



Difference Between the Governor's Requested Rewrite and the General Assembly-Passed Sales Bill — Virginia HB 642/SB 42

In 2026, the Virginia General Assembly passed bills that ended up identical, HB 642/SB 542, to legalize, regulate, and tax cannabis sales to adult-use consumers. Gov. Abigail Spanberger requested a rewrite of the bill. On April 22, 2026, the General Assembly rejected her rewrite, which included re-criminalization of currently civil offenses, harsher penalties, a slower rollout and —after two years — higher taxes. Now, Gov. Spanberger can either sign the bill, veto it, or let it become law without her signature.

Here are the major differences between Spanberger’s version and the General Assembly’s bills:

	Governor’s Version	General Assembly Version
Offenses and Penalties: Underage Possession	Recriminalization. Makes it a Class 1 misdemeanor for minors to possess or use cannabis or use a fake ID to buy cannabis. Imposes a mandatory minimum fine of \$500 or a mandatory minimum of 50 hours of community service as a condition of probation. Minors’ driver’s licenses would be suspended for six months to a year, though a hardship exception is possible. The cannabis will be seized. For a first offense by someone 18-20 years old, the court may provide for a deferred prosecution and probation with drug treatment or education. The minor may have their driver’s license suspended.	Does not change existing law, which is a civil penalty. Someone 18-20 who unlawfully purchases cannabis is subject to a \$25 fine, a mandatory substance abuse treatment or education program, or both, and the cannabis shall be seized.
Offenses and Penalties: Using or Sharing Cannabis in a Public Place	Recriminalization. Makes using cannabis (even by non-smoked means) or sharing cannabis in a public place a Class 4 misdemeanor, even for a first offense. (A class 4 misdemeanor carries a fine of not more than \$250, along with creating a criminal record.)	Civil offense for first two offenses. Does not change existing law, which is: For a first offense, a \$25 fine for public use. For a second offense, a \$25 fine and treatment or education. For a third offense, a Class 4 misdemeanor.
When Sales Begin	No earlier than July 1, 2027	January 1, 2027
Possession Limit	Two ounces or the equivalent.	2.5 ounces or the equivalent.

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Taxes	6% initially, then 8% , in addition to standard sales taxes (5.3%) and local taxes of 1-3.5%	6% in addition to standard sales taxes (5.3%) and local taxes 1-3.5%
Allocation of the Net Proceeds	To the general fund "for purposes such as early childhood education, behavioral health, public health awareness, prevention, treatment, and recovery services, workforce development, reentry, indigent criminal defense, and targeted reinvestment in historically disadvantaged communities."	Until July 1, 2027, 75% of annual fees go to Cannabis Equity Business Loan Fund. Other than that, of the proceeds: *40% to early childhood care and education. *30% to the Cannabis Equity Reinvestment Fund. *25% for substance use disorder prevention and treatment programs. *5% to public health programs, including to prevent drugged driving, discourage youth consumption, and inform the public of other potential risks.
Cap on Retail Stores	Lower. Before January 1, 2029, the Authority cannot license more than 200 retailers.	Higher. Before January 1, 2028, the Authority cannot license more than 350 retailers
Licensing Timeline: Microbusinesses	No deadline or minimum number. The Authority will begin accepting applications for microbusiness licenses from hemp licensees, farmers, and impact licensees on or after September 1, 2026. There is no minimum number.	The Authority must issue 100 microbusiness licenses to applicants that are hemp licensees, farmers, and impact licensees or growers by December 1, 2026.
Licensing Timeline: 20 Licenses to Hemp Licensees	By February 1, 2027 , the Authority must issue up to 10 cultivation licenses and up to 10 processing facility licenses to industrial hemp growers or processors. They will pay a \$500,000 licensing fee, which can be paid in installments over three years.	By December 1, 2026 , the Authority must issue up to 10 cultivation licenses and up to 10 processing facility licenses to industrial hemp growers or processors. They will pay a \$500,000 licensing fee, which can be paid in installments.

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Licensing Timeline: Impact Licensees and Others	By February 1, 2027 , the authority must issue at least 55 additional licenses distributed among impact licensees and other license types.	By December 1, 2026 , the authority must issue at least 55 additional licenses distributed among impact licensees and other license types.
Pharmaceutical Processors' Dual Use Licenses	By May 1, 2027 , the authority must have verified pharmaceutical processors for dual-use privileges. They will pay a \$10 million fee, which may be payable in installments.	By December 1, 2026 , the authority must have verified pharmaceutical processors for dual-use privileges. They will pay a \$10 million fee, which may be payable in installments.
Tiered Cultivation Licenses	Removes the definitions of Tier I-V cultivation licenses, which were based on canopy size. Retains a couple of references (undefined) Tier V licenses.	Creates five tiers for cultivation facilities, based on canopy size, ranging from Tier I, with no more than 5,000 square feet of canopy, to Tier V with up to 35,000 square feet.
Additional Licenses	Starting January 1, 2029 , the Authority will decide how many retail licenses and Tier V cultivation licenses (which are not defined in the rewrite) to license. At least as many new licenses would be available to impact applicants as to all other applicants.	Starting January 1, 2028 , the Authority will decide how many retail licenses and Tier V cultivation licenses (which have up to 35,000 sq ft of canopy) to license. At least as many new licenses must be available to impact applicants as to all other applicants.

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<p>Crimes and Penalties: Unlawful Sales</p> <p>(Both bills repeal and replace current penalties, which are: For sales of under an ounce: Class 1 misdemeanor; For 1 ounce to five pounds: Class 5 felony; For more than five pounds: five to 30 years' incarceration.)</p>	<p>Varies penalties based on weight, with harsh maximum penalties. Unlawfully selling under five pounds or the equivalent is a Class 2 misdemeanor for a first offense, a Class 1 misdemeanor for a second offense, and a Class 6 felony subsequently. Penalties increase as the weight increases, and for subsequent offenses. Unlawfully selling 50 pounds or more carries the highest penalties: a Class 4 felony for a first offense and a Class 3 felony for a subsequent offense.</p> <p>(A Class 2 misdemeanor carries up to six months in jail. A Class 1 misdemeanor carries up to a year. A Class 6 felony carries up to five years. A Class 4 felony carries 2-10 years. A Class 3 felony carries 5-20 years.)</p>	<p>Does not vary penalties by weight of cannabis. Unlawful sales are a Class 2 misdemeanor for a first offense, a Class 1 misdemeanor for a second offense, and a Class 6 felony for subsequent offenses.</p> <p>(A Class 2 misdemeanor carries up to six months in jail. A Class 1 misdemeanor carries up to a year. A Class 6 felony carries up to five years).</p>
<p>Crimes and Penalties: Importing Large Amounts</p>	<p>Removes from current law a provision imposing a 5-40 year sentence for importing five pounds or more of marijuana, with a three year mandatory minimum. Makes transporting 50 or more pounds of cannabis into Virginia with an intent to sell a Class 2 felony, which carries up to life in prison.</p>	<p>Removes from current law a provision imposing a 5-40 year sentence for importing five pounds or more of marijuana, with a three year mandatory minimum.</p>
<p>Crimes and Penalties: Buffer Zones</p>	<p>Imposes a Class 1 misdemeanor (which carries up to a year in jail) for unlawful distribution or manufacture of cannabis at a school, recreational center, library, or within 1,000 feet of locations including school and a school bus stop during school.</p>	<p>N/A</p>
<p>Issues for the Joint Commission on Cannabis to Consider</p>	<p>The feasibility, benefits, and limitations of Virginia operating a cannabis testing facility.</p>	<p>On-site consumption, and allowing microbusinesses to sell cannabis at other locations in age-gated areas, such as farmers' markets.</p>
<p>Board Members of the Virginia Cannabis Authority</p>	<p>The governor appoints all seven members.</p>	<p>The governor appoints four members, the speaker of the House appoints two and Senate Rules appoints one.</p>

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Market Concentration	Leaves it to the Authority to set limits on market concentration.	Provides no one can hold an interest of 10% or more in more than five licensees (not including transporters).
Felony Ban on Ownership	Does not appear to specify that someone cannot hold an interest in a business if they have a felony or a conviction involving moral turpitude.	No one can own or hold a 10% or more interest in a license if they have a non-cannabis felony conviction or a conviction involving moral turpitude in the past seven years.
Preventing an Overconcentration of Stores	Not specifically provided for.	The Board can prevent an over- concentration of retailers in a locality.
Labeling, Packaging, and Testing Requirements	Leaves details of testing and labeling to the board, other than that cannabis products must include warnings including about impaired driving and using cannabis while pregnant.	Includes many specifics on testing, labeling, and packaging, including requiring QR codes to lab results, and child-resistant packaging. Requires instructions for use, potency labels, a universal symbol, and Board-created warnings.
Permissible Hemp Products	Limits hemp products to two milligrams of THC or 25 times the CBD compared to the amount of THC per package.	Limits hemp products to two milligrams of THC.
Hemp Enforcement	Includes language granting grace or leniency for some penalty provisions. Requires that, before assessing a civil penalty for a first violation for things related to labeling, but unrelated to potency, packaging, ingredients, and manufacturer identification, the board must issue a written notice of violation and give them 15 business days to correct it.	Does not include the same language.