



PA Bipartisan Cannabis Bill SB120 — Bill Summary

Sens. Dan Laughlin and Sharif Street's SB 120 would legalize, regulate, and tax cannabis for adults 21 and older. Privately-owned, state-licensed businesses would produce and sell cannabis. SB 120 also includes expungement and opportunities for impacted communities.

Personal Liberty and Criminal Justice Reform

- Adults 21+ could possess 30 grams of cannabis or similar amounts of products.
- Replaces possible jail time with a civil fine for those under 21 who possess cannabis.
- Includes state-initiated expungement and release for certain cannabis records.
- Provides civil protections for responsible use, including related to professional and occupational licensing, child custody, and organ transplants. However, it limits existing medical cannabis employment protections.
- Allows registered patients to discreetly and securely cultivate five plants at home.

Cannabis Business Regulation

- A new Cannabis Control Board would license and regulate cannabis dispensaries, cultivation centers, labs, micro-cultivators, and warehousing and distribution.
- Businesses would be dual-use, for both medical patients and adult-use consumers.
- Medical cannabis businesses could convert to dual-use for a \$100,000 fee for dispensary permits (for multiple sites) and \$250,000 fee for grower/processors, which could expand to a second location.
- The Board could initially permit up to 15 dispensaries operated by disproportionately impacted area applicants and small businesses. Applicants must pay a \$50,000 non-refundable fee. It could also issue 15 microcultivation licenses.
- Grants and loans would be made available to DIA and small business applicants.
- Additional licenses could be issued after a market analysis.

Prohibitions and Requirements

- Prohibits smoking cannabis in public. Cannabis could not be used in motor vehicles or in close proximity to anyone under 21. Impaired driving would remain illegal
- The Board would issue regulations, including on security, seed-to-sale tracking, product safety, packaging, labeling, lab testing, financial disclosure, recordkeeping, advertising, inspections, and transportation. It must prohibit packaging and products likely to appeal to minors, craft warnings, and mandate child-resistant containers
- Defines cannabis as including THC and CBN derivatives. Prohibits unlicensed sales.

Taxes and Revenue

- Taxes cannabis sales at 14%. Taxes appear to apply to medical cannabis sales.
- Allocates 10% of revenue each to host localities and counties hosting dispensaries in unincorporated areas. Of the 80% left, after start-up costs are repaid, it allocates 55% to the

Board, including 15% for medical cannabis-related assistance; 10% for local police; 10% to drug abuse prevention and treatment; an unspecified amount to “any other purpose” under the act; and the rest (up to 25%) to the General Fund.