

## **Department of Planning and Budget**

### **2022 Fiscal Impact Statement**

**1. Bill Number:** HB950

<b>House of Origin</b>	<input checked="" type="checkbox"/>	Introduced	<input type="checkbox"/>	Substitute	<input type="checkbox"/>	Engrossed
<b>Second House</b>	<input type="checkbox"/>	In Committee	<input type="checkbox"/>	Substitute	<input type="checkbox"/>	Enrolled

**2. Patron:** Webert

**3. Committee:** Committee Referral Pending

**4. Title:** Cannabis control retail market

**5. Summary:** The bill amends § 3.2-3906 to allow the Board of Agriculture and Consumer Services (“Board”) to establish criteria for or a list of pesticides that may be used on cannabis cultivated in compliance with Chapter 41.1 (§ 3.2-4112 et seq.) or the Cannabis Control Act (§ 4.1-600 et seq.).

In addition to providing definitions for “hemp product intended for smoking” and “hemp testing laboratory”, the bill amends § 3.2-4114 to allow the Board to adopt regulations (i) establishing acceptable testing practices for hemp products intended for smoking, (ii) identifying the contaminants for which hemp products intended for smoking shall be tested, and (iii) establishing the maximum level of allowable contamination for each contaminant. The Board is also tasked with adopting regulations to establish labeling and packaging requirements and advertising requirements for a hemp product intended for smoking and a hemp product that is an industrial hemp extract intended for human consumption. The bill exempts these regulations from the Administrative Process Act. However, prior to adopting these regulations, the Board must publish a notice of opportunity to comment in the Virginia Register of Regulations and post the action on the Virginia Regulatory Town Hall.

The bill amends § 3.2-4114.2 to allow the Commissioner of Agriculture office to charge a fee for any license issued associated with its enforcement activities, including hemp testing laboratories. The bill requires a processor that processes a hemp product intended for smoking or a hemp product that is an industrial hemp extract intended for human consumption to make available the results of the testing conducted in accordance with § 3.2-4122 to each retail establishment that offers for sale the processor's hemp products. (§ 3.2-4116.)

The bill requires the Commissioner of Agriculture to establish a licensure program to allow a laboratory to test industrial hemp or hemp products in the Commonwealth. (§ 3.2-4117.1) Any laboratory seeking to test industrial hemp or hemp products in the Commonwealth must apply to the Commissioner for a license on a form provided by the Commissioner. Each license issued is valid for a period of one year from the date of issuance and may be renewed in successive years. Each annual renewal requires the payment of a license renewal fee. A marijuana testing facility is not required to apply to the Commissioner for a license to test industrial hemp or hemp products in the Commonwealth. (§ 3.2-4117.2)

If tests results indicate that the tested hemp product exceeds the maximum level of allowable tetrahydrocannabinol (THC) or contamination for any contaminant for which testing is required, a hemp testing laboratory must, within seven days of completing the test, notify the Commissioner of the test results. For each day any violation of this occurs, the Commissioner may assess a penalty not to exceed (i) \$1,000 for a first violation; (ii) \$5,000 for a second violation; and (iii) a six-month license suspension for a third or subsequent violation within a five-year period. All penalties collected by the Commissioner from these violations are to be deposited in the state treasury.

The bill establishes that any hemp product intended for smoking that is distributed, offered for sale, or sold and any hemp product that is or includes an industrial hemp extract intended for human consumption that is distributed, offered for sale, or sold in the Commonwealth must meet certain standards (§ 3.2-4122). Violations of those standards could result in a penalty assessment not to exceed (i) \$100 for a first violation, (ii) \$200 for a second violation, and (iii) \$500 for a third or subsequent violation. A processor whose hemp products test sample exceeds the maximum level of allowable contamination for each contaminant must destroy the entire batch. For each violation, a processor could face a penalty not to exceed (a) \$100 for a first violation, (b) \$200 for a second violation, and (c) \$500 for a third or subsequent violation. All penalties collected by the Commissioner from these violations are to be deposited in the state treasury.

The bill defines “edible marijuana product” (§ 3.2-5145.6) and rules for its manufacturing (§ 3.2-5145.8) and regulation (§ 3.2-5145.9).

The bill amends § 4.1-352 to make the certificate of any forensic scientist employed by the Commonwealth on behalf of the Board or the Department of Forensic Science, when signed by him, admissible as evidence of the facts therein stated and of the results of such analysis (i) in any criminal proceeding, provided the requirements of subsection A of § 19.2-187.1 have been satisfied and the accused has not objected to the admission of the certificate pursuant to subsection B of § 19.2-187.1 or (ii) in any civil proceeding.

The bill amends § 4.1-606 to modify the criteria by which the Cannabis Control Authority Board (“Authority”) evaluates social equity license applicants.

The bill amends § 4.1-614 to require that 30 percent of the Authority’s net profits be deposited into the Public School Assistance Fund, established pursuant to § 22.1-141.3 of the bill. This portion of net products was originally slated to be deposited into the Cannabis Equity Reinvestment Fund.

The bill provides that the governing body of a locality may, by resolution, petition the circuit court for the locality for a referendum on the question of whether retail marijuana stores should be prohibited in the locality (§ 4.1-629), local ordinances or resolutions regulating retail marijuana or retail marijuana products (§ 4.1-630), and local ordinances regulating time of sale of retail marijuana and retail marijuana products (§ 4.1-631). §4.1-700 through §4.1-703 addresses the administration of licenses and the allocation of civil penalties.

The bill authorizes the Authority to issue Class A and Class B marijuana cultivation facility licenses (§ 4.1-800), marijuana manufacturing facility licenses (§ 4.1-801), marijuana testing facility licenses (§ 4.1-802), marijuana wholesaler licenses (§ 4.1-803), and retail marijuana store licenses (§ 4.1-804).

The bill amends § 4.1-805 to state that unless special permission has been granted by the Authority, no person can be granted or have interest in a license in more than one of the following license categories: marijuana cultivation facility license, marijuana manufacturing facility license, marijuana wholesaler license, retail marijuana store license, or marijuana testing facility license, with the exception being pharmaceutical processors or industrial hemp processors in certain situations. Any pharmaceutical processor or industrial hemp processor that qualifies and wishes to possess a license in more than one license category must (a) pay a \$250,000 fee to the Board and (b) submit a diversity, equity, and inclusion plan to the Cannabis Business Equity and Diversity Support Team (the Support Team) for approval and, upon approval, implement such plan in accordance with the requirements set by the Support Team. Fees collected must be allocated to the Public School Assistance Fund.

The bill permits the Board to assess civil penalties for violations that result in the suspension or revocation of a license (§ 4.1-903).

Section 4.1-1003 establishes the marijuana tax, which would be levied on the sale of any retail marijuana, retail marijuana products, marijuana paraphernalia, non-retail marijuana, and non-retail marijuana products at the rate of 10 percent, and provides for exceptions to this tax. The tax shall be in addition to any tax imposed under Chapter 6 (§ 58.1-600 et seq.) or any other provision of federal, state, or local law. The tax shall not apply to any sale:

- From a marijuana establishment to another marijuana establishment.
- Of cannabis oil for treatment under the provisions of § 54.1-3408.3.
- Of industrial hemp by a grower, processor, or dealer.
- Of industrial hemp extract or food containing an industrial hemp extract.

Revenues remitted to the Authority must be disposed of as provided in § 4.1-614. The bill also provides for an optional local marijuana tax (§ 4.1-1004). Specifically, it provides that any locality may by ordinance levy a three percent tax on any sale taxable under § 4.1-1003. The tax is in addition to any local sales tax imposed under Chapter 6 (§ 58.1-600 et seq.) of Title 58.1, any food and beverage tax imposed under Article 7.1 (§ 58.1-3833 et seq.) of Chapter 38 of Title 58.1, and any excise tax imposed on meals under § 58.1-3840. Other than the taxes authorized and identified in this subsection, a locality cannot impose any other tax on a sale taxable under § 4.1-1003.

If a town imposes a tax under this section, any tax imposed by its surrounding county under this section shall not apply within the limits of the town. Additionally, localities are not prohibited from imposing any tax authorized by law on a person or property regulated under this subtitle. However, localities can impose a license or privilege tax or fee on a business engaged in whole or in part in sales taxable under § 4.1-1003 if such tax or fee is (i) based on

an annual or per-event flat fee authorized by law or (ii) is an annual license or privilege tax authorized by law, and such tax includes sales or receipts taxable under § 4.1-1003 in its taxable measure.

Any locality that enacts an ordinance pursuant to this section, has to, within 30 days, notify the Authority and any retail marijuana store in such locality of the ordinance's enactment. The ordinance must take effect on the first day of the second month following its enactment.

Tax levied under this section must be administered and collected by the Authority in the same manner as provided for the tax imposed under § 4.1-1003. Revenues remitted to the Authority under this section shall be disposed of as provided in § 4.1-614.

The bill establishes criminal and civil penalties for the illegal cultivation or manufacture of marijuana or marijuana products (§ 4.1-1102) and the illegal sale of marijuana or marijuana products in general (§ 4.1-1103). Section 4.1-1106 also sets forth penalties, forfeitures for purchasing retail marijuana or retail marijuana products for one to whom they should not be sold to, and § 4.1-1111 details the penalties for the illegal importation, shipment, and transportation of marijuana or marijuana products. Additionally, §4.1-1113 through §4.1-1119 provides for criminal penalties for various violations of Chapter 11 (Possession of Retail Marijuana and Retail Marijuana products).

Section 4.1-1105 establishes that no person to whom retail marijuana or retail marijuana products may not lawfully be sold under § 4.1-1104 may consume, purchase, or possess, or attempt to consume, purchase, or possess, any marijuana or marijuana products, except (i) pursuant to § 4.1-700 or (ii) by any federal, state, or local law-enforcement officer or his agent when possession of marijuana or marijuana products is necessary in the performance of his duties. Violations of this regulation could result in a civil penalty of no more than \$25 and the court may require the accused to enter a substance abuse treatment or education program or both, if available, that in the opinion of the court best suits the needs of the accused. Any civil penalties collected are to be deposited into the Drug Offender Assessment and Treatment Fund.

The bill establishes criminal and civil penalties for prohibiting practices by licensees, including nonpayment of marijuana tax (§ 4.1-1200 through § 4.1-1207).

The bill establishes the process by which marijuana and marijuana products may be forfeited, confiscation proceedings, and punishment for related violations (§ 4.1-1301 through § 4.1-1312).

The bill requires the Cannabis Control Authority Board to establish regulations for marijuana testing (§ 4.1-1400).

The bill amends § 9.1-1101 to make the Department of Forensic Science responsible for determining the proper methods for detecting the concentration of tetrahydrocannabinol (THC) in substances for the purposes of Chapter 11 (§ 4.1-1100 et seq.) of Title 4.1 and §§ 54.1-3401 and 54.1-3446. The testing methodology must use post-decarboxylation testing or

other equivalent method and must consider the potential conversion of tetrahydrocannabinol acid (THC-A) into THC. The test must include the total available THC derived from the sum of the THC and THC-A content.

The bill amends § 18.2-247 to remove “marijuana” from being considered a controlled substance.

The bill amends § 18.2-308.03 to add the Virginia Cannabis Control Authority to the list of agencies who are exempt from having to pay the concealed handgun permit fee. The bill also amends § 18.2-308.012 to make it a Class 1 misdemeanor for any person permitted to carry a concealed handgun to be under the influence of marijuana while carrying such handgun in a public place.

The bill amends § 19.2-303 to establish that notwithstanding any other provision of law or rule of court, any person who has been sentenced to jail or to the Department of Corrections for a marijuana offense, except for (i) a violation of subdivision (a) (3) of former § 18.2-248.1, (ii) a violation of subsection (d) of former § 18.2-248.1, or (iii) a violation of former § 18.2-248.1 where the defendant gave, distributed, or possessed with intent to give or distribute marijuana to a minor, may, at any time before the sentence has been completely served, file a motion with the sentencing court that entered the final judgment or order for a resentencing hearing. If it appears compatible with the public interest and there are circumstances in mitigation of the offense, including the legalization of marijuana, such court may reduce, suspend, or otherwise modify such person's sentence at any time before such person's sentence has been completely served. If the petitioner claims to be indigent, the petitioner must additionally file with the court a statement of indigency and a request for the appointment of counsel on forms provided by the Supreme Court of Virginia. If the petition is not summarily dismissed and the court finds that the petitioner is entitled to representation by counsel subject to the provisions of Article 3 (§ 19.2-157 et seq.) of Chapter 10 of Title 19.2, the court must appoint counsel to represent the petitioner.

The bill establishes the Public School Assistance Fund and Program (§ 22.1-141.3). The purpose of the Public School Assistance Program is to provide grants from the Fund to school boards to be used solely for the purpose of repairing or replacing the roofs of public elementary and secondary school buildings in the local school division. The Department of Education must administer the Program and must establish such guidelines and procedures as it deems necessary for the administration of the Program, including guidelines and procedures for grant applications, awards, and renewals. Any school board in the Commonwealth may apply for Program grants. The Department of Education must give priority in the award of grants to school boards that demonstrate the greatest need based on the condition of existing school building roofs and the ability to pay for the repair or replacement of such roofs.

The bill amends § 22.1-206 to require the Virginia Cannabis Control Authority to provide educational materials to the Department of Education on the public safety hazards and dangers of underage marijuana use.

The bill amends § 54.1-3442.6 to establish that a pharmaceutical processor may (i) acquire industrial hemp extract, including disolate, isolate, or tetrahydrocannabinol, processed in Virginia, and in compliance with state or federal law, from a registered industrial hemp dealer or processor and (ii) contract with registered industrial hemp processors for the cultivation and processing of marijuana and acquire marijuana cultivated or processed by a registered industrial hemp processor pursuant to such contract.

The bill contains enactment clauses:

Enactment #2 – Repeals §§ 2.2-2499.5 through 2.2-2499.8 (Article 30 of Chapter 24), (§§ 4.1-1500 through 4.1-1503 (Title 4.1), and §§ 18.2-248.1 and 18.2-251.1 of the Code of Virginia.

Enactment #3 - The provisions of this act shall become effective on January 1, 2024 (except the fourth, fifth, and sixth enactments of this act)

Enactment #4 - The provisions of this act amending and reenacting §§ 4.1-606, 4.1-614, 4.1-1100, and 54.1-3442.6, amending by adding sections numbered 4.1-629 and 22.1-141.3, and repealing Article 30 (§§ 2.2-2499.5 through 2.2-2499.8) of Chapter 24 of Title 2.2 and Chapter 15 (§§ 4.1-1500 through 4.1-1503) of Title 4.1 of the Code of Virginia shall become effective in due course.

Enactment #5 - Subject to the provisions of the sixth enactment of this act, the provisions of (i) §§ 4.1-630 and 4.1-631 of the Code of Virginia, as created by this act, and (ii) Chapter 7 (§ 4.1-700 et seq.), Chapter 8 (§ 4.1-800 et seq.), Chapter 9 (§ 4.1-900 et seq.), Chapter 10 (§ 4.1-1000 et seq.), Chapter 12 (§ 4.1-1200 et seq.), and Chapter 14 (§ 4.1-1400 et seq.) of Title 4.1 of the Code of Virginia, as created by this act, become effective on July 1, 2023.

Enactment #6 - The Virginia Cannabis Control Authority (the Authority) may start accepting applications for licenses pursuant to the provisions of § 4.1-1000 of the Code of Virginia, as created by this act, on July 1, 2023, and must, from July 1, 2023, until January 1, 2024, give preference to qualified social equity applicants, as determined by regulations promulgated by the Board of Directors of the Authority in accordance with this act.

Notwithstanding the third enactment of this act, any applicant issued a license by the Authority may operate in accordance with the provisions of this act prior to January 1, 2024; however, prior to January 1, 2024, (i) no retail marijuana store licensee may sell retail marijuana, retail marijuana products, immature marijuana plants, or marijuana seeds and (ii) no marijuana cultivation facility licensee may sell immature marijuana plants or marijuana seeds to a consumer.

From July 1, 2023, to July 1, 2028, the Authority must (a) reserve a license slot for a qualified social equity applicant for every license that was initially granted to a social equity applicant and was subsequently surrendered and (b) reserve license slots for all pharmaceutical processors that have been issued a permit by the Board of Pharmacy pursuant to Article 4.2 (§ 54.1-3442.5 et seq. of the Code of Virginia) of the Drug Control Act and

issue a cultivation, manufacturing, wholesale, and retail license to any such pharmaceutical processor that meets the applicable licensing requirements. The Authority must ensure that geographic dispersion is achieved regarding the issuance of retail marijuana store licenses and shall reassess the issuance of retail marijuana store licenses at the following intervals to ensure that geographic dispersion is maintained: after issuance of 100 licenses, 200 licenses, and 300 licenses. The provisions of this enactment become effective in due course.

Enactment #7 - The provisions of this act may result in a net increase in periods of imprisonment or commitment. Pursuant to § 30-19.1:4 of the Code of Virginia, the estimated amount of the necessary appropriation cannot be determined for periods of imprisonment in state adult correctional facilities; therefore, Chapter 552 of the Acts of Assembly of 2021, Special Session I, requires the Virginia Criminal Sentencing Commission to assign a minimum fiscal impact of \$50,000. Pursuant to § 30-19.1:4 of the Code of Virginia, the estimated amount of the necessary appropriation cannot be determined for periods of commitment to the custody of the Department of Juvenile Justice.

6. **Budget Amendment Necessary:** Yes. Items 42, 98, 100, 104, 132, 397, 429
7. **Fiscal Impact Estimates:** Indeterminate (see Item #8)
8. **Fiscal Implications:** The proposed bill is likely to have a fiscal impact on several state agencies:

#### **Department of Taxation (TAX)**

TAX reports that based upon projected marijuana sales in Virginia as determined by JLARC in conjunction with MPG Consulting, it is estimated that this bill could reduce the projected revenue to the state from the marijuana tax between \$5.7 million and \$9.4 million in Fiscal Year 2024, and between \$27.7 million and \$46.2 million in Fiscal Year 2025; between \$42.6 million and \$71.1 million in Fiscal Year 2026; between \$55.7 million and \$92.8 million in Fiscal Year 2027; and between \$67.1 and \$111.8 million in Fiscal Year 2028.

The higher end of this range reflects optimistic estimates of illegal market conversion, relative equilibrium between supply and demand, and that no other states or the federal government also legalize these products. The lower end reflects less optimistic estimates of illegal market conversion, possible periods of disequilibrium between supply and demand, and the possibility that surrounding states or the federal government would also legalize marijuana. The Fiscal Year 2024 estimates are based on five months of collections.

Below is the distribution of total revenues that would be allocated to the following funds based upon the lower end estimates:

	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028
Pre-K	\$2.1 million	\$10.1 million	\$15.5 million	\$20.3 million	\$24.4 million

(40 percent)					
Public School Assistance (30 percent)	\$1.5 million	\$7.6 million	\$11.6 million	\$15.2 million	\$18.3 million
Substance Use Disorder (25 percent)	\$1.3 million	\$6.3 million	\$9.7 million	\$12.7 million	\$15.2 million
Public Health Programs (5 percent)	\$0.3 million	\$1.3 million	\$1.9 million	\$2.5 million	\$3.0 million

Below is the distribution of total revenues based upon the higher end estimates:

	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028
Pre-K (40 percent)	\$3.4 million	\$16.8 million	\$25.8 million	\$33.8 million	\$40.6 million
Public School Assistance (30 percent)	\$2.6 million	\$12.6 million	\$19.4 million	\$25.3 million	\$30.5 million
Substance Use Disorder (25 percent)	\$2.1 million	\$10.5 million	\$16.2 million	\$21.1 million	\$25.4 million
Public Health Programs (5 percent)	\$0.4 million	\$2.1 million	\$3.2 million	\$4.2 million	\$5.1 million

Below is the distribution of the revenue impact due to the tax rate reduction and the reallocation of funds from Cannabis Equity to Public School Assistance based upon higher end estimates:

	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028
Pre-K (40 percent)	-\$3.8 million	-\$18.5 million	-\$28.4 million	-\$37.1 million	-\$44.7 million
Cannabis Equity (30 percent)	-\$5.4 million	-\$26.5 million	-\$40.7 million	-\$53.2 million	-\$64.0 million
Public School Assistance (30 percent)	\$2.6 million	\$12.6 million	\$19.4 million	\$25.3 million	\$30.5 million
Substance Use Disorder (25 percent)	-\$2.4 million	-\$11.6 million	-\$17.8 million	-\$23.2 million	-\$27.9 million
Public Health Programs (5 percent)	-\$0.5 million	-\$2.3 million	-\$3.6 million	-\$4.6 million	-\$5.6 million

TAX would incur administrative costs from this bill. However, the costs are deemed routine and do not require additional funding.

**Office of the Executive Secretary of the Supreme Court (OES)**



OES reports that it is likely that the proposed bill will have an impact on court dockets as the bill would permit inmates convicted of certain offenses to petition the court which convicted them to modify their sentence. It is foreseeable that a number of incarcerated persons will seek this relief, resulting in additional hearings requiring additional time of circuit judges and circuit court clerk's staff, as well as the appointment of counsel to be compensated from the Criminal Fund. However, the scope of the impact is directly a function of how many petitioners will seek this relief. Since OES does not have a basis to estimate how many petitioners would petition the court for relief, the fiscal impact on the court system is indeterminate.

#### **Department of Agriculture and Consumer Services (VDACS)**

VDACS anticipates needing additional staff to regulate hemp products intended for smoking, conduct inspections of hemp testing laboratories, issue hemp testing laboratory licenses and renewals, investigate and adjudicate alleged violations of the bill's proposed requirements, assess penalties and process payments, liaise with law enforcement, and provide food safety inspection of manufacturers of edible marijuana products. VDACS estimates it will need 12 full-time equivalents (FTE) and \$1.26 million in associated funding as shown below:

- In order to administer the requirements pertaining to labeling, packaging, and advertising of hemp products intended for human consumption; hemp products intended for smoking; and hemp testing laboratories the agency estimates it will need five FTEs and \$550,000 general fund in annual associated funding.
- In order to administer the requirements pertaining to the food safety oversight of edible marijuana products the agency estimates it will need seven FTEs and \$710,000 general fund in annual associated funding.

#### **Department of State Police (VSP)**

VSP reports that fingerprint-based criminal background checks may be required for each cannabis retail license applicant. Based on the JLARC report, VSP estimates approximately 1,550 licenses will be issued for marijuana establishments. VSP anticipates that fingerprint submissions would be cards, as opposed to electronic submissions. Within the fingerprint based criminal record check process, Fingerprint Technicians are used to establish the identification of the fingerprints in order to match the information to the appropriate criminal history record. Once this match, or no match takes place, a Program Support Technician in the CARE section processes the criminal history record results and forwards the information to the requesting agency. According to VSP, its Civil and Applicant Records Exchange (CARE) section does not have the capacity to take on the additional workload of this bill without additional resources. VSP indicates the agency would need one Fingerprint Technician Trainee and one Program Support Technician. The cost for these positions, including IT hardware, is \$151,316 the first year and \$150,414 the second year.

#### **Department of Education (DOE)**

DOE reports the agency would require additional wage personnel to administer the Public School Assistance Program. The estimated annual cost is \$40,000.

### **Cannabis Control Authority (CCA)**

Currently, thirty percent of the CCA's net profits are appropriated to the Cannabis Equity Reinvestment Fund to address the impact of economic disinvestment, violence, and historical overuse of criminal justice responses to community and individual needs by providing resources to support local design and control of community-based responses to such impacts. The proposed bill would reallocate the thirty percent Cannabis Equity Reinvestment Fund appropriation to the Public School Assistance Fund established pursuant to § 22.1-141.3 of the bill. The bill will have a fiscal and operational impact on the Cannabis Equity Reinvestment Board. However, the fiscal impact cannot be determined at this time.

### **Other Impacts**

The proposed bill establishes several new marijuana-related misdemeanor and felony offenses.

There is not enough information available to reliably estimate the increase in jail population as a result of this proposal. However, any increase in jail population will increase costs to the state. The Commonwealth currently pays the localities \$4.00 a day for each misdemeanant or otherwise local-responsible prisoner held in a jail and \$12.00 a day for each state-responsible prisoner. It also funds a considerable portion of the jails' operating costs, e.g. correctional officers. The state's share of these costs on a per prisoner, per day basis varies from locality to locality. However, according to the Compensation Board's most recent Jail Cost Report (November 2021), the estimated total state support for local jails averaged \$37.58 per inmate, per day in FY 2020.

Due to the lack of data, the Virginia Criminal Sentencing Commission has concluded, pursuant to §30-19.1:4 of the Code of Virginia, that the impact of the proposed legislation on state-responsible (prison) bed space cannot be determined. In such cases, Chapter 552, 2021 Acts of Assembly, Special Session I, requires that a minimum impact of \$50,000 be assigned to the bill.

The amount of civil penalty revenues deposited to the general fund from violations of the provisions of this legislation is indeterminate, as is the amount of revenue deposited to the Literary Fund generated due to the additional criminal penalties in this legislation.

- 9. Specific Agency or Political Subdivisions Affected:** Cannabis Control Authority, Department of Taxation, Department of Agriculture and Consumer Services, Department of State Police, Department of Education, Department of Corrections, and local and regional jails

- 10. Technical Amendment Necessary:** No

- 11. Other Comments:** None