



Cannabis Social Equity Program Newsletter

Happy Fall!

We'd like to share an update on what's been happening behind the scenes since the Direct Forgivable Loan (DFL) Round 3 application window closed on September 25th. Our team has been working diligently to review all Round 3 submissions and move applications through the next phase of the process.

Thank you to everyone who participated in this historic funding round!

You may have questions about what happens next: *When will you receive an update? When will decisions be made?* Don't worry, we've outlined the next steps in the process below.

Warm regards,

Cannabis Loan & Grants Team
Office of Economic Equity & Empowerment

Cannabis Social Equity Direct Forgivable Loan Program Round 3

On August 11, 2025, DCEO began accepting applications for Round 3 of the Cannabis Social Equity Direct Forgivable Loan (DFL) Program from qualified Social Equity Applicants (SEAs) across all license types. All qualified SEAs holding Craft Grower, Infuser, or Transporter licenses (as certified by the Illinois Department of Agriculture (IDOA)), as well as Adult-Use Dispensing Organizations (as certified by the Illinois Department of Financial and Professional Regulation (IDFPR)), were eligible to apply.

Application Summary

The Illinois Department of Commerce & Economic Opportunity (DCEO), through the Office of Economic Equity & Empowerment (OE3), successfully closed the application window for Round 3 of the Cannabis Social Equity Direct Forgivable Loan (DFL) Program on September 25, 2025 at 5:00 PM CDT.

We're excited to share that we received a record-breaking 166 applications, quadrupling participation from previous rounds:

- Craft Growers: 33 Applications
- Infusers: 23 Applications
- Transporters: 47 Applications
- Adult-Use Dispensing Organizations: 63 Applications

Application Support Recap

OE3 hosted the following support events during the Round 3 application cycle:

- Informational Webinars:
 - DFL Round 3 Program Overview: August 21st
 - DFL Round 3 Application Overview: September 11th
- Virtual Office Hours: September 18th

Webinars and office hours were designed to provide an overview of DFL Round 3 eligibility, guide potential applicants through the application process and funding requirements, and address individual questions.

What Happens Now?

Our Cannabis Team is working hard on reviewing all the applications in our queue, so please keep an eye on your inbox! All communication regarding your application will be sent to the primary contact listed on your submission.

Timeline for Cannabis Social Equity Direct Forgivable Loan Program Round 3



Intake & Deficiency Review – *In Progress*

We are currently reviewing all application submissions for eligibility and completion. The team reviews all submissions, ensuring that all requested documentation has been received, including:

- Ownership & Business Structure
- Stated Need for Funds
- Financial Documentation
- Organizational Information
- Operational Status

If any deficiencies are identified or if additional documentation is required, applicants will receive a deficiency notice via Smartsheet and have **10 calendar days** to respond. If the applicant does not comply, the application will be deemed incomplete and consequently pulled from consideration. Please monitor your inbox (and spam folder) for Smartsheet emails.

Note: If you have not received a deficiency notice or request for additional information, your application was considered complete and has advanced to Legal and Financial Review for further evaluation.

Legal and Financial Review Process – *Up Next*

Following intake of all applications, a Legal and Financial Review will commence to:

- Confirm Social Equity eligibility
- Review Ownership & Organizational Information
- Conduct a thorough financial assessment
- Evaluate progress toward operational readiness

These reviews ensure we maintain compliance with statutory requirements and prioritize applicants with demonstrated need and operational readiness.

Note: Additional documentation or information may be requested during the Legal and Financial Review process to complete the evaluation of your application.

Loan Award Announcement – *Anticipated January 2026*

We expect to announce Round 3 DFL awardees in January 2026. Applicants will be notified directly and DCEO will also issue a press release.

Questions?

Contact us via email: ceo.CannabisLoan@illinois.gov

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