**Section 1300.300 License Application**

a) A Craft Grower License shall be obtained for each facility prior to commencement of any production activities. The license shall, along with any other certificate, business license or other authorization required to conduct production activities, be posted in a conspicuous place within the facility.

b) On February 14, 2020, the Department will begin accepting applications for Craft Grower Licenses. The license acceptance period shall close on March 16, 2020. An application will be considered submitted on the date in which it was received, if received on or before 5 p.m. Central Time. If received after 5 p.m. Central Time, the application will be considered received on the next business day.

1) Submissions shall be made electronically.

2) Notification of the availability of applications will be posted on the Department's website at www.agr.state.il.us/.

c) An applicant applying for a Craft Grower License shall electronically submit the following:

1) *Nonrefundable application fee of $5,000*, unless the applicant is eligible for a fee waiver as a Social Equity Applicant under Section 7-20 of the Act*;*

2) *Legal name of the craft grower;*

3) *Proposed physical address of the craft grower*;

4) *Name, address, social security number, and date of birth of each principal officer and board member of the craft grower, each principal officer and board member shall be at least 21 years of age;*

5) *The details of any administrative or judicial proceeding in which any of the principal officers or board members of the craft grower:*

A) *Pled guilty, were convicted, fined, or had a registration or license suspended or revoked; or*

B) *Managed or served on the board of a business or non-profit organization that pled guilty, was convicted, fined, or had a registration or license suspended or revoked;*

6) *Proposed operating bylaws that include procedures for the oversight of the craft grower, including the development and implementation of a plant monitoring system, accurate recordkeeping, staffing plan, and security plan*;

7) *Verification from ISP that all background checks of the prospective principal officers, board members, and agents of the cannabis business establishment have been conducted.* If ISP has not completed the background check, then the applicant shall provide written verification that the request has been submitted to ISP*;*

8) *A copy of the current local zoning ordinance or permit and verification that the proposed craft grower is in compliance with the local zoning rules and distance limitations established by the local jurisdiction;*

9) *Proposed employment practices, in which the applicant must demonstrate a plan of action to inform, hire, and educate minorities, women, veterans, and persons with disabilities, engage in fair labor practices, and provide worker protections;*

10)A statement that the *applicant can demonstrate experience in or business practices that promote economic empowerment in Disproportionately Impacted Areas;*

11) *Experience with the cultivation of agricultural or horticultural products, operating an agriculturally related business, or operating a horticultural business;*

12) *A description of the enclosed, locked facility where cannabis will be grown, harvested, manufactured, packaged, or otherwise prepared for distribution to a dispensing organization or other cannabis business establishment;*

13) *A survey of the enclosed, locked facility, including the space used for cultivation;*

14) *Cultivation, processing, inventory, and packaging plans;*

15) *A description of the applicant's experience with agricultural cultivation techniques and industry standards;*

16) *A list of any academic degrees, certifications, or relevant experience of all prospective principal officers, board members, and agents of the related agricultural or horticultural business;*

17) *The identity of every person having a financial or voting interest of 5% or greater in the craft grower operation, whether a trust, corporation, partnership, limited liability company, or sole proprietorship, including the name and address of each person;*

18) *A plan describing how the craft grower will address each of the following:*

A) *Energy needs, including estimates of monthly electricity and gas usage, to what extent it will procure energy from a local utility or from on-site generation, and if it has or will adopt a sustainable energy use and energy conservation policy;*

B) *Water needs, including estimated water draw and if it has or will adopt a sustainable water use and water conservation policy; and*

C) *Waste management, including if it has or will adopt a waste reduction policy.*

19) *A recycling plan* that addresses each of the following:

A) *Purchaser packaging, including cartridges,* that *shall be accepted by the applicant and recycled;*

B) *Any recyclable waste generated by the craft grower facility shall be recycled per applicable State and local laws, ordinances, and rules; and*

C) *Any cannabis waste, liquid waste, or hazardous waste shall be disposed of in accordance with 8 Ill. Adm. Code 1000.460, except, to the greatest extent feasible, all cannabis plant waste will be rendered unusable by grinding and incorporating the cannabis plant waste with compostable mixed waste to be disposed of in accordance with 8 Ill. Adm. Code 1000.460(g)(1).*

20) *A commitment to comply with local waste provisions. A craft grower facility must remain in compliance with applicable State and federal environmental requirements, including, but not limited to:*

A) *Storing, securing, and managing all recyclables and waste, including organic waste composed of or containing finished cannabis and cannabis-infused products, in accordance with applicable State and local laws, ordinances, and rules; and*

B) *Disposing liquid waste containing cannabis or byproducts of cannabis processing in compliance with all applicable State and federal requirements, including, but not limited to permits under Title X of the Environmental Protection Act.*

21) *A commitment to a technology standard for resource efficiency of the craft grower facility:*

A) *Lighting. The Lighting Power Densities (LPD) for cultivation space commits to not exceed an average of 36 watts per gross square foot of active and growing space canopy, or all installed lighting technology shall meet a photosynthetic photon efficacy (PPE) of no less than 2.2 micromoles per joule fixture and shall be featured on the Design Lights Consortium (DLC) Horticultural Specification Qualified Products List (QPL). In the event that DLC requirement for minimum efficacy exceeds 2.2 micromoles per joule fixture, that PPE shall become the new standard;*

B) *HVAC*

i) *For cannabis grow operations with less than 6,000 square feet of canopy, the licensee commits that all HVAC units will be high-efficiency ductless split HVAC units, or other more energy efficient equipment;*

ii) *For cannabis grow operations with 6,000 square feet of canopy or more, the licensee commits that all HVAC units will be variable refrigerant flow HVAC units, or other more energy efficient equipment;*

C) *Water application*

i) *The craft grower facility commits to use automated watering systems, including, but not limited to, drip irrigation and flood tables, to irrigate cannabis crop;*

ii) *The craft grower facility commits to measure runoff from watering events and report this volume in its water usage plan, and that on average, watering events shall have no more than 20% of runoff of water;*

D) *Filtration. The craft grower commits that HVAC condensate, dehumidification water, excess runoff, and other wastewater produced by the craft grower facility shall be captured and filtered to the best of the facility's ability to achieve the quality needed to be reused in subsequent watering rounds;*

E) *Reporting energy use and efficiency;* [410 ILCS 705/30-10]

22) If a sole proprietorship, the name, residence and date of birth of the owner;

23) If a partnership, the names and addresses of all partners, both general and limited and any partnership or joint venture documents;

A) For a domestic limited partnership, a copy of the Certificate of Limited Partnership, and a Certificate of Good Standing from SOS dated within the last 60 days;

B) For a foreign limited partnership, a certificate of Good Standing from the state of formation, a copy of the Certificate of Authority from SOS, and a Certificate of Good Standing from SOS dated within the last 60 days;

24) If a limited liability partnership, the names and addresses of all partners, and any partnership or joint venture documents;

A) For a domestic limited liability partnership, a copy of the Certificate of Limited Liability Partnership, and a Certificate of Good Standing from SOS dated within the last 60 days;

B) For a foreign limited liability partnership, a certificate of Good Standing from the state of formation, a copy of the Certificate of Authority from SOS, and a Certificate of Good Standing from SOS dated within the last 60 days;

25) If a corporation based in Illinois, a copy of the Articles of Incorporation, and a copy of the Certificate of Good Standing issued by SOS or obtained from the SOS website within the last 60 days. If the corporation is a foreign corporation, a copy of the Articles of Incorporation, a copy of the Certificate of Good Standing from the state or country in which the corporation is domiciled, a copy of the Certificate of Authority from SOS, and a Certificate of Good Standing from SOS dated within the last 60 days. If using an assumed name (d/b/a), a copy of the assumed name registration issued by SOS. Additionally, applicants shall include the names and addresses of all stockholders and directors of the corporation;

26) If a limited liability company:

A) For a domestic limited liability company, a copy of the Articles of Organization, a copy of the Certificate of Good Standing issued by SOS or obtained from the SOS website within the last 60 days, and a listing of the members of the limited liability company and his, her, or its contact information;

B) For a foreign limited liability company, a copy of the Articles of Organization and a Certificate of Good Standing from the state of organization, a copy of the Application for Admission to Transact Business in Illinois, along with a Certificate of Good Standing issued by SOS, all dated within the last 60 days;

27) If another type of business entity, the same or similar information, as applicable, to that listed in subsections (c)(25) and (26);

28) Property Ownership Records

A) If the property is not owned but is currently leased by the applicant, the applicant shall provide: a copy of the lease; confirmation of land ownership; identification of any mortgagees and/or lienholders; a written statement from the property owner and/or landlord, certifying consent that the applicant may operate a craft grower on the premises at least through the term of the lease; and, if applicable, verification of notification by the property owner to any and all mortgagees and/or perfected lienholders that the property is to be used as a craft grower at least through the term of the financing, and consent thereto by any mortgagees and/or perfected lienholders;

B) If the property is not owned or currently leased by the applicant, the applicant shall provide: a written statement from the property owner and/or landlord certifying consent that the applicant will lease or purchase the property for the purpose of operating a craft grower for at least 5 years; and, if applicable, verification of notification by the property owner to any and all mortgagees and/or perfected lienholders that the property is to be used as a craft grower at least through the effective dates of all agreements, and consent thereto by any mortgagees and/or perfected lienholders;

C) If the property is owned by the applicant, the applicant shall provide: confirmation of land ownership; identification of any and all mortgagees and/or perfected lienholders; and, if applicable, verification of notification to any and all mortgagees and/or perfected lienholders that the property is to be used as a craft grower at least through the expiration of financing, and consent thereto by any mortgagees and/or perfected lienholders;

29) Applicant shall submit plans and specifications drawn to scale for the interior of the building. If the building is not in existence at the time of application, the applicant shall submit a plot plan and a detailed drawing to scale of the interior and the architect's drawing of the building to be constructed;

30) Documentation that the individual or entity filing the application has at least $20,000 in liquid assets. Acceptable documentation includes a signed statement from an Illinois licensed CPA attesting to proof of the required amount of liquid assets under the control of an owner or the entity applying. The statement must be dated within 30 calendar days before the date the application was submitted;

31) All relevant financial information as set forth in Section 1300.305;

32) If any principal officers or board members are currently, or have been previously, licensed or authorized in another state or jurisdiction to produce, distribute, or otherwise sell cannabis in any form, the following:

A) A copy of each such licensing or authorizing document verifying licensure in that state or jurisdiction;

B) A statement granting the Department permission to contact the regulatory agency that granted the license to confirm the information contained in the application; and

C) If the entity's license or authorization to conduct business was ever suspended, revoked or otherwise sanctioned, a copy of documentation so indicating, or a statement that the applicant was so licensed and was never sanctioned.

33) For a Social Equity Applicant:

A) If applicable, the Social Equity Applicant's status as an "Illinois resident", as evidenced by incorporation documents, or, if applying as an individual, at least 2 of the following:

i) a signed lease agreement that includes the applicant's name;

ii) a property deed that includes the applicant's name;

iii) school records;

iv) voter registration card;

v) an Illinois driver's license, ID card, or a Person with a Disability ID card;

vi) a paycheck stub;

vii) a utility bill; or

viii) any other proof of residency or other information necessary to establish residence.

B) A person must have been domiciled in this State for a period of 30 days and shall provide evidence of one of the following:

i) The person or persons owning and controlling at least 51% of the proposed license have lived in a Disproportionately Impacted Area for 5 of the preceding 10 years as demonstrated by, but not limited to, tax filings, voter registrations, leases, mortgages, paycheck stubs, utility bills, insurance forms, or school records that include the qualifying principal officers' names on them;

ii) The person or persons owning and controlling at least 51% of the proposed license have been arrested for, convicted of, or adjudicated delinquent for any offense made eligible for expungement by the Act. If the arrest, conviction, or adjudication has been sealed or expunged, provide records of that action;

iii) The person or persons owning and controlling at least 51% of the proposed license have had a parent, legal guardian, child, spouse or dependent, or was a dependent of an individual who, prior to June 25, 2019, was arrested for, convicted of, or adjudicated delinquent for any offense made eligible for expungement by the Act. If the arrest, conviction or adjudication has been sealed or expunged, the applicant shall provide records of that action. The applicant must also provide evidence of the relationship between the applicant's principal officer or officers and the person who was arrested for, convicted of, or adjudicated delinquent for any offense made eligible for expungement by the Act; or

iv) The applicant employs 10 or more full-time employees, and that 51% or more of those employees currently reside in a Disproportionately Impacted Area; have been arrested for, convicted of, or adjudicated delinquent for any offense that is eligible for expungement under the Act; or are members of an "impacted family" as that term is defined in the Act. The applicant must provide evidence as described in this subsection (c)(33)(B)(iv) for each employee. The applicant shall also provide evidence the employees were engaging in full time work as of the date the application was submitted. If the employee information, or employment status of employees, changes before licenses are awarded, the applicant has a duty to notify the Department of the change in employee information or status.

34) If the Department offers bonus points for community engagement, and the applicant desires to obtain those points, the applicant must submit its plan for community engagement.

d) The applicant shall sign a notarized statement certifying that:

1) The craft grower will register with DOR if the applicant is granted a license;

2) The application is complete and accurate;

3) The applicant has actual notice that, notwithstanding any State law:

A) Cannabis is a prohibited Schedule I controlled substance under federal law;

B) A license is granted only to the extent provided by the strict requirements of the Act and this Part;

C) Any activity not sanctioned by the Act or this Part may be a violation of State law;

D) Growing, distributing or possessing cannabis in any capacity, except through a federally-approved research program, is a violation of federal law;

E) Use of cannabis may affect an individual's ability to receive federal licensure in other areas;

F) Use of cannabis, in tandem with other conduct, may be a violation of federal law;

G) Possessing a license does not authorize any person to violate federal law or State law and, other than as set out in Article 45 of the Act, does not provide any immunity from or affirmative defense to arrest or prosecution under federal law or State law; and

H) Applicants shall indemnify and hold harmless the State of Illinois for any and all civil or criminal penalties resulting from possessing a license; and

4) All of applicant's principal officers expressly agree to be subject to service of process in Illinois with a current Illinois address on file with the Department.

e) *If the Department receives an application with missing information, the Department may issue a deficiency notice to the applicant. The applicant shall have 10 calendar days from the date of the deficiency notice to resubmit the incomplete information. Applications that are still incomplete after this opportunity to cure will not be scored and will be disqualified.* [410 ILCS 705/30-10(c)]