

# PA Governor Pushes for Cannabis Legalization in Budget

## **Pennsylvania Governor Calls for Cannabis Legalization in Budget Address, Emphasizing Economic Growth and Social Justice**

Pennsylvania Governor Josh Shapiro has issued a strong call for the legalization of adult-use cannabis, arguing that the state's current stance is outdated and economically detrimental. During his budget address on February 4, 2025, Shapiro highlighted the urgent need to tax and regulate cannabis sales, positioning Pennsylvania to benefit from an industry that is already flourishing in neighboring states. He pointed out that by failing to act, the commonwealth is losing out on billions in potential tax revenue while forcing residents to seek cannabis products across state lines.

## **Pennsylvania's Struggle to Keep Up with Neighboring States That Have Already Legalized Adult-Use Cannabis**

Shapiro underscored the fact that Pennsylvania is falling behind its neighbors, with Ohio, Maryland, New York, New Jersey, and Delaware already implementing adult-use cannabis programs. As surrounding states continue to generate revenue, create jobs, and reduce cannabis-related arrests, Pennsylvania remains trapped in outdated prohibition policies that fail to reflect the shifting public and political attitudes toward marijuana.

According to Shapiro, Pennsylvania's continued inaction has forced cannabis consumers to cross state borders to purchase products legally, funneling money into the economies of neighboring states. Cannabis executives from New Jersey and Maryland have reported that 60% of their adult-use customers are from Pennsylvania, further emphasizing the economic losses the state is experiencing. Without immediate legislative action, Pennsylvania risks being economically and socially left behind in the national cannabis reform movement.

## **Balancing Public Safety with Economic Opportunity Through a Well-Regulated Cannabis Market**

Governor Shapiro acknowledged that legalizing cannabis is a complex decision, particularly from a law enforcement and public safety perspective. However, he stressed that maintaining the status quo—where cannabis sales remain unregulated and controlled by the illicit market—is far more dangerous than establishing a legal and controlled industry.

He noted that a highly regulated adult-use cannabis market would allow the state to implement strong safety measures, including age restrictions, quality control standards, and consumer protections. These regulations would ensure that cannabis products remain out of the hands of minors and criminal organizations, while also generating legitimate tax revenue that can be reinvested into Pennsylvania communities.

## **Projected Economic Benefits of Cannabis Legalization and How Pennsylvania Plans to Use the Revenue**

One of the strongest arguments in favor of legalization is the significant financial impact it could have on Pennsylvania's economy. Under Shapiro's proposal, the legalization of adult-use cannabis would take effect on July 1, 2025, with sales beginning on January 1, 2026.

State analysts estimate that regulating and taxing adult-use cannabis could generate \$1.3 billion in revenue over the first five years. This funding would be strategically allocated toward initiatives aimed at restorative justice, economic development, and public health programs. Shapiro's budget outlines the following key allocations:

**\$10 million for restorative justice programs**, aimed at addressing the harms caused by cannabis criminalization, particularly in minority communities disproportionately affected by past prohibition laws.

**\$25 million to support small and diverse businesses**, ensuring that Pennsylvania's cannabis industry is **accessible to entrepreneurs from all backgrounds**.

Shapiro made it clear that Pennsylvania cannot afford to keep losing revenue to surrounding states, reinforcing the need for swift legislative action to legalize and regulate cannabis sales within the commonwealth.

### **Comprehensive Cannabis Legislation Aimed at Expungement and Criminal Justice Reform**

Beyond the economic benefits, Shapiro's cannabis legalization plan also includes criminal justice reforms to address the impact of past marijuana-related convictions. His proposal calls for the automatic expungement of records for individuals convicted of nonviolent possession of small amounts of marijuana, helping to remove barriers to employment and housing for thousands of Pennsylvanians.

Shapiro also emphasized the importance of equity and inclusion in the emerging cannabis market, ensuring that communities most affected by cannabis prohibition have the opportunity to participate in and benefit from the industry. This approach mirrors policies already enacted in states like New York and Illinois, which have prioritized social equity in cannabis licensing and investment programs.

### **Political Challenges in a Divided Pennsylvania Government That Could Hinder Legalization Efforts**

Despite the economic and social justice arguments in favor of cannabis legalization, Shapiro acknowledged that passing legislation in Pennsylvania's divided government will not be easy. Since 2015, the commonwealth has had a split legislature, with Democrats holding a narrow majority in the House and Republicans controlling the Senate with a 28-22 advantage.

However, bipartisan support for cannabis legalization has been growing. Several Republican lawmakers have recognized the economic potential of a regulated cannabis industry, leading to the introduction of bipartisan cannabis bills in both the House and Senate. State legislators, including Reps. Aaron Kaufer (R) and Emily Kinhead (D), as well as Sens. Sharif Street (D) and Dan Laughlin (R), have worked to build a consensus on legalization efforts.

While there is still resistance from conservative lawmakers, the potential financial gains and shifting public opinion could help move legislation forward. Polls indicate that a majority of Pennsylvania residents support cannabis legalization, putting additional pressure on lawmakers to act.

### **Support from Pennsylvania Cannabis Industry Leaders and Advocacy Groups Pushing for Legalization**

Shapiro's push for cannabis legalization has received strong support from industry leaders and advocacy organizations. The Pennsylvania Cannabis Coalition, representing existing medical marijuana businesses, has highlighted the state's robust cannabis infrastructure, which includes 32 active grower/processors and nearly 200 dispensaries. Industry experts argue that Pennsylvania's well-established medical cannabis framework could allow for a smooth transition to a regulated adult-use market.

In addition, pro-cannabis advocacy groups, such as ResponsiblePA, have emphasized the economic benefits of legalization, urging lawmakers to follow the lead of neighboring states. Industry professionals and activists believe that legalization will create thousands of jobs, stimulate local economies, and generate tax revenue that can be reinvested into the state.

### **Will Pennsylvania Finally Join Its Neighbors in Legalizing Cannabis in 2025?**

Governor Josh Shapiro's call for cannabis legalization marks one of the most significant policy shifts in Pennsylvania's recent history. With surrounding states already benefitting from regulated adult-use sales, Pennsylvania is at a crossroads. The economic incentives, public safety improvements, and social justice considerations make legalization an increasingly compelling option.

However, political divisions in the state legislature could delay progress, despite growing bipartisan support. The question remains whether Pennsylvania lawmakers will act swiftly to approve cannabis legislation or continue debating a policy that is quickly becoming a national standard.

As Shapiro pushes for legalization, the pressure is on Pennsylvania lawmakers to determine the future of the commonwealth's cannabis industry. The coming months will be crucial in deciding whether Pennsylvania finally embraces legal cannabis or remains one of the last holdouts in the region.

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