VILLAGE OF SAVOY
JOINT MEETING OF
PLANNING COMMISSION AND
ZONING BOARD OF APPEALS

Monday, September 23, 2019, 7:00 p.m.

Location: Robert C. McCleary Municipal Center
611 North Dunlap Avenue
Savoy, IL 61874

Planning Commissioners: Bill McNamara, Chairman
Members: Greg Anderson, Michelle Henderson, Teresa Kelnhofer, Larry Kanfer, Paul Dalbey, and Joshua Young

Zoning Board of Appeals: Betty Zeedyk, Chairman
Members: Robert Nofftz, Mike Hutjens, Don Orr, Jacob Gray, Joyce Wagner, and Chip S. Jorstad

Village of Savoy Staff: Richard Helton, Village Manager
Dan Davies, Zoning Administrator
Levi Kopmann, Assistant Village Manager, Director of Public Works/Engineer
Village of Savoy Trustee, Jan Carter Niccum, BOT/PC Liaison
Sam Smith, Electrical, Deputy Building Inspector
Billie J. Krueger, Village Clerk

AGENDA OF JOINT MEETING
OF PLANNING COMMISSION AND ZONING BOARD OF APPEALS

1. PLANNING COMMISSION CALL TO ORDER, ROLL CALL, QUORUM DECLARATION
2. ZONING BOARD OF APPEALS CALL TO ORDER, ROLL CALL, QUORUM DECLARATION
3. PUBLIC PARTICIPATION
4. BUSINESS:
   A. APPROVAL OF PLANNING COMMISSION MINUTES OF 8-26-19

   B. PLANNING COMMISSION – RESOLUTION - AMENDMENT TO ZONING ORDINANCE, CHAPTER 6.04 ANIMAL CONTROL

   C. INFORMAL DISCUSSION OF PLAN COMMISSIONERS AND ZONING BOARD OF APPEALS MEMBERS – MARIJUANA LEGALIZATION AND HOW IT WILL IMPACT SAVOY

5. ADJOURN PLANNING COMMISSION
6. ADJOURN ZONING BOARD OF APPEALS

Frequently Asked Questions
Cannabis Regulation and Tax Act
Public Act 101-0027

Updated September 9, 2019

Provided by

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FREQUENTLY ASKED QUESTIONS

Cannabis Regulation And Tax Act – Public Act 101-0027

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ADVERTISING

What are the restrictions on advertising for a cannabis business establishment?

- "Advertise" means to engage in promotional activities including, but not limited to: newspaper, radio, Internet and electronic media, and television advertising; the distribution of fliers and circulars; and the display of window and interior signs.

- No cannabis business establishment nor any entity or person shall engage in advertising that contains any statement or illustration that is:
    - False or misleading;
    - Promotes the overconsumption of cannabis;
    - Displays cannabis;
    - Shows someone under 21 consuming cannabis;
    - Makes health or medicinal claims about cannabis;
    - Includes the image of the cannabis leaf or bud; or
    - Includes any image that is likely to appeal to minors.

- No cannabis business establishment nor any person or entity shall place or maintain or cause to be placed or maintained an advertisement in any form:
    - Within 1,000 feet of school grounds, playgrounds, hospitals, health care facilities, recreation centers, child care centers; public parks, public libraries; or game arcades that admit persons under the age of 21;
    - On or in a public transportation vehicle or on a public transportation shelter; or
    - On or in publicly-owned or publicly-operated property.

CRAFT GROWERS

What is the definition of "craft grower?"

- "Craft grower" means a facility operated by an organization or business that is licensed by the Illinois Department of Agriculture to cultivate, dry, cure and package cannabis and perform other necessary activities to make cannabis available for sale at a dispensing organization or use at a processing organization. A craft grower may contain up to 5,000 square feet of canopy space on its premises for plants in the flowering stage. The Department of Agriculture may authorize an increase or decrease of flowering stage cultivation space in increments of 3,000 square feet by rule based on market need, craft grower capacity and the licensee's history of compliance or noncompliance, with a maximum space of 14,000 square feet for cultivating plants in the flowering stage, which must be cultivated in all stages of growth in an enclosed and secure area. A craft grower may share premises with a processing organization or a dispensing organization, or both, provided each licensee stores currency and cannabis or cannabis-infused products in a separate secured vault to which the other licensee does not have access or all licensees sharing a vault share more than 50% of the same ownership.

Are craft growers inspected? How, and by whom?

- Craft growers are subject to random inspections by the Illinois Department of Agriculture, the Illinois Department of Public Health, local safety or health inspectors and the Illinois State Police.

To whom may craft growers sell cannabis?

- Craft growers may sell or distribute cannabis to a cultivation center, a craft grower, an infuser organization, a dispensing organization or as otherwise authorized by rule.

What are the limitations on the location of craft growers?

- A craft grower may not be located in an area zoned for residential use.
- A craft grower shall not be located within 1,500 feet of another craft grower or a cultivation center.

CULTIVATION CENTERS

What is the definition of "cultivation center?"

- "Cultivation center" means a facility operated by an organization or business that is licensed by the Department of Agriculture to cultivate, process, transport (unless otherwise limited by the Act) and perform other necessary activities to provide cannabis and cannabis-infused products to cannabis business establishments.

Are cultivation centers inspected? How, and by whom?

- Cultivation centers are subject to random inspections by the Illinois Department of Agriculture, the Illinois Department of Public Health, local safety or health inspectors and the Illinois State Police.

To whom may cultivation centers sell cannabis?

- Cultivation centers may sell or distribute cannabis or cannabis-infused products to dispensing organizations, craft growers, infusing organizations, transporters or as otherwise authorized by rule.

What is the maximum space a cultivation center may provide for plants in the flowering stage?

- A cultivation center may not contain more than 210,000 square feet of canopy space for plants in the flowering stage for cultivation of adult-use cannabis as provided in this Act.

DISPENSING ORGANIZATIONS

What is the definition of "dispensing organization?"

- "Dispensing organization" means a facility operated by an organization or business that is licensed by the Illinois Department of Financial and Professional Regulation to acquire cannabis from a cultivation center, craft grower, processing organization or another dispensary for the purpose of selling or dispensing cannabis, cannabis-infused products, cannabis seeds, paraphernalia or related supplies under the Act to purchasers or to qualified registered medical cannabis patients and caregivers. As used in the Act, a "dispensing organization" shall include a registered medical cannabis organization as defined in the Compassionate Use of Medical Cannabis Program Act or its successor Act that has obtained an Early Approval Adult Use Dispensing Organization License.

What methods of sale by dispensing organizations are prohibited?

- Drive-through windows
- Vending machines
- Transport of cannabis to residences or other locations where purchasers may be for delivery

When are dispensing organizations allowed to operate?

- Operation is allowed between 6:00 a.m. and 10:00 p.m. local time.
- Operation is prohibited when video surveillance equipment is inoperative.
- Operation is prohibited when point-of-sale equipment is inoperative.
- Operation is prohibited when the state's cannabis electronic verification system is inoperative.
- Operation is prohibited when there are fewer than two people working at any time within a dispensing organization.

What products are dispensing organizations prohibited from selling?

- Dispensing organizations may not sell any product containing alcohol except tinctures, which are limited to containers no larger than 100 milliliters.
- Selling clones or other live plant material is prohibited.

- Selling cannabis, cannabis concentrate or cannabis-infused products in combination or bundled with each other for one price is prohibited.

Can dispensing organizations sell cannabis outside of Illinois or obtain cannabis from outside of Illinois?

- No. Dispensing organizations may not transport cannabis or cannabis products across state lines.

- No. Dispensing organizations may not obtain cannabis or cannabis-infused products from outside the State of Illinois.

What type of packaging is required for cannabis sold at dispensing organizations?

- All cannabis sold by a dispensing organization to purchasers must be in a container or package with a label identifying, at a minimum, the name of the dispensing organization, the contents and the weight of the raw cannabis in grams or, for cannabis products, the amount of Tetrahydrocannabinol (THC) in milligrams.

Are there restrictions in the Act on the location of dispensing organizations?

- Yes. A dispensing organization may not be located within 1,500 feet of the property line of a pre-existing dispensing organization.

What is the process for a dispensing organization to dispense cannabis to a purchaser?

- Before cannabis is dispensed:
    - The age of the purchaser shall be verified by checking a government-issued identification card by use of an electronic reader or electronic scanning device to scan the identification;
    - The validity of the government-issued identification card must be verified;
    - Any appropriate purchaser education or support materials shall be offered; and
    - Information must be entered into the state's cannabis electronic verification system, including the dispensing organization's agent's identification number, the dispensing organization's identification number, the amount, type (including strain, if applicable) of cannabis or cannabis-infused product dispensed, and the date and time the cannabis is dispensed.

- A dispensing organization shall refuse to sell cannabis to anyone unless the person produces valid identification showing that the person is 21 years of age or older. However, a medical cannabis dispensing organization may sell cannabis-infused products to a person who is under

21 years of age if the sale complies with the provisions of the Medical Cannabis Program Act and rules.

- Public Act 101-0363, effective August 8, 2019, revised the Medical Cannabis Program Act to provide that registered qualifying patients under 21 years of age shall be prohibited from consuming forms of cannabis other than medical cannabis-infused products, and purchasing any usable cannabis or paraphernalia used for smoking or vaping medical cannabis.

DRIVING UNDER THE INFLUENCE (DUI)

How will DUI's be addressed under the new law?

- Driving under the influence of cannabis will continue to be illegal.

- The Act allows for use of validated roadside chemical tests or standardized field sobriety tests approved by the National Highway Traffic Safety Administration when conducting investigations of a violation of Section 11-501 of the Illinois Motor Vehicle Code (625 ILCS 5/11-501) or a similar local ordinance by drivers suspected of driving under the influence of cannabis.

- The results of validated roadside chemical tests and standardized field sobriety tests are, under the Act, admissible at a civil or criminal trial or proceeding for an arrest for a cannabis-related offense as defined in Section 11-501 of the Illinois Motor Vehicle Code or a similar local ordinance.

- The Act creates a DUI Cannabis Task Force to examine best practices for enforcement of driving under the influence of cannabis laws and emerging technology in roadside testing for impairment.

- The Act creates various statutory presumptions applicable to cannabis DUIs:
    - Tetrahydrocannabinol (THC) concentration of 5 nanograms or more in whole blood or 10 nanograms or more in an other bodily substance creates a presumption that a person was under the influence of cannabis; and
    - Tetrahydrocannabinol (THC) concentration of less than 5 nanograms in whole blood or less than 10 nanograms in an other bodily substance does not give rise to a presumption that the person was or was not under the influence of cannabis, but may be considered with other competent evidence in determining whether the person was under the influence of cannabis.

- The refusal to submit to a chemical test will result in the imposition of driver's license sanctions under Section 11-501.1 of the Illinois Motor Vehicle Code.

- The refusal to take validated roadside chemical tests or standardized field sobriety tests is admissible in any civil or criminal action or proceeding regarding impairment by use of cannabis.

- An authorized medical cannabis patient who drives is deemed to have given consent to (i) validated roadside chemical tests or (ii) standardized field sobriety tests.

- Law enforcement officers must have an independent, cannabis-related factual basis giving reasonable suspicion that a person is driving or in actual physical control of a motor vehicle while impaired by the use of cannabis to conduct validated roadside chemical tests or standardized field sobriety tests.

EMPLOYMENT CONCERNS

May an employer maintain a drug-free workplace?

- Yes. The Act specifies that nothing shall prohibit an employer from adopting:
  - reasonable zero-tolerance or drug-free workplace policies;
  - employment policies concerning drug testing; or
  - regulations concerning smoking, consumption, storage or use of cannabis at the workplace or while on call.

- These policies must be applied in a nondiscriminatory manner.

- Employers' policies may cover use of cannabis in the employer's workplace, while performing the employee's job duties or while "on call." An employee is deemed "on call" when he or she is scheduled with at least 24 hours' notice by employer to be on standby or otherwise responsible for performing tasks related to his or her employment.

- An employer may discipline an employee for violating a workplace drug policy. If the employer elects to discipline the employee, the employer must give the employee reasonable opportunity to contest the determination.

- Nothing in the Act shall be construed to interfere with any federal, state or local restrictions on employment including, but not limited to, the United States Department of Transportation regulation 49 CFR 40.151(e), or impact an employer's ability to comply with federal or state law or cause it to lose a federal or state contract or funding.

- The Illinois Right to Privacy in the Workplace Act prohibits discrimination for the use of a lawful product while off duty or not on call. (820 ILCS 55/5.)

How can an employer determine whether an employee is impaired by the use of cannabis?

- An employer may consider an employee to be impaired by the use of cannabis if the employer has a good faith belief that the employee manifests specific, articulable symptoms while working that decrease or lessen the employee's performance of the duties or tasks.

EXPUNGEMENTS

What records will be automatically expunged?

- The Act mandates that arrest records relating to offenses under the Illinois Cannabis Control Act for possession of under 30 grams of any substance containing cannabis that are not associated with an arrest, conviction or other disposition of a violent crime as defined in subsection (c) of Section 3 of the Illinois Rights of Crime Victims and Witnesses Act. "Minor Cannabis Offenses" will be automatically expunged by all law enforcement agencies, including records of an arrest, charges not initiated by arrest, orders of supervision or orders of qualified probation for all offenses committed prior to the Act if:
    - One year or more has elapsed since the date of the arrest or law enforcement interaction documented in the records; and
    - No criminal charges were filed or if filed they were dismissed and/or arrestee was acquitted.

What is the schedule for automatic expungement?

- The Act provides that all law enforcement agencies must expunge qualifying records according to the following schedule:
    - Records created prior to the effective date of the Act, but on or after January 1, 2013, shall be automatically expunged prior to January 1, 2021;
    - Records created prior to January 1, 2013, but on or after January 1, 2000, shall be automatically expunged prior to January 1, 2023; and
    - Records created prior to January 1, 2000, shall be automatically expunged prior to January 1, 2025.

What is the process for expungement for offenders actually convicted of Minor Cannabis Offenses or of more serious violations under the Cannabis Control Act?

- Within 180 days of the effective date of the Act, the Illinois State Police must notify the Prisoner Review Board of those convictions for Minor Cannabis Offenses that are eligible for expungement under the Act.

- The Act provides a process for the Prisoner Review Board to make recommendations to the Governor for pardons for certain convictions for Minor Cannabis Offenses.

- Those convicted for more serious violations of the Cannabis Control Act and not qualifying for a pardon have the option of petitioning for expungement through the circuit court.

FREEDOM OF INFORMATION ACT

Are all records and documents created or obtained by a public body pursuant to the provisions of the Act subject to the Illinois Freedom of Information Act (FOIA)?

- The Act adds an exemption to FOIA for confidential information described in Section 55-30 of the Illinois Cannabis Regulations and Tax Act (information received by state agencies from cannabis establishment licensees or applicants).

- The name and address of a dispensing organization licensed under the Act shall be subject to disclosure under FOIA. The name and cannabis business establishment address of the person or entity holding each cannabis business establishment license shall be subject to disclosure.

- Complaints from consumers or members of the general public received regarding a specific, named licensee or complaints regarding conduct by unlicensed entities shall be subject to disclosure.

HOME CULTIVATION

What are the limitations and requirements to grow cannabis at home?

- Only registered medical cannabis patients over 21 years of age may participate in home cultivation.

- Additionally, cultivation in private residences by medical cannabis patients is subject to the following limitations:
    - There is a limit of five plants that are five inches or more per household without a cultivation center or craft grower license;
    - Cannabis plants may not be cultivated in an area subject to public view;
    - Reasonable precautions must ensure that the plants are secure from unauthorized access or access by a person under 21 years of age;
    - Cannabis cultivation must occur in an enclosed locked space;
    - Cannabis cultivation may only occur on residential property lawfully in possession of the medical cannabis patient or with the consent of the person in lawful possession of the property;
    - A medical cannabis patient may allow their authorized agent to tend to the plants for brief periods of time if the patient is temporarily away;
    - A medical cannabis patient may only purchase cannabis seed from a dispensary;
    - Purchase of live plant material is prohibited; and
    - If the home grown plants yield more than the allowable possession limit of 30 grams of raw cannabis, then the excess cannabis must remain secured within the residence of residential property in which it was grown.

May a landlord prohibit growth of cannabis on their property?

- Yes. An owner or lessor of residential property may prohibit the cultivation of cannabis by a lessee.

INFUSER ORGANIZATIONS OR INFUSERS

What is the definition of "infuser organization" or "infuser?"

- "Infuser organization" or "infuser" means a facility operated by an organization or business that is licensed by the Illinois Department of Agriculture to directly incorporate cannabis or cannabis concentrate into a product formulation to produce a cannabis-infused product.

Are infusers inspected? How, and by whom?

- Infusers are subject to random inspections by the Illinois Department of Agriculture, the Illinois Department of Public Health, local safety or health inspectors and the Illinois State Police.

To whom may infusers sell cannabis?

- Infusers may only sell or distribute cannabis to a dispensing organization, or as otherwise authorized by rule.

What are the limitations on the location of infusers?

- An infuser may not be located in an area zoned for residential use.

- An infuser may share premises with a craft grower or a dispensing organization, or both, provided each licensee stores currency and cannabis or cannabis-infused products in a separate secured vault to which the other licensee does not have access or all licensees sharing a vault share more than 50% of the same ownership.

LICENSING

Is a license required to operate a cannabis establishment in Illinois?

- Yes. The Illinois Office of Cannabis Control shall issue licenses for all dispensing organizations. Dispensing organizations are defined by the Act as a facility operated by an organization or business that is licensed by the Illinois Department of Financial and Professional Regulation to acquire cannabis from a cultivation center, craft grower, processing organization or another dispensary for the purpose of selling or dispensing cannabis, cannabis-infused products, cannabis seeds, paraphernalia or related supplies under the Act to purchasers or to qualified registered medical cannabis patients and caregivers.

May municipalities require licenses to operate a cannabis establishment within their boundaries?

- Since licensing is a function of the state under the Act, local governments may only enforce generally applicable business registration requirements for cannabis establishments and conduct inspections of the premises to ensure compliance with local ordinances.

What are the different types of licenses?

- The Act creates the following adult-use cannabis licenses, subject to various fees and subject to administration by the Illinois Department of Agriculture and the Illinois Department of Financial and Professional Regulation:

- Early Approval Adult-Use Dispensing Organization - A license that permits a medical cannabis dispensing organization licensed under the Illinois Medical Cannabis Program Act as of the effective date of the Act to begin selling cannabis to purchasers as permitted by the Act as of January 1, 2020.

- Early Approval Adult-Use Cultivation Center - A license that permits a medical cannabis cultivation center licensed under the Illinois Medical Cannabis Program Act as of the effective date of the Act to begin cultivating, infusing, packaging, transporting (unless otherwise provided in the Act) and selling cannabis to cannabis business establishments for resale to purchasers as permitted by the Act as of January 1, 2020. A cultivation center may begin producing cannabis and cannabis-infused products once the Early Approval Adult Use Cultivation Center License is approved. A cultivation center that obtains an Early Approval Adult Use Cultivation Center License may begin selling cannabis and cannabis-infused products to approved dispensing organizations on December 1, 2019.

- Conditional Adult-Use Dispensing Organization License - A license awarded to top-scoring applicants for an Adult-Use Dispensing Organization License that reserves to the applicant the right to an adult-use dispensing organization license if the applicant meets certain conditions described in the Act. A dispensing organization that is awarded a Conditional Adult-Use Dispensing Organization License is not entitled to purchase, possess, sell or dispense cannabis or cannabis-infused products until the applicant has received an Adult-Use Dispensing Organization License.

- Conditional Adult-Use Cultivation Center License - A license awarded to top-scoring applicants for an Adult-Use Cultivation Center License that reserves to the applicant the right to an Adult-Use Cultivation Center License if the applicant meets certain conditions as determined by the Illinois Department of Agriculture by rule. A cultivation center applicant that is awarded a Conditional Adult-Use Cultivation Center License is not entitled to grow, purchase, possess or sell cannabis or cannabis-infused products until the applicant has received an Adult-Use Cultivation Center License.

- Adult-Use Dispensing Organization - A license issued by the Illinois Department of Financial and Professional Regulation that permits a person to act as a dispensing organization under the Act and any administrative rule made in furtherance of the Act.

- Adult-Use Cultivation Center - A license issued by the Illinois Department of Agriculture that permits a person to act as a cultivation center under the Act and any administrative rule made in furtherance of the Act.

- Craft Grower - The Illinois Department of Agriculture shall issue up to 40 craft grower licenses by July 1, 2020. A "craft grower" is a facility operated by an organization or business that is licensed by the Illinois Department of Agriculture to cultivate, dry, cure and package cannabis and perform other necessary activities to make cannabis available for sale at a dispensing organization or use at a processing organization.

- Infuser - The Illinois Department of Agriculture shall issue up to 40 infuser licenses through a process provided for in the Act no later than July 1, 2020. "Infuser organization" or "infuser" means a facility operated by an organization or business that is licensed by the Illinois Department of Agriculture to directly incorporate cannabis or cannabis concentrate into a product formulation to produce a cannabis-infused product. An infuser is prohibited from extracting cannabis concentrate from raw cannabis material. Only cultivation centers and craft growers will be allowed to extract cannabis concentrate.

- Transporter - Transporting organization" or "transporter" means an organization or business that is licensed by the Illinois Department of Agriculture to transport cannabis on

behalf of a cannabis business establishment or a community college licensed under the Illinois Community College Cannabis Vocational Training Pilot Program.

Do state licenses need to be renewed?

- Yes. All licenses expire and are subject to the renewal provisions set forth in the Act.
- Adult-Use Dispensing Organization Licenses shall expire on March 31 of even-numbered years. Licensees must submit a renewal application as provided by the Illinois Department of Financial and Professional Regulation and pay the required renewal fee.

LOCAL GOVERNMENT

May municipalities prohibit cannabis establishments within their boundaries?

- Yes. A municipality may enact ordinances to prohibit or significantly limit an adult-use cannabis business establishment's location.

- While adult-use cannabis business establishments may be prohibited, the Illinois Medical Cannabis Program Act specifically provides that medical cannabis dispensing organizations may not be prohibited within municipal boundaries. For medical cannabis establishments, then, municipalities may only regulate location via reasonable zoning regulations (special use permits, etc.).

May municipalities and other units of local government regulate cannabis establishments within their boundaries?

- A unit of local government may enact reasonable zoning ordinances or resolutions not in conflict with the Act or with Illinois Office of Cannabis Control, Illinois Department of Public Health, Illinois Department of Financial and Professional Regulation and Illinois Department of Agriculture rules regulating cannabis establishments.

- A unit of local government may enact ordinances or rules governing the time, place, manner and number of cannabis establishment operations, including a minimum distance limitation between cannabis establishments and locations it deems sensitive through the use of special use permits.

May municipalities prohibit or regulate cannabis establishments outside of their boundaries?

- A municipality may exert extra territorial zoning authority in the unincorporated area within one and one half miles of its corporate limits through the adoption of a comprehensive plan and zoning for that area pursuant to 65 ILCS 5/11-13-1. The municipal ordinances would control that area absent a county zoning ordinance, or another municipality with zoning already in place.

May municipalities regulate the on-premises consumption of cannabis and/or allow cannabis cafes and lounges?

- Yes. A municipality may regulate and/or allow the on-premises consumption of cannabis at or in a cannabis business establishment within its jurisdiction in a manner consistent with the Act. The Act allows the creation of "cannabis cafes/lounges" in the discretion of the municipality. Cannabis business establishments or other entities authorized or permitted by a municipality to

allow on-site consumption shall not be deemed a public place within the meaning of the Smoke Free Illinois Act.

May municipalities and other units of local government prohibit the use of cannabis within their boundaries?

- No unit of local government, including a home rule unit, may unreasonably prohibit the use of cannabis authorized by the Act.

Does the Act contain any location restrictions on dispensaries?

- A dispensing organization may not be located within 1,500 feet of the property line of a preexisting dispensing organization.

- These distance restrictions are different than those originally imposed by the Illinois Medical Cannabis Program Act. Under the Medical Cannabis Program Act, registered cultivation centers could not locate within 2,500 feet of the property line of a pre-existing public or private preschool or elementary or secondary school or day care center, day care home, group day care home, part day child care facility or an area zoned for residential use (410 ILCS 130/105(c)) and registered dispensing organizations could not locate within 1,000 feet of the property line of a pre-existing public or private preschool or elementary or secondary school or day care center, day care home, group day care home, or part day child care facility or be located in a house, apartment, condominium, or an area zoned for residential use (410 ILCS 130/130(d)). P.A. 101-0363, which made various amendments to the Medical Cannabis Program Act and became effect on August 8, 2019, eliminated the distance restrictions for medical cannabis dispensaries registered after July 1, 2019.

Does failure to be in compliance with local zoning regulations have any impact on a cannabis establishment's ability to operate in Illinois?

- Yes. A state-issued cannabis establishment license will be denied if the applicant is not in compliance with local zoning rules.

May municipalities and other units of local government fine or penalize cannabis establishments for violation of local zoning regulations?

- A unit of local government may establish civil penalties for violation of an ordinance or rules governing the time, place and manner of operation of a cannabis establishment within the jurisdiction of the unit of local government.

May municipalities regulate personal possession and consumption of cannabis?

- The Act provides municipalities with the authority to locally regulate possession and consumption of cannabis by private citizens in a manner consistent with the Act. Therefore, municipalities may adopt the prohibitions and penalties of the Act into their codes which will give the local governments the ability to enforce and prosecute personal possession and consumption violations through local adjudication or the circuit court.

Does the Act apply to home rule units of government?

- Yes. A unit of local government may not regulate cannabis-related activities in a manner more restrictive than their regulation by the state under the Act. Home rule preemption applies here.
    - "This subsection is a limitation under subsection (i) of Section 6 of Article VII of the Illinois Constitution on the concurrent exercise by home rule units of powers and functions exercised by the State." Section 55-25(4).

- Home rule preemption is specifically set forth in Section 55-90 of the Act. "*Except as otherwise provided in this Act*, a unit of local government, including a home rule unit, *may not regulate or license* the activities described in this Act." [*emphasis added*]

May voters choose to limit or prohibit cannabis establishments within a municipality?

- Only within the City of Chicago. The Act allows the legal voters of any precinct within a municipality with a population of over 500,000 to petition their local alderman, using a petition form made available online by the city clerk, to introduce an ordinance establishing the precinct as a restricted cannabis zone. "Restricted cannabis zone" means a precinct within which home cultivation, one or more types of cannabis business establishments, or both has been prohibited pursuant to an ordinance initiated by a petition under the Act.

Does the Act contain any operational rules for adult-use cannabis dispensing organizations?

- The Act, in Section 15-70, contains a list of specific business operational rules for adult-use cannabis dispensing organizations that provide a clear baseline of regulatory guidelines for these establishments. Municipalities may include these in any statement on approvals or conditions that are part of any conditional use permit. These rules include:
    - A dispensing organization must include the legal name of the dispensary on the packaging of any cannabis product it sells.
    - Dispensing organizations are prohibited from selling any product containing alcohol except tinctures, which are limited to containers that must be no larger than 100 milliliters.

- A dispensing organization may only accept cannabis deliveries into a restricted access area. Deliveries may not be accepted through the public or limited access areas unless otherwise approved under the Act.
- A dispensing organization shall maintain compliance with state and local building, fire and zoning requirements or regulations.
- A dispensing organization shall submit a list to the state of the names of all service professionals that will work at the dispensary.
- A dispensing organization's license allows for a dispensary to be operated only at a single location.
- A dispensing organization may operate between 6:00 a.m. and 10:00 p.m. local time.
- A dispensing organization must keep all lighting outside and inside the dispensary in good working order and wattage sufficient for security cameras.
- A dispensing organization shall not:
  - Produce or manufacture cannabis;
  - Accept a cannabis product from an adult-use cultivation center, craft grower, infuser, dispensing organization or transporting organization unless it is pre-packaged and labeled in accordance with the Act and any rules that may be adopted pursuant to the Act;
  - Obtain cannabis or cannabis-infused products from outside the State of Illinois;
  - Sell cannabis or cannabis-infused products to a purchaser unless the dispensary organization is licensed under the Illinois Medical Cannabis Program Act, and the individual is registered under the Medical Cannabis Program Act or the purchaser has been verified to be over the age of 21;
  - Enter into an exclusive agreement with any adult-use cannabis cultivation center, craft grower or infuser;
  - Refuse to conduct business with an adult-use cannabis cultivation center, craft grower, transporting organization or infuser that has the ability to properly deliver the product and is permitted by the Illinois Department of Agriculture, on the same terms as other adult-use cannabis cultivation centers, craft growers, infusers or transporters with whom it is dealing;
  - Operate drive-through windows;
  - Allow for the dispensing of cannabis or cannabis-infused products in vending machines;
  - Transport cannabis to residences or other locations where purchasers may be for delivery;
  - Enter into agreements to allow persons who are not dispensing organization agents to deliver cannabis or to transport cannabis to purchasers;
  - Operate a dispensing organization if its video surveillance equipment is inoperative;
  - Operate a dispensing organization if the point-of-sale equipment is inoperative;

- Operate a dispensing organization if the state's cannabis electronic verification system is inoperative;
- Operate a dispensing organization when there are fewer than two people working at any time;
- Be located within 1,500 feet of the property line of a pre-existing dispensing organization;
- Sell clones or any other live plant material;
- Sell cannabis, cannabis concentrate or cannabis-infused products in combination or bundled with each other or any other items for one price, and each item of cannabis, concentrate or cannabis-infused product must be separately identified by quantity and price on the receipt;
- Violate any other requirements or prohibitions set by the Act or administrative rules.

SOCIAL JUSTICE

What other agency oversight does the state have for social issues related to cannabis production, sale and use?

- The Restoring Our Communities (ROC) program will be created. The ROC program will be a performance incentive funding program for high-need, underserved communities throughout the state.

- The purpose of the ROC program will be to directly address the impact of economic disinvestment and the historical use of criminal justice responses to community and individual needs by supporting local design and control of community-based responses to these impacts that can be accessed outside of the criminal justice system.

- The ROC program will provide planning and implementation grants as well as technical assistance to collaborative groups that include human service providers and community-based organizations, individuals who have experienced the criminal justice system or other systems of state intervention, individuals who have been consumers of social programs administered by the state or local jurisdictions, and local leaders from all sectors.

TAXATION, REVENUES AND APPROPRIATIONS

How is cannabis cultivation going to be taxed at the state level?

- Beginning on January 1, 2020, a Cannabis Cultivation Privilege Tax is imposed by the State of Illinois upon the privilege of cultivating cannabis at the rate of 7% of the gross receipts from the sale of cannabis by a cultivator.
    - This tax rate already exists under current medical cannabis law.
    - As all funds collected under the Cannabis Regulation and Tax Act and under the Compassionate Use of Medical Cannabis Program Act will be deposited into the state's Cannabis Regulation Fund, the 7% cultivation tax that previously only applied to the cultivation of medical cannabis is repealed, effective July 1, 2020 (See 410 ILCS 130/200), and replaced by the same tax that applies to both adult-use and medical cannabis cultivation.
    - All funds received by the Illinois Department of Revenue under the privilege tax shall be paid into the Cannabis Regulation Fund in the state treasury.

- The Cannabis Cultivation Privilege Tax will be collected in addition to all other occupation or privilege taxes imposed by the State of Illinois or by any municipal corporation or political subdivision (whether the cultivation is for medical or adult-use purposes).

How is the sale of cannabis going to be taxed at the state level?

- Beginning on January 1, 2020, a Cannabis Purchaser Excise Tax is imposed by the State of Illinois upon purchasers for the privilege of using cannabis at the following rates:
    - Cannabis flower or products with less than 35% Tetrahydrocannabinol (THC): 10% tax.
    - Cannabis-infused products (i.e., edibles): 20% tax.
    - Cannabis flower or products with a THC concentration higher than 35%: 25% tax.

- The purchase price of any product that contains any amount of cannabis or any derivative is subject to the excise tax on the full purchase price of the product.

- The purchase of cannabis is also subject to state and local sales taxes. Sales tax is collected in addition to all other occupation, privilege or excise taxes imposed by the State of Illinois or by any municipal corporation or political subdivision of the state.

- All funds received by the Illinois Department of Revenue under the excise tax will be paid into the Cannabis Regulation Fund in the state treasury.

What is the state going to do with the funds collected in the form of state taxes, license fees and any other monies collected with regard to cannabis production and sale?

- The Cannabis Regulation Fund is created in the state treasury. Unless otherwise provided, all funds collected under the Cannabis Regulation and Tax Act and under the Medical Cannabis Program Act shall be deposited into the Cannabis Regulation Fund, consisting of taxes, license fees, other fees and any other amounts required to be deposited or transferred into the Fund.

- Monthly, the transfers of revenues received into the Cannabis Regulation Fund shall be certified as follows:
    - First, to pay for the direct and indirect costs associated with the implementation, administration and enforcement of the Compassionate Use of Medical Cannabis Program Act and the Cannabis Regulation and Tax Act, the Illinois Department of Revenue shall certify the transfer of 1/12 of the fiscal year amount appropriated to the numerous agencies involved with the program;
    - Second, after the above-noted transfers have been made, the remainder shall be transferred by formula to the following funds:
        - 35% transferred to the state General Revenue Fund
        - 25% transferred to the Criminal Justice Information Projects Fund to support the Restore, Reinvest and Renew Program for community reinvestment
        - 20% transferred to the Illinois Department of Human Services Community Services Fund to fund mental health and substance abuse services at local health departments
        - 10% transferred to the Budget Stabilization Fund to pay the backlog of unpaid state bills
        - 8% transferred to the Local Government Distributive Fund (LGDF) to fund crime prevention programs, training, and interdiction efforts relating to the illegal cannabis market and cannabis-based DUIs
        - 2% transferred to the Drug Treatment Fund for public education and awareness

How may cannabis be taxed at the local level?

- On and after January 1, 2020, the corporate authorities of any county or municipality may, by ordinance, impose a County and Municipal Cannabis Retailers' Occupation Tax (MCROT).

- For municipalities, the MCROT is imposed upon purchasers for the privilege of using adult-use cannabis purchased in the municipality. The rate of tax shall not exceed 3% of the purchase price. If imposed, the tax shall only be imposed in 0.25% increments.

- Counties are authorized to impose a tax of up to 3% in incorporated areas and 3.75% on sales emanating from unincorporated areas.

- The Illinois Department of Revenue will collect and administer the MCROT.

- The MCROT shall not be imposed on cannabis that is subject to tax under the Medical Cannabis Program Act. Sales of medical cannabis from registered medical cannabis dispensaries are taxed at the 1% rate imposed on prescription and nonprescription drugs in Illinois.

- Any ordinance imposing the tax must be certified by the municipal clerk of that unit of local government and filed with the Illinois Department of Revenue before June 1 of any year, to be effective and enforced by the Department of Revenue on September 1 of that year.

- The MCROT will be collected in addition to all other occupation, privilege or excise taxes imposed by the State of Illinois or by any municipal corporation or political subdivision of the state.

How are existing sales taxes affected?

- Retailers' Occupation Taxes (sales taxes), assessed at both a local and state level, will not be deposited into the Cannabis Regulation Fund. Nothing in the Medical Cannabis Program Act and the Cannabis Regulation and Tax Act affects the collection of these taxes or their deposit in the state's general fund and/or distribution to municipalities under local ordinance.

- Under the state Retailers' Occupation Tax, the sale of cannabis is classified as a "sale of tangible personal property at retail."

USE AND POSSESSION

How much cannabis may a resident of the State of Illinois legally possess under the Act?

- For an Illinois resident who is 21 years of age or older, the possession limit is any combination of the following:
  - 30 grams of raw cannabis;
  - Cannabis-infused product or products containing a total of no more than 500 mg of Tetrahydrocannabinol (THC);
  - 5 grams of cannabis product in concentrated form.

- For individuals who register as qualifying patients under the state's existing medical cannabis program only:
  - Up to 5 cannabis plants and the cannabis produced from those 5 plants, secured within the residence or dwelling unit (no matter how many people reside in a residence, only 5 plants are allowed per residence).
  - Any combination of the amounts indicated above. Additionally, if they have plants that yield more than the 30 grams of raw cannabis, the excess must remain secured in the residence or residential property it is grown.

How much cannabis may a non-resident of the State of Illinois legally possess under the Act?

- For a person who is 21 years of age or older and who is not a resident of Illinois, the possession limit is any combination of the following:
  - 15 grams of raw cannabis;
  - Cannabis-infused products or products containing a total of no more than 250 mg of THC;
  - 2.5 grams of cannabis product in concentrated form.

- A non-resident may not possess cannabis plants.

Where is a person prohibited from possessing cannabis?

- The Act does not permit any person to engage in, and does not prevent the imposition of any civil, criminal or other penalties for engaging in, any of the following conduct:
  - Possessing cannabis on a school bus.
  - Possessing cannabis on the grounds of any preschool or primary or secondary school unless approved as a medical cannabis patient.
  - Possessing cannabis in any correctional facility.

- Possessing cannabis in a vehicle not open to the public unless the cannabis is in a reasonably secured, sealed, tamper-evident container and reasonably inaccessible while the vehicle is moving.
- Possessing cannabis in a private residence that is used at any time to provide licensed child care or other similar social service care on the premises.

Where is the use of cannabis prohibited?

- The Act does not permit any person to engage in, and does not prevent the imposition of any civil, criminal or other penalties for engaging in, the following:
  - Consuming cannabis on a school bus.
  - Consuming cannabis on the grounds of any preschool or primary or secondary school unless authorized in the medical cannabis program.
  - Consuming cannabis in any correctional facility.
  - Consuming cannabis in any motor vehicle.
  - Consuming cannabis in a private residence that is used at any time to provide licensed child care or other similar social service care on the premises.
  - Consuming cannabis in any public place or knowingly in close physical proximity to anyone under 21 years of age.
  - Consuming cannabis in any public place where a person could reasonably be expected to be observed by others.
  - Consuming cannabis in any location where smoking is prohibited by the Smoke Free Illinois Act (410 ILCS 82/1 *et seq.*), including hospitals, restaurants, retail stores, offices, commercial establishments, etc.
  - Universities, colleges and other post-secondary educational institutions may restrict or prohibit cannabis use on their property.

How is a "public place" defined under the Act?

- A "public place" is defined as any place where a person could reasonably be expected to be observed by others.

- A "public place" includes all parts of buildings owned in whole or in part, or leased, by the state or a unit of local government.

- A "public place" does not include a private residence, unless the private residence is used to provide licensed child care, foster care or other similar social service care on the premises.

Are there certain specific activities that an individual may not perform while using cannabis?

- Operating, navigating or being in actual physical control of any motor vehicle, aircraft or motorboat while using or under the influence of cannabis.
- Use of cannabis by a law enforcement officer, corrections officer, probation officer or firefighter while on duty.
- Use of cannabis by a person who has a school bus driver's permit or a Commercial Driver's License (CDL) while on duty.
- Driving under the influence and reckless driving based on THC impairment may continue to be charged.