



Illinois Department of Commerce & Economic Opportunity

JB Pritzker, Governor

USE OF CANNABIS LOAN FUNDS

Cannabis Loan Funds shall be used for ordinary and necessary expenses to start and operate a cannabis business. The below chart sets forth examples of allowable and non-allowable expenses. This list is for illustrative purposes only and is not exhaustive. All proposed uses of funds will be negotiated and memorialized in the loan agreement. All uses of the proceeds must be necessary for the Illinois business, supported by adequate proof of obligation and expenditure, and comply with all requirements of the loan program.

USE OF CANNABIS LOAN FUNDS	
Examples of Allowable Uses	Not Allowable
<ul style="list-style-type: none"> ▪ Rent 	<ul style="list-style-type: none"> ▪ Food
<ul style="list-style-type: none"> ▪ Non-Owner Payroll 	<ul style="list-style-type: none"> ▪ Owner payments/salaries
<ul style="list-style-type: none"> ▪ Purchase of equipment/materials/labor 	<ul style="list-style-type: none"> ▪ Entertainment
<ul style="list-style-type: none"> ▪ Purchase of inventory 	<ul style="list-style-type: none"> ▪ Travel
<ul style="list-style-type: none"> ▪ Regulatory compliance expenses 	<ul style="list-style-type: none"> ▪ Expenses for facilities outside of Illinois
<ul style="list-style-type: none"> ▪ Certain legal expenses 	<ul style="list-style-type: none"> ▪ Payment of fines or penalties
<ul style="list-style-type: none"> ▪ Employee training 	<ul style="list-style-type: none"> ▪ Purchase/lease of vehicles
<ul style="list-style-type: none"> ▪ Professional services (e.g., accountants) 	<ul style="list-style-type: none"> ▪ Taxes
<ul style="list-style-type: none"> ▪ Utilities 	<ul style="list-style-type: none"> ▪ Distributions/Return on Capital
<ul style="list-style-type: none"> ▪ Debt (may include personal debt incurred by owners to support the cannabis business establishment or pay necessary license renewal fees, not to exceed \$75,000 for AUDO. 	<ul style="list-style-type: none"> ▪ Legal expenses associated with litigation involving the State of Illinois relating to any regulatory or criminal matter Travel
Potentially Allowable with DCEO Approval (assessed on a case-by-case basis)*	
<ul style="list-style-type: none"> ▪ Construction 	<ul style="list-style-type: none"> ▪ Build-out/Tenant Improvements

PREVAILING WAGE ACT*

The Prevailing Wage Act governs the wages that must be paid to laborers, workers and mechanics who perform work on public works projects. “Public works” means all fixed works constructed paid in whole or in part with public funds. Examples of “public works projects” include, but are not limited to, construction, demolition, build-outs, and landscaping. If cannabis loan funds are used to fund a public works project, then the Prevailing Wage Act applies. For more information about the Prevailing Wage Act, please visit: [Prevailing Wage Act FAQ \(illinois.gov\)](http://www.dceo.illinois.gov/prevailing-wage-act-faq).

PERSONAL INFORMATION PRIVACY NOTICE

The Department is committed to protecting the privacy of its vendors, grantees and beneficiaries of programs and services. At times, the Department will request social security numbers (SSNs) or other personal identifying information. Federal and state laws, rules and regulations require the collection of this information for certain purposes relating to employment and/or payments for goods and services, including, but not limited to, grants. The Department also collects confidential information for oversight and monitoring purposes.

Furnishing personal identity information, such as a social security number, is voluntary; however, failure to provide required personal identity information may prevent an individual or organization from using the services/benefits provided by the Department as a result of state or federal laws, rules and regulations.