**HED:** Va. Democrats to press cannabis market bills in 2025

**DEK:** Spokesperson: Gov. Youngkin likely to again veto regulated marketplace.

**URL:** paul-krizek-aaron-rouse-glenn-youngkin-virginia-cannabis-market-bill

Democratic state lawmakers won't let an expected veto stop another push for a retail cannabis market in Virginia next year.

Del. Paul Krizek (D–Fairfax) and Sen. Aaron Rouse (D–Virginia Beach) will <u>revive their legal</u> <u>retail marketplace bills</u> for the 2025 session, which begins Jan. 8. Republican Gov. Glenn Youngkin <u>vetoed the same legislation during the 2024 General Assembly session</u>.

Krizek and Rouse brought <u>different proposals to the table</u> earlier this year before compromising on a framework that would have started legal marijuana sales in May with a potential tax rate of 11.625%.

The Democrats expect another veto if the measure passes the Democratic-controlled legislature — which Youngkin's office confirmed — but say establishing a regulated marijuana market would help address public safety concerns they share with Youngkin.

"Even though it's highly unlikely the governor will not veto the bill, I don't think we should give him a free pass, and I think it's too important for the commonwealth," Krizek said.

When asked for comment on a possible veto, Youngkin's press secretary, Christian Martinez, responded via text: "I think you can cite the fact that time and time again he has been very clear on that."

Under current law, Virginians who are 21 and older can have small amounts of marijuana, grow it in their homes and buy it from shops with a medical marijuana license.

A Democratic-controlled General Assembly voted to allow the possession of small amounts of cannabis in 2021 — but didn't set up a legal way for people to buy marijuana without another vote from lawmakers. Democratic then-Gov. Ralph Northam signed the legislation.

Since then, Democrat-led efforts to establish a marketplace have been quashed by Republicans. The latest came in March, when Youngkin vetoed <u>the legislation from Krizek and Rouse</u>.

Youngkin wrote in his veto statement that legalizing retail cannabis sales would endanger the health and safety of Virginians, claiming that states with retail markets have seen adverse effects on children, increased gang activity, violent crime and other issues.

"Attempting to rectify the error of decriminalizing marijuana by establishing a safe and regulated marketplace is an unachievable goal," Youngkin wrote. "The more prudent approach would be to

revisit the issue of discrepancies in enforcement, not compounding the risks and endangering Virginians' health and safety with greater market availability."

The governor also challenged arguments that allowing legal marijuana sales would be an effective way to combat illegal sales, ensure product safety and boost Virginia's tax revenue.

In his veto statement, Youngkin said "the most concerning consequence of cannabis commercialization is its impact on adolescents and our children." He pointed to a 400% increase in U.S. Poison Control calls since 2016 for children who have overdosed on edible marijuana products.

After seeing a rise in such cases after marijuana was <u>decriminalized in Virginia in 2020</u>, the state's poison centers reported a drop in exposures linked to THC and Delta-8 in 2023,

Rouse called his proposal "a good deal" that includes input from stakeholders and offers needed funding for local governments and law enforcement.

"It would ensure that products are tested for safety, that they're labeled correctly and sold in a controlled environment and kept out of the hands of kids, as well as driving down the illicit market," Rouse told VPM News.

<u>A 2020 report</u> from the Joint Legislative Audit and Review Commission projected that a legal marijuana market in Virginia could generate anywhere from \$609 million to just over \$1 billion in its fifth year of operation.

Using the midpoint of JLARC's estimate as a base, the state Department of Planning and Budget said that the framework proposed by Krizek and Rouse could have created \$7.3 million in tax revenue in FY25 and nearly \$88 million in FY30.

Krizek said he won't do a "full-court press" on the bill because Youngkin "is going to veto" it, and he has other priorities during the 30-day session. But he called it "good public policy" to find a way to set up a legal retail market and address an "ongoing proliferation of illegal pot shops" selling untested products.

"That's why we've gotta do this," Krizek said. "We can't abdicate our responsibility."

Krizek and Rouse said they will talk with Republican and Democratic leadership to gauge interest in the legislation.

Rouse said he believes he can find more Republican support this time, after getting one member in each chamber to support the legislation in 2024. He voiced optimism that GOP state senators who will be in office two years longer than Youngkin could break from the governor.

"Gov. Youngkin is on his way out, and our Virginia communities will still feel the impact of the unregulated marijuana industry," Rouse said.

Krizek conceded that a retail cannabis market in Virginia will likely rely on a Democrat being governor, telling VPM News "it's a long game" with some legislation.

"That's what happened with the cannabis bill, right? We didn't get the whole enchilada," he said. "We legalized cannabis, but we didn't finish the job, and this bill is just finishing the job."