

## Illinois Aims for Diverse Cannabis Industry

By Daniel S. Rosenbaum

The State of Illinois will be accepting applications for specialized cannabis licenses until March 16, 2020. This includes 40 licenses for smaller-scale craft growing centers, 40 infuser licenses, which allows baked goods, edibles, candy, infused food, and an unspecified number of transport licenses, which allows businesses to deliver cannabis for growers, dispensaries, or community colleges with licensed pot training programs. These licenses are expensive, with annual fees of \$40,000 for craft growers, \$5,000 for infusers, and \$10,000 for transporters. There is also a \$5,000 application fee.

### Social Equity Provisions

Because of the expense of these licenses, the State of Illinois is offering assistance to those who qualify for the social equity program. The greater goal of these social equity provisions is to consider how income from these businesses goes back to the communities most impacted by drug convictions. To qualify, applicants must meet one of the following criteria:

- The applicant has at least 51% ownership and control by one or more individuals who have resided for at least 5 of the preceding 10 years in a designated Disproportionately Impacted Area;
- The applicant has 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 Cannabis Regulation and Tax Act; or
  - Is a member of an impacted family (parent, legal guardian, child, or spouse that has been arrested for, convicted of, or adjudicated delinquent for cannabis-related offenses eligible for expungement, including possession up to 500 grams or intent to deliver up to 30 grams);
- The applicant has at least 10 full-time employees and at least 51% of whom:
  - Currently reside in a designed Disproportionately Impacted Area; or
  - Have been arrested for, convicted of, or adjudicated delinquent for any offense that is eligible for expungement under the Cannabis Regulation and Tax Act or a member of an impacted family.

The \$5,000 application fees for social equity applicants will be cut in half. The Illinois Department of Commerce and Economic Opportunity (“DCEO”) will be awarded to Oakton Community College, The Trep School and Chicago NORML for training, coaching, and technical assistance in preparing the lengthy applications. The DCEO will also offer low-interest loans to cover business start-up costs.

There is a high demand for cannabis and cannabis products in the State of Illinois resulting in huge opportunities in this market. If you need information on Illinois cannabis provisions or have any cannabis-related questions, please contact any of the listed attorneys.

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