



THE UNITED STATES VIRGIN ISLANDS  
OFFICE OF THE GOVERNOR  
GOVERNMENT HOUSE  
**Charlotte Amalie, V.I. 00802**  
**340-774-0001**

May 15, 2020

OFFICE OF THE  
SENATE PRESIDENT  
**2020 MAY 19 AM 10: 11**

**VIA MESSENGER**

The Honorable Novelle E. Francis, Jr.  
President  
Thirty-Third Legislature of the Virgin Islands  
Capitol Building  
St. Thomas, VI 00802

**Re: Governor's Resubmittal of Proposed Virgin Islands Cannabis Use Act**

Dear Mr. President:

On December 2, 2019 I submitted to the Legislature a Proposed Bill in the form of the *Virgin Islands Cannabis Use Act* to substantially amend Title 19, Chapter 34 as enacted by Act No. 8167. The Legislature met in Special Session on December 18, 2019 to hear testimony on the Bill. Subsequently, this Administration has conducted listening discussions with multiple Senators and the general public to provide explanatory information and to receive input for further revisions to the Proposed Bill.

I am pleased to now resubmit a further amended substitute proposed Bill that incorporates the product of collaboration and input from those multiple Senators who came forward and comments received from the public in townhall meetings.

Consideration of this proposed Bill is exigent given that the principal benefit of the revenues to be derived from this Bill are directed to assisting the stoppage of the hemorrhaging of the Government Employees Retirement System ("GERS"). I once again state that this Bill will not solve the GERS financial status; rather, it is one of the tools and we must continue to work together to find other means to shore up the System. It is also important that we utilize the present time while we are in the process of putting our economy back together in readiness for the post-COVID Pandemic environment, to put this revenue mechanism in place.

The members of my team stand ready to appear before the Committee of the Whole once more to review the details of the revised and resubmitted legislation.

Thank you for assisting and enabling this exigent matter to be attended to as promptly as

possible for the benefit of the People of the Virgin Islands.

Sincerely,



Albert Bryan, Jr.

Governor

*Enclosure*

**BILL NO. 33-** \_\_\_\_\_

THIRTY-THIRD LEGISLATURE OF THE VIRGIN ISLANDS  
OF THE UNITED STATES

**To amend Title 19, Chapter 34 of the Virgin Islands Code to expand the legalization of Medicinal Cannabis.**

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**PROPOSED BY THE GOVERNOR**

1           **WHEREAS**, the use of Cannabis for medicinal purposes was previously legalized by the  
2 Legislature of the Virgin Islands and signed into law by the Governor;

3           **WHEREAS**, expanding the use of Cannabis provides an opportunity to generate tax  
4 revenues to alleviate the deficit within the current Government Employee Retirement System and  
5 the ongoing deficits in the General Fund;

6           **WHEREAS**, expansion of the Cannabis industry provides additional opportunities  
7 including, increasing business ownership and employment opportunities for Virgin Islands  
8 residents;

9           **WHEREAS**, the legalization of Cannabis can alleviate social injustices experienced by  
10 persons subjected to the criminal justice system for simple possession of Cannabis;

11          **WHEREAS**, the Government must ensure that bona fide residents of the Virgin Islands  
12 have the ability to participate in the Medicinal Cannabis industry and must actively protect the  
13 rights of Virgin Islanders to participate in a meaningful way in the Medicinal Cannabis industry;

14          **WHEREAS**, it is also appropriate to recognize certain cultural and sacramental uses of  
15 Cannabis within the US Virgin Islands;

16          ***Be it enacted by the Legislature of the Virgin Islands:***

17          **SECTION 1.** Title 19, Chapter 34 of the Virgin Islands Code is hereby amended and  
18 substituted in its entirety to read as follows:

19           **CHAPTER 34. THE VIRGIN ISLANDS CANNABIS USE ACT**

20          **§774 – Short Title.**

21          This Act may be cited as “The Virgin Islands Cannabis Use Act”.

22          **§775 – Purpose.**

1 The purpose of this chapter is to establish a regulated system for the cultivation, manufacture, and  
2 distribution of Cannabis for Medical, Non-Certified, and Sacramental use. By establishing a  
3 regulated system, this Act provides oversight of the cannabis industry to protect public safety,  
4 improve public health, and create economic opportunities for the Virgin Islands and its bona fide  
5 residents.

6  
7 The intent of this Act is to establish control over the commercial cultivation, manufacture, and  
8 distribution of Cannabis as a business, which shall be maintained by bona fide residents of the  
9 Virgin Islands pursuant to law and regulations. Any attempts to circumvent this intent will be  
10 deemed null and void as a matter of public policy and any agreement attempting such  
11 circumvention is non-enforceable.

12  
13 Under this Act, persons over the age of twenty-one (21) that are legally responsible for their own  
14 medical decisions are considered authorized to possess, purchase, and consume Medicinal  
15 Cannabis on their own decision. As with any over-the-counter medicine, these adults are  
16 considered to be responsible for their own medical decisions and do not require a doctor's  
17 certification to qualify as a Non-Certified purchaser or user of cannabis and/or cannabis products.

18  
19 In the interest of the economic development and revitalization of the Virgin Islands, the Legislature  
20 of the Virgin Islands further determines that encouraging foreign and domestic investment in the  
21 Virgin Islands for the purpose of research and development will serve the interests of the people  
22 of the Virgin Islands.

23  
24 **§776 – Definitions.**

25  
26 As used in this chapter the following words, terms, and phrases have the following meaning:

27  
28 (a) **“Advertising” or “Advertisement”** means the act of providing consideration for the  
29 publication, dissemination, solicitation, or circulation of visual, oral, or written  
30 communications that induce any person to patronize a place of sale or purchase  
31 cannabis items. “Advertising” does not include packaging and labeling, consumer  
32 education materials, or branding. “Advertising” proposes a commercial transaction or  
33 otherwise constitutes commercial speech.

34  
35 (b) **“Adult Use Lounge”** means a space, determined by the Office of Cannabis Regulation  
36 pursuant to an issued permit, wherein individuals over the age of 21 may use Cannabis,  
37 commercial Cannabis products, or commercial Cannabis accessories. Said space may  
38 be public or private and may be owned by an individual, corporation, partnership,  
39 association, trust, government or entity, or any combination thereof.

40  
41 (c) **“Applicant”** means a person who has submitted an application for a Medical Cannabis  
42 Patient Card, Medical Cannabis Caregiver Card, Medical Cannabis License, or Medical  
43 Cannabis Permit, renewal, change of ownership, or change of location of a Medical  
44 Cannabis License pursuant to this Act, which application has been accepted for review  
45 but has not been approved or denied by the OCR.

- 1  
2       (d) “**Auto-Expungement Project**” means the review of criminal records of individuals  
3       convicted of Cannabis related crimes and the expungement of qualifying records, as  
4       determined by the Auto-Expungement Report and any subsequent amendments issued  
5       by the OCR.
- 6  
7       (e) “**Bona fide Practitioner-Patient Relationship**” means:  
8  
9               (1) A practitioner and patient have a treatment or consulting relationship,  
10          during the course of which the practitioner has completed an assessment  
11          of the patient’s medical history and current medical condition, including  
12          an appropriate in-person physical examination;  
13               (2) The practitioner has consulted with the patient with respect to the  
14          patient’s debilitating medical condition; and  
15               (3) The practitioner is available or offers to provide follow-up care and  
16          treatment to the patient, including, but not limited to, patient  
17          examinations.  
18  
19       (f) “**Branding**” means the promotion of a business’s brand through publicizing a  
20          Cannabis business by name, logo, or distinct design features of the brand.  
21  
22       (g) “**Business Entity**” means a legal entity incorporated pursuant to Title 13 of the Virgin  
23          Islands Code or formed under Title 26 of the Virgin Islands Code, whose shareholders,  
24          officers, directors, members, partners, or owners are each residents of the U.S. Virgin  
25          Islands as required by Section 785(a) of this Act and that is not publicly traded. A  
26          Business Entity and each of the persons who are its shareholders, officers, directors,  
27          members, partners, or owners are Owners.  
28  
29       (h) “**Cannabis**” or “**Medical Cannabis**” means all parts of the plant of the genus Cannabis  
30          whether growing or not, the seeds thereof, the resin extracted from any part of the plant,  
31          and every compound, manufacture, salt, derivative, mixture, or preparation of the plant,  
32          its seeds, or its resin, including cannabis concentrate. “Cannabis” or “Medical  
33          Cannabis” does not include industrial hemp, nor does it include fiber produced from  
34          the stalks, oil or cake made from the seeds of the plant, sterilized seed of the plant  
35          which is incapable of germination, or the weight of any other ingredient combined with  
36          cannabis to prepare topical or oral administrations, food, drink or other product.  
37          “Cannabis” or “Medical Cannabis” does not include “Hemp” or “Industrial Hemp” as  
38          specifically defined by the United States Department of Agriculture.  
39  
40       (i) “**Cannabis Business**” means a Cannabis Licensee or Micro-Cultivation Permittee. A  
41          Cannabis Business may include a Cannabis Non-Prescription Use Permittee.  
42  
43       (j) “**Cannabis Business Representative**” means an Owner, employee, or agent of a  
44          Cannabis Business and shall not include a Contractor or a Consultant.

- 1                     (k) “**Cannabis Concentrate**” means a specific subset of Cannabis Items that were  
2                     produced by extracting cannabinoids, through a solvent or non-solvent manufacturing  
3                     process, from Cannabis or Medical Cannabis or by combining extracted cannabinoids  
4                     with Cannabis or Medical Cannabis or other ingredients and are intended for use by  
5                     smoking or vaporizing.
- 6                     (l) “**Cannabis Cultivation License**” or “**Cannabis Cultivation Licensee**” means a  
7                     person licensed pursuant to this Code to operate a business as described in section 791  
8                     that cultivates Cannabis for sale to Medical Cannabis Licensees or Non-Certified Use  
9                     Permittees.
- 10                     (m) “**Cannabis Infused Product**” means any product that is comprised of Cannabis  
11                     Concentrate or Cannabis Flower and other ingredients and is intended for use or  
12                     consumption other than by smoking or vaporizing, including edible Cannabis-Infused  
13                     Products, Topical Cannabis-Infused Products, Transdermal Cannabis-Infused  
14                     Products, and Transmucosal Cannabis-Infused Products. An extract of Cannabis that  
15                     does not include any other non-cannabis ingredients but includes activated  
16                     cannabinoids intended for oral administration shall be considered an Edible Cannabis-  
17                     Infused Product.
- 18                     (n) “**Cannabis Item**” means raw Cannabis plant material, Cannabis Concentrate, and  
19                     Cannabis Infused Product.
- 20                     (o) “**Cannabis Manufacturing License**” means a person licensed pursuant to this Code  
21                     to operate a business as described in section 792 that manufactures Cannabis Items  
22                     for sale to other Cannabis Licensees.
- 23                     (p) “**Cannabis Paraphernalia**” or “**Medical Cannabis Paraphernalia**” means any  
24                     equipment, products, or material of any kind which are used, intended for use, or  
25                     designed for use in planting, propagating, cultivating, growing, harvesting,  
26                     composting, manufacturing, compounding, converting, producing, processing,  
27                     preparing, testing, analyzing, packaging, repackaging, storing, vaporizing, or  
28                     containing Cannabis, or for ingesting, inhaling, or otherwise introducing Cannabis into  
29                     the human body.
- 30                     (q) “**Cannabis Permit**”, “**Cannabis Permittee**”, “**Medical Cannabis Permit**”,  
31                     “**Medical Cannabis Permittee**”, “**Permit**” or “**Permittee**” means a person permitted  
32                     pursuant to this Code to engage in a Cannabis related activity, unless specific provision  
33                     or context provides otherwise. Cannabis Permittees include Micro-Cultivation  
34                     Permittees, Cannabis Non-Certified Use Permittee, Cannabis Temporary Non-  
35                     Certified Use Permittee, or Onsite Consumption Permittee.
- 36                     (r) “**Cannabis Product**” or “**Medical Cannabis Product**” means concentrated cannabis  
37                     products and cannabis products that are comprised of cannabis and other ingredients

1 and are intended for use or consumption, such as, but not limited to, edible products,  
2 ointments, and tinctures.

3

4 (s) **“Cannabis Non-Certified Use Permit”** or **“Cannabis Non-Certified Use**  
5 **Permittee”** means a person permitted pursuant to this Code to operate a business as  
6 described in section 790 *et seq.* that allows for the consumption of Cannabis or that  
7 permits the non-certified use of Cannabis Products. Patrons of such business shall be  
8 known as “Non-Certified Users”.

9

10 (t) **“Cannabis Research and Development License”** or **“Cannabis Research and**  
11 **Development Licensee”** means a person licensed pursuant to this Code to operate a  
12 business as described in section 797 who engages in research and development around  
13 Cannabis testing, genetics, seed manufacturing, plant tissue cultivation and  
14 manufacturing, with the intention of developing new products and technologies.

15

16 (u) **“Cannabis Temporary Non-Certified Use Permit”** or **“Cannabis Temporary**  
17 **Non-Certified Use Permittee”** means a Person permitted pursuant to this Code to  
18 operate a business as described in section 795 that allows for the temporary  
19 consumption of Cannabis. Patrons of such business shall be known as “Non-Certified  
20 Users”.

21

22 (v) **“Cardholder”** means a Qualifying Patient or a Designated Caregiver who has been  
23 issued and possesses a valid Medical Cannabis Registry Card issued by the OCR.

24

25 (w) **“Child-Resistant”** means special packaging that is:

- 26
- 27 (1) Designed or constructed to be significantly difficult for children under five (5)  
28 years of age to open and not difficult for normal adults to use properly as  
29 defined by 16 C.F.R. 1700.20 (1995);  
30 (2) Opaque so that the packaging does not allow the product to be seen without  
31 opening the packaging material; and  
32 (3) Resealable for any product intended for more than a single-use or containing  
33 multiple servings.

34

35 (x) **“Consultant”** means a person who visits the Licensed Premises of a Cannabis Licensee  
36 or Medical Cannabis Licensee on a temporary basis to perform a service related to  
37 advising a Cannabis Licensee or Medical Cannabis Licensee on the cultivation, curing,  
38 processing, internal-testing, storing, packaging, labeling, manufacturing,  
39 transportation, transfer, purchase, and sale of Cannabis Items or Medical Cannabis  
40 Items.

41

42 (y) **“Consumer Education Materials”** means any informational materials that seek to  
43 educate consumers about rules and regulations within the Cannabis industry  
44 generally, including, but not limited to, education regarding the safe consumption of  
45 Cannabis, regulated Cannabis Concentrate, or regulated Cannabis Products, provided

1           it is not distributed or made available to individuals under twenty-one (21) years of  
2           age.

3           (z) “**Container**” means the sealed package in which Cannabis Items or Medical Cannabis  
4           Items are placed for sale to a Use Permittee or Qualified Patient.

5  
6           (aa) “**Contractor**” means a Person other than a Cannabis Business Representative or  
7           Medical Cannabis Business Representative, who visits the Licensed Premises of the  
8           Cannabis Business on a temporary basis to perform a service, maintenance, or repair in  
9           a manner that does not qualify the Person as a Consultant.

10  
11          (bb) “**Crime of Violence**” has the same meaning as defined in Title 23 section 451(g)  
12          of the Virgin Islands Code.

13  
14          (cc) “**Cultivation Facility**” means an entity registered with the OCR pursuant to this  
15          chapter that acquires, possesses, cultivates, delivers, transfers, transports, supplies, or  
16          sells Cannabis and related supplies to Cannabis establishments.

17  
18          (dd) “**Deliver**” means the commercial transfer of Medical Cannabis Items from a  
19          Medical Cannabis Dispensary, up to an amount determined by the OCR, to a Qualified  
20          Patient. “Delivery” also includes the use of any technology platform that enables  
21          Qualified Patients to arrange for or facilitate the commercial transfer by a Medical  
22          Cannabis Dispensary of Medical Cannabis Items. All deliveries shall comply with  
23          federal laws and regulations.

24  
25          (ee) “**Designated caregiver**” means an individual identified in writing, pursuant to the  
26          provisions of Title 19, Chapter 11, sections 779 and 780 of the Virgin Islands Code, and  
27          who also:

- 28           (1) is at least 21 years of age;  
29           (2) has been designated in writing by the Qualified Medical Cannabis Patient  
30           or the parent or legal guardian of the Medical Cannabis Patient, and who  
31           may possess, purchase, or administer Medical Cannabis to a Medical  
32           Cannabis Patient  
33           (3) has agreed to assist with a Qualifying Patient’s medicinal use of Cannabis;  
34           (4) has not been convicted of a disqualifying felony offense; and  
35           (5) assists no more than three qualifying patients, including him or herself, with  
36           their medicinal use of cannabis, unless the designated caregiver’s qualifying  
37           patients each reside in or is admitted to a health care facility or residential  
38           care facility where the designated caregiver is employed.

39  
40          (ff) “**Designated Consumption Area**” means a designated area where Qualified  
41          Patients or Non-Certified Users are expressly permitted to consume Medical  
42          Cannabis or Cannabis Items.

43  
44          (gg) “**Disqualifying Felony Offense**” means: (1) a crime that was classified as a felony  
45          in the jurisdiction where the person was convicted; (2) a violation of a state,  
46          territorial, or federal controlled substances law, that was classified as a felony in

1                   the jurisdiction where the person was convicted, not including: (A) an offense for  
2                   which the sentence was completed, including any term of probation, or supervised  
3                   release; or (B) an offense that consisted of conduct for which this chapter would  
4                   likely have prevented a conviction, but the conduct either occurred prior to the  
5                   enactment of this chapter or was prosecuted by an authority other than the Virgin  
6                   Islands.

- 7
- 8                   (hh)     **“Edible Cannabis Product”** means a Cannabis-Infused Product that is intended to  
9                   be taken by mouth, swallowed, and is primarily absorbed through the  
10                  gastrointestinal tract. Edible cannabis-infused products may be psychoactive when  
11                  used as intended. Without limitation, edible cannabis-infused products may be in  
12                  the form of food, beverage, capsule, or tablet.
- 13
- 14                  (ii)     **“Female-operated Bona Fide Virgin Islands Entity”** means a bona fide Virgin  
15                  Islands entity that is owned and controlled by females who are citizens of the United  
16                  States and permanent residents of the Virgin Islands, in which at least 51% of the  
17                  ownership interest is held by females and the management and daily business  
18                  operations of which are controlled by one or more females, or, in the case of a  
19                  corporation that has issued stock, of which at least 51% of the capital stock is owned  
20                  by one or more females.
- 21
- 22                  (jj)     **“Financial Interest”** means any right or entitlement to any portion of revenue or  
23                  profit from the sales of a Cannabis Business or Medical Cannabis Business,  
24                  including a Reasonable Royalty or Permitted Interest. A Financial Interest does not  
25                  include an Indirect Interest. Except as otherwise provided by this Act, a Financial  
26                  Interest holder shall not be permitted to exercise control over the Cannabis Business  
27                  or Medical Cannabis Business. A holder of the Financial Interest may not be a  
28                  publicly-traded company or consist of any other multipart corporate structure that,  
29                  in the discretion of the OCR, renders it impracticable or impossible for the OCR to  
30                  conduct its background investigation on all relevant parties and beneficiaries of the  
31                  Applicant or that limits or prevents full and direct transparency to underlying  
32                  direct or indirect ownership, beneficial or otherwise.
- 33
- 34                  (kk)     **“Financial Interest Holder”** means any person entitled to a Financial Interest  
35                  pursuant to this Act, including a Reasonable Royalty Holder and a Permitted  
36                  Interest Holder. A Financial Interest Holders is not an Unaffiliated Third Party.
- 37
- 38                  (ll)     **“Flowering Canopy”** means the total square feet of all Flowering Cannabis Plants  
39                  on the Licensed Premises of a Cannabis Cultivation Licensee.
- 40
- 41                  (mm)   **“Flowering Cannabis Plant”** means a Cannabis plant in a light cycle  
42                  intended to stimulate the production of flowers, trichomes, and cannabinoids  
43                  characteristic of Cannabis.
- 44                  (nn)     **“Immature Cannabis Plant”** means a nonflowering cannabis plant that is no taller

1 than eight (8) inches and no wider than eight (8) inches, is produced from a cutting,  
2 clipping, or seedling, and is in a cultivating device.

3  
4 (oo) **“Immediate family member”** means a spouse, parent, or child.  
5

6 (pp) **“Indirect Interest”** means any interest in a Cannabis Business or Medical  
7 Cannabis Business License that does not rise to the level of a Financial Interest. An  
8 Indirect Interest may include but is not limited to a Person’s right to receive  
9 commercially reasonable rent payments on a fixed basis pursuant to a bona fide  
10 lease agreement, secured or unsecured loans, or security interest in fixtures or  
11 equipment with a direct nexus to the cultivation, manufacture, sale, transportation,  
12 or testing of Cannabis, a consulting fee on a fixed basis for services that are allowed  
13 under this Act, or a person who receives a bonus as an employee if the employee is  
14 on a fixed wage or salary and the bonus is based on a written incentive/bonus  
15 program that is standard and customary for the services rendered. Except as  
16 otherwise provided by these rules, an Indirect Interest holder shall neither exercise  
17 control of nor be positioned so as to enable the exercise of control over the Cannabis  
18 Business or Medical Cannabis Business Licensee. A holder of an Indirect Interest  
19 is not an Unaffiliated Third Party.  
20

21 (qq) **“Interest”** means any Financial Interest or Indirect Interest in a Cannabis Business  
22 or Medical Cannabis Business Licensee. A holder of an Interest is not an  
23 Unaffiliated Third Party.  
24

25 (rr) **“Inventory Tracking System”** means an electronic tracking system approved by  
26 the OCR pursuant to section 790 that all Licensees are required to utilize, that tracks  
27 Cannabis Items from either the seed or immature plant stage until the Cannabis  
28 Item is sold to a Non-certified Medical User or Qualified Patient or is destroyed.  
29 Cannabis Business Licensees and Medical Cannabis Business Licensees may  
30 utilize a third-party seed-to-sale tracking system if such system is approved by the  
31 OCR and is able to transmit the required information to the “Inventory Tracking  
32 System”.  
33

34 (ss) **“Licensee”, “License”, “Medical Cannabis Licensee”, or “Medical Cannabis  
35 License”** means a Person Licensed pursuant to this Code. Cannabis Licensees or  
36 Medical Cannabis Licensees include Cannabis Cultivation Licensees, Cannabis  
37 Manufacturing Licensees, and Medical Cannabis Dispensary Licensees.  
38

39 (tt) **“Licensed Premises”** means the premises specified in an application for a License  
40 under this Code, which are owned or in possession of the Licensee and within which  
41 the Licensee is authorized to cultivate, manufacture, distribute, or sell Cannabis  
42 Items in accordance with this Code.  
43

44 (uu) **“Limited Access Area”** means a building, room, or other contiguous areas upon the  
45 Licensed Premises where Cannabis Items are cultivated, manufactured, stored,  
46 weighed, packaged, sold, or processed for sale under control of the Licensee.  
47

- 1  
2       (vv) “**Majority Ownership**” or “**Majority Owner**” means a person or group of  
3 persons who are Owners of, or control more than fifty-one percent (51%) of the  
4 equity interest, voting rights, and profits interest in a Cannabis Business or  
5 Cannabis Business on a fully diluted basis.
- 6  
7       (ww) “**Manager**” means any person who is not an Owner or holder of a Financial Interest  
8 and to whom a licensed Cannabis Business has delegated discretionary authority to  
9 organize, direct, carry on or supervise day to day operations.
- 10  
11      (xx) “**Medical Cannabis Adult Use Permit**” means a permit provided by the OCR that  
12 each individual shall be required to validly possess before purchasing any Cannabis  
13 items from a Dispensary.
- 14  
15  
16      (yy) “**Medical Cannabis Business**” or “**Cannabis Business**” means a Medical  
17 Cannabis Licensee or Micro-Cultivation Permittee or Cannabis Business Licensee  
18 or Non-certified Cannabis Use Permittee. Operation of a Medical Cannabis  
19 Business shall be strictly operated for medical dispensary purposes under the  
20 provisions of section 793.
- 21  
22       zz) “**Medical Cannabis Business Representative**” or “**Cannabis Business  
23 Representative**” means an Owner, employee, or agent of a Medical Cannabis  
24 Business and shall not include a Contractor or a Consultant.
- 25  
26      (aaa) “**Medical Cannabis Concentrate**” means a specific subset of Medical Cannabis  
27 Items that were produced by extracting cannabinoids, through a solvent or non-  
28 solvent manufacturing process, from Medical Cannabis or by combining extracted  
29 cannabinoids with Medical Cannabis or other ingredients and are intended for use  
by smoking or vaporizing.
- 30  
31      (bbb) “**Medical Cannabis Cultivation License**” or “**Medical Cannabis Cultivation  
32 Licensee**” means a person licensed pursuant to this Code to operate a business as  
33 described in section 791 that cultivates Medical Cannabis for sale to other Medical  
Cannabis Licensees.
- 34  
35      (ccc) “**Medical Cannabis Dispensary License**” or “**Medical Cannabis Dispensary  
36 Licensee**” means a person licensed pursuant to this Code to operate a business as  
37 described in section 793 that sells Medical Cannabis Items and Medical Cannabis  
Paraphernalia to Qualified Patients.
- 38  
39      (ddd) “**Medical Cannabis Certified Patient**” means an individual who is referenced in  
40 a Medical Cannabis Registry Form signed by a licensed practitioner, certifying that  
41 in the practitioner’s professional opinion, the patient has a Qualifying Medical  
Condition.

- 1                         (eee) **Medical Cannabis Registry Card**" means an identification card provided by the  
2                         OCR signifying the individual's status as a Medical Cannabis Certified Patient.
- 3                         (fff) **"Medical Cannabis Registry Form"** means a form created by the OCR for the  
4                         purposes of a practitioner certifying an individual as a Medical Cannabis  
5                         Certified Patient.
- 6                         (ggg) **"Medicinal Use"** includes the acquisition, administration, cultivation,  
7                         manufacture, delivery, harvest, possession, preparation, transfer,  
8                         transportation, or use of Cannabis or paraphernalia relating to the  
9                         administration of Cannabis to treat or alleviate a registered qualifying  
10                         patient's debilitating medical condition or symptoms associated with the  
11                         patient's debilitating medical condition. The term does not include:  
12                                 (1) the cultivation of Cannabis by a nonresident cardholder;  
13                                 (2) the cultivation of Cannabis by a cardholder who is not designated as  
14                                 being allowed to cultivate on the cardholder's registry identification  
15                                 card; or  
16                                 (3) the extraction of resin from Cannabis by solvent extraction unless the  
17                                 extraction is done by a Cannabis product manufacturing facility.  
18  
19                         (hhh) **"Merit-Based Application Process"** means the process, as described in  
20                         sections 777 and 786, by which the OCR selects Cannabis Licensees.
- 21                         (iii) **"Micro - Cultivation Permit"** or **"Micro -Cultivation Permittee"** means  
22                         an individual, or group of individuals, authorized pursuant to this Code to  
23                         operate a business at a specific location as described in section 794 that allows  
24                         for the small-scale cultivation of Cannabis for commercial sale to a Cannabis  
25                         Licensee.
- 26                         (jjj) **"Micro - Cultivation Site"** means the specific location within an address,  
27                         as designated by a Micro-Cultivation Permittee, where the small-scale  
28                         cultivation of Cannabis for commercial sale to a Cannabis Licensee is  
29                         permitted to occur.
- 30                         (kkk) **"Minority Ownership"** or **"Minority Owner"** means a person who is an  
31                         Owner of, or controls less than fifty percent (50%) of a Cannabis Business  
32                         or Medical Cannabis Business on a fully diluted basis.
- 33  
34                         (lll) **"Minority Protections"** means control exerted over a Cannabis Business  
35                         which does not extend to direct or indirect control over day-to-day operations,  
36                         but may include a veto right over the actions listed below. Notwithstanding

1 anything herein, nothing in this section is intended to modify the rights of any  
2 shareholder under Title 13 of the Virgin Islands Code. In the event of a conflict  
3 between this Act and Title 13 of the Virgin Islands Code, Title 13 shall control:

- 4 (1) Amendment of the organizing documents of the Cannabis Business;  
5 (2) The decision to sell all or substantially all of the assets, or a decision to  
6 change the Majority Owner;  
7 (3) Any issuance of additional equity in the Cannabis Business;  
8 (4) Any material change in the line of business of the Cannabis Business;  
9 (5) Any material incurrence of debt; and  
10 (6) Any other material decision substantially similar to those enumerated  
11 above.

12  
13 (mmm) "**Modification of Premises**" means the substantial change in the use or  
14 structure of a Cannabis Licensee's Licensed Premises as described in sections  
15 778 and 790-796.

16 (nnn) "**Non-Certified Medical Use**" includes all use of Cannabis Items or  
17 paraphernalia by Non-Certified Use Permittee or for Sacramental Use in such  
18 restricted or designated areas and facilities provided by law or by the OCR,  
19 and shall not include cultivation or extraction of Cannabis or Cannabis  
20 products. Persons over the age of twenty-one (21) that are legally responsible  
21 for their own medical decisions are authorized on their own written  
22 certification to possess, purchase, and consume Medicinal Cannabis. As with  
23 any over-the-counter medicine, these adults are considered to be responsible  
24 for their own medical decisions and do not require a doctor's certification to  
25 qualify as a Non-Certified purchaser or user of cannabis and/or cannabis  
26 products

27 (ooo) "**Non-Certified Use Permit**" means a Non-certified Cannabis Use Permit,  
28 Medical Cannabis Temporary Non-Certified Use Permit, or an Onsite  
29 Consumption Permit. Individuals issued such permits shall be designated  
30 "Non-Certified Users".

31 (ppp) "**Nonresident Medical Cannabis Card**" means valid documentation that  
32 exempts the individual from criminal prosecution for the purchase,  
33 possession, and use of Medical Cannabis under the laws of the issuing state or  
34 jurisdiction, and indicates all of the following:

35 The issuance of the card is conditioned upon a practitioner advising the individual  
36 that the medical use of cannabis may mitigate symptoms or effects of the person's  
37 medical condition;

- 1                     (1) The card has an expiration date or requires periodic re-evaluations,  
2                         the period of required re-evaluation has not passed, and the card has  
3                         not yet expired;  
4                     (2) The designated cardholder has been diagnosed with a debilitating  
5                         medical condition, or is the parent, guardian, conservator, or other  
6                         person with authority to consent to the medicinal treatment of a  
7                         person who has been diagnosed with a debilitating medical  
8                         condition;  
9                     (3) The designated cardholder is not a resident of the Virgin Islands or  
10                      who has been a resident of the Virgin Islands for less than 45 days;  
11                     (4) The card issued is currently valid and is similar to the USVI Medical  
12                         Cannabis Card or the equivalent of a Medical Cannabis Card  
13                         registered and authorized by another state, district, territory,  
14                         commonwealth, insular possession of the United States, or country  
15                         recognized by the United States that allows the person to use  
16                         cannabis for medicinal purposes in the jurisdiction of issuance;  
17                     (5) The cardholder has submitted any documentation required by the  
18                         OCR and has received confirmation of registration; and  
19                     (6) The cardholder is otherwise a Qualified Patient as defined in this  
20                         chapter.

21  
22                     (qqq) **“Nonresident in-patient cardholder”** means a person who:

- 23  
24                     (A) has been diagnosed with a debilitating medical condition, or is the parent,  
25                         guardian, conservator, or other person with authority to consent to the medicinal  
26                         treatment of a person who has been diagnosed with a debilitating medical  
27                         condition;  
28                     (B) is not a resident of the Virgin Islands or who has been a resident of the Virgin  
29                         Islands for less than 45 days;  
30                     (C) is attending or participating in medicinal cannabis treatment in the Virgin  
31                         Islands under the supervision of a practitioner in the Virgin Islands, and has  
32                         been issued a temporary non-resident valid registry identification card by the  
33                         Virgin Islands for the duration of the non-resident in-patient’s treatment, and  
34                         which may be extended by the OCR for good cause shown; and  
35                     (D) has submitted any documentation required by the OCR and has received  
36                         confirmation of registration as an in-patient.

37  
38                     (rrr) **“Office of Cannabis Regulation (“OCR”)”** means the government agency charged  
39                         with implementing this chapter and administering its provisions and regulations.

40  
41                     (sss) **“Onsite Consumption Permit”** means a permit issued to a Medical Cannabis  
42                         Cultivation Licensee authorizing limited onsite consumption of Cannabis at the  
43                         Licensed Premises.

43                     (ttt) **“Owner”** means a natural Person or Business Entity that owns any share of

1 stock or membership interest in a Medical Cannabis License, including but not  
2 limited to, the officers, directors, members, or partners of the Cannabis  
3 Licensee, and any person in receipt of or who has the right to receive any share  
4 of the revenues or profits derived from the Cannabis Business or Medical  
5 Cannabis Business that is not a Financial Interest approved by the OCR.  
6 "Owner" shall include any and all types of legal entities, individually or as a  
7 group, that may be formed as comingled or derivative ownership structures  
8 for the purpose of being an Owner or participating, in any manner, in the rights  
9 and/or privileges typically reserved for Owners. "Owner" for purposes of this  
10 statute does not include an owner who holds the License or shares or any  
11 other interests in any entity, for which he or she is not the actual beneficial  
12 owner.

13 (uuu) **"Permitted Interest"** means a right to obtain an ownership interest, right  
14 to control, or share of profits or revenues in a Cannabis License or Medical  
15 Cannabis License pursuant to a Permitted Interest Agreement where the  
16 holder of such Permitted Interest is a Natural Person who is a lawful U.S.  
17 citizen whose right to ownership in the Cannabis License is contingent on the  
18 Permitted Interest Holder's qualification, approval by the OCR, and licensure  
19 as an Owner. A "Permitted Interest" is a Financial Interest.

20 (vvv) **"Permitted Interest Agreement"** means the agreement between the  
21 Permitted Interest Holder and Cannabis Licensee setting forth the terms and  
22 conditions upon which the Permitted Interest Holder has a right to obtain  
23 ownership interest, right to control, or share of profits or revenues in a  
24 Cannabis License. A Permitted Interest Agreement may be in the form of a  
25 convertible debt option, option agreement, warrant or any other agreement as  
26 defined by the OCR.

27 (www) **"Permitted Interest Holder"** means the holder of a Permitted  
28 Interest. A "Permitted Interest Holder" is a Financial Interest Holder and must  
29 be a Natural Person who is a lawful U.S. citizen.

30 (xxx) **"Person"** means a Natural Person, partnership, association, company,  
31 corporation, limited liability company, organization, trust or similar entity,  
32 estate, joint venture, or a manager, agent, owner, director, servant, officer, or  
33 employee thereof; except that "Person" does not include any governmental  
34 organization.

35 (yyy) **"Pesticide"** means (1) a substance or mixture of substances intended for  
36 preventing, destroying, repelling, or mitigating any pest, or (2) any substance

1 or mixture of substances intended for use as a plant regulator, defoliant, or  
2 desiccant. For the purposes of this chapter, the definition includes herbicides  
3 regulated under the Federal Insecticide, Fungicide, and Rodenticide Act  
4 ("FIFRA").

5 (zzz) **"Practitioner"** means a person who is licensed and in good standing in the  
6 Virgin Islands as a medical doctor, osteopath, naturopath, homeopath,  
7 chiropractor, practitioner's assistant who maintains, in good standing, a  
8 license to practice medicine issued by the U.S. Virgin Islands or with respect to  
9 any non-resident medical cannabis card, any practitioner or other person  
10 qualified under the laws of the jurisdiction of residence of any non-resident to  
11 prescribe medical cannabis.

12 (aaaa) **"Qualifying Medical Condition"** means:

- 13 1. Cancer;
- 14 2. Glaucoma;
- 15 3. Positive status for Human Immunodeficiency Virus (HIV);
- 16 4. Acquired Immune Deficiency Syndrome (AIDS);
- 17 5. Hepatitis C;
- 18 6. Amyotrophic Lateral Sclerosis (ALS);
- 19 7. Crohn's Disease;
- 20 8. Parkinson's Disease;
- 21 9. Post-Traumatic Stress Disorder;
- 22 10. Multiple Sclerosis;
- 23 11. Severe nausea;
- 24 12. Autism;
- 25 13. Any condition for which a practitioner would prescribe an opiate for pain;  
26 or
- 27 14. Any other conditions as certified in writing by a practitioner that, in the  
28 professional opinion of the practitioner, the potential benefits of the medical  
29 use of cannabis would likely outweigh the health risks for the Qualifying  
30 Patient.

31 (bbbb) **"Qualified Patient"** or **"Patient"** means (1) an individual twenty-one (21) years  
32 of age or older with legal responsibility for their own medical decisions or (2) an  
33 individual less than twenty-one (21) years of age or who otherwise is not legally  
34 responsible for their own medical decisions, with a valid, signed Medical Cannabis  
35 Certification Form or Nonresident Medical Cannabis Card and consent of their  
36 legal parent or guardian for the above Medical Cannabis Cards.

37 (cccc) **"Reasonable Royalty"** means a right to a royalty payment for the use of licensed  
38 Intellectual property in the form of technology, brands, trade secrets, trademarks,  
39 copyrights, or other intellectual property approved by the OCR related to the  
40 production, sale, or distribution of Cannabis or Cannabis Items based on the value  
41  
42

1 of gross revenue generated from the manufacturing or processing of Cannabis or  
2 Cannabis Products. While no specific percentage of such revenue can be deemed  
3 reasonable for purposes of this section, whether a rate is reasonable is subject to  
4 the discretion of the OCR pursuant to factors set forth by the OCR in accordance  
5 with *Georgia-Pacific Corp. v. United States Plywood Corp.*, 318 F. Supp. 1116,  
6 1119-20 (S.D.N.Y. 1970), or its progeny and in no event shall the OCR approve  
7 an agreement for a Reasonable Royalty where such agreements transfer more than  
8 thirty percent (30%) of the gross wholesale revenue of the Cannabis Business  
9 derived from the use of the licensed intellectual property to the Reasonable Royalty  
10 Holder.  
11

12 (dddd) **“Reasonable Royalty Holder”** means any Person who receives a Reasonable  
13 Royalty in exchange for a Licensee’s use of the Reasonable Royalty Holder’s  
14 intellectual property. A Reasonable Royalty Holder shall not exercise control over  
15 the Cannabis Business unless such holder is also an Owner. Notwithstanding  
16 anything herein to the contrary, provisions in licensing agreements whereby the  
17 Reasonable Royalty Holder imposes reasonable requirements to protect its  
18 intellectual property, standard and customary in such agreements, shall not be  
19 considered evidence of control over a Cannabis Business. Such provisions include,  
20 but are not limited to, quality controls and regulations governing marketing and  
21 advertising. A Reasonable Royalty Holder is a Financial Interest Holder.  
22

23 (eeee) **“Registry Identification Card”** means a document issued by the OCR that  
24 identifies a person as a registered Qualifying Patient or registered Designated  
25 Caregiver, or documentation that is deemed a registry identification card pursuant  
26 to section 780.  
27

28 (ffff) **“Resealable”** means that the package continues to function within the  
29 effectiveness specifications, which shall be established by the OCR similar to the  
30 federal “Poison Prevention Packaging Act of 1970”, 15 U.S.C. sec. 1471 *et seq.*, for  
31 the number of openings and closings customary for its size and contents.  
32

33 (gggg) **“Resident”** means any natural Person who has resided in the Territory for ten (10)  
34 of the last fifteen (15) years prior to applying for any license or permit, OR who  
35 qualifies under Title 29, Section 1003(9)(c) of the Virgin Islands Code; and who  
36 remains a bona fide resident of the Territory and who is subject to personal income  
37 tax in the Territory for the entire period such person holds title to a license or permit.  
38

39 (hhhh) **“Resident-Owned Business”** means a business enterprise owned by an individual  
40 who is, or by a majority number of individuals, who meet the definition of Resident.  
41

42 (iiii) **“Restricted Access Area”** means a designated and secure area within a Licensed  
43 Premises where Cannabis and Retail Cannabis Products are sold, possessed for sale,  
44 and displayed for sale, and where no one under the age of twenty-one (21) is  
45 permitted.  
46

- 1                     (jjjj) **“Sacramental Usage”** means lawful use and means of production, transport,  
2                     and location of use by persons over the age of twenty-one (21) of an organized  
3                     religion of faith in the sincere exercise of their religion as may be prescribed by the  
4                     OCR.
- 5
- 6                     (kkkk) **“Sale” or “Sell”** means to exchange, barter, or traffic in, to solicit or receive, and  
7                     order through a Licensee licensed under this article, to deliver for value in any way  
8                     other than gratuitously, to peddle or possess with intent to sell, or to traffic in for any  
9                     consideration.
- 10
- 11                     (llll) **“Sales Tax”** means the per gram tax levied on a Cannabis Cultivation Licensee or  
12                     Medical Cannabis Cultivation Licensee of Cannabis or Medical Cannabis that is  
13                     cultivated on their Licensed Premises and transferred to another Licensee.
- 14
- 15                     (mmmm) **“School”** means a public or private preschool or a public or private  
16                     elementary, middle, junior high, or high school.
- 17
- 18                     (nnnn) **“Service-Disabled Veteran”** means a veteran who is a citizen of the United States  
19                     and resident of the Virgin Islands with a service-connected disability as determined  
20                     by the United States Department of Veterans Affairs or who has been terminated from  
21                     military service by reason of disability by the United States Department of Defense.
- 22
- 23                     (oooo) **“Service-Disabled Veteran-Operated Bona Fide Virgin Islands Entity”**  
24                     means a bona fide Virgin Islands entity that is owned and controlled by service-  
25                     disabled veterans in which at least 51% of the ownership interest is held by service-  
26                     disabled veterans and the management and daily business operations of which are  
27                     controlled by one or more service-disabled veterans, or, in the case of a corporation  
28                     that has issued stock, of which at least 51% of the capital stock is owned by one or  
29                     more service-disabled veteran, on a fully diluted basis.
- 30
- 31                     (pppp) **“Shipping Container”** means any container or wrapping used solely for the  
32                     transport of Cannabis Items in bulk to other Cannabis Licensees.
- 33
- 34                     (qqqq) **“Smoking”** means the burning of a lighted cigarette, cigar, pipe, or any  
35                     other matter or substance that contains cannabis. Smoking does not include  
36                     vaporization, sublimation, or any other chemical.
- 37
- 38                     (rrrr) **“Transportation Manifest”** means a document created by the Inventory  
39                     Tracking System that enables a Cannabis Licensee to transport Cannabis Items and  
40                     designates the time, the quantity of Cannabis Items, and receipt of Cannabis Items.
- 41
- 42                     (ssss) **“Unaffiliated Third Party”** means, in the case of a Cannabis Dispensary or  
43                     Cannabis Production Licensee, a Person who has no ownership or financial interest,  
44                     direct or indirect, in that Cannabis Dispensary or Cannabis Production Licensee and,  
45                     in the case of a Medical Cannabis Dispensary, a Person who has no ownership or  
46                     financial interest, direct or indirect, in that Medical Cannabis Dispensary. A Financial

1 Interest Holder or a person who holds an Indirect Interest is not an Unaffiliated Third  
2 Party.  
3

4 (ttt) “**Unreasonably Impracticable**” means that the measures necessary to comply with  
5 the regulations require such a high investment of risk, money, time, or any other  
6 resource or asset that the operation of a Cannabis establishment is not worthy of being  
7 carried out in practice by a reasonably prudent business person.  
8

9 (uuuu) “**Written Certification**” means a document dated and signed by a Practitioner,  
10 stating that in the Practitioner’s professional opinion the patient is likely to receive  
11 therapeutic or palliative benefit from the medicinal use of Cannabis to treat or alleviate  
12 the patient’s debilitating medical condition or symptoms associated with the  
13 debilitating medical condition. A written certification must affirm that it is made in the  
14 course of a bona fide practitioner-patient relationship and must specify the Qualifying  
15 Patient’s Qualifying Medical Condition.  
16

## 17 §777. Office of Cannabis Regulation.

18

- 19 (a) There is hereby created, the Office of Cannabis Regulation (“OCR”), as part of the  
20 Department of Licensing and Consumer Affairs, with the executive authority to  
21 implement this chapter and administer the provisions including, but not limited to,  
22 rulemaking authority. The OCR shall exercise its powers and perform its respective  
23 duties and functions as specified in this Code and shall have full and exclusive  
24 authority to:
- 25 (1) Promulgate rules and regulations related to the cultivation, manufacture, sale,  
26 dispensary, testing, licensing, and use of Medical Cannabis, Non-Prescription  
27 Medical Cannabis, and Sacramental Cannabis being necessary for efficient  
28 administration of its duties, as set forth in this chapter within one-hundred-  
29 eighty (180) days of enactment of this Chapter; and may include any  
30 amendments to such regulations from time to time. No regulation adopted by  
31 the OCR, shall make it unreasonably impracticable to operate or issue any  
32 Licenses or Permits;  
33
- 34 (2) Establish reasonable production limits governing the cultivation of Medical  
35 Cannabis, Non-Certified Medical Cannabis, and Sacramental Cannabis in the  
36 interest of preventing oversaturation within each market;  
37
- 38 (3) Shall establish defined geographical zones within which Cannabis cultivation,  
39 manufacturing, production, dispensing, consumption, and related business  
40 activities may occur as a means of facilitating control and enforcement;  
41
- 42 (4) Promulgate rules and regulations related to the inter-island transport of  
43 Cannabis items between Cannabis Licensees under this Chapter, to the extent  
44 permitted by federal law. Before enacting any such rules and regulations on

1                   inter-island transport of Cannabis items, the OCR shall seek formal and legal  
2                   approval from all relevant local and federal agencies.  
3

- 4                   (5) Grant or refuse Licenses for the commercial cultivation, manufacture,  
5                   distribution, and sale of Medical Cannabis, Non-Certified Cannabis, and  
6                   Sacramental Cannabis Items as provided by law;  
7
- 8                   (6) Establishing the form and content of registration and renewal applications  
9                   submitted under this chapter and to establish license, permit and application  
10                  fees;  
11
- 12                  (7) Grant or refuse Permits for the Micro-Cultivation and Non-Certified Use of  
13                  Medical Cannabis as provided by law;  
14
- 15                  (8) Establishing a system to evaluate competing Medicinal Cannabis applicants  
16                  that includes an analysis of:  
17                      i. in the case of dispensaries, the suitability of the proposed medicinal  
18                      location and its accessibility for patients;  
19                      ii. the character, veracity, background, qualifications, and relevant  
20                      experience of applicants and their principal officers and board  
21                      members;  
22                      iii. the economic benefits that will inure to the residents of the Virgin  
23                      Islands by local ownership, jobs, and other opportunities; and  
24                      iv. the business plan proposed by the applicant, which, in the case of  
25                      cultivation facilities and dispensaries must include the ability to  
26                      maintain an adequate supply of Cannabis, plans to ensure safety and  
27                      security of patrons, and the protection of the community, as well as  
28                      procedures to be used to prevent diversion of Cannabis products, and  
29                      any plan for making Cannabis available to low-income registered  
30                      Qualifying Patients;  
31                      v. inclusion of interests for Minority-owned Business Enterprises,  
32                      Female-operated bona fide Virgin Islands entities, and Service-  
33                      disabled veteran-operated bona fide Virgin Island entities.  
34
- 35                  (9) Establish procedures governing Cannabis Businesses with the goals of ensuring  
36                  the health and safety of Qualifying Patients, Non-Certified Users, and  
37                  Sacramental Use organizations and preventing diversion and theft from such  
38                  businesses without imposing an undue burden or compromising the  
39                  confidentiality of cardholders, including:  
40                      i. oversight requirements;  
41                      ii. recordkeeping requirements;  
42                      iii. security requirements, including lighting, physical security, and  
43                      alarm requirements;  
44                      iv. health and safety regulations, including restrictions on the use of  
45                      pesticides that are injurious to human health;  
46                      v. standards for the manufacture of Cannabis products, and both the

- 1                                 vi. indoor and outdoor cultivation of Cannabis by cultivation facilities;
  - 2                                 vii. requirements for the transportation and storage of Cannabis by
  - 3                                 Cannabis Businesses; including requirements that transportation
  - 4                                 manifests be kept for all transportation of medicinal Cannabis;
  - 5                                 viii. requirements for banking and transportation of cash deposits;
  - 6                                 ix. employment and training requirements, including requiring that each
  - 7                                 medicinal Cannabis establishment create an identification badge for
  - 8                                 each agent;
  - 9                                 x. standards for the safe manufacture of Cannabis products, including
  - 10                                 extracts and concentrates;
  - 11                                 xi. restrictions on the advertising, signage, and display of medicinal
  - 12                                 Cannabis dispensaries and non-certified centers, but the restrictions
  - 13                                 may not prevent appropriate signs on the property of a dispensary or
  - 14                                 non-certified center, listings in business directories, including phone
  - 15                                 books, listings in Cannabis-related or medical publications, or the
  - 16                                 sponsorship of health or not-for-profit charity or advocacy events;
  - 17                                 xi. requirements and procedures for safe, accurate and appropriately
  - 18                                 childproofed packaging and labeling of medicinal Cannabis
  - 19                                 products; and
  - 20                                 xii. certification standards for testing facilities, including requirements
  - 21                                 for independence from Cannabis Businesses whose products are
  - 22                                 tested by such testing facilities, and equipment and qualifications for
  - 23                                 personnel;
  - 24
- 25                                 (10) Establish licensing goals for service-disabled veterans and females, and
  - 26                                 service-disabled veteran-operated bona fide Virgin Island entities and female
  - 27                                 operated bona fide Virgin Islands entities.
  - 28
  - 29                                 (11) Establishing labeling requirements for Cannabis and Cannabis Products,
  - 30                                 including requiring that edible Cannabis Products be clearly identifiable,
  - 31                                 when practicable, with a standard symbol indicating that it contains cannabis,
  - 32                                 and requiring that Cannabis Products' labels include the following, where
  - 33                                 applicable:
    - 34                                 i. the estimated length of time it typically takes for the product to take
    - 35                                 effect;
    - 36                                 ii. warnings to limit additional consumption while waiting for edible
    - 37                                 cannabis to enter the bloodstream and be fully absorbed;
    - 38                                 iii. disclosure of ingredients and possible allergens;
    - 39                                 iv. a nutritional or supplement fact panel;
    - 40                                 v. date of expiration; and
    - 41                                 vi. name and address of the manufacturer.
  - 42
  - 43                                 (12) Suspend, fine, restrict, or revoke such Licenses or Permits upon a violation
  - 44                                 of this article or any rule promulgated pursuant to this article;
  - 45
  - 46                                 (13) Impose any penalty authorized by this article or any rule promulgated

1 pursuant to this article; and  
2

3 (14) Establish an Advisory Board representative of the community, licensees, law  
4 enforcement, and retirees.  
5

6 (15) In conjunction with the Department of Labor and/or the University of the  
7 Virgin Islands, establish a Cannabis Industry Workforce Training Program  
8 to provide information, resources and training to interested Virgin Islands  
9 residents.  
10

11 (16) In conjunction with the Economic Development Authority, establish a  
12 Cannabis Cultivation Micro-Lending Program for Micro-Cultivation  
13 Permittees.

14 (b) The OCR shall be governed by an eleven (11) member board known as the Virgin  
15 Islands Cannabis Licensing Board (“the Board”), appointed by the Governor with  
16 advice and consent of the Legislature.  
17

18 (1) The Board must be comprised of:  
19

- 20 i. one representative of the Department of Health;
- 21 ii. one representative of the Department of Agriculture;
- 22 iii. one representative of the Department of Licensing and Consumer  
Affairs;
- 23 iv. one farmer recommended by the Commissioner of Agriculture;
- 24 v. one healthcare practitioner knowledgeable in Cannabis medicine  
recommended by the Board of Medical Examiners;
- 25 vi. one disability advocate or representative appointed from the resident  
retirement community;
- 26 vii. one representative from the University of the Virgin Islands  
Cooperative Extension Service;
- 27 viii. one economist or person with expertise in finance;
- 28 ix. one representative from the Department of Tourism;
- 29 x. one representative from the Virgin Islands Department of Justice;
- 30 xi. and the Director of the OCR who serves as an *ex officio* voting

1 member.

2 The term of each member's appointment shall be three (3) years and shall serve and  
3 be enabled to vote and be qualified to meet a quorum until a successor is appointed  
4 and qualified. The farmer recommended by the Commissioner of Agriculture who  
5 is named to the Board is not prohibited from obtaining a Cannabis License or  
6 Permit. This farmer shall recuse him or herself from any Board decision relative to  
7 his or her specific license or permit.

8 (2) The Board shall meet at least six times per year for the purpose of providing  
9 oversight and establishing policies to be carried out by the OCR.

10 (3) Members of the Board who are employed by the Government are not entitled to  
11 a per diem for their service on the Board, but non-governmental members are  
12 entitled to a \$75 per day per diem or a proportionate amount of \$75 for hours  
13 worked if less than an eight-hour day is worked, plus actual travel expenses when  
14 the member must travel from the island of the member's residence to attend official  
15 meetings and perform official duties.

16 (4) The Board shall establish a program of regular collaboration with the Industrial  
17 Hemp Commission established under Title 7 Virgin Islands Code Chapter 13,  
18 Subchapter III, Section 207 for discussion on areas of related regulation.

19  
20 (c) Notwithstanding anything provided herein to the contrary, the Board shall further  
21 establish:

- 22 (1) rules authorizing and permitting a Virgin Islands sponsored Non-  
23 Resident Medical Cannabis tourism program;  
24 (2) a Virgin Islands cannabis testing lab in each of the two major  
25 districts—St. Croix and St. Thomas/St. John—initially operated by  
26 private entities awarded annual contracts using the Government of the  
27 Virgin Islands' Request for Proposal process, with the Board retaining  
28 the authority to establish and direct construction of its own cannabis  
29 testing facilities at a later date;  
30 (3) educational and certification requirements for Medical Cannabis  
31 Establishment Applicants and licensees, their agents and employees;  
32 medical practitioners; and Medical Cannabis-related businesses  
33 including, vendors, transporters, security companies, etc.;  
34 (4) an approved list of Medical and Non-Certified Cannabis  
35 Establishment vendors and qualified Sacramental Cannabis  
36 organizations;  
37 (5) such other programs that provide a benefit to patients, non-certified  
38 users and promote the economic welfare of the Virgin Islands, including  
39 drug education and drug rehabilitation programs and centers, without  
40 exceeding the authority granted in this chapter; and

1                                     (6) regulations to ensure that all cannabis establishments are located in  
2                                     and advertised in areas that do not negatively impact enterprises and  
3                                     entities that rely primarily on family and youth participation, such as  
4                                     schools and houses of worship. Regulations must address street-level  
5                                     and media-based advertising and marketing guidelines, to ensure that  
6                                     Cannabis advertising and marketing does not negatively impact family-  
7                                     based enterprises and civic organizations. Regulation must also provide  
8                                     that each cannabis establishment has comprehensive security and  
9                                     camera monitoring systems in place at all times.

10                                     (7) an approved list of credit unions and other banking institutions; and  
11                                     security firms that Cannabis businesses can legally and safely utilize.

12                                     (8) a recommended list of local third-party vendors that Cannabis  
13                                     businesses can utilize.

14                                     (d) All rules and regulations promulgated by the Board must be published on a Virgin  
15                                     Islands official website. The Board shall provide not less than 30 days for public  
16                                     comment. Not later than 30 days after the period for public comment, the Board  
17                                     shall publish the final rules and proceed with the implementation of the program in  
18                                     accordance with the rules.

19                                     (e) The Director of the Office of Cannabis Regulation shall be appointed by the Board  
20                                     for a three-year term, which may be extended. The Director of the OCR has the  
21                                     responsibility to ensure:

- 22                                     i. the ability of qualifying patients in all areas of the Territory to obtain  
23                                     timely access to high-quality Medicinal Medical Cannabis;
- 24                                     ii. the effectiveness of the dispensaries and cultivation facilities,  
25                                     individually and together, in serving the needs of Qualifying Patients,  
26                                     Non-certified Users, and Sacramental Uses, including the provision of  
27                                     educational and support services by dispensaries, the reasonableness of  
28                                     their prices, whether they are generating any complaints or security  
29                                     problems, and the sufficiency of the number operating to serve the  
30                                     Territory's registered Qualifying Patients;
- 31                                     iii. the effectiveness of the Cannabis testing facilities;
- 32                                     iv. the sufficiency of the regulatory and security safeguards contained in  
33                                     this chapter and adopted by the OCR, to ensure that access to and the  
34                                     use of cannabis cultivated are provided only to cardholders;
- 35                                     v. the proposal of additions or revisions to the OCR regulations or this  
36                                     chapter, relating to security, safe handling, labeling and nomenclature  
37                                     are considered; and
- 38                                     vi. that research studies regarding the health effects of Medicinal Medical  
39                                     Cannabis for patients are encouraged and conducted.

40                                     (f) The Director shall hire additional staff as may be required to implement the  
41                                     program, including consultants, but the program must become self-sufficient from  
42                                     the taxes or fees generated through the program not more than two years after the

1 commencement of the program.  
2

3 (g) The Director shall submit a bi-annual administrative report to the Commissioner of  
4 the Department of Licensing and Consumer Affairs, briefly outlining the staff roles,  
5 any changes to administrative policies, and any potential administrative issues or  
6 needs.

7 (h) The Director shall submit an annual report to the Governor, the Commissioner of  
8 Department of Licensing and Consumer Affairs (DCLA); the Legislature of the  
9 Virgin Islands, Committee on Health; and the Board. The annual report must  
10 comprehensively outline compiled data on the program, accomplishments,  
11 challenges and recommended regulation changes, including:

12 (1) The number of applications for each type of License or Permit processed  
13 by the OCR in the prior calendar year, the time between submission of a  
14 complete application, the number of Licenses and Permits approved or  
15 denied by type, and the total number of active Licenses and Permits by  
16 type that were valid on a monthly basis for the prior calendar year;

17 (2) An overview of the Medical Cannabis market, including but not limited to  
18 actual cultivation and sales volumes for the prior year and anticipated  
19 demand and production levels;

20 (3) The amount of revenue generated by Medical Cannabis, including but not  
21 limited to sales taxes, application and License fees, and any other fees paid  
22 to the OCR, as well as expenses incurred by the OCR; and

23 (4) Enforcement measures imposed, and a list of Persons against whom  
24 enforcement measures were taken that possess a Permit or License issued  
25 pursuant to this Code.

26 (h) The OCR shall create and issue an Auto-Expungement Report.

27 (1) The OCR shall create an Auto-Expungement Working Group that includes,  
28 but shall not be limited to, participants from relevant territorial agencies,  
29 including the Virgin Islands Department of Justice, necessary to expunge  
30 cannabis-related crimes.

31 (2) Based upon recommendations from the Auto-Expungement Working  
32 Group, the OCR shall issue an Auto-Expungement Report no later than ten  
33 (10) months from the date of enactment of this Chapter that details:

34 i. Classifications of crimes that should be expunged for persons  
35 convicted for reasons solely related to possession, control, or sale of  
36 under one (1) pound of Cannabis, and subject to classification of  
37 crimes that may be expunged under the provisions of Title 5 Virgin

1 Islands Code, Chapter 314; and the classification of crimes that  
2 cannot be expunged under any circumstances;

3

4 ii. Administrative processes necessary for the Territory to automatically  
5 expunge certain Cannabis related crimes; and

6

7 iii. Funding necessary to implement the recommendations of this report.

8

9 (3) All relevant territorial agencies shall follow the directed recommendations  
10 of the Auto-Expungement Report.

11

12 (4) Upon issuance of the Annual Expungement Report to the Governor,  
13 Legislature, and Supreme Court, the Superior Court shall consider the  
14 Report as a Petition for Expungement and process qualifying persons for  
15 expungement under the provisions of Title 5, chapter 314 of the Virgin  
16 Islands Code and any applicable court rule and may thereupon issue an  
17 order expunging each conviction for Cannabis use or possession offenses  
18 entered by the court prior to the date of the Auto Expungement Report for  
19 such Persons deemed to be eligible for Auto Expungement.

20

21 (5) Each year following the issuance of the Auto-Expungement Report, the  
22 OCR shall issue a report detailing any amendments necessary to its initial  
23 recommendations and the progress towards expunging Cannabis related  
24 crimes until all of the recommendations in the Auto-Expungement Report  
25 have been fully addressed.

26

27 (i) All inspectors and regulatory enforcement officials of the OCR may be considered  
28 Peace Officers and health inspectors of the USVI Department of Health pursuant to 5  
29 V.I.C. § 3561.

30

31 (j) The OCR shall promulgate regulations and adopt policies designed to maintain the  
32 confidentiality of individually identifiable patient information and records, as well as  
33 any confidential or proprietary business' information and records. These types of  
34 confidential and federally protected records shall also be exempt from the Virgin  
35 Islands Public Records law in Title 3, Chapter 33 of the Virgin Islands Code. The  
36 records and information that the OCR obtains, shall remain confidential but, unless  
37 release is ordered by a court of competent jurisdiction, are not limited to information  
38 about a business's operations, sales, financial records, tax returns, credit reports,  
39 cultivation information, testing regulations, security information and plans, or any  
40 revealing patient information. Any employee of the OCR or the Board, or any entity  
41 contracting with or working for the OCR or the Board, directly or indirectly, who  
42 discloses any confidential records or information that the OCR or the Board obtains,  
43 shall be subject to criminal prosecution punishable by a minimum of one (1) year of  
44 imprisonment or a fine of One Thousand Dollars (\$1000).

45

46 (k) The OCR may conduct or have conducted on its behalf, a market demand study in

1 order to manage production by Permittees and Licensees prior to the issuance of new  
2 Licenses authorized by this chapter.

3  
4 (l) OCR is responsible for establishing and overseeing an OCR Enforcement Division,  
5 which will be tasked with enforcement of all civil, criminal and regulatory violations  
6 related to Cannabis. This Enforcement Division, in collaboration with the Industrial  
7 Hemp Commission under Title 7 Virgin Islands Code Chapter 13, Subchapter III,  
8 Section 207, will also be responsible for defining and assisting in the clarification of  
9 lawful cultivation, manufacture, sale and use of hemp. The OCR Enforcement  
10 Division shall have all the powers of any peace officer to:

11       1. Investigate violations or suspected violations of Title 19, chapter 34 and  
12 any rules promulgated pursuant to it. Make arrests, with or without warrant, for any  
13 violation of Title 19, chapter 34, any rules promulgated pursuant to it, any other  
14 laws or regulations pertaining to Cannabis in this Territory, or any criminal law of  
15 this Territory, if, during an officer's exercise of powers or performance of duties  
16 pursuant to Title 19, chapter 34, probable cause exists that a crime related to such  
17 laws has been or is being committed;

18       2. Serve all warrants, summons, subpoenas, administrative citations, notices  
19 or other processes relating to the enforcement of laws regulating Cannabis Items;

20  
21       3. Assist or aid any law enforcement officer in the performance of his or her  
22 duties upon such law enforcement officer's request or the request of other local  
23 officials having jurisdiction;

24  
25       4. Inspect, examine, or investigate any premises where the Licensee's  
26 Cannabis Items or products are grown, stored, cultivated, manufactured, tested,  
27 distributed, or sold, and any books and records in any way connected with any  
28 licensed activity;

29  
30       5. Require any Licensee, upon demand, to permit an inspection of a  
31 Licensed Premises, during business hours or at any time of apparent operation,  
32 Cannabis equipment, and Cannabis accessories, or books and records, and, to  
33 permit the testing or examination of Medical Cannabis, Medical Cannabis  
34 Concentrate, or Medical Cannabis-Infused Product;

35  
36       6. Conduct investigations into the character, criminal history, and all other  
37 relevant factors related to suitability of all Licensees and Applicants for Cannabis  
38 Licenses and such other Persons with a direct or indirect interest in an Applicant or  
39 Licensee, as the Department of Licensing and Consumer Affairs may require; and

40       7. Exercise any other power or duty authorized by law.

41  
42 (m) All private entities awarded contracts to serve as a neutral-testing lab shall hire sixty

1 percent (60%) of its entire workforce, full-time and part-time, as bona fide Virgin  
2 Islands residents, and may not have, among its ownership interests or workforce, any  
3 conflicting ownership interest of any form with a Cannabis Business establishment in  
4 the Territory that will be the subject of such testing services.  
5

- 6 (n) Nothing in this chapter shall prevent a dispensary from providing appropriate space  
7 within the dispensary facility where patients may consume medical or non-certified  
8 cannabis or medicinal cannabis products, provided that it complies with the rules  
9 adopted by the Board in reference to that consumption.

10 **§778. Licenses and Permits**

- 11 (a) The OCR is hereby authorized to issue the following types of Permits and Licenses,  
12 which shall entitle the holder of such Permit or License to all the privileges and impose  
13 all the restrictions on the holder of such Permit or License as set forth in this Chapter  
14 and any regulations adopted thereto:

- 15 (1) Cannabis Cultivation License;  
16  
17 (2) Cannabis Manufacturing License;  
18  
19 (3) Medical Cannabis Dispensary License;  
20  
21 (4) Micro-Cultivation Permit;  
22  
23 (5) Medical Cannabis Adult Use Permit-Resident;  
24  
25 (6) Medical Cannabis Adult Use Permit- Non-Resident;  
26  
27 (7) Cannabis Non-certified Use Permit;  
28  
29 (8) Cannabis Temporary Non-Certified Use Permit; and  
30  
31 (9) Onsite Cannabis Consumption Permit for Medical and Non-Certified  
32 Cannabis License;  
33  
34 (10) Cannabis Research and Development License;

- 35 (b) All Licenses and Permits shall be issued to a specific Person at a defined location,  
36 except that this provision shall not prevent a Person from applying for more than one  
37 License or Permit type identified in (a)(1) – (4) of this section that is intended to be  
38 operated at the same defined location provided that co-location of the License or  
39 Permit would not result in a violation of this Act. The Person and location associated  
40 with a Permit or License may only be changed under the limited circumstances  
41 authorized by this Chapter and shall require approval from the OCR.  
42  
43  
44  
45  
46

- 1                     (c) All Licenses and Permits shall be valid for one (1) year unless a shorter term is  
2                     requested by the Applicant, except that a Cannabis Temporary Non-Certified Use  
3                     Permit may be valid for no longer than fourteen (14) days.  
4
- 5                     (d) The OCR shall determine the final number of Medical Cannabis Dispensary Licenses,  
6                     Cultivation Licenses, Micro-Cultivation Permits, Manufacturing Licenses, Cannabis  
7                     Non-Certified Use Permits, Cannabis Temporary Non-Certified Use Permits, or  
8                     Onsite Cannabis Consumption Permits that will be issued by the OCR based statistical  
9                     analysis of supply and demand, public safety concerns, and market survey analysis.  
10                    The OCR shall take into account market and other circumstances in each island district  
11                    in determining the final number of licenses and permits. In no event shall the number  
12                    of licenses exceed the quantities set forth in § 786 of this Chapter. Two (2) years after  
13                    the issuance of the first license, the number of licenses shall be reviewed, and the OCR  
14                    shall make written recommendations to the Legislature on possible changes to the  
15                    limits on numbers of Medical Cannabis Dispensary and Cultivation Licenses.  
16
- 17                    (e) The application, annual and renewal fees charged to all Licensees, Permittees,  
18                    Qualifying Patients, nonresident cardholders, and Designated Caregivers shall be  
19                    determined by the Board.  
20
- 21                    (f) Renewal fees are charged annually in an amount equal to the application fees or as  
22                    otherwise determined by the Board's regulations. It is within the discretion of the  
23                    Board to adjust all License fees annually.  
24
- 25                    (g) If the OCR revokes a License, a Licensee elects to surrender a License, or the OCR  
26                    issues new or additional licenses, the OCR shall conduct a Merit-Based Application  
27                    Process to determine whether a new Medical Cannabis License of the same type  
28                    should be issued. If the License is a Cannabis Cultivation License, preference shall be  
29                    given to Micro-Cultivation Permittees.  
30
- 31                    (h) A license authorized by this chapter and issued by the OCR may not be held by, or  
32                    issued to, directly or indirectly, any person or any immediate family member of any  
33                    person who, at any time within the previous twelve (12) months, held office in, or was  
34                    employed by any agency of the Government of the Virgin Islands, or any of its  
35                    political subdivisions, or who was a member of the OCR or the CAB, not including  
36                    the farmer representative on the Board, when the duties of such person concerned or  
37                    otherwise related to the enforcement or regulation of this chapter, or any other penal  
38                    provisions of law of the Virgin Islands prohibiting or regulating the sale, use,  
39                    possession, transportation, distribution, testing, manufacturing, or cultivation of  
40                    Cannabis. No person shall be precluded from owning stock in a publicly-traded  
41                    corporation on the basis of this provision alone, if so licensed and operating in the  
42                    Territory.  
43

44                   **§779. Qualified Patients; Medical Cannabis Patients**  
45

- 46                    (a) A Qualified Patient shall be entitled to all the protections and rights set forth in this

1 title.

2

3 (b) Possession limits for Qualified Patients:

4 (1) While within a private residence, a Qualified Patient may possess, use, display,  
5 consume, and process up to:

6 i. Four (4) ounces of Medical Cannabis;

7 ii. One (1) ounce of Medical Cannabis Concentrate for inhalation;  
8 and

9 iii. One (1) ounce of THC contained in Medical Cannabis Infused  
10 Products.

11 (2) While outside a private residence, a Qualified Patient may possess, display,  
12 purchase from a licensed Medical Cannabis Dispensary, consume, process, and  
13 transport up to:

14 i. Four (4) ounces of Medical Cannabis;

15 ii. Ten (10) grams of Medical Cannabis Concentrate for inhalation;  
16 and

17 iii. Twenty (20) grams of THC contained in Medical Cannabis  
18 Infused Products.

19

20 (c) Nothing in the Code shall protect, nor be interpreted to protect, a Qualified Patient from  
21 prosecution for:

22 (1) Operating a motor vehicle or vessel on the road or waters of the U.S. Virgin Islands  
23 while impaired by Medical Cannabis. Impairment from the use of Medical  
24 Cannabis by a Qualified Patient shall not be determined solely by the presence of  
25 cannabinoids in the individual's blood or urine and the courts shall instead consider  
26 other relevant evidence;

27 (2) Transfer of Medical Cannabis to a Qualified Patient for remuneration unless  
28 transferor possesses a current and valid License or Permit and the transfer is  
29 conducted in accordance with this Chapter;

30 (3) Knowingly consuming Cannabis Items in a public place that does not possess a  
31 valid Non-Certified Use Permit; or

32 (4) Display or transfer of Medical Cannabis to a Qualified Patient or nonpatient for no  
33 remuneration within one thousand (1,000) feet of a cruise ship dock in Charlotte  
34 Amalie (Havensight) or Crown Bay in St. Thomas and within five hundred (500)

1                   feet of primary cruise ship dock in Frederiksted or within five hundred (500) feet  
2                   of a cruise ship tender pier in Cruz Bay.  
3

- 4                   (d) A Qualified Patient may designate a Designated Caregiver, who may acquire, possess,  
5                   or administer Medical Cannabis upon the Qualified Patient's behalf. A Designated  
6                   Caregiver for a Qualified Patient under twenty-one (21) years of age or not legally  
7                   responsible for his or her own medical decisions must be designated by that patient's  
8                   parent or legal guardian.  
9

10                  **§780. Medical Cannabis Certification Forms, Medical Cannabis Registry, Medical Cannabis  
11                  Patient Cards**

- 12                  (a) The OCR shall create and publish a Medical Cannabis Registry Form for Physicians  
13                  to certify that an individual has a Qualifying Medical Condition and would benefit  
14                  from access to Medical Cannabis. The USVI Department of Health shall provide  
15                  advice and guidance on the creation of the form.  
16
- 17                  (b) The OCR shall create and publish a specific Medical Cannabis Registry Form for  
18                  Qualified Patients under twenty-one (21) years of age or not in control of their own  
19                  medical decisions, which shall require the Qualified Patient's parent or legal  
20                  guardian's name and signature.  
21
- 22                  (c) The OCR shall notify the USVI Department of Health if it has reason to suspect that  
23                  a Physician is providing individuals with a Medical Cannabis Certification Form in a  
24                  fraudulent manner or in violation of this Code.  
25
- 26                  (d) Evidence of a Physician's attestation and signature on Medical Cannabis Registry  
27                  Forms, certifying an individual as a Qualified Patient, shall be sufficient to provide  
28                  the individual with all protections entitled to a Qualified Patient.  
29
- 30                  (e) A Physician shall only recommend the use of Medical Cannabis and provide an  
31                  individual with a Medical Cannabis Certification Form after the performance of an  
32                  in-person examination and determination that the individual has a Qualifying Medical  
33                  Condition and would benefit from the medicinal use of cannabis.  
34
- 35                  (f) A Physician that has an interest in or obtains any financial benefit from a Medical  
36                  Cannabis Licensee may not provide an individual a Medical Cannabis Certification Form,  
37                  nor may that Physician's Medical Cannabis Certification be used as the basis  
38                  for providing an individual with a Medical Cannabis Certification Form.  
39
- 40                  (g) Prior to completing a Medical Cannabis Certification Form for Qualified Patients  
41                  under twenty-one (21) years of age who are not legally responsible for their own  
42                  medical decisions, a Physician must obtain the signature of the Qualified Patient's  
43                  parent or legal guardian.  
44
- 45                  (h) A Physician shall include an expiration date on all Medical Cannabis Certification  
46

1 Forms that shall not exceed two (2) years from the date of issuance for residents of  
2 the USVI, and that shall not exceed six (6) months from the date of issuance for non-  
3 residents.

4

5 (i) The OCR shall create a Medical Cannabis Patient Registry and issue Medical  
6 Cannabis Patient Cards to Qualified Patients that submit a valid application and shall  
7 also maintain a Registry for Non-certified Cannabis Users from information  
8 submitted on applications for such use.

9

10 (1) The Medical Cannabis Patient Registry and Non-Certified User Registry, as  
11 well as any information obtained in relation to an application to the registry,  
12 shall remain confidential and exempt from the Virgin Islands public records law  
13 in Title 3, Chapter 33 of Virgin Islands Code. The OCR may confirm an  
14 individual's status as a Qualified Patient at the request of the individual or the  
15 individual's legal guardian to a third party.

16

17 (2) A Qualified Patient may apply to the OCR to be listed within the Medical  
18 Cannabis Patient Registry and receive a Medical Cannabis Patient Card. The  
19 OCR will provide qualified Applicants a Medical Cannabis Patient Card that  
20 must include, but need not be limited to, the following information:

- 21
- 22 i. The name of the cardholder;
- 23
- 24 ii. A designation that the cardholder is a Qualified Patient;
- 25
- 26 iii. A random alphanumeric number assigned to the Qualified Patient for  
27 purposes of identification in the Medical Cannabis Patient Registry;
- 28
- 29 iv. A phone number and web address where the validity of the Medical  
30 Cannabis Patient Card can be verified pursuant to the request of the  
31 Qualified Patient; and
- 32
- 33 v. The expiration date of the Medical Cannabis Patient Card, which must  
34 be the same as the date on the Qualified Patient's Medical Cannabis  
35 Registry Form.

36

37 (3) A valid Medical Cannabis Card will be considered the legal equivalent of a valid  
38 and signed Medical Cannabis Patient Registry Form.

39

40 (4) A Designated Caregiver shall be required to possess a Medical Cannabis  
41 Caregiver Card to possess or administer Medical Cannabis on behalf of a Medical  
42 Cannabis Patient.

43

44 (j) If the Qualifying Patient designates a Designated Caregiver, OCR may designate  
45 whether the Qualifying Patient or Designated Caregiver will be allowed to possess  
46 and cultivate cannabis plants for the Qualifying Patient's medicinal use.

- 1                         (k) If the Qualifying Patient is unable to submit the information required under subsection  
2                         (a) due to the persons' age or medical condition, the person responsible for making  
3                         medical decisions for the Qualifying Patient may do so on behalf of the Qualifying  
4                         Patient.
- 5                         (l) Except as provided in subsection (m), the OCR shall:
- 6                                 (1) verify the information contained in an application or renewal submitted  
7                         pursuant to this chapter and approve or deny an application no later than 15 days or  
8                         renewal no later than five days after receiving a completed application or renewal  
9                         application; and
- 10                         (2) issue registry identification cards to a Qualifying Patient and the Designated  
11                         Caregivers, if any, not later than five days after approving the application or  
12                         renewal. A Designated Caregiver must have a registry identification card for each  
13                         Qualifying Patient for whom such Designated Caregiver is responsible.
- 14                         (m) The OCR may conduct a background check of the prospective Designated Caregiver  
15                         in order to carry out this provision.
- 16                         (n) The OCR may not issue a registry identification card to a Qualifying Patient who is  
17                         younger than 21 years of age unless:
- 18                                 (1) the Qualifying Patient's practitioner has explained the potential risks and benefits  
19                         of the medicinal use of cannabis to the custodial parent or legal guardian with  
20                         responsibility for health care decisions for the Qualifying Patient; and
- 21                                 (2) the custodial parent or legal guardian with responsibility for health care decisions  
22                         for the Qualifying Patient consents in writing to:
- 23   i. allow the Qualifying Patient's medicinal use of Cannabis;  
24   ii. serve as the Qualifying Patient's designated caregiver; and  
25   iii. control the acquisition of the Cannabis, the dosage, and the frequency  
26                                 of the medicinal use of Cannabis by the Qualifying Patient.
- 27                         (o) The OCR may deny an application or renewal of a Qualifying Patient's registry  
28                         identification card only if the applicant:
- 29                                 (1) did not provide the required information, fee, or materials;  
30                                 (2) previously had a registry identification card revoked; or  
31                                 (3) provided false information.
- 32                         (p) The OCR may deny an application or renewal for a Designated Caregiver chosen by  
33                         a Qualifying Patient whose registry identification card was granted only if:
- 34                                 (1) the Designated Caregiver does not meet the requirements of Title 19, Chapter  
35                                 11, section 207 of the Virgin Islands Code;  
36                                 (2) the applicant did not provide the required information;  
37                                 (3) the Designated Caregiver previously had a registry identification card revoked;  
38   or

1                          (4) the applicant or the Designated Caregiver provided false information.  
2

3                          (q) The OCR shall give written notice to the Qualifying Patient of the reason for denying  
4                          the issuance of a registry identification card to the Qualifying Patient or to the  
5                          Qualifying Patient's Designated Caregiver.

6                          (r) Denial of an application or renewal is considered a final OCR action, subject to an  
7                          administrative appeal, as more fully described herein. Denial of the administrative  
8                          appeal is subject to judicial review. Jurisdiction and venue for judicial review are  
9                          vested in the Superior Court of the Virgin Islands.

10                         (s) Until a Qualifying Patient who has submitted an application and the required fee to  
11                         the OCR receives a registry identification card or a rejection, a copy of the  
12                         individual's application, written certification, serves as proof that the application was  
13                         submitted to the OCR and is considered a valid registry identification card.

14                         (t) Until a Designated Caregiver whose Qualifying Patient has submitted an application  
15                         and the required fee receives a registry identification card or a rejection, a copy of the  
16                         Qualifying Patient's application, written certification, serves as proof that the  
17                         application was submitted to the OCR and is considered a valid registry identification  
18                         card.

19                         (u) Written certifications issued within the previous year are considered registry  
20                         identification cards for a Qualifying Patient, for at least 25 days after the OCR makes  
21                         applications available for renewal.

22                         (v) Written certifications issued within the previous year are considered a Designated  
23                         Caregiver registry identification card for at least 25 days after the OCR makes  
24                         applications available for renewal if the following occurs:

- 25                              (1) a copy of a Qualifying Patient's valid written certification was issued  
26                              within the previous year; and  
27                              (2) a signed affidavit attesting that the person has significant responsibility  
28                              for managing the well-being of the patient and that the person has been  
29                              chosen to assist the Qualifying Patient.

30                         **§ 781. Verification system**

31                         (a) The OCR shall maintain a confidential list of the persons to whom the OCR has  
32                         issued Medical Cannabis Registry Cards or Medical Cannabis Adult Use Permits and  
33                         their addresses, phone numbers, and registry identification numbers. This  
34                         confidential list may not be combined or linked in any manner with any other list or  
35                         database, nor may it be used for any purpose not provided for in this chapter.

36                         (b) The OCR shall establish a secure phone or web-based verification system. The  
37                         verification system must allow law enforcement personnel and Medicinal Cannabis  
38                         establishments to enter a registry identification number and determine whether the

1 number corresponds with a current, valid registry identification card. The system  
2 must disclose only:

- 3 (1) whether the identification card is valid;
- 4 (2) the name of the cardholder;
- 5 (3) whether the cardholder is a Qualifying Patient or a Designated Caregiver;
- 6 (4) whether the cardholder is permitted to cultivate Cannabis plants;
- 7 (5) the registry identification number of any affiliated registered Qualifying
- 8 Patient to a Designated Caregiver; and
- 9 (6) the registry identification of the Qualifying Patient's dispensary or
- 10 dispensaries, if any.

## 11 § 782. Notifications to OCR and responses

- 12 (a) The following notifications and OCR responses are required:
  - 13 (1) A registered Qualifying Patient shall notify the OCR of any change of
  - 14 name or address, or if the registered Qualifying Patient ceases to have a
  - 15 debilitating medical condition, no later than 10 days after the change.
  - 16 (2) A registered Designated Caregiver shall notify the OCR of any change of
  - 17 name or address, or if the Designated Caregiver becomes aware that the
  - 18 Qualifying Patient s deceased, not later than 10 days after the change.
  - 19 (3) Before a registered Qualifying Patient changes his Designated Caregiver,
  - 20 the Qualifying Patient shall notify the OCR.
  - 21 (4) When a registered Qualifying Patient changes his preference as to who
  - 22 may cultivate cannabis for the Qualifying Patient, the Qualifying Patient
  - 23 shall notify the OCR.
  - 24 (5) If a cardholder loses his registry identification card, he shall notify the
  - 25 OCR no later than 10 days after becoming aware the card has been lost.
- 26 (b) Each notification a registered Qualifying Patient is required to make may instead be
- 27 made by the patient's Designated Caregiver if the Qualifying Patient is unable to
- 28 make the notification due to his age or medical condition.
- 29 (c) When a cardholder notifies the OCR of items listed in subsection (a), but remains
- 30 eligible under this chapter, the OCR shall issue the cardholder a new registry
- 31 identification card with a new random 10-digit alphanumeric identification number
- 32 no later than 10 days after receiving the updated information and a fee in accordance
- 33 with OCR's rules. If the person notifying the OCR is a registered Qualifying Patient,
- 34 the OCR shall also issue his registered Designated Caregiver, if any, a new registry
- 35 identification card no later than 10 days after receiving the updated information.
- 36 (d) If the registered Qualifying Patient's certifying practitioner notifies the OCR in
- 37 writing that either the registered Qualifying Patient has ceased to suffer from a
- 38 debilitating medical condition or that the practitioner no longer believes the patient
- 39 would receive therapeutic or palliative benefit from the medicinal use of Cannabis,
- 40 the card becomes void.
- 41 (e) A Medicinal Cannabis Business shall notify the OCR after one business day of any
- 42 theft or significant loss of Cannabis.

1      **§783 - Patient's Bill of Rights**

- 2
- 3      (a) Activities related to Medical Cannabis are unlawful unless they are conducted in  
4                  accordance with this Chapter.
- 5
- 6      (b) In accordance with the rights and limitations set forth in this Chapter, a Qualified  
7                  Patient, Designated Caregiver, or the parent or legal guardian of a Qualified Patient  
8                  under eighteen (18) years of age, shall not be denied any right or privilege, or be  
9                  subject to arrest, prosecution or penalty in any manner, including any civil penalty  
10                 or disciplinary action by a court or occupational or professional licensing board for:  
11
- 12                 (1) The possession, use, display, transport, process, or transfer of Medical Cannabis  
13                   Items or Medical Cannabis Paraphernalia;
- 14
- 15                 (2) The purchase of Medical Cannabis Items from a Licensed Medical Cannabis  
16                   Dispensary or Medical Cannabis Paraphernalia;
- 17
- 18
- 19                 (3) The manufacturing of Medical Cannabis into Medical Cannabis Concentrate or  
20                   Medical Cannabis Product without the use of solvents and in a manner, that does  
21                   not pose harm to others; and
- 22
- 23      (c) A Qualified Patient shall not have any personal property related to Medical  
24                  Cannabis, including any Medical Cannabis Items and Medical Cannabis  
25                  Paraphernalia, seized or forfeited solely for conduct that is permitted under this  
26                  Chapter.
- 27
- 28      (d) Possession of, or application for, a Medical Cannabis Certification or Medical  
29                  Cannabis Registry Card pursuant to this Code does not alone constitute probable  
30                  cause or reasonable suspicion, nor shall it be used to support a search of the Person  
31                  or property of the holder of a Medical Cannabis Certification or Medical Cannabis  
32                  Registry Card, or otherwise subject the Person or property of the Person to  
33                  inspection by any governmental agency.
- 34
- 35      (e) Possession, use, display, transport, process, or transfer of Medical Cannabis Items  
36                  or Medical Cannabis Paraphernalia by a Qualified Patient does not alone constitute  
37                  probable cause or reasonable suspicion, nor shall it be used to support a search of  
38                  the person or property of the holder of a Medical Cannabis Certification or Medical Cannabis  
39                  Registry Card, or otherwise subject the person or property of the person to  
40                  inspection by any governmental agency.
- 41
- 42      (f) No landlord may refuse to lease to, and may not otherwise penalize, a person solely  
43                  for the person's status as a Qualified Patient unless failing to do so would violate  
44                  federal law or regulations or cause the landlord to lose a monetary or licensing-  
45                  related benefit under federal law or regulations. A landlord may not be penalized or  
46                  denied any benefit under territorial law for leasing to a Qualified Patient. No

1 landlord shall be penalized for seeking a smoke-free environment in such leased  
2 premises.  
3

4 (g) No school may refuse to enroll, or otherwise penalize, a person solely for his or her  
5 status as a Qualified Patient unless failing to do so would cause it to lose a monetary  
6 or licensing-related benefit under federal law or regulations. No school may be  
7 penalized or denied any benefit under territorial law for enrolling a Qualified Patient.  
8

9 (h) A Qualified Patient who is a student shall not possess or self-administer Medical  
10 Cannabis Items on school grounds, upon a school bus, or at any school-sponsored  
11 event, except that a parent, guardian, or Designated Caregiver, or a practitioner, or  
12 nurse practitioner approved by the student's parent or guardian, may possess and  
13 administer Medical Cannabis Items in a non-smokable form to a Qualified Patient  
14 upon the grounds of the preschool or primary or secondary school in which the  
15 student is enrolled, or upon a school bus or at a school-sponsored event. The parent,  
16 guardian, school nurse, practitioner, or nurse practitioner shall not administer the  
17 non-smokable Medical Cannabis in a manner visible to other students, that creates  
18 a disruption to the educational environment, or that causes exposure to other  
19 students.  
20

21 (i) A school district or charter school may not deny eligibility to attend school to a  
22 student who holds a valid Medical Cannabis Certification because the student  
23 requires Medical Cannabis Items in a non-smokable form as a reasonable  
24 accommodation necessary for the child to attend school.  
25

26 (j) This Section does not apply to a school district or charter school if:  
27

- 28 (1) The school district or charter school loses federal funding as a result of  
29 implementing this paragraph;  
30 (2) The school district or charter school can reasonably demonstrate that it lost  
31 federal funding as a result of implementing this paragraph; and  
32 (3) The school district or charter school posts on its website in a conspicuous place  
33 a statement regarding its decision not to comply with this paragraph.  
34

35 (k) No employer is required to allow the consumption of cannabis in any workplace or  
36 to allow any employee to work while under the influence of Medical Cannabis.  
37 Similarly, a Qualified Patient shall not be protected from sanctions for engaging in  
38 activities under the influence of Medical Cannabis in a manner that is a violation of  
39 a privileged license. However, a registered Qualified Patient shall not be considered  
40 to be under the influence of Medical Cannabis solely because of the presence of  
41 metabolites or components of cannabis that appear in sufficient concentration to  
42 cause impairment.  
43

44 (l) For the purposes of providing medical care, including organ and tissue transplants,  
45 a Qualified Patient's use of Medical Cannabis Items pursuant to this Chapter are  
46 considered the equivalent of the authorized use of any other medication used at the

1 discretion of a practitioner and does not constitute the use of an illicit substance or  
2 otherwise disqualify a Qualified Patient from receiving or being eligible to receive  
3 needed medical care.

4

5 (m) A person may not be denied custody of, or visitation rights, or parenting time with  
6 a minor for the Person's status as a Qualified Patient, and there may be no  
7 presumption of neglect or child endangerment for conduct allowed under this  
8 chapter unless the person's behavior is such that it creates an unreasonable danger to  
9 the safety of the minor as established by clear and convincing evidence.

10

11 (n) An employer is not required to permit or accommodate conduct otherwise allowed  
12 by this act in the workplace or on the employer's property. An employer may  
13 discipline an employee for violation of a workplace drug policy or for working while  
14 under the influence of Cannabis. An employer may discharge, discipline, or  
15 otherwise take adverse employment action against a person with respect to tenure,  
16 terms, conditions, or privileges of employment because of that person's violation of  
17 a workplace drug policy during work hours or in the workplace.

18

19 **§ 784. Affirmative Defenses and Dismissal For Medicinal Cannabis**

- 20
- 21 (a) Except as otherwise provided herein, a person may assert the medicinal purpose for  
22 using Cannabis as a defense to any prosecution involving Cannabis, and the defense  
23 is presumed valid where the evidence shows that:
- 24 (1) a Practitioner has stated that, in the Practitioner's professional opinion,  
25 after having completed a full assessment of the person's medical history  
26 and current medical condition made in the course of a bona fide  
27 practitioner-patient relationship, the patient has a debilitating Qualified  
28 Medical Condition and the potential benefits of using Cannabis for  
29 medicinal purposes would likely outweigh the health risks for the person;
- 30 (2) the person, if issued a valid Medical Cannabis Registry Card by the OCR,  
31 was in possession of not more than 4.0 ounces of Cannabis, the amount  
32 of Cannabis products is within the limits allowed by OCR regulations,
- 33 (3) the person was engaged in the acquisition, possession, use, manufacture,  
34 or transportation of Cannabis, paraphernalia, or both, relating to the  
35 administration of Cannabis to treat or alleviate the individual's  
36 debilitating Qualified Medical Condition or symptoms associated with  
37 the individual's debilitating Qualified Medical Condition; and
- 38 (4) the person, if issued a valid Medical Cannabis Registry Card by the OCR,  
39 was engaged in the cultivation of Cannabis, relating to the administration  
40 of Cannabis to treat or alleviate the individual's debilitating Qualified  
41 Medical Condition or symptoms associated with the individual's  
42 debilitating Qualified Medical Condition; and any cultivation of  
43 Cannabis and storage of no more than the quantities authorized by Section  
44 45

1                   779 occurred in a secure location that only the person asserting the  
2                   defense could access.

- 3
- 4                   **(b)** The defense and motion to dismiss may not prevail if the prosecution proves  
5                   that:
- 6                   (1) The person had a registry identification card revoked for misconduct; or  
7                   (2) The purposes for the possession or cultivation of Cannabis were not  
8                   solely for palliative or therapeutic use by the individual with a debilitating  
9                   Qualified Medical Condition who raised the defense.
- 10
- 11                  **(c)** If an individual demonstrates the individual's medical purpose for using  
12                  Cannabis pursuant to this section, except as otherwise provided herein, the  
13                  individual is not subject to the following for the individual's use of Cannabis  
14                  for medicinal purposes:
- 15                  (1) disciplinary action by an occupational or professional licensing board or  
16                  bureau; or  
17                  (2) forfeiture of any interest in or right to any property other than cannabis.

18

19                  **§785. Application Requirements and Ownership Restrictions**

20

- 21                  **(a)** Ownership; Minimum Requirements for Cannabis Licensees Applicants.
- 22
- 23                  (1) An Applicant entity for a Cannabis License must be composed of Owners,  
24                  principals, or members, each of whom is twenty-one (21) years of age or  
25                  older and meets the suitability requirements set forth in this chapter.
- 26
- 27                  (2) Only Owners may control or hold a partnership interest, limited or  
28                  general, a joint venture interest, or ownership of a share or shares in a  
29                  corporation or limited liability company which is licensed.
- 30
- 31                  (3) An Applicant for a License that is a Business Entity must be organized  
32                  under Title 13 or Title 26 of the Virgin Islands Code.
- 33
- 34                  (4) A Cannabis License may not be held by a Person comprised of individuals  
35                  any of whom has been convicted of a Disqualifying Felony Offense.
- 36
- 37                  (5) An Applicant for a Cannabis License must demonstrate that they possess  
38                  available funds in their control and financial capital as required by the  
39                  OCR, which includes evidence in the form of bank statements,  
40                  irrevocable lines of credit, or the equivalent showing that the Applicant  
41                  has sufficient resources to operate.
- 42
- 43                  (6) A Cannabis Licensee shall submit to the OCR for approval all Financial  
44                  Interests and each holder of a Financial Interest must be approved by the  
45                  OCR before such Financial Interest holder may accept any portion of the

1 Cannabis Licensee's revenue, or exercise any of the privileges of the  
2 Financial Interest.

3

4 (7) Residency Requirement. All partnerships, employee cooperatives,  
5 associations, nonprofit corporations, corporations, and limited liability  
6 companies applying for ownership of a Cannabis License must be formed  
7 under the laws of the U.S. Virgin Islands with its principal place of  
8 business in the U.S. Virgin Islands. Majority Owners must be bona fide  
9 Residents of the U.S. Virgin Islands. If a Cannabis Licensee does not  
10 have a Majority Owner, then at least 50.1% of the entity holding the  
11 License, on a fully diluted basis, must be owned by bona fide Residents  
12 of the U.S. Virgin Islands as defined in this chapter. Any Resident-Owned  
13 Business must comply with the provisions of Section 776(eeee).

14

15 (b) Control. No Person other than an Owner shall have the authority to exercise  
16 control over a Cannabis Licensee. It shall be unlawful and a violation of public  
17 safety for any Person who is not an Owner to have control over the management  
18 or day-to-day operations of the Cannabis Licensee. Authority given to a  
19 Manager approved by the OCR to manage day-to-day operations of the  
20 Cannabis Licensee under the direction of the Owners shall not be considered  
21 control for the purposes of this Act. Whether a Person exercises control shall  
22 be determined by whether the Person takes or is authorized to take the following  
23 actions:

- 24 (1) Exercises final decision-making authority over operations of the  
25 business;
- 26 (2) Directs the day to day operation of the business, except that Managers  
27 may direct the day to day operations subject to oversight by Owners  
28 pursuant to a lawful employment contract;
- 29 (3) Is liable for the taxes and fees or other obligations of the Cannabis  
30 Licensee;
- 31 (4) Acknowledges liability for the Cannabis Licensee's taxes and fees;
- 32 (5) Has authority to disburse funds of the business other than the receipt of  
33 regularly replaced items of stock;
- 34 (6) Makes final policy decisions relative to the operations of the business; or
- 35 (7) Has voting rights or the right to obtain voting rights in the Cannabis  
36 Licensee.

37

38 (c) Ongoing Suitability Requirements. An Applicant for a Cannabis License shall  
39 have an affirmative duty to notify the OCR in writing of: (i) any Disqualifying  
40 Criminal Offense under sections 776(gg) and 790(5) against an Owner within

1                                   ten (10) days of the Person's arrest and within ten (10) days of disposition; or  
2                                   (ii) any change in residency disqualifying any Owner pursuant to section  
3                                   785(a)(7), within ten (10) days of such change. Upon determination by the OCR  
4                                   that an Owner associated with the Licensee is no longer suitable under this Act,  
5                                   the Cannabis Licensee shall have ninety (90) days to remove the disqualified  
6                                   Person from association with the Cannabis License unless otherwise extended  
7                                   by the OCR for good cause. Failure to remove such disqualified Person in  
8                                   accordance with this section may be grounds for denial, suspension, revocation,  
9                                   or administrative action.

10                                  (d) Requirements Applicable to Financial Interest Holders.

- 11                                  (1) Approval Required. A Cannabis Licensee shall disclose all Financial  
12                                   Interests at the time of the initial application, change of ownership,  
13                                   change of Business Structure, renewal, and at any other time requested  
14                                   by the OCR. A Cannabis Licensee shall not permit any Person to hold a  
15                                   Financial Interest in a Medical Cannabis License unless and until such  
16                                   Person's Financial Interest has been disclosed to and approved by the  
17                                   OCR. It shall be unlawful to fail to completely report all Financial  
18                                   Interests in each License. Failure to seek pre-approval of a Financial  
19                                   Interest or Financial Interest Holder may form the basis for denial or  
20                                   administrative action against the Cannabis Licensee. Each Financial  
21                                   Interest in a Cannabis License and any amendment, transfer, or  
22                                   assignment of a Financial Interest must be approved.  
23  
24  
25  
26                                  (2) Required Agreement. A Cannabis Licensee seeking to apply for a  
27                                   Financial Interest must submit a copy of the contract between the  
28                                   Cannabis Licensee and the proposed Financial Interest Holder. The  
29                                   agreement between the parties must be approved by the OCR and shall  
30                                   be void and of no effect until and unless approved by the OCR. Such  
31                                   agreement shall be subject to rules promulgated by the OCR which shall  
32                                   at a minimum:  
33  
34                                   i. Prevent the transfer or assignment of the Financial Interest, and  
35                                   shall contain a provision requiring that any funds exchanged  
36                                   pursuant to the agreement shall not be provided until the OCR  
37                                   approves the agreement in writing;  
38  
39                                   ii. Include representations and warranties by the Financial Interest  
40                                   Holder that its investment is passive and has no entitlement or  
41                                   expectation of being able to have any control, participation in, or  
42                                   investment in the Cannabis Licensee except as permitted in the  
43                                   agreement as approved by the OCR;  
44  
45                                   iii. Include representations and warranties by all parties that the  
46                                   agreement and the relationship between the parties is contingent

1                              upon approval of the OCR and that the proposed Financial Interest  
2                              Holder has no entitlement to or expectation of the OCR approving  
3                              the Financial Interest;  
4

- 5                              iv. Contain an acknowledgment that the agreement and relationship  
6                              between the parties is contingent upon the approval of the OCR;  
7                              and  
8  
9                              v. Contain an acknowledgment and agreement by both parties that  
10                             the decision of the OCR to approve or deny the Financial Interest  
11                             is final and wholly discretionary and any administrative or judicial  
12                             review of such determination by the OCR will only occur through  
13                             licensing or enforcement proceedings involving the Cannabis  
14                             Licensee.  
15

16                             (3) Investigation and Disclosures.  
17

- 18                             i. The OCR will conduct a financial investigation as well as a  
19                             criminal background investigation of all Financial Interest Holders  
20                             in order to determine whether such Financial Interest Holder is  
21                             qualified. After licensure, a Financial Interest Holder must  
22                             continue to disclose the source of funds for all money relating to  
23                             the Financial Interest in the Cannabis License. The OCR must  
24                             approve these funds prior to the funds being used in any manner  
25                             by the Cannabis Licensee.  
26  
27                             ii. As a part of its application, a Cannabis Licensee seeking to obtain  
28                             approval of a Financial Interest shall provide evidence to establish  
29                             that the Person seeking to become a Financial Interest Holder,  
30                             including all members of any Business Entity seeking to become  
31                             a Financial Interest Holder, are lawful residents of the United  
32                             States, and shall provide documentation satisfactory to the OCR  
33                             verifying and confirming the funds used for the Financial Interest  
34                             were lawfully earned or obtained.  
35  
36                             iii. The OCR may deny an application for a Financial Interest Holder,  
37                             or any Person who may participate in such interest if its  
38                             investigation of the Applicant results in a determination that such  
39                             holder is not suitable to hold a Financial Interest, is not of good  
40                             moral character, or has not fully disclosed its sources of funds or  
41                             interest in the Cannabis License  
42

43                             (4) Ongoing Suitability Requirement.  
44

- 45                             i. The Financial Interest Holder and the Cannabis License shall be  
46                             subject to an ongoing duty to disclose in writing to the OCR any

1 and all events which may reasonably disqualify the Financial  
2 Interest Holder from having an Interest in a Cannabis License, no  
3 later than ten (10) days after receiving notice of the event.  
4

5 ii. If at any time the OCR finds any Financial Interest Holder is not  
6 qualified, the OCR may require the Cannabis Licensee to  
7 terminate its relationship, including but not limited to all financial  
8 relations, with the Financial Interest Holder within a specified  
9 time period by providing written notice to the Cannabis Business.  
10 Failure to terminate such a relationship and financial ties within  
11 the specified time period may be a basis for administrative action  
12 against the Cannabis Business.  
13

14 (5) Requirements-Permitted Interest Holders.  
15

- 16 i. An application for a Permitted Interest must be initiated by the  
17 Cannabis Licensee and must include a sworn affirmation from the  
18 Cannabis License Applicant and proposed Permitted Interest  
19 Holder on forms prescribed by the OCR that the Permitted Interest  
20 Holder will not exercise control, or have any right to control, the  
21 Cannabis License, until such time as the Permitted Interest Holder  
22 is licensed as an Owner.  
23
- 24 ii. Conversion from a Permitted Interest to an Owner shall occur  
25 pursuant to rules promulgated by the OCR and the terms of the  
26 Permitted Interest Agreement between the Cannabis Licensee and  
27 Permitted Interest Holder, but in no event can the conversion  
28 occur until such time as the Permitted Interest Holder meets all  
29 qualifications for licensure and ownership pursuant to this chapter  
30 and any rules promulgated pursuant to this Code.  
31
- 32 iii. The Cannabis Licensee or Permitted Interest Holder may initiate  
33 a conversion of a Financial Interest to Owner pursuant to the terms  
34 of the Permitted Interest Agreement by application to the OCR.  
35
- 36 iv. The approval of the Permitted Interest Holder by the OCR is  
37 wholly discretionary, and the OCR may, at any time, deny  
38 approval of the Permitted Interest or find that the Permitted  
39 Interest is no longer qualified. The Permitted Interest shall be  
40 terminable immediately upon such determination.  
41

42 (6) Requirements-Reasonable Royalty Holders.  
43

- 44 i. An application for a Reasonable Royalty must be initiated by the  
45 Cannabis Licensee pursuant to rules promulgated by the OCR and  
46 must include a sworn affirmation from the Medical Cannabis

1 License Applicant and proposed Reasonable Royalty Holder on  
2 forms prescribed by the OCR that the Reasonable Royalty Holder  
3 will not exercise control, or have any right to control, the  
4 Cannabis Licensee except as otherwise permitted by this Code or  
5 the rules promulgated thereto. Any violation of this Section may  
6 be the basis for criminal or administrative action against the  
7 Applicant for a Cannabis License or Financial Interest.  
8

- 9 ii. The approval of the Reasonable Royalty Holder by the OCR is  
10 wholly discretionary, and the OCR may, at any time, deny  
11 approval of the Reasonable Royalty or find that the Reasonable  
12 Royalty Holder is no longer qualified. The Reasonable Royalty  
13 shall be terminable immediately upon such determination.  
14

## 15 **§786. License Application Process**

16

- 17 (a) The OCR shall create and furnish forms for the application for a Cannabis License and  
18 promulgate regulations governing the application, review, issuance, denial, and renewal of  
19 a License.  
20
- 21 (b) In accordance with the provisions set forth in section 778, the OCR may issue the following  
22 Cannabis Licenses and Medical Cannabis Licenses on the island of St. Thomas:  
23
- 24 (1) Up to seven (7) Medical Cannabis Dispensary Licenses and Onsite Consumption Use  
25 Permit sites; and  
26
- 27 (2) Up to fifteen (15) Cannabis Cultivation Licenses.  
28
- 29
- 30 (c) In accordance with the provisions set forth in section 778, the OCR may issue the following  
31 Cannabis Licenses and Medical Cannabis Licenses on the Island of St. John:  
32
- 33 (1) Up to three (3) Medical Cannabis Dispensary Licenses and Onsite Consumption Use  
34 Permit sites; and  
35
- 36 (2) Up to five (5) Cannabis Cultivation Licenses.  
37
- 38 (d) In accordance with the provisions set forth in section 778, the OCR may issue the following  
39 Cannabis Licenses and Medical Cannabis Licenses on the Island of St. Croix:  
40
- 41 (1) Up to seven (7) Medical Cannabis Dispensary Licenses and Onsite Consumption Use  
42 Permit sites; and  
43
- 44 (2) Up to fifteen (15) Cannabis Cultivation Licenses.  
45
- 46

- 1
- 2       (e) A Cannabis Licensee that receives a Medical Cannabis Dispensary License shall also  
3       receive a Medical Cannabis Cultivation License. The remaining Medical Cannabis  
4       Cultivation Licenses authorized for issuance above shall be issued to Persons that do not  
5       possess a Medical Cannabis Dispensary License. Notwithstanding this paragraph, a  
6       Medical Cannabis License shall be transferable in accordance with this chapter and there  
7       shall be no requirement that a Cannabis Dispensary Licensee must possess a Cannabis  
8       Cultivation License.
- 9
- 10      (f) The OCR may issue additional Cannabis Licenses after January 1, 2022, provided it has  
11       conducted a study demonstrating that demand for Cannabis Items and Cannabis Items,  
12       generally, in the U.S. Virgin Islands exceeds, or is projected to exceed within twenty-four  
13       (24) months, the current supply of Cannabis Items and Cannabis Items being produced by  
14       all Cannabis Manufacturing Licensees, Cannabis Cultivation Licensees, and Micro-  
15       Cultivation Permittees.
- 16
- 17      (g) Merit-Based Application Process. The OCR shall only issue Cannabis Licenses pursuant  
18       to a formal Merit-Based Application Process, whereby Cannabis Licenses are awarded to  
19       Persons with the highest application score for the specific License type and on the specific  
20       island being sought based on certain criteria set forth by the OCR.
- 21
- 22       (1) The regulations governing a Merit-Based Application Process, including the process  
23       for scoring and points allocated, shall be adopted no later sixty (60) days prior to the  
24       application deadline. The criteria shall include consideration of the following:
- 25
- 26           i. Past USVI taxes paid and evidence of compliant return filing and payment of  
27           taxes;
- 28
- 29           ii. Experience of the Applicant in operating a regulated business;
- 30
- 31           iii. Whether an Applicant has had a License suspended or revoked for operating a  
32           cannabis business;
- 33
- 34           iv. Odor filtration systems;
- 35
- 36           v. Criminal background;
- 37
- 38           vi. Security measures;
- 39
- 40           vii. Operating plans;
- 41
- 42           viii. Staff training plans;
- 43
- 44           ix. Inventory Tracking and illicit diversion prevention plans;
- 45
- 46           x. Community engagement and cooperation plans including evidence of support

- 1                          from community members;
- 2
- 3                          xi. Evidence of adequate capital and liquidity;
- 4
- 5                          xii. Evidence of charitable contributions, scholarships;
- 6
- 7                          xiii. Whether the applicant is a Minority-owned Business Enterprise, Female-operated  
8                          bona fide Virgin Islands entity, or a Service-disabled veteran-operated bona fide  
9                          Virgin Islands entity.
- 10
- 11                         (2) Other criteria subject to evaluation include establishing a system to evaluate competing  
12                         for adult-use lounge permit applications, such as:  
13                         (A) an analysis of the geographical area in which the proposed adult use lounge would  
14                         operate, including with respect to information on criminal activity in the area;  
15                         (B) the proximity of the proposed adult use lounge to any existing or prospective  
16                         commercial cannabis dispensaries; and  
17                         (C) the proximity of the proposed adult use lounge to any child care center, day care  
18                         center, elementary school, secondary school, or religious institution, and  
19                         (D) promotion and ensuring the safety and health of consumers.
- 20
- 21
- 22                         (3) The OCR shall review all applications submitted to a Merit-Based Application Process  
23                         and publish a list of successful Applicants, as well as the score for each Applicant, no  
24                         later than ninety (90) days after the application deadline.
- 25
- 26                         (4) The OCR shall promulgate rules governing the requirements for a Cannabis License  
27                         application, which shall include, at a minimum:
- 28
- 29                         i.                         Applicant's fingerprints;
- 30
- 31                         ii.                        Personal history information concerning the Applicant's qualifications for a  
32                         License based on forms prepared by the OCR, including at a minimum the name,  
33                         all mailing addresses for the past fifteen (15) years, e-mail address, telephone  
34                         number, and social security number of each proposed Owner and Financial Interest  
35                         Holder;
- 36
- 37                         iii.                       If the Applicant for a Cannabis License or Financial Interest is a Business Entity,  
38                         the following:
- 39
- 40                         (a) If the Applicant is a partnership, including a limited partnership, the name and  
41                         percentage interest of each partner holding any interest in the partnership on  
42                         both a current and on a fully diluted basis, the partnership agreement, and  
43                         certification of residency for each partner;
- 44
- 45                         (b) If the Applicant is a limited liability company, the name and percentage interest  
46                         each member holding any membership interest, the limited liability company

1 agreement, the name of each officer, and certification of residency for each  
2 member, on both a current and on a fully diluted basis;

3  
4 (c) If the Applicant is a corporation, each owner of any of the corporation's stock,  
5 the certificate of corporation, a copy of its articles of incorporation or  
6 organization, the name of each corporate officer, a list of all shareholders with  
7 a percentage of ownership, and certification of residency for each shareholder,  
8 on both a current and on a fully diluted basis;

9  
10 (d) A list of all officers with day-to-day operational control over the business.

11  
12 iv. For each Applicant Business Entity, Owner, and Financial Interest Holder, all  
13 requested information concerning financial and controlling associations and  
14 interests of other Persons associated with the business, and classes of stock or  
15 membership interests, on both a current and on a fully diluted basis;

16  
17 v. Evidence that the Applicant is qualified to do business in the Virgin Islands;

18  
19 vi. Supporting documentation to establish the following:

20  
21 (a) That the Applicant, including each Owner, meets the residency requirement in  
22 Section 776 including the dates when continuous legal residence in the Virgin  
23 Islands began for each legal resident that has any ownership interest in the  
24 Applicant;

25  
26 (b) That all Owners and Cannabis Business Representatives of the Applicant are  
27 not less than twenty-one (21) years of age; and

28  
29 (c) That the Applicant and its Cannabis Business Representatives do not have any  
30 disqualifying criminal convictions as set forth in Section 776.

31  
32 vii. Identify all civil litigation in the past ten (10) years and all criminal convictions in  
33 the Person's history for any Owner, Financial Interest Holder, Cannabis Business  
34 Representative, executive officer, director, and principal employee/ of the  
35 Applicant;

36  
37 viii. A description of the corporate structure of the Applicant, including any parent,  
38 intermediary, or subsidiary of the Applicant, and whether any parent or subsidiary  
39 is publicly traded on a securities exchange and whether such Person bears any  
40 relationship to the Cannabis Licensee on both a current and on a fully diluted basis;

41  
42 ix. A description of all outstanding securities, including a clear diagram with  
43 descriptions of corporate structure, capitalization, and ownership including voting  
44 rights, of the Applicant and its holding company's subsidiary and intermediary  
45 companies and a list of all Holders thereto on both a current and on a fully diluted

- 1                                 basis;
- 2
- 3           x. For each Medical Cannabis License Applicant and Financial Interest Holder,  
4                                 documentation verifying and confirming the lawful source of funds used for the  
5                                 operation of the proposed business;
- 6
- 7           xi. The address and a detailed diagram of the proposed Licensed Premises showing all  
8                                 areas of ingress, egress, placement of cameras, and boundaries of the premises;
- 9
- 10          xii. Proof of possession of the proposed Licensed Premises by Applicant;
- 11
- 12          xiii. Proof of filing an emergency response plan with the Virgin Islands Fire Services  
13                                 and the Virgin Islands Police Department;
- 14
- 15          xiv. An affidavit by each Owner and Financial Interest Holder declaring, under penalty  
16                                 of perjury, that the information contained in its application is accurate, true and  
17                                 complete in all material aspects.
- 18
- 19          xv. Federal employer identification number of the Applicant;
- 20
- 21          xvi. Proof of application for a USVI Business License;
- 22
- 23          xvii. Remittance of the required fees.
- 24

25 **§787. Permit Application Process**

26

- 27       (a) The OCR shall create and furnish forms for the application for a Cannabis Permit and  
28                                 promulgate regulations governing the application, review, issuance, denial, and renewal of  
29                                 a permit.
- 30
- 31       (b) The OCR shall only issue a Cannabis Permit to an Applicant that meets the minimum  
32                                 criteria contained in this title and any regulations adopted thereto.
- 33
- 34              (1) A Micro-Cultivation Permit shall only be issued to a single individual with a valid  
35                                 farming license from the Department of Agriculture, at a specific location.
- 36
- 37              (2) Micro-Cultivation Permittees shall be current residents of the U.S. Virgin Islands for  
38                                 at least two (2) years and shall have no less than 1,825 days of cumulative residency  
39                                 during the individual's lifetime, by the date of application. A Micro-Cultivation Permit  
40                                 shall immediately become void if the Permittee ceases to be a U.S. Virgin Islands  
41                                 Resident.
- 42
- 43              (3) A Non-Certified Use Permit may be issued to Persons at a specific location.
- 44
- 45              (4) A Temporary Non-Certified Use Permit may be issued to Persons at a specific location.

1  
2       (5) An Onsite Consumption Permit may be issued to Persons that possess a valid Cannabis  
3           Cultivation License and at the location where a Cannabis Cultivation License is issued.  
4

5       (c) For individuals associated with the application for a Cannabis Permit, the OCR shall review  
6           the criminal history and history of compliance with this chapter and any regulations  
7           adopted thereto prior to issuing a Medical Cannabis Permit. A Medical Cannabis Permit  
8           shall not be issued to an individual that has discharged the sentence for a conviction for a  
9           Crime of Violence in the ten (10) years immediately preceding the individual or Person's  
10          application date.  
11

12       (d) The OCR shall review the location for which the Cannabis Permit is sought and, Cannabis  
13           Temporary Non-Certified Use Permit Site, or any portion or all of an Onsite Consumption  
14           Permit Site.  
15

## 16       **§788. Renewals**

17

18       (a) The OCR shall create and furnish forms for the renewal of an existing License or Permit  
19           and create rules governing procedures for the renewal of an existing License or Permit.  
20

21       (b) Ninety (90) days prior to the expiration date of an existing Medical Cannabis License or  
22           Medical Cannabis Permit, the OCR shall notify the Licensee or Permittee of the expiration  
23           date by first-class mail at the Licensee's address of record with the OCR.  
24

25       (c) A Licensee or Permittee shall apply for the renewal of an existing License or Permit to the  
26           OCR not less than thirty (30) days prior to the date of expiration without being subject to  
27           penalty.  
28

29       (d) The OCR shall adopt policies governing the administrative continuance of a License that  
30           has expired pending review of a renewal application.  
31

32       (e) A Licensee or Permittee shall not exercise the privileges of its License or Permit past its  
33           expiration date unless the OCR has administratively continued the License or permit.  
34

## 35       **§789. Other Applications to the OCR**

36

37       (a) A Licensee or Permittee shall not make any changes to its location, ownership, Licensed  
38           Premises, Micro-Cultivation Site, and Designated Consumption Area without approval  
39           from the OCR.  
40

41       (b) Change in Ownership.  
42

43           (1) A Licensee or Non-certified Use Permittee shall not undergo any change in ownership,  
44           whether adding or removing owners or adjusting equity amongst owners, without prior  
45           approval from the OCR. A License granted under the provisions of this Code is not  
46           transferable except as provided for in this section.

1  
2       (2) A Micro-Cultivation Permit shall be issued to a single individual and may not have its  
3       ownership transferred.

4  
5       (3) A Licensee or Permittee shall apply for a Change of Ownership on forms prepared and  
6       furnished by the OCR, in accordance with all regulations adopted hereto. In  
7       determining whether to approve or deny a transfer of ownership, the OCR shall  
8       consider the requirements of the Code and any rules promulgated hereto.

9  
10      (4) A change in ownership or business structure of any License or Permit issued pursuant  
11      to this chapter shall be prohibited unless all proposed owners of the License or Permit  
12      meet criminal background and suitability requirements as required by this Chapter.

13  
14      (5) A change in majority ownership of any License issued pursuant to this chapter shall be  
15      prohibited for one (1) year after the date the License is issued unless the Licensee can  
16      demonstrate that a transfer of ownership is made necessary by death or disability of the  
17      Licensee, substantial financial hardship, or other reasons as determined by the OCR in  
18      accordance with criteria established in regulations.

19  
20      (6) No application for transfer of ownership or change in the business structure of any  
21      License or Permit shall be approved by the OCR until all taxes, sales taxes, any fines,  
22      penalties, and interest assessed against or imposed upon such Licensee or Permittee in  
23      relation to the licensed business are paid in full.

24  
25      (c) Change of Location

26  
27      (1) A Licensee shall not undergo any change in a location without prior approval from the  
28      OCR.

29  
30      (2) A Permittee may not undergo a change of location and, instead, must apply for a new  
31      permit.

32  
33      (3) A Licensee shall apply for approval to change its location on forms prepared and  
34      furnished by OCR. In determining whether to approve or deny a transfer of ownership,  
35      the OCR shall consider the requirements of this chapter and any rules promulgated  
36      hereto.

37  
38      (4) A License issued pursuant to this chapter shall be prohibited from changing location to  
39      a different island within the U.S. Virgin Islands or any location outside of the U.S.  
40      Virgin Islands.

41  
42      (5) A Licensee may move the permanent location of its Licensed Premises to any other  
43      place within the island where the License was issued once permission to do so is  
44      granted by the OCR provided for in this chapter. In permitting a change of location, the  
45      OCR shall consider all reasonable restrictions that are or may be placed upon the new

1 location.  
2

3 (d) Modification of Premises  
4

- 5 (1) A Licensee or Permittee shall not materially modify its Licensed Premises, Micro-  
6 Cultivation Site, or Designated Consumption area without prior approval from the  
7 OCR.  
8
- 9 (2) A Licensee or Permittee shall apply for a modification of premises on forms prepared  
10 and furnished by the OCR. In determining whether to approve or deny a modification  
11 of premises, the OCR shall consider the requirements of the chapter and any rules  
12 promulgated hereto.  
13
- 14 (3) The OCR shall adopt regulations governing when a Licensee or Permittee shall be  
15 required to submit a modification of premises.  
16

17 **§790. Requirements For All License Types**  
18

- 19 (a) The OCR shall establish an Inventory Tracking System to remotely monitor and track all  
20 Cannabis from the acquisition of seeds or clones through sale or delivery of a finished  
21 product to a Qualified Patient or Non-certified User or Sacramental User.  
22
- 23 (1) The system must provide for real-time access by the OCR, Licensees, and law  
24 enforcement personnel, to the extent that they are authorized to receive or submit the  
25 information to comply with, enforce, or administer this chapter.  
26
- 27 (2) The Inventory Tracking System utilized by the OCR shall support interoperability with  
28 third-party Medical Cannabis License software applications, including seed-to-sale  
29 tracking systems, and allow all Licensee-facing system activities to be performed  
30 through a secure application programming interface (“API”) or comparable technology  
31 which is well documented, bi-directional, and accessible to any third-party application  
32 that has been validated and has appropriate credentials. The API or comparable  
33 technology shall have version control and provide adequate notice of updates to third-  
34 party applications. The system should provide a test environment for third-party  
35 applications to access, which mirrors the production environment.  
36
- 37 (b) Cannabis Licensees shall be permitted to transport Cannabis between Licensed Premises,  
38 provided the transportation is conducted in accordance with regulations adopted by the  
39 OCR.  
40
- 41 (c) An individual who performs work on behalf of a Cannabis Licensee must qualify as an  
42 Owner, Cannabis Business Representative, Consultant, or Contractor.  
43
- 44 (1) A Cannabis Licensee or Medical Cannabis Licensee shall not hire an employee, nor  
45 hire any Consultant or Contractor under the age of twenty-one (21).  
46

- 1                     (2) A Cannabis Business Representative or Medical Cannabis Business Representative  
2                       must be a resident of the U.S. Virgin Islands on the date of hire and for the duration of  
3                       the performance of work on behalf of the Cannabis Licensee. At least 50% of all  
4                       Cannabis Business Representatives from each Licensee must be residents who have  
5                       legally resided in the U.S. Virgin Islands for at least two years prior to the date of hire.  
6
- 7                     (3) A Consultant may not spend more than ninety (90) days per annum within the Licensed  
8                       Premises of the Cannabis Businesses unless the Consultant has received a waiver from  
9                       the OCR, which shall be approved if the Cannabis Business can demonstrate  
10                      commercial necessity.  
11
- 12                    (4) A Cannabis Licensee shall conduct a criminal background check on all Cannabis  
13                       Business Representatives and Consultants prior to the date of hire.  
14
- 15                    (5) A Cannabis Licensee shall not permit individuals whose criminal history includes a  
16                       conviction for a Crime of Violence for which the sentence has not been discharged  
17                       within the preceding five (5) years to act as a Cannabis Business Representative or  
18                       Consultant.  
19
- 20                    (6) A Cannabis Licensee shall maintain a current list of all Cannabis Business  
21                       Representatives and Consultants at its Licensed Premises.  
22
- 23                    (7) A Cannabis Licensee shall maintain documentation evidencing that all Cannabis  
24                       Business Representatives were a qualified USVI Resident and over the age of twenty-  
25                       one (21) upon the date of hire and have had an annual criminal background check for  
26                       every year since the date of hire.  
27
- 28                    (8) A Cannabis Licensee shall maintain documentation evidencing that all Consultants are  
29                       over the age of twenty-one (21) upon the date of hire and show that they have had an  
30                       annual criminal background check for every year since the date of hire.  
31
- 32                    (9) A Cannabis Licensee shall maintain documentation evidencing a written policy that  
33                       requires all Cannabis Business Representatives and Consultants to sign an attestation  
34                       to disclose all criminal convictions.  
35
- 36                    (10) All individuals that enter a Licensed Premises that is not an Owner, Cannabis Business  
37                       Representative, Consultant or Contractor of a Cannabis Licensee shall only be admitted as  
38                       a visitor and subject to the regulations adopted by the OCR that shall include, but need not  
39                       be limited to, age requirements, monitoring requirements, and visitor identification badges  
40                       requirements. All visitors must be at least twenty-one (21) years of age. Visitors may  
41                       include contractors engaged for the purposes of service, repair, or maintenance.  
42
- 43                    (d) All Cannabis Licensees shall develop and implement an on-site training curriculum or enter  
44                       into contractual relationships with outside resources capable of meeting Cannabis Business  
45                       Representative training needs. Training shall include but not be limited to professional  
46                       conduct, ethics, and territory and federal laws regarding patient confidentiality;

1 informational developments in the field of medical use of Cannabis; the proper use of  
2 security measures and controls that have been adopted; and specific procedural instructions  
3 for responding to an emergency, including robbery or violent accident.

4

5 (e) Cannabis Licensees shall secure its Licensed Premises in accordance with the regulations  
6 promulgated by the OCR, which must include but need not be limited to standards for  
7 lighting, physical security, video surveillance, alarm systems, and waste disposal.

8

9 (f) Cannabis Licensees may not Advertise in a manner that has a high likelihood of reaching  
10 Persons under twenty-one (21) years of age in violation of regulations promulgated by the  
11 OCR that must include but shall not be limited to restrictions on:

12 (1) Mass media advertising on television, radio, and the internet;

13 (2) Outdoor advertising; and

14 (3) Event sponsorship, except with the express approval of the OCR.

15

16 (g) The consumption of Cannabis Items shall not be permitted upon the Licensed Premises of  
17 a Cannabis Licensee unless duly authorized by an appropriate Permit.

18

19 (1) The Owner of a Medical Cannabis License may Permit the use of Cannabis Items by  
20 Qualified Patients in an alternate location subject to a valid Medical Cannabis Social  
21 Use Permit or Medical Cannabis Temporary Social Use Permit.

22

23 (2) Cannabis Cultivation Licensee that has been issued an Onsite Consumption Permit may  
24 permit the consumption of Cannabis Items within its Licensed Premises in a Designated  
25 Consumption area and in accordance with all requirements of its permit.

26

27 (h) A Cannabis Licensee shall not sell any Cannabis Items, nor transfer from one Licensed  
28 Premises to another, without having had completed all mandatory Quality Assurance Tests.  
29 All mandatory Quality Assurance Tests shall be conducted by the Department of  
30 Agriculture unless the OCR approves other entities to conduct Quality Assurance Tests.

31

32 (i) A Cannabis Licensee shall not sell any Cannabis Items, nor transfer from one Licensed  
33 Premises to another, without having paid all required Sales Taxes.

34

35 (j) A Cannabis Licensee shall only cultivate, cure, process, store, manufacture, display and  
36 sell Cannabis Items within its Licensed Premises, unless a sale is conducted in accordance  
37 with regulations governing the delivery of Cannabis Items.

38

39 (k) A Cannabis Licensee shall ensure its facility is kept, and operations conducted, in a sanitary  
40 manner and in accordance with regulations promulgated by the OCR designed to reduce  
41 the potential for contamination during cultivation, manufacturing, transporting, and  
42 dispensing.

1           (l) The OCR shall establish a Cannabis quality assurance program as advised by the USVI  
2           Department of Agriculture, USVI Department of Health and other state agencies, as  
3           requested. The quality assurance program must, at a minimum, establish standards for the  
4           safety and potency of Cannabis Items prior to sale at a Cannabis Dispensary.  
5

6           (1) The Quality Assurance Program shall require Cannabis Items to be submitted for  
7           contaminant and potency testing by the USVI Department of Agriculture or another  
8           qualified entity approved by the OCR.  
9

10          (2) The Quality Assurance Program shall establish permissible levels of contaminants for  
11           Cannabis Items and require the destruction of products deemed unsafe for human  
12           consumption due to impermissible levels of contaminants.  
13

14          (3) The Quality Assurance Program shall establish standards and procedures for the  
15           potency testing of Cannabis Items to ensure the labeling of potency information is  
16           accurate and within a defined acceptable variance.  
17

18          (m) An individual who holds an Interest in a Medical Cannabis Licensee shall be prohibited  
19           from holding a Micro-Cultivation Permit.  
20

21          (n) All support service providers to all Cannabis Licensees shall be residents of the Territory.  
22

## 23          **§791. Cannabis Cultivation License**

24

25          (a) A Cannabis Cultivation Licensee shall be authorized by the OCR to purchase Cannabis  
26           Items from Cannabis Research and Development Licensees, other Cannabis Cultivation  
27           Licensees; Micro-Cultivation Permittees; cultivate, cure, process, internally-test, store,  
28           package, and label Cannabis; store, sell, purchase, receive, transfer, and transport Cannabis  
29           Items to and from other Cannabis Licensees in accordance with the limitations in this  
30           chapter and regulations promulgated by the OCR.  
31

32          (b) A Cannabis Cultivation Licensee shall not locate a Licensed Premises within one thousand  
33           (1,000) feet of a school or house of worship PROVIDED HOWEVER:  
34

35           (1) A Cannabis Cultivation Licensee shall not be required to relocate if its premises was  
36           not located within one thousand (1,000) feet of a school or house of worship on the  
37           date the Cannabis Cultivation Licensee filed its application for licensure or change of  
38           location to its current address.  
39

40           (2) The OCR may adopt regulations for Cannabis Cultivation Licensees located in the  
41           Charlotte Amalie, Christiansted, and Frederiksted Historic Districts and the town of  
42           Cruz Bay that impose additional requirements on licensees, such as security, odor  
43           control, and community engagement including, but not limited to signage and fencing.  
44           If such regulations are adopted, the OCR can waive or reduce the distance requirements  
45           in this section for Cannabis Cultivation Licenses located in the Charlotte Amalie,  
46           Christiansted, and Frederiksted Historic Districts and the town of Cruz Bay.

- 1
- 2 (3) A Cannabis Cultivation License shall not be within one thousand (1,000) feet of a cruise  
3 ship dock in Charlotte Amalie (Havensight) or Crown Bay in St. Thomas and within  
4 five hundred (500) feet of primary cruise ship dock in Frederiksted and within five  
5 hundred (500) feet of a primary cruise ship tender pier in Cruz Bay.
- 6
- 7 (c) A Cannabis Cultivation Licensee shall only cultivate Cannabis in accordance with its  
8 authorized production limits established by the OCR in regulations.
- 9
- 10 (d) Cannabis may be cultivated outdoors provided it meets the same or similar security  
11 requirements set forth by the OCR.
- 12
- 13 (e) Cannabis may only be cultivated using Pesticides on an approved list maintained by the  
14 OCR developed in coordination with the USVI Department of Agriculture.
- 15
- 16 (f) A Cannabis Cultivation Licensee may obtain seeds or Immature Cannabis Plants from  
17 individuals not in possession of a Cannabis License or Permit for the first thirty (30) days  
18 after its facility is operational, as determined by the OCR. Thereafter, a Cannabis  
19 Cultivation Licensee may only obtain seeds or immature plants from other Cannabis  
20 Cultivation Licensees or Micro-Cultivation Permittees or Cannabis Research and  
21 Development Licensees, unless the OCR, upon its discretion and good cause, provides  
22 prior written approval due to commercially reasonable needs of the Licensee.
- 23
- 24 (g) The OCR shall set production limits on the numbers of plants Cultivation Licensees may  
25 cultivate, based on market data on Cannabis sales in the Territory to prevent over-  
26 saturation, and using a sliding scale of annual fees based on number of plants grown. In the  
27 interest of assuring market balance, the OCR shall set production limits at their discretion  
28 at no less than five hundred (500) and no more than one thousand (1,000) Flowering  
29 Cannabis plants at a single time. On an annual basis, the OCR shall assess and, if needed,  
30 revise its production limits for Cultivation Licensees.

31

## 32 **§792. Cannabis Manufacturing License**

33

- 34 (a) A Cannabis Manufacturing Licensee shall be authorized by the OCR to purchase Cannabis  
35 from Cannabis Licensees, Cannabis Research and Development Licensees, and/or Micro-  
36 Cultivation Permittees within the Territory; manufacture, process, internally test, package,  
37 and label Medical Cannabis Concentrates and Medical Cannabis Products and non-medical  
38 Cannabis Concentrates and Cannabis Products; store, sell, purchase, receive, transfer, and  
39 transport Cannabis Items to and from other Cannabis Licensees in accordance with the  
40 limitations in this chapter and regulations promulgated by the OCR.
- 41
- 42 (b) A Cannabis Manufacturing Licensee shall not locate a Licensed Premises within one  
43 hundred (100) feet of a school or house of worship PROVIDED HOWEVER:
- 44
- 45 (1) A Cannabis Manufacturing Licensee shall not be required to relocate if its premises  
46 were not located within one hundred (100) feet of a school or house of worship on the

1 date the Cannabis Manufacturing Licensee filed its application for licensure or change  
2 of location to its current address.  
3

4 (2) The OCR may adopt regulations for Cannabis Manufacturing Licenses located in the  
5 Charlotte Amalie, Christiansted, and Frederiksted Historic Districts and the town of  
6 Cruz Bay that impose additional requirements on licensees, such as security, odor  
7 control, and community engagement. If such regulations are adopted, the OCR can  
8 waive or reduce the distance requirements in this section for Cannabis Manufacturing  
9 Licenses located in the Charlotte Amalie, Christiansted, and Frederiksted Historic  
10 Districts and the town of Cruz Bay.  
11

12 (3) A Cannabis Manufacturing Licensee shall not be located within one thousand (1,000)  
13 feet of any cruise ship dock in Charlotte Amalie (Havensight or Crown Bay) in St.  
14 Thomas and within five hundred (500) feet of the primary cruise ship dock in  
15 Frederiksted and within five hundred (500) feet of a primary cruise ship tender pier in  
16 Cruz Bay on the date the Cannabis Manufacturing Licensee filed its application for  
17 licensure or change of location to its current address.  
18

19 (c) The manufacturing of Cannabis Concentrates and Cannabis Products shall only be  
20 conducted in strict accordance with all safety regulations promulgated by the OCR, which  
21 shall include but need not be limited to facility requirements, solvent purity, and food-  
22 handling.  
23

24 (d) A Cannabis Manufacturing Licensee shall not intentionally or knowingly manufacture, or  
25 design a Cannabis Product that has an appearance, label, or package that would cause a  
26 reasonable consumer confusion as to whether the Cannabis Product is a trademarked food  
27 product.  
28

29 (e) Edible non-medical and Medical Cannabis Products shall contain no more than one  
30 hundred (100) milligrams of THC per unit of sale.  
31

32 (f) Edible Cannabis Products shall be separated or easily separable into single servings, with  
33 no more than ten (10) milligrams of THC in a single serving.  
34

35 (g) A Cannabis Manufacturing Licensee shall package and label all Cannabis Concentrates  
36 and Cannabis Products, including accurate potency information, in accordance with this  
37 Code and all regulations promulgated hereto.  
38

39 (h) A Cannabis Manufacturing Licensee must purchase or acquire a portion of its Cannabis  
40 Flower from Micro-Cultivation Permittees.  
41

42 (1) The OCR shall, at its discretion, set this percentage between ten percent (10%) and fifty  
43 percent (50%) of all Cannabis purchased or acquired by a Cannabis Manufacturing  
44 Licensees.  
45

46 (2) The OCR shall determine the sourcing requirement based on factors that include, but

1 need not be limited to, the projected demand for Medical and non-medical Cannabis  
2 Items in the USVI and projected amount of Cannabis produced by Cannabis Licensee  
3 and Micro-Cultivation Permittees.

- 4
- 5 (i) Notwithstanding anything to the contrary in this chapter or the regulations, Cannabis  
6 Dispensaries and Cannabis Manufacturing licensees shall be required to source at least  
7 seventy percent (70%) of the Cannabis used for retail sales or production from Unaffiliated  
8 Third Parties. Any actual or attempted structuring or configuration of a transaction,  
9 including through use of intermediaries or agents, for the purpose of circumventing or  
10 attempting to circumvent the requirements of this provision by obtaining or attempting to  
11 obtain Cannabis from sources other than Unaffiliated Third Parties in excess of the amount  
12 or percentage permitted, shall constitute a violation of this provision and shall be grounds  
13 for suspension or revocation of a License and/or the imposition of a fine on the Licensee,  
14 in the discretion of the OCR.
- 15
- 16 (j) The OCR may suspend or amend the Cannabis Licensee and/or Micro-Cultivation sourcing  
17 requirement if it finds that there will be insufficient or inferior production by Cannabis  
18 Licensee and Micro-Cultivation Permittees for Cannabis Production Licensees to meet the  
19 established percentage requirement.

20

21 **§793. Medical Cannabis Dispensaries**

22

- 23 (a) A Medical Cannabis Dispensary Licensee shall be authorized by the OCR to purchase  
24 Medical Cannabis Items from Cannabis Licensees or Micro-Cultivation Permittees;  
25 internally test, package and label Medical Cannabis Items; store, sell, purchase, transfer,  
26 and transport Medical Cannabis Items to and from other Medical Cannabis Licensees; and  
27 sell, transfer, and deliver Medical Cannabis Items to Qualified Patients in accordance with  
28 the limitations in this chapter and regulations promulgated by the OCR. Notwithstanding  
29 anything to the contrary in this chapter, or the regulations, Medical Cannabis Dispensaries  
30 shall be required to source at least seventy percent (70%) of the Cannabis used for retail  
31 sales from Unaffiliated Third Parties subject to OCR approved exclusions provided for  
32 herein. Any actual or attempted structuring or configuration of a transaction, including  
33 through use of intermediaries or agents, for the purpose of circumventing or attempting to  
34 circumvent the requirements of this provision by obtaining or attempting to obtain  
35 Cannabis from sources other than Unaffiliated Third Parties in excess of the amount or  
36 percentage permitted, shall constitute a violation of this provision and shall be grounds for  
37 suspension or revocation of a License and/or the imposition of a fine on the Licensee, in  
38 the discretion of the OCR.

39

40 A Medical Cannabis Dispensary Licensee may sell Cannabis Items to Qualified Patients,  
41 Caregivers, or the parent or legal guardian of a Qualified Patient. Before purchasing, all  
42 Qualified Patients who do not possess a valid Medical Cannabis Registry Card issued by  
43 the OCR shall be in valid possession of a Medical Cannabis Adult-Use Permit issued by  
44 the OCR. The OCR shall determine the fee amount for the Medical Cannabis Adult-Use  
45 Permit. The OCR shall utilize an automated online and/or app-based system, in addition to  
46 an option to apply and pay at Point of Sale, in processing applications and fees for the

1           Medical Cannabis Adult-Use Permits.  
2

3           (1) The OCR shall adopt regulations concerning what types of identification shall be  
4           considered permissible for a Medical Cannabis Dispensary to confirm an individual's  
5           age.

6           (2) A Medical Cannabis Dispensary must engage in reasonable measures to confirm that  
7           all individuals it sells Cannabis Items to are either a Qualified Patient, Caregiver, or the  
8           parent or legal guardian of a Qualified Patient.

9  
10          (3) A Qualified Patient over twenty-one (21) years of age shall only be required to provide  
11           a Medical Cannabis Dispensary a valid form of identification that is acceptable  
12           pursuant to regulations adopted by the OCR.

13  
14          (4) A Medical Cannabis Dispensary must also confirm an individual's residency prior to  
15           completing the sale of Cannabis Items to ensure compliance with the purchase limits  
16           and special sales tax requirements set forth in this Chapter.

17  
18          (b) A Medical Cannabis Dispensary must ensure that all Cannabis purchased or acquired from  
19           a Cannabis Cultivation Licensee or Micro-Cultivation Permittee has been tested in  
20           accordance with the quality assurance program.

21  
22          (c) Nothing in this Chapter prohibits a Medical Cannabis Dispensary from refusing to sell  
23           Medical Cannabis Items to an individual or Qualified Patient.

24  
25          (d) A Medical Cannabis Dispensary shall only display or sell Medical Cannabis Items within  
26           its designated Restricted Access Area, unless the sale is conducted in accordance with  
27           regulations governing the delivery of Medical Cannabis Items to Qualified Patients  
28           promulgated by the OCR. Only Owners, Medical Cannabis Business Representatives,  
29           Consultants, and Qualified Patients shall be permitted into a Restricted Access Area.

30  
31          (e) The hours of operation of and access to a Medical Cannabis Dispensary shall be established  
32           by regulations of the OCR.

33  
34          (f) A Medical Cannabis Dispensary shall not Permit any individual under twenty-one (21)  
35           years of age, including Qualified Patients under twenty-one (21) years of age, to enter its  
36           Restricted Access Area; except that a parent or legal guardian of a Qualified Patient under  
37           twenty-one (21) years of age may be permitted.

38  
39          (g) A Medical Cannabis Dispensary shall not sell Cannabis Items to anyone under twenty-one  
40           (21) years of age, including Qualified Patients under twenty-one (21) years of age. All sales  
41           of Cannabis Items intended for Qualified Patients under twenty-one (21) years of age shall  
42           be made to the Qualified Patient's parent, legal guardian, or Designated Caregiver.

43  
44          (h) A Medical Cannabis Dispensary Licensee shall not locate a Licensed Premises within one  
45           thousand (1000) feet of a school and within one hundred (100) feet of a house of worship

1 PROVIDED HOWEVER  
2

3 (1) A Medical Cannabis Dispensary Licensee shall not be required to relocate if its  
4 premises was not located within one thousand (1000) feet of a school and one  
5 hundred (100) feet of a school or house of worship on the date the Medical Cannabis  
6 Dispensary Licensee filed its application for licensure or change of location to its  
7 current address.

8 (2) The OCR shall adopt regulations for Medical Cannabis Dispensary Licenses  
9 located in the Charlotte Amalie, Christiansted, and Frederiksted Historic Districts,  
10 and the town of Cruz Bay that impose requirements, such as security, odor control,  
11 and community engagement. Medical Cannabis Dispensary Licenses located in the  
12 Charlotte Amalie, Christiansted, and Frederiksted Historic Districts and the town  
13 of Cruz Bay shall be exempt from distance requirements in this section.

14 (i) A Medical Cannabis Dispensary License shall not be within one thousand (1,000) feet of  
15 any cruise ship dock in Charlotte Amalie (Havensight or Crown Bay) in St. Thomas and  
16 within five hundred (500) feet of the primary cruise ship dock in Frederiksted and within  
17 five hundred (500) feet of a primary cruise ship tender pier in Cruz Bay.

18 (j) On a daily basis a Medical Cannabis Dispensary may not sell more than:

19 (1) Seven (7) Grams of Medical Cannabis, three (3) Grams of Medical Cannabis  
20 Concentrate, and five hundred (500) milligrams of Medical Cannabis Products to a  
21 Qualified Patient that is not a resident of the USVI.

22 (2) One (1) ounce of Medical Cannabis, ten (10) Grams of Medical Cannabis Concentrate.,  
23 and two thousand (2,000) milligrams of Medical Cannabis Products to a Qualified Patient  
24 that is a resident of the USVI.

25 (k) A Medical Cannabis Dispensary shall not intentionally or knowingly sell Medical  
26 Cannabis to a Qualified Patient that will be resold or transported out of the Territory.

27 (l) Prior to completing the sale of an Edible Medical Cannabis Product to a Qualified Patient,  
28 the individual that completes the sale must inform the purchaser: "*A standard serving of  
29 edible Medical Cannabis is ten (10) milligrams of THC, though many consumers prefer  
30 five (5) milligrams or less. Please review the product labeling to ensure you consume only  
31 your desired amount. The effects of edible Medical Cannabis can take two (2) or more  
32 hours to take effect.*"

33 (m) A Medical Cannabis Dispensary may deliver Medical Cannabis Items to Qualified Patients,  
34 in accordance with regulations adopted by the OCR.

35 (n) OCR shall implement a Responsible Vendor Training Program, which shall be required of  
36 all employees that work at a Medical Cannabis Dispensary Licensees business prior to any  
37 employees first day of work.

- 1
- 2       (o) A Medical Cannabis Dispensary Licensee must purchase or acquire a portion of its
- 3           Cannabis from Micro-Cultivation Permittees.
- 4
- 5       (1) The OCR shall, at its discretion, set this percentage at between ten percent (10%)
- 6           and fifty percent (50%) of all Cannabis purchased or acquired by a Medical
- 7           Cannabis Dispensary Licensee.
- 8
- 9       (2) The OCR shall determine the sourcing requirement based on factors that include,
- 10          but need not be limited to, the projected demand for Medical and non-Cannabis
- 11          Items in the USVI, testing passage rates of Micro-Cultivation Permittees and
- 12          projected amount of Cannabis produced by Cannabis Licensee and Micro-
- 13          Cultivation Permittees.
- 14
- 15       (3) The OCR may suspend or amend the Micro-Cultivation sourcing requirement if it
- 16          finds that there will be insufficient or inferior production by Micro-Cultivation
- 17          Permittees for Cannabis Production Licensees to meet the established percentage
- 18          requirement.

19

20 **§794. Micro-Cultivation Permit**

21

- 22       (a) A Micro-Cultivation Permittee may cultivate, cure, process, and store Cannabis and sell,
- 23           transfer, and transport Cannabis to Cannabis Licensees.
- 24
- 25       (b) A Micro-Cultivation Permit shall only be issued to a person who is a farmer licensed with
- 26           the Department of Agriculture and the Department of Licensing and Consumer Affairs.
- 27
- 28       (c) An individual may not possess more than one (1) Micro-Cultivation Permit and no more
- 29           than one (1) Micro-Cultivation Permit may be issued for a single address.
- 30
- 31       (d) A Micro-Cultivation Permittee must be at least twenty-one (21) years of age.
- 32
- 33       (e) A Micro-Cultivation Permittee shall not cultivate Cannabis Plants for commercial use
- 34           outside of its designated Micro-Cultivation Site. A Micro-Cultivation Permittee may only
- 35           sell Cannabis that was harvested from Cannabis Plants cultivated within its Micro-
- 36           Cultivation Site and in accordance with all applicable laws and regulations.
- 37
- 38       (f) A Micro-Cultivation Permittee may not hold an interest in any other Cannabis Business
- 39           License. An Owner of a Cannabis Business License may not hold a Micro-Cultivation
- 40           Permit.
- 41
- 42       (g) A Micro-Cultivation Permittee may cultivate no more than fifty (50) Flowering Cannabis
- 43           Plants and no more than two hundred (200) Immature Cannabis Plants at a single time.
- 44
- 45       (h) A Micro-Cultivation Permit may not be possessed by an individual who:
- 46

1                             (1) Has discharged the sentence for a conviction for a Crime of Violence in the ten (10)  
2                             years immediately preceding the individual application date or is convicted of a Crime  
3                             of Violence or Drug Felony while in possession of a Micro-Cultivation Permit; or  
4

5                             (2) Has been convicted of selling Cannabis to a Person other than a Cannabis Cultivation  
6                             Licensee while in possession of a Micro-Cultivation Permit.  
7  
8

9                             (i) As part of its books and records, a Micro-Cultivation Permittee shall track all Cannabis  
10                             cultivated for commercial use pursuant to its Micro-Cultivation Permit from seed or  
11                             immature plant through sale to a Cannabis Licensee. The records shall include the total  
12                             number of vegetative plants, flowering plants, the harvest date of Flowering Cannabis  
13                             Plants, and any other record keeping requirements as determined by the OCR, necessary to  
14                             prevent diversion and protect public safety, that would not make operations unreasonably  
15                             impracticable for a Micro-Cultivation Permittee.  
16

17                             (j) A Micro-Cultivation Permittee shall only cultivate Cannabis in an enclosed and locked  
18                             space, which may be outdoors and does not need a roof. The OCR may impose additional  
19                             security requirements upon Micro-Cultivation Permittees that are necessary to prevent  
20                             diversion and protect public safety but would not make it unreasonably impracticable to  
21                             operate a Micro-Cultivation Permit.  
22

23                             (k) A Micro-Cultivation Permittee may not cultivate Cannabis within fifteen (15) feet of a  
24                             property line.  
25

26                             (l) A Micro-Cultivation Permittee may transport Cannabis in accordance with rules  
27                             established by the OCR. Such rules shall include but are not limited to, requirements for  
28                             storage, documentation, and contacting the OCR or other governmental authority prior to  
29                             commencing transportation.  
30

31                             (m) The OCR shall consider the feasibility, demand, and public safety concerns for Micro-  
32                             Cultivation Permits to be authorized to produce edible and topical medical Cannabis  
33                             products.  
34

35                             (1) The OCR shall publish a report on whether such Micro-Cultivation Permits should be  
36                             issued no later than three (3) years after the effective date of this chapter.  
37

38                             (2) Notwithstanding any other law, rule, or regulation, a Micro-Cultivation permittee shall  
39                             not manufacture Medical Cannabis Concentrates using solvents or in a manner that  
40                             poses harm to others.  
41

42                             (n) The OCR may consider the feasibility and demand for Micro-Cultivation Permits  
43                             authorized to cultivate up to one hundred (100) Flowering Cannabis Plants in non-  
44                             residential areas. The OCR shall publish a report on whether such Micro-Cultivation  
45                             Permits should be issued no later than three (3) years after the effective date of this Code  
46

1       **§795. Non-Certified Use**

2

- 3       (a) Notwithstanding any other law or regulation, a Person in possession of a valid Non-  
4       Certified Use Permit is authorized to undertake the restricted consumption of Cannabis  
5       Items in an on-site Non-Certified Use Designated Consumption Area licensed and  
6       authorized by the OCR, provided such use conforms to this Chapter and any regulations  
7       adopted thereto.
- 8       (b) The consumption of Cannabis Items within a Non-certified Use Permit Designated  
9       Consumption Area in accordance with this article shall not be grounds for suspension,  
10      revocation, non-renewal, or any other disciplinary action against any overlapping License  
11      or Permit validly issued pursuant to the Virgin Islands Code.
- 12      (c) Notwithstanding any other law to the contrary, it shall be lawful to operate, or to consume  
13      or use cannabis in or within, an adult use lounge provided that:
- 14           (1) the adult use lounge has received a permit from the OCR;
- 15           (2) no person under the age of 21 years old is permitted to enter, or remain in or upon, an  
16      adult use lounge;
- 17           (3) except as provided in subsection (d), there shall be no sale of cannabis, commercial  
18      cannabis products, or commercial cannabis accessories in or within the adult use lounge.
- 19      (d) Notwithstanding any other provision of this section, an adult use lounge may be operated  
20      within, adjacent to or within one hundred (100) feet of a commercial Medical Cannabis  
21      Dispensary licensed pursuant to this chapter, in which case the sale of cannabis,  
22      commercial cannabis products, and commercial cannabis accessories shall be permitted  
23      only by the commercial cannabis dispensary or employees or agents thereof.
- 24      (e) A Non-certified Use Permittee shall not sell, transfer, or distribute Cannabis Items within the  
25      premises to which its valid Non-certified Use Permit is issued. Similarly, a Non-certified Use  
26      Permittee shall take reasonable measures to prevent the unauthorized sale or transfer of  
27      Cannabis for remuneration by others in and around the premises for which its Non-certified  
28      Use Permit or has been issued; unless such sale or transfers is a delivery made pursuant to a  
29      valid Medical Cannabis Dispensary License.
- 30      (f) The consumption of Medical Cannabis Items pursuant to a valid Non-Certified Use Permit  
31      shall only be permitted in the Designated Consumption Area, subject to any operational or  
32      other restrictions on Cannabis consumption placed upon the Non-Certified Use Permit  
33      pursuant to this Chapter and regulations adopted thereto.
- 34      (g) At all times when the consumption of Cannabis Items is permitted within a Designated  
35      Consumption Area, the Permit holder shall possess and maintain possession of the premises  
36      by ownership, lease, rental, or other bona fide arrangement for possession of the designated  
37      consumption area; or the Permit holder shall have permission to use the premises to allow  
38      cannabis consumption from a Person who is the lawful owner of the property where the

1                   designated consumption area is located.  
2

- 3                   (h) The consumption of Cannabis Items by smoking must occur in accordance with The Virgin  
4                   Islands Smoke-free Act. Vaporizing Cannabis Items shall not be considered smoking for  
5                   the purposes of this Chapter or The Virgin Islands Smoke-free Act.
- 6                   (i) An individual shall not be permitted within the Designated Consumption Area unless the  
7                   Cannabis Use Permittee confirms that the individual is a Qualified Patient, Non-certified  
8                   Use Permittee, and at least twenty-one (21) years of age.
- 9
- 10                  (j) Designated consumption areas must be clearly marked with conspicuous signage  
11                  measuring not less than forty (40) square inches in size that includes the statement  
12                  “CANNABIS CONSUMPTION AREA - ACCESS RESTRICTED” in all uppercase  
13                  letters not less than one (1) inch high.
- 14
- 15                  (k) The Permit holder shall ensure that the consumption of inhaled Medical Cannabis Items  
16                  occurring at the street level is not visible from a public right-of-way or a place where  
17                  children congregate. The Permit holder shall make reasonable accommodations to ensure  
18                  that Persons immediately outside of a designated consumption area are not subject to  
19                  Cannabis odor caused by Cannabis consumption occurring within a designated  
20                  consumption area.
- 21
- 22                  (l) Non-Certified Use Permittees shall be subject to the same advertising restrictions as  
23                  Cannabis Business Licensees.
- 24
- 25                  (m) A Non-certified Use Permittee shall not locate a Licensed Premises within one thousand  
26                  (1000) feet of a school and within one hundred (100) feet of a house of worship  
27                  PROVIDED HOWEVER
- 28
- 29                  (1) A Non-certified Use Permittee shall not be required to relocate if its premises were not  
30                  located within one thousand (1000) feet of a school and within one hundred (100) feet  
31                  of a house of worship on the date the Non-certified Use Permittee filed its application  
32                  for licensure or change of location to its current address.
- 33
- 34                  (2) The OCR may adopt regulations for Non-certified Use Permits located in the Charlotte  
35                  Amalie, Christiansted, and Frederiksted Historic Districts and the town of Cruz Bay  
36                  that impose additional requirements on licensees, such as security, odor control, and  
37                  community engagement. If such regulations are adopted, the OCR can waive or reduce  
38                  the distance requirements in this section for Non-prescription Use Permits located in  
39                  the Charlotte Amalie, Christiansted, and Frederiksted Historic Districts and the town  
40                  of Cruz Bay.
- 41
- 42                  (3) A Non-certified Use Permittee shall not be within one thousand (1,000) feet of any  
43                  cruise ship dock in Charlotte Amalie (Havensight or Crown Bay) in St. Thomas and  
44                  within five hundred (500) feet of primary cruise ship dock in Frederiksted and within  
45                  five hundred (500) feet of cruise line tender pier in Cruz Bay on the date, the Non-  
46                  Certified Use Permittee filed its application for licensure or change of location to its

1           current address.

2

3       (n) A designated consumption area shall not require specific zoning permits and shall be

4       permitted in any zone lot where the underlying business or event is permitted.

5

6       (o) A Non-Certified Use Permittee shall not be permitted to cultivate any cannabis plants.

7       **§796. Sacramental Usage**

8       It shall not be unlawful for persons over age twenty-one (21) of an organized religion or faith in

9       the sincere exercise of their religion to consume or cultivate Cannabis or Cannabis derived

10      products as part of their religious or sacramental rituals PROVIDED:

11      (a) Such religious grouping is an organized and registered non-profit organization under the

12      laws of the Virgin Islands and maintains its status in good standing;

13

14      (b) Such religious grouping shall not engage in any commercial activities involving Cannabis

15      or Cannabis derived products;

16

17      (c) Any use and non-commercial cultivation of Cannabis shall occur within a restricted area

18      on land registered to the religious grouping's non-profit organization, complying with all

19      applicable cultivation regulations;

20

21      (d) Production limits for Cannabis cultivation by registered religious groupings under this

22      Section shall be determined by the OCR based on documented membership population

23      size and shall not exceed that of any other Cannabis Licensee;

24

25      (e) Such use shall not endanger public health and safety;

26

27      (f) Such use shall not violate the provisions of Title 19 VI Code Chapter 53A as to smoking

28      in public places; and

29

30      (g) The OCR shall establish regulations for Sacramental Cannabis purchase and use.

31

32       **§797. Cannabis Research and Development License**

33

34      (a) A Cannabis Research and Development Licensee shall be authorized by the OCR to

35      purchase Cannabis Items from Cannabis Licensees or Micro-Cultivation Permittees;

36      internally test, package and label Cannabis Items; store, sell, purchase, transfer, and

37      transport Cannabis Items to and from other Cannabis Licensees in accordance with

38      the limitations in this chapter and regulations promulgated by the OCR.

39

40

- 1
- 2       (b) A Cannabis Research and Development Licensee shall not locate a Licensed Premises
- 3           within one thousand (1,000) feet of a school and within one hundred (100) feet house
- 4           of worship PROVIDED HOWEVER
- 5
- 6       (1) A Cannabis Research and Development Licensee shall not be required to relocate
- 7           if its premises was not located within one thousand (1,000) feet of a school or house
- 8           of worship on the date the Cannabis Cultivation Licensee filed its application for
- 9           licensure or change of location to its current address.
- 10
- 11      (2) The OCR may adopt regulations for Cannabis Research and Development
- 12           Licensees located in the Charlotte Amalie, Christiansted, and Frederiksted Historic
- 13           Districts and the town of Cruz Bay that impose additional requirements on
- 14           licensees, such as security, odor control, and community engagement including, but
- 15           not limited to signage and fencing. If such regulations are adopted, the OCR can
- 16           waive or reduce the distance requirements in this section for Cannabis Research
- 17           and Development Licenses located in the Charlotte Amalie, Christiansted, and
- 18           Frederiksted Historic Districts and the town of Cruz Bay.
- 19
- 20      (3) A Cannabis Research and Development Licensed premises shall not be within one
- 21           thousand (1,000) feet of a cruise ship dock in Charlotte Amalie (Havensight) or
- 22           Crown Bay in St. Thomas and within five hundred (500) feet of primary cruise ship
- 23           dock in Frederiksted and within five hundred (500) feet of a primary cruise ship
- 24           tender pier in Cruz Bay
- 25
- 26      (c) A Cannabis Research and Development Licensee may also operate as a Cannabis
- 27           testing facility as described in Section 777 (a) (9) (xii) and Section 777 (c)(2).
- 28
- 29      (d) A Cannabis Research and Development Licensee shall be authorized to conduct
- 30           experiments and testing on every form and derivative of Cannabis, including live
- 31           plants, fresh and dried plant material, seeds, wax, oil and edible manufactured items.
- 32
- 33      (e) Any animal or human testing trial undertaken by a Cannabis Research and
- 34           Development Licensee must submit a detailed plan and receive the explicit written
- 35           permission from the Commissioner or Assistant Commissioner of the Department of
- 36           Health.
- 37
- 38      (f) A Cannabis Research and Development Licensee may cultivate Immature Cannabis
- 39           Plants and Flowering Cannabis Plants within production limits set by the OCR.
- 40
- 41      (g) A Cannabis Research and Development Licensee may sell seeds and Immature
- 42           Cannabis Plants to Cannabis Dispensaries, Cannabis Cultivation Licensees, and
- 43           Micro-Cultivation Permittees. Information on all sales transactions and quantities of

1 seeds and Immature Cannabis Plants to Cannabis Licensees shall be transmitted to the  
2 OCR for inclusion in the Inventory Tracking System as provided by Section 790 of  
3 this Chapter.

- 4
- 5 (h) A Cannabis Research and Development Licensee shall not sell Flowering Cannabis  
6 Plants or any Cannabis items to other Cannabis Licensees other than seeds and  
7 Immature Cannabis Plants. Any other plant material, including Cannabis flower, in  
8 excess of what is needed for research and testing, shall be destroyed by a method  
9 approved by the OCR. Medical grade Cannabis oils and other Cannabis items may be  
10 donated and delivered to the Department of Health, upon favorable response to a  
11 donation request.
- 12 (i) A Cannabis Research and Development Licensee that includes a Cannabis testing  
13 facility shall not hold any other Cannabis business license or permit. Nothing shall in  
14 this Chapter shall preclude a Cannabis Research and Development Licensee that does  
15 not operate a Cannabis testing facility from holding a different Cannabis license or  
16 permit.

17

18 **§798. Tax Incentive Benefits Qualification for Cannabis Research and Development and**  
19 **Technology and Enterprise Zone Business Program**

20

21 Unless otherwise prohibited by law, it is the intent of the Legislature of the Virgin Islands that any  
22 Cannabis Research and Development Licensee shall be eligible for the tax and other benefits  
23 provided under the University of the Virgin Islands Research and Technology Park Corporation  
24 Act, 17 V.I.C. § 480 *et. seq.*, provided that such business or enterprise would otherwise qualify for  
25 such benefits under the provisions of the University of the Virgin Islands Research and Technology  
26 Park Corporation Act, 17 V.I.C. § 480 *et. Seq.*

27

28 Unless otherwise prohibited by law, it is the intent of the Legislature of the Virgin Islands that any  
29 Cannabis Business or other business enterprise related to Cannabis or to a Cannabis Business shall  
30 be eligible for the tax and other benefits provided under the Enterprise Zone Program Act, 29  
31 V.I.C. Chapter 19, provided that such business or enterprise would otherwise qualify for such  
32 benefits under the provisions of the Enterprise Zone Program Act, 29 V.I.C. Chapter 19, and any  
33 regulations promulgated thereunder for research and development and technology development  
34 and other knowledge-based purposes and uses or uses or activities within an Enterprise Zone.

35

36 **798A. Promotion of Cannabis Research and Development.**

37

38 (a) The Board in conjunction with the University of the Virgin Islands shall promote the  
39 research and development within the Virgin Islands of Cannabis and related products and  
40 technology. The Board shall work cooperatively with research programs established by the  
41 University of the Virgin Islands and other universities that conduct similar research  
programs.

42

43 (b) The University of the Virgin Islands and other selected universities in their Cannabis  
research programs shall undertake research of Cannabis production, Cannabis Items and

1 other related products and technology in the Virgin Islands, including but not limited to  
2 Cannabis cultivation, manufacture, distribution, and use. The Board shall assist the  
3 Cannabis research program in obtaining the necessary federal permits from the United  
4 States Drug Enforcement Agency or appropriate federal agency. In undertaking the  
5 Cannabis research program, the universities may:

6           **(1)** Grow Cannabis to conduct agronomy research and analysis of required soils,  
7 growing conditions, and harvest methods relating to the production of Cannabis for  
8 commercial products, including but not limited to Cannabis seed or strains of Cannabis,  
9 Cannabis Items, edibles, and oils;

10           **(2)** Conduct seed research on various types of Cannabis which are best suited for  
11 growing in the Virgin Islands, including but not limited to, seed availability, creation of  
12 Virgin Islands hybrid types, in-the-ground variety trials, and seed production. The THC  
13 levels of such research product may exceed 0.3 percent;

14           **(3)** Study the economic feasibility of developing a Cannabis market in various types  
15 of Cannabis which can be grown in the Virgin Islands;

16           **(4)** Report on the estimated value-added benefits, including environmental benefits  
17 that the Virgin Islands and state-side businesses would reap by having a Cannabis market  
18 of Virgin Islands-grown Cannabis varieties in the Territory;

19           **(5)** Study the agronomy research being conducted worldwide relating to industrial  
20 Cannabis varieties, production, and utilization;

21           **(6)** Research and promote Virgin Islands Cannabis and Cannabis seed on the world  
22 market, which can be grown on farms in the Territory; and

23           **(7)** Study the feasibility of attracting private funding for the Virgin Islands  
24 Cannabis research program.

25           **(c)** The authorization granted in this section does not subject the Cannabis research  
26 program or the selected universities wherever they are located to any criminal liability  
27 under the controlled substances laws of the Virgin Islands. This exemption from criminal  
28 liability is a limited exemption to be strictly construed and does not apply to any of the  
29 activities of the Cannabis research program or the selected universities which are not  
30 expressly permitted in the authorization.

31           **(d)** The authorization granted in this section does not alter, amend, or repeal by implication  
32 any provision of the laws of the Virgin Islands relating to controlled substances.

33           **(e)** The University of the Virgin Islands and the Board shall notify the Virgin Islands Police  
34 Department and all other local law enforcement agencies of the duration, size, and location  
35 of all Cannabis plots.

36           **§799. Special Cannabis Fund**

37

- 1                 (a) There is hereby created within the Treasury of the Virgin Islands a special fund to be known  
2                 as the “Cannabis Fund” (hereinafter, referred to as the “Cannabis Fund”). All funds  
3                 collected by the OCR shall be deposited into the Cannabis Fund. The USVI Legislature,  
4                 subject to the provisions of Section 799, shall appropriate funds from the Cannabis Fund  
5                 for the following purposes:  
6  
7                 (1) To ensure the continuing and effective operation of the OCR;  
8  
9                 (2) In collaboration with the University of the Virgin Islands and/or the Department of  
10                 Agriculture, establish a testing facility for Cannabis and Industrial Hemp on each of  
11                 the three island districts, to replace the interim third-party testing facility contracted by  
12                 the OCR and/or the Industrial Hemp Commission.  
13  
14                 (3) To create a grant program to provide business incubation and micro-lending services  
15                 to Micro-Cultivation Permittees; and  
16  
17                 (4) To establish a job training program for residents of the Territory interested in pursuing  
18                 work or careers in the Cannabis industry.  
19  
20                 (5) To establish programs designed to educate and prevent substance abuse and support  
21                 individuals afflicted with substance abuse issues; and  
22  
23                 (6) To establish sponsored research on the potential medical efficacy of Cannabis and the  
24                 potential negative consequences associated with Cannabis use.

25                 **§800. Taxes**

- 26  
27                 (a) A Cannabis Dispensary shall levy a special sales tax of no less than twenty-five percent  
28                 (25%) on all sales of Cannabis Items to any Qualified Patient and Non-Certified User who  
29                 is not a resident of the Territory; and a special sales tax of no less than seven and one half  
30                 percent (7.5%) on all sales of Cannabis Items to Qualified Patients and Non-Certified Users  
31                 who are residents of the Territory. Qualified Patients who are residents of the Territory and  
32                 who validly possess a Medical Cannabis Registry Card issued by the OCR shall be exempt  
33                 from the special sales tax.  
34  
35                 (1) Seventy-five percent (75%) of the revenues collected pursuant to this tax shall be  
36                 deposited to the Government Employees Retirement Service.  
37  
38                 (2) Twenty percent (20%) of the revenues collected pursuant to this tax shall be deposited  
39                 with and allocated to the OCR to fund the operations required by this chapter.  
40  
41                 (3) Five percent (5%) of the revenues collected pursuant to this tax shall be disbursed from  
42                 the Cannabis Fund to the OCR for the specific purposes of Cannabis industry  
43                 education, job training and micro-lending programs for VI residents and Micro-  
44                 Cultivator Permittees as described in § 799(a)(3)(4).

- 1                         (4) The OCR may recommend adjustments to the tax rate to the Legislature from time to  
2                         time.
- 3
- 4                         (b) A Cannabis Cultivation Licensee shall pay a Fifty Cent (\$0.50) sales tax per gram of  
5                         Cannabis cultivated on their Licensed Premises that is transferred to another Licensee.
- 6
- 7                         (1) Seventy-five percent (75%) of the revenues collected pursuant to this tax shall be  
8                         deposited with the Government Employees Retirement Service.
- 9
- 10                        (2) Twenty percent (20%) of the revenues collected pursuant to this tax shall be deposited  
11                        with and allocated to the OCR to fund the operations required by this chapter.
- 12
- 13                        (3) Five percent (5%) of the revenues collected pursuant to this tax shall be disbursed  
14                        from the Cannabis Fund to the Department of Human Services to administer such funds  
15                        for youth-related and/or senior citizen projects.
- 16
- 17                        (4) The OCR may recommend adjustments to the tax rate to the Legislature from time to  
18                        time.
- 19
- 20                       (c) Unless otherwise prohibited by law, in computing net income for Cannabis Businesses  
21                        pursuant to Virgin Islands law, there shall be allowed as a deduction from all the ordinary  
22                        and necessary expenses paid or incurred during the taxable year in carrying on a trade or  
23                        business as a Cannabis establishment, including reasonable allowance for salaries or other  
24                        compensation for personal services actually rendered, against such Cannabis Business'  
25                        income tax return payable to the government.
- 26

## 27                       **§801. Fees**

28

- 29                       (a) The OCR shall promulgate regulations establishing reasonable fees for applications,  
30                        licenses, permits, and Medical Patient Registry Cards. All fees must be based upon the  
31                        actual costs incurred by the OCR for reviewing an application or overseeing a License on  
32                        an annual basis. The revenue from all Fees shall be deposited in the Cannabis Fund.
- 33
- 34                       (b) The OCR shall establish reasonable, nonrefundable fees that must accompany an initial  
35                        application for a permit, license, or Medical Patient Registry Card. Application fees shall  
36                        reflect the full costs associated with the OCR's review of applications. In regulations, the  
37                        OCR may render a partial amount of application fees refundable for declined applications.
- 38
- 39                       (c) The OCR shall establish reasonable fees that must be paid by the holder of a permit, license,  
40                        or Medical Patient Registry Card on an annual basis. Fees shall be established on a sliding  
41                        scale so as to account for varying levels of production, as established by the OCR. Such  
42                        fees shall not exceed:
- 43
- 44                        (1) One Thousand Dollars (\$1,000.00) for a Micro-Cultivation Permit  
45                        (2) One Thousand Dollars (\$1,000.00) for a Non-Certified Use Permit  
46                        (3) Twenty-thousand Dollars (\$20,000.00) for a Cannabis Cultivation License

- 1                     (4) Fifty-thousand Dollars (\$50,000.00) for a Cannabis Dispensary License  
2                     (5) Ten-thousand Dollars (\$10,000.00) for a Cannabis Manufacturing License  
3                     (6) Fifty Dollars (\$50) for a Medical Patient Registry Card  
4                     (7) Twenty-five Dollars (\$25) for an Adult Use Permit

- 5  
6                     (d) The OCR shall establish reasonable fees that must be paid by the holder of a Permit or  
7                         License when submitting a change of ownership, change of location, or modification of  
8                         licensed premises.  
9  
10                    (e) All such fees shall be included in regulations to be promulgated by the OCR and may be  
11                         adjusted by the OCR from time to time by amendment to these regulations.

12                   **§802. Inspection Procedures**

- 13  
14                   (a) Each Licensee and Permittee shall keep a complete set of all records necessary to show all  
15                         business transactions of the Licensee or Permittee, all of which shall be open for the  
16                         inspection and examination by the OCR or its duly authorized representatives. The OCR  
17                         may require any Licensee or Permittee to furnish such information as it considers necessary  
18                         for the proper administration of the Chapter.  
19  
20                   (b) The Licensed Premises shall be subject to inspection by the OCR during all business hours  
21                         and other times of apparent activity for inspection or investigation. For examination of any  
22                         inventory or books and records required to be kept by the Licensees, access shall be  
23                         required during business hours. Where any part of the licensed premises consists of a  
24                         locked area, upon demand to the Licensee, such area shall be made available for inspection  
25                         without delay.  
26  
27                   (c) Each Licensee shall retain all books and records necessary to show fully the business  
28                         transactions of the Licensee for a period of the current tax year and the immediately prior  
29                         seven (7) tax years.

30                   **§803. Suspension, Revocations, and Fines**

- 31  
32                   (a) In addition to any other sanctions prescribed by this chapter or rules promulgated pursuant  
33                         to this chapter, the OCR has the power, on its own motion or on complaint, after  
34                         investigation and opportunity for a public hearing at which the Licensee shall be afforded  
35                         an opportunity to be heard, to suspend or revoke a License issued by the OCR for a  
36                         violation by the Licensee or by any of the agents or employees of the Licensee of the  
37                         provisions of this chapter, or any of the rules promulgated pursuant to this chapter, or of  
38                         any of the terms, conditions, or provisions of the License issued by the OCR. The OCR has  
39                         the power to administer oaths and issue subpoenas to require the presence of Persons and  
40                         the production of papers, books, and records necessary to the determination of a hearing  
41                         that the OCR is authorized to conduct.  
42  
43                   (b) The OCR shall provide notice of suspension, revocation, fine, or other sanction by mailing  
44                         the same in writing to the Licensee at the address contained in the license. A suspension

1 shall not be for a longer period than six (6) months. If a License is suspended or revoked,  
2 no part of the fees paid therefore shall be returned to the Licensee.  
3

- 4 (c) Any License or Permit may be summarily suspended by the OCR without notice pending  
5 any prosecution, investigation, or public hearing for public safety purposes and the  
6 Licensee shall be entitled to due process subsequent to the suspension.  
7
- 8 (d) The OCR may enter into a stipulated settlement with a Licensee in lieu of going to a public  
9 hearing. The stipulated settlement may contain any of the following: admission(s) by the  
10 Licensee of violation(s) of rules or statutory provisions, the suspension of a license, that a  
11 suspension be held in abeyance pending no further violation(s) as specified and agreed to  
12 by the parties, a fine imposed against the Licensee, and/or any other terms agreed to by the  
13 OCR and Licensee.  
14
- 15 (e) Cash payments of fines described herein shall not be accepted by the OCR. The fine shall  
16 be paid into the Cannabis Fund.  
17

#### 18 §804. Unlawful Acts and Violations

19

- 20 (a) It shall be unlawful for any Person to engage in any form of business or commerce  
21 involving the cultivation, processing, manufacturing, storage, sale, distribution, or  
22 consumption of Cannabis other than those forms of businesses and commerce that are  
23 expressly contemplated by this Act.  
24
- 25 (b) It is unlawful for a Licensee to buy, sell, transfer, give away, or acquire Medical or non-  
26 medical Cannabis except as allowed pursuant to this chapter.  
27
- 28 (c) A cardholder or medicinal Cannabis establishment that willfully fails to provide a notice  
29 required by section 782 of this chapter is civilly liable for the infraction, subject to a fine  
30 of not more than \$150.  
31
- 32 (d) In addition to any other penalty applicable in law, a Cannabis Business or an agent of a  
33 Cannabis Business who intentionally sells or otherwise transfers cannabis in exchange for  
34 anything of value to a person other than a cardholder, a nonresident cardholder, other  
35 legally authorized business or user or agent is guilty of a felony punishable by  
36 imprisonment for not more than two years or by payment of a fine of not more than \$3,000,  
37 or both. A person convicted under this subsection may not continue to be affiliated with  
38 the Cannabis Business and is disqualified from further participation under this chapter.  
39
- 40 (e) In addition to any other penalty applicable in law, a cardholder or nonresident cardholder  
41 who intentionally sells or otherwise transfers Cannabis in exchange for anything of value  
42 to a person other than a cardholder, a nonresident cardholder, or to a legally licensed  
43 Cannabis Business or its agent is guilty of a misdemeanor punishable by imprisonment  
44 for not more than one year or by payment of a fine of not more than \$1,000, or both.  
45
- 46 (f) A person who intentionally makes a false statement to a law enforcement official about

any fact or circumstance relating to the medical or non-medical use of Cannabis to avoid arrest or prosecution is guilty of a misdemeanor punishable by imprisonment for not more than 90 days or by payment of a fine of not more than \$1,000, or both. This penalty is in addition to any other penalties that may apply for making a false statement or for the possession, cultivation, or sale of Cannabis not protected by this chapter.

(g) A person who knowingly submits false records or documentation required by the OCR to certify a Cannabis Business under this chapter is guilty of a felony and may be sentenced to imprisonment for not more than two years or by payment of a fine of not more than \$3,000, or both.

(h) A practitioner who knowingly refers patients to a Medical Cannabis establishment or to a Designated Caregiver, who advertises in a Medical Cannabis Business, or who issues written certifications while holding a financial interest in a Medical Cannabis Business shall be fined up to \$1,000.

(i) It shall be unlawful for a practitioner who recommends the use of Medical Cannabis, provides Qualified Patients with Medical Cannabis Certification Forms, or refers patients to Medical Cannabis Dispensaries to receive anything of value from a Medical Cannabis Licensee or its agents, servants, officers, or owners or anyone financially interested in the Licensee, and it shall be unlawful for a Licensee licensed pursuant to this chapter to offer anything of value to a practitioner for the same.

(j) It is a misdemeanor punishable by up to 180 days in jail and a \$1,000 fine for any person, including any employee or official of the OCR or another territorial agency, to breach the confidentiality of information obtained pursuant to this chapter.

(k) A Cannabis Business shall be fined up to \$1,000 for any violation of this chapter, or the regulations issued pursuant to this chapter where no penalty has been specified. This penalty is in addition to any other penalties applicable in law. Further, the OCR will have the authority to require a Person convicted for unlawful acts pursuant to this section to become unaffiliated with the relevant Cannabis Business and disqualify him or her from further participation under this chapter.

(l) It shall be an independent violation of this chapter and grounds for an independent enforcement action or imposition of other disciplinary measures, in the discretion of the OCR, for any Person or Licensee to attempt to avoid or circumvent any of the requirements or limitations contained in this chapter.

## **§805. Limitations**

(a) This chapter does not authorize any Person to engage in, and does not prevent the imposition of any civil, criminal, or other penalties for engaging in, the following conduct:

(1) Undertaking any task under the influence of cannabis, when doing so would constitute negligence or professional malpractice;

- 1  
2       (2) Possessing cannabis or otherwise engaging in the medical use of cannabis in any  
3            correctional facility;  
4  
5       (3) Consuming Cannabis while operating any form of public transportation or in any public  
6            place or any place that is open to public use, unless the location possesses a valid Non-  
7            Certified Use Permit and the consumption occurs in accordance with applicable laws  
8            and regulations; or  
9  
10      (4) Operating, navigating, or being in actual physical control of any motor vehicle, aircraft,  
11            train, or motorboat while under the influence of Cannabis, except that a registered  
12            Qualified Patient or nonresident cardholder shall not be considered to be under the  
13            influence of Cannabis solely because of the presence of metabolites or components of  
14            cannabis that appear in insufficient concentration to cause impairment.

15     **§ 806. Addition of debilitating medical conditions**

16     Any resident of the Virgin Islands may petition the OCR to add serious medical conditions or their  
17     treatments to the list of debilitating Qualified Medical Conditions listed herein or established by  
18     regulations. Such a petition must be accompanied by a certification of the nature of such medical  
19     conditions and the benefit that would be derived from the use of Cannabis. The OCR shall consider  
20     petitions in the manner required by OCR regulation, including public notice and hearing. The OCR  
21     shall approve or deny a petition not later than 60 days after its submission. If the petition is denied,  
22     the petitioner may file an administrative appeal, as more fully described in regulations, and provide  
23     notice that an appeal has been filed with the OCR no later than 30 days after the denial. The  
24     approval or denial of any timely filed appeal is a final decision of the OCR, subject to judicial  
25     review. Jurisdiction and venue are vested in the Superior Court of the Virgin Islands.

26     **§807. Severability**

27  
28     Any section of this chapter held invalid as to any Person or circumstance shall not affect the  
29     application of any other section of this chapter that can be given full effect without the invalid  
30     section or application.

31  
32     **SECTION 2.** Title 5, Virgin Islands Code section 3561 is hereby amended by inserting the words  
33     "(health inspectors of the Virgin Islands Department of Health include inspectors and regulatory  
34     enforcement officials of the OCR)" after "health inspectors of the Virgin Islands Department of  
35     Health".

36  
37     **SECTION 3.** There is hereby appropriated the sum of One Million Dollars (\$1,000,000.00) for  
38     the operations of the Office of Cannabis Regulation for its first two (2) years of operation, which  
39     sum shall be used until expended.

40  
41     **SECTION 4.** Title 19 of the Virgin Islands Code, Part III, Chapter 29, § 607a is hereby amended  
42     by adding the following after subsection (h):

1               “(i) Notwithstanding any other provision of this chapter, possession of cannabis or a  
2 commercial cannabis product, or operation of a commercial cannabis establishment, or any other  
3 act pursuant to and compliant with the terms of Chapter 34 of Title 19 shall not constitute a  
4 violation of this chapter.”

5  
6 **SECTION 5.** Title 5 VI Code Section 3731 is hereby amended to insert the definition of “Auto-  
7 Expungement Report” as follows: “Auto-Expungement Report” means a report resulting from the  
8 review of criminal records of individuals convicted of Cannabis related crimes and identifying  
9 persons who are qualified for expungement of records and offenses, as determined by the Auto-  
10 Expungement Report and subsequent amendments issued by the Office of Cannabis Regulation  
11 and for which no response from the Department of Justice is required.

12  
13 **SECTION 6.** Title 5 VI Code Section 3732 is hereby amended to add the following provision:  
14     “(5) A person has been identified and recommended for expungement of eligible offenses in an  
15 Auto-Expungement Report of the Office of Cannabis Regulation pursuant to Title \_\_\_ VI Code  
16 Section 777; and the Office of Cannabis Regulation has submitted its Report as a petition for  
17 expungement.

18 **SECTION 7.** Title 5 VI Code Section 3735(c) is hereby amended to insert at the beginning,  
19     “Except for a petition filed pursuant to the an Auto-Expungement Report.”

20  
21  
22  
23               BILL SUMMARY

24               This Bill seeks to amend the Virgin Islands Medicinal Cannabis Patient Care Act by  
25 expanding on the definitions, protections, and rights granted by the Act. The Bill develops the Act  
26 to further empower the Board in their tasks to provide a comprehensive cannabis program while  
27 protecting the people of the Virgin Islands and their rights. The bill also provides for additional  
28 sources of taxes and fees to the Government of the VI to strengthen the program and the VI  
29 economy.

30               As amended the Act will strengthen the support intended to local farmers, small business  
31 owners, GERS/retirees, medicinal and sacramental users, and the tourism industry by recognizing  
32 cultural and sacramental uses, creating business ownership and financial opportunities for local  
33 Virgin Islanders, increasing revenue to the GVI by enabling sales to tourists, and funding the  
34 Government Employee Retirement System (GERS).