

Joint Commission to Oversee the Transition of the Commonwealth into a Cannabis Retail Market

July 9, 2025, at 1:00 p.m.

House Room C

https://studies.virginiageneralassembly.gov/studies/774

The Joint Commission to Oversee the Transition of the Commonwealth into a Cannabis Retail Market (the Joint Commission) met in Richmond on July 9, 2025. Delegate Paul E. Krizek was elected as chair, and Senator Lashrecse D. Aird was elected as vice-chair. The meeting began with opening remarks from the chair and the adoption of a virtual meeting policy, followed by presentations and discussion. Materials presented at the meeting are accessible through the <u>Joint Commission's meetings webpage</u>.

Virtual Meeting Policy

Stephen Kindermann, Lead Senior Attorney, Division of Legislative Services

Mr. Kindermann provided an overview of the proposed virtual meeting policy for the Joint Commission to adopt. He explained the options available to the Joint Subcommittee and how the policy encompasses all of the allowable provisions under the Virginia Freedom of Information Act (FOIA) as well as House and Senate Rules for virtual voting. The Joint Commission unanimously voted to adopt the policy.

Overview of HJR 497

Troy Hatcher, Staff Attorney, Division of Legislative Services

Mr. Hatcher provided a brief overview of HJR 497 (Krizek, 2025 Regular), which established the Joint Commission. The joint resolution directs the Joint Commission to (i) oversee the administration of responsibilities assigned to the Virginia Cannabis Control Authority under the Cannabis Control Act (§ 4.1-600 et seq. of the Code of Virginia); (ii) oversee the implementation and enforcement of cannabis-related laws and regulations; (iii) monitor issues, trends, and impacts related to cannabis; and (iv) examine, in consultation with the Virginia Cannabis Control Authority, necessary legislative changes to the medical cannabis program that would make the program more competitive, accessible, and economically inclusive. The joint resolution also states that the Joint Commission shall expire on July 1, 2028.

Presentation: Cannabis in the Commonwealth: An Overview of the Background and Current Status of Marijuana Legalization in Virginia

Troy Hatcher, Staff Attorney; Taylor Mey, Senior Attorney; Stephen Kindermann, Lead Senior Attorney,

Members Absent: None

¹ **Members Present:** Delegate Paul E. Krizek (chair), Senator Lashrecse D. Aird (vice-chair), Senator Adam P. Ebbin, Senator Christie New Craig, Senator Saddam Azlan Salim, Delegate Marcia "Cia" S. Price, Delegate Katrina E. Callsen, Delegate Rae C. Cousins, Delegate James W. (Will) Morefield, Delegate Hyland F. (Buddy) Fowler, Jr.

Division of Legislative Services

Mr. Hatcher began the presentation with a legislative history of bills since 2015 that have been introduced related to cannabis. The legislative history consisted of bills related to medical cannabis, hemp products, and adults use and possession of recreational cannabis. Mr. Hatcher highlighted that medical cannabis (i) was authorized in 2015, (ii) has had numerous changes over the years, (iii) can be prescribed for any diagnosed condition or disease from a practitioner, and (iv) has undergone a shift in oversight from the Board of Pharmacy to the Cannabis Control Authority. Next, Mr. Hatcher explained how HB 1839 (Marshall, 2019 Regular) conformed Virginia law for hemp products to match the provisions of the federal 2018 Farm Bill, which authorized the sale of such products in Virginia, and how HB 2294 (Kilgore, 2023 Regular) and SB 903 (Hanger, 2023 Regular) amended Virginia law to provide stricter rules than in federal law by limiting the amount of total tetrahydrocannabinol (THC) that can be included in a hemp product or industrial hemp extract to 0.3 percent and either two milligrams of total THC per package or an amount of cannabidiol (CBD) that is at least 25 times greater than the total THC per package. Then, Mr. Hatcher briefly explained the changes in the law since 2020 that resulted in the decriminalization and ultimate legalization of recreational cannabis and provided an overview of a JLARC study conducted in 2020 that highlighted factors to consider if the Commonwealth was going to create a retail cannabis marketplace. Lastly, Mr. Hatcher explained the current law related to medical cannabis and the sale and possession of hemp products.

Mrs. Mey continued the presentation, explaining adult use and possession of recreational cannabis. She also explained three bills that passed the General Assembly during the 2025 Regular Session but were vetoed by the Governor: HB 1989 (Askew), HB 2485 (Krizek), and SB 970 (Rouse). HB 1989 would have amended provisions of law related to medical cannabis, while HB 2485 and SB 970 would have established a retail marketplace for cannabis in the Commonwealth. Ms. Mey explained the retail marketplace bills in detail, noting (a) the powers and duties of the Cannabis Control Authority; (b) changes to criminal penalties; (c) testing, labeling, and packing requirements; and (d) the licensing structure and requirements.

Mr. Kindermann finished the presentation by explaining the taxation and revenue provisions of HB 2485 (Krizek, 2025 Regular) and SB 970 (Rouse, 2025 Regular). He also explained local authority, highlighting that the bills allow any locality to hold a referendum on whether retail marijuana stores should be prohibited in such locality in a certain amount of time.

Presentation: Overview of Virginia Cannabis Control Authority and Medical Cannabis Program

Jake Shuford, Legislative and Regulatory Manager, Virginia Cannabis Control Authority

Mr. Shuford began his presentation by explaining the history of the Cannabis Control Authority (CCA) and its roles as a regulatory, policy advisor, and educator. He then provided a brief overview of what is legal in the Commonwealth related to cannabis - medical cannabis, limited home cultivation, limited possession, and limited adult sharing - and explained the limitations on home cultivation, possession, and adult sharing. Next, he explained that medical cannabis is exempt from sales and use tax, but noted the taxes on retail sales of cannabis provided for in HB 2485 and SB 970. He continued the presentation by explaining relevant hemp law and what is currently illegal in the Commonwealth related to cannabis use.

Mr. Shurford then provided an overview of the medical cannabis program, patient requirements, and how the program services all of the Commonwealth. Mr. Shurford noted that seed-to-sale

tracking went live on July 1, 2025, which will help increase public health and safety by ensuring that no products are diverted to the illicit market and that no illicit products enter the regulated market.

Lastly, Mr. Shurford discussed various data and educational initiatives gathered and conducted by the CCA, including data collection, educational resources, a Safe Driving Campaign, and partnerships and outreach. The educational resources provided by the CCA inform the public on cannabis law in the Commonwealth, health risks associated with cannabis use, and how to use cannabis responsibly. Mr. Shurford explained an impaired driving survey that was conducted in 2024, which found that 30 percent of Virginia drivers believe those who consume marijuana are usually safer drivers. He also described the CCA's Safe Driving Campaign, which ran from 2022 to 2024 and was conducted on social media, television and radio, and billboards. A new campaign for 2025 is in development.

Public Comment

Members of the public were given a chance to speak regarding the information presented at the meeting.

Next Meeting

The next meeting of the Joint Commission will be Wednesday, August 20, 2025, at 1:00 p.m.

For more information, see the *Joint Commission's website* or contact the Division of Legislative Services staff:

Taylor Mey, Senior Attorney, DLS tmey@dls.virginia.gov 804-698-1870

Stephen Kindermann, Lead Senion Attorney, DLS skindermann@dls.virginia.gov 804-698-1880

Troy Hatcher, Staff Attorney, DLS thatcher@dls.virginia.gov 804-698-1829