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Tax and regulate cannabis bill summary

State Senator Heather Steans and State Representative Kelly Cassidy introduced Senate Bill 316 and House Bill 2353 in March of 2017 to legalize the sale of adult use cannabis in Illinois and create the necessary regulatory and taxation framework to do so. The sponsors are in the process of meeting with organizations and constituents to gather feedback on the legislation. They plan to introduce an updated version in the coming months. Please see below for a summary of the legislation as it currently stands.

Current law

Under current law in Illinois, the possession of up to 10 grams of cannabis has been decriminalized and now constitutes a civil penalty that is punishable by a maximum fine of \$200. Possession of more than 10 grams and less than 30 grams is considered a Class B misdemeanor. Under Senate Bill 316 and House Bill 2353, the possession of more than 30 grams but less than 100 grams of cannabis would be a Class A misdemeanor on the first offense and a Class 4 felony on any subsequent offenses.

Current use and medical marijuana in Illinois

In a recent survey conducted by the National Survey on Drug Use and Health, 780,000 Illinois adults reported that they had used cannabis within the past month. However, only 52,000 individuals are registered with the state's medical cannabis program and fewer than that are actively using the program.

Medical cannabis patients are permitted to possess up to 2.5 ounces as a 14-day supply. Individuals with certain debilitating medical conditions may qualify for the medical cannabis program. The medical cannabis pilot program is effective until July 1, 2020. Senate Bill 316 and House Bill 2353 do not limit the rights of patients under the Compassionate Use of Medical Cannabis Pilot Program Act.

Next steps

The sponsors and advocates are working to flesh out the following issue areas within the tax and regulate cannabis legislation:

- A tax structure that encourages competition and diverts users from the black market;
- Additional ways to integrate minority communities;
- Public safety measures that ensure law enforcement agencies have the tools necessary to enforce legalized cannabis;
- Clear home grow language that is enforceable.

Senate Bill 316/House Bill 2353

SB 316 and HB 2353 would allow Illinois residents over the age of 21 to possess up to 30 grams of cannabis and to cultivate 5 cannabis plants per household. Non-residents may possess up to 15 grams of cannabis.

There are a number of public health and safety measures within the legislation, including:

- All cannabis product would be tested for potency and contaminants;
- Businesses would be required to label cannabis products with test results and product warnings;
- Businesses would be subject to comprehensive security, background checks, packaging, advertising and location rules;
- Local communities may prohibit or restrict cannabis businesses within their areas;
- Consuming cannabis in public and driving under the influence of cannabis would remain illegal;
- Landlords may prohibit tenants from growing and smoking cannabis at their rental properties;
- Employers would not be required to accommodate employees under the influence of cannabis.

The legislation outlines a tax structure which projects that full legalization of adult use cannabis would generate between \$350 million and \$700 million annually in new revenue for the State of Illinois. After expenses, revenue would be distributed to fund evidence-based, voluntary programs for the prevention or treatment of alcohol, tobacco and cannabis abuse as well as to fund a scientifically and medically accurate public education campaign on the health and safety risks of alcohol, tobacco and cannabis to youth and adults. Revenue would also be used to repair some of the harms the War on Drugs has had on disadvantaged communities as well as be directed to the General Revenue Fund.

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