**Section 1300.310 License Denial and Prohibitions**

a) *An application for a Craft Grower License must be denied if any of the following conditions are met:*

1) *The applicant failed to submit the materials required by this Part;*

2) *The applicant would not be in compliance with local zoning rules;*

3) *One or more of the prospective principal officers or board members or board members causes a violation of Section 30-20 of the Act;*

4) *One or more of the principal officers or board members is under 21 years of age;*

5) *The person has submitted an application for a license under the Act and/or this Part which contains false information;*

6) *The licensee; principal officer, board member, or person having a financial or voting interest of 5% or greater in the licensee; or agent is delinquent in filing any required tax returns or paying any amounts owed to the State of Illinois;* [410 ILCS 705/30-25]

7) *A craft grower may not be located in an area zoned for residential use;* [410 ILCS 705/30-30(e)]

8)  *A craft grower shall not be located within 1,500 feet of another craft grower or cultivation center.* [410 ILCS 705/30-30(o)]

b) The Department may deny an application or revoke a license for violations of the Act and/or this Part.

c) Nothing in this Part is intended to confer a property or other right, duty, privilege or interest entitling an applicant to an administrative hearing upon denial of an application.

d) *No Craft Grower License issued by the Department will be issued to a person who is licensed by any licensing authority as a cultivation center, or to any partnership, corporation, limited liability company, or trust or any subsidiary, affiliate, or any other form of business enterprise having more than 10% legal, equitable, or beneficial interest, directly or indirectly, in a person licensed in this State as a cultivation center, or to any principal officer, agent, employee, or human being with any form of ownership or control over a cultivation center except for a person who owns no more than 5% of the outstanding shares of a cultivation center who shares are publicly traded on an exchange within the meaning of the Securities Exchange Act of 1934.* [410 ILCS 705/30-20(a)]

e) A license shall be surrendered to the Department upon written notice and demand if the craft grower fails to begin production within 6 months after the license has been issued. The craft grower may submit a written request to the Department for an extension of time setting forth its justification for being unable to begin production within 6 months after the license was issued. The Department may grant an extension, at its discretion, for good cause shown. Good cause may include unforeseen events, acts of nature and other events that prevent a good faith effort. Good cause shall not include cost overruns, insufficient financing and other factors evidencing a lack of good faith effort.

f) A craft grower that fails to maintain production for any reason for more than 90 consecutive days after it has begun production shall be notified in writing and given 30 days from the date of notification from the Department to submit a written explanation why it so failed and, if it plans on continuing to operate as a craft grower, a description of how it will correct the problem and prevent it from occurring again.

1) If no response is received from the craft grower or if a response is received after the 30 day period, the permit shall be revoked and surrendered to the Department.

2) If a response is received within the 30-day period, the Department will review the response and either approve it and require the craft grower to come into compliance or reject it and revoke the license requiring the craft grower to surrender its license to the Department. If the Department allows the craft grower to come into compliance, the Department may, after a hearing, levy a fine for failure to provide an uninterrupted supply.