# COMMITTEE ON HEALTH, HOSPITAL AND HUMAN SERVICES

## BILL NO. 31-0348

### **Thirty-first Legislature of the Virgin Islands**

#### April 21, 2016

An Act amending title 19 of the Virgin Islands Code part III adding chapter 34 providing for the medical use and regulation of cannabis, the regulation of medical Cannabis Provisioning Centers, making a \$500,000 appropriation, and for other related purposes

**PROPOSED BY:** Senator Terrence "Positive" Nelson

WHEREAS, the following question was submitted to the voters by referendum on 1 November 4, 2014: "Should the Legislature consider legislation that allows for the 2 3 licensing and regulation of medical marijuana patients, care-givers, cultivators and distribution centers?", and the referendum passed by 56.5% of the voters; and 4 5 WHEREAS, the recorded use of cannabis as a medicine dates back nearly 5,000 6 years. Modern medical research has confirmed the beneficial uses for cannabis, also called 7 marijuana or marihuana, in treating or alleviating pain, glaucoma, severe nausea, seizures, seizures caused by epilepsy, muscle spasms caused by multiple sclerosis or Crohn's disease 8 9 and other symptoms associated with a variety of debilitating medical conditions, including cancer, wasting syndrome, severe or chronic pain, HIV/AIDS, nausea, and other symptoms 10

associated with a variety of debilitating medical conditions, including cancer, multiple
 sclerosis, and HIV/AIDS, as found by the National Academy of Sciences' Institute of
 Medicine in March 1999; and

4 WHEREAS, studies published since the 1999 Institute of Medicine Report continue to show the therapeutic value of cannabis in treating a wide array of debilitating 5 medical conditions. These include relief of the neuropathic pain caused by multiple 6 7 sclerosis, HIV/AIDS, and other illnesses and injuries that often fail to respond to conventional treatments, and relief of nausea, vomiting, and other side effects of drugs used 8 9 to treat HIV/AIDS, Post-Traumatic Stress Disorder, Alzheimer's Disease, Parkinson's 10 Disease, hepatitis C, thereby increasing the chances of patients continuing on life-saving treatment regimens; and 11

WHEREAS, Cannabis has many accepted medical uses in the United States, having been recommended by thousands of licensed physicians to more than one million patients in states with medical cannabis laws. A wide range of medical and public health organizations, including the American Academy of HIV Medicine, the American College of Physicians, the American Nurses Association, the American Public Health Association, the Leukemia & Lymphoma Society, the Epilepsy Foundation, and many others, have recognized cannabis's medical utility; and

WHEREAS, Data from the Federal Bureau of Investigation's Uniform Crime
Reports and the Compendium of Federal Justice Statistics show that approximately 99 out
of every 100 cannabis arrests in the U.S. are made under state law, rather than under federal
law. Consequently, changing state law will have the practical effect of protecting from

1 arrest the vast majority of seriously ill patients who have a medical need to use cannabis;

2 and

3 WHEREAS, twenty-three states and the District of Columbia have removed state-4 level criminal penalties from the medical use and cultivation of cannabis. The US Territory 5 of Guam has enacted a regulated medical marijuana program, and the Governor of the 6 Commonwealth of Puerto Rico has signed an Executive Order to implement a medical marijuana program. Four states have approved "adult use" of marijuana. Fourteen other 7 states have decriminalized the use of medical marijuana for children with seizure disorders 8 9 ("Charlotte's Web" laws). Accordingly, a majority of states, 37 and more than 70% of the 10 US population now live in a jurisdiction that has some form of legal medical cannabis program. The Virgin Islands joins in this effort for the health and welfare of its citizens; 11 12 and

WHEREAS, States are not required to enforce federal law or prosecute people for
engaging in activities prohibited by federal law. Therefore, compliance with this act does
not put the Virgin Islands in violation of federal law; and

WHEREAS, Indigenous peoples have the right to their traditional medicines and
to maintain their health practices, including the conservation of their vital medicinal plants,
animals, and minerals. Indigenous individuals also have the right to access, without
discrimination, to all social and health services; and

WHEREAS, there currently exists numerous methods of benefiting from the
medical use of the cannabis plant to include but not limited to ingesting (teas and edibles),
oils, topicals (creams/ lotions), tinctures, edibles, vaporizing, smoking, infusing,
suppository, transdermal patches, and balms; and

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WHEREAS, our laws should make a distinction between the medical and nonmedical use of cannabis; and

WHEREAS, the purpose of enacting legislation to legalize the medical use of cannabis is to protect patients with medical conditions, their physicians and primary caregivers from local arrest and prosecution, and criminal and other penalties if the patient, or caregiver engages in the medical use of cannabis and to protect supporting industries involved in the medical cannabis growth, packaging and distribution process; and

8 WHEREAS, legalizing cannabis for medical purposes would regulate and provide 9 a safer means for individuals to obtain their choice of prescription without the criminal 10 element and provide for a known, tested and certified accurately measured dosage of 11 medication; and

WHEREAS, it would be beneficial to conduct extensive, joint and individual, research, nationally and internationally through the University of the Virgin Islands on the various medical benefits, uses, correct dosage/measurement, and strains of the marijuana plant in the Virgin Islands; and

WHEREAS, the availability of medical cannabis would create a viable medical
tourism economy in this territory and place the Virgin Islands at the forefront of the
Caribbean Wellness tourism industry; and

WHEREAS, hundreds of thousands of Americans are willing to travel to Central and South America and Asia for knee replacement, cosmetic surgery, bariatric bypass surgeries, etc., and the Virgin Islands can be a destination for those who have the resources and want to leave the cold and take up temporary residence in the Virgin Islands for cannabis therapy treatment and to avail themselves of the Virgin Islands' new accredited medical school and the Agriculture Experiment Station within the University of the Virgin
 Islands; and

WHEREAS, this industry would create business opportunities and jobs for the people of the Virgin Islands, and such businesses and jobs cannot be exported to other countries; and

6 WHEREAS, the Federal Government has acknowledged the medical benefits derived from the cannabis plant with patent No: US 6,630,507 B1 since October 7, 2003, 7 as follows: "Cannabinoids have been found to have antioxidant properties, unrelated to 8 9 NMDA receptor antagonism. This new found property makes cannabinoids useful in the 10 treatment and prophylaxis of a wide variety of oxidation associated diseases, such as 11 ischemic, age-related, inflammatory and autoimmune diseases. The cannabinoids are 12 found to have particular application as neuroprotectants, for example in limiting 13 neurological damage following ischemic insults, such as stroke and trauma, or in the 14 treatment of neurodegenerative diseases, such as Alzheimer's disease, Parkinson's disease and HIV dementia." Now, Therefore, 15

16 Be it enacted by the Legislature of the Virgin Islands:

SECTION 1. Title 19 Virgin Islands Code part III is amended by adding chapter
34 to read as follows as follows:

19

#### "CHAPTER 34. Medical Cannabis

20 §775. (a) This Act may be cited as "The Virgin Islands Medical Cannabis Patient
21 Care Act'.

1	<b>(b</b> )	The purpose of this chapter is to allow in a regulated system the beneficial	
2	use of medica	l cannabis for alleviating symptoms caused by debilitating medical conditions	
3	and their medical treatments.		
4	§776.	Definitions. In this chapter, unless the context otherwise requires, the	
5	following wor	rds, words and phrases have the following meaning:	
6	(a)	"Allowable amount of cannabis" means:	
7	(1)	8.0 ounces of cannabis;	
8	(2)	The quantity of cannabis products as established by OCR regulations;	
9	(3)	If the cardholder has a registry identification card allowing cultivation, any	
10	combination of 16 plants, mature or immature; and		
11	(4)	If the cardholder has a registry identification card allowing cultivation, the	
12	amount of ca	innabis and cannabis products that were produced from the cardholder's	
13	allowable plan	nts, if the cannabis and cannabis products are possessed at the same property	
14	where the plants were cultivated.		
15	(b)	"Bona fide practitioner-patient relationship" means:	
16	(1)	The practitioner and patient have a treatment or consulting relationship,	
17	during the co	urse of which the practitioner has completed an assessment of the patient's	
18	medical histor	ry and current medical condition, including an appropriate in-person physical	
19	examination;		
20	(2)	The practitioner has consulted with the patient with respect to the patient's	
21	debilitating medical condition; and		
22	(3)	The practitioner is available to or offers to provide follow-up care and	
23	treatment to the patient, including, patient examinations.		

(c) "Board" means the Virgin Islands Medical Cannabis Policymaking Board
 established in section 777.

3 (c) "Cannabis" means all parts of the Cannabis plant, growing or not; the seeds 4 of the plants; the resin extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant or its seeds or resin. The 5 6 term does not include the mature stalks of the plant, fiber produced from the stalks, oil or 7 cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks, except the resin extracted therefrom, fiber, oil 8 9 or cake, or the sterilized seed of the plant which is incapable of germination. The term 10 includes "marijuana", a colloquial term associated with the cannabis plant.

(d) "*Cannabis products*" means concentrated cannabis, cannabis extracts, and
products that are infused with cannabis or an extract thereof, and are intended for use or
consumption by humans. The term includes, without limitation, edible cannabis products,
beverages, topical products, ointments, oils, and tinctures.

- (e) "*Cannabis product manufacturing facility*" means an entity registered with
  the OCR pursuant to this act that acquires, possesses, manufactures, delivers, transfers,
  transports, supplies, or sells cannabis products to medical cannabis dispensaries.
- (f) "*Cannabis testing facility*" or "*testing facility*" means the official the Virgin
  Islands laboratory established for the purpose of analyzing and approving the safety and
  potency of cannabis distributed to any person or entity pursuant to this act. Nothing in this
  definition precludes a patient, caregiver, or medical cannabis establishment from testing its
  cannabis or cannabis products; however, such testing may not take the place of official

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testing for the purpose of selling, transferring or otherwise distributing to the medical
 cannabis market.

3 (g) "*Cardholder*" means a qualifying patient or a designated caregiver who has been
4 issued and possesses a valid registry identification card.

(h) "*Cultivation facility*" means an entity registered with the OCR pursuant to this act
that acquires, possesses, cultivates, delivers, transfers, transports, supplies, or sells
cannabis and related supplies to medical cannabis establishments.

8 (i) "Debilitating medical condition" means:

9 (1) cancer, glaucoma, positive status for human immunodeficiency virus, acquired
10 immune deficiency syndrome, hepatitis C, amyotrophic lateral sclerosis, Crohn's disease,
11 ulcerative colitis, agitation of Alzheimer's disease, post-traumatic stress disorder, traumatic
12 brain injury, hospice care, Parkinson's disease, Huntington's disease, Arthritis, Diabetes,
13 Chronic Pain, Neuropathic Pain, or the treatment of these conditions;

14 (2) A chronic or debilitating disease or medical condition or its treatment that produces
15 one or more of the following: cachexia or wasting syndrome; severe, debilitating pain;
16 severe nausea; seizures; or severe and persistent muscle spasms, including, but not limited
17 to, those characteristic of multiple sclerosis;

18 (3) Any chronic or debilitating disease or medical condition or its treatment or the
19 symptoms related to any medical condition for which a healthcare practitioner believes the
20 use of medical cannabis will provide a therapeutic or palliative benefit to the patient; or
21 (4) Any other medical condition or its treatment added by the OCR pursuant to this
22 Chapter.

(j) "OCR" means the Virgin Islands Office of Cannabis Regulation within the
 Department of Licensing and Consumer Affairs or its successor agency.

3 (k) "Designated caregiver" means a person who:

4 (1) is at least 21 years of age;

5 (2) Has agreed to assist with a qualifying patient's medical use of cannabis;

6 (3) Has not been convicted of a disqualifying felony offense; and

7 (4) Assists no more than five qualifying patients, including himself, with their medical
8 use of cannabis, unless the designated caregiver's qualifying patients each reside in or are
9 admitted to a health care facility or residential care facility where the designated caregiver
10 is employed.

11 (l) "Disqualifying felony offense" means:

12 (1) A violent crime that was classified as a felony in the jurisdiction where the person13 was convicted; or

14 (2) A violation of a state, territorial or federal controlled substances law which was
15 classified as a felony in the jurisdiction where the person was convicted, but does not
16 include:

17 (A) An offense for which the sentence, including any term of probation,

18 incarceration, or supervised release was completed; 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.

23 (m) "Edible cannabis products" means products that:

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1 (1)	) Contain	or are infused	with cannabis or a	n extract of cannabis;
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2 (2) Are intended for human consumption by oral ingestion; and

3 (3) Are presented in the form of foodstuffs, beverages, extracts, oils,
4 tinctures, and other similar products.

(n) "Enclosed, locked facility" means a closet, room, greenhouse, building,
or other enclosed area that is equipped with locks or other security devices that
permit access only by the cardholder or cardholders allowed to cultivate the
plants. Two or more cardholders who reside in the same dwelling may share one
enclosed, locked facility for cultivation.

10 (o) "Medical cannabis" or "cannabis" has the meaning given to the term
11 "marijuana" in any other law in the Virgin Islands.

(p) "Medical cannabis dispensary" or "dispensary" means an entity registered
with the OCR pursuant to this chapter which acquires, possesses, stores, delivers,
transfers, transports, sells, supplies, or dispenses cannabis, cannabis products,
paraphernalia, or related supplies and educational materials to cardholders.

16 (q) "Medical cannabis establishment" means a cultivation facility, a cannabis17 testing facility, a cannabis product manufacturing facility, or a dispensary.

18 (r) "Medical cannabis establishment agent" means an owner, officer, board
19 member, employee, or volunteer at a medical cannabis establishment.

(s) "Medical 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

1 symptoms associated with the patient's debilitating medical condition. The term

2 does not include:

3 (1) The cultivation of cannabis by a nonresident cardholder;

4 (2) The cultivation of cannabis by a cardholder who is not designated as being
5 allowed to cultivate on the cardholder's registry identification card; or

6 (3) The extraction of resin from cannabis by solvent extraction unless the7 extraction is done by a cannabis product manufacturing facility.

8 (t) "Nonresident cardholder" means a person who:

9 (1) Has been diagnosed with a debilitating medical condition, or is the parent, 10 guardian, conservator, or other person with authority to consent to the medical 11 treatment of a person who has been diagnosed with a debilitating medical 12 condition;

13 (2) Is not a resident of the Virgin Islands or who has been a resident of the
14 Virgin Islands for less 45 days;

(3) was issued a valid registry identification card or its equivalent by another
state, district, territory, commonwealth, insular possession of the United States,
or country recognized by the United States which allows the person to use
cannabis for medical purposes in the jurisdiction of issuance; and

(4) Has submitted any documentation required by the OCR, and has receivedconfirmation of registration.

21 (u) "Nonresident In-Patient cardholder" means a person who:

22 (1) Has been diagnosed with a debilitating medical condition, or is the parent,

23 guardian, conservator, or other person with authority to consent to the medical

treatment of a person who has been diagnosed with a debilitating medicalcondition;

3 (2) Is not a resident of the Virgin Islands or who has been a resident of the
4 Virgin Islands for less than 45 days;

(3) Is attending or participating in medical 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 or 30 days,
whichever is less, and which may be extended by the OCR for good cause shown;
and

11 (4) Has submitted any documentation required by the OCR, and has received12 confirmation of registration as an in-patient.

13 "(v) "OCR" means the Office of Cannabis Regulation

(w) "Practitioner" means a person who is licensed and in good standing in the
Virgin Islands as a medical doctor, osteopath, naturopath, homeopath,
chiropractic physician, physician's assistant, nurse practitioner or registered
nurse, who has received a certificate of completion in a Virgin Islands -approved
medical cannabis education program,

(y) "*Qualifying patient*" means a person who has been diagnosed by a
practitioner as having a debilitating medical condition.

(z) "Registry identification card" means a document issued by the OCR
which identifies a person as a registered qualifying patient or registered

2 card pursuant to section 780.

3 (aa) "UVI" means the University of the Virgin Islands.

4 (bb) "Written certification" means a document —

5 (1) dated and signed by a practitioner,

6 (2) stating that in the practitioner's professional opinion the patient is likely
7 to receive therapeutic or palliative benefit from the medical use of cannabis to
8 treat or alleviate the patient's debilitating medical condition or symptoms
9 associated with the debilitating medical condition ;

10 (3) affirming that it is made in the course of a bona fide practitioner-patient11 relationship; and

12 (4) specifying the qualifying patient's debilitating medical condition.

13 § 777. The OCR; Virgin Islands Medical Cannabis Policymaking Board,
14 establishment

(a) The OCR is established within the Department of Licensing and
Consumer Affairs for <u>administrative purposes</u>. The OCR is vested with all
executive authority to implement and administer this chapter including,
rulemaking authority, The OCR is administered by a director appointed by the
Commissioner of the Department of Licensing and Consumer Affairs for a threeyear term that may be extended.

(b) A nine-member Virgin Islands Cannabis Advisory Board is established
as an independent board within the Department of Licensing and Consumer
Affairs for budgetary purposes and is comprised of:

2	Commissioner of Health;		
3	(2)	one representative of the Department of Agriculture appointed by the	
4	Commissioner of Agriculture ;		
5	(3)	one representative of the Department of Licensing and Consumer Affairs	
6	appoin	appointed by the Commissioner of Licensing and Consumer Affairs;	
7	(4)	the President of U.V.I. or President's designee;	
8	(5)	one representative U.V.I.'s Agricultural Experiment Station appointed	
9	by the President of U.V.I.;		
10	(6)	one healthcare practitioner knowledgeable in cannabis medicine	
11	appointed by the Board of Medical Examiners;		
12	(7)	one farmer appointed by the Commissioner of Agriculture; and	
13	(8)	the director of the OCR who serves as an ex officio voting member.	
14	(c)	The Board shall meet at least four times each year for the purpose of	
15	provid	ing oversight and establishing policies to be carried out by the OCR.	
16	(d)	The director of the OCR is responsible for ensuring:	
17	(1)	The ability of qualifying patients in all areas of the Territory to obtain	
18	timely	access to high-quality medical cannabis;	
19	(2)	The effectiveness of the dispensaries and cultivation facilities,	
20	indivic	dually and together, in serving the needs of qualifying patients, including	
21	the p	rovision of educational and support services by dispensaries, the	
22	reason	ableness of their prices, whether they are generating any complaints or	

two representatives of the Department of Health appointed by the

(1)

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1 security problems, and the sufficiency of the number operating to serve the Virgin

2 Islands" registered qualifying patients;

3 (3) The effectiveness of the cannabis testing facilities;

4 (4) The sufficiency of the regulatory and security safeguards contained in this
5 chapter and adopted by the OCR to ensure that access to and use of cannabis
6 cultivated is provided only to cardholders;

7 (5) Any additions or revisions to the OCR regulations or this chapter,
8 including relating to security, safe handling, labeling, nomenclature, and whether
9 to propose to the Senate an expansion of the program that may include an adult
10 legal program in addition to the medical cannabis program; and

11 (6) Any research studies regarding health effects of medical cannabis for12 patients.

13 (e) The **<u>Board</u>** shall :

14 (1) promulgate regulations to protect the cultivation of medical cannabis
15 from the cultivation and distribution of hemp in locations that would substantially
16 interfere with the cultivation of medical cannabis;

17 (2) develop in conjunction with the Department of Tourism Virgin Islands18 sponsored non-resident medical cannabis tourism program;

(3) establish a Virgin Islands medical cannabis testing lab in conjunction
with the University of the Virgin Islands which provides the testing of all
cannabis, hemp, cannabis products and hemp products at fees established by the
Board through regulations;

(4) establish through regulations education 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;

5 (5) maintain a list of approved medical cannabis establishment vendors;

6 (6) develop a research and development program allowing licensees to have
7 access to cannabis to perform research and development on medical cannabis
8 and/or hemp in conjunction with UVI. Such licenses may be conditioned on the
9 licensee paying a royalty to UVI for new strains developed. UVI is exempt from
10 the payment of licensing fees for research and development.

(7) Working in conjunction with UVI, Appropriate educational opportunities
including certificated courses, undergraduate and graduate curriculum to further
develop educating and training a qualified workforce for the cannabis and hemp
industries.

(8) adopt regulations providing for additional licensing for private facilities
that allow medical cannabis patients to meet and use their medical cannabis or
medical cannabis products together in a location open only for private members,
each of whom must possess a valid medical card, and be over the age of 21.

(9) develop such other programs that provide a benefit to patients and
promote the economic welfare of the Virgin Islands without exceeding the
authority granted herein

(f) The Board shall promulgate regulations governing the program not laterthan 60 days after the effective date of this chapter. In addition to publication as

required by title 3, chapter 35 of this Code, the regulations must be published on
the Board's official website. The Board shall provide up to 30 days for public
comment, and shall publish the final regulations not later than 30 days after the
comment period and proceed with implementation of the program in accordance
with the regulations.

6 (g) The Director shall hire such additional staff as may be required to
7 implement the program, including consultants, but the program must become
8 self-sufficient from the taxes or fees generated through the program not later than
9 two years from commencement of the program.

10 §778. The Board's issuance regulations for the OCR.

11 Not later than 120 days after the effective date of this chapter, the Board shall12 promulgate regulations:

(1) governing the manner in which the OCR considers petitions from the
public to add debilitating medical conditions or treatments to the list of
debilitating medical conditions set forth in section 776 (i) (4) ) of this chapter,
including public notice of and an opportunity to comment in public hearings on
the petitions;

18 (2) Establishing the form and content of registration and renewal applications19 submitted under this chapter;

20 (3) Establishing a system to evaluate competing medical cannabis21 establishment applicants which includes an analysis of:

22 (A) The preference of the OCR;

(B) In the case of dispensaries, the suitability of the proposed location and its
 accessibility for patients;

3 (C) The character, veracity, background, qualifications, and relevant
4 experience of principal officers and board members;

5 (D) The economic benefits that will inure to the residents of the Virgin Islands
6 by local ownership, jobs and other opportunities;

7 (E) The business plan proposed by the applicant, which in the case of 8 cultivation facilities and dispensaries must include the ability to maintain an 9 adequate supply of cannabis, plans to ensure safety and security of patrons and 10 the community, procedures to be used to prevent diversion, and any plan for 11 making cannabis available to low-income registered qualifying patients.

(4) governing the manner in which it shall consider applications for and
renewals of registry identification cards, which may include creating a
standardized written certification form;

(5) Governing medical cannabis establishments with the goals of ensuring the
health and safety of qualifying patients and preventing diversion and theft without
imposing an undue burden or compromising the confidentiality of cardholders,
including:

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19 (A) Oversight requirements;

20 (B) Recordkeeping requirements;

21 (C) Security requirements, including lighting, physical security, and alarm
22 requirements;

(D) Health and safety regulations, including restrictions on the use of
 pesticides that are injurious to human health;

3 (E) Standards for the manufacture of cannabis products and both the indoor
4 and outdoor cultivation of cannabis by cultivation facilities;

5 (F) Requirements for the transportation and storage of cannabis by medical
6 cannabis establishments;

7 (G) Employment and training requirements, including requiring that each
8 medical cannabis establishment create an identification badge for each agent;

9 (H) Standards for the safe manufacture of cannabis products, including
10 extracts and concentrates;

(I) restrictions on the advertising, signage, and display of medical cannabis,
provided that the restrictions may not prevent appropriate signs on the property
of a dispensary, listings in business directories including phone books, listings in
cannabis-related or medical publications, or the sponsorship of health or not-forprofit charity or advocacy events;

16 (J) Requirements and procedures for the safe and accurate packaging and17 labeling of medical cannabis; and

18 (K) Certification standards for testing facilities, including requirements for19 equipment and qualifications for personnel.

20 (6) Establishing procedures for suspending or terminating the registration
21 certificates or registry identification cards of cardholders and medical cannabis
22 establishments that commit multiple or serious violations of the provisions of this
23 chapter or the regulations promulgated pursuant to this section;

1	(7)	Establishing labeling requirements for cannabis and cannabis products,
2	including requiring cannabis products' labels to include the following:	
3	(A)	The length of time it typically takes for a product to take effect;
4	(B)	Disclosing ingredients and possible allergens;
5	(C)	A nutritional fact panel; and
6	(D)	Requiring that edible cannabis products be clearly identifiable, when
7	practicable, with a standard symbol indicating that it contains cannabis.	
8	(8)	Procedures for the registration of nonresident cardholders including the
9	submission of:	
10	(A)	A practitioner's statement confirming that the patient has a debilitating
11	medical condition; and	
12	(B)	Documentation demonstrating that the nonresident cardholder is allowed
13	to possess cannabis or cannabis preparations in the jurisdiction where the	
14	nonresident cardholder resides; or	
15	(C) Documentation demonstrating that the nonresident is visiting the Virgin	
16	Islands in order to undergo cannabis treatment as an in-patient at a Virgin Islands	
17	approved facility.	
18	(9)	Establishing the amount of cannabis products, including the amount of
19	concer	strated cannabis, each cardholder and nonresident cardholder can possess.
20	(10)	Establishing reasonable application and renewal fees for registry
21	identif	ication cards and registration certificates, according to the following
22	medica	al establishment classifications:

2 following during the first two years from the inception of the Medical Cannabis

3 Program:

- 4 (i) For a Cultivation License:
- 5 (a) Level I-Not to exceed 100 plants: \$1,000; \$500 for existing farmers
- 6 (b) Level II -Not to exceed 500 plants: \$2,500
- 7 (c) Level III -Not to exceed 1,000 plants: \$5,000
- 8 (ii) For a Dispensary License: \$5,000
- 9 (iii) For Cannabis Product Manufacturer License: \$5,000
- 10 (iv) For Research and Development License: \$1,000
- 11 (v) For Approved Vendor Certificate: \$1,000.00
- 12 (B) Unsuccessful Applicants shall receive a reimbursement in an amount equal
- to 50% of the application fee.
- 14 (C) All application fees, certificate to operate fees and renewal fees may be
- adjusted annually for inflation.
- 16 (D) Approval to Operate Certificate Fees:
- 17 In addition to the Application fees, medical cannabis establishments that are
- approved shall pay a Certificate to Operate ("CO") fee before commencing any
- 19 business operations. The OCR shall by regulations adopted by the Board set the
- 20 fee, but the fee may not exceed the application fee for the particular license
- 21 approved.

3 adjusted annually for inflation.

4 (F) The OCR by regulations adopted by the Board may establish a sliding scale
5 of patient application and renewal fees based upon a qualifying patient's
6 household income; and

7 (G) The fees charged to qualifying patients, nonresident cardholders, and
8 caregivers may not exceed: \$50 for residents for a one year card; \$50 for non9 residents for a five-day card, \$75 for a ten-day card, and \$100 for a 30 day card;
10 with these upper limits adjusted annually for inflation; such fees may be changed
11 after the program has been in place for two years.

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#### 13 §779. Protections for the Medical Use of Cannabis.

(a) A cardholder who possesses a valid registry identification card is not
subject to arrest, prosecution, or penalty in any manner, or denial of any right or
privilege, including any civil penalty or disciplinary action by a court or
occupational or professional licensing board or bureau for:

18 (1) the medical use of cannabis pursuant to this chapter, if the cardholder does
19 not possess more than the allowable amount of cannabis, and if any cannabis
20 plants are either cultivated in an enclosed, locked facility or are being transported;
21 (2 reimbursement by a registered qualifying patient to the patient's
22 registered designated caregiver for direct costs incurred by the registered

1 designated caregiver for assisting with the registered qualifying patient's medical

2 use of cannabis;

3 (3) transferring cannabis to a testing facility for testing;

4 (4) Compensating a dispensary or a testing facility for goods or services5 provided;

6 (5) selling, transferring, or delivering cannabis seeds produced by the7 cardholder to a cultivation facility or dispensary; or

8 (6) offering or providing cannabis to a cardholder for a registered qualifying 9 patient's medical use or to a nonresident cardholder if nothing of value is 10 transferred in return and the person giving the cannabis does not knowingly cause 11 the recipient to possess more than the allowable amount of cannabis.

12 (7)reimbursement by a dispensary or producer to a registered qualifying patient with cultivation privileges, only, or the registered qualifying patient's 13 caregiver, for direct and reasonable costs incurred by the registered cultivating 14 patient or caregiver for excess cannabis grown by same up to 64 ounces per year. 15 A nonresident cardholder is not subject to arrest, prosecution, or penalty 16 (b) in any manner, or denied any right or privilege, including, , civil penalty or 17 disciplinary action by a business or occupational or professional licensing board 18 or entity, for the transporting, purchasing, possessing, or using medical cannabis 19 20 pursuant to this chapter if the nonresident cardholder does not possess more than 21 3.0 ounces of cannabis and the quantity of cannabis products established by OCR 22 regulation.

(c) There is a presumption that a qualifying patient or designated caregiver is 1 2 engaged in the medical use of cannabis pursuant to this chapter if the cardholder 3 is in possession of a registry identification card and an amount of cannabis that 4 does not exceed the allowable amount of cannabis. The presumption may be rebutted by evidence that conduct related to cannabis was not for the purpose of 5 treating or alleviating a qualifying patient's debilitating medical condition or 6 7 symptoms associated with the qualifying patient's debilitating medical condition pursuant to this chapter. 8

9 A practitioner is not subject to arrest, prosecution, or penalty in any (d) 10 manner, or denied any right or privilege, including, but not limited to, civil 11 penalty or disciplinary action by the Virgin Islands Medical Board or by any other 12 occupational or professional licensing board or bureau, solely for providing written certifications or for otherwise stating that, in the practitioner's 13 professional opinion, a patient is likely to receive therapeutic or palliative benefit 14 from the medical use of cannabis to treat or alleviate the patient's serious or 15 debilitating medical condition or symptoms associated with the serious or 16 debilitating medical condition, provided that nothing in this chapter shall prevent 17 18 a practitioner from being sanctioned for:

19 (1) issuing a written certification to a patient with whom the practitioner does20 not have a bona fide practitioner-patient relationship; or

21 (2) failing to properly evaluate a patient's medical condition.

(e) An attorney may not be subject to disciplinary action by the Virgin
Islands Bar Association bar association or other professional licensing association

for providing legal assistance to prospective or registered medical cannabis 1 2 establishments or others related to activity that is no longer subject to criminal 3 penalties under state law pursuant to this chapter.

4 (f) No person may be subject to arrest, prosecution, or penalty in any manner, 5 or denied any right or privilege, including any civil penalty or disciplinary action by a court or occupational or professional licensing board or bureau, for: 6

7 (1)providing or selling cannabis paraphernalia to a cardholder, nonresident cardholder, or to a medical cannabis establishment; 8

9 (2) being in the presence or vicinity of the medical use of cannabis 10 that is exempt from criminal penalties by this chapter;

11 (3) allowing the person's property to be used for activities that are exempt from 12 criminal penalties by this chapter; or

13 (4) assisting a registered qualifying patient with the act of using or administering cannabis. 14

A dispensary or a dispensary agent is not subject to prosecution,, (g) search, or inspection, except by the OCR pursuant to section 789 seizure, or 16 penalty in any manner, and may not be denied any right or privilege, including 17 civil penalty or disciplinary action by a court or business licensing board or entity, 18 19 for acting pursuant to this chapter and regulations adopted under this chapter to: (1)possess, transport, and store cannabis and cannabis products; 20

deliver, transfer, and transport cannabis to testing facilities and 21 (2)22 compensate testing facilities for services provided;

15

(3) accept cannabis offered by a cardholder or nonresident cardholder if
 nothing of value is exchanged in return; except, a resident cardholder cultivator
 may transfer up to 64 oz. of medical cannabis every 12 months, and accept
 reimbursement for direct and reasonable costs.

5 (4) purchase or otherwise acquire cannabis from cultivation facilities or
6 dispensaries, and cannabis products from cannabis product manufacturing
7 facilities or dispensaries; and

8 (5) deliver, sell, supply, transfer, or transport cannabis, cannabis products,
9 and cannabis paraphernalia, and related supplies and educational materials to
10 cardholders, nonresident cardholders, and dispensaries.

(h) A cultivation facility or a cultivation facility agent is not subject to
prosecution, search, or inspection, except by the OCR pursuant to section 789
seizure, or penalty in any manner, and may not be denied any right or privilege,
including civil penalty or disciplinary action by a court or business licensing
board or entity, for acting pursuant to this chapter and rules authorized by this
chapter to:

17 (1) possess, plant, propagate, cultivate, grow, harvest, produce, process,
18 manufacture, compound, convert, prepare, pack, repack, or store cannabis;

(2) deliver, transfer, or transport cannabis to testing facilities and compensatetesting facilities for services provided;

(3) accept cannabis offered by a cardholder or nonresident cardholder if nothing
of value is exchanged in return;

23 (4) purchase or otherwise acquire cannabis from cultivation facilities;

(5) purchase cannabis seeds from cardholders, nonresident cardholders, and the
 equivalent of a medical cannabis establishment that is registered in another
 jurisdiction; and

4 (6) deliver, sell, supply, transfer, or transport cannabis, cannabis paraphernalia,
5 and related supplies and educational materials to cultivation facilities and
6 dispensaries.

7 (i) A cannabis product manufacturing facility or a cannabis product
8 manufacturing facility agent is not subject to prosecution, search, or inspection,
9 except by the OCR pursuant to section 789, seizure, or penalty in any manner,
10 and may not be denied any right or privilege, including civil penalty or
11 disciplinary action by a court or business licensing board or entity, for acting
12 pursuant to this chapter and rules authorized by this chapter to:

(1) purchase or otherwise acquire cannabis from cultivation facilities, and
cannabis products or cannabis from cannabis product manufacturing facilities
and, to a limited extent, from an authorized patient or caregiver;

(2) possess, produce, process, manufacture, compound, convert, prepare, pack,
repack, and store cannabis and cannabis products;

(3) deliver, transfer, or transport cannabis, cannabis products, cannabis
paraphernalia, and related supplies and educational materials to dispensaries and
cannabis product manufacturing facilities;

(4) deliver, transfer, or transport cannabis to testing facilities and compensate
testing facilities for services provided;

(5) deliver, sell, supply, transfer, or transport cannabis, cannabis products,
 cannabis paraphernalia, and related supplies and educational materials to
 cannabis product manufacturing facilities or dispensaries.

4 (j) A testing facility or testing facility agent is not subject to prosecution, search,
5 or inspection, except by the OCR pursuant to section789, seizure, or penalty in
6 any manner, and may not be denied any right or privilege, including civil penalty
7 or disciplinary action by a court or business licensing board or entity, for acting
8 pursuant to this chapter and regulations adopted under this chapter to:

9 (1) acquire, possess, transport, and store cannabis and cannabis products
10 obtained from cardholders, nonresident cardholders, and medical cannabis
11 establishments;

(2) return the cannabis and cannabis products to the cardholders, nonresidentcardholders, and medical cannabis establishment from whom it was obtained;

14 (3) test cannabis, including for potency, pesticides, mold, or contaminants; and

15 (4) receive compensation for those services.

16 (k) A cardholder, nonresident cardholder, or the equivalent of a medical
17 cannabis establishment that is registered in another jurisdiction may sell or donate
18 cannabis seeds to cultivation facilities.

(*l*) Any cannabis, cannabis product, cannabis paraphernalia, or other interest in
or right to property that is possessed, owned, or used in connection with the
medical use of cannabis as allowed under this chapter, or acts incidental to such
use, may not be seized or forfeited. This chapter does not prevent the seizure or
forfeiture of cannabis exceeding the amounts allowed under this chapter, nor does

it prevent seizure or forfeiture if the basis for the action is unrelated to the
 cannabis that is possessed, manufactured, transferred, or used pursuant to this
 chapter.

(m) Possession of, or application for, a registry identification card does not
constitute probable cause or reasonable suspicion, nor shall it be used to support
a search of the person or property of the person possessing or applying for the
registry identification card, or otherwise subject the person or property of the
person to inspection by any governmental agency.

9 (n) For the purposes of the Virgin Islands law, activities related to medical 10 cannabis are considered lawful as long as they are in accordance with this chapter. (o) No law enforcement officer employed by an agency that receives territorial 11 12 funds may expend any territorial resources, including the officer's time, to effect any arrest or seizure of cannabis, or conduct any investigation, on the sole basis 13 14 of activity the officer believes to constitute a violation of the federal Controlled 15 Substances Act if the officer has reason to believe that such activity is in compliance with the Virgin Islands medical cannabis laws, nor may any such 16 officer expend any territorial resources, including the officer's time, to provide 17 18 any information or logistical support related to such activity to any federal law enforcement authority or prosecuting entity. 19

(p) It is the public policy of the Virgin Islands that contracts related to medical
cannabis that are entered into by cardholders, medical cannabis establishments,
or medical cannabis establishment agents, and those who allow property to be
used by those persons, should be enforceable. It is the public policy of the Virgin

Islands that no contract entered into by a cardholder, a medical cannabis
 establishment, or medical cannabis establishment agent, or by a person who
 allows property to be used for activities that are exempt from criminal penalties
 by this chapter, is unenforceable on the basis that activities related to cannabis are
 prohibited by federal law.

#### 6 § 780. Acts not required; acts not prohibited

7 (a) Nothing in this chapter requires:

8 (1) A government medical assistance program or private insurer to reimburse a
9 person for costs associated with the medical use of cannabis;

10 (2) Any person or establishment in lawful possession of property to allow a

11 guest, client, customer, or other visitor to smoke cannabis on or in that property;

12 or

13 (3) A landlord to allow the cultivation of cannabis on the rental property.

14 (b) Nothing in this chapter prohibits an employer from disciplining an employee

15 for ingesting cannabis in the workplace or for working while under the influence

16 of cannabis.

17 (C) Nothing in this chapter prevents a Dispensary from providing appropriate space within the dispensary facility where

18 patients may consume medical cannabis or medical cannabis products, if that it complies with any regulations adopted

- 19 by the Board in reference to such consumption.
- 20 § **781.** *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 (1) Undertaking any task under the influence of cannabis, when doing so would
- 2 constitute negligence or professional malpractice.
- 3 (2) Possessing cannabis or otherwise engaging in the medical use of cannabis in
- 4 any correctional facility.
- 5 (3) Smoking cannabis:
- 6 (A) On any form of public transportation; or
- 7 (B) In any public place or any place that is open to public use.

(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 qualifying 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.

14 § 782. Discrimination Prohibited

(a) No school or landlord may refuse to enroll or lease to and may not otherwise
penalize a person solely for the person's status as a cardholder, unless failing to
do so would violate federal law or regulations or cause the school or landlord to
lose a monetary or licensing-related benefit under federal law or regulations.

(b) For the purposes of medical care, including organ and tissue transplants, a
registered qualifying patient's use of cannabis according to this chapter is
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 qualifying patient from needed medical care.

(c) A person may not be denied custody of, or visitation rights, or parenting time
with a minor solely for the person's status as a cardholder, 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.
(d) Except as provided in this chapter, a registered qualifying patient who uses

cannabis for medical purposes must be afforded all the same rights under Virgin
Islands law, including those guaranteed under the territory's disability rights law,
as the individual would be afforded if individual were solely prescribed
pharmaceutical medications, as it pertains to:

11 (1) any interaction with a person's employer;

12 (2) drug testing by a person's employer; or

13 (3) drug testing required by any territorial agency or government official.

(e) The rights provided by this section do not apply to the extent that they
conflict with an employer's obligations under federal law or regulations or to the
extent that they would disqualify an employer from a monetary or licensingrelated benefit under federal law or regulations.

(f) No employer is required to allow the ingestion of cannabis in any workplace
or to allow any employee to work while under the influence of cannabis. A
registered qualifying patient must 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. A registered
qualifying patient is presumed to have worked under the influence of cannabis if,

prior to the conclusion of the work day, such patient has a THC concentration of
 150 nano grams/ml. or higher as shown by analysis of the person's blood or urine.
 (g) No school, landlord, or employer may be penalized or denied any benefit
 under territorial law for enrolling, leasing to, or employing a cardholder.

5

#### § 783. Addition of Debilitating Medical Conditions

6 Any resident of the Virgin Islands may petition the OCR to add serious 7 medical conditions or resident's treatments to the list of debilitating medical conditions listed in section 776 (i). The OCR shall consider petitions in the 8 9 manner required by OCR regulations, including public notice and hearing. The 10 OCR shall approve or deny a petition not later than 180 days after its submission. If the Petition is denied, the Petitioner may file an Administrative Appeal, as more 11 12 fully described herein, if a Notice of Appeal has been filed with the OCR not later than 30 days after the denial. The approval or denial of any timely filed appeal 13 14 is a final decision of the OCR, subject to judicial review. Jurisdiction and venue 15 are vested in the Superior Court.

#### 16 § 784. Issuance and Denial of Registry Identification Cards

(a) No later than 120 days after the effective date of this chapter, the OCR shall
begin issuing Registry Identification Cards to qualifying patients who submit the
following, in accordance with the OCR's regulations:

20 (1) A written certification issued by a practitioner within 90 days immediately
21 preceding the date of an application;

22 (2) The application or renewal fee;

(3) The name, address, and date of birth of the qualifying patient, except that if
 the applicant is homeless, no address is required;

3 (4) The name, address, and telephone number of the qualifying patient's4 practitioner;

5 (5) The name, address, and date of birth of the designated caregiver, or
6 designated caregivers, chosen by the qualifying patient;

7 (6) If more than one designated caregiver is designated at any given time,
8 documentation demonstrating that a greater number of designated caregivers are
9 needed due to the patient's age or medical condition;

10 (7) If the qualifying patient designates a designated caregiver, a designation as
11 to whether the qualifying patient or designated caregiver will be allowed to
12 possess and cultivate cannabis plants for the qualifying patient's medical use.

(b) If the qualifying patient is unable to submit the information required by
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.

17 (c) Except as provided in subsection (d), the OCR shall:

(1) Verify the information contained in an application or renewal submitted
pursuant to this chapter and approve or deny an application or renewal within five
(5) days of receiving a completed application or renewal application;

(2) Issue registry identification cards to a qualifying patient and the designatedcaregivers, if any, within five days after approving the application or renewal. A

2	qualifying patients; and
3	(d) The OCR may conduct a background check of the prospective designated
4	caregiver in order to carry out this provision.
5	(e) The OCR may not issue a registry identification card to a qualifying patient
6	who is younger than 18 years of age unless:
7	(1) The qualifying patient's practitioner has explained the potential risks and
8	benefits of the medical use of cannabis to the custodial parent or legal guardian
9	with responsibility for health care decisions for the qualifying patient; and
10	(2) The custodial parent or legal guardian with responsibility for health care
11	decisions for the qualifying patient consents in writing to:
12	(A) allow the qualifying patient's medical use of cannabis;
13	(B) aerve as the qualifying patient's designated caregiver; and
14	(C) control the acquisition of the cannabis, the dosage, and the frequency of the
15	medical use of cannabis by the qualifying patient.
16	(f) The OCR may deny an application or renewal of a qualifying patient's
17	registry identification card only if the applicant:
18	(1) did not provide the required information, fee, or materials;
19	(2) previously had a registry identification card revoked; or
20	(3) provided false information.
21	(g) The OCR may deny an application or renewal for a designated caregiver
22	chosen by a qualifying patient whose registry identification card was granted only
23	if:

designated caregiver must have a registry identification card for each of his

2 (2) The applicant did not provide the information required;

3 (3) The designated caregiver previously had a registry identification card4 revoked; or

5 (4) The applicant or the designated caregiver provided false information.

6 (h) The OCR shall give written notice to the qualifying patient of the reason for
7 denying a registry identification card to the qualifying patient or to the qualifying
8 patient's designated caregiver.

9 (i) Denial of an application or renewal is considered a final OCR action, subject
10 to Administrative Appeal, as more fully described herein. Denial of the
11 Administrative Appeal is subject to judicial review. Jurisdiction and venue for
12 judicial review are vested in the Superior Court.

(j) 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, and proof that the application was
submitted to the OCR is deemed a registry identification card.

(k) 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 a qualifying patient's application, written certification,
and proof that the application was submitted to the OCR is deemed a registry
identification card.

1	(1) Until 25 days after the OCR makes applications available, a valid, written
2	certification issued within the previous year is deemed a registry identification
3	card for a qualifying patient.
4	(m) Until 25 days after the OCR makes applications available, the following is
5	deemed a designated caregiver registry identification card:
6	(1) A copy of a qualifying patient's valid written certification issued within the
7	previous year; and
8	(2) A signed affidavit attesting that the person has significant responsibility for
9	managing the well-being of the patient and that the person has been chosen to
10	assist the qualifying patient.
11	§ 785. Contents of Registry Identification Cards
12	(a) Registry identification cards must contain all of the following:
13	(1) The name of the cardholder;
14	(2) A designation of whether the cardholder is a qualifying patient or a
15	designated caregiver;
16	(3) The date of issuance and expiration date of the registry identification card;
17	(4) A random 10-digit alphanumeric identification number, containing at least
18	four numbers and at least four letters, that is unique to the cardholder;
19	(5) If the cardholder is a designated caregiver, the random identification number
20	of the qualifying patient the designated caregiver will assist;
21	(6) A clear indication of whether the cardholder has been designated to cultivate
22	cannabis plants for the qualifying patient's medical use;
23	(7) A photograph of the cardholder, if the OCR's regulations require one; and

- 1 (8) The phone number or web address where the card can be verified.
- 2 (b) Except as provided in this subsection, the expiration date is one year after3 the date of issuance.

4 (c) If the practitioner stated in the written certification that the qualifying patient
5 would benefit from cannabis until a specified earlier date, then the registry
6 identification card shall expire on that date.

## 7 §786. Verification system

8 (a) The OCR shall maintain a confidential list of the persons to whom the OCR
9 has issued registry identification cards and their addresses, phone numbers, and
10 registry identification numbers. This confidential list must not be combined or
11 linked in any manner with any other list or database, nor shall it be used for any
12 purpose not provided for in this chapter.

(b) No later than 120 days after the effective date of this chapter, the OCR shall
establish a secure phone or web-based verification system. The verification
system must allow law enforcement personnel and medical cannabis
establishments to enter a registry identification number and determine whether or
not the number corresponds with a current, valid registry identification card. The
system may disclose only:

- 19 (1) Whether the identification card is valid;
- 20 (2) The name of the cardholder;
- 21 (3) Whether the cardholder is a qualifying patient or a designated caregiver;
- 22 (4) Whether the cardholder is permitted to cultivate cannabis plants;

(5) The registry identification number of any affiliated registered qualifying
 patient; and

3 (6) The registry identification of the qualifying patient's dispensary or4 dispensaries, if any.

5 § 787. Notifications to OCR and Responses; Civil Penalty.

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

7 (1) A registered qualifying patient shall notify the OCR of any change in h
8 name or address, or if the registered qualifying patient ceases to have the
9 debilitating medical condition, within 10 days of the change.

10 (2) A registered designated caregiver shall notify the OCR of any change in
11 name or address, or if the designated caregiver becomes aware the qualifying
12 patient passed away, within 10 days of the change.

(3) Before a registered qualifying patient changes the designated caregiver, thequalifying patient must notify the OCR.

(4) When a registered qualifying patient changes the preference as to who may
cultivate cannabis for the qualifying patient, the qualifying patient must notify the
OCR.

18 (5) If a cardholder's registry identification card is lost, the cardholder shall19 notify the OCR within 10 days of becoming aware the card has been lost.

(b) Each notification a registered qualifying patient is required to make instead
may be made by the patient's designated caregiver if the qualifying patient is
unable to make the notification due to age or medical condition.

(c) When a cardholder notifies the OCR of items listed in subsection (a), but 1 2 remains eligible under this chapter, the OCR shall issue the cardholder a new 3 registry identification card with a new random 10-digit alphanumeric identification number within 10 days after receiving the updated information and 4 a fee in accordance with OCR Rule. If the person notifying the OCR is a 5 registered qualifying patient, the OCR shall also issue the registered designated 6 7 caregiver, if any, a new registry identification card within 10 days of receiving the updated information. 8

9 (d) If the registered qualifying patient's certifying practitioner notifies the OCR 10 in writing that either the registered qualifying patient has ceased to suffer from a 11 debilitating medical condition or that the practitioner no longer believes the 12 patient would receive therapeutic or palliative benefit from the medical use of 13 cannabis, the card becomes void. However, the registered qualifying patient shall 14 have 10 days to dispose of or give away the cannabis.

(e) A medical cannabis establishment shall notify the OCR not later than onebusiness day after any theft or significant loss of cannabis.

17 §788. Affirmative Defense and Dismissal for Medical Cannabis.

(a) Except as provided in section 779 and this section, a person may assert the
medical purpose for using cannabis as a defense to any prosecution involving
cannabis, and such defense must be presumed valid where the evidence shows
that:

(1) A practitioner has stated that, in the practitioner's professional opinion, afterhaving 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 medical condition and the potential
benefits of using cannabis for medical purposes would likely outweigh the health
risks for the person;

5 (2) The person was in possession of no more than 8.0 ounces of cannabis, the
amount of cannabis products allowed by OCR regulation, 16 cannabis plants, and
the cannabis produced by those plants;

8 (3) The person was engaged in the acquisition, possession, use, manufacture, 9 cultivation, or transportation of cannabis, paraphernalia, or both, relating to the 10 administration of cannabis to treat or alleviate the individual's debilitating 11 medical condition or symptoms associated with the individual's debilitating 12 medical condition; and

(4) Any cultivation of cannabis and storage of more than 3.0 ounces of cannabis
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 provesthat:

18 (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 medical
condition who raised the defense.

(c) An individual is not required to possess a registry identification card on his
person to raise the affirmative defense set forth in this section.

(d) If an individual demonstrates the individual's medical purpose for using

is not subject to the following for the individual's use of cannabis for medical 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. § 789. Registration of Medical Cannabis Establishments. (a) Not later than 90 days after receiving an application for a medical cannabis satisfied: (1) The prospective medical cannabis establishment has submitted all of the following: (A) The application fee in an amount not to exceed \$5,000 as established by OCR Rule. (B) An application, including: The legal name of the prospective medical cannabis establishment; (i) (ii) The physical address of the prospective medical cannabis establishment that is not within 500 feet of a public or private school existing before the date of the medical cannabis establishment application;

2 cannabis pursuant to this section, except as provided in section 779, the individual 3 4

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### 8

9 10 establishment, the OCR shall register the prospective medical cannabis establishment and issue a registration certificate and a random 10-digit 11 12 alphanumeric identification number if all of the following conditions are 13

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2 the proposed medical cannabis establishment; and

3 (iv) Any additional information requested by the OCR.

4 (C) Operating procedures consistent with rules for oversight of the proposed
5 medical cannabis establishment, including procedures to ensure accurate
6 recordkeeping and adequate security measures.

7 (2) None of the principal officers or board members has served as a principal
8 officer or board member for a medical cannabis establishment that has had its
9 registration certificate revoked.

10 (3) None of the principal officers or board members is under 21 years of age.

(4) The majority of principal officers and a majority of members of the board of
directors and a majority of shareholders or owners, as measured by the total
number of shares issued, or percentage of total ownership interests, are residents
of the Virgin Islands, and have maintained such residence for 24 months prior to
submitting the application.

(f) The OCR shall issue a renewal registration certificate within 10 days after
receipt of the prescribed renewal application and renewal fee from a medical
cannabis establishment if its registration certificate is not under suspension and
has not been revoked.

(g) For any approved applicant, a Certificate to Operate fee in an amount subject
to OCR Rule but, in no event during the first year of the Program, an amount in
excess of \$5,000.

23 § 790. Requirements, prohibitions, penalties

1 (a) Medical cannabis establishments shall conduct a background check into the 2 criminal history of every person seeking to become a principal officer, board 3 member, agent, volunteer, or employee before the person begins working at the 4 medical cannabis establishment. (b) A medical cannabis establishment may not employ any person who: 5 6 (1) Was convicted of a disqualifying felony offense; or 7 (2) Is under the age of 21. 8 (c) The operating documents of a medical cannabis establishment must include 9 procedures for the oversight of the medical cannabis establishment and 10 procedures to ensure accurate recordkeeping. (d) A medical cannabis establishment shall implement appropriate security 11 12 measures designed to deter and prevent the theft of cannabis and unauthorized 13 entrance into areas containing cannabis. 14 (e) All cultivation, harvesting, manufacture, and packaging of cannabis must 15 take place in a secure facility at a physical address provided to the OCR during the registration process. The secure facility may only be accessed by agents of 16 the medical cannabis establishment, emergency personnel, and adults who are 21 17 18 years and older and who are accompanied by medical cannabis establishment 19 agents. Nothing in this subsection prevents an outdoor cultivation, if the outdoor cultivation is secure and is completely surrounded by a 10' or greater fence which 20 21 must be constructed in such manner as to reasonably block any view from ground 22 level of the grow from outside the facility.

1	(f) No medical cannabis establishment other than a cannabis product
2	manufacturer may produce cannabis concentrates, cannabis extractions, or other
3	cannabis products.
4	(g) A medical cannabis establishment may not share office space with or refer
5	patients to a practitioner.
6	(h) A medical cannabis establishment may not permit any person to consume
7	cannabis on the property of a medical cannabis establishment, except as may be
8	provided under OCR regulations.
9	(i) Medical cannabis establishments are subject to inspection by the OCR during
10	business hours.
11	(j) Before cannabis may be dispensed to a cardholder or nonresident cardholder,
12	a dispensary agent must:
13	(1) Make a diligent effort to verify that the registry identification card or
14	registration presented to the dispensary is valid;
15	(2) Make a diligent effort to verify that the person presenting the documentation
16	is the person identified on the document presented to the dispensary agent;
17	(3) Not believe that the amount dispensed would cause the person to possess
18	more than the allowable amount of cannabis; and
19	(4) Make a diligent effort to verify that the dispensary is the current dispensary

20 that was designated by the cardholder or nonresident cardholder.

(k) A dispensary may not dispense more than 3.0 ounces of cannabis to a
nonresident cardholder or a registered qualifying patient, directly or via a
designated caregiver, in any 14-day period. Dispensaries shall ensure compliance

with this limitation by maintaining internal, confidential records that include
records specifying how much cannabis is being dispensed to the nonresident
cardholder or registered qualifying patient and whether it was dispensed directly
to a registered qualifying patient or to the designated caregiver. A dispensary
shall log the sale on an OCR approved, confidential website.

6 § 791. Violations

7 (a) A cardholder or medical cannabis establishment who willfully fails to
8 provide a notice required by section 786 is guilty of a civil infraction, punishable
9 by a fine of no more than \$150.

10 (b) n addition to any other penalty applicable in law, a medical cannabis establishment or an agent of a medical cannabis establishment who intentionally 11 12 sells or otherwise transfers cannabis in exchange for anything of value to a person 13 other than a cardholder, a nonresident cardholder, or to a medical cannabis establishment or its agent is guilty of a felony punishable by imprisonment for 14 not more than two years or by payment of a fine of not more than \$3,000, or both 15 such imprisonment and fine. A person convicted under this subsection may not 16 continue to be affiliated with the medical cannabis establishment and is 17 18 disqualified from further participation under this chapter.

(c) 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 medical cannabis establishment or its agent is guilty of a

1 misdemeanor punishable by imprisonment for not more than one year or by 2 payment of a fine of not more than \$1,000, or both such imprisonment and fine. 3 (d) A person who intentionally makes a false statement to a law enforcement 4 official about any fact or circumstance relating to the medical use of cannabis to avoid arrest or prosecution is guilty of a misdemeanor punishable by 5 imprisonment for not more than 90 days or by payment of a fine of not more than 6 7 \$1,000, or both such imprisonment and fine. This penalty is in addition to any 8 other penalties that may apply for making a false statement or for the possession, 9 cultivation, or sale of cannabis not protected by this chapter. 10 (e) A person who knowingly submits false records or documentation required by the OCR to certify a medical cannabis establishment under this chapter is 11 12 guilty of a felony and may be sentenced to imprisonment for not more than two 13 years or by payment of a fine of not more than \$3,000, or both such imprisonment and fine. 14 (f) A practitioner who knowingly refers patients to a medical cannabis 15 establishment or to a designated caregiver, who advertises in a medical cannabis 16 establishment, or who issues written certifications while holding a financial 17 18 interest in a medical cannabis establishment shall be fined up to \$1,000. 19 (g) It is a misdemeanor punishable by up to 180 days in prison and a 1,000 finefor any person, including an employee or official of the OCR or another territorial 20

agency, to breach the confidentiality of information obtained pursuant to this

22 chapter.

(h) A medical cannabis establishment shall be fined up to \$1,000 for any
 violation of this chapter, or the regulations where no penalty has been specified.
 This penalty is in addition to any other penalties in other applicable law.

4 § 792. Suspension and revocation

(a) The OCR may on its own motion or on complaint, after investigation and
opportunity for a public hearing at which the medical cannabis establishment has
been afforded an opportunity to be heard, suspend or revoke a registration
certificate for multiple negligent or knowing violations or for a serious and
knowing violation by the registrant or any of its agents of this chapter or any rules
promulgated pursuant to section 778.

(b) The OCR shall provide notice of suspension, revocation, fine, or other
sanction, as well as the required notice of the hearing, by mailing the notice in
writing to the medical cannabis establishment at the address on the registration
certificate. A suspension may not be for a longer period than six months.

(c) A medical cannabis establishment may continue to possess cannabis during
a suspension, but it may not dispense, transfer, or sell cannabis. A cultivation
facility may continue to cultivate and possess cannabis plants during a
suspension, but it may not dispense, transfer, or sell cannabis.

(d) The OCR shall immediately revoke the registry identification card of any
cardholder who sells cannabis to a person who is not allowed to possess cannabis
for medical purposes under this chapter, and the cardholder is disqualified from
further participation under this chapter.

(e) The OCR may revoke the registry identification card of any cardholder who
 knowingly commits multiple unintentional violations or a serious knowing
 violation of this chapter.

4 (f) Revocation is a final decision of the OCR, subject to administrative appeal,
5 as provided in this chapter. A final decision of the administrative appeal is subject
6 to judicial review in Superior Court in which the standard of review is that the
7 decision was arbitrary or capricious.

### 8 § 793. Confidentiality

9 (a) Data in registration applications and supporting data submitted by qualifying
10 patients, designated caregivers, nonresident cardholders, and medical cannabis
11 establishments, including data on designated caregivers and practitioners, are
12 private data on individuals that is confidential and exempt from the Virgin Islands
13 public records law in title 3 chapter 33 of this Code.

(b) Data kept or maintained by the OCR may not be used for any purpose not
provided for in this chapter and may not be combined or linked in any manner
with any other list or database.

17 (c) Data kept or maintained by the OCR may be disclosed as necessary for:

18 (1) The verification of registration certificates and registry identification19 cards pursuant to section 786;

20 (2) Submission of the annual report required by section777;

21 (3) Notification of territorial law enforcement of apparent criminal violations
22 of this chapter;

Notification of territorial law enforcement about falsified or fraudulent

2 information submitted for purposes of obtaining or renewing a registry3 identification card; or

4 (5) notification of the Virgin Islands Medical Board if there is reason to
5 believe that a practitioner provided a written certification, if the OCR has reason
6 to believe the practitioner otherwise violated the standard of care for evaluating
7 medical conditions.

8 (d) Any information kept or maintained by medical cannabis establishments
9 must identify cardholders by their registry identification numbers and must not
10 contain names or other personally identifying information.

(e) At the cardholder's request, the OCR may confirm the cardholder's status as
a registered qualifying patient or a registered designated caregiver to a third party,
such as a landlord, school, medical professional, or court.

(f) Any OCR hard drives or other data-recording media that are no longer in useand that contain cardholder information must be destroyed.

16 § 794. Business Expenses Deductions

(4)

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Unless otherwise prohibited by law, in computing net income for medical cannabis establishments pursuant to Virgin Islands law, there must 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 medical cannabis establishment, including reasonable allowance for salaries or other compensation for personal services actually rendered.

## 23 § 795. Excise and consumption fees

2	the sale of medical cannabis must be levied, as follows:
3	(a) For each pound of medical cannabis sold or transferred to a medical
4	cannabis dispensary or manufacturing facility, an excise tax equal to ten percent
5	of the price charged per pound.
6	(b) For medical cannabis flower or medical cannabis products sold to qualified
7	patients, an amount equal to five percent of the sales transaction.
8	The medical cannabis cultivation establishment shall collect the excise fees
9	and pay the full proceeds thereof to the Virgin Islands Bureau of Internal
10	Revenue, not later than 10 days after the close of the previous month. The
11	medical dispensary shall collect the consumption fees and pay the full proceeds
12	thereof to the Virgin Islands Bureau of Internal Revenue not later 10 days after
13	the close of the previous month.
14	Fifty percent of the proceeds must be returned to the General Fund of the
15	Government of the Virgin Islands, which must also be to re-pay the \$500,000
16	loaned to the OCR to commence the Program. The remaining funds must be
17	maintained in a segregated account to be used for the following purposes:
18	(1) 12.5% for drug education and rehabilitation programs
19	jointly administered by the OCR and Department of Health;
20	(2) 12.5% to promote medical tourism to be jointly
21	administered by the OCR and Department of Tourism;
22	
22	(3) 12.5% to promote medical cannabis research in
23	(3) 12.5% to promote medical cannabis research in conjunction with the UVI, and

Excise Fees on the cultivation of medical cannabis and consumption fees on

(4) 12.5% for Virgin Islands law enforcement agencies for
 education and training on medical cannabis.

#### 3 § 796. Annual report

4 (a) The Board shall report annually to the legislature on the findings and 5 recommendations of the Board, the number of applications for registry 6 identification cards received, the number of qualifying patients and designated 7 caregivers approved, the number of registry identification cards revoked, the 8 number of each type of medical cannabis establishment that are registered, and 9 the expenses incurred and revenues generated from the medical cannabis 10 program.

(b) The Board must not include identifying information on qualifying patients,designated caregivers, or practitioners in the report.

#### 13 § **797**. Severability

Any section of this chapter being 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 (a) The sum of\$500,000 is appropriated in fiscal year ending
September 30, 2016, from the General Fund as a loan to the Office of Cannibis
Regulation of the Department of Licensing and Consumer Affairs to pay the startup costs of the program .

- (b) The loan authorized in subsection (a) must be repaid not later than
  two years after the date of commencement of the medical cannibis program.
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## **BILL SUMMARY**

2 This Bill amends Title 19 of the Virgin Islands Code by adding a new chapter 34 entitled The Virgin Islands Medical Cannabis Patient Care Act (MCPCA) 3 allowing for the medical use and regulation of cannabis, Medical Cannabis 4 Provisioning Centers and the regulation thereof. In essence: 5 6 The MCPCA protects patients, caregivers, cultivators, producers, 7 dispensaries, and others, from criminal prosecution provided that they are validly enrolled in MCPCA. 8 9 The MCPCA provides for criminal sanctions against 10 participants who intentionally violate the Act. The MPCPA provides that patients and their caregivers can grow 11 12 a small quantity of medical cannabis plants for their own use. The MPCPA provides licenses for cultivators from a • 13 family farm (100 plants) to the larger commercial grows allowing up 14 to 1,000 plants. 15 The MPCPA provides licenses for medical cannabis product 16 manufacturing facilities to process the plant through extract and infusing the same 17 18 into products that may be safely consumed as a smokeless alternative (salves, tinctures, edibles, etc.). 19 The MPCPA requires a healthcare professional to provide patients with 20 21 medical cannabis recommendations, but only after the patient has been properly evaluated and determined to be suffering from a serious and debilitating condition 22 for which medical cannabis provides a therapeutic or palliative benefit. 23 24 The MPCPA allows a patient to sell a small quantity of their "excess" grow to cultivators ensuring that there is an appropriate supply of medical cannabis 25 available through dispensaries, expanding the number and diversity of plants in 26 27 the Virgin Islands for research purposes, and allowing ordinary Virgin Islands residents who have been hit hard by the recession to make a small monetary return 28 29 for their efforts. The MPCPA encourages the participation of Virgin Islands residents by: 30 • A two-year residency requirement for licensees; 31 1. Regulations that will require that Virgin Islands license-holders comprise the 32 2. majority percentage in equity ownership; 33 Diverse production and distribution licenses limiting a consolidation of the 34 3. industry ("horizontal market"); 35 Relatively low entry barriers with regard to licensing fees; 36 4. 37 5. Access to market for patient-growers to ensure no excess medicine becomes part of the black market. 38 The MPCPA will provide hundreds of new, good paying jobs, and will 39 generate tens of millions of dollars in economic activity and new tax revenues 40 and fees within five years of full implementation. The jobs created cannot be 41 exported outside the Virgin Islands, and the industry is environmentally clean. 42

The MPCPA will provide educational opportunities for patients and
stakeholders; all stakeholders will be required to be certified and meet the highest
industry standards.

An Office of Cannabis Regulation ("OCR") will be established within the 4 • Department of Licensing and Consumer Affairs. The OCR will publish rules 5 within 4 months of legislative approval, and expect licenses to be issued within 3 6 7 months thereafter. The OCR will be supervised by a board comprised representatives of the Virgin Islands Legislature, Department of Health, 8 9 Department of Agriculture, Department of Licensing and Consumer Affairs, 10 University of the Virgin Islands, the tourism industry, a patient and a medical cannabis health practitioner, will meet quarterly, and issue an annual report. 11

• The MPCPA will provide a new medical cannabis tourism industry by allowing medical cannabis patients from the states, and other countries that have a medical cannabis patient registry (eg., Canada, Israel), to safely access Virgin Islands medical cannabis for a fee, and also allow non-cannabis patients worldwide to visit the Virgin Islands and receive cannabis therapy as part of an in-patient program.

The MPCPA will closely regulate the medical cannabis industry by providing on-line "seed-to-sale" oversight that will allow it to track medical cannabis from seed through cultivation, processing and sale. The rules will ensure appropriate security including video camera surveillance 24/7 and cultivation will occur outdoors surrounded by fences that restrict public view.

• Those who violate the MPCPA will face license suspension or revocation.

• Tax revenue generated by the MPCPA will be allocated appropriately. 50% 24 25 of the revenue will go to the Virgin Islands general fund and will pay for startup costs for the program; the balance will be divided as follows: (i) 12.5% for drug 26 education and rehabilitation programs jointly administered by the OCR and 27 Department of Licensing and Consumer Affairs; (ii) 12.5% to promote medical 28 tourism to be jointly administered by the OCR and Department of Tourism; (iii) 29 12.5% to promote medical cannabis research in conjunction with the UVI, and 30 (iv) 12.5% for Virgin Islands law enforcement agencies for education and training 31 32 on medical cannabis.

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# 35 BR15-0063/ September 15, 2015/Reviewed by YLT

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