



# 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"> <li>▪ Rent</li> </ul>	<ul style="list-style-type: none"> <li>▪ Food</li> </ul>
<ul style="list-style-type: none"> <li>▪ Payroll</li> </ul>	<ul style="list-style-type: none"> <li>▪ Entertainment</li> </ul>
<ul style="list-style-type: none"> <li>▪ Purchase of equipment</li> </ul>	<ul style="list-style-type: none"> <li>▪ Travel</li> </ul>
<ul style="list-style-type: none"> <li>▪ Purchase of inventory</li> </ul>	<ul style="list-style-type: none"> <li>▪ Expenses for facilities outside of Illinois</li> </ul>
<ul style="list-style-type: none"> <li>▪ Regulatory compliance expenses</li> </ul>	<ul style="list-style-type: none"> <li>▪ Payment of fines or penalties</li> </ul>
<ul style="list-style-type: none"> <li>▪ Certain legal expenses</li> </ul>	<ul style="list-style-type: none"> <li>▪ Purchase/lease of vehicles (except for transporter licenses)</li> </ul>
<ul style="list-style-type: none"> <li>▪ Employee training</li> </ul>	<ul style="list-style-type: none"> <li>▪ Legal expenses associated with litigation involving the State of Illinois relating to any regulatory or criminal matter</li> </ul>
<ul style="list-style-type: none"> <li>▪ Professional services (e.g., accountants)</li> </ul>	
<ul style="list-style-type: none"> <li>▪ Utilities</li> </ul>	
<b>Potentially Allowable with DCEO Approval (assessed on a case-by-case basis)</b>	
<ul style="list-style-type: none"> <li>▪ Construction</li> </ul>	<ul style="list-style-type: none"> <li>▪ Build-out</li> </ul>

## 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: <https://www2.illinois.gov/idol/FAQs/Pages/prevailing-wage-faq.aspx>

## PERSONAL INFORMATION PRIVACY NOTICE

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