



CANNABIS QUARTERLY *with*

IDFPR

Quarterly Newsletter

Illinois Department of Financial and Professional Regulation

SPRING 2024

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CONDITIONAL LICENSEES**

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NEXT STEPS FOR CONDITIONAL LICENSEES

Congratulations to all the Top Participants of the Social Equity Criteria Lottery "SECL" who were awarded their Conditional Licenses on May 3! Below are the steps all conditional licensees need to take to be eligible for their operational license (also known as "15-36s").



Step 1:
Identification of
Physical
Address

Step 2:
Confirmation of
Operation Within
BLS Region

Step 3:
Application
for Principal
Officers

Step 4:
Notice of Proper Zoning
Form and Documentation

Step 5:
Submission
of Floor Plan

Step 6:
Surety Bond or
Escrow
Account

Step 7:
Completion of
Adult Use License
Application

Step 8:
Completion of
Self Inspection
Form

Step 9:
Scheduling of
Final
Inspection

Step 10:
Reminder: 365
Days to Identify
a Location



COOK COUNTY ANNOUNCES CANNABIS DEVELOPMENT GRANTS



Cook County
**Cannabis
Development Grant**



Apply for up to
**\$150,000 in grant
funds to support
your cannabis business!**

On May 23, Cook County launched a new program to help further equity within the cannabis industry: the [Cook County Cannabis \(CCC\) Development Grant](#). The County will award \$3.6M in grants (each for up to \$150,000) to social equity cannabis license holders based on license type. The grants are intended to help with start-up costs within Cook County. Applications will be accepted now through June 14.

Only social equity applicants who hold current licenses for cannabis-based businesses and are committed to own and operate those businesses in Cook County are eligible to apply for a CCC Development Grant. If the County receives more eligible applications than it can fund, priority consideration will be given to cannabis-based businesses that:

- Had social equity cannabis licenses issued in 2020 or 2021;
- Currently operate in a Disproportionately Impacted Area (DIA) or have committed to do so; and/or
- Are majority-owned by individuals who currently reside in DIAs.

The CCC Development Grant will offer four types of grants based on license type:

- Craft grower licensees are eligible to receive \$150,000 grants.
- Dispensary licensees are eligible to receive \$75,000 grants.
- Infuser licensees are eligible to receive \$100,000 grants.
- Transporter licensees are eligible to receive \$75,000 grants.

Learn more here: <http://www.cookcountyil.gov/service/cannabis-development-grant>.



INVENTORY COUNTS: WHEN AND HOW TO PERFORM THEM

Operating a dispensary is a complicated process that involves a lot of moving pieces. One of the most important pieces is maintaining inventory of all cannabis and cannabis products, including knowing how much product is on hand. In order to comply with the Cannabis Regulation and Tax Act (“CRTA”), inventory must be counted every day. This involves counting all product on hand, whether it is currently available for sale or will be for sale in the future. The only products that do not need to be counted daily are those in bulk storage, which must be sealed in a way to show if it has been tampered with or otherwise opened. Bulk inventory is the only cannabis product that can be counted once per month rather than daily.

For non-bulk inventory, the daily counts can happen at any time, day or night. Each business must determine when is best for them. To properly perform an inventory count, the person counting the inventory must compare the amount of cannabis or cannabis products on hand against the state traceability system. A secondary check can be done against the Point of Sale (“POS”) system, but this is not a replacement for the state traceability system check. Errors discovered in the POS system that are not also reflected in the state traceability system can be resolved with the POS system vendor or onsite by someone familiar with the system. Errors discovered in the state traceability system must be reported to IDFPFR within 48 hours. These errors must also be investigated, but IDFPFR recognizes investigations can take time and may take over 48 hours. In these cases, the discrepancies should still be reported within 48 hours while the investigation continues. IDFPFR should then be told the results of the investigation once it concludes. Changes cannot be made to the state traceability system without IDFPFR approval. Failure to receive approval is a violation of the CRTA and may subject a dispensary to disciplinary action.

If you ever have questions regarding inventory compliance, IDFPFR encourages you to reach out to either your assigned inspector or use the contact list found here: <https://idfpr.illinois.gov/content/dam/soi/en/web/idfpr/forms/auc/idfpr-contact-sheet.pdf>.

SCAM ALERT: SCAMS TARGETING DISPENSARIES



Recently, the Illinois State Police (“ISP”) and IDFPR have been made aware of a scam targeting dispensaries and dispensary personnel. An individual claiming to be the owner or owner’s spouse will call a dispensary employee and ask them to take a large amount of cash to either buy gift cards or deposit into a cryptocurrency account. Dispensaries and their employees should be aware of attempts to scam the businesses and should contact law enforcement when appropriate. Dispensaries may wish to review their Standard Operating Procedures (“SOPs”) regarding cash handling and train employees on ways to spot scams.

Both IDFPR and ISP will continue to work with dispensaries when scams do present themselves, but recommend remaining vigilant to scam efforts.

TRACKING CHANGES IN DISPENSARY OWNERSHIP



Several members of the public have sent various requests regarding the purchase and sales of Adult Use Dispensing Organization and Medical Dispensing Organization licenses. In an effort to be as transparent as possible while also adhering to the confidentiality requirements in the Cannabis Regulation and Tax Act, the Cannabis Audit and Finance Unit is currently developing a publicly available tracking document for Changes of Ownership. This document will be posted on the Department's website and it will provide the public with information on what licenses have been purchased and when those purchases were approved. Once available, the Cannabis Audit and Finance Unit will update the document regularly to reflect the transactions that have been approved since the last posting.

Thank you all for your patience with this matter and look out for the document to be available in the near future. In the meantime, please remember to review our website for updates as they become available: <https://idfpr.illinois.gov/profs/adultusecan.html>. Additionally, if you have any questions regarding transactions, you are welcome to reach out to FPR.CannabisBusiness@illinois.gov.

NEW CANNABIS WEBSITE COMING!



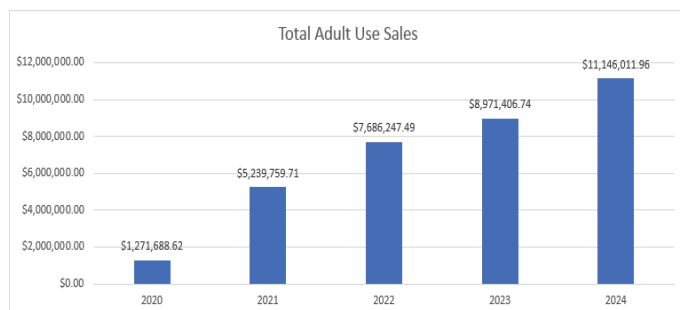
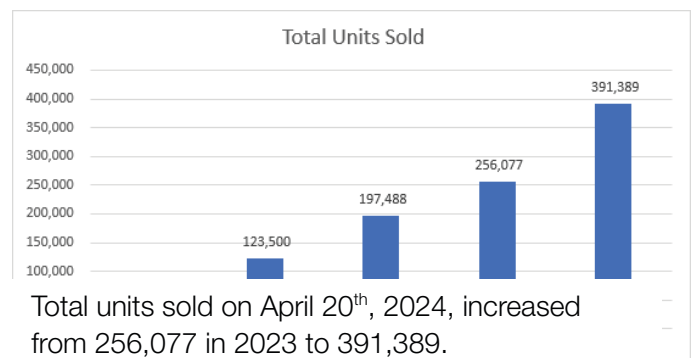
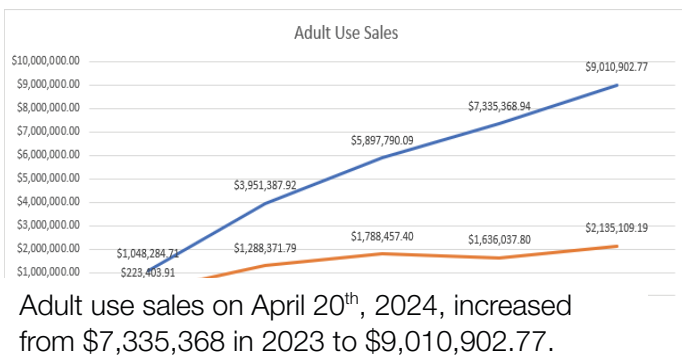
A new and improved IDFPR Cannabis website is on the way. Stay tuned for a more user-friendly browsing experience, easy to use link groupings and guidance on safe and law-abiding operations for dispensaries. The improved website will make it easier for current cannabis organizations and prospective ones alike to find the information they need.

4/20/2024 RECAP



April 20 became the biggest event of the year for the cannabis community after a group of California teens in the 1970s used the number “420” as a code word for smoking cannabis. After becoming famous with the help of icons known for cannabis use (including the Grateful Dead and High Times magazine), the date 4/20 is now marked with celebrations and demonstrations held in cities around the globe.¹

The day is the largest of the year for the regulated cannabis industry, with sales often reaching record highs and surpassing the previous year’s 4/20 sales. This was exactly the case for Illinois, as this year once again saw the highest daily sales numbers, with an almost 25% increase in total sales in 2024 compared to 2023, and an almost 50% increase in the numbers of items sold.



¹ Herrington, A. J. (2024, April 24). *Cannabis Tech firms report strong marijuana sales on 4/20 Weed Holiday*. Forbes. <https://www.forbes.com/sites/ajherrington/2024/04/23/cannabis-tech-firms-report-strong-marijuana-sales-on-420-weed-holiday/?sh=7942ab914919>



COMMUNITY CORNER

Responses from the Winter Edition of the IDFPR Newsletter

We asked, you answered! Check out the answers from dispensaries to the questions we asked in the previous version of the newsletter!

Question

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

Tell us what makes you proud! What are some milestones your dispensary has hit that are meaningful for you?

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

Answer

→ We give discounts for senior citizens, veterans and military, medical patients and also cannabis industry discounts.

→ Being able to help people that are in pain and would rather turn to something more natural and not run by big pharma is important to me.

→ That we aren't asking to see your license/ID to inconvenience you! We HAVE to do it to stay under regulation and keep our doors open.



Dispensary Agents Sounds Off!

Question: The summer months are coming. What do consumers need to know about safe recreational cannabis consumption when it's hot outside?

Please submit your response to FPR.SECL@illinois.gov!

STAFF SPOTLIGHT: DONALD BRIDGES



What is your title?

I am the Lead Investigator for the Cannabis Enforcement unit.

What do you do in your role with the Department?

I supervise two Investigators and we cover an area that stretches from East Dubuque down to Metropolis.

How long have you been with the Department?

October will be four years.

What's your favorite part about your job?

I enjoy seeing different issues every day and engaging with people.

What did you do before working with IDFPR?

I worked with the Illinois Department of Corrections in Pontiac and also have 30 years in Law Enforcement as well.

Please share your educational background.

I have a BA in Criminal Justice from the University of Illinois Springfield.

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

