(SB970)

GOVERNOR'S VETO

Pursuant to Article V, Section 6, of the Constitution of Virginia, I veto Senate Bill 970, which establishes framework for creating a retail marijuana market in the Commonwealth.

The proposed legalization, which was vetoed last year, would establish the framework for retail marijuana, which endangers Virginians' health and safety. States following this path have seen adverse effects on children's and adolescent's health and safety, increased gang activity and violent crime, significant deterioration in mental health, decreased road safety, and significant costs associated with retail marijuana that far exceed tax revenue. It also does not eliminate the illegal black-market sale of cannabis, nor guarantee product safety. Addressing the inconsistencies in enforcement and regulation in Virginia's current laws does not justify expanding access to cannabis, following the failed paths of other states and endangering Virginians' health and safety. Law enforcement officials from across the Commonwealth have warned that this proposal poses a serious threat to public safety, attesting to increases in crime, arrests, and DUI incidents. Our local and state law enforcement agencies lack the necessary funding and staffing to effectively manage the emergence of a cannabis industry, fueling an international drug trade dominated by organized crime.

I. The Adverse Effects on Children's Health & Safety

The most concerning consequence of cannabis commercialization is its impact on adolescents and our children. Since 2016, poison center calls for children who have overdosed on edible cannabis products have skyrocketed by 400%. In Virginia alone, the Blue Ridge Poison Control Center has reported an 85% increase in minors overdosing on cannabis edibles since the Commonwealth legalized cannabis possession.

States with legal retail markets, such as Colorado, Washington, Ohio, and Massachusetts, have seen dramatic increases in cannabis-related poison control calls and emergency room visits for children. New York City schools have experienced an 8% increase in drug-related incidents among students, even as the overall K-12 population declined. Nationally, the Substance Abuse and Mental Health Services Administration has found that the five states with the highest rates of youth marijuana use all have legal retail cannabis markets.

Beyond immediate health risks, adolescent cannabis use has long-term consequences. Studies show that individuals who start using cannabis at younger ages are significantly more likely to develop severe and persistent substance use disorders. Research indicates that 11% of juveniles who consumed cannabis in 2023 and 21% of those who used it consistently for three years have developed cannabis use disorder. Doctors at Boston Children's Hospital have reported rising cases of psychosis linked to cannabis use in children, with many experiencing hallucinations or paranoia. Daily cannabis use among high school seniors remains troublingly high, with 6.5% of twelfth graders using cannabis every day. Unlike other substance use disorders, there are no effective medical treatments for cannabis addiction in children, and counseling alone has shown limited success in mitigating the damage caused by early cannabis use.

II. The Failures of States with Legalized Retail Marijuana

States that have attempted to regulate the black market for cannabis have failed catastrophically, leading to widespread crime, unsafe products, and financial losses. While Colorado is often touted as a model for legalization, a decade later, the black market still dominates, accounting for approximately 35% of all cannabis sales. California fares even worse—six years post-legalization, its legal cannabis market represents

only 10% of total cannabis sales. The persistence of illegal operations fuels gang activity, drives violent crime, and undermines public safety.

Even legal cannabis markets fail to ensure product safety. A study conducted by the New York Medical Cannabis Industry Association found that a shocking 40% of tested cannabis products failed to meet regulatory standards, containing dangerous contaminants such as E. coli, salmonella, and heavy metals. Similarly, in California, legal growers routinely evade state environmental regulations, labor laws, and product testing requirements, making the state's legal market no safer than the black market, as reported by PBS NewsHour.

The increasing potency of cannabis has also led to a surge in cannabis-induced disorders. Electronic health records show that in November 2023, cannabis-induced disorder rates had skyrocketed by 50% compared to 2019. Legalization has fueled a dangerous race to produce ever-stronger products—Washington State, for example, saw cannabis extracts gain 150% market share post-legalization, with potencies nearly triple that of traditional flower. The consequences of these high-potency products have become so severe that the Washington legislature is now reassessing the benefits of the legalization.

The promise of a financial windfall from cannabis legalization has been nothing more than a mirage. States with legal retail cannabis markets have consistently failed to convert black-market sales into regulated, taxable revenue. Projections of massive tax gains have fallen flat, with many states now facing the harsh reality of dwindling revenues and mounting social costs. A Colorado state study found that for every dollar generated in cannabis tax revenue, taxpayers spend approximately \$4.50 to address the negative consequences of legalization. These costs include, but are not limited to, healthcare burdens and increased law enforcement spending. Studies have shown that regular cannabis use significantly raises the likelihood of high school dropout rates, further compounding economic losses.

A 2023 analysis by the Federal Reserve Bank of Kansas City confirmed that cannabis legalization has failed on every front—driving up social costs, increasing substance use disorders, exacerbating homelessness, and fueling arrests—all while failing to deliver the promised tax revenues. The financial and societal burdens of legalization have left state governments worse off than before, proving that commercialized cannabis is a failed experiment with devastating consequences.

III. Increase in Violent Crime, Psychiatric Disorders, and Decline in Safety

According to the American Journal of Psychiatry, cannabis poses a greater risk of triggering psychosis than any other illicit drug. Cannabis-induced psychosis manifests in dangerous and unpredictable ways, including severe hallucinations, delusions, and distorted perceptions of reality. The consequences of these effects are not just personal—they have far-reaching implications for public safety and crime.

In 2022 alone, cannabis use was responsible for nearly 12% of all drug-related emergency department visits in the U.S., underscoring the scale of its impact on public health. Even more alarming is the strong correlation between psychosis and violent crime. Schizophrenia linked to cannabis-induced psychosis creates a major public safety crisis. Studies show that individuals diagnosed with schizophrenia are five times more likely to commit violent crimes and nearly twenty times more likely to commit murder. Those suffering from schizophrenia account for between 6% and 9% of all homicides—an indisputable connection between cannabis use and increased violence.

Cannabis legalization has also fueled a surge in crime across multiple categories. In Oregon, after legalization, violent crime, property crime, larceny, aggravated assault, and burglary all spiked significantly compared to states that maintained laws against commercial marijuana sales. The pattern is undeniable, legalization leads to greater lawlessness, not greater control.

The overwhelming consensus from leading medical journals and decades of research confirm a harsh reality: cannabis is neither safe nor beneficial. The experience of states that have legalized retail cannabis tells the same story—rising cannabis use, especially among minors, dangerously high THC potency levels, and escalating criminal activity.

Beyond the violence and mental health crises, cannabis also poses a deadly risk on the roads. In Colorado, following legalization, fatal crashes involving drivers who tested positive only for THC skyrocketed by 40%. Total marijuana-related traffic deaths surged by a staggering 76.2%, endangering the lives of innocent drivers and pedestrians alike.

Cannabis commercialization has failed, and will continue to fail, to deliver on its promises—it has actively endangered public health, fueled crime, and put lives at risk. States that have embraced legalization are now grappling with the devastating consequences of a failed experiment, and the cost of ignoring these warning signs will only continue to grow.

IV. Virginia's Current Cannabis System

The current illegal cannabis market in Virginia is pervasive and dangerous.

Marijuana carries the same dangers as other drugs; the Commonwealth recognized this when it created a medical marijuana system. Opioids and other controlled substances are highly regulated and require the consultation of a medical provider to mitigate their negative consequences. Even with those protections in place, these drugs have had perverse and dangerous consequences for Virginians. The same is true for marijuana.

Attempting to rectify the error of decriminalizing marijuana by establishing a safe and regulated marketplace is an unachievable goal. The more prudent approach would be to revisit the issue of discrepancies in enforcement, not compounding the risks and endangering Virginians' health and safety with greater market availability.

Accordingly, I veto this bill.