

Illinois Cannabis Regulation: Overview

by Practical Law Commercial Transactions with David S. Ruskin, Horwood Marcus & Berk Chartered

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A Practice Note discussing the legal framework for the cannabis business in Illinois. This Note provides an overview of Illinois state law and regulations concerning recreational adult use and medical cannabis licensing, and compliance.

Illinois allows the cultivation, processing, and sale of cannabis for both recreational adult use and medical use. The state has a complex regulatory structure and licensing process for businesses involved in the cannabis supply chain. All licensed adult use and medical cannabis business establishments, from cultivator to dispensing organization, must be licensed and are subject to ongoing regulatory oversight and enforcement.

This Note provides an overview of Illinois' cannabis laws and regulations, including:

- The development of Illinois cannabis law.
- Tensions between state and federal law.
- Licensing and registration for businesses involved in the medical and adult use cannabis supply chain.
- Regulation of cannabis products.
- Packaging and labeling.
- Penalties and enforcement.

Illinois law and regulation uses cannabis-related terms in a way that may differ slightly from those of the federal government and other states, because it excludes hemp (410 ILCS 705/1-10; see Statutory Definition Under Illinois Law).

Illinois Laws Governing Cannabis

Unlike the other states among the first to legalize the adult use sale and use of cannabis using ballot initiatives, Illinois legislators legalized both medical and adult use cannabis. Unlike many other states, three different agencies are also responsible for oversight and licensing

of the cannabis industry. Responsibility for cannabis regulation and control is shared by:

- The Illinois Department of Agriculture (IDOA), which regulates and licenses:
 - cannabis cultivation centers;
 - craft growers;
 - infusers; and
 - transporters
- The Illinois Department of Financial and Professional Regulation (IDFPR), which licenses and oversees medical and adult use cannabis dispensing organizations that sell cannabis to patients on the medical cannabis registry and to adults above the age of 21.
- The Illinois Department of Public Health (IDPH), which administers the registry of patients and the medical marijuana program.

(See Licensing and Registration).

Illinois' cannabis laws contain:

- The licensing process for adult use and medical cannabis businesses and registration for individuals connected to those businesses.
- Operational requirements and standards for licensees (see Ongoing Operational Requirements for Licensees).
- Regulations governing cannabis and cannabis-infused products, including packaging and labeling requirements (see Regulation of Cannabis and Cannabis-Infused Products).
- An enforcement process, including penalties for noncompliance (see Enforcement and Penalties).



Development of Illinois Cannabis Law

In less than a decade, Illinois went from treating cannabis as a criminal issue to developing a heavily-regulated legal medical and adult use cannabis industry. Important legal developments include:

- In 1978, Illinois enacted the Cannabis Control Act (720 ILCS 550/1 to 550/19). The statute authorized the Department of Human Services, with written approval of the Department of State Police, to allow doctors to prescribe cannabis, but the agency never did so.
- In 2013, Illinois enacted the Compassionate Use of Medical Cannabis Pilot Program Act. The statute legalized cannabis and cannabis-infused products for patients with debilitating medical conditions and businesses to serve them as part of a pilot program. (2013 Ill. Legis. Serv. P.A. 98-122 (H.B. 1).) The statute also created a structure for licensing a limited number of cultivation centers and dispensaries for the growth and sale of medical cannabis to registered patients.
- In 2019, Illinois lawmakers made the Medical Cannabis Pilot Program permanent and expanded treatment to include the use of cannabis as an alternative to opioids (2019 Ill. Legis. Serv. P.A. 101-363).
- In 2019, the state enacted the Illinois Cannabis Regulation and Tax Act (ICRTA), legalizing cannabis for persons aged 21 and older and creating classes of licenses for businesses to sell cannabis to these purchasers. The statute also:
 - sets operational requirements for licensees;
 - imposes taxes on cannabis in the adult use supply chain;
 - provides for a phased rollout of applications and awarding of licenses;
 - caps the number of licenses statewide and within regions of the state;
 - sets a maximum limit for possession of marijuana for personal use, which differs for Illinois residents and non-residents;
 - permits cultivation of marijuana plants for personal use; and
 - provides opportunities to expunge the law enforcement records of individuals convicted of certain marijuana-related civil law offenses.

(2019 Ill. Legis. Serv. P.A. 101-27 (H.B. 1438).)

Laws and Regulations Applicable to the Illinois Cannabis Industry

The primary Illinois laws and regulations that apply to medical and adult use cannabis businesses include:

- Compassionate Use of Medical Cannabis Program Act (410 ILCS 130/1 to 410 ILCS 130/999).
- Cannabis Regulation and Tax Act (CRTA) (410 ILCS 705/1-1 to 705/999-99).
- IDOA rules for:
 - Cannabis Regulation and Tax Act (8 Ill. Admin. Code 1300.10 to 1300.940); and
 - Compassionate Use of Medical Cannabis Pilot Program (8 Ill. Admin. Code 1000.10 to 1000.700).
- Illinois Department of Revenue (IDOR) rules for:
 - Cannabis Cultivation Privilege Tax (86 Ill. Admin. Code 422.100 to 423.150);
 - Cannabis Purchaser Excise Tax (86 Ill. Admin. Code 423.105 to 423.175); and
 - Medical Cannabis Cultivation Privilege Tax Law (86 Ill. Admin. Code 429.105 to 429.145).
 - County Cannabis Retailers' Occupation Tax (86 Ill. Admin. Code 424.100 to 424.155).
 - Municipal Cannabis Retailers' Occupation Tax (86 Ill. Admin. Code 425.100 to 425.155).
- IDPH rules for the Compassionate Use of Medical Cannabis Pilot Program (77 Ill. Admin. Code 946.10 to 946.630).
- IDFP's Rules for Administration of the Compassionate Use of Medical Cannabis Pilot Program (68 Ill. Admin. Code 1290.10 to 1290.590).
- Cannabis Control Act (720 ILCS 550/1 to 550/19).
- Health and safety laws, including:
 - Illinois Food, Drug and Cosmetic Act (410 ILCS 620/1 to 620/27);
 - Sanitary Food Preparation Act (410 ILCS 650/0.01 to 650/13);
 - Food Handling Regulation Enforcement Act (410 ILCS 625/0.01 to 625/4);
 - Illinois Pesticide Act (415 ILCS 60/1 to 60/30); and
 - Illinois Fertilizer Act of 1961 (505 ILCS 80/1 to 80/23).

Statutory Definition Under Illinois Law

Illinois law uses cannabis as a blanket term covering regulated products, including cannabis-infused products, such as edibles. Medical cannabis is a term that covers the same types of product as cannabis, but refers to products exclusively in the supply chain of medical cannabis licensees. Statutes define cannabis as inclusive of seeds, growing plants, and products made from all parts of any plant of the genus *cannabis sativa* and derivatives or subspecies, excluding:

- Mature stalks.
- Fiber produced from stalks.
- Sterilized seed.
- Products derived from the seeds of the plant, whether or not the seed is sterile, including:
 - fiber;
 - oil; or
 - cake.
- Mixtures or preparations made from the mature stalks of the plant, including:
 - compounds;
 - mixtures or preparations;
 - salts; and
 - derivatives.
- Hemp, as defined in the Illinois Industrial Hemp Act (505 ILCS 89/1 to 89/999).

(410 ILCS 705/1-10 and 720 ILCS 550/3.)

For more information on different strains of cannabis, including marijuana, hemp, and CBD, see [Practice Note, Hemp and the 2018 Farm Bill: Overview: The Cannabis Plant and CBD Extract](#).

Tension with Federal Law

A growing number of states in addition to Illinois have legalized marijuana for medical and recreational use (see [Practice Note, State Medical and Recreational Marijuana Laws Chart: Overview](#)). The federal Controlled Substances Act lists marijuana and tetrahydrocannabinol (THC), its main psychoactive ingredient, as Schedule I controlled substances (21 U.S.C. § 812(c)). Businesses operating according to state laws and regulations allowing for the possession and sale of marijuana, such as the laws of

Illinois, do so in contravention of federal law and policy in what is often described as a legal gray area. Counsel should be aware of:

- **Guidance from the Department of Justice.** In 2018, Attorney General Jeff Sessions issued a memo reversing existing guidance and declared that marijuana activity is a serious crime and instructs federal prosecutors to “weigh all relevant considerations” in deciding which cases to prosecute (see [Memorandum for All United States Attorneys re Marijuana Enforcement, January 4, 2018](#)).
- **Complications with using the national banking system.** Due to the federal prohibition on marijuana, many banks refuse to open accounts for marijuana-related businesses. In Illinois, state law protects savings banks and holding companies from penalties solely because they provide financial services to cannabis-related businesses (205 ILCS 205/9002(b); see also [Office of the State Treasurer: Cannabis](#)). To date, only a small number of state banks and credit unions in Illinois have been willing to take on cannabis related business customers. The Illinois Treasurer’s office, however, has taken affirmative steps to expand access. For more information on cannabis banking in Illinois, see [Office of the Treasurer: Community Invest Cannabis Banking Services](#). For more information, see [Practice Note, Counseling a Cannabis-Related Business Overview: Conflict between Federal and State Laws: Banking](#).
- **Special tax treatment.** The Internal Revenue Code specifically excludes “expenditures in connection with the illegal sale of drugs” from its general rule allowing the deduction of business expenses (26 U.S.C. § 280E). However, businesses may still deduct the cost of goods sold (COGS). For more information, see [Practice Note, Counseling a Cannabis-Related Business: Overview: Section 280E Prohibition of Business Expense Deductions for Cannabis Businesses](#).
- **Lack of federal trademark protection.** Federal trademark registration is unavailable when the mark’s use is unlawful for marijuana brands. For more information on federal trademarks, see [Article, Trademark Registration in the Cannabis Industry and Legal Update, USPTO Issues Examination Guide for Cannabis-Related Trademark Applications](#). In Illinois, the Secretary of State accepts state trademark registrations for certain businesses. Though protections available from state trademark registration are less than those afforded from a USPTO registration, they are, in practice, the only registration option. For more information on trademarks in Illinois, see [Office of the Illinois Secretary of State: Trademark/Service Mark](#).

Licensing and Registration

Each business on the cannabis supply chain, from cultivation to a final sale to retail purchaser or patient, must be licensed. Agents of the licensee, such as employees, must also be licensed. All licenses must be renewed annually, except for adult use dispensing organization licenses which are every other year. (410 ILCS 705/15-45(a)). Licenses are issued by:

- IDFPR, for dispensing organizations and agents (see Department of Financial and Professional Regulation).
- DOA, for all other licenses (see Department of Agriculture).

The number of licenses, except for transporters, are capped statewide. Persons and entities may only own interests in a limited number of licenses (see Limits on Licenses). Unlike most other states where cannabis is legal, applications for business licenses in Illinois are not accepted on a continuing basis. Applications are accepted by IDFPR and IDOA in successive rounds with common deadlines for receiving applications for a set number of available licenses. All license applications require:

- Extensive disclosure requirements for principal officers and those with controlling and financial interests in the licensee (see Principal Officers).
- Detailed documentation of:
 - ownership and management;
 - compliance plans; and
 - operations plans.
- A non-refundable application fee.

Licenses are issued to a specific applicant to operate at a specific location and are not freely transferrable to new owners. Sale of stock in a licensed corporate entity may be made with pre-approval of the relevant licensing agency (see, for example, 8 Ill. Admin. Code 1300.540 and 68 Ill. Admin. Code 1290.130). Adult use cannabis dispensing organizations may transfer a license with agency approval (410 ILCS 705/15-60).

The Licensing Process

Applications to both IDOA and IDFPR are evaluated on a points system, with the applicants attaining the highest scores receiving the license. Point allocation and the subject matter evaluated varies between licenses, but all applicants are scored based on both binary metrics

(such as Illinois resident status) and subjective scoring of the quality and sufficiency of their:

- Business plan.
- Employee training plan.
- Security and recordkeeping plan.
- Status as a:
 - Social Equity Applicant (see Social Equity Applicants).
 - veteran-owned business; or
 - Illinois resident.
- Labor and employment practices.
- Diversity plan.
- Planning documents specific to license type.

In the first round of license applications in 2020, the state was authorized by law to approve:

- 75 dispensing organization licensees.
- 40 craft grower licensees.
- 40 infuser licensees.

The point system for this initial group of licensees not already holding medical marijuana licenses awarded 20% of all possible points to Social Equity Applicants (see Social Equity Applicants).

Unlike some other states, Illinois does not require a licensee to submit a separate application to a local government, only that the licensee submit a request for zoning approval to the appropriate local government, where necessary. However, local governments have regulatory power, especially over cannabis business establishments. A unit of local government may:

- limit the number of cannabis business establishments;
- restrict the time, place, and manner of operations;
- prohibit cannabis business establishments;
- impose taxes on cannabis sales
- regulate, but not ban, cultivation and dispensing of medical cannabis.

(410 ILCS 705/55-28; 410 ILCS 130/140.)

In Chicago, voters in an election precinct may petition the local alderman to have the precinct declared a restricted cannabis zone, limiting cultivation or one or more types of licensed adult use cannabis business establishments (410 ILCS 705/55-28).

For more information, see:

- [DOA: Notice to Local Zoning Authorities.](#)
- [Department of Revenue: Municipalities and Counties may impose a local Cannabis Retailers' Occupation Tax beginning July 1, 2020.](#)
- [Illinois Municipal League: Adult-Use Cannabis Resources.](#)

Social Equity Applicants

The ICRTA ended decades of marijuana prohibition enforced by criminal law. Drafters of the statute recognized this prohibition was harmful and that enforcement had disproportionate impacts across the state's communities (410 ILCS 705/7-1). To address this disproportionate impact, the law created a social equity program to enable those most harmed by marijuana prohibition with a better opportunity to benefit from its legalization.

Social equity applicants must meet one of three criteria. An applicant must have either:

- At least 51% 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 under the ICRTA; or
 - are members of an impacted family.
- At least 51% ownership and control by one or more individuals residing in a disproportionately impacted area for five of the past ten years.
- A minimum of ten full-time employees with at least 51% of current employees who:
 - currently reside in a disproportionately impacted area; or
 - have been arrested for, convicted of, or adjudicated delinquent for any offense that is eligible for expungement under the ICRTA; or
 - are members of an impacted family.

(410 ILCS 705/1-10.)

The Illinois Department of Commerce (IDOC) maintains a map displaying disproportionately impacted areas, which are defined to the neighborhood level (IDOC: [Illinois Adult-Use Cannabis Social Equity Program.](#)) If a social equity applicant sells or otherwise transfers a license within five years of issuance to a person or entity that does not qualify as a social equity applicant, the transfer

agreement must require the license holder to pay the cannabis business development fund (CBDF) for the full amount of benefits received from the program (410 ILCS 705/7-25). Social equity applicants are eligible for:

- 20% of available points on the initial round of applications for licenses granted in 2020.
- Loans and grants from the CBDF, which is funded from application fees and a grant from the state and administered by IDOC (410 ILCS 705/7-15).
- Fee waivers and discounts.

(For more information, see [DOA: Adult Use Cannabis Social Equity Applicant FAQ.](#))

Limits on Licenses

Illinois law limits the number of licenses in which one person or entity may own an interest, directly or indirectly. No one person or entity may own more than:

- Three craft grower licenses (410 ILCS 705/30-30(m)).
- Three infuser licenses (410 ILCS 705/20-30(j)).
- Ten:
 - early approval adult use dispensing organization licenses;
 - conditional adult use dispensing organization licenses; or
 - adult use dispensing organization licenses.

(410 ILCS 705/20-30(c).)

Principal Officers

Participants in the Illinois cannabis industry should expect close scrutiny from regulators and must provide extensive documentation.

Principal officers are a class of person, whether a business organization or natural person, participating in an application or with ownership in an interest in an applicant, subject to disclosures during the licensing process. Principal officers must apply for registration and are subject to fingerprinting, background checks, and other disclosures (see [IDFPR: Application for Proposed Principal Officer of an Adult Use Dispensing Organization and Application for Prioritized Principal Officer Medical Cannabis Dispensing Organization](#)). New principal officers of existing licensees are subject to the same requirements. The Cannabis Regulation and Tax Act defines a principal officer as a cannabis business establishment licensee or applicant's:

Illinois Cannabis Regulation: Overview

- Board member.
- Owner with more than a 1% interest in the cannabis business establishment or more than a 5% interest in a publicly traded cannabis business establishment:
- President.
- Vice president.
- Secretary.
- Treasurer.
- Partner.
- Officer.
- Member.
- Manager member.
- Person with a:
 - profit sharing interest;
 - financial interest; or
 - revenue sharing agreement.
- Person assuming responsibility for the cannabis business establishment.
- Person with authority to control the cannabis business establishment.

(410 ILCS 705/1-10.)

The medical cannabis statute does not contain a definition. IDFPR regulations for medical dispensing organizations define principal officer in the same way as the adult use statute (68 Ill. Admin. Code 1290.10). IDOA regulations for cultivation centers have a slightly different, less detailed definition (8 Ill. Admin. Code 1000.10).

Department of Financial and Professional Regulation

IDFPR is responsible for both medical and adult use licensing of dispensing organizations. This type of licensee is permitted to operate a store that sells either medical or adult use cannabis to individuals. This agency issues licenses for:

- **Early approval adult use dispensing organizations.** This license is a class of dispensary consisting of existing medical cannabis dispensing organizations granted approval to sell cannabis to adults aged 21 and above, without medical certification. This license allows adult use operations from an existing medical cannabis dispensing facility or at a secondary site, subject to siting restrictions (410 ILCS 705/15-15 to 705/15-35.)

- **Conditional adult use cannabis dispensing organization.** Applicants seeking an adult use cannabis dispensing organization license must first receive this conditional license to ultimately be authorized to sell cannabis to adults above the age of 21 (705 ILCS 705/15-25 and 705/15-35).
- **Adult use cannabis dispensing organization.** Before receiving this license, a licensee must receive a Conditional Adult Use Dispensing Organization License (410 ILCS 705/15-36(a)). This license is available to holders of conditional adult use cannabis dispensing organization licenses completing all final building and regulatory requirements, including zoning and approval. Once approved, a holder of this license may sell cannabis to adults aged 21 and above. The total number of these licenses are currently limited to 500 across the state (410 ILCS 705/15-35(b)). The number of licenses is also restricted by region of the state (see [FPR: Dispensary License distribution by BLS region for licenses issued May 1, 2020](#)).
- **Medical cannabis dispensing organization.** A holder of this license may sell cannabis to patients registered with the IDPH and their caregivers. IDFPR may only issue 60 medical cannabis dispensing organization licenses statewide, divided between regions of the state (410 ILCS 130/115(a); see also 68 Ill. Admin. Code 1290.20 (dispensing organization districts)).
- **Dispensary agents.** Dispensing organization employees and Principal Officers must register with IDFPR to receive a dispensing agent identification card, subject to a background check. Within 90 days of employment, agents of adult use or medical dispensing organizations must complete a Responsible Vendor Program class (410 ILCS 705/15-40; see also [IDFPR: FAQ - Information for Dispensary Agents](#)).

(For more information, see [DFPR: Adult Use Cannabis Program](#) and [Medical Cannabis Pilot Program](#).)

Department of Agriculture

IDOA is responsible for licensing the medical and adult use supply chain except for dispensing organizations. The agency issues licenses for:

- **Medical cannabis cultivation centers.** This license allows the holder to grow cannabis in an enclosed, locked facility and transport it to dispensing organizations. (410 ILCS 130/105; 8 Ill. Admin. Code 1000.430). There are a maximum of 21 of these licenses permitted by statute, all of which have been issued.
- **Early approval adult use cultivation centers.** This license allows existing medical cannabis cultivation

centers to cultivate cannabis for sale to adult use cannabis dispensing organizations (410 ILCS 705/20-10). There are a maximum of 30 of these licenses permitted by statute, of which 21 have been issued. No timeline is set for addressing any of the unissued 9 licenses.

- **Conditional adult use cultivation center.** Applicants seeking an adult use cultivation center license must first receive this license (410 ILCS 705/20-15).
- **Adult use cultivation center.** This license allows the holder to grow and process cannabis in an enclosed, locked facility for distribution to other holders of other adult use cannabis licenses. DOA is not authorized to license any additional adult use cultivation centers until July 1, 2021 (410 ILCS 705/20-21).
- **Cannabis craft grower.** This license type allows the holder to grow and process cannabis in an enclosed, locked facility, subject to square footage limits. A craft grower may contain up to 5,000 square feet of canopy space on its premises for plants in the flowering state. IDOA may authorize an increase or decrease of flowering stage cultivation up to 14,000 square feet for cultivating plants in the flowering stage, which must be cultivated in all stages of growth in an enclosed and secure area. A craft grower may share premises with a processing organization or a dispensing organization, or both, subject to certain restrictions. There are a maximum of 150 of these licenses permitted by statute (410 ILCS 705/1-10). Craft grower licensees are subject to additional limits in the financial interests they may hold in other licenses and one licensee may only own up to three craft grower licenses (410 ILCS 705/30-20 and 705/30-30).
- **Cannabis infuser.** This license allows the holder to directly incorporate cannabis or cannabis concentrate into a product formulation to produce a cannabis-infused product. There are a maximum of 100 infuser licenses permitted by statute. An infuser may share its premises with a craft grower or dispensing organization (410 ILCS 705/35-25.)
- **Cannabis transporter.** This license allows the holder to transport cannabis between licensees. There is no statutory limit on the number of transporter licenses.
- **Community college vocational cannabis pilot program.** This license type is only available to community colleges (410 ILCS 705/25-1 to 705/25-45 see also [IDOA: Community College Cannabis Vocational Pilot Program Application and Exhibits Form.](#))
- **Agents.** Each employee of an IDOA-licensed cannabis business must have a background check before receiving an identification card appropriate to the

employer's license type to be displayed on-site at all times, which must be renewed annually.

For more information, see [IDOA: Adult Use Cannabis and Medical Cannabis Program.](#)

Ongoing Operational Requirements for Licensees

A licensee's operations must remain in ongoing compliance with statutory and regulatory standards. Each license type has specific requirements. These standards govern, among other things:

- Records maintenance tracking the licensee's cannabis inventory. Cannabis must be traced from plants from sale to the end user using Illinois' official seed-to-sale vendor, BioTrack THC (see [BioTrack THC: Illinois](#))
- Obtaining and retaining testing results for cannabis and cannabis products (see [Product Testing](#)).
- Permitted and prohibited marketing practices.
- Facility security.
- Product storage.
- Unannounced inspections and testing by:
 - IDOA or IDFPR;
 - local law enforcement; or
 - Illinois State Police.

Important license-specific requirements include:

- Dispensing organizations are subject to:
 - limits on daily sales per customer (see [Practice Note, Recreational Marijuana Retail Sales Restrictions Charts: Overview: Illinois](#));
 - rules regarding checking customer identification;
 - limited access areas; and
 - other point of sale restrictions.
- Cultivation centers and infusers may not use price discriminate when selling the same product to different licensees and license classes (410 ILCS 705/20-30 and 705/35-25).
- Cultivation centers must limit pesticide usage to approved chemicals on a list published by IDOA ([IDOA: Authorized Pesticide Active Ingredients](#)).
- Infusers and cultivation centers that prepare cannabis-infused products must follow state and federal food preparation, sanitation, and labeling laws (see [Cannabis-infused Products](#)).

Regulation of Cannabis and Cannabis-Infused Products

Cannabis and cannabis-infused products are highly regulated to provide consumers with uniform, safe products packaged to prevent use by children. All cannabis and cannabis products are subject to:

- Mandatory product testing (see Product Testing).
- Labeling on product packaging (see Labeling).
- Packaging requirements (see Packaging).

Product Testing

State licensed testing laboratories must test all cannabis and cannabis-infused product for sale to a dispensary. Testing is required for each batch or established segregation or group of plants at the time of planting and are assigned a batch number (8 Ill. Admin. Code 1300.10). The test must be conducted by a laboratory approved by IDOA. Unlike many other states, Illinois does not have a separate testing laboratory license. The laboratory tests each batch for:

- Microbiological contaminants.
- Mycotoxins.
- Pesticide active ingredients.
- Residual solvent.
- Active ingredient analysis.

IDOA may also conduct testing of random samples for the purposes of verifying label information. Failed pesticide tests are cause for product recall. (410 ILCS 705/20-5, 8 Ill. Admin. Code 1000.10.) IDFPR may also issue mandatory and voluntary product recall orders to remove defective or potentially defective cannabis from the market (410 ILCS 705/15-65).

Labeling

Restrictions on labeling and packaging are designed to serve the interests of regulators, consumers, and the general public in understanding the contents and origin of the cannabis and cannabis products they purchase. All products packaged for sale must be registered with IDOA and approved before sale to dispensing organizations.

All packages containing cannabis and cannabis-infused products sold at dispensaries must include:

- The name of the cultivation center or craft grower where it was manufactured.
- The name of the product.

- Quantity by weight of cannabis in the product.
- A unique serial number that matches the product with the craft grower or cultivation center where it was produced.
- An ingredient list, including the minimum and maximum percentage content by weight of active ingredients, including:
 - delta-9-tetrahydrocannabinol (THC);
 - tetrahydrocannabinolic acid (THCA);
 - cannabidiol (CBD); and
 - cannabidiolic acid (CBDA).
- Dates of:
 - final testing and packaging;
 - harvesting; and
 - use-by date.
- A pass-fail rating based on testing (see Product Testing).
- Product health warnings.

(410 ILCS 705/55-21 (adult use cannabis) and 8 Ill Admin. Code 1000.420(a) (medical cannabis).)

Packaging

All cannabis and cannabis-infused products sold by dispensaries must be in a container that is:

- Sealed.
- Child-proof.
- Labeled.

Adult use cannabis and cannabis-infused products must be in an odor-proof container and must not contain any image designed or likely to appeal to minors (410 ILCS 705/55-21).

Cannabis-Infused Products

Illinois has specific regulations that apply to cannabis-infused products. This product category includes:

- Food.
- Beverages.
- Oils.
- Ointments.
- Tinctures.

Illinois Cannabis Regulation: Overview

- Topical formulations.
- Any other product containing cannabis or cannabis concentrate that is not intended to be smoked.

Cannabis-infused products are manufactured by licensed:

- Cultivation centers.
- Craft Growers.
- Infusers.
- Medical cannabis dispensaries, if prepared by an approved staff member of a registered cultivation center.

Cannabis-infused products must:

- Have labeling:
 - in conformity with the packaging and labeling requirements of Illinois Food, Drug and Cosmetic Act (410 ILCS 620/1 to 620/27); and
 - with allergen warnings.
- Be prepared under the operational supervision of a DPH certified food sanitation manager (410 ILCS 705/55-5(c) (adult use) 410 ILCS 130/80(a)(6) (medical)).
- Not include more than 100 milligrams of THC per individual package (68 Ill Admin. Code 1300.920(d) and 8 Ill Admin. Code 1000.420(f) (medical)).

Enforcement and Penalties

The Illinois state government has significant power to discipline licensees and applicants violating statutes or regulations. Licensing agencies have the power to investigate violations using random inspections and requests for documents and product samples. Before discipline, the licensing agency holds administrative hearings. Licensees can encounter:

- Exposure to criminal penalties for furnishing cannabis to a person under 21 years of age.
- Product recall (see Product Testing).
- Suspension or revocation of licenses or registrations by the issuing agency (410 ILCS 705/45-5 (adult use) and 410 ILCS 130/185 (medical)).
- Fines of up to:
 - \$50,000 per violation for adult use cannabis business establishments or agents (410 ILCS 705/45-5);
 - \$50,000 for medical cannabis cultivation centers or agents (410 ILCS 130/110); and
 - \$10,000 for medical dispensing organizations or agents (410 ILCS 130/130).

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