102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

SB2145

Introduced 2/26/2021, by Sen. Dan McConchie

SYNOPSIS AS INTRODUCED:

30 ILCS 105/6z-112

Amends the State Finance Act. Modifies the percentage allocation of specified remaining moneys in the Cannabis Regulation Fund to be transferred into specified funds.

LRB102 15676 RJF 21040 b

1 AN ACT concerning finance.

Be it enacted by the People of the State of Illinois, represented in the General Assembly:

Section 5. The State Finance Act is amended by changing
Section 6z-112 as follows:

6 (30 ILCS 105/6z-112)

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Sec. <u>6z-112</u> 6z 107. The Cannabis Regulation Fund.

8 (a) There is created the Cannabis Regulation Fund in the 9 State treasury, subject to appropriations unless otherwise 10 provided in this Section. All moneys collected under the 11 Cannabis Regulation and Tax Act shall be deposited into the 12 Cannabis Regulation Fund, consisting of taxes, license fees, 13 other fees, and any other amounts required to be deposited or 14 transferred into the Fund.

(b) Whenever the Department of Revenue determines that a 15 16 refund should be made under the Cannabis Regulation and Tax 17 Act to a claimant, the Department of Revenue shall submit a voucher for payment to the State Comptroller, who shall cause 18 the order to be drawn for the amount specified and to the 19 20 person named in the notification from the Department of 21 Revenue. This subsection (b) shall constitute an irrevocable 22 and continuing appropriation of all amounts necessary for the payment of refunds out of the Fund as authorized under this 23

- 2 - LRB102 15676 RJF 21040 b

1 subsection (b).

2 (c) On or before the 25th day of each calendar month, the 3 Department of Revenue shall prepare and certify to the State Comptroller the transfer and allocations of stated sums of 4 5 money from the Cannabis Regulation Fund to other named funds 6 in the State treasury. The amount subject to transfer shall be 7 the amount of the taxes, license fees, other fees, and any 8 other amounts paid into the Fund during the second preceding 9 calendar month, minus the refunds made under subsection (b) 10 during the second preceding calendar month by the Department. 11 The transfers shall be certified as follows:

12 (1) The Department of Revenue shall first determine 13 allocations which shall remain in the Cannabis the 14 Regulation Fund, subject to appropriations, to pay for the and 15 direct indirect costs associated with the 16 implementation, administration, and enforcement of the 17 Cannabis Regulation and Tax Act by the Department of Revenue, the Department of State Police, the Department of 18 19 Financial and Professional Regulation, the Department of 20 Agriculture, the Department of Public Health, the 21 Department of Commerce and Economic Opportunity, and the 22 Illinois Criminal Justice Information Authority.

(2) After the allocations have been made as provided
in paragraph (1) of this subsection (c), of the remainder
of the amount subject to transfer for the month as
determined in this subsection (c), the Department shall

SB2145

1 certify the transfer into the Cannabis Expungement Fund 2 1/12 of the fiscal year amount appropriated from the 3 Cannabis Expungement Fund for payment of costs incurred by State courts, the Attorney General, State's Attorneys, 4 5 civil legal aid, as defined by Section 15 of the Public 6 Interest Attorney Assistance Act, and the Department of State Police to facilitate petitions for expungement of 7 8 Minor Cannabis Offenses pursuant to Public Act 101-27 this 9 amendatory Act of the 101st General Assembly, as adjusted 10 any supplemental appropriation, plus cumulative by 11 deficiencies in such transfers for prior months.

12 (3) After the allocations have been made as provided 13 in paragraphs (1) and (2) of this subsection (c), the 14 Department of Revenue shall certify to the State 15 Comptroller and the State Treasurer shall transfer the 16 amounts that the Department of Revenue determines shall be 17 transferred into the following named funds according to 18 the following:

19 (A) 1% 2% shall be transferred to the Drug 20 Treatment Fund to be used by the Department of Human 21 Services for: (i) developing and administering a 22 scientifically and medically accurate public education 23 campaign educating youth and adults about the health and safety risks of alcohol, tobacco, illegal drug use 24 25 (including prescription drugs), and cannabis, 26 including use by pregnant women; and (ii) data

SB2145

SB2145

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collection and analysis of the public health impacts of legalizing the recreational use of cannabis. Expenditures for these purposes shall be subject to appropriations.

5 (B) 8% shall be transferred to the Local 6 Government Distributive Fund and allocated as provided 7 in Section 2 of the State Revenue Sharing Act. The moneys shall be used to fund crime prevention 8 9 training, interdiction programs, and efforts. 10 including detection, enforcement, and prevention 11 efforts, relating to the illegal cannabis market and 12 driving under the influence of cannabis.

13 (C) 20% $\frac{25\%}{25\%}$ shall be transferred to the Criminal 14 Justice Information Projects Fund to be used for the 15 purposes of the Restore, Reinvest, and Renew Program 16 to address economic development, violence prevention 17 services, re-entry services, youth development, and civil legal aid, as defined by Section 15 of the Public 18 19 Interest Attorney Assistance Act. The Restore, 20 Reinvest, and Renew Program shall address these issues 21 through targeted investments and intervention programs 22 and promotion of an employment infrastructure and 23 capacity building related to the social determinants 24 of health in impacted community areas. Expenditures 25 for these purposes shall be subject to appropriations. 26 (D) $15\% \frac{20\%}{20\%}$ shall be transferred to the Department

- 5 - LRB102 15676 RJF 21040 b

of Human Services Community Services Fund, to be used 1 2 to address substance abuse and prevention and mental 3 health concerns, including treatment, education, and prevention to address the negative impacts 4 of 5 substance abuse and mental health issues, including concentrated poverty, violence, and the historical 6 7 overuse of criminal justice responses in certain communities, on the individual, family, and community, 8 9 including federal, State, and local governments, 10 health care institutions and providers, and 11 correctional facilities. Expenditures for these 12 purposes shall be subject to appropriations.

13 (E) 10% shall be transferred to the Budget14 Stabilization Fund.

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(F) <u>46%</u> 35%, or any remaining balance, shall be transferred to the General Revenue Fund.

As soon as may be practical, but no later than 10 days after receipt, by the State Comptroller of the transfer certification provided for in this subsection (c) to be given to the State Comptroller by the Department of Revenue, the State Comptroller shall direct and the State Treasurer shall transfer the respective amounts in accordance with the directions contained in such certification.

(d) On July 1, 2019 the Department of Revenue shall
 certify to the State Comptroller and the State Treasurer shall
 transfer \$5,000,000 from the Compassionate Use of Medical

SB2145 - 6 - LRB102 15676 RJF 21040 b

1 Cannabis Fund to the Cannabis Regulation Fund.

2 (e) Notwithstanding any other law to the contrary and 3 except as otherwise provided in this Section, this Fund is not 4 subject to sweeps, administrative charge-backs, or any other 5 fiscal or budgetary maneuver that would in any way transfer 6 any amounts from this Fund into any other fund of the State.

7 (f) The Cannabis Regulation Fund shall retain a balance of
8 \$1,000,000 for the purposes of administrative costs.

9 (g) In Fiscal Year 2024 the allocations in subsection (c) 10 of this Section shall be reviewed and adjusted if the General 11 Assembly finds there is a greater need for funding for a 12 specific purpose in the State as it relates to <u>Public Act</u> 13 <u>101-27</u> this amendatory Act of the 101st General Assembly.

14 (Source: P.A. 101-27, eff. 6-25-19; revised 9-23-19.)