

SB 3222 CRTA Updates Overview**Division of Cannabis Regulation**

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On June 12, 2026, Governor JB Pritzker signed [Public Act 104-463](#) (SB 3222, sponsored by Senator Kimberly Lightford and Representative Will Guzzardi) which represents one of the largest legislative updates since the passage of the Cannabis Regulation and Tax Act in 2019. This bulletin focuses on immediate impacts of the bill on Cultivation Centers, Craft Growers, Infusers, and Transporters licensed by the Division of Cannabis Regulation. The Division will issue a separate bulletin regarding the updates to the Industrial Hemp Act and the impacts of the new Illinois Hemp Act that take effect on November 12, 2026.

Transporter Storage Sites

SB 3222 expands operational flexibility for independent Cannabis Transporters by permitting each independent Transporter to establish up to five Storage Sites where packaged, final-form cannabis products may be held for up to seven days. This allowance is reserved for Transporters with no affiliation with a Cultivation Center, Craft Grower, or Infuser. To clarify, a Cannabis Transporter Storage Site shall be limited to Transporting organizations that do not have a Principal Officer that is also a Principal Officer of a Cultivation Center, Craft Grower, or Infuser.

Transporters affiliated with other Cannabis Businesses remain eligible to operate Transfer Sites (designated locations that facilitate driver and product exchanges). However, overnight storage of cannabis products is not permitted at these sites.

The bill mandates certain minimum physical and security standards for these locations, including a vault and interior loading areas. The Department is currently reviewing these provisions and will issue further guidance on the application and approval process in the coming weeks.

Immediate 14,000 Square Feet Allowance for Craft Growers

SB 3222 simplifies the canopy space framework for Craft Growers by eliminating the existing provision that authorized the Department to adjust canopy allotments in 3,000 square-foot increments based on market conditions, grower capacity, and compliance history. In its place, the bill establishes a straightforward allowance of 14,000 square feet of flowering canopy space for all Craft Growers.

As a result, the incremental expansion process outlined in Section 1300.335 is no longer applicable. Craft Growers may now commence operations with the full 14,000 square feet from the outset.

It is important to note, however, that any canopy expansion at an existing Craft Grower facility still requires the submission of an Application for Modification, consistent with the requirements governing other expansion or construction activities.

Dispensary Name

SB 3222 eliminates the requirement that Dispensaries place the legal name of the Dispensary on the packaging of cannabis products. While this requirement was never imposed on Cultivation Centers, Craft Growers, and Infusers, licensees often put the Dispensary name on the product prior to shipment at the request of Dispensaries.

Federal Medical Cannabis Label Requirement

SB 3222 imposes a requirement on Dispensaries to affix a Federal Warning Label to any cannabis product prior to dispensing to medical patients. This is a requirement of the federal rescheduling order. This is a requirement imposed on Dispensaries that serve medical patients – Cultivation Centers, Craft Growers, and Infusers should not place this warning on the product on behalf of Dispensaries. Dispensaries are responsible for ensuring the warning does not cover label information applied by Cultivation Centers, Craft Growers, and Infusers.

Infuser License Application

SB 3222 requires the Department to open an application window for 45 additional Infuser licenses by January 1, 2027. The application process outlined in the bill is called the “Social Equity Experience Lottery” and requires that all applicants meet a modified Social Equity criterion (similar to one used by the Department of Financial and Professional Regulation Social Equity Criteria Lottery). Should the Department receive more than 45 applications, the Department will be required to conduct a lottery to award the licenses. Applicants that can demonstrate that they operated a Hemp business in Illinois will receive an extra spot in the lottery.

The Department will promulgate administrative rules governing the application and lottery process prior to releasing the application.

Cannabis Testing Lab Licensing

The bill allows for the “Licensing” of Cannabis Testing Labs, rather than “Registration.” The main impact of this provision is that the Department can, if warranted, impose discipline, such as fines, rather than just revocation of the Registration. There is no immediate impact of the provision on Testing Labs or Cannabis Business establishments. The Department is planning on working with the Testing Labs and cannabis industry on promulgating updated Administrative Rules on Laboratory requirements and testing standards in the coming months.

Hardship Waivers

SB 3222 provides for a License and Renewal Fee Hardship Waiver for license and renewal fees for Craft Growers, Infusers, and Transporters. The waiver is only for fees incurred moving forward and does not apply to past due License and Renewal Fees. Craft Growers, Infusers, and Transporters are all currently included in a temporary pause of License Renewal Fees (two renewal cycles for Craft Growers and Infusers, and until January 1, 2028 for Transporters). Consequently, the Hardship Waiver will not take effect until those fees are reimposed. The Department will provide more information and an application for a waiver once Renewal Fees are reinstated.

Cannabis Agent Badges

SB 3222 corrects a drafting error in previous cannabis legislation and allows agents of Cultivation Centers and Craft Growers to begin employment while their Agent Badge application is pending. This provision was already in place for Infusers and Transporter agents. Therefore, any Cannabis Business Agent waiting for a DOA Agent Badge may begin employment while their badge application is pending. Agents should carry documentation of their pending application with them, such as the Agent ID Application Confirmation Email. Should the Department deny the application, the Agent must immediately cease working at the Cannabis Business. This provision takes effect immediately.

The bill allows the Department to develop a system in which Cannabis Business Agents can hold a universal badge that allows agents to work at multiple Cannabis Business establishments. The Department is exploring technology upgrades to implement this provision and will provide an update once it is available. However, at this time, there is no change to the Agent Badge application process, and a separate badge application is required for each Cannabis Business establishment where an individual is employed.

Camera Storage

SB 3222 includes a provision requiring Cultivation Centers, Craft Growers, and Infusers to retain a minimum of 60 days of camera footage, or such other period as established by rule. Importantly, this represents no change to current policy.

The Department previously exercised its rulemaking authority to set the camera footage retention requirement at 90 days, and that standard remains in effect under Sections 1300.185, 1300.385, and 1300.485. Because the bill explicitly preserves the Department's ability to establish a different retention period by rule, the 90-day requirement continues to govern and is unaffected by this legislation.

HVAC Requirement

SB 3222 eliminates the requirement that Cultivation Centers and Craft Growers with more than 6,000 square feet of canopy space use variable refrigerant flow HVAC units or other more energy efficient equipment.

Questions

For general questions related to this Bulletin, please contact the Illinois Department of Agriculture, Division of Cannabis Regulation, at AGR.AdultUse@illinois.gov

Printed by authority of the State of Illinois. Web Only. One copy.