenses issued under subsection (a) of Section
8 15-25.

9 "Principal officer" includes a cannabis business
10 establishment applicant or licensed cannabis business
11 establishment's board member, an owner with more than 1%
12 interest of the total cannabis business establishment or more
13 than 5% interest of the total cannabis business establishment
14 of a publicly traded company, a president, a vice president, a
15 secretary, a treasurer, a partner, an officer, a member, a
16 manager member, or a person with a profit sharing, financial
17 interest, or revenue sharing arrangement. "Principal officer"
18 includes a person with authority to control the cannabis
19 business establishment who assumes responsibility for the
20 debts of the cannabis business establishment and who meets the
21 definition of "principal officer" as that term is defined under
22 Section 1-10.

23 "Remaining available license" means a license in a BLS
24 Region that has not been awarded by the Department at the
25 conclusion of the scoring process period. There may be more
26 than one remaining available license in a BLS Region. For

1 example, if 4 licenses are available in a BLS Region and the 5
2 highest-scoring applicants receive scores of 245, 240, 235,
3 235, and 235 points, the applicants receiving 245 and 240
4 application points will be awarded licenses and the 3
5 applicants receiving 235 points may become eligible
6 applicants. Likewise, if one license is available in a BLS
7 Region and there are 5 applicants with the highest score, all 5
8 applicants may become eligible applicants.

9 "Scoring process period" is the period of time between the
10 conclusion of the submission period for a license application
11 and when the Department publishes the following information:

12 (1) the names of applicants that have been awarded
13 licenses based on their receiving the highest number of
14 application points; and

15 (2) the names of tied applicants that may become
16 eligible applicants.

17 "Tied applicant" means an applicant for a Conditional Adult
18 Use Dispensing Organization License issued under subsection
19 (a) of Section 15-25 that has received the same number of
20 application points as one or more other applicants in the same
21 BLS Region and would have been awarded a license but for the
22 one or more other applicants that received the same number of
23 application points.

24 (410 ILCS 705/18-5 new)

25 Sec. 18-5. Method of distribution of licenses; tied

1 applicants in a BLS Region.

2 (a) A tied applicant may qualify as an eligible applicant,
3 subject to the following:

4 (1) A tied applicant is prohibited from becoming an
5 eligible applicant if a principal officer of the tied
6 applicant is a principal officer of more tied applicants
7 than the number of remaining available licenses. For
8 example, if an individual is a principal officer of 4 tied
9 applicants and there are 2 remaining available licenses, no
10 more than 2 of those tied applicants may become eligible
11 applicants.

12 (2) A tied applicant is prohibited from becoming an
13 eligible applicant if a principal officer of a tied
14 applicant resigns after the conclusion of the scoring
15 process period.

16 (3) A tied applicant is prohibited from becoming an
17 eligible applicant if, after the conclusion of the
18 declination period identified pursuant to subsection (b),
19 a principal officer of the applicant is a principal officer
20 of more tied applicants than the number of remaining
21 available licenses.

22 (b) A tied applicant may decline to become an eligible
23 applicant by informing the Department within 5 business days of
24 the conclusion of the scoring process. The declination must be
25 submitted on forms approved by the Department.

26 (c) If at the conclusion of the scoring process period

1 there are 2 or more eligible applicants, the Department may
2 distribute the remaining available licenses by lot, subject to
3 the following:

4 (1) The Department shall publish a list of eligible
5 applicants at least 5 business days before the day the
6 remaining available licenses are distributed.

7 (2) The drawing by lot for all remaining available
8 licenses shall occur on the same day.

9 (3) For each BLS Region, the Department shall draw a
10 number of eligible applicants equal to 5 times the number
11 of remaining eligible applicants.

12 (4) Within each BLS Region, the first eligible
13 applicant drawn shall have the first right to a remaining
14 available license. The second eligible applicant drawn
15 shall have the second right to a remaining available
16 license. The same pattern shall continue for each
17 subsequent eligible applicant drawn.

18 (5) The process for distributing remaining available
19 licenses shall be recorded by the Department in a format at
20 its discretion.

21 (6) If upon being selected for a remaining available
22 license the eligible applicant has a principal officer that
23 is a principal officer in more than 10 Early Approval Adult
24 Use Dispensing Organization Licenses, Early Approval Adult
25 Use Dispensing Organization Licenses at secondary sites,
26 Conditional Adult Use Dispensing Organization Licenses, or

1 Adult Use Dispensing Organization Licenses, the licensees
2 and the eligible applicant listing principal officer must
3 choose which license to abandon pursuant to subsection (d)
4 of Section 15-36 and notify the Department in writing
5 within 5 business days. If the eligible applicant or
6 licensees do not notify the Department as required, the
7 Department shall refuse to issue all remaining available
8 licenses obtained by lot in all BLS Regions to the eligible
9 applicant.

10 (7) All remaining available licenses that are
11 abandoned shall be distributed to the next eligible
12 applicant drawn by lot. If there are no additional eligible
13 applicants, the license shall be awarded to the applicant
14 receiving the next highest number of application points in
15 the BLS Region.

16 (410 ILCS 705/20-35)

17 Sec. 20-35. Cultivation center agent identification card.

18 (a) The Department of Agriculture shall:

19 (1) establish by rule the information required in an
20 initial application or renewal application for an agent
21 identification card submitted under this Act and the
22 nonrefundable fee to accompany the initial application or
23 renewal application;

24 (2) verify the information contained in an initial
25 application or renewal application for an agent