



**GENERAL ASSEMBLY**  
STATE OF ILLINOIS

September 29, 2023

Attn:

Illinois Department of Financial and Professional Regulation - Sarah Snow, Kristin Dicenso  
Cannabis Regulation Oversight Office - Erin Johnson  
Office of the Governor - Bria Scudder

As a group of legislators who were instrumental in shaping and passing the Cannabis Regulation and Tax Act (CRTA), we find it necessary to address a critical discrepancy in the recent guidance issued by the IDFPR on July 1, 2022, concerning the application of the 1,500 feet rule carve-out.

The journey of crafting the CRTA was a meticulous process, undertaken with the clear intention of fostering a balanced and inclusive marketplace where social equity licensees could have substantive opportunities for success.

The CRTA initially had a rule that banned any dispensary from being located within 1,500 feet of another dispensary to avert local market saturation and facilitate healthy competition. Due to extremely long delays in issuing social equity licenses, social equity groups were unable to compete with multi-state operators (MSOs), whose licenses were issued years earlier, in securing prime locations.

In order to give social equity licensees a chance to set up where they want without being boxed out by MSOs, the General Assembly amended the CRTA to give social equity licensees a narrow exception to the 1,500 feet rule, it doesn't apply to a social equity licensee that wants to locate near a MSO dispensary.

However, it appears the recent guidance from the IDFPR is fundamentally misaligned with the legislative intent of the carve-out in the CRTA. It was explicitly intended to allow social equity dispensaries to locate within 1,500 feet of non-social equity licensees, thus promoting healthy competition and a diverse market landscape. It was never envisioned to permit social equity licensees to set up within 1,500 feet of each other, as this would likely foster an overly competitive environment that could hamper the growth and success of these new enterprises. This crucial distinction seems to have been overlooked in the current guidance.



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This contradicts the purposeful strategy of the CRTA, which was conceived to encourage widespread opportunities and spur economic growth and community development across a broader spectrum of areas in the state. We firmly believe that the carve-out was devised

meticulously to pave a prosperous path for social equity licensees within a marketplace that encouraged diversity, inclusivity, and competitive parity.

The initial vision was to empower these businesses to establish themselves successfully in various prime locations, without having to worry about other social equity groups setting up shop nearby.

Therefore, we respectfully call upon the IDFPR to reassess this recent guidance, which notably contradicts the established law and IDFPR's own past interpretation and implementation of the 1,500 feet rule, and realign its stance to more faithfully represent the original legislative intent: fostering a marketplace where all social equity licensees have a fair and equitable chance for success

We are eager to engage in a collaborative dialogue to address this issue, and anticipate your detailed response with the hope of revising the guidelines to fully embody the foundational principles and vision of the CRTA.

Thank you for your consideration of this vital matter.

Sincerely,

Representative Justin Slaughter  
Representative LaShawn K. Ford  
Senator Emil Jones, III  
Representative Sonya M. Harper  
Representative Cyril Nichols  
Senator Napoleon Harris, III  
Representative Marcus C. Evans, Jr.  
Representative Edgar Gonzalez, Jr.  
Representative Aaron M. Ortiz  
Representative Kambium Buckner  
Representative Curtis J. Tarver, II  
Representative Nicholas K Smith