Report

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

November 16, 2026

Report: Enactment 33 of HB 30 (2026 Special Session I)

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

Pursuant to Enactment 33 of HB 30 (2026 Special Session I), the Joint Commission to Oversee the Transition of the Commonwealth into a Cannabis Retail Market (the Joint Commission) was required to consider and make recommendations on (i) the best distribution of net profits collected pursuant to § 4.1-614 of the Code of Virginia that shall only be used (a) to support early childhood care, early childhood education, and elementary and secondary education in the Commonwealth; (b) for the Cannabis Equity Reinvestment Fund established pursuant to § 2.2-2499.8 of the Code of Virginia; (c) for the Department of Behavioral Health and Developmental Services, which shall distribute such appropriated funds to community services boards for the purpose of administering substance use disorder prevention and treatment programs; and (d) for public health programs, including public awareness campaigns that are designed to prevent drugged driving and discourage consumption by persons younger than 21 years of age, and (ii) ways to inform the public of other potential risks. The Joint Commission was required to submit its findings and recommendations for relevant changes to be included in subsequent appropriation acts to the Secretary of Finance and the Chairs of the House Committee on Appropriations and the Senate Committee on Finance and Appropriations.

Recommendations

The Joint Commission did not reach consensus on any defined percentages for the appropriation of net profits pursuant to § 4.1-614 of the Code of Virginia. However, the Joint Commission did provide the following recommendations for consideration by the Secretary of Finance and the Chairs of the House Committee on Appropriations and the Senate Committee on Finance and Appropriations:

1. Expand the authority for the appropriation of net profits pursuant to § 4.1-614 to include the Virginia Department of Education (VDOE) for the purposes of financing efforts to prevent and reduce substance use by youth in the Commonwealth through such means as educational and awareness programs, implementing evidence-based practices, and assisting schools.
2. Approve a budget amendment of $15 million to assist local school divisions across the Commonwealth, including hiring a full-time employee (FTE) at the VDOE, with school-based substance use prevention and early intervention efforts, including referrals for treatment for substance use disorders. The FTE should utilize research-based programs and practices, implementation toolkits, and training resources and facilitate and implement best practices for students.
3. Ensure the appropriation of net profits pursuant to § 4.1-614 of the Code of Virginia for early childhood care to offset any costs that may arise due to any decrease in federal funding, specifically Medicaid.

4. Use HB 642 (2026, Krizek) and SB 542 (2026, Aird), as introduced and enrolled, as the baseline for negotiations to establish defined percentages for appropriation of net profits pursuant to § 4.1-614 of the Code of Virginia.

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

Taylor Mey, Senior Legislative Counsel - Specialist, DLS
tmey@dls.virginia.gov
804-698-1870

Stephen Kindermann, Lead Senior Legislative Counsel, DLS
skindermann@dls.virginia.gov
804-698-1880

Troy Hatcher, Legislative Counsel, DLS
thatcher@dls.virginia.gov
804-698-1829
