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.

PROPOSED BY THE GOVERNOR

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

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

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

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

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

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

Be it enacted by the Legislature of the Virgin Islands:

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

CHAPTER 34. THE VIRGIN ISLANDS CANNABIS USE ACT

§774 – Short Title.

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

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

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

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

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

§776 – Definitions.

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

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

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

(c) “Applicant” means a person who has submitted an application for a Medical Cannabis Patient Card, Medical Cannabis Caregiver Card, Medical Cannabis License, or Medical Cannabis Permit, renewal, change of ownership, or change of location of a Medical Cannabis License pursuant to this Act, which application has been accepted for review but has not been approved or denied by the OCR.
(d) “Auto-Expungement Project” means the review of criminal records of individuals convicted of Cannabis related crimes and the expungement of qualifying records, as determined by the Auto-Expungement Report and any subsequent amendments issued by the OCR.

(e) “Bona fide Practitioner-Patient Relationship” means:

1. A practitioner and patient have a treatment or consulting relationship, during the course of which the practitioner has completed an assessment of the patient’s medical history and current medical condition, including an appropriate in-person physical examination;
2. The practitioner has consulted with the patient with respect to the patient’s debilitating medical condition; and
3. The practitioner is available or offers to provide follow-up care and treatment to the patient, including, but not limited to, patient examinations.

(f) “Branding” means the promotion of a business’s brand through publicizing a Cannabis business by name, logo, or distinct design features of the brand.

(g) “Business Entity” means a legal entity incorporated pursuant to Title 13 of the Virgin Islands Code or formed under Title 26 of the Virgin Islands Code, whose shareholders, officers, directors, members, partners, or owners are each residents of the U.S. Virgin Islands as required by Section 785(a) of this Act and that is not publicly traded. A Business Entity and each of the persons who are its shareholders, officers, directors, members, partners, or owners are Owners.

(h) “Cannabis” or “Medical Cannabis” means all parts of the plant of the genus Cannabis whether growing or not, the seeds thereof, the resin extracted from any part of the plant, and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or its resin, including cannabis concentrate. “Cannabis” or “Medical Cannabis” does not include industrial hemp, nor does it include fiber produced from the stalks, oil or cake made from the seeds of the plant, sterilized seed of the plant which is incapable of germination, or the weight of any other ingredient combined with cannabis to prepare topical or oral administrations, food, drink or other product. “Cannabis” or “Medical Cannabis” does not include “Hemp” or “Industrial Hemp” as specifically defined by the United States Department of Agriculture.

(i) “Cannabis Business” means a Cannabis Licensee or Micro-Cultivation Permittee. A Cannabis Business may include a Cannabis Non-Prescription Use Permittee.

(j) “Cannabis Business Representative” means an Owner, employee, or agent of a Cannabis Business and shall not include a Contractor or a Consultant.
(k) “Cannabis Concentrate” means a specific subset of Cannabis Items that were produced by extracting cannabinoids, through a solvent or non-solvent manufacturing process, from Cannabis or Medical Cannabis or by combining extracted cannabinoids with Cannabis or Medical Cannabis or other ingredients and are intended for use by smoking or vaporizing.

(l) “Cannabis Cultivation License” or “Cannabis Cultivation Licensee” means a person licensed pursuant to this Code to operate a business as described in section 791 that cultivates Cannabis for sale to Medical Cannabis Licensees or Non-Certified Use Permittees.

(m) “Cannabis Infused Product” means any product that is comprised of Cannabis Concentrate or Cannabis Flower and other ingredients and is intended for use or consumption other than by smoking or vaporizing, including edible Cannabis-Infused Products, Topical Cannabis-Infused Products, Transdermal Cannabis-Infused Products, and Transmucosal Cannabis-Infused Products. An extract of Cannabis that does not include any other non-cannabis ingredients but includes activated cannabinoids intended for oral administration shall be considered an Edible Cannabis-Infused Product.

(n) “Cannabis Item” means raw Cannabis plant material, Cannabis Concentrate, and Cannabis Infused Product.

(o) “Cannabis Manufacturing License” means a person licensed pursuant to this Code to operate a business as described in section 792 that manufactures Cannabis Items for sale to other Cannabis Licensees.

(p) “Cannabis Paraphernalia” or “Medical Cannabis Paraphernalia” means any equipment, products, or material of any kind which are used, intended for use, or designed for use in planting, propagating, cultivating, growing, harvesting, composting, manufacturing, compounding, converting, producing, processing, preparing, testing, analyzing, packaging, repackaging, storing, vaporizing, or containing Cannabis, or for ingesting, inhaling, or otherwise introducing Cannabis into the human body.

(q) “Cannabis Permit”, “Cannabis Permittee”, “Medical Cannabis Permit”, “Medical Cannabis Permittee”, “Permit” or “Permittee” means a person permitted pursuant to this Code to engage in a Cannabis related activity, unless specific provision or context provides otherwise. Cannabis Permittees include Micro-Cultivation Permittees, Cannabis Non-Certified Use Permittee, Cannabis Temporary Non-Certified Use Permittee, or Onsite Consumption Permittee.

(r) “Cannabis Product” or “Medical Cannabis Product” means concentrated cannabis products and cannabis products that are comprised of cannabis and other ingredients
and are intended for use or consumption, such as, but not limited to, edible products, ointments, and tinctures.

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

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

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

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

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

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

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

(y) “Consumer Education Materials” means any informational materials that seek to educate consumers about rules and regulations within the Cannabis industry generally, including, but not limited to, education regarding the safe consumption of Cannabis, regulated Cannabis Concentrate, or regulated Cannabis Products, provided
it is not distributed or made available to individuals under twenty-one (21) years of age.

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

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

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

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

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

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

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

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

(gg) “Disqualifying Felony Offense” means: (1) a crime that was classified as a felony in the jurisdiction where the person was convicted; (2) a violation of a state, territorial, or federal controlled substances law, that was classified as a felony in
the jurisdiction where the person was convicted, not including: (A) an offense for which the sentence was completed, including any term of probation, or supervised release; or (B) an offense that consisted of conduct for which this chapter would likely have prevented a conviction, but the conduct either occurred prior to the enactment of this chapter or was prosecuted by an authority other than the Virgin Islands.

(hh) “Edible Cannabis Product” means a Cannabis-Infused Product that is intended to be taken by mouth, swallowed, and is primarily absorbed through the gastrointestinal tract. Edible cannabis-infused products may be psychoactive when used as intended. Without limitation, edible cannabis-infused products may be in the form of food, beverage, capsule, or tablet.

(ii) “Female-operated Bona Fide Virgin Islands Entity” means a bona fide Virgin Islands entity that is owned and controlled by females who are citizens of the United States and permanent residents of the Virgin Islands, in which at least 51% of the ownership interest is held by females and the management and daily business operations of which are controlled by one or more females, or, in the case of a corporation that has issued stock, of which at least 51% of the capital stock is owned by one or more females.

(jj) “Financial Interest” means any right or entitlement to any portion of revenue or profit from the sales of a Cannabis Business or Medical Cannabis Business, including a Reasonable Royalty or Permitted Interest. A Financial Interest does not include an Indirect Interest. Except as otherwise provided by this Act, a Financial Interest holder shall not be permitted to exercise control over the Cannabis Business or Medical Cannabis Business. A holder of the Financial Interest may not be a publicly-traded company or consist of any other multipart corporate structure that, in the discretion of the OCR, renders it impracticable or impossible for the OCR to conduct its background investigation on all relevant parties and beneficiaries of the Applicant or that that limits or prevents full and direct transparency to underlying direct or indirect ownership, beneficial or otherwise.

(kk) “Financial Interest Holder” means any person entitled to a Financial Interest pursuant to this Act, including a Reasonable Royalty Holder and a Permitted Interest Holder. A Financial Interest Holders is not an Unaffiliated Third Party.

(ll) “Flowering Canopy” means the total square feet of all Flowering Cannabis Plants on the Licensed Premises of a Cannabis Cultivation Licensee.

(mm) “Flowering Cannabis Plant” means a Cannabis plant in a light cycle intended to stimulate the production of flowers, trichomes, and cannabinoids characteristic of Cannabis.

(nn) “Immature Cannabis Plant” means a nonflowering cannabis plant that is no taller
than eight (8) inches and no wider than eight (8) inches, is produced from a cutting, clipping, or seedling, and is in a cultivating device.

“Immediate family member” means a spouse, parent, or child.

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

“Interest” means any Financial Interest or Indirect Interest in a Cannabis Business or Medical Cannabis Business Licensee. A holder of an Interest is not an Unaffiliated Third Party.

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

“Licensee”, “License”, “Medical Cannabis Licensee”, or “Medical Cannabis License” means a Person Licensed pursuant to this Code. Cannabis Licensees or Medical Cannabis Licensees include Cannabis Cultivation Licensees, Cannabis Manufacturing Licensees, and Medical Cannabis Dispensary Licensees.

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

“Limited Access Area” means a building, room, or other contiguous areas upon the Licensed Premises where Cannabis Items are cultivated, manufactured, stored, weighed, packaged, sold, or processed for sale under control of the Licensee.
“Majority Ownership” or “Majority Owner” means a person or group of persons who are Owners of, or control more than fifty-one percent (51%) of the equity interest, voting rights, and profits interest in a Cannabis Business or Cannabis Business on a fully diluted basis.

“Manager” means any person who is not an Owner or holder of a Financial Interest and to whom a licensed Cannabis Business has delegated discretionary authority to organize, direct, carry on or supervise day to day operations.

“Medical Cannabis Adult Use Permit” means a permit provided by the OCR that each individual shall be required to validly possess before purchasing any Cannabis items from a Dispensary.

“Medical Cannabis Business” or “Cannabis Business” means a Medical Cannabis Licensee or Micro-Cultivation Permitee or Cannabis Business Licensee or Non-certified Cannabis Use Permitee. Operation of a Medical Cannabis Business shall be strictly operated for medical dispensary purposes under the provisions of section 793.

“Medical Cannabis Business Representative” or “Cannabis Business Representative” means an Owner, employee, or agent of a Medical Cannabis Business and shall not include a Contractor or a Consultant.

“Medical Cannabis Concentrate” means a specific subset of Medical Cannabis Items that were produced by extracting cannabinoids, through a solvent or non-solvent manufacturing process, from Medical Cannabis or by combining extracted cannabinoids with Medical Cannabis or other ingredients and are intended for use by smoking or vaporizing.

“Medical Cannabis Cultivation License” or “Medical Cannabis Cultivation Licensee” means a person licensed pursuant to this Code to operate a business as described in section 791 that cultivates Medical Cannabis for sale to other Medical Cannabis Licensees.

“Medical Cannabis Dispensary License” or “Medical Cannabis Dispensary Licensee” means a person licensed pursuant to this Code to operate a business as described in section 793 that sells Medical Cannabis Items and Medical Cannabis Paraphernalia to Qualified Patients.

“Medical Cannabis Certified Patient” means an individual who is referenced in a Medical Cannabis Registry Form signed by a licensed practitioner, certifying that in the practitioner’s professional opinion, the patient has a Qualifying Medical Condition.
(eee) **Medical Cannabis Registry Card**” means an identification card provided by the OCR signifying the individual's status as a Medical Cannabis Certified Patient.

(fff) “**Medical Cannabis Registry Form**” means a form created by the OCR for the purposes of a practitioner certifying an individual as a Medical Cannabis Certified Patient.

(ggg) “**Medicinal Use**” includes the acquisition, administration, cultivation, manufacture, delivery, harvest, possession, preparation, transfer, transportation, or use of Cannabis or paraphernalia relating to the administration of Cannabis to treat or alleviate a registered qualifying patient’s debilitating medical condition or symptoms associated with the patient’s debilitating medical condition. The term does not include:

1. the cultivation of Cannabis by a nonresident cardholder;
2. the cultivation of Cannabis by a cardholder who is not designated as being allowed to cultivate on the cardholder’s registry identification card; or
3. the extraction of resin from Cannabis by solvent extraction unless the extraction is done by a Cannabis product manufacturing facility.

(hhh) “**Merit-Based Application Process**” means the process, as described in sections 777 and 786, by which the OCR selects Cannabis Licensees.

(iii) “**Micro - Cultivation Permit**” or “**Micro -Cultivation Permittee**” means an individual, or group of individuals, authorized pursuant to this Code to operate a business at a specific location as described in section 794 that allows for the small-scale cultivation of Cannabis for commercial sale to a Cannabis Licensee.

(jjj) “**Micro - Cultivation Site**” means the specific location within an address, as designated by a Micro-Cultivation Permittee, where the small-scale cultivation of Cannabis for commercial sale to a Cannabis Licensee is permitted to occur.

(kkk) “**Minority Ownership**” or “**Minority Owner**” means a person who is an Owner of, or controls less than fifty percent (50%) of a Cannabis Business or Medical Cannabis Business on a fully diluted basis.

(lll) “**Minority Protections**” means control exerted over a Cannabis Business which does not extend to direct or indirect control over day-to-day operations, but may include a veto right over the actions listed below. Notwithstanding
anything herein, nothing in this section is intended to modify the rights of any shareholder under Title 13 of the Virgin Islands Code. In the event of a conflict between this Act and Title 13 of the Virgin Islands Code, Title 13 shall control:

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

(mmm) “Modification of Premises” means the substantial change in the use or structure of a Cannabis Licensee's Licensed Premises as described in sections 778 and 790-796.

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

(ooo) “Non-Certified Use Permit” means a Non-certified Cannabis Use Permit, Medical Cannabis Temporary Non-Certified Use Permit, or an Onsite Consumption Permit. Individuals issued such permits shall be designated “Non-Certified Users”.

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

The issuance of the card is conditioned upon a practitioner advising the individual that the medical use of cannabis may mitigate symptoms or effects of the person’s medical condition;
(1) The card has an expiration date or requires periodic re-evaluations, the period of required re-evaluation has not passed, and the card has not yet expired;

(2) The designated cardholder has been diagnosed with a debilitating medical condition, or is the parent, guardian, conservator, or other person with authority to consent to the medicinal treatment of a person who has been diagnosed with a debilitating medical condition;

(3) The designated cardholder is not a resident of the Virgin Islands or who has been a resident of the Virgin Islands for less than 45 days;

(4) The card issued is currently valid and is similar to the USVI Medical Cannabis Card or the equivalent of a Medical Cannabis Card registered and authorized by another state, district, territory, commonwealth, insular possession of the United States, or country recognized by the United States that allows the person to use cannabis for medicinal purposes in the jurisdiction of issuance;

(5) The cardholder has submitted any documentation required by the OCR and has received confirmation of registration; and

(6) The cardholder is otherwise a Qualified Patient as defined in this chapter.

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

(A) has been diagnosed with a debilitating medical condition, or is the parent, guardian, conservator, or other person with authority to consent to the medicinal treatment of a person who has been diagnosed with a debilitating medical condition;

(B) is not a resident of the Virgin Islands or who has been a resident of the Virgin Islands for less than 45 days;

(C) is attending or participating in medicinal cannabis treatment in the Virgin Islands under the supervision of a practitioner in the Virgin Islands, and has been issued a temporary non-resident valid registry identification card by the Virgin Islands for the duration of the non-resident in-patient’s treatment, and

(D) has submitted any documentation required by the OCR and has received confirmation of registration as an in-patient.

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

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

(ttt) “Owner” means a natural Person or Business Entity that owns any share of
stock or membership interest in a Medical Cannabis License, including but not
limited to, the officers, directors, members, or partners of the Cannabis
Licensee, and any person in receipt of or who has the right to receive any share
of the revenues or profits derived from the Cannabis Business or Medical
Cannabis Business that is not a Financial Interest approved by the OCR.
“Owner” shall include any and all types of legal entities, individually or as a
group, that may be formed as comingled or derivative ownership structures
for the purpose of being an Owner or participating, in any manner, in the rights
and/or privileges typically reserved for Owners. “Owner” for purposes of this
statute does not include an owner who holds the License or shares or any
other interests in any entity, for which he or she is not the actual beneficial
owner.

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

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

(www) “Permitted Interest Holder” means the holder of a Permitted
Interest. A “Permitted Interest Holder” is a Financial Interest Holder and must
be a Natural Person who is a lawful U.S. citizen.

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

(yyy) “Pesticide” means (1) a substance or mixture of substances intended for
preventing, destroying, repelling, or mitigating any pest, or (2) any substance
or mixture of substances intended for use as a plant regulator, defoliant, or desiccant. For the purposes of this chapter, the definition includes herbicides regulated under the Federal Insecticide, Fungicide, and Rodenticide Act ("FIFRA").

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

"Qualifying Medical Condition" means:

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

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

"Reasonable Royalty" means a right to a royalty payment for the use of licensed Intellectual property in the form of technology, brands, trade secrets, trademarks, copyrights, or other intellectual property approved by the OCR related to the production, sale, or distribution of Cannabis or Cannabis Items based on the value
of gross revenue generated from the manufacturing or processing of Cannabis or
Cannabis Products. While no specific percentage of such revenue can be deemed
reasonable for purposes of this section, whether a rate is reasonable is subject to
the discretion of the OCR pursuant to factors set forth by the OCR in accordance
with Georgia-Pacific Corp. v. United States Plywood Corp., 318 F. Supp. 1116,
1119-20 (S.D.N.Y. 1970), or its progeny and in no event shall the OCR approve
an agreement for a Reasonable Royalty where such agreements transfer more than
thirty percent (30%) of the gross wholesale revenue of the Cannabis Business
derived from the use of the licensed intellectual property to the Reasonable Royalty
Holder.

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

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

(ffff) “Resealable” means that the package continues to function within the
effectiveness specifications, which shall be established by the OCR similar to the
the number of openings and closings customary for its size and contents.

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

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

(iiii) “Restricted Access Area” means a designated and secure area within a Licensed
Premises where Cannabis and Retail Cannabis Products are sold, possessed for sale,
and displayed for sale, and where no one under the age of twenty-one (21) is
permitted.
“Sacramental Usage” means lawful use and means of production, transport, and location of use by persons over the age of twenty-one (21) of an organized religion of faith in the sincere exercise of their religion as may be prescribed by the OCR.

“Sale” or “Sell” means to exchange, barter, or traffic in, to solicit or receive, and order through a Licensee licensed under this article, to deliver for value in any way other than gratuitously, to peddle or possess with intent to sell, or to traffic in for any consideration.

“Sales Tax” means the per gram tax levied on a Cannabis Cultivation Licensee or Medical Cannabis Cultivation Licensee of Cannabis or Medical Cannabis that is cultivated on their Licensed Premises and transferred to another Licensee.

“School” means a public or private preschool or a public or private elementary, middle, junior high, or high school.

“Service-Disabled Veteran” means a veteran who is a citizen of the United States and resident of the Virgin Islands with a service-connected disability as determined by the United States Department of Veterans Affairs or who has been terminated from military service by reason of disability by the United States Department of Defense.

“Service-Disabled Veteran-Operated Bona Fide Virgin Islands Entity” means a bona fide Virgin Islands entity that is owned and controlled by service-disabled veterans in which at least 51% of the ownership interest is held by service-disabled veterans and the management and daily business operations of which are controlled by one or more service-disabled veterans, or, in the case of a corporation that has issued stock, of which at least 51% of the capital stock is owned by one or more service-disabled veteran, on a fully diluted basis.

“Shipping Container” means any container or wrapping used solely for the transport of Cannabis Items in bulk to other Cannabis Licensees.

“Smoking” means the burning of a lighted cigarette, cigar, pipe, or any other matter or substance that contains cannabis. Smoking does not include vaporization, sublimation, or any other chemical.

“Transportation Manifest” means a document created by the Inventory Tracking System that enables a Cannabis Licensee to transport Cannabis Items and designates the time, the quantity of Cannabis Items, and receipt of Cannabis Items.

“Unaffiliated Third Party” means, in the case of a Cannabis Dispensary or Cannabis Production Licensee, a Person who has no ownership or financial interest, direct or indirect, in that Cannabis Dispensary or Cannabis Production Licensee and, in the case of a Medical Cannabis Dispensary, a Person who has no ownership or financial interest, direct or indirect, in that Medical Cannabis Dispensary. A Financial
Interest Holder or a person who holds an Indirect Interest is not an Unaffiliated Third Party.

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

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

§777. Office of Cannabis Regulation.

(a) There is hereby created, the Office of Cannabis Regulation (“OCR”), as part of the Department of Licensing and Consumer Affairs, with the executive authority to implement this chapter and administer the provisions including, but not limited to, rulemaking authority. The OCR shall exercise its powers and perform its respective duties and functions as specified in this Code and shall have full and exclusive authority to:

(1) Promulgate rules and regulations related to the cultivation, manufacture, sale, dispensary, testing, licensing, and use of Medical Cannabis, Non-Prescription Medical Cannabis, and Sacramental Cannabis being necessary for efficient administration of its duties, as set forth in this chapter within one-hundred-eighty (180) days of enactment of this Chapter; and may include any amendments to such regulations from time to time. No regulation adopted by the OCR, shall make it unreasonably impracticable to operate or issue any Licenses or Permits;

(2) Establish reasonable production limits governing the cultivation of Medical Cannabis, Non-Certified Medical Cannabis, and Sacramental Cannabis in the interest of preventing oversaturation within each market;

(3) Shall establish defined geographical zones within which Cannabis cultivation, manufacturing, production, dispensing, consumption, and related business activities may occur as a means of facilitating control and enforcement;

(4) Promulgate rules and regulations related to the inter-island transport of Cannabis items between Cannabis Licensees under this Chapter, to the extent permitted by federal law. Before enacting any such rules and regulations on
inter-island transport of Cannabis items, the OCR shall seek formal and legal
approval from all relevant local and federal agencies.

(5) Grant or refuse Licenses for the commercial cultivation, manufacture,
distribution, and sale of Medical Cannabis, Non-Certified Cannabis, and
Sacramental Cannabis Items as provided by law;

(6) Establishing the form and content of registration and renewal applications
submitted under this chapter and to establish license, permit and application
fees;

(7) Grant or refuse Permits for the Micro-Cultivation and Non-Certified Use of
Medical Cannabis as provided by law;

(8) Establishing a system to evaluate competing Medicinal Cannabis applicants
that includes an analysis of:
   i. in the case of dispensaries, the suitability of the proposed medicinal
      location and its accessibility for patients;
   ii. the character, veracity, background, qualifications, and relevant
       experience of applicants and their principal officers and board
       members;
   iii. the economic benefits that will inure to the residents of the Virgin
       Islands by local ownership, jobs, and other opportunities; and
   iv. the business plan proposed by the applicant, which, in the case of
      cultivation facilities and dispensaries must include the ability to
      maintain an adequate supply of Cannabis, plans to ensure safety and
      security of patrons, and the protection of the community, as well as
      procedures to be used to prevent diversion of Cannabis products, and
      any plan for making Cannabis available to low-income registered
      Qualifying Patients;
   v. inclusion of interests for Minority-owned Business Enterprises,
      Female-operated bona fide Virgin Islands entities, and Service-
      disabled veteran-operated bona fide Virgin Island entities.

(9) Establish procedures governing Cannabis Businesses with the goals of ensuring
the health and safety of Qualifying Patients, Non-Certified Users, and
Sacramental Use organizations and preventing diversion and theft from such
businesses without imposing an undue burden or compromising the
confidentiality of cardholders, including:
   i. oversight requirements;
   ii. recordkeeping requirements;
   iii. security requirements, including lighting, physical security, and
      alarm requirements;
   iv. health and safety regulations, including restrictions on the use of
      pesticides that are injurious to human health;
   v. standards for the manufacture of Cannabis products, and both the
indoor and outdoor cultivation of Cannabis by cultivation facilities; vi. requirements for the transportation and storage of Cannabis by Cannabis Businesses; including requirements that transportation manifests be kept for all transportation of medicinal Cannabis; vii. requirements for banking and transportation of cash deposits; viii. employment and training requirements, including requiring that each medicinal Cannabis establishment create an identification badge for each agent; ix. standards for the safe manufacture of Cannabis products, including extracts and concentrates; x. restrictions on the advertising, signage, and display of medicinal Cannabis dispensaries and non-certified centers, but the restrictions may not prevent appropriate signs on the property of a dispensary or non-certified center, listings in business directories, including phone books, listings in Cannabis-related or medical publications, or the sponsorship of health or not-for-profit charity or advocacy events; xi. requirements and procedures for safe, accurate and appropriately childproofed packaging and labeling of medicinal Cannabis products; and xii. certification standards for testing facilities, including requirements for independence from Cannabis Businesses whose products are tested by such testing facilities, and equipment and qualifications for personnel;

(10) Establish licensing goals for service-disabled veterans and females, and service-disabled veteran-operated bona fide Virgin Island entities and female operated bona fide Virgin Islands entities.

(11) Establishing labeling requirements for Cannabis and Cannabis Products, including requiring that edible Cannabis Products be clearly identifiable, when practicable, with a standard symbol indicating that it contains cannabis, and requiring that Cannabis Products’ labels include the following, where applicable:
   i. the estimated length of time it typically takes for the product to take effect;
   ii. warnings to limit additional consumption while waiting for edible cannabis to enter the bloodstream and be fully absorbed;
   iii. disclosure of ingredients and possible allergens;
   iv. a nutritional or supplement fact panel;
   v. date of expiration; and
   vi. name and address of the manufacturer.

(12) Suspend, fine, restrict, or revoke such Licenses or Permits upon a violation of this article or any rule promulgated pursuant to this article;

(13) Impose any penalty authorized by this article or any rule promulgated
pursuant to this article; and

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

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

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

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

(1) The Board must be comprised of:

i. one representative of the Department of Health;

ii. one representative of the Department of Agriculture;

iii. one representative of the Department of Licensing and Consumer Affairs;

iv. one farmer recommended by the Commissioner of Agriculture;

v. one healthcare practitioner knowledgeable in Cannabis medicine recommended by the Board of Medical Examiners;

vi. one disability advocate or representative appointed from the resident retirement community;

vii. one representative from the University of the Virgin Islands Cooperative Extension Service;

viii. one economist or person with expertise in finance;

ix. one representative from the Department of Tourism;

x. one representative from the Virgin Islands Department of Justice;

xi. and the Director of the OCR who serves as an ex officio voting
The term of each member’s appointment shall be three (3) years and shall serve and 
be enabled to vote and be qualified to meet a quorum until a successor is appointed 
and qualified. The farmer recommended by the Commissioner of Agriculture who 
is named to the Board is not prohibited from obtaining a Cannabis License or 
Permit. This farmer shall recuse him or herself from any Board decision relative to 
his or her specific license or permit.

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

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

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

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

(1) rules authorizing and permitting a Virgin Islands sponsored Non- 
Resident Medical Cannabis tourism program;
(2) a Virgin Islands cannabis testing lab in each of the two major 
districts—St. Croix and St. Thomas/St. John—initially operated by 
private entities awarded annual contracts using the Government of the 
Virgin Islands’ Request for Proposal process, with the Board retaining 
the authority to establish and direct construction of its own cannabis 
testing facilities at a later date;
(3) educational and certification requirements for Medical Cannabis 
Establishment Applicants and licensees, their agents and employees; 
medical practitioners; and Medical Cannabis-related businesses 
including, vendors, transporters, security companies, etc.;
(4) an approved list of Medical and Non-Certified Cannabis 
Establishment vendors and qualified Sacramental Cannabis 
organizations;
(5) such other programs that provide a benefit to patients, non-certified 
users and promote the economic welfare of the Virgin Islands, including 
drug education and drug rehabilitation programs and centers, without 
exceeding the authority granted in this chapter; and
(6) regulations to ensure that all cannabis establishments are located in
and advertised in areas that do not negatively impact enterprises and
entities that rely primarily on family and youth participation, such as
schools and houses of worship. Regulations must address street-level
and media-based advertising and marketing guidelines, to ensure that
Cannabis advertising and marketing does not negatively impact family-
based enterprises and civic organizations. Regulation must also provide
that each cannabis establishment has comprehensive security and
camera monitoring systems in place at all times.

(7) an approved list of credit unions and other banking institutions; and
security firms that Cannabis businesses can legally and safely utilize.
(8) a recommended list of local third-party vendors that Cannabis
businesses can utilize.

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

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

i. the ability of qualifying patients in all areas of the Territory to obtain
timely access to high-quality Medicinal Medical Cannabis;

ii. the effectiveness of the dispensaries and cultivation facilities,
individually and together, in serving the needs of Qualifying Patients,
Non-certified Users, and Sacramental Uses, including the provision of
educational and support services by dispensaries, the reasonableness of
their prices, whether they are generating any complaints or security
problems, and the sufficiency of the number operating to serve the
Territory’s registered Qualifying Patients;

iii. the effectiveness of the Cannabis testing facilities;

iv. the sufficiency of the regulatory and security safeguards contained in
this chapter and adopted by the OCR, to ensure that access to and the
use of cannabis cultivated are provided only to cardholders;

v. the proposal of additions or revisions to the OCR regulations or this
chapter, relating to security, safe handling, labeling and nomenclature
are considered; and

vi. that research studies regarding the health effects of Medicinal Medical
Cannabis for patients are encouraged and conducted.

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

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

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

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

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

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

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

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

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

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

   i. Classifications of crimes that should be expunged for persons convicted for reasons solely related to possession, control, or sale of under one (1) pound of Cannabis, and subject to classification of crimes that may be expunged under the provisions of Title 5 Virgin Islands Code.
Islands Code, Chapter 314; and the classification of crimes that cannot be expunged under any circumstances;

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

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

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

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

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

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

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

(k) The OCR may conduct or have conducted on its behalf, a market demand study in
order to manage production by Permittees and Licensees prior to the issuance of new Licenses authorized by this chapter.

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

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

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

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

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

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

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

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

(m) All private entities awarded contracts to serve as a neutral-testing lab shall hire sixty
percent (60%) of its entire workforce, full-time and part-time, as bona fide Virgin
Islands residents, and may not have, among its ownership interests or workforce, any
conflicting ownership interest of any form with a Cannabis Business establishment in
the Territory that will be the subject of such testing services.

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

§778. Licenses and Permits

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

(1) Cannabis Cultivation License;

(2) Cannabis Manufacturing License;

(3) Medical Cannabis Dispensary License;

(4) Micro-Cultivation Permit;

(5) Medical Cannabis Adult Use Permit-Resident;

(6) Medical Cannabis Adult Use Permit- Non-Resident;

(7) Cannabis Non-certified Use Permit;

(8) Cannabis Temporary Non-Certified Use Permit; and

(9) Onsite Cannabis Consumption Permit for Medical and Non-Certified
    Cannabis License;

(10) Cannabis Research and Development License;

(b) All Licenses and Permits shall be issued to a specific Person at a defined location,
except that this provision shall not prevent a Person from applying for more than one
License or Permit type identified in (a)(1) – (4) of this section that is intended to be
operated at the same defined location provided that co-location of the License or
Permit would not result in a violation of this Act. The Person and location associated
with a Permit or License may only be changed under the limited circumstances
authorized by this Chapter and shall require approval from the OCR.
(c) All Licenses and Permits shall be valid for one (1) year unless a shorter term is requested by the Applicant, except that a Cannabis Temporary Non-Certified Use Permit may be valid for no longer than fourteen (14) days.

(d) The OCR shall determine the final number of Medical Cannabis Dispensary Licenses, Cultivation Licenses, Micro-Cultivation Permits, Manufacturing Licenses, Cannabis Non-Certified Use Permits, Cannabis Temporary Non-Certified Use Permits, or Onsite Cannabis Consumption Permits that will be issued by the OCR based statistical analysis of supply and demand, public safety concerns, and market survey analysis. The OCR shall take into account market and other circumstances in each island district in determining the final number of licenses and permits. In no event shall the number of licenses exceed the quantities set forth in § 786 of this Chapter. Two (2) years after the issuance of the first license, the number of licenses shall be reviewed, and the OCR shall make written recommendations to the Legislature on possible changes to the limits on numbers of Medical Cannabis Dispensary and Cultivation Licenses.

(e) The application, annual and renewal fees charged to all Licensees, Permittees, Qualifying Patients, nonresident cardholders, and Designated Caregivers shall be determined by the Board.

(f) Renewal fees are charged annually in an amount equal to the application fees or as otherwise determined by the Board’s regulations. It is within the discretion of the Board to adjust all License fees annually.

(g) If the OCR revokes a License, a Licensee elects to surrender a License, or the OCR issues new or additional licenses, the OCR shall conduct a Merit-Based Application Process to determine whether a new Medical Cannabis License of the same type should be issued. If the License is a Cannabis Cultivation License, preference shall be given to Micro-Cultivation Permittees.

(h) A license authorized by this chapter and issued by the OCR may not be held by, or issued to, directly or indirectly, any person or any immediate family member of any person who, at any time within the previous twelve (12) months, held office in, or was employed by any agency of the Government of the Virgin Islands, or any of its political subdivisions, or who was a member of the OCR or the CAB, not including the farmer representative on the Board, when the duties of such person concerned or otherwise related to the enforcement or regulation of this chapter, or any other penal provisions of law of the Virgin Islands prohibiting or regulating the sale, use, possession, transportation, distribution, testing, manufacturing, or cultivation of Cannabis. No person shall be precluded from owning stock in a publicly-traded corporation on the basis of this provision alone, if so licensed and operating in the Territory.

§779. Qualified Patients; Medical Cannabis Patients

(a) A Qualified Patient shall be entitled to all the protections and rights set forth in this
(b) Possession limits for Qualified Patients:

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

i. Four (4) ounces of Medical Cannabis;

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

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

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

i. Four (4) ounces of Medical Cannabis;

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

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

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

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

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

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

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

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

§780. Medical Cannabis Certification Forms, Medical Cannabis Registry, Medical Cannabis Patient Cards

(a) The OCR shall create and publish a Medical Cannabis Registry Form for Physicians to certify that an individual has a Qualifying Medical Condition and would benefit from access to Medical Cannabis. The USVI Department of Health shall provide advice and guidance on the creation of the form.

(b) The OCR shall create and publish a specific Medical Cannabis Registry Form for Qualified Patients under twenty-one (21) years of age or not in control of their own medical decisions, which shall require the Qualified Patient’s parent or legal guardian’s name and signature.

(c) The OCR shall notify the USVI Department of Health if it has reason to suspect that a Physician is providing individuals with a Medical Cannabis Certification Form in a fraudulent manner or in violation of this Code.

(d) Evidence of a Physician’s attestation and signature on Medical Cannabis Registry Forms, certifying an individual as a Qualified Patient, shall be sufficient to provide the individual with all protections entitled to a Qualified Patient.

(e) A Physician shall only recommend the use of Medical Cannabis and provide an individual with a Medical Cannabis Certification Form after the performance of an in-person examination and determination that the individual has a Qualifying Medical Condition and would benefit from the medicinal use of cannabis.

(f) A Physician that has an interest in or obtains any financial benefit from a Medical Cannabis Licensee may not provide an individual a Medical Cannabis Certification Form, nor may that Physician’s Medical Cannabis Certification be used as the basis for providing an individual with a Medical Cannabis Certification Form.

(g) Prior to completing a Medical Cannabis Certification Form for Qualified Patients under twenty-one (21) years of age who are not legally responsible for their own medical decisions, a Physician must obtain the signature of the Qualified Patient’s parent or legal guardian.

(h) A Physician shall include an expiration date on all Medical Cannabis Certification
Forms that shall not exceed two (2) years from the date of issuance for residents of the USVI, and that shall not exceed six (6) months from the date of issuance for non-residents.

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

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

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

i. The name of the cardholder;

ii. A designation that the cardholder is a Qualified Patient;

iii. A random alphanumeric number assigned to the Qualified Patient for purposes of identification in the Medical Cannabis Patient Registry;

iv. A phone number and web address where the validity of the Medical Cannabis Patient Card can be verified pursuant to the request of the Qualified Patient; and

v. The expiration date of the Medical Cannabis Patient Card, which must be the same as the date on the Qualified Patient’s Medical Cannabis Registry Form.

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

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

(j) If the Qualifying Patient designates a Designated Caregiver, OCR may designate whether the Qualifying Patient or Designated Caregiver will be allowed to possess and cultivate cannabis plants for the Qualifying Patient’s medicinal use.
(k) If the Qualifying Patient is unable to submit the information required under subsection (a) due to the persons’ age or medical condition, the person responsible for making medical decisions for the Qualifying Patient may do so on behalf of the Qualifying Patient.

(l) Except as provided in subsection (m), the OCR shall:

(1) verify the information contained in an application or renewal submitted pursuant to this chapter and approve or deny an application no later than 15 days or renewal no later than five days after receiving a completed application or renewal application; and

(2) issue registry identification cards to a Qualifying Patient and the Designated Caregivers, if any, not later than five days after approving the application or renewal. A Designated Caregiver must have a registry identification card for each Qualifying Patient for whom such Designated Caregiver is responsible.

(m) The OCR may conduct a background check of the prospective Designated Caregiver in order to carry out this provision.

(n) The OCR may not issue a registry identification card to a Qualifying Patient who is younger than 21 years of age unless:

(1) the Qualifying Patient’s practitioner has explained the potential risks and benefits of the medicinal use of cannabis to the custodial parent or legal guardian with responsibility for health care decisions for the Qualifying Patient; and

(2) the custodial parent or legal guardian with responsibility for health care decisions for the Qualifying Patient consents in writing to:
   i. allow the Qualifying Patient’s medicinal use of Cannabis;
   ii. serve as the Qualifying Patient’s designated caregiver; and
   iii. control the acquisition of the Cannabis, the dosage, and the frequency of the medicinal use of Cannabis by the Qualifying Patient.

(o) The OCR may deny an application or renewal of a Qualifying Patient’s registry identification card only if the applicant:

(1) did not provide the required information, fee, or materials;
(2) previously had a registry identification card revoked; or
(3) provided false information.

(p) The OCR may deny an application or renewal for a Designated Caregiver chosen by a Qualifying Patient whose registry identification card was granted only if:

(1) the Designated Caregiver does not meet the requirements of Title 19, Chapter 11, section 207 of the Virgin Islands Code;
(2) the applicant did not provide the required information;
(3) the Designated Caregiver previously had a registry identification card revoked; or
(4) the applicant or the Designated Caregiver provided false information.

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

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

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

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

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

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

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

§ 781. Verification system

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

(b) The OCR shall establish a secure phone or web-based verification system. The verification system must allow law enforcement personnel and Medicinal Cannabis establishments to enter a registry identification number and determine whether the
number corresponds with a current, valid registry identification card. The system must disclose only:

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

§ 782. Notifications to OCR and responses

(a) The following notifications and OCR responses are required:

   (1) A registered Qualifying Patient shall notify the OCR of any change of name or address, or if the registered Qualifying Patient ceases to have a debilitating medical condition, no later than 10 days after the change.

   (2) A registered Designated Caregiver shall notify the OCR of any change of name or address, or if the Designated Caregiver becomes aware that the Qualifying Patient is deceased, not later than 10 days after the change.

   (3) Before a registered Qualifying Patient changes his Designated Caregiver, the Qualifying Patient shall notify the OCR.

   (4) When a registered Qualifying Patient changes his preference as to who may cultivate cannabis for the Qualifying Patient, the Qualifying Patient shall notify the OCR.

   (5) If a cardholder loses his registry identification card, he shall notify the OCR no later than 10 days after becoming aware the card has been lost.

(b) Each notification a registered Qualifying Patient is required to make may instead be made by the patient’s Designated Caregiver if the Qualifying Patient is unable to make the notification due to his age or medical condition.

(c) When a cardholder notifies the OCR of items listed in subsection (a), but remains eligible under this chapter, the OCR shall issue the cardholder a new registry identification card with a new random 10-digit alphanumeric identification number no later than 10 days after receiving the updated information and a fee in accordance with OCR’s rules. If the person notifying the OCR is a registered Qualifying Patient, the OCR shall also issue his registered Designated Caregiver, if any, a new registry identification card no later than 10 days after receiving the updated information.

(d) If the registered Qualifying Patient’s certifying practitioner notifies the OCR in writing that either the registered Qualifying Patient has ceased to suffer from a debilitating medical condition or that the practitioner no longer believes the patient would receive therapeutic or palliative benefit from the medicinal use of Cannabis, the card becomes void.

(e) A Medicinal Cannabis Business shall notify the OCR after one business day of any theft or significant loss of Cannabis.
§783 - Patient’s Bill of Rights

(a) Activities related to Medical Cannabis are unlawful unless they are conducted in accordance with this Chapter.

(b) In accordance with the rights and limitations set forth in this Chapter, a Qualified Patient, Designated Caregiver, or the parent or legal guardian of a Qualified Patient under eighteen (18) years of age, shall not be denied any right or privilege, or be subject to arrest, prosecution or penalty in any manner, including any civil penalty or disciplinary action by a court or occupational or professional licensing board for:

(1) The possession, use, display, transport, process, or transfer of Medical Cannabis Items or Medical Cannabis Paraphernalia;

(2) The purchase of Medical Cannabis Items from a Licensed Medical Cannabis Dispensary or Medical Cannabis Paraphernalia;

(3) The manufacturing of Medical Cannabis into Medical Cannabis Concentrate or Medical Cannabis Product without the use of solvents and in a manner, that does not pose harm to others; and

(c) A Qualified Patient shall not have any personal property related to Medical Cannabis, including any Medical Cannabis Items and Medical Cannabis Paraphernalia, seized or forfeited solely for conduct that is permitted under this Chapter.

(d) Possession of, or application for, a Medical Cannabis Certification or Medical Cannabis Registry Card pursuant to this Code does not alone constitute probable cause or reasonable suspicion, nor shall it be used to support a search of the Person or property of the holder of a Medical Cannabis Certification or Medical Cannabis Registry Card, or otherwise subject the Person or property of the Person to inspection by any governmental agency.

(e) Possession, use, display, transport, process, or transfer of Medical Cannabis Items or Medical Cannabis Paraphernalia by a Qualified Patient does not alone constitute probable cause or reasonable suspicion, nor shall it be used to support a search of the person or property of the holder of a Medical Cannabis Certification or Medical Cannabis Registry Card, or otherwise subject the person or property of the person to inspection by any governmental agency.

(f) No landlord may refuse to lease to, and may not otherwise penalize, a person solely for the person's status as a Qualified Patient unless failing to do so would violate federal law or regulations or cause the landlord to lose a monetary or licensing-related benefit under federal law or regulations. A landlord may not be penalized or denied any benefit under territorial law for leasing to a Qualified Patient. No
landlord shall be penalized for seeking a smoke-free environment in such leased
premises.

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

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

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

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

(1) The school district or charter school loses federal funding as a result of
implementing this paragraph;

(2) The school district or charter school can reasonably demonstrate that it lost
federal funding as a result of implementing this paragraph; and

(3) The school district or charter school posts on its website in a conspicuous place
a statement regarding its decision not to comply with this paragraph.

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

(l) For the purposes of providing medical care, including organ and tissue transplants,
a Qualified Patient’s use of Medical Cannabis Items pursuant to this Chapter are
considered the equivalent of the authorized use of any other medication used at the
discretion of a practitioner and does not constitute the use of an illicit substance or otherwise disqualify a Qualified Patient from receiving or being eligible to receive needed medical care.

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

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

§ 784. Affirmative Defenses and Dismissal For Medicinal Cannabis

(a) Except as otherwise provided herein, a person may assert the medicinal purpose for using Cannabis as a defense to any prosecution involving Cannabis, and the defense is presumed valid where the evidence shows that:

(1) a Practitioner has stated that, in the Practitioner’s professional opinion, after having completed a full assessment of the person’s medical history and current medical condition made in the course of a bona fide practitioner-patient relationship, the patient has a debilitating Qualified Medical Condition and the potential benefits of using Cannabis for medicinal purposes would likely outweigh the health risks for the person;

(2) the person, if issued a valid Medical Cannabis Registry Card by the OCR, was in possession of not more than 4.0 ounces of Cannabis, the amount of Cannabis products is within the limits allowed by OCR regulations,

(3) the person was engaged in the acquisition, possession, use, manufacture, or transportation of Cannabis, paraphernalia, or both, relating to the administration of Cannabis to treat or alleviate the individual’s debilitating Qualified Medical Condition or symptoms associated with the individual’s debilitating Qualified Medical Condition; and

(4) the person, if issued a valid Medical Cannabis Registry Card by the OCR, was engaged in the cultivation of Cannabis, relating to the administration of Cannabis to treat or alleviate the individual’s debilitating Qualified Medical Condition or symptoms associated with the individual’s debilitating Qualified Medical Condition; and any cultivation of Cannabis and storage of no more than the quantities authorized by Section
779 occurred in a secure location that only the person asserting the defense could access.

(b) The defense and motion to dismiss may not prevail if the prosecution proves that:
   (1) The person had a registry identification card revoked for misconduct; or
   (2) The purposes for the possession or cultivation of Cannabis were not solely for palliative or therapeutic use by the individual with a debilitating Qualified Medical Condition who raised the defense.

(c) If an individual demonstrates the individual’s medical purpose for using Cannabis pursuant to this section, except as otherwise provided herein, the individual is not subject to the following for the individual’s use of Cannabis for medicinal purposes:
   (1) disciplinary action by an occupational or professional licensing board or bureau; or
   (2) forfeiture of any interest in or right to any property other than cannabis.

§785. Application Requirements and Ownership Restrictions

(a) Ownership; Minimum Requirements for Cannabis Licensees Applicants.

   (1) An Applicant entity for a Cannabis License must be composed of Owners, principals, or members, each of whom is twenty-one (21) years of age or older and meets the suitability requirements set forth in this chapter.

   (2) Only Owners may control or hold a partnership interest, limited or general, a joint venture interest, or ownership of a share or shares in a corporation or limited liability company which is licensed.

   (3) An Applicant for a License that is a Business Entity must be organized under Title 13 or Title 26 of the Virgin Islands Code.

   (4) A Cannabis License may not be held by a Person comprised of individuals any of whom has been convicted of a Disqualifying Felony Offense.

   (5) An Applicant for a Cannabis License must demonstrate that they possess available funds in their control and financial capital as required by the OCR, which includes evidence in the form of bank statements, irrevocable lines of credit, or the equivalent showing that the Applicant has sufficient resources to operate.

   (6) A Cannabis Licensee shall submit to the OCR for approval all Financial Interests and each holder of a Financial Interest must be approved by the OCR before such Financial Interest holder may accept any portion of the
Cannabis Licensee’s revenue, or exercise any of the privileges of the Financial Interest.

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

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

(1) Exercises final decision-making authority over operations of the business;

(2) Directs the day to day operation of the business, except that Managers may direct the day to day operations subject to oversight by Owners pursuant to a lawful employment contract;

(3) Is liable for the taxes and fees or other obligations of the Cannabis Licensee;

(4) Acknowledges liability for the Cannabis Licensee’s taxes and fees;

(5) Has authority to disburse funds of the business other than the receipt of regularly replaced items of stock;

(6) Makes final policy decisions relative to the operations of the business; or

(7) Has voting rights or the right to obtain voting rights in the Cannabis Licensee.

(c) Ongoing Suitability Requirements. An Applicant for a Cannabis License shall have an affirmative duty to notify the OCR in writing of: (i) any Disqualifying Criminal Offense under sections 776(gg) and 790(5) against an Owner within
ten (10) days of the Person’s arrest and within ten (10) days of disposition; or
(ii) any change in residency disqualifying any Owner pursuant to section
785(a)(7), within ten (10) days of such change. Upon determination by the OCR
that an Owner associated with the Licensee is no longer suitable under this Act,
the Cannabis Licensee shall have ninety (90) days to remove the disqualified
Person from association with the Cannabis License unless otherwise extended
by the OCR for good cause. Failure to remove such disqualified Person in
accordance with this section may be grounds for denial, suspension, revocation,
or administrative action.

(d) Requirements Applicable to Financial Interest Holders.

(1) Approval Required. A Cannabis Licensee shall disclose all Financial
Interests at the time of the initial application, change of ownership,
change of Business Structure, renewal, and at any other time requested
by the OCR. A Cannabis Licensee shall not permit any Person to hold a
Financial Interest in a Medical Cannabis License unless and until such
Person’s Financial Interest has been disclosed to and approved by the
OCR. It shall be unlawful to fail to completely report all Financial
Interests in each License. Failure to seek pre-approval of a Financial
Interest or Financial Interest Holder may form the basis for denial or
administrative action against the Cannabis Licensee. Each Financial
Interest in a Cannabis License and any amendment, transfer, or
assignment of a Financial Interest must be approved.

(2) Required Agreement. A Cannabis Licensee seeking to apply for a
Financial Interest must submit a copy of the contract between the
Cannabis Licensee and the proposed Financial Interest Holder. The
agreement between the parties must be approved by the OCR and shall
be void and of no effect until and unless approved by the OCR. Such
agreement shall be subject to rules promulgated by the OCR which shall
at a minimum:

i. Prevent the transfer or assignment of the Financial Interest, and
shall contain a provision requiring that any funds exchanged
pursuant to the agreement shall not be provided until the OCR
approves the agreement in writing;

ii. Include representations and warranties by the Financial Interest
Holder that its investment is passive and has no entitlement or
expectation of being able to have any control, participation in, or
investment in the Cannabis Licensee except as permitted in the
agreement as approved by the OCR;

iii. Include representations and warranties by all parties that the
agreement and the relationship between the parties is contingent
upon approval of the OCR and that the proposed Financial Interest Holder has no entitlement to or expectation of the OCR approving the Financial Interest;

iv. Contain an acknowledgment that the agreement and relationship between the parties is contingent upon the approval of the OCR; and

v. Contain an acknowledgment and agreement by both parties that the decision of the OCR to approve or deny the Financial Interest is final and wholly discretionary and any administrative or judicial review of such determination by the OCR will only occur through licensing or enforcement proceedings involving the Cannabis Licensee.

(3) Investigation and Disclosures.

i. The OCR will conduct a financial investigation as well as a criminal background investigation of all Financial Interest Holders in order to determine whether such Financial Interest Holder is qualified. After licensure, a Financial Interest Holder must continue to disclose the source of funds for all money relating to the Financial Interest in the Cannabis License. The OCR must approve these funds prior to the funds being used in any manner by the Cannabis Licensee.

ii. As a part of its application, a Cannabis Licensee seeking to obtain approval of a Financial Interest shall provide evidence to establish that the Person seeking to become a Financial Interest Holder, including all members of any Business Entity seeking to become a Financial Interest Holder, are lawful residents of the United States, and shall provide documentation satisfactory to the OCR verifying and confirming the funds used for the Financial Interest were lawfully earned or obtained.

iii. The OCR may deny an application for a Financial Interest Holder, or any Person who may participate in such interest if its investigation of the Applicant results in a determination that such holder is not suitable to hold a Financial Interest, is not of good moral character, or has not fully disclosed its sources of funds or interest in the Cannabis License

(4) Ongoing Suitability Requirement.

i. The Financial Interest Holder and the Cannabis Licensee shall be subject to an ongoing duty to disclose in writing to the OCR any
and all events which may reasonably disqualify the Financial Interest Holder from having an Interest in a Cannabis License, no later than ten (10) days after receiving notice of the event.

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

(5) Requirements-Permitted Interest Holders.

i. An application for a Permitted Interest must be initiated by the Cannabis Licensee and must include a sworn affirmation from the Cannabis License Applicant and proposed Permitted Interest Holder on forms prescribed by the OCR that the Permitted Interest Holder will not exercise control, or have any right to control, the Cannabis License, until such time as the Permitted Interest Holder is licensed as an Owner.

ii. Conversion from a Permitted Interest to an Owner shall occur pursuant to rules promulgated by the OCR and the terms of the Permitted Interest Agreement between the Cannabis Licensee and Permitted Interest Holder, but in no event can the conversion occur until such time as the Permitted Interest Holder meets all qualifications for licensure and ownership pursuant to this chapter and any rules promulgated pursuant to this Code.

iii. The Cannabis Licensee or Permitted Interest Holder may initiate a conversion of a Financial Interest to Owner pursuant to the terms of the Permitted Interest Agreement by application to the OCR.

iv. The approval of the Permitted Interest Holder by the OCR is wholly discretionary, and the OCR may, at any time, deny approval of the Permitted Interest or find that the Permitted Interest is no longer qualified. The Permitted Interest shall be terminable immediately upon such determination.

(6) Requirements-Reasonable Royalty Holders.

i. An application for a Reasonable Royalty must be initiated by the Cannabis Licensee pursuant to rules promulgated by the OCR and must include a sworn affirmation from the Medical Cannabis
License Applicant and proposed Reasonable Royalty Holder on forms prescribed by the OCR that the Reasonable Royalty Holder will not exercise control, or have any right to control, the Cannabis Licensee except as otherwise permitted by this Code or the rules promulgated thereto. Any violation of this Section may be the basis for criminal or administrative action against the Applicant for a Cannabis License or Financial Interest.

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

§786. License Application Process

(a) The OCR shall create and furnish forms for the application for a Cannabis License and promulgate regulations governing the application, review, issuance, denial, and renewal of a License.

(b) In accordance with the provisions set forth in section 778, the OCR may issue the following Cannabis Licenses and Medical Cannabis Licenses on the island of St. Thomas:

(1) Up to seven (7) Medical Cannabis Dispensary Licenses and Onsite Consumption Use Permit sites; and

(2) Up to fifteen (15) Cannabis Cultivation Licenses.

(c) In accordance with the provisions set forth in section 778, the OCR may issue the following Cannabis Licenses and Medical Cannabis Licenses on the Island of St. John:

(1) Up to three (3) Medical Cannabis Dispensary Licenses and Onsite Consumption Use Permit sites; and

(2) Up to five (5) Cannabis Cultivation Licenses.

(d) In accordance with the provisions set forth in section 778, the OCR may issue the following Cannabis Licenses and Medical Cannabis Licenses on the Island of St. Croix:

(1) Up to seven (7) Medical Cannabis Dispensary Licenses and Onsite Consumption Use Permit sites; and

(2) Up to fifteen (15) Cannabis Cultivation Licenses.
(e) A Cannabis Licensee that receives a Medical Cannabis Dispensary License shall also
receive a Medical Cannabis Cultivation License. The remaining Medical Cannabis
Cultivation Licenses authorized for issuance above shall be issued to Persons that do not
possess a Medical Cannabis Dispensary License. Notwithstanding this paragraph, a
Medical Cannabis License shall be transferable in accordance with this chapter and there
shall be no requirement that a Cannabis Dispensary Licensee must possess a Cannabis
Cultivation License.

(f) The OCR may issue additional Cannabis Licenses after January 1, 2022, provided it has
conducted a study demonstrating that demand for Cannabis Items and Cannabis Items,
generally, in the U.S. Virgin Islands exceeds, or is projected to exceed within twenty-four
(24) months, the current supply of Cannabis Items and Cannabis Items being produced by
all Cannabis Manufacturing Licensees, Cannabis Cultivation Licensees, and Micro-
Cultivation Permittees.

(g) Merit-Based Application Process. The OCR shall only issue Cannabis Licenses pursuant
to a formal Merit-Based Application Process, whereby Cannabis Licenses are awarded to
Persons with the highest application score for the specific License type and on the specific
island being sought based on certain criteria set forth by the OCR.

(1) The regulations governing a Merit-Based Application Process, including the process
for scoring and points allocated, shall be adopted no later sixty (60) days prior to the
application deadline. The criteria shall include consideration of the following:

   i. Past USVI taxes paid and evidence of compliant return filing and payment of
taxes;

   ii. Experience of the Applicant in operating a regulated business;

   iii. Whether an Applicant has had a License suspended or revoked for operating a
cannabis business;

   iv. Odor filtration systems;

   v. Criminal background;

   vi. Security measures;

   vii. Operating plans;

   viii. Staff training plans;

   ix. Inventory Tracking and illicit diversion prevention plans;

   x. Community engagement and cooperation plans including evidence of support
from community members;

xi. Evidence of adequate capital and liquidity;

xii. Evidence of charitable contributions, scholarships;

xiii. Whether the applicant is a Minority-owned Business Enterprise, Female-operated bona fide Virgin Islands entity, or a Service-disabled veteran-operated bona fide Virgin Islands entity.

(2) Other criteria subject to evaluation include establishing a system to evaluate competing for adult-use lounge permit applications, such as:

(A) an analysis of the geographical area in which the proposed adult use lounge would operate, including with respect to information on criminal activity in the area;

(B) the proximity of the proposed adult use lounge to any existing or prospective commercial cannabis dispensaries; and

(C) the proximity of the proposed adult use lounge to any child care center, day care center, elementary school, secondary school, or religious institution, and

(D) promotion and ensuring the safety and health of consumers.

(3) The OCR shall review all applications submitted to a Merit-Based Application Process and publish a list of successful Applicants, as well as the score for each Applicant, no later than ninety (90) days after the application deadline.

(4) The OCR shall promulgate rules governing the requirements for a Cannabis License application, which shall include, at a minimum:

i. Applicant’s fingerprints;

ii. Personal history information concerning the Applicant’s qualifications for a License based on forms prepared by the OCR, including at a minimum the name, all mailing addresses for the past fifteen (15) years, e-mail address, telephone number, and social security number of each proposed Owner and Financial Interest Holder;

iii. If the Applicant for a Cannabis License or Financial Interest is a Business Entity, the following:

(a) If the Applicant is a partnership, including a limited partnership, the name and percentage interest of each partner holding any interest in the partnership on both a current and on a fully diluted basis, the partnership agreement, and certification of residency for each partner;

(b) If the Applicant is a limited liability company, the name and percentage interest each member holding any membership interest, the limited liability company
agreement, the name of each officer, and certification of residency for each
member, on both a current and on a fully diluted basis;

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

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

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

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

vi. Supporting documentation to establish the following:

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

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

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

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

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

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

x. For each Medical Cannabis License Applicant and Financial Interest Holder, documentation verifying and confirming the lawful source of funds used for the operation of the proposed business;

xi. The address and a detailed diagram of the proposed Licensed Premises showing all areas of ingress, egress, placement of cameras, and boundaries of the premises;

xii. Proof of possession of the proposed Licensed Premises by Applicant;

xiii. Proof of filing an emergency response plan with the Virgin Islands Fire Services and the Virgin Islands Police Department;

xiv. An affidavit by each Owner and Financial Interest Holder declaring, under penalty of perjury, that the information contained in its application is accurate, true and complete in all material aspects.

xv. Federal employer identification number of the Applicant;

xvi. Proof of application for a USVI Business License;

xvii. Remittance of the required fees.

§787. Permit Application Process

(a) The OCR shall create and furnish forms for the application for a Cannabis Permit and promulgate regulations governing the application, review, issuance, denial, and renewal of a permit.

(b) The OCR shall only issue a Cannabis Permit to an Applicant that meets the minimum criteria contained in this title and any regulations adopted thereto.

(1) A Micro-Cultivation Permit shall only be issued to a single individual with a valid farming license from the Department of Agriculture, at a specific location.

(2) Micro-Cultivation Permittees shall be current residents of the U.S. Virgin Islands for at least two (2) years and shall have no less than 1,825 days of cumulative residency during the individual’s lifetime, by the date of application. A Micro-Cultivation Permit shall immediately become void if the Permittee ceases to be a U.S. Virgin Islands Resident.

(3) A Non-Certified Use Permit may be issued to Persons at a specific location.

(4) A Temporary Non-Certified Use Permit may be issued to Persons at a specific location.
(5) An Onsite Consumption Permit may be issued to Persons that possess a valid Cannabis Cultivation License and at the location where a Cannabis Cultivation License is issued.

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

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

§788. Renewals

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

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

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

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

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

§789. Other Applications to the OCR

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

(b) Change in Ownership.

(1) A Licensee or Non-certified Use Permittee shall not undergo any change in ownership, whether adding or removing owners or adjusting equity amongst owners, without prior approval from the OCR. A License granted under the provisions of this Code is not transferable except as provided for in this section.
(2) A Micro-Cultivation Permit shall be issued to a single individual and may not have its ownership transferred.

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

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

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

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

(c) Change of Location

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

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

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

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

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

(d) Modification of Premises

(1) A Licensee or Permittee shall not materially modify its Licensed Premises, Micro-
 Cultivation Site, or Designated Consumption area without prior approval from the
 OCR.

(2) A Licensee or Permittee shall apply for a modification of premises on forms prepared
 and furnished by the OCR. In determining whether to approve or deny a modification
 of premises, the OCR shall consider the requirements of the chapter and any rules
 promulgated hereto.

(3) The OCR shall adopt regulations governing when a Licensee or Permittee shall be
 required to submit a modification of premises.

§790. Requirements For All License Types

(a) The OCR shall establish an Inventory Tracking System to remotely monitor and track all
 Cannabis from the acquisition of seeds or clones through sale or delivery of a finished
 product to a Qualified Patient or Non-certified User or Sacramental User.

(1) The system must provide for real-time access by the OCR, Licensees, and law
 enforcement personnel, to the extent that they are authorized to receive or submit the
 information to comply with, enforce, or administer this chapter.

(2) The Inventory Tracking System utilized by the OCR shall support interoperability with
 third-party Medical Cannabis License software applications, including seed-to-sale
 tracking systems, and allow all Licensee-facing system activities to be performed
 through a secure application programming interface (“API”) or comparable technology
 which is well documented, bi-directional, and accessible to any third-party application
 that has been validated and has appropriate credentials. The API or comparable
 technology shall have version control and provide adequate notice of updates to third-
 party applications. The system should provide a test environment for third-party
 applications to access, which mirrors the production environment.

(b) Cannabis Licensees shall be permitted to transport Cannabis between Licensed Premises,
 provided the transportation is conducted in accordance with regulations adopted by the
 OCR.

(c) An individual who performs work on behalf of a Cannabis Licensee must qualify as an
 Owner, Cannabis Business Representative, Consultant, or Contractor.

(1) A Cannabis Licensee or Medical Cannabis Licensee shall not hire an employee, nor
 hire any Consultant or Contractor under the age of twenty-one (21).
(2) A Cannabis Business Representative or Medical Cannabis Business Representative must be a resident of the U.S. Virgin Islands on the date of hire and for the duration of the performance of work on behalf of the Cannabis Licensee. At least 50% of all Cannabis Business Representatives from each Licensee must be residents who have legally resided in the U.S. Virgin Islands for at least two years prior to the date of hire.

(3) A Consultant may not spend more than ninety (90) days per annum within the Licensed Premises of the Cannabis Businesses unless the Consultant has received a waiver from the OCR, which shall be approved if the Cannabis Business can demonstrate commercial necessity.

(4) A Cannabis Licensee shall conduct a criminal background check on all Cannabis Business Representatives and Consultants prior to the date of hire.

(5) A Cannabis Licensee shall not permit individuals whose criminal history includes a conviction for a Crime of Violence for which the sentence has not been discharged within the preceding five (5) years to act as a Cannabis Business Representative or Consultant.

(6) A Cannabis Licensee shall maintain a current list of all Cannabis Business Representatives and Consultants at its Licensed Premises.

(7) A Cannabis Licensee shall maintain documentation evidencing that all Cannabis Business Representatives were a qualified USVI Resident and over the age of twenty-one (21) upon the date of hire and have had an annual criminal background check for every year since the date of hire.

(8) A Cannabis Licensee shall maintain documentation evidencing that all Consultants are over the age of twenty-one (21) upon the date of hire and show that they have had an annual criminal background check for every year since the date of hire.

(9) A Cannabis Licensee shall maintain documentation evidencing a written policy that requires all Cannabis Business Representatives and Consultants to sign an attestation to disclose all criminal convictions.

(10) All individuals that enter a Licensed Premises that is not an Owner, Cannabis Business Representative, Consultant or Contractor of a Cannabis Licensee shall only be admitted as a visitor and subject to the regulations adopted by the OCR that shall include, but need not be limited to, age requirements, monitoring requirements, and visitor identification badges requirements. All visitors must be at least twenty-one (21) years of age. Visitors may include contractors engaged for the purposes of service, repair, or maintenance.

(d) All Cannabis Licensees shall develop and implement an on-site training curriculum or enter into contractual relationships with outside resources capable of meeting Cannabis Business Representative training needs. Training shall include but not be limited to professional conduct, ethics, and territory and federal laws regarding patient confidentiality;
informational developments in the field of medical use of Cannabis; the proper use of security measures and controls that have been adopted; and specific procedural instructions for responding to an emergency, including robbery or violent accident.

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

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

1. Mass media advertising on television, radio, and the internet;
2. Outdoor advertising; and
3. Event sponsorship, except with the express approval of the OCR.

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

1. The Owner of a Medical Cannabis License may Permit the use of Cannabis Items by Qualified Patients in an alternate location subject to a valid Medical Cannabis Social Use Permit or Medical Cannabis Temporary Social Use Permit.
2. Cannabis Cultivation Licensee that has been issued an Onsite Consumption Permit may permit the consumption of Cannabis Items within its Licensed Premises in a Designated Consumption area and in accordance with all requirements of its permit.

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

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

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

(k) A Cannabis Licensee shall ensure its facility is kept, and operations conducted, in a sanitary manner and in accordance with regulations promulgated by the OCR designed to reduce the potential for contamination during cultivation, manufacturing, transporting, and dispensing.
(l) The OCR shall establish a Cannabis quality assurance program as advised by the USVI Department of Agriculture, USVI Department of Health and other state agencies, as requested. The quality assurance program must, at a minimum, establish standards for the safety and potency of Cannabis Items prior to sale at a Cannabis Dispensary.

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

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

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

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

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

§791. Cannabis Cultivation License

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

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

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

(2) The OCR may adopt regulations for Cannabis Cultivation Licensees located in the Charlotte Amalie, Christiansted, and Frederiksted Historic Districts and the town of Cruz Bay that impose additional requirements on licensees, such as security, odor control, and community engagement including, but not limited to signage and fencing. If such regulations are adopted, the OCR can waive or reduce the distance requirements in this section for Cannabis Cultivation Licenses located in the Charlotte Amalie, Christiansted, and Frederiksted Historic Districts and the town of Cruz Bay.
A Cannabis Cultivation License shall not be within one thousand (1,000) feet of a cruise ship dock in Charlotte Amalie (Havensight) or Crown Bay in St. Thomas and within five hundred (500) feet of primary cruise ship dock in Frederiksted and within five hundred (500) feet of a primary cruise ship tender pier in Cruz Bay.

(c) A Cannabis Cultivation Licensee shall only cultivate Cannabis in accordance with its authorized production limits established by the OCR in regulations.

(d) Cannabis may be cultivated outdoors provided it meets the same or similar security requirements set forth by the OCR.

(e) Cannabis may only be cultivated using Pesticides on an approved list maintained by the OCR developed in coordination with the USVI Department of Agriculture.

(f) A Cannabis Cultivation Licensee may obtain seeds or Immature Cannabis Plants from individuals not in possession of a Cannabis License or Permit for the first thirty (30) days after its facility is operational, as determined by the OCR. Thereafter, a Cannabis Cultivation Licensee may only obtain seeds or immature plants from other Cannabis Cultivation Licensees or Micro-Cultivation Permittees or Cannabis Research and Development Licensees, unless the OCR, upon its discretion and good cause, provides prior written approval due to commercially reasonable needs of the Licensee.

(g) The OCR shall set production limits on the numbers of plants Cultivation Licensees may cultivate, based on market data on Cannabis sales in the Territory to prevent oversaturation, and using a sliding scale of annual fees based on number of plants grown. In the interest of assuring market balance, the OCR shall set production limits at their discretion at no less than five hundred (500) and no more than one thousand (1,000) Flowering Cannabis plants at a single time. On an annual basis, the OCR shall assess and, if needed, revise its production limits for Cultivation Licensees.

§792. Cannabis Manufacturing License

(a) A Cannabis Manufacturing Licensee shall be authorized by the OCR to purchase Cannabis from Cannabis Licensees, Cannabis Research and Development Licensees, and/or Micro-Cultivation Permittees within the Territory; manufacture, process, internally test, package, and label Medical Cannabis Concentrates and Medical Cannabis Products and non-medical Cannabis Concentrates and Cannabis Products; store, sell, purchase, receive, transfer, and transport Cannabis Items to and from other Cannabis Licensees in accordance with the limitations in this chapter and regulations promulgated by the OCR.

(b) A Cannabis Manufacturing Licensee shall not locate a Licensed Premises within one hundred (100) feet of a school or house of worship PROVIDED HOWEVER:

(1) A Cannabis Manufacturing Licensee shall not be required to relocate if its premises were not located within one hundred (100) feet of a school or house of worship on the
date the Cannabis Manufacturing Licensee filed its application for licensure or change of location to its current address.

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

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

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

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

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

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

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

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

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

(2) The OCR shall determine the sourcing requirement based on factors that include, but
need not be limited to, the projected demand for Medical and non-medical Cannabis Items in the USVI and projected amount of Cannabis produced by Cannabis Licensee and Micro-Cultivation Permittees.

(i) Notwithstanding anything to the contrary in this chapter or the regulations, Cannabis Dispensaries and Cannabis Manufacturing licensees shall be required to source at least seventy percent (70%) of the Cannabis used for retail sales or production from Unaffiliated Third Parties. Any actual or attempted structuring or configuration of a transaction, including through use of intermediaries or agents, for the purpose of circumventing or attempting to circumvent the requirements of this provision by obtaining or attempting to obtain Cannabis from sources other than Unaffiliated Third Parties in excess of the amount or percentage permitted, shall constitute a violation of this provision and shall be grounds for suspension or revocation of a License and/or the imposition of a fine on the Licensee, in the discretion of the OCR.

(j) The OCR may suspend or amend the Cannabis Licensee and/or Micro-Cultivation sourcing requirement if it finds that there will be insufficient or inferior production by Cannabis Licensee and Micro-Cultivation Permittees for Cannabis Production Licensees to meet the established percentage requirement.

§793. Medical Cannabis Dispensaries

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(n) OCR shall implement a Responsible Vendor Training Program, which shall be required of all employees that work at a Medical Cannabis Dispensary Licensee’s business prior to any employees first day of work.
(o) A Medical Cannabis Dispensary Licensee must purchase or acquire a portion of its Cannabis from Micro-Cultivation Permittees.

(1) The OCR shall, at its discretion, set this percentage at between ten percent (10%) and fifty percent (50%) of all Cannabis purchased or acquired by a Medical Cannabis Dispensary Licensee.

(2) The OCR shall determine the sourcing requirement based on factors that include, but need not be limited to, the projected demand for Medical and non-Cannabis Items in the USVI, testing passage rates of Micro-Cultivation Permittees and projected amount of Cannabis produced by Cannabis Licensee and Micro-Cultivation Permittees.

(3) The OCR may suspend or amend the Micro-Cultivation sourcing requirement if it finds that there will be insufficient or inferior production by Micro-Cultivation Permittees for Cannabis Production Licensees to meet the established percentage requirement.

§794. Micro-Cultivation Permit

(a) A Micro-Cultivation Permittee may cultivate, cure, process, and store Cannabis and sell, transfer, and transport Cannabis to Cannabis Licensees.

(b) A Micro-Cultivation Permit shall only be issued to a person who is a farmer licensed with the Department of Agriculture and the Department of Licensing and Consumer Affairs.

(c) An individual may not possess more than one (1) Micro-Cultivation Permit and no more than one (1) Micro-Cultivation Permit may be issued for a single address.

(d) A Micro-Cultivation Permittee must be at least twenty-one (21) years of age.

(e) A Micro-Cultivation Permittee shall not cultivate Cannabis Plants for commercial use outside of its designated Micro-Cultivation Site. A Micro-Cultivation Permittee may only sell Cannabis that was harvested from Cannabis Plants cultivated within its Micro-Cultivation Site and in accordance with all applicable laws and regulations.

(f) A Micro-Cultivation Permittee may not hold an interest in any other Cannabis Business License. An Owner of a Cannabis Business License may not hold a Micro-Cultivation Permit.

(g) A Micro-Cultivation Permittee may cultivate no more than fifty (50) Flowering Cannabis Plants and no more than two hundred (200) Immature Cannabis Plants at a single time.

(h) A Micro-Cultivation Permit may not be possessed by an individual who:
(1) Has discharged the sentence for a conviction for a Crime of Violence in the ten (10) years immediately preceding the individual application date or is convicted of a Crime of Violence or Drug Felony while in possession of a Micro-Cultivation Permit; or

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

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

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

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

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

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

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

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

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

(a) Notwithstanding any other law or regulation, a Person in possession of a valid Non-Certified Use Permit is authorized to undertake the restricted consumption of Cannabis Items in an on-site Non-Certified Use Designated Consumption Area licensed and authorized by the OCR, provided such use conforms to this Chapter and any regulations adopted thereto.

(b) The consumption of Cannabis Items within a Non-certified Use Permit Designated Consumption Area in accordance with this article shall not be grounds for suspension, revocation, non-renewal, or any other disciplinary action against any overlapping License or Permit validly issued pursuant to the Virgin Islands Code.

(c) Notwithstanding any other law to the contrary, it shall be lawful to operate, or to consume or use cannabis in or within, an adult use lounge provided that:

(1) the adult use lounge has received a permit from the OCR;

(2) no person under the age of 21 years old is permitted to enter, or remain in or upon, an adult use lounge;

(3) except as provided in subsection (d), there shall be no sale of cannabis, commercial cannabis products, or commercial cannabis accessories in or within the adult use lounge.

(d) Notwithstanding any other provision of this section, an adult use lounge may be operated within, adjacent to or within one hundred (100) feet of a commercial Medical Cannabis Dispensary licensed pursuant to this chapter, in which case the sale of cannabis, commercial cannabis products, and commercial cannabis accessories shall be permitted only by the commercial cannabis dispensary or employees or agents thereof.

(e) A Non-certified Use Permittee shall not sell, transfer, or distribute Cannabis Items within the premises to which its valid Non-certified Use Permit is issued. Similarly, a Non-certified Use Permittee shall take reasonable measures to prevent the unauthorized sale or transfer of Cannabis for remuneration by others in and around the premises for which its Non-certified Use Permit or has been issued; unless such sale or transfers is a delivery made pursuant to a valid Medical Cannabis Dispensary License.

(f) The consumption of Medical Cannabis Items pursuant to a valid Non-Certified Use Permit shall only be permitted in the Designated Consumption Area, subject to any operational or other restrictions on Cannabis consumption placed upon the Non-Certified Use Permit pursuant to this Chapter and regulations adopted thereto.

(g) At all times when the consumption of Cannabis Items is permitted within a Designated Consumption Area, the Permit holder shall possess and maintain possession of the premises by ownership, lease, rental, or other bona fide arrangement for possession of the designated consumption area; or the Permit holder shall have permission to use the premises to allow cannabis consumption from a Person who is the lawful owner of the property where the
designated consumption area is located.

(h) The consumption of Cannabis Items by smoking must occur in accordance with The Virgin Islands Smoke-free Act. Vaporizing Cannabis Items shall not be considered smoking for the purposes of this Chapter or The Virgin Islands Smoke-free Act.

(i) An individual shall not be permitted within the Designated Consumption Area unless the Cannabis Use Permittee confirms that the individual is a Qualified Patient, Non-certified Use Permittee, and at least twenty-one (21) years of age.

(j) Designated consumption areas must be clearly marked with conspicuous signage measuring not less than forty (40) square inches in size that includes the statement “CANNABIS CONSUMPTION AREA - ACCESS RESTRICTED” in all uppercase letters not less than one (1) inch high.

(k) The Permit holder shall ensure that the consumption of inhaled Medical Cannabis Items occurring at the street level is not visible from a public right-of-way or a place where children congregate. The Permit holder shall make reasonable accommodations to ensure that Persons immediately outside of a designated consumption area are not subject to Cannabis odor caused by Cannabis consumption occurring within a designated consumption area.

(l) Non-Certified Use Permittees shall be subject to the same advertising restrictions as Cannabis Business Licensees.

(m) A Non-certified Use Permittee shall not locate a Licensed Premises within one thousand (1000) feet of a school and within one hundred (100) feet of a house of worship PROVIDED HOWEVER

(1) A Non-certified Use Permittee shall not be required to relocate if its premises were not located within one thousand (1000) feet of a school and within one hundred (100) feet of a house of worship on the date the Non-certified Use Permittee filed its application for licensure or change of location to its current address.

(2) The OCR may adopt regulations for Non-certified Use Permits located in the Charlotte Amalie, Christiansted, and Frederiksted Historic Districts and the town of Cruz Bay that impose additional requirements on licensees, such as security, odor control, and community engagement. If such regulations are adopted, the OCR can waive or reduce the distance requirements in this section for Non-prescription Use Permits located in the Charlotte Amalie, Christiansted, and Frederiksted Historic Districts and the town of Cruz Bay.

(3) A Non-certified Use Permittee shall not be within one thousand (1,000) feet of any cruise ship dock in Charlotte Amalie (Havensight or Crown Bay) in St. Thomas and within five hundred (500) feet of primary cruise ship dock in Frederiksted and within five hundred (500) feet of cruise line tender pier in Cruz Bay on the date, the Non-Certified Use Permittee filed its application for licensure or change of location to its
current address.

(n) A designated consumption area shall not require specific zoning permits and shall be permitted in any zone lot where the underlying business or event is permitted.

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

§796. Sacramental Usage

It shall not be unlawful for persons over age twenty-one (21) of an organized religion or faith in the sincere exercise of their religion to consume or cultivate Cannabis or Cannabis derived products as part of their religious or sacramental rituals PROVIDED:

(a) Such religious grouping is an organized and registered non-profit organization under the laws of the Virgin Islands and maintains its status in good standing;

(b) Such religious grouping shall not engage in any commercial activities involving Cannabis or Cannabis derived products;

(c) Any use and non-commercial cultivation of Cannabis shall occur within a restricted area on land registered to the religious grouping’s non-profit organization, complying with all applicable cultivation regulations;

(d) Production limits for Cannabis cultivation by registered religious groupings under this Section shall be determined by the OCR based on documented membership population size and shall not exceed that of any other Cannabis Licensee;

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

(f) Such use shall not violate the provisions of Title 19 VI Code Chapter 53A as to smoking in public places; and

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

All other uses for assertedly religious or sacramental purposes shall be subject to the provisions of this Act and to all other applicable laws.

§797. Cannabis Research and Development License

(a) A Cannabis Research and Development Licensee shall be authorized by the OCR to purchase Cannabis Items from Cannabis Licensees or Micro-Cultivation Permittees; internally test, package and label Cannabis Items; store, sell, purchase, transfer, and transport Cannabis Items to and from other Cannabis Licensees in accordance with the limitations in this chapter and regulations promulgated by the OCR.
(b) A Cannabis Research and Development Licensee shall not locate a Licensed Premises within one thousand (1,000) feet of a school and within one hundred (100) feet house of worship PROVIDED HOWEVER

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

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

(3) A Cannabis Research and Development Licensed premises shall not be within one thousand (1,000) feet of a cruise ship dock in Charlotte Amalie (Havensight) or Crown Bay in St. Thomas and within five hundred (500) feet of primary cruise ship dock in Frederiksted and within five hundred (500) feet of a primary cruise ship tender pier in Cruz Bay.

(c) A Cannabis Research and Development Licensee may also operate as a Cannabis testing facility as described in Section 777 (a) (9) (xii) and Section 777 (c)(2).

(d) A Cannabis Research and Development Licensee shall be authorized to conduct experiments and testing on every form and derivative of Cannabis, including live plants, fresh and dried plant material, seeds, wax, oil and edible manufactured items.

(e) Any animal or human testing trial undertaken by a Cannabis Research and Development Licensee must submit a detailed plan and receive the explicit written permission from the Commissioner or Assistant Commissioner of the Department of Health.

(f) A Cannabis Research and Development Licensee may cultivate Immature Cannabis Plants and Flowering Cannabis Plants within production limits set by the OCR.

(g) A Cannabis Research and Development Licensee may sell seeds and Immature Cannabis Plants to Cannabis Dispensaries, Cannabis Cultivation Licensees, and Micro-Cultivation Permitees. Information on all sales transactions and quantities of
seeds and Immature Cannabis Plants to Cannabis Licensees shall be transmitted to the OCR for inclusion in the Inventory Tracking System as provided by Section 790 of this Chapter.

(h) A Cannabis Research and Development Licensee shall not sell Flowering Cannabis Plants or any Cannabis items to other Cannabis Licensees other than seeds and Immature Cannabis Plants. Any other plant material, including Cannabis flower, in excess of what is needed for research and testing, shall be destroyed by a method approved by the OCR. Medical grade Cannabis oils and other Cannabis items may be donated and delivered to the Department of Health, upon favorable response to a donation request.

(i) A Cannabis Research and Development Licensee that includes a Cannabis testing facility shall not hold any other Cannabis business license or permit. Nothing shall in this Chapter shall preclude a Cannabis Research and Development Licensee that does not operate a Cannabis testing facility from holding a different Cannabis license or permit.

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

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

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

798A. Promotion of Cannabis Research and Development.

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

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

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

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

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

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

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

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

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

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

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

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

§799. Special Cannabis Fund
(a) There is hereby created within the Treasury of the Virgin Islands a special fund to be known as the “Cannabis Fund” (hereinafter, referred to as the “Cannabis Fund”). All funds collected by the OCR shall be deposited into the Cannabis Fund. The USVI Legislature, subject to the provisions of Section 799, shall appropriate funds from the Cannabis Fund for the following purposes:

1. To ensure the continuing and effective operation of the OCR;

2. In collaboration with the University of the Virgin Islands and/or the Department of Agriculture, establish a testing facility for Cannabis and Industrial Hemp on each of the three island districts, to replace the interim third-party testing facility contracted by the OCR and/or the Industrial Hemp Commission.

3. To create a grant program to provide business incubation and micro-lending services to Micro-Cultivation Permittees; and

4. To establish a job training program for residents of the Territory interested in pursuing work or careers in the Cannabis industry.

5. To establish programs designed to educate and prevent substance abuse and support individuals afflicted with substance abuse issues; and

6. To establish sponsored research on the potential medical efficacy of Cannabis and the potential negative consequences associated with Cannabis use.

§800. Taxes

(a) A Cannabis Dispensary shall levy a special sales tax of no less than twenty-five percent (25%) on all sales of Cannabis Items to any Qualified Patient and Non-Certified User who is not a resident of the Territory; and a special sales tax of no less than seven and one half percent (7.5%) on all sales of Cannabis Items to Qualified Patients and Non-Certified Users who are residents of the Territory. Qualified Patients who are residents of the Territory and who validly possess a Medical Cannabis Registry Card issued by the OCR shall be exempt from the special sales tax.

1. Seventy-five percent (75%) of the revenues collected pursuant to this tax shall be deposited to the Government Employees Retirement Service.

2. Twenty percent (20%) of the revenues collected pursuant to this tax shall be deposited with and allocated to the OCR to fund the operations required by this chapter.

3. Five percent (5%) of the revenues collected pursuant to this tax shall be disbursed from the Cannabis Fund to the OCR for the specific purposes of Cannabis industry education, job training and micro-lending programs for VI residents and Micro-Cultivator Permittees as described in § 799(a)(3)(4).
(4) The OCR may recommend adjustments to the tax rate to the Legislature from time to time.

(b) A Cannabis Cultivation Licensee shall pay a Fifty Cent ($0.50) sales tax per gram of Cannabis cultivated on their Licensed Premises that is transferred to another Licensee.

(1) Seventy-five percent (75%) of the revenues collected pursuant to this tax shall be deposited with the Government Employees Retirement Service.

(2) Twenty percent (20%) of the revenues collected pursuant to this tax shall be deposited with and allocated to the OCR to fund the operations required by this chapter.

(3) Five percent (5%) of the revenues collected pursuant to this tax shall be disbursed from the Cannabis Fund to the Department of Human Services to administer such funds for youth-related and/or senior citizen projects.

(4) The OCR may recommend adjustments to the tax rate to the Legislature from time to time.

(c) Unless otherwise prohibited by law, in computing net income for Cannabis Businesses pursuant to Virgin Islands law, there shall be allowed as a deduction from all the ordinary and necessary expenses paid or incurred during the taxable year in carrying on a trade or business as a Cannabis establishment, including reasonable allowance for salaries or other compensation for personal services actually rendered, against such Cannabis Business’ income tax return payable to the government.

§801. Fees

(a) The OCR shall promulgate regulations establishing reasonable fees for applications, licenses, permits, and Medical Patient Registry Cards. All fees must be based upon the actual costs incurred by the OCR for reviewing an application or overseeing a License on an annual basis. The revenue from all Fees shall be deposited in the Cannabis Fund.

(b) The OCR shall establish reasonable, nonrefundable fees that must accompany an initial application for a permit, license, or Medical Patient Registry Card. Application fees shall reflect the full costs associated with the OCR’s review of applications. In regulations, the OCR may render a partial amount of application fees refundable for declined applications.

(c) The OCR shall establish reasonable fees that must be paid by the holder of a permit, license, or Medical Patient Registry Card on an annual basis. Fees shall be established on a sliding scale so as to account for varying levels of production, as established by the OCR. Such fees shall not exceed:

(1) One Thousand Dollars ($1,000.00) for a Micro-Cultivation Permit
(2) One Thousand Dollars ($1,000.00) for a Non-Certified Use Permit
(3) Twenty-thousand Dollars ($20,000.00) for a Cannabis Cultivation License
(4) Fifty-thousand Dollars ($50,000.00) for a Cannabis Dispensary License
(5) Ten-thousand Dollars ($10,000.00) for a Cannabis Manufacturing License
(6) Fifty Dollars ($50) for a Medical Patient Registry Card
(7) Twenty-five Dollars ($25) for an Adult Use Permit

(d) The OCR shall establish reasonable fees that must be paid by the holder of a Permit or License when submitting a change of ownership, change of location, or modification of licensed premises.

(e) All such fees shall be included in regulations to be promulgated by the OCR and may be adjusted by the OCR from time to time by amendment to these regulations.

§802. Inspection Procedures

(a) Each Licensee and Permittee shall keep a complete set of all records necessary to show all business transactions of the Licensee or Permittee, all of which shall be open for the inspection and examination by the OCR or its duly authorized representatives. The OCR may require any Licensee or Permittee to furnish such information as it considers necessary for the proper administration of the Chapter.

(b) The Licensed Premises shall be subject to inspection by the OCR during all business hours and other times of apparent activity for inspection or investigation. For examination of any inventory or books and records required to be kept by the Licensees, access shall be required during business hours. Where any part of the licensed premises consists of a locked area, upon demand to the Licensee, such area shall be made available for inspection without delay.

(c) Each Licensee shall retain all books and records necessary to show fully the business transactions of the Licensee for a period of the current tax year and the immediately prior seven (7) tax years.

§803. Suspension, Revocations, and Fines

(a) In addition to any other sanctions prescribed by this chapter or rules promulgated pursuant to this chapter, the OCR has the power, on its own motion or on complaint, after investigation and opportunity for a public hearing at which the Licensee shall be afforded an opportunity to be heard, to suspend or revoke a License issued by the OCR for a violation by the Licensee or by any of the agents or employees of the Licensee of the provisions of this chapter, or any of the rules promulgated pursuant to this chapter, or of any of the terms, conditions, or provisions of the License issued by the OCR. The OCR has the power to administer oaths and issue subpoenas to require the presence of Persons and the production of papers, books, and records necessary to the determination of a hearing that the OCR is authorized to conduct.

(b) The OCR shall provide notice of suspension, revocation, fine, or other sanction by mailing the same in writing to the Licensee at the address contained in the license. A suspension
shall not be for a longer period than six (6) months. If a License is suspended or revoked, no part of the fees paid therefore shall be returned to the Licensee.

(c) Any License or Permit may be summarily suspended by the OCR without notice pending any prosecution, investigation, or public hearing for public safety purposes and the Licensee shall be entitled to due process subsequent to the suspension.

(d) The OCR may enter into a stipulated settlement with a Licensee in lieu of going to a public hearing. The stipulated settlement may contain any of the following: admission(s) by the Licensee of violation(s) of rules or statutory provisions, the suspension of a license, that a suspension be held in abeyance pending no further violation(s) as specified and agreed to by the parties, a fine imposed against the Licensee, and/or any other terms agreed to by the OCR and Licensee.

(e) Cash payments of fines described herein shall not be accepted by the OCR. The fine shall be paid into the Cannabis Fund.

§804. Unlawful Acts and Violations

(a) It shall be unlawful for any Person to engage in any form of business or commerce involving the cultivation, processing, manufacturing, storage, sale, distribution, or consumption of Cannabis other than those forms of businesses and commerce that are expressly contemplated by this Act.

(b) It is unlawful for a Licensee to buy, sell, transfer, give away, or acquire Medical or non-medical Cannabis except as allowed pursuant to this chapter.

(c) A cardholder or medicinal Cannabis establishment that willfully fails to provide a notice required by section 782 of this chapter is civilly liable for the infraction, subject to a fine of not more than $150.

(d) In addition to any other penalty applicable in law, a Cannabis Business or an agent of a Cannabis Business who intentionally sells or otherwise transfers cannabis in exchange for anything of value to a person other than a cardholder, a nonresident cardholder, other legally authorized business or user or agent is guilty of a felony punishable by imprisonment for not more than two years or by payment of a fine of not more than $3,000, or both. A person convicted under this subsection may not continue to be affiliated with the Cannabis Business and is disqualified from further participation under this chapter.

(e) In addition to any other penalty applicable in law, a cardholder or nonresident cardholder who intentionally sells or otherwise transfers Cannabis in exchange for anything of value to a person other than a cardholder, a nonresident cardholder, or to a legally licensed Cannabis Business or its agent is guilty of a misdemeanor punishable by imprisonment for not more than one year or by payment of a fine of not more than $1,000, or both.

(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;
(2) Possessing cannabis or otherwise engaging in the medical use of cannabis in any correctional facility;

(3) Consuming Cannabis while operating any form of public transportation or in any public place or any place that is open to public use, unless the location possesses a valid Non-Certified Use Permit and the consumption occurs in accordance with applicable laws and regulations; or

(4) Operating, navigating, or being in actual physical control of any motor vehicle, aircraft, train, or motorboat while under the influence of Cannabis, except that a registered Qualified Patient or nonresident cardholder shall not be considered to be under the influence of Cannabis solely because of the presence of metabolites or components of cannabis that appear in insufficient concentration to cause impairment.

§ 806. Addition of debilitating medical conditions

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

§ 807. Severability

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

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

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

SECTION 4. Title 19 of the Virgin Islands Code, Part III, Chapter 29, § 607a is hereby amended by adding the following after subsection (h):
“(i) Notwithstanding any other provision of this chapter, possession of cannabis or a commercial cannabis product, or operation of a commercial cannabis establishment, or any other act pursuant to and compliant with the terms of Chapter 34 of Title 19 shall not constitute a violation of this chapter.”

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

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

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

BILL SUMMARY

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

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