



VIRGIN ISLANDS OFFICE OF
CANNABIS REGULATION

TESTIMONY

COMMITTEE ON ECONOMIC
DEVELOPMENT AND
AGRICULTURE

36TH LEGISLATURE OF
THE VIRGIN ISLANDS

RE: UPDATE ON THE OVERALL
STATUS OF OFFICE OF
CANNABIS REGULATION AND
IMPLEMENTATION OF ACT 8680

PRESENTED BY:
JOANNE MOOREHEAD
EXECUTIVE DIRECTOR

MARCH 10, 2025

1 Good afternoon, Senator Hubert Frederick, Chair of the 36th Legislature's Committee on Economic
2 Development and Agriculture, other members of this Committee, other members of the 36th Legislature
3 present, fellow testifiers, and the listening and viewing audience. I am Joanne Moorehead, Executive Director
4 of the Virgin Islands Office of Cannabis Regulation (OCR). Thank you for the opportunity to provide testimony
5 before this body regarding the overall status of operations and administration of the Office of Cannabis
6 Regulation.

7 HISTORY

8 For the benefit of those in the listening audience who are not familiar with the office, the Virgin Islands
9 Office of Cannabis Regulation was first created pursuant to Act No. 8167 of 2019, the Virgin Islands
10 Medicinal Cannabis Patient Care Act which was a direct result of a 2014 referendum whereby 56.5% of the
11 Virgin Islands voting public voted to support “the licensing and regulation of medicinal marijuana, patients,
12 care-givers, cultivators and distribution centers”. In 2023, the 34th Legislature enacted the more
13 comprehensive Virgin Islands Cannabis Use Act (Act No. 8680). The Virgin Islands Cannabis Use Act
14 recognized the need to expand the Cannabis industry in order to provide additional opportunities for
15 employment and business ownership for Virgin Islands residents, alleviate social injustices experienced by
16 persons subjected to the criminal justice system in matters related to the cultivation, sale, and possession of
17 marijuana, recognized cultural and sacramental uses of Cannabis, and will generate much needed tax
18 revenues for the Territory. This Cannabis Use Act further establishes a holistic, regulated system for the
19 cultivation, manufacture, and sale of Cannabis for adult, medicinal, and sacramental use.

20 Governed by the Cannabis Advisory Board, a body of eleven persons appointed by the Governor and
21 approved by the Legislature, the Office of Cannabis Regulation has the executive authority to implement
22 and administer the provisions in Act 8680 including but not limited to promulgating rules and regulations
23 related to the cultivation, manufacture, sale, dispensary, testing, licensing, and use of Cannabis, prescriptive

24 use of Cannabis, and Sacramental Use. To date, the Board is comprised of seven active members, four of
25 whom are *ex-officio* members pursuant to a round of amendments to Act 8680 enacted in the 35th
26 Legislature. There are two unfilled public seats and two unfilled seats appointed by the Governor. The OCR
27 is working in tandem with the Office of the Governor to identify prospective Board members whose names
28 would then be forwarded to the Legislature for approval.

29 ACCOMPLISHMENTS

30 Under the oversight of the Cannabis Advisory Board (CAB), the Office of Cannabis Regulation, is realizing
31 significant progress towards the fulfillment of many of the mandates found in Act 8680.

32 The OCR Rules and Regulations were adopted and approved in April 2024. Together with Act 8680, the
33 Rules and Regulations clearly outline the duties of the Cannabis Advisory Board, the Executive Director of
34 the Office of Cannabis Regulation, and the OCR Enforcement Division. Additionally, the rules and
35 guidelines pertaining to medical patient and sacramental use and possession limits, including requirements
36 for the registration of medical practitioners, caregivers, medical patients and sacramental users are found
37 within the Rules and Regulations. The entire license application process which governs the application for
38 and issuance of all cannabis-related licenses and permits is also outlined, in detail.

39 Since the adoption of these Rules and Regulations last year, the OCR has begun building the framework by
40 which the legalized Cannabis industry will operate. Anyone in the listening or viewing audience who is
41 interested in any aspect of the Cannabis industry here in the Virgin Islands is strongly encouraged to
42 familiarize themselves with these Rules and Regulations as they provide in great detail all of the
43 requirements for not only individual cards but also all licensing requirements related to dispensaries,
44 cultivation, manufacturing, research and development, and testing. The Rules and Regulations as well as Act
45 8680 can be found on our website, ocr.vi.gov, on the Governance and Regulations page.

46 When this Office last testified before this Committee in September of 2024, we reported that The Registry
47 system initially rolled out on January 17, 2024. The Registry system is an online system where all
48 Practitioners, Patients, Sacramental Organizations, Sacramental Users, and Designated Caregivers can apply
49 for, register, and receive their identification cards and certifications. All five of these online application
50 systems are now live. What that means for our Virgin Islands residents is that medical patients and/or their
51 designated caregivers, sacramental organizations and users, and medical practitioners can apply for their
52 digital identification cards right now via The Registry portal on the OCR's website. To date, we have four
53 certified Practitioners on St. Croix and three in the St. Thomas/St. John district. We have thirteen registered
54 medical patients across the territory, with one application pending, and we have had three non-resident
55 medical patient cards registered. Compared to when we were last before this Committee in September, that
56 represents a 75% increase in practitioner registrations and a 600% increase in patient registrations in the last
57 five months. The OCR expects that the numbers will continue to steadily increase as we draw even closer to
58 seeing open doors on fully licensed Cannabis businesses in the USVI.

59 The question of when Cannabis Business Licenses will become available is the most frequently asked of the
60 OCR office. Act 8680 makes very clear the intention of this body to ensure that the license application
61 process for Cannabis Business Licenses be a fair, impartial, merit-based process. The OCR takes that
62 mandate very seriously. The ultimate goal of the OCR is to be able to fold the business license application
63 process into the existing portal that we use, known now as The Registry. However, being able to integrate
64 that licensing software application in the manner required will be at an additional annual cost and take
65 approximately one year based on projections from our software vendor. So as not to stymie the forward
66 momentum in the OCR and giving careful thought to contractually obligating the OCR and the Government
67 of the Virgin Islands to another annual expenditure at this time, for the first round of licensing, we have
68 devised and are finalizing the implementation of a system that allows us to create an intermediary solution

69 that will uphold the integrity of the process and open the application process. The most important part of
70 developing this system is ensuring the integrity of the merit-based process and ensuring that the information
71 required for submittal in application packages is treated securely and with sensitivity.

72 The roll-out of Cannabis Business Licenses will begin with cultivation licenses and micro-cultivation
73 permits at or about the same time as we issue a request for proposals for certified laboratory testing facilities
74 as mandated in the VI Cannabis Use Act. The requests for proposals for the laboratory testing facilities will
75 be managed, as is the protocol, by The Department of Property and Procurement. Parties interested in
76 responding to the request will have to be registered as vendors in The GVI Buy system which can be
77 accessed through that Department of Property and Procurement's website.

78 Another key relationship being managed to facilitate licensing is the contract with Metrc, the vendor for our
79 seed-to-sale tracking system. In January of this year, the contract with Metrc was executed. Metrc is the
80 most experienced provider of Cannabis regulatory technology systems in the United States being utilized by
81 28 other governmental agencies, serving more than 500,000 individual clients. They are even familiar with
82 the unique needs of US territories, having worked with the government of Guam since 2021. In the last six
83 weeks, the OCR has already had a two-day intensive kick-off meeting with Metrc and begun our weekly
84 meeting cadence to continue the project implementation plan and fit-gap analysis. The OCR is eager to
85 continue working with the Metrc team to identify the best solutions for implementing the Metrc system on
86 the regulatory side and assist our licensees when the time comes for the implementation of the system on the
87 consumer side.

88 In addition to focusing on the business licensing process, the Office of Cannabis Regulation has also been
89 assiduously seeking and fostering collaboration with other Government partner agencies. The breadth of the
90 Cannabis industry is wide and varied and will involve many GVI agencies such as the Department of
91 Licensing and Consumer Affairs, the Office of the Lieutenant Governor, the Department of Finance, the

92 Department of Property and Procurement, the Virgin Islands Police Department, the Department of Health,
93 the Division of Personnel, the Department of Justice, the Virgin Islands Bureau of Internal Revenue, and the
94 Department of Planning and Natural Resources, to name just a few. Ensuring that the entire GVI team is
95 working cohesively will aid in a smooth roll-out of this new program. As we prepare for this multi-faceted
96 roll out, we are having robust conversations and establishing “taskforce” type teams with several agencies to
97 identify the need for new policies or changes to existing policies and to memorialize the relationships with
98 MOAs where necessary.

99 OCR STAFFING

100 As with every other agency in the GVI, funding and staffing of the OCR remain critical to maintaining our
101 momentum. Thanks to the hard work and assistance of the DLCA business administration team and Division
102 of Personnel, the OCR has officially onboarded its Enforcement Unit, now bringing the number of total
103 personnel in the office to six, three members in each district. The Enforcement Unit is comprised of a staff
104 of four (4), including two supervisory positions. We are in the process of an intensive education and training
105 period for the Enforcement Unit that is expected to continue for several months but in the first two weeks
106 has already included forty hours of OCR-specific training plus site inspections and re-certification
107 qualifications and in-service trainings to maintain POST status. Even while they are learning, members of
108 the Enforcement Unit are also actively engaged in conversations with other local enforcement agency
109 partners to solidify and memorialize working relationships and roles. The OCR will also be leading training
110 sessions and providing opportunities throughout the territory, or abroad when available, for other law
111 enforcement agencies in the coming months. I am confident that the OCR Enforcement Unit, with the
112 additional training they will be receiving in the coming months, will not only serve as knowledgeable
113 subject matter experts for their enforcement colleagues throughout the territory but they will also enhance
114 the strength and capacity of the overall enforcement arena in the Virgin Islands.

115 As the work of the OCR continues to increase and the issuance of business licenses comes to fruition, the
116 OCR anticipates the need for additional staffing. The OCR is constantly assessing and re-evaluating its
117 needs as additional work is realized. With the onset of licensed activity on the horizon, there will no doubt
118 be a need to increase the staffing capacity at the Office of Cannabis Regulation to include, at minimum,
119 additional administrative support position(s), a communications officer, a public safety coordinator, a
120 training specialist, and a full enforcement team inclusive of compliance-specific personnel.

121 GOALS

122 One of the biggest factors that will determine the growth rate of the Office of Cannabis Regulation, and the
123 industry in general, will be the actual submitted responses for licensing. As mentioned, individual and
124 sacramental organization identification cards are available now and registration of those individuals is
125 ongoing. Regarding business license application fees, although we have published a fee schedule on our
126 website for all licenses and permits deriving from the OCR, until we open the application process, we cannot
127 reasonably predict whether we will have an overwhelming response, *and crucially the payments associated*
128 *therewith*, or if we will see a lukewarm application response, or something in the middle. The information
129 we have now is purely anecdotal and therefore cannot reliably be used to inform decision-making or make
130 projections regarding potential revenue.

131 By the end of March, we will be opening the applications for cultivation licenses and micro-cultivation
132 permits first. And, although those will be the first applications available, we are not ignoring the
133 opportunities and requirements for other licensing. We believe that the processes for additional licenses or
134 certifications can run simultaneously so that we do not further delay the much-anticipated issuance of
135 business licenses. For example, also in the next two months, there will be, as mandated, Requests for
136 Proposals (RFPs) issued for private testing facilities, as well as applications available soon after for third-
137 party vendors, dispensaries, manufacturing, and more.

138 The Office of Cannabis Regulation strongly believes that as we continue moving forward to a fully realized
139 industry, a key component to the success of the roll-out is a robust public education and outreach campaign
140 with the participation of key partner agencies. Not only will it be critical to the success of those individuals
141 and entities who will be licensed either as consumers or business owners but the messaging will also be
142 critical for the public, those who reside here or just visit and those who actively participate in the industry or
143 those who choose not to, to understand clearly what is permissible and what is not. To that end, we are
144 working with key partner agencies such as VIPD, at large, and its Division of Highway Safety, the
145 Department of Health, the Virgin Islands Department of Education, Department of Human Services, and
146 others.

147 The outreach and education campaign will entail messaging that targets all demographics of our population
148 – that is, our youth and our adults, our medical patients and sacramental users, our residents and visitors, our
149 recreational users and our non-users. Although the USVI has decriminalized cannabis, there are still many
150 rules and laws that apply to the growing, consumption, and possession of cannabis and it is critical for all
151 members of our territory to understand. It is imperative to note that this cannot be a short-lived effort, in
152 other words, a campaign that runs for six months and then ends. Those of us old enough to remember when
153 the seat belt laws were enacted or the advent of drinking and driving and no smoking campaigns know that
154 this effort *must* be a continuous one.

155 While the OCR and the government are committed to doing our jobs to ensure that members of our
156 community can partake in this industry in a manner that is safe, I would like to conclude by exhorting all of
157 our fine residents in the territory, our family circles, and villages to do their part and understand the law as it
158 applies to them and make sure that everyone including our young people, in particular, have the
159 conversations at home and know how to access the information to make responsible decisions regarding the
160 use of cannabis.

161 CONCLUSION

162 With the support of the 36th Legislature and this Committee, I am certain that the Office of Cannabis
163 Regulation will continue to evince tangible progress so that the vision of a thriving Virgin Islands cannabis
164 industry in which our medicinal, sacramental, and recreational users may safely and healthily partake is fully
165 realized. As I conclude, I would like to extend a public thank you to the Cannabis Advisory Board Chair, Dr.
166 Catherine Kean, and the other Board members for their guidance, the Office of the Governor and
167 specifically the Special Advisor to the Governor the Honorable Positive T.A. Nelson, members of this body
168 for their support, the DLCA team led by Commissioner Nathalie Hodge, and my OCR team for their
169 unwavering support of the OCR.

170 I thank you for the opportunity today to share with your Committee the current status of the Office of
171 Cannabis Regulation, I stand ready to field any questions arising.