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Senators Hit Pause on Bryan's Marijuana Legalization Bill; Bryan Says Senate Has No Urgency

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Ernice Gilbert **December 19, 2019**

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Expressing concern with the regulatory aspects of Governor Albert Bryan's marijuana legalization bill, senators of the 33rd Legislature held the measure for further vetting after being called into a special session by Mr. Bryan Wednesday to receive testimony and, as Mr. Bryan had hoped, approve the measure.

Senators 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 altogether, a move senators contend needs more community input.

Senator Myron Jackson, who supported the medicinal marijuana measure, said this 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.

Mr. Bryan, however, saw the Senate's action of holding the measure for further vetting as senators lacking urgency to fix the problems facing the Virgin Islands, specifically the Government Employees' Retirement System, which Mr. Bryan said the bill was geared toward saving.

"People say the G.E.R.S. going broke, we bring the revenue-generating to the Senate, they sent it to committee. There's no urgency. It's like everybody laid back and say okay," Mr. Bryan said outside Government House on St. Croix Wednesday after meeting with members of the American Federation of Teachers Union, who were protesting for better working — and learning — conditions at the territory's schools.

Senators also questioned whether the bill would do much to save G.E.R.S. "The Virgin Islands Cannabis Board is not fully complemented, nothing was achieved from the medicinal aspect, and there are enforcement deficiencies. To sell the amendment from the angle of G.E.R.S. becoming solvent is a false narrative," said Senator Janelle Sarauw.

The governor wants to amend the current Medicinal Cannabis Patient Care Act, which was signed into law by Mr. Bryan earlier this year, 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.

At its peak, the Bryan administration expects that \$20 million would be generated annually.

"The reality is that we must take action. We are at a time in our history when we can no longer kick the can down the road. We are proposing an amendment to this law in order to bring forth a catalyst of events that would allow us to collect more revenues from this new revolution that is taking the nation by storm," Mr. Bryan said during a press conference on Dec. 3, [where he announced the bill](#).

Under the amendment, criminal records of individuals incarcerated for possession of less than a pound of marijuana will be automatically expunged. However, the amendment 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 help bolster G.E.R.S.? Mr. Bryan pointed to two main points: The administration is planning to use an

app developed by local entrepreneur Kadeem Pemberton, called Ávera, to create 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 said.

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 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.”