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Bryan Applies Pressure on Senate to Legalize Marijuana to Save Retirement System

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Ernice Gilbert **May 20, 2020**

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Governor Albert Bryan is applying pressure on members of the 33rd Legislature to legalize marijuana for recreational use in a controlled market, an action Mr. Bryan has repeatedly said is needed to secure a bond to prevent collapse of the beleaguered Government Employees' Retirement System.

The legalized marijuana measure would be an amendment to the current Medicinal Cannabis Patient Care Act, which was signed into law by Mr. Bryan in 2019, to include more regulatory controls and make provisions to generate larger tax and fee revenues. Funds generated through legalized, recreational and medicinal marijuana would see 75 percent going to G.E.R.S., 20 percent for the regulation of the marijuana industry, and 5 percent to senior citizen services, according to language in the amendment.

And now, with the coronavirus pandemic whiplashing the local economy, straining revenues and leading Mr. Bryan to depend on diminishing gross receipts, loan forgiveness requests and hoping for a bailout from Congress, the governor sees a ripe opportunity to press senators to move fast.

"We have listened to the concerns of the public and senators and have included them in the new draft of the cannabis bill. I am urging the Legislature to act swiftly and pass this revenue measure as soon as possible. We all know that revenue measures are hard to come by, but this is one we can act on now," Mr. Bryan said Monday during his coronavirus response press briefing.

In December of 2019, [senators hit pause on the measure](#), with lawmakers calling for further vetting. At the time, they contended that the Virgin Islands Medical Cannabis Patient Care Act, which took a number of years of vetting — from territory-wide town halls, a number of committee meetings and thorough debate — had yet to be implemented even after being signed into law at the beginning of 2019. Yet the administration was looking to go further and legalize marijuana, a move senators argued needed more community input.

Senator Myron Jackson, who supported the medicinal marijuana measure, said in December the latest bill needed further examination. "We're not ready. And this bill will go through the appropriate committee of jurisdiction. We will engage the community. A vote was taken from this community — the voting population — on what they wanted. They selected medicinal use and not recreational, and we moved forward with that legislation."

Those sentiments were echoed throughout the special session on December 18, 2019. The administration has since made some amendments to the measure.

Mr. Bryan's marijuana legalization measure does not seek to legalize the drug for general use, and existing laws that speak to possession or sale of cannabis remain in effect, the administration said. In essence, the government is seeking to legalize the sale of recreational marijuana so that it could make the money and control the market, and anyone who wants to participate in the sale of marijuana legally would have to apply for a license in the government-run program.

The amendment to the current law calls for provisions to control cultivation, manufacturing, production and sale of marijuana products, and for a controlled environment for consumption of marijuana and marijuana products by persons over the age of 21. The amendment would also recognize the use of marijuana for cultural and sacramental uses, the administration said.

But how, exactly, will medicinal and recreational marijuana bring in substantial revenues to save G.E.R.S.? Mr. Bryan pointed to two main points: The governor spoke of the creation of a "day pass", which Mr. Bryan said would be \$10, so that cruise ship passengers could smoke once they arrive in the USVI. The governor said the territory gets roughly 2.1 million cruise ship visitors annually.

"The real generation here is on our high point we get 2.1 million tourists. You come off the cruise ship you buy a \$10 pass for the day. You look at those numbers, let's say 10 percent of all the people who come here smoke, they buy a \$10 pass. That's 200,000 times 10, that's \$2 million alone in just day passes. That's the way we're looking at it because the market isn't really here, the market is abroad and when people come in and we can sell these licences I think that's how we really make our money," Mr. Bryan told the Consortium in October 2019.

In 2017, 8.7 percent of Americans said they had consumed marijuana in the past 30 days when polled. So if 8.7 percent of 2.1 million cruise ship passengers (182,700 people) were to buy the day pass for \$10, that would mean \$1,827,000 in annual revenue generated. That's before Avera

and other players get their share of the pie, meaning government revenue from 2.1 million annual cruise passengers at a day pass of \$10 would decrease considerably.

For Mr. Bryan, however, every little bit counts. “If I make \$200,000 it’s good, if I make \$2 million better, and if I make \$20 million even better. The thing is that it’s not costing us anything to expand the system and the potential for the rewards is humongous.”

The administration would use the revenue to secure a bond for G.E.R.S.

The administration also plans on creating a marijuana registry in the territory. Asked by the Consortium why would investors see the U.S. Virgin Islands as more attractive than the many states which already have registries, Mr. Bryan said, “Two things: Number one, it’s very hard to put money that you get from marijuana in the bank. But if you’re paying for a service, in other words a franchise fee to your own company in the Virgin Islands, then the money is clean.”

“The second thing is it’s a 90 percent tax benefit,” Mr. Bryan said, pointing toward the territory’s Economic Development Authority program that gives companies willing to setup shop in the territory huge tax exemptions.

Asked by the Consortium what would be the recourse if this plan fails, Mr. Bryan said, “One of the things that I keep telling people when I speak is not instead of, it’s in addition to. We’re still going after distilleries, we’re still looking at our CBI, we’re still pursuing casino gaming, and we’re still going back to (the U.S. Treasury) and asking them for our gasoline tax. This is just one thing we’re doing along the way, but this thing we want it to get done this year. We’ve been working on this for months, and I wanted to make sure that we get it, [place] it before the Legislature and get some money flowing into the system.”

Correction: May 20, 2020

A previous version of this article spoke of an [app](#) that the app creators hope to use for the marijuana "day pass" system in the territory, and that Mr. Bryan supports the app. The governor, however, said today that he has not supported any app and that the government has not signed any contract with the company, Ávera, or any other company relative to the cannabis product. As such, the story has been updated.