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## Illinois Passes Comprehensive Cannabis Bill Legalizing Recreational Adult Use

### SUMMARY

**On Friday, Illinois' House of Representatives passed a recreational adult use marijuana bill that will go to Gov. Pritzker's desk for signature. Pritzker has already indicated he will sign the bill. This is the first comprehensive bill, with commercial sales and taxation, to originate in a legislature to pass recreational marijuana, and provides a model for other states to follow. The 610-page bill is expected to be followed by trailer bills that will clear up points that are unclear in the bill as drafted.**

- **Cultivation licenses:** There will be no additional large-scale cultivation licenses issued. Cultivation for smaller craft growers will be eligible for licensing next year.
- **Processor licenses:** A new category of licenses has been created to process cannabis (i.e. oils, edibles, tinctures, etc.). These licenses will be available in 2020.
- **Dispensary licenses:** Existing medical marijuana dispensaries may be permitted to sell recreational marijuana beginning January 1, 2020. Existing medical dispensary owners will be eligible to open one additional dispensary. There will also be additional licenses awarded to new applicants beginning in May, 2020. Up to 295 stores could be in operation by 2022.
- **Social justice component to licensing:** A social equity program will offer financial assistance and license application benefits to individuals from communities most impacted by the war on drugs.
- **Taxation of purchases:** Purchases of cannabis flower or products with up to 35% THC will be taxed at 10% by the state. Cannabis-infused products will be taxed at 20%. Products with a THC concentration higher than 35% will be taxed at 25%. Illinois counties and municipalities will be able to levy additional local taxes. There will also be additional taxes on the cultivators.
- **Home grow:** Residents with a medical card will be allowed to grow up to five plants at home.
- **Possession:** Illinois residents age 21 and over may possess up to 30 grams of flower, 5 grams of cannabis concentrate, or 500 milligrams of THC in a cannabis-infused product. Adult visitors may possess up to 15 grams of marijuana.
- **Ability to ban cannabis businesses:** Municipalities and counties may ban cannabis businesses within their boundaries, but may not ban individual possession. Any person, business or landlord may prohibit use on private property. Colleges and universities may continue to prohibit use.
- **Usage prohibitions:** Usage is prohibited on the street, in parks, on school grounds (except for medical usage), in motor vehicles, in correctional facilities, near someone under 21, while driving a boat or flying a plane, by a school bus driver, police, fire, or corrections officer while on duty. It is legal to smoke in one's own home and on-site in some cannabis-related businesses.
- **Use and employment:** Other than the statutory prohibitions on usage above, it will be up to employers to determine policies regarding the usage of marijuana by employees. Employers may implement any reasonable policies relating to marijuana use, storage, so long as any policy is applied in a nondiscriminatory manner.

- Record expungement: People convicted for possession of under 30 grams of marijuana prior to legalization will have records referred for a pardon, as long as those convictions are not associated with a violent crime. If a pardon is granted, an expungement will be sought by the AG. Individuals with convictions for possession between 30 - 500 grams would have the option of petitioning for expungement themselves.

If you have additional questions regarding this bill, contact Adam Fayne ([Adam.Fayne@saul.com](mailto:Adam.Fayne@saul.com)) or Robin Dusek ([Robin.Dusek@saul.com](mailto:Robin.Dusek@saul.com)) at Saul Ewing Arnstein & Lehr LLP.

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DISCLAIMER: Per federal law, marijuana is a Schedule I controlled substance. This means that it is a federal crime to sell, distribute, possess, and/or use marijuana or marijuana-derived products, regardless of any state law that may authorize certain marijuana activity. Although federal policy may, at times, recommend enforcement discretion when a business or individual is in compliance with state marijuana law that is deemed to comply with federal enforcement priorities, it is important to understand that compliance with state law does not equal compliance with federal law, and that federal marijuana policy may change at any time. No legal advice we give regarding marijuana law or policy is ever intended to guide or assist clients in violating federal law.