

Fiscal Summary: According to the Cannabis Control Authority (CCA), it will need three new employees, totaling \$356,981 annually. CCA will also incur additional operational expenses, totaling \$130,683 in fiscal year 2027, and \$37,176 in subsequent years. According to the Department of Criminal Justice Services (DCJS), it will need three new employees, totaling \$453,594 annually.

Department of Planning and Budget
2026 General Assembly Session
State Fiscal Impact Statement

General Fund Expenditure Impact

<u>Agency</u>	<u>FY2026</u>	<u>FY2027</u>	<u>FY2028</u>	<u>FY2029</u>	<u>FY2030</u>	<u>FY2031</u>
DCJS	0	\$453,594	\$453,594	\$453,594	\$453,594	\$453,594
TOTAL	0	\$453,594	\$453,594	\$453,594	\$453,594	\$453,594

Nongeneral Fund Expenditure Impact:

<u>Agency</u>	<u>FY2026</u>	<u>FY2027</u>	<u>FY2028</u>	<u>FY2029</u>	<u>FY2030</u>	<u>FY2031</u>
CCA	0	\$487,664	\$394,157	\$394,157	\$394,157	\$394,157
TOTAL	0	\$487,664	\$394,157	\$394,157	\$394,157	\$394,157

Position Impact:

<u>Agency</u>	<u>FY2026</u>	<u>FY2027</u>	<u>FY2028</u>	<u>FY2029</u>	<u>FY2030</u>	<u>FY2031</u>
CCA	0	3	3	3	3	3
DCJS	0	3	3	3	3	3
TOTAL	0	6	6	6	6	6

Fiscal Analysis:

Cannabis Control Authority (CCA): Under SB543, every adult use cannabis retail store in Virginia is required to prominently display a decal, to be created by the CCA, on the premises that allows consumers to electronically verify the validity of such store's license from the Board. CCA will require additional resources for the creation of a secure decal and dissemination to licensees.

This bill also requires the CCA to establish, advertise, and administer a tip line, which may be accessed by phone and by internet, for members of the public to anonymously report concerns about, or suspected instances of, illicit retail marijuana practices in violation of current law. According to CCA, it will need a total of three additional staff for administrative proceedings, compliance, and enforcement: two Inspectors and one Administrative Proceedings Officer. The cost for three additional FTE's is \$356,981 annually for salary and benefits. CCA will also need resources for IT services and equipment, motor vehicles, secure storage space, and travel within the Commonwealth of Virginia. The costs for these expenses will be \$130,683 in the first year, and \$37,176 in subsequent years. CCA anticipates these needs will be supported by taxes and/or licensing fee revenue. The fiscal impact of this bill assumes the creation of an adult-use retail market, with accompanying fiscal support from that legislation. If an adult-use retail market framework is not passed and this bill stands alone, additional fiscal impact will need to be added.

Virginia Department of Agriculture and Consumer Services (VDACS): VDACS anticipates being able to absorb any changes associated with the implementation of SB543.

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Department of Criminal Justice Services (DCJS): Under this bill, DCJS will need to create new mandatory basic and in service training standards for law enforcement officers focused on Virginia's marijuana and hemp laws. The required training would need to address the legal framework, methods for identifying unlawful marijuana and hemp products, available enforcement mechanisms and penalties, and coordination with the state agencies that oversee cannabis, alcohol, and agriculture.

According to DCJS, it anticipates the need for two Criminal Justice Analysts to design statewide training standards, coordinate with partner agencies, draft and update model policies, assist academies and law enforcement agencies as they adopt the new requirements, monitor compliance, and regularly revise training materials as laws and enforcement practices evolve, totaling \$278,202 annually for salary and benefits. Also, DCJS anticipates the need for a curriculum development and model policy supervisor to serve as a subject matter expert and oversee the creation and maintenance of model policies and lesson plans for basic, in-service, and advanced training, totaling \$175,392 annually for salary and benefits.

Other: None.