

Department of Planning and Budget 2022 Fiscal Impact Statement

1. Bill Number: HB1192

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

2. Patron: Campbell, J.L.

3. Committee: General Laws

4. Title: Marijuana cultivation facility licenses; preference for certain Virginia farmers.

5. Summary: Provides that, if an act of assembly is passed by the 2022 Session of the General Assembly that creates a license that authorizes the licensee to cultivate retail marijuana and perform related activities, preference for the award of such licenses shall be given to farmers who have legally grown hemp in Virginia prior to October 1, 2021, and farmers from economically distressed areas in Virginia. The bill also provides that such licenses shall be issued beginning April 1, 2023.

6. Budget Amendment Necessary: See item 8.

7. Fiscal Impact Estimates: Preliminary. See item 8.

8. Fiscal Implications: The Virginia Department of Agriculture and Consumer Services, the Department of Forensic Science, and the Virginia State Police do not anticipate incurring a fiscal impact as a result of this bill.

According to the Virginia Cannabis Control Authority (CCA), the Authority, may have to secure additional resources to enable the CCA to: (1) gain expertise on the hemp industry/growers and farmers from economically distressed areas in Virginia; and (2) be able to develop and issue rules as well as process applications, on an accelerated time frame, for the licensing of hemp farmers and farmers from economically distressed areas to cultivate retail marijuana. If an additional resources are required, the CCA estimates a general fund expenditure impact of approximately \$85,000 annually.

9. Specific Agency or Political Subdivisions Affected: Virginia Department of Agriculture and Consumer Services, Department of Forensic Science, Virginia State Police, Virginia Cannabis Control Authority

10. Technical Amendment Necessary: No.

11. Other Comments: None