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SENATE JOINT RESOLUTION NO. 67 AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the House Committee on Rules on February 19, 2020)

(Patron Prior to Substitute—Senator McClellan)

Directing the Joint Legislative Audit and Review Commission to study options for the regulation of adult use of cannabis and medical cannabis. Report.

WHEREAS, a growing number of states have legalized the adult use of cannabis with certain restrictions and conditions; and

WHEREAS, the sale of alcoholic beverages by the Virginia Alcoholic Beverage Control Authority has served the purpose of controlling the sale of alcoholic beverage products while at the same time generating millions of dollars to help fund state government programs; and

WHEREAS, a growing number of states continue to examine the possibility of legalizing the adult use of cannabis under various conditions and restrictions; and

WHEREAS, it is appropriate to study the development of a framework for regulated adult use of cannabis and medical cannabis; now, therefore, be it

RESOLVED by the House of Delegates, the Senate concurring, That the Joint Legislative Audit and Review Commission be directed to study options for the regulation of adult use of cannabis and medical cannabis.

In conducting its study, the Joint Legislative Audit and Review Commission (JLARC) shall (i) study and provide guidance on the potential creation of a Cannabis Control Commission to oversee licensing and regulation of industrial hemp, medical cannabis, and adult use of cannabis; (ii) provide regulatory guidance on potential tax rates and revenue forecasts for retail and wholesale products; (iii) study and make recommendations regarding the issuance of initial cultivation and retail licenses; (iv) develop and recommend a fee structure and grandfathering process for current pharmaceutical processors; (v) study and recommend potential cannabis advertising regulations; (vi) study and determine appropriate public consumption venues and personal cultivation allowances; (vii) study funding and processing requirements for expungement of criminal records and rights restoration related to cannabis decriminalization; (viii) study and recommend methods for diversifying ownership of the cannabis market; (ix) assess the California, Massachusetts, and Illinois cannabis programs and their effectiveness in transferring economic prosperity to disproportionately affected areas; (x) study the potential development of a community reinvestment fund; and (xi) review and analyze National Highway Traffic Safety Administration studies on cannabis-related impairment.

All agencies of the Commonwealth shall provide assistance to JLARC for this study, upon request.

The Joint Legislative Audit and Review Commission shall complete its meetings by November 30, 2020, and the chairman shall submit to the Division of Legislative Automated Systems an executive summary of its findings and recommendations no later than the first day of the 2021 Regular Session of the General Assembly. The executive summary shall state whether the Joint Legislative Audit and Review Commission intends to submit to the General Assembly and the Governor a report of its findings and recommendations for publication as a House or Senate document. The executive summary and report shall be submitted as provided in the procedures of the Division of Legislative Automated Systems for the processing of legislative documents and reports and shall be posted on the General Assembly's website.