

## **Virginia MMJ Market Surges Past Expectations with \$30M Sales**

## **Virginia Medical Cannabis Sales Greatly Exceed Expectations**

Virginia's medical marijuana industry is off to a stronger-than-expected start, with sales nearly doubling early projections only two months into seed-to-sale tracking.

According to data from the Virginia Cannabis Control Authority (CCA), patients purchased \$29.94 million worth of cannabis products across 256,432 transactions in July and August.

The surge is significant given that MJBizDaily Factbook estimates projected total 2025 sales at only \$59 million. At the current pace, Virginia could reach that mark by midyear and potentially double annual expectations by December.

Virginia currently has about 103,900 registered medical cannabis patients, according to the Factbook.

### **Cultivation and Supply Growth**

State cultivators are also keeping pace with demand. Licensed operators reported harvesting 17,786 plants during the first two months of tracked operations, according to Metrc, Virginia's seed-to-sale software provider.

Under current law, the state allows only five "pharmaceutical processor" permits, each assigned by geographic region. That restriction means just a handful of multistate operators are authorized to produce and sell medical cannabis within Virginia.

### **Adult-Use Sales Still in Limbo**

Virginia holds a unique position as the only U.S. state where adult-use cannabis is legal under state law but commercial sales remain restricted to medical marijuana.

The stalemate stems from repeated vetoes by Republican Gov. Glenn Youngkin, who has blocked multiple attempts to launch an adult-use retail framework.

Still, advocates and cannabis businesses remain optimistic. A bipartisan commission is drafting new legislation, and commission chair Del. Paul Krizek told *Richmond BizSense* that proposals under consideration include:

- Licensing up to 350 retail stores statewide.
- Setting cultivation limits by plant count rather than canopy space.
- Allowing municipalities to opt out of permitting cannabis stores.

## **2026 Launch Hinges on Governor's Race**

The path forward for adult-use sales may depend on the outcome of this fall's gubernatorial election.

If Democratic candidate Abigail Spanberger wins, lawmakers say the chances of an adult-use market launching in 2026 are strong. Spanberger has signaled support for a regulated cannabis industry.

By contrast, Republican candidate Lt. Gov. Winsome Earle-Sears has taken a hardline stance against legalization, once declaring adult-use cannabis "will destroy us" and even boasting that she had fired an employee for marijuana use.

## **Multistate Operators Dominate**

Medical marijuana in Virginia is currently controlled by a handful of large multistate operators, a structure that has shaped debates over adult-use rollout.

The most recent vetoed bill would have restricted recreational sales to these companies, leaving smaller operators and potential equity licensees on the sidelines. The licensed players include:

- Ayr Wellness (which is in the process of liquidating assets).
- The Cannabist Co.
- Green Thumb Industries.
- Jushi Holdings.
- Verano Holdings Corp.

Industry observers note that limiting the adult-use market to these companies could further consolidate power among MSOs, while delaying equitable participation for small businesses and entrepreneurs.

## **What's Next for Virginia?**

With medical marijuana sales booming and demand for adult-use clear, Virginia is poised for rapid cannabis market expansion — but only if lawmakers and the governor can align.

For now, patients and licensed operators are fueling an unexpectedly strong medical cannabis sector. But the larger question remains: Will Virginia finally open the doors to adult-use sales, or will politics continue to stall progress?

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