

RECREATIONAL CANNABIS IN ILLINOIS

CANNABIS REGULATION AND TAX ACT

410 ILCS 705/7-1 FINDINGS

(a) In the interest of allowing law enforcement to focus on violent and property crimes, generating revenue for education, substance abuse prevention and treatment, freeing public resources to invest in communities and other public purposes, and individual freedom should be taxed in a manner similar to alcohol.

FINDINGS CONTINUED

(b) In the interest of the health and public safety of the residents of Illinois, further finds and declares that cannabis should be regulated in a manner similar to alcohol so that:

(1) persons will have to show proof of age before purchasing cannabis;

(2) selling, distributing, or transferring cannabis to minors and other person under 21 years of age shall remain illegal;

(3) driving under the influence of cannabis shall remain illegal;

FINDINGS CONTINUED

So, that:

(4) legitimate, taxpaying business people, and not criminal actors, will conduct sales of cannabis;

(5) cannabis sold in the State will be tested, labeled, and subject to additional regulation to ensure that purchasers are informed and protected; and

(6) purchasers will be informed of any known health risks associated with the use of cannabis, as concluded by evidence-based, peer reviewed research.

FINDINGS CONTINUED

(c) The General Assembly further finds: it is necessary to ensure consistency and fairness in the application of this Act throughout the State ...

(d) ... this Act shall not diminish that State's duties and commitment to seriously ill patients registered under the Compassionate Use of Medical Cannabis Pilot Program Act, nor alter the protections granted to them.

(e) ... supports and encourages labor neutrality in the cannabis industry and further finds and declares that employee workplace safety shall not be diminished and employer workplace policies shall be interpreted broadly to protect employee safety.

MUNICIPALITIES

MAY ENACT ORDINANCES:

- To prohibit cannabis business establishments located within the Village
- To reasonably govern the time, place, manor and number of cannabis business establishments within the Village

MUNICIPALITIES

MAY NOT ENACT ORDINANCES WHICH:

- prohibits possession of cannabis to residents age 21 and over in the amounts less than 30 grams of raw cannabis, 500 milligrams or less of THC or 5 grams of cannabis in a concentrated form
- prohibits home cultivation of plants by medical cannabis patients

TAX REVENUES - LOCAL

- Sales of legalized cannabis have been projected at 1.6 billion dollars
- Potential revenue from individual dispensaries to the Village could include:
 - 3% local cannabis tax
 - 1% regular sales tax
 - 1% non-home rule sales tax

TAX REVENUES - STATE

35% to the State General Revenue Fund

25% for social equity programs

25% for identified social equity program

20% to State mental health services and substance abuse programs

10% to pay unpaid state bills

8% to the Local Government Distributive Fund, for prevention and training for law enforcement

2% to public education and safety campaigns

LAKE COUNTY DISPENSARIES

Current medical dispensaries located in Lake County:

- Mundelein
- Buffalo Grove
- Highland Park
- Deerfield

Other communities are considering the possibility of permitting recreational cannabis dispensaries within the County

PROJECTED NUMBER OF DISPENSARIES

- End of 2020 73 Dispensaries
- End of 2021 110 Dispensaries
- Future Growth 500 Dispensaries
(estimated by 2024)

Section 55-20. Advertising and promotions

* Cannabis businesses prohibited from engaging in advertising or promotion that contains

any statement or illustration that:

- is false or misleading;
- depicts the actual consumption of cannabis products;
- makes any health, medicinal or therapeutic claims about cannabis or cannabis-infused products;
- includes the image of a cannabis leaf or bud; and
- includes images likely to appeal to minors, including cartoons, toys, animals, etc.

* Also not permitted to advertise within 1,000 feet of a playground/rec center/childcare center/public park/public library, or in a public transit vehicle or public transit shelter.

QUESTIONS/ACTIONS REQUIRED

Staff is seeking feedback and direction regarding zoning approaches:

- Exercise right to opt out which can be amended at any time
- Amend zoning code to permit recreational cannabis as a special use within a designated zoning district
- Exercise right of opt out with *sunset provision*, if not extended