

Illinois Department of Financial and Professional Regulation

WINTER 2024

RULES ALLOW PICKUP-LOCATIONS FOR MEDICAL CANNABIS PATIENTS

Page 4

ALSO INSIDE:

CANNABIS & THE ILLINOIS COMMUNITY

Page 6

DISPENSARY HIGHLIGHTS

Page 8

ILLINOIS ANNOUNCES THIRD CONSECUTIVE YEAR OF RECORD-SETTING GROWTH FOR ADULT USE CANNABIS SALES

RULES ALLOW PICKUP-LOCATIONS FOR MEDICAL CANNABIS PATIENTS

AGENCY RULE MAKING

CANNABIS & THE ILLINOIS COMMUNITY

DO YOU HAVE A PLAN?

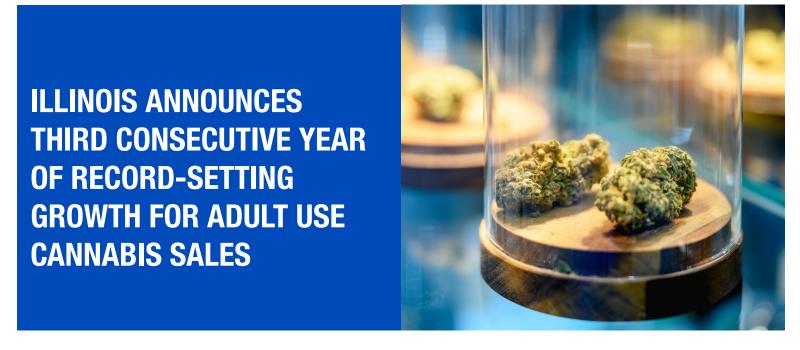
DISPENSARY HIGHLIGHTS

STAFF SPOTLIGHT

9

3

4



IDFPR announced in January that adult use cannabis sales set a new annual record in 2023, exceeding **\$1.6 billion**. Records were also set in sales to in-state residents and the number of items sold, with that total increasing more than 15% compared to 2022. Sales taxes collected at Illinois adult use cannabis dispensaries totaled **\$417.6 million** in 2023, per the Illinois Department of Revenue.

In total, **42,124,741 items** were sold in Illinois adult use cannabis dispensaries in 2023. In addition, Illinois resident sales totaled **\$1,226,855,768.68**, which represents an increase of more than 14% from 2022 and is also higher than the growth experienced in the previous year. This included a new record for sales in a month, as December's sales totaled almost **\$154 million**, exceeding the previous record of December 2022 by more than \$10 million. As additional states join Illinois in legalizing adult use cannabis, sales to out-of-state residents totaled **\$408,126,252.05** in 2023, a decrease of 14%.

IDFPR's complete adult use cannabis monthly sales tracker may be found online here.



RULES ALLOW PICKUP-LOCATIONS FOR MEDICAL CANNABIS PATIENTS

IDFPR is pleased to announce that its proposed amendments to the Compassionate Use of Medical Cannabis administrative rules allowing curbside service to medical cannabis patients were made permanent at the end of 2023. Although this service is commonly referred to as "curbside," the rules actually use the phrase, "pickup-location in close proximity to the dispensing organization." Below, we have a series of Frequently Asked Questions (FAQs) to help explain the new rules.

Q: What is a "pickup-location in close proximity to the dispensing organization"?

A: The rules define this as "an area contiguous to the real property of the dispensary, such as a sidewalk or parking lot." [See 68 IAC 1290.410(c)(5)].] This may mean a "curbside" location in a parking lot or some other area that otherwise fits the "contiguous" requirement of the rules. Prior to identifying or making any changes to a dispensary's pickup-locations, the dispensary must first receive the Department's approval. [See 68 IAC 1290.430(b) and (c)].

Q: Are same-sites allowed to dispense at pickup-locations?

A: Dispensing organizations licensed under Section 15-15 of the Cannabis Regulation and Tax Act (Early Approval Adult Use Dispensing Organization Licenses) may dispense medical cannabis and medical cannabis infused products only to qualifying patients and dedicated caregivers. [See 68 IAC 1291.430(i).]

Q: Do medical dispensaries need to first verify any patient or caregiver information before dispensing at pickup-locations?

A: The rules state that dispensing organization may dispense medical cannabis or medical cannabis infused products only after first verifying the qualifying patient or designated caregiver's identity by comparing the DPH issued patient or caregiver card with an Illinois driver's license, State identification card, or federally issued identification. [See 68 IAC 1290.410]

The Department wishes to extend its sincere gratitude to all medical patients, caregivers, and dispensaries who advocated on behalf of this important change to Illinois' medical cannabis program. Please reach out to the Department at <u>FPR.MedicalCannabis@illinois.gov</u> with any questions regarding pickup-locations.



Agency Rule Making: We Need You!



At IDFPR, we value the opinion of the citizens of Illinois. The policies and rules set forth by our office are to ensure the health, safety and innovation of the Illinois cannabis industry. The Cannabis Regulation and Tax Act created the *laws* that govern our cannabis industry, and DFPR is tasked with developing the *rules*.



The <u>Cannabis Regulation</u> <u>and Tax Act (CRTA)</u> creates the legal adult use cannabis industry in Illinois and IDFPR is mandated to develop rules. Step 2

IDFPR drafts rules based on the mandates of the CRTA.



IDFPR submits those rules for first notice and publishes them in the <u>Illinois Register</u> for the public to see.



Step 4

This is where YOU come in!

The public may submit comments on the rules that IDFPR proposed.



IDFPR may amend some of the proposed rules and may move to second notice.

Step 7

After the public hearing, if JCAR has no objections to the proposed rules, the agency may adopt the rules as final.



Step 6

The <u>Joint Committee on</u> Administrative Rules (JCAR)

holds a public hearing regarding proposed rules. This meeting is open for the public to attend.







Cannabis & The Illinois Community

Include your voice and comments in our new newsletter section! Answers received from community members will be considered for sharing in the Spring newsletter. Please choose "Yes" to question five if you'd like to be anonymous.

Click Here to Participate

(survey questions also listed below)

1) What is the name of your dispensary and what are your dispensary's plans for 4/20/2024?

2) Dispensaries are a new and important part of our communities. How have you been giving back to yours?

3) Tell us what makes you proud! What are some milestones your dispensary had that are meaningful for you?

4) What's something you wish people knew about opening/running a cannabis dispensary?

5) Please indicate if you'd like your responses to be anonymous.



DO YOU HAVE A PLAN?



Planning for unexpected and unfortunate events is essential for all businesses. Today, businesses face a growing number of challenges, so it is best to be prepared for everything. This article will go through certain scenarios that Licensees should be prepared for as well as providing links to other helpful resources for planning. Nothing in this article should be interpreted as providing legal advice.

Estate planning

While it may be difficult to talk about, planning for the death of a Principal Officer or other management staff is crucial for the continued operation of your dispensary. We at the Department recommend that all Principal Officers talk with their legal representatives about estate planning and the creation of a will. Estate planning ensures that in the event of a death, a Principal Officer's ownership interest is transferred to the Individual they choose. Without a proper plan in place, it could take much longer for the interest to transfer. Please make sure that your entity is prepared.

Planning for a Move or Closure

Sometimes economic situations or other factors require a dispensary to move locations. In the event of a move or closure, Licensees need to plan for the storage of their product. Dispensaries that are planning to move or need to close should discuss with other Licensees whether they would be willing to agree to store the products of a moving or closing dispensary. Prior to moving any product, it is crucial that all parties involved work with the Department to finalize any moving plans in order to stay in compliance with the CRTA. The Department will work with you to ensure that the interruptions to service are minimized.

Winter advisory warning from the Illinois State Police

While the current winter weather seems to be dissipating for much of the State, the Illinois State Police (ISP) Cannabis Control Office is highly recommending all cultivation, craft grow, and transportation entities (primarily those in the northern part of the state) suspend/re-schedule their transportation deliveries/activities if the weather ever gets dangerous. If you ever see widespread winter storm warnings and winter weather advisories are posted it will make it difficult for ISP and law enforcement to respond to non-life-threatening emergencies on the roadways. Please be safe out there on the roads.

Planning for Disasters

There are many resources available to businesses to ensure they plan for any type of disaster. The U.S. Small Business Administration provides helpful advice and checklists for helping small businesses plan for natural and unnatural disasters including but not limited to hurricanes, tornadoes, wildfires, floods, hail, and cyber security. For more information, please visit their website <u>here</u>. Also available to our Licensees is help through Ready. "Ready is a National public service campaign designed to educate and empower the American people to prepare for, respond to and mitigate emergencies and disasters. The goal of the campaign is to promote preparedness through public involvement," according to their <u>website</u>. Like the Small Business Administration, Ready has several resources and advice for everyone to prepare for all disasters. You can download their resources and learn more information <u>here</u>.

DISPENSARY HIGHLIGHTS



As we move from fall into the colder months, the team at IDFPR has been busy helping an unprecedented number of new dispensaries open. A list of dispensaries can be found here (<u>https://idfpr.illinois.gov/content/dam/soi/en/web/idfpr/licenselookup/adultusedispensaries.pdf</u>).

Below are some photos from ribbon-cuttings and grand openings IDFPR staff have been able to attend! Dispensaries are also hitting new milestones every month, whether it be passing the one-year mark for being open or bringing their second, third, or even fourth dispensary online! We at IDFPR are proud to celebrate with our licensees each and every milestone they pass. If you would like IDFPR staff to attend a ribbon-cutting, grand opening, or other event at your dispensary, please contact <u>FPR.AdultUseCannabis@illinois.gov</u>. We will do our best to attend any event we are notified of!









As a part of the series of introducing staff members to the industry, we'd like to highlight Rebekah Santa, our Lead Investigator for the Adult Use Cannabis Northern Sector. Rebekah originally started with IDFPR as a Licensing Investigator I in November 2020, but has been subsequently promoted to Licensing Investigator II and Licensing Investigator IV! We are proud of all the hard work Rebekah has done over the past few years and recognize her as one of our many rising stars!

Hello Rebekah! Can you start by telling us a bit about yourself and your role in IDFPR?

Certainly!

I was born and raised in Northwest Chicago. I'm a proud alumnus of Lane Tech College Prep, the University of Illinois at Chicago, and Boston University. I received my Masters in 2018 and worked at various capacities in the legal system throughout undergraduate and graduate school. I came to IDFPR in the thick of COVID and shortly after Recreational Cannabis was legalized in Illinois. I was looking for opportunities to grow within a new and developing industry. Over the last three years I have assumed three separate roles within the Cannabis Unit, but I am currently responsible for a team of dedicated investigators, and together we regulate dispensaries that are located within Chicago and the surrounding area. I am extremely grateful for their hard work and am proud to be a part of Illinois' growing cannabis industry.

What's your favorite part of your job?

The people. I enjoy networking with those on all sides of the cannabis industry.

I'm interested in the backstories of dispensary companies. What brought them to Cannabis and the Illinois' industry specifically? I find their stories fascinating and inspiring. I have already had the pleasure of meeting very genuine and interesting people. I look forward to meeting more of them.

On the regulatory side I have had the pleasure of working with people who are passionate about their work. I am continuously impressed with the Unit's capacity to strive towards efficiency amid such fast paced industry growth. I am proud to work on a team with people I call colleagues and genuine friends.

What's something you or someone in the Administration has accomplished in the last few months that you're proud of?

Where do I start?

The Unit maintains a steady but accelerated pace. Every investigator puts forth their best effort and is more than willing to lend a helping hand when necessary. It really has been a pleasure working on a team with individuals who care about the industry and who are willing to do the work.

Keeping up with the pace of new dispensary openings, coupled with the regulatory obligations of those that have already been open since its legalization, has not come without its challenges. I am particularly proud of everyone in the Unit, myself included, for the hard work it took to get us this far and for their continued effort as the industry grows.

A specific accomplishment would be the unit's capacity to regulate one hundred and eighty-one dispensaries and counting, sixty-nine of them opened within the last year, forty-nine opened in my sector. I cannot stress enough how impressed I am with my team, the Unit overall, and the industry.

When you are not at work, how do you have fun?

I'm an avid reader and lover of music and art. I love to spend leisure time with friends and family. I love to travel and have visited just over half of the States over the course of three cross country road trips in addition to Mexico, Canada, The Bahamas, and Puerto Rico. I love taking my family places they've never been and collecting memories along the way.

CONTACT US

Have questions about cannabis in Illinois? Please email us using one of the addresses below:

Adult Use Cannabis: FPR.AdultUseCannabis@illinois.gov Medical Cannabis: FPR.MedicalCannabis@illinois.gov

