



VIRGIN ISLANDS OFFICE OF  
CANNABIS REGULATION

**TESTIMONY**

COMMITTEE ON BUDGET,  
APPROPRIATIONS AND  
FINANCE

36TH LEGISLATURE OF  
THE VIRGIN ISLANDS

RE: BUDGET PRESENTATION FOR  
THE OPERATIONS OF THE VIRGIN  
ISLANDS OFFICE OF CANNABIS  
REGULATION

PRESENTED BY:  
JOANNE MOOREHEAD  
EXECUTIVE DIRECTOR

JULY 23, 2025

Good morning, Senator Novelle E. Francis, Jr., Chair of the 36th Legislature's Committee on Budget, Appropriations and Finance, Senator Marvin A. Blyden, Vice Chair, other members of this Committee, other members of the 36th Legislature present, fellow testifiers, and the listening and viewing audience. I am Joanne Moorehead, Executive Director of the Virgin Islands Office of Cannabis Regulation (OCR), a subsidiary division of the Department of Licensing and Consumer Affairs (DLCA). I am grateful for the invitation to join my DLCA team today, represented by Commissioner H. Nathalie Hodge, Assistant Commissioner Horace Graham, Jr., and their team. Thank you for the opportunity to provide this testimony before this body to discuss the funding, accomplishments, and goals for the Office of Cannabis Regulation for Fiscal Years 2025 and 2026.

I am pleased to present this testimony in support of our Fiscal Year 2026 budget request. This request reflects not only our continued commitment to transparency, accountability, and public health and safety, but also the tangible strides we have made in implementing a regulatory framework for the Virgin Islands' emerging cannabis industry.

## HISTORY

The Virgin Islands Office of Cannabis Regulation was first created pursuant to Act No. 8167, the Virgin Islands Medicinal Cannabis Patient Care Act which was a direct result of a 2014 referendum whereby 56.5% of the Virgin Islands voting public voted to support "the licensing and regulation of medicinal marijuana, patients, care-givers, cultivators and distribution centers". Approximately one year after the passage of Act 8167, the 34<sup>th</sup> Legislature enacted the more comprehensive Virgin Islands Cannabis Use Act (Act No. 8680). The Virgin Islands Cannabis Use Act recognized the need to expand the Cannabis industry in order to provide additional opportunities for employment and business ownership for Virgin Islands residents, alleviate social injustices experienced by persons subjected to the criminal justice system in matters related to the cultivation, sale, and possession of marijuana, recognized cultural and sacramental uses of Cannabis,

and will generate much needed tax revenues for the Territory. This Cannabis Use Act further establishes a holistic, regulated system for the cultivation, manufacture, and sale of Cannabis for adult, medicinal, and sacramental use.

Governed by the Cannabis Advisory Board, a body of eleven persons who are either appointed by the Governor and approved by the Legislature or serve in an *ex-officio* capacity, the Office of Cannabis Regulation has the executive authority to implement and administer the provisions in Act 8680 including but not limited to promulgating rules and regulations related to the cultivation, manufacture, sale, dispensary, testing, licensing, and use of Cannabis, prescriptive use of Cannabis, and Sacramental Use. I joined this Office on May 20, 2024 shortly after the adoption of rules and regulations which were approved on May 4, 2024.

## ACCOMPLISHMENTS

Over the past fiscal year, the OCR has diligently used the appropriations from both the General Fund and the Tourism Advertising Revolving Fund (TARF) to establish a professional regulatory body capable of overseeing licensing, enforcement, and stakeholder engagement. With your support, we have moved from concept to execution—staffing our agency, outfitting our offices, conducting inspections, educating the public, and facilitating the lawful application process.

The Office of Cannabis Regulation has seen great growth since its last appearance before this Committee in July of 2024. The most significant of which is that the Office has grown from a staff of one to a staff complement of six, including myself, one Office Administrative staff member, and four enforcement staff members – two in each district.

As previously testified, the Registry system, an online system where all Practitioners, Patients, Sacramental Organizations, Sacramental Users, and Designated Caregivers can apply for, register, and receive their

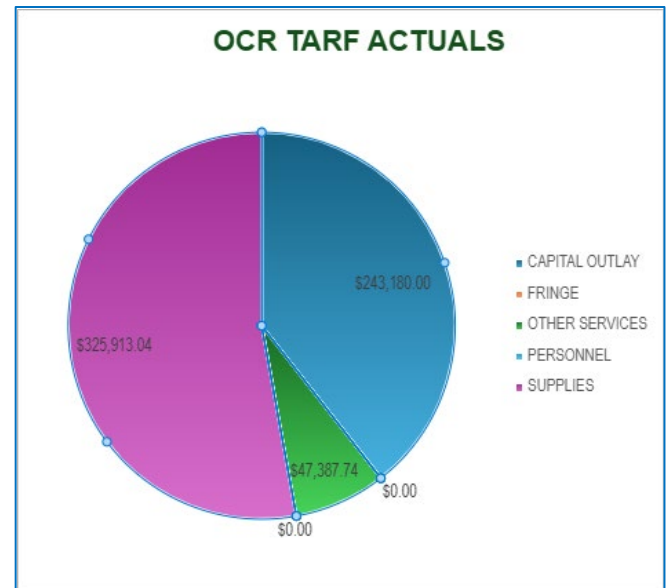
identification cards has been live for one year now. To date, we have four (4) certified Practitioners on both St. Thomas and St. Croix; a total of 32 registered medical patients across the territory with five (5) pending applications; and three (3) sacramental organizations that are in the process of becoming registered representing approximately 60 individual sacramental users. We have also reached the point of the year where we are starting to process the first set of patient registration renewals.

In addition, the OCR has begun the cannabis business license application process. In March of 2025, the first cannabis business license and permit applications were made available on the OCR website for cannabis cultivation licenses and micro-cultivation permits. The deadline for the first set of applications was June 27, 2025. We received a total of 26 applications – 14 on St. Croix, 10 on St. Thomas, and 2 on St. John. All of those applications are pending background verifications and merit-based evaluations. Awarding of licenses per the law is supposed to happen within 90 days and we anticipate being able to meet that timeframe. Also, in the first week of July cannabis dispensary license applications became available and will remain open until at least September 30. We are seeing a lot of interest in those licenses and expect that we should see similar numbers or slightly fewer than the cultivation applications. Within the coming months, we will also have available cannabis manufacturing license applications as well as research and development license applications and permits for third party vendors, events, and more.

## UTILIZATION OF APPROPRIATED FUNDS – FY 2025

During the FY 2025 budget hearings, this body urged the OCR to begin drawing from the \$1,000,000 appropriated under Act 8680 from the TARF. In response, we acted swiftly and strategically. As of June 2025, we have expended \$616,480.78 of those funds, with an additional \$100,000 encumbered under the first-year contract with METRC for the seed-to-sale inventory tracking system.

A substantial portion of the funds—\$243,180.00—was allocated to the purchase of four law enforcement vehicles, two for the St. Thomas/St. John district and two for the St. Croix district. At present, two vehicles (one per district) have been received and are actively assigned to enforcement personnel. The remaining two were custom ordered to meet law enforcement specifications and are expected to be delivered in September.

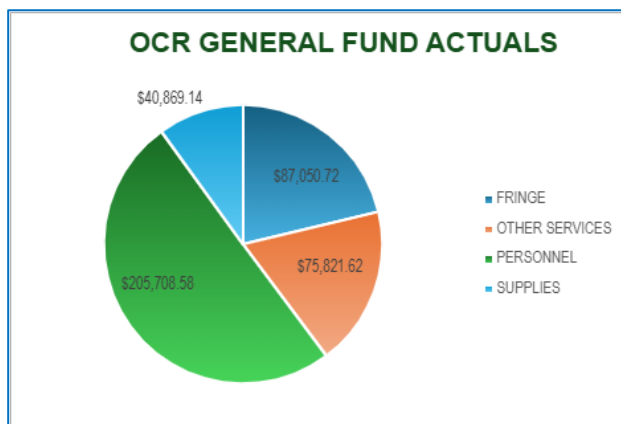


We also invested \$34,826.80 in furnishing both district offices. The St. Thomas office is now fully outfitted and operational, housing the enforcement unit. While the St. Croix office furniture has been delivered, installation is pending due to ongoing maintenance needs in the shared DLCA space. We are deeply grateful to the Department of Licensing and Consumer Affairs for accommodating OCR operations within their facilities until the identified office space becomes fully available.

In support of our digital infrastructure and operational readiness, the OCR allocated \$26,691.00 toward IT hardware and \$248,666.66 toward our contractual obligations with Tyler Technologies for the Medical and Sacramental Use Registry Portal, which will integrate directly with METRC to streamline application management and compliance tracking.

With the onboarding of staff, the OCR prioritized training and national regulatory engagement, spending over \$32,000 on professional development and inter-agency coordination. This includes travel, per diem, registration, and lodging for participation in industry events such as the Cannabis Regulators Association's (CANNRA) Annual Conference, California Narcotics Officers Association's (CNOA) 2025 Cannabis

Enforcement Summit, and MJBizCon – the largest cannabis trade expo in the US, as well as targeted enforcement training for staff. We are thankful to the State of California’s Department of Cannabis Control who not only provided the OCR’s team – inclusive of two officers from the Virgin Islands Police Department – with scholarships to attend the CNOA summit but also provided over a week of specialized cannabis enforcement to the OCR’s agents at no cost to the agency outside of travel and accommodations. These specialized trainings and engagements have been vital in helping the OCR remain aligned with national regulatory standards and best practices.



General Fund appropriations totaling \$790,327 supported salaries, fringe benefits, and critical enforcement resources. As of June 2025, we have utilized approximately 52%—or \$409,450.06—with full expenditure anticipated by year-end. These funds were used to acquire essential gear for the Enforcement Unit,

including firearms, portable radios, and field gear such as uniforms, and test kits capable of detecting both high and low THC concentrations in cannabis and hemp products. These field test kits will soon be deployed during inspections and compliance checks.

In alignment with our mandate to protect public health and to ensure that products being sold in the territory meet all legal and regulatory standards, the OCR is also actively working with the Department of Property and Procurement to procure two advanced cannabis analyzers. These analyzers will provide enhanced testing capabilities across a variety of cannabis and hemp-based products, including dried flower, concentrates, tinctures, and edibles—ensuring the integrity and safety of products being distributed in the legal market. Parallel to this effort and as previously mentioned before this body, we have provided the Department of Health's Public Laboratory with cannabis-specific lab testing equipment at a cost of

112 \$207,000, to further enhance the territory’s testing capacity.

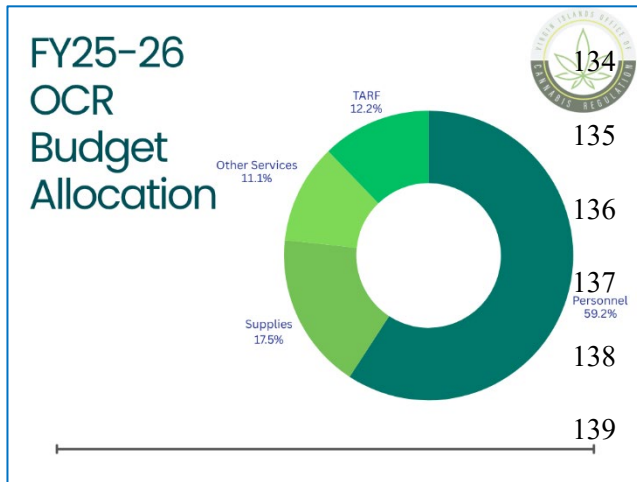
113 To strengthen regulatory alignment with national standards, General Fund appropriations have also  
114 supported OCR staff attendance at high-level professional development and enforcement trainings, including  
115 participation in the 2025 CANNRA Annual Stakeholders Meeting and other cannabis policy and law  
116 enforcement events across the country. These sessions have proven instrumental in guiding rulemaking,  
117 public health standards, and interagency coordination.

118 Additionally, because public outreach and education are critical and essential components of the rollout of  
119 Act 8680, the OCR has worked tirelessly to create solid partnerships with key partner GVI agencies such as  
120 VIPD, VIDE, DOH, and the Office of the Governor in order to launch a comprehensive campaign to raise  
121 awareness on safe, legal, and responsible cannabis use as well as launch targeted campaigns to reduce  
122 cannabis use among our most vulnerable populations. In addition to those targeted campaigns, the OCR is  
123 also working with a local vendor to develop a territory-wide safe cannabis use public education campaign,  
124 with \$39,500 already committed toward this initiative.

125 Our strategic use of funds has enabled the Office of Cannabis Regulation to transition from foundational  
126 startup to an active regulatory agency—with operational enforcement, inter-island coordination, and  
127 stakeholder engagement well underway.

## 128 FY 2026 BUDGET REQUEST

129 For Fiscal Year 2026, the Office of Cannabis Regulation is respectfully requesting a total of \$1,639,917,  
130 comprised of \$1,439,917 from the General Fund and \$200,000 from the Tourism Advertising Revolving  
131 Fund. While this represents a modest increase from FY 2025, it reflects a strategic reallocation—heavily  
132 weighted toward the General Fund—to sustain our expanded staffing and operational needs.



We are requesting \$685,000 in personnel services to maintain our current workforce and add three critical positions: a Deputy Director of Cannabis Regulation and Administration, and two Compliance Auditors. These roles are essential to ensuring licensee accountability, enforcing tax compliance with the Bureau of Internal Revenue, and continuing to reduce OCR's reliance on external agencies and consultants.

Fringe benefits are budgeted at \$285,550, which include retirement, Medicare, health insurance, and workers' compensation. This ensures compliance with employment mandates while also promoting staff retention and continuity.

The OCR also seeks \$287,167 for supplies, including \$248,666.66 for continued use of the Tyler Technologies Registry Portal. This robust platform is fully integratable with our seed-to-sale tracking system and will be central to our ongoing licensing, monitoring, and compliance efforts. The remaining funds will support essential field supplies and uniforms for staff safety and professional representation.

We are allocating \$182,200 for other services, which include \$30,000 for staff training, \$20,000 for professional consulting, \$77,200 for travel, inter-island coordination, and national regulatory engagement, and \$50,000 for advertising and public education. Membership in national cannabis regulatory associations and continued outreach efforts are critical to ensuring the OCR remains on par with evolving national standards and transparent public communication.

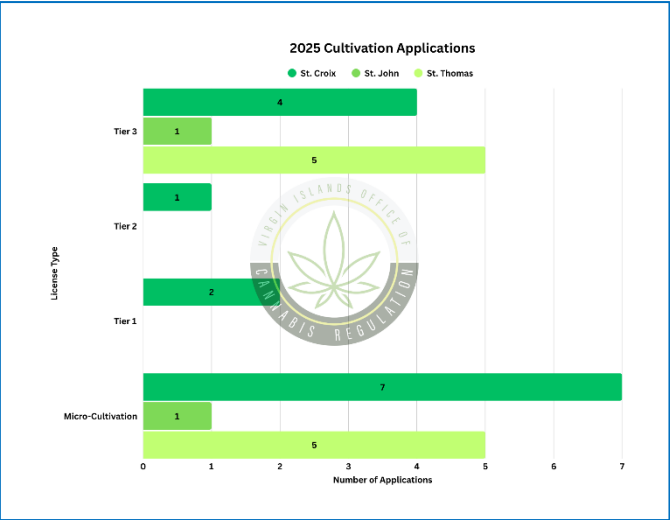
From the Tourism Advertising Revolving Fund, the OCR proposes to utilize \$200,000 to support the METRC contract and purchase two additional vehicles for compliance operations. This request



complements the remaining \$250,000 balance from Act 8680, which will be used to procure two more cannabis analyzers and supplemental field testing kits—tools essential to distinguishing legal cannabis from hemp-derived products often misrepresented under the 2018 Farm Bill.

## REVENUE GENERATION

It is important to note that the OCR has also begun to generate its own revenue. From October 2024 through June 2025, the Office collected \$103,725.00 in revenue—\$100,500 of which came from cultivation permit and license application fees. The remaining portion came from registration fees related to medical and sacramental use. The dramatic uptick in revenue in June, following the launch of cultivation applications,



underscores the industry’s economic promise and the OCR’s potential for financial sustainability. We expect this trend to continue as we move forward with the application process for the remaining cannabis business licenses including dispensaries, manufacturing, and research and development.

## CONCLUSION

The proposed FY 2026 budget for the Office of Cannabis Regulation is not just a request—it is a roadmap for progress. It supports the Office’s transition from setup to sustainability and reflects our commitment to transparency, public health, economic development, and stakeholder trust. We have demonstrated that we can implement effectively, spend responsibly, and remain aligned with best practices and legal obligations. With continued support from this honorable body, the OCR is positioned to deliver a cannabis industry that is not only compliant and beneficial to the residents and visitors of the Virgin Islands but, most importantly, safe for everyone within our territory’s shores – whether medical or sacramental consumers, resident and

visiting recreational consumers alike – while also respecting the rights and protecting the safety of those who choose not to consume.

We respectfully request your full support of our FY 2026 budget to continue building the infrastructure, tools, and trust required to fulfill our mandate. I thank you kindly for this opportunity today to share with your Committee the plans and goals for the Office of Cannabis Regulation and stand ready to field any questions you may have regarding our budget.