



# TESTIMONY

## COMMITTEE ON HOMELAND SECURITY, JUSTICE AND PUBLIC SAFETY

36<sup>TH</sup> LEGISLATURE OF  
THE VIRGIN ISLANDS

RE: BILL NO. 36-0105

PRESENTED BY:

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1 Good morning, Senator Clifford A. Joseph, Sr., Chair of the Committee on Homeland Security, Justice, and Public Safety,  
2 other Committee members and members of the Thirty-Sixth Legislature present, fellow testifiers, and members of the  
3 listening and viewing audience. I am Joanne Moorehead, Executive Director of the Virgin Islands Office of Cannabis  
4 Regulation. Thank you for the opportunity to once again provide testimony before this body on Bill No. 36-0105, now  
5 under consideration with the proposed Amendment No. 36-565.

6 The Office of Cannabis Regulation continues to support the Legislature's efforts to address the public health, consumer  
7 safety, and regulatory challenges associated with intoxicating hemp products and artificially derived cannabinoids such as  
8 delta-8 THC, delta-10 THC, and THCa products marketed as hemp. Since the emergence of what the industry has termed  
9 the "hemp loophole" in the 2018 Farm Bill, these products have been manufactured largely outside any regulated  
10 framework, frequently lack accurate testing and labeling, and are commonly marketed in forms that appeal to youth. Left  
11 unaddressed, they threaten to erode the integrity of the regulated cannabis system created under Act 8680, the Virgin  
12 Islands Cannabis Use Act. For these reasons, OCR supports the policy intent of Bill 36-0105 and the overall direction of  
13 Amendment No. 36-565 as a measured and necessary response to this rapidly evolving issue.

14 The federal landscape governing hemp-derived cannabinoid products has shifted dramatically with the enactment last  
15 week of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act of  
16 2026. Now fully enacted, this federal law establishes a strict 0.4-milligram total-THC-per-container limit for finished  
17 consumer products, defines total THC to include THCa, and expressly excludes all chemically converted or synthetic  
18 cannabinoids from the federal definition of hemp. Although these federal standards are now law, federal enforcement is  
19 not expected to begin until November 12, 2026. This delayed timetable makes it all the more important for the Virgin  
20 Islands to act proactively and adopt a regulatory and enforcement structure that reflects these changes. By removing  
21 intoxicating and synthetically derived cannabinoids from the hemp category, Congress has eliminated the ambiguity that  
22 previously allowed products such as delta-8 THC and delta-10 THC to be marketed outside regulated cannabis systems.  
23 As a result, the vast majority of intoxicating hemp products now fall squarely within the regulatory space reserved for  
24 intoxicating cannabis products, making territorial reform both prudent and necessary.

25 This change resets the regulatory context in which the Virgin Islands must legislate. Products that exceed the new federal  
26 THC limit or that are created through chemical conversion are no longer federally recognized as hemp and therefore  
27 cannot be regulated under an agriculture-based framework. Instead, they must fall within the same system that governs  
28 intoxicating cannabis products. This reinforces the need for a unified territorial structure under the Office of Cannabis  
29 Regulation, the agency already equipped to regulate psychoactive products and ensure public health safeguards.

30 Although Amendment No. 36-565 provides several useful tools—including clearer definitions, testing requirements,  
31 packaging standards, and transitional provisions—the federal shift requires the territory to move decisively to a new

regulatory distinction: agricultural hemp versus intoxicating cannabinoid products. This shift clarifies that intoxicating or chemically altered cannabinoids cannot remain within an agriculture-based framework. Accordingly, continuing with the divided oversight structure contemplated in the Amendment risks regulatory inconsistency and misalignment with federal expectations.

While OCR supports the intent and many of the technical refinements of Amendment No. 36-565, the proposed administrative structure presents significant operational concerns. As drafted, the bill divides responsibility between the Industrial Hemp Commission and OCR. The Hemp Commission would continue issuing hemp permits, collecting civil fines, and receiving enforcement revenues under Title 7, while OCR would be responsible for developing and enforcing the regulatory framework for intoxicating hemp retailers under Title 19. In practice, this arrangement would require one agency to draft and administer rules while another—currently without sufficient staffing or budget to assume new enforcement obligations—would be tasked with carrying them out. This fragmented approach risks administrative confusion, delays in implementation, and unclear lines of accountability. Without a unified chain of authority, enforcement could stall, creating gaps that jeopardize both consumer protection and the stability of legitimate operators. These structural weaknesses make clear that a divided framework is not only impractical but fundamentally incompatible with effective oversight of intoxicating cannabinoid products.

A review of how other jurisdictions have addressed similar structural questions further underscores the need for consolidation. California and Colorado have centralized oversight of all intoxicating cannabinoids within their cannabis authorities, achieving consistency, enforceability, and measurable reductions in unregulated market activity. In California, the Department of Cannabis Control reported improved compliance rates and more effective product recalls once hemp-derived intoxicants were brought under the same regulatory umbrella as cannabis. Colorado's Marijuana Enforcement Division likewise documented fewer consumer complaints and clearer enforcement pathways after consolidating authority. By contrast, states that initially divided oversight across agricultural, health, or consumer protection agencies—such as Louisiana, Kentucky, and Vermont—ultimately abandoned those structures due to overlapping jurisdiction, gaps in inspection authority, and public confusion over which agency regulated which products. These states concluded that a unified regulatory body was essential for coherent enforcement, consistent product standards, and streamlined industry communication.

For these reasons, the Virgin Islands should adopt a unified regulatory structure that brings all intoxicating cannabinoid products under OCR's authority, while preserving the Industrial Hemp Commission's role for agricultural cultivation, research, and non-consumer hemp uses only. Consolidating oversight aligns territorial law with the new federal definition of hemp, avoids duplicative responsibilities, and ensures that enforcement and consumer protections are consistently applied.

Accordingly, OCR recommends extending the rulemaking period from the proposed 90 days to 120 days to ensure

64 thoughtful integration of the new federal standards and maintain continuity with OCR's existing cannabis regulatory  
65 system. Given these recent federal developments, OCR also respectfully recommends that the Legislature incorporate the  
66 new federal standards into Bill No. 36-0105 as amended. This includes adopting a definition of total THC that mirrors the  
67 federal approach, applying a 0.4-milligram total-THC-per-container limit for finished consumer hemp products, and  
68 ensuring that any cannabinoid produced through chemical conversion or synthesis is excluded from the definition of hemp  
69 and regulated exclusively within the cannabis framework.

70 In closing, OCR affirms its support for the objectives of Bill No. 36-0105, as amended by Amendment No. 36-565. With  
71 the refinements recommended, this legislation can establish a coherent, science-based framework that safeguards Virgin  
72 Islanders while promoting a transparent and responsible cannabinoid marketplace.

73 Thank you, Senator Joseph and members of your Committee, for your continued leadership and for the opportunity to  
74 provide this testimony on behalf of the Office of Cannabis Regulation. The Office remains available to provide technical  
75 support and collaborative assistance as this measure moves forward.