

Committee on Rules and Judiciary
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Opening Statement of Bernesha Liburd
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Nominee for the Virgin Islands Cannabis Advisory Board

Good morning, Senator Carla Joseph, Chairman of the Committee on Rules and Judiciary, esteemed Committee members, members of the 36th Legislature, and everyone in the audience.

My name is Bernesha Liburd, and I am a Senior Project Analyst at the U.S. Virgin Islands Bureau of Economic Research. I am honored to be nominated by Governor Albert Bryan to serve on the Virgin Islands Cannabis Advisory Board.

I would like to thank Governor Bryan and Lieutenant Governor Tregenza Roach for their trust in my nomination. I grew up in the U.S. Virgin Islands and graduated from the University of the Virgin Islands with a Bachelor of Arts in Marketing and Business Administration.

I began my career at the Bureau of Economic Research in 2006, where I have held various roles, including Economic Program Specialist and Research Assistant. In 2021, I was promoted to Senior Project Analyst. In this position, I oversee project planning and execution, data analysis, and public outreach initiatives. I have also served as Acting Director, guiding budget planning and managing interagency projects.

I have extensive experience with several key initiatives, including the USVI Visitor and Carnival Exit Surveys, as well as the Economic Census. I have collaborated with federal partners on GDP calculations and led the team at the Bureau of Economic Research (BER) in calculating the inflation rate for the territory. Leaders and lawmakers in our region rely on these publications for data-driven decision-making.

Currently, I am pursuing a **Master of Science, Data Analytics - Data Science** at Western Governors University. This will be essential for developing customized forecasting and trend models tailored to our specific territory, thereby enhancing data-driven decision-making. Additionally, I am participating in the Certified Public Manager (CPM) Program at the University of the Virgin Islands (UVI), a nationally accredited leadership and management development program designed to enhance the skills and effectiveness of public sector managers, supervisors, and leaders across the U.S. Virgin Islands.

With 19 years of experience in fieldwork, data science, and analysis, along with a passion for economic development in our territory, I am well-equipped to support the development of cannabis policy. This policy presents opportunities for economic growth, healthcare innovation, and social equity. I commend this body for its leadership in establishing a regulatory framework that reflects our community's values.

The U.S. Virgin Islands has made significant progress in cannabis policy with Act 8680, signed into law in January 2023, which legalizes adult-use, medical, and sacramental cannabis. This law offers substantial economic opportunities but requires careful consideration of the challenges it presents.

USVI Key Statistics

- **Population:** ~87,200 residents forecasted to be 103,000 by the census as of 2025.
 - **Annual Tourist Arrivals:** ~2.6 million in 2024
 - **Projected Cannabis Revenue:** Over \$20 million annually, with \$150 million in cumulative sales over the next decade
 - **License Caps:**
 - St. Thomas & St. Croix: 15 cultivators, 7 dispensaries each
 - St. John: 5 cultivators, 3 dispensaries
 - **Sales Tax:** 18% on recreational cannabis products
 - \$20 non-resident fee
 - \$0.50 Sales tax cultivators only on 50grams per transfer
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Cannabis: A Matter of Perspective?

Cannabis is becoming recognized as an effective supplement for managing stress, with many individuals reporting significant mental health benefits. According to research done by *Statista* in respect to recreational cannabis in the U.S. - Statistics & Facts, " current statistics show that approximately 59 million Americans use cannabis. Financially, the average monthly spending on cannabis is around \$80. This growing trend aligns with a broader societal shift toward natural alternatives for stress relief.

In terms of demographics, in the U.S., men account for 60–65% of cannabis sales and generally spend more per transaction. Men make up 47% of the USVI population. Women are also increasingly participating in the market, particularly in wellness-oriented products such as edibles, tinctures, and topicals. Women make up 53% of the USVI population.

Cannabis Consumer Statistics

In the U.S. and the U.S. Virgin Islands (USVI), cannabis use is different among age groups. Millennials, who are aged 27 to 42, are the largest group of cannabis consumers, making up about 46 to 51% of cannabis sales nationwide. In USVI, Millennials represent 19.7% of the population, according to the 2020 census.

Next is Generation Z, aged 18 to 26, which is the fastest-growing group of cannabis users nationally, with an 11.3% increase in market share each year. In the USVI, Gen Z is estimated to be about 20-23% of the total population.

Generation X, aged 43 to 58, accounts for 21 to 25% of cannabis sales nationwide, and this is similar in the USVI, where they make up about 20-21% of the population.

Baby Boomers, aged 59 to 77, represent 13 to 17% of the national cannabis market. Their population share in the USVI is around 20 to 22%.

Lastly, the Silent Generation, aged 78 and older, consumes less than 1% of cannabis but shows growing interest in wellness products. This group is about 8.7% of the USVI population.

Alcohol Usage vs. Cannabis

As of 2025, cannabis usage has outpaced alcohol consumption in the United States, marking a significant shift in societal habits. According to recent national studies, approximately 17.7 million Americans reported using cannabis daily or nearly every day in 2022, while 14.7 million consumed alcohol at the same frequency. This is a historic milestone, as it's the first time daily cannabis use has surpassed that of alcohol.

While alcohol remains the more commonly consumed substance overall, cannabis has gained traction, particularly among high-frequency users, especially within Millennial and Gen Z demographics. These younger generations are increasingly embracing "California Sober" lifestyles, opting for cannabis over alcohol for wellness and social interactions.

Several factors contribute to this shift. Recreational cannabis has been legalized in more than half of U.S. states, leading to increased accessibility. Additionally, many view cannabis as a healthier option with fewer adverse effects, such as hangovers. Cultural changes driven by younger individuals are also reshaping social norms and consumption practices, further facilitating the rise of cannabis use.

Cannabis and Tourism

Cannabis can become a key part of tourism in the U.S. Virgin Islands, attracting U.S. citizens who can travel without a passport. This initiative positions the territory as a potential hub for cannabis tourism, with the national Cannabis market projected to generate approximately \$331.79 million and reach around \$357.57 million by 2030. Per capita revenue is also promising, with projections of \$475.81 in 2025 according to tracking data in the U.S. published by Statista.

Tourism operators across the Caribbean are exploring cannabis-related experiences, including guided dispensary tours, cannabis cooking classes, and CBD spa treatments. Incorporating cannabis could enhance visitor experiences and lead to new offerings, such as wellness tourism and culinary experiences, while also creating jobs in cultivation, retail, and hospitality. The USVI's emphasis on local ownership and sacramental use differs from that of many U.S. states, where out-of-state investors often hold a dominant position.

Comparison of Other States and Territories

- **Guam & Northern Mariana Islands:** Also allow adult-use cannabis
- **Puerto Rico:** Medical use only
- **American Samoa:** Cannabis remains fully illegal
- **U.S. States:** Vary widely; 24 states allow adult-use, 38 allow medical use

Cannabis Market Trends

The **cannabis health market in the U.S. Virgin Islands (USVI)** is undergoing a major transformation, driven by recent legalization efforts and a growing interest in both medical and adult-use cannabis. The USVI government anticipates that cannabis will become a significant economic driver, especially for tourism and local job creation. However, actual revenue figures will likely emerge in 2026, once dispensaries are operational and sales begin.

The cannabis-infused products market is experiencing significant global growth, particularly in the Caribbean. This expansion is highlighted by several key trends that indicate a promising future for infused products, especially within the U.S. Virgin Islands' cannabis economy, as the tourism and wellness sectors increasingly embrace cannabis integration.

One of the most notable trends is the rising demand for edibles and beverages, with items such as gummies, chocolates, and infused drinks becoming increasingly popular, particularly among women and older adults. Additionally, there is a growing interest in wellness-focused formulations that target issues like sleep, stress, and mood enhancement. Consumers are also leaning towards products that offer micro-dosing and fast-acting effects, which allow for better control and convenience.

Compliance Efforts and Improve Tax Collection

To improve the cannabis industry, it is crucial to complete the implementation of **seed-to-sale tracking system** that are currently under development. This digital monitoring solutions will ensure that cannabis is tracked from cultivation to sale, helping to maintain compliance and safety standards throughout the process. Additionally, enabling cashless transactions is recommended and may require partnerships with fintech companies. This software will enhance compliance efforts, improve tax collection, and facilitate the implementation of effective tax initiatives. This approach will provide secure and compliant payment solutions, addressing challenges posed by federal banking restrictions.

Furthermore, this system will serve as an essential tool for collecting cannabis data, forecasting revenue, and analyzing market trends, while promoting public transparency.

Cannabis Challenges

The cannabis industry is facing several significant challenges that affect its growth. A major hurdle is the federal classification of cannabis as a Schedule I substance, which complicates banking and transportation. Additionally, the Office of Cannabis Regulation (OCR) is understaffed, leading to delays in important regulations and leaving many dispensaries unable to open.

Furthermore, the infrastructure for successful cultivation is still in the development stage. Environmental factors, such as hurricanes and extreme heat, also pose threats to the

cultivation process. It's a tough time for everyone involved, and their hard work and resilience are commendable.

Cannabis Recommendations

To enhance the cannabis industry, we must accelerate the licensing process for dispensaries and cultivation facilities. This requires streamlining the approval process and providing the public with clear timelines and updates. Additionally, we need to fully launch the seed to sale tracking system, which is currently in the early stages of implementation. It's also crucial to strengthen the Office of Cannabis Regulation (OCR) by increasing staffing and funding, as well as opening district offices across the islands.

We should boost public education and outreach efforts through campaigns that inform the community about using legal cannabis responsibly, the safety risks involved, and the licensing process. Training healthcare providers on cannabis therapies will help support informed use.

The Office of Cannabis Regulation (OCR) is making significant progress by supporting local farmers and entrepreneurs, particularly small-scale farmers in the cannabis industry. This support includes providing accessible licensing, reduced fees, and social equity incentives. Such efforts promote local economic development and community-based agriculture.

To further enhance this support, expanding the Micro-Cultivation Permit program will also be beneficial. We can consider offering grants and assistance specifically for small-scale farmers, in addition to discounted fees for new cultivators, as an incentive. Additionally, promoting community gardens and cooperative cultivation models can foster collaboration and sustainability in this emerging USVI industry.

Another important aspect is focusing on social equity by automating the expungement of past cannabis convictions and prioritizing equity applicants in licensing and funding opportunities.

Connecting cannabis with tourism can create economic opportunities. This includes developing cannabis-friendly tourism packages and lounges that comply with public consumption laws. Finally, we need to advocate for federal changes and work with other territories to push for important reforms in banking and transportation.

Pros and Cons of Legalization:	
Pros:	Cons:
• Economic growth and job creation • Tourism boost • Social justice through expungement • Agricultural diversification • Local ownership and equity	• Federal legal conflicts • Limited banking access • Public health concerns • Regulatory delays • Environmental vulnerabilities

Conclusion

The cannabis policy in the U.S. Virgin Islands (USVI) is recognized as one of the most progressive in the Caribbean and U.S. territories. By implementing strategic measures, the territory has the potential to leverage cannabis for economic development, improve healthcare, strengthen local agriculture, and promote social equity. The key to achieving long-term success will be continued investment in infrastructure, public education, and advocacy at the federal level.

With a focus on data-driven decision-making, the USVI seeks to establish a cannabis industry that prioritizes public health and economic growth. The emerging cannabis market is predicted to significantly boost tourism and create local job opportunities, particularly in the retail, agricultural, and hospitality sectors. The industry is structured with a limit of 17 dispensaries and 35 cultivators, along with an 18% sales tax and a \$20 non-resident fee on cannabis products that will contribute to the Cannabis Fund, indicating substantial potential for revenue generation.

Additionally, integrating the cannabis sector with Health and Tourism, emphasizing local ownership, can further enhance market opportunities. The recommendations outlined aim to assist stakeholders in addressing existing challenges and maximizing the benefits of cannabis legalization, ultimately focusing on improving public health, promoting economic development, and advancing social justice.

Let us proceed with caution, responsibility, and commitment to making data-informed decisions. I am prepared to take on the responsibility of serving in an advisory role for cannabis regulation, utilizing data as our primary source for recommendations. This is our opportunity for the U.S. Virgin Islands to become a leader in an evolving industry.

Thank you for your attention. I am happy to answer any questions you may have.