Cannabis Laws

- 2026 Special Session – established a legal, adult-use retail cannabis market in Virginia.
- Virginia Cannabis Control Authority – power to regulate, tax, and license retail sales.
- Cannabis Control Act Title 4.1

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Virginia Code § 4.1-629(A): State Preemption

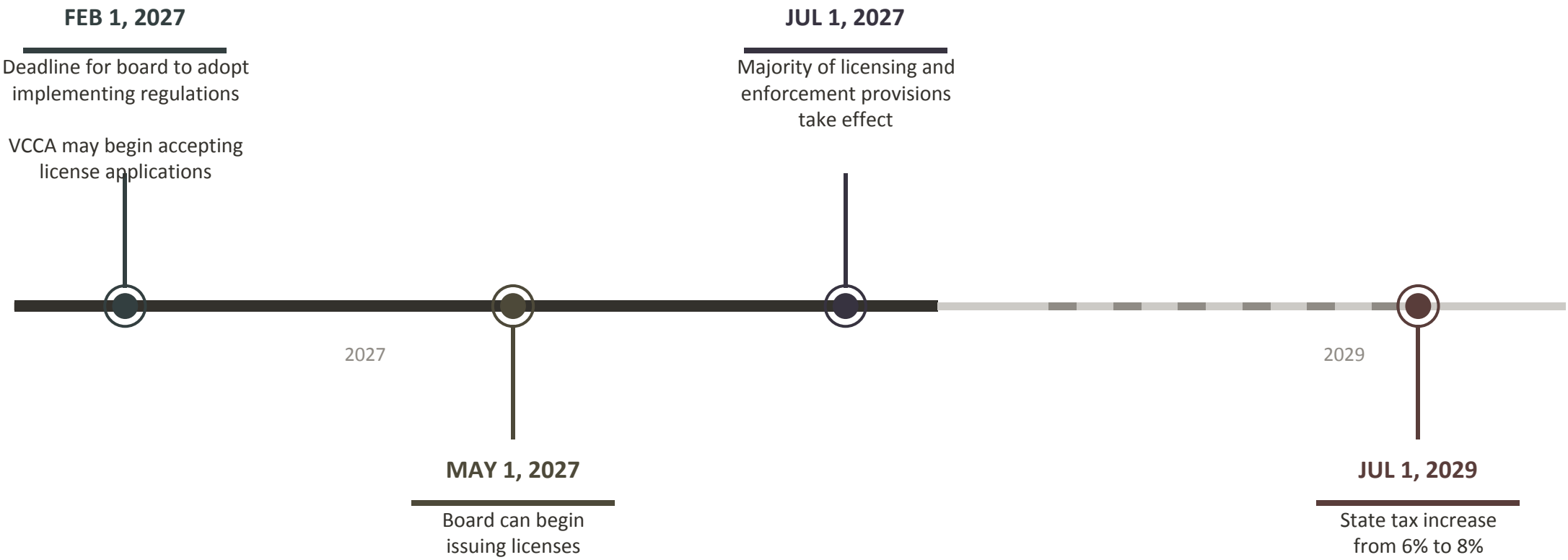
"No county, city or town shall, except as provided in §4.1-630, adopt any ordinance or resolution that regulates or prohibits the cultivation, processing, possession, sale, distribution, handling, transportation, consumption, use, advertising, or dispensing of marijuana or marijuana products."

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Implementation Timeline

Virginia Cannabis Control Authority — Licensing & Enforcement Milestones



Source: Virginia Cannabis Control Authority Regulatory Framework

License Types

Va. Code § 4.1-800 — Defined Facility Categories

Retail Cannabis Store

A licensed establishment where cannabis and cannabis products are sold directly to consumers.

Cannabis Cultivation Facility

A licensed facility for growing and harvesting cannabis plants.

Cannabis Mfg. Facility

A licensed facility for processing raw cannabis into finished cannabis products.

Cannabis Wholesaler

A licensed entity that purchases cannabis from cultivators or manufacturers for resale to retail stores.

Cannabis Testing Laboratory

A licensed independent lab that tests cannabis and cannabis products for quality, potency, and safety.

Localities May NOT

- Ban or “opt-out” of retail sales
- Impose a moratorium on cannabis sales
- Regulate the advertising of cannabis sales
- Regulate the product or packaging
- Cap the number of licenses within their boundaries
- Increase the VCCA buffer requirements
- Impose any tax other than the 3.5% local tax

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Localities MUST:

Make Tax Decisions

- Local tax rate may not be less than 1% and may not be more than 3.5%
- Once the tax rate is set (by ordinance) it cannot be changed for three years.

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Local Cannabis Tax for Towns

- County tax rates do not apply within Town limits
- Towns must independently levy their own local cannabis tax.
- Towns that fail to act will have no local tax revenue from sales that occur within the Town limits.

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Localities MUST

- Create internal administrative procedures
- The Town will receive information from the VCCA related to license approvals.
- The Town may object to a license, but failure to act within 30 days waives the County's right to make the objection.
- The Town needs internal procedures to ensure that communications from VCCA do not go unnoticed.

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Localities May

- Adopt an ordinance that prohibits public consumption of cannabis.
- Use Zoning as a way to regulate
- State code allows for buffers between retail establishments and schools, parks, daycare, etc.
- Localities can reduce the buffers, but not increase
- Establish hours of sales for retail establishments

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Zoning Ordinance Amendments

- The Town may amend its Zoning Ordinance:
  - Include definition section to incorporate definitions from VA Code § 4.1-600.
  - Establish zoning districts where retail sales will be allowed.

- Adopt ordinance to set minimum distances between retail stores and schools, daycare, hospitals, etc. (The buffer cannot be greater than 1,000 linear feet – Va. Code § 15.2-912.4)

- Adopt an ordinance that fixes the hours during which marijuana may be sold.

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Risks to Regulation

- Overly restrictive zoning ordinances may be considered a de facto ban

- CUP/SUP process *can* be used but could be seen as a de facto ban.

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Next Steps

- Determine Taxes
- Public Consumption laws
- Work with staff and the Planning Commission to amend zoning ordinance.
- Possible Amendments to the Zoning Ordinance

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