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Marijuana for Recreational Use Soon to be Legal in USVI? Senate Committee of the Whole Set for Friday

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Tourist smoking marijuana By. SILVIA IZQUIERDO/AP

Marijuana for recreational use in a controlled market may soon become a reality in the U.S. Virgin Islands after years of debate.

With Governor Albert Bryan — who [signed into law](#) the medicinal marijuana bill upon taking office early 2019 — pressuring the 33rd Legislature to pass an amended measure that legalizes recreational use of the drug in a limited capacity, lawmakers appear now more than ever to be leaning toward passing the measure. Mr. Bryan has contended that legalization would provide a much-needed revenue stream that would help undergird the beleaguered Government Employees' Retirement System (G.E.R.S.).

Senate President Novelle Francis has set a Committee of the Whole hearing for Friday, where senators will only discuss the matter, as no votes are taken during Committee of the Whole hearings. However, if senators are satisfied with the responses from officials invited to testify Friday, the next step could be rapid legislative action.

The Legislature previously considered the VI Cannabis Use Act, which amends the VI Medical Patient Care Act (Act 8167) at a special session on December 18.

“It was clear at the special session that critical and substantive amendments were needed to the proposed legislation. The promise of a lifeline for the Government Employees Retirement System does not minimize the need for strong legislation and clear protections for the people of this territory,” said Mr. Francis. “My colleagues and I welcome this opportunity to further vet the Cannabis Use Act and decisively probe the changes that have been made to the governor’s original submission.”

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 has 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 licenses 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 a number of 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.”