DISCUSSION DRAFT

Prepared by the
OFFICE OF CANNABIS REGULATION

FOR REVIEW AND CONSIDERATION BY
THE CANNABIS ADVISORY BOARD

Pursuant to Act No. 9072 and Act No. 9079

RULES AND REGULATIONS FOR
INTOXICATING HEMP & ARTIFICALLY DERIVED CANNABINOID PRODUCTS

This Discussion Draft is provided solely for review, discussion, and consideration by the Cannabis Advisory Board. It has not been adopted by the Cannabis Advisory Board, approved by the Governor, or promulgated as law.

STATEMENT OF STATUTORY AUTHORITY

Act No. 9072, enacted on January 23, 2026, amended Titles 7 and 19 of the Virgin Islands Code to establish a regulatory framework governing intoxicating hemp products and artificially derived cannabinoids and to authorize oversight by the Office of Cannabis Regulation.

Act No. 9072 further expanded the enforcement authority of the Office of Cannabis Regulation with respect to intoxicating hemp products and artificially derived cannabinoids while preserving the enforcement authority of the Virgin Islands Police Department, the Department of Licensing and Consumer Affairs, and the Department of Health as provided by law.

Act No. 9079, enacted on March 26, 2026, amended certain provisions of Act No. 9072, including requirements related to the reporting and disposition of intoxicating cannabinoid products held in inventory by retailers.

Pursuant to the authority granted by Act No. 9072, as amended by Act No. 9079, and the rulemaking authority vested in the Office of Cannabis Regulation, the Office has prepared the following Discussion Draft Rules and Regulations for review, discussion, and consideration by the Cannabis Advisory Board.

Table of Contents

§ 200a-1. Purpose and Scope

These regulations are adopted pursuant to Act No. 9072, as amended by Act No. 9079, and establish requirements governing intoxicating hemp products and artificially derived cannabinoid products within the United States Virgin Islands. The purpose of these regulations is to protect public health and safety, promote consumer protection, establish standards for the lawful manufacture, distribution, sale, testing, transport, and storage of regulated products, and provide for the administration and enforcement of applicable law by the Office of Cannabis Regulation.

§ 200a-2. Definitions

(a) Unless otherwise noted herein or if the context requires otherwise, these regulations incorporate the definitions provided in Act No. 9072, as amended by Act No. 9079. In the event of a conflict between the definitions contained in Act No. 9072, as amended, and these regulations, the definitions contained in the Act shall apply.

(b) Words used in the singular form in these regulations shall include the plural, and vice versa, as the case may require. Words defined in Act No. 9072, Act No. 9079, the Virgin Islands Cannabis Use Act, or the Rules and Regulations promulgated thereunder, but not defined below, shall have the meanings assigned therein.

(c) In the context of these regulations, the following words and phrases shall be construed as having the following meanings, except as the context clearly requires otherwise:

(1) ***Act 9072*** means Act No. 9072, as amended.

(2) ***Adult*** means a person who is twenty-one (21) years of age or older.

(3) ***Artificially Derived Cannabinoid*** means a cannabinoid extracted from a hemp plant or hemp plant parts whose chemical composition is altered after extraction to create a different cannabinoid or other chemical compound by applying a catalyst other than heat or light. The term includes any tetrahydrocannabinol created from cannabidiol (CBD), and any naturally derived cannabinoid other than delta-9 THC that, when introduced into the human body, is reasonably likely to cause intoxication or impairment based on known effects on perception, cognition, or behavior, or that has a psychoactive effect or is marketed or labeled as having euphoric, intoxicating, or psychotropic effects.

(4) ***Authorized Laboratory*** means an independent ISO-certified laboratory approved in writing by the Office to conduct testing of Regulated Cannabinoid Products pursuant to Act No. 9072 and these regulations.

(5) ***BIR*** means the Virgin Islands Bureau of Internal Revenue.

(6) ***Brand*** means the trade name, trademark, logo, or other identifying designation under which a Regulated Cannabinoid Product is marketed or offered for sale in the Territory.

(7) ***Cannabinoid*** means any chemical compound that acts on cannabinoid receptors, whether naturally occurring in the cannabis plant or artificially derived.

(8) ***Cannabinoid Product*** means any product containing one or more cannabinoids, whether naturally occurring, hemp-derived, cannabis-derived, synthetic, semi-synthetic, or artificially derived, intended for human or animal consumption, inhalation, ingestion, topical application, or other administration.

(9) ***Cannabis Use Act*** means the Virgin Islands Cannabis Use Act, codified at 19 V.I.C., Chapter 34, as amended.

(10) ***CBD*** means cannabidiol.

(11) ***Contraband*** means any Cannabinoid Product that is possessed, manufactured, distributed, processed, transported, offered for sale, or sold in violation of Act No. 9072, the Cannabis Use Act, these regulations, or other applicable law.

(12) ***Director*** means the Executive Director of the Office, or his or her designee.

(13) ***Distributor*** means a Person authorized by the Office to obtain, possess, store, transfer, or distribute Regulated Cannabinoid Products between License or Permit Holders authorized by the Office.

(14) ***DLCA*** means the Virgin Islands Department of Licensing and Consumer Affairs.

(15) ***DOH*** means the Virgin Islands Department of Health.

(16) ***Embargo*** means the temporary administrative restraint of a Regulated Cannabinoid Product, on or off Licensed Premises, by tag, seal, lock, or removal to a secure facility by the Office.

(17) ***Enforcement Division or OCRE*** means the Enforcement Division of the Office.

(18) ***Enforcement Officer*** means a peace officer assigned to the Enforcement Division of the Office.

(19) ***Hemp*** means the plant Cannabis sativa L. and any part of that plant, including the seeds thereof and all derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers, whether growing or not, with a delta-9 tetrahydrocannabinol concentration of not more than 0.3 percent on a dry weight basis. The term does not include any product that contains, or is marketed as containing, an Artificially Derived Cannabinoid in any concentration without a License or Permit issued by the Office.

(20) ***Intoxicating Cannabinoid Product Symbol*** means the symbol designated by the Office for display on Regulated Cannabinoid Product packaging pursuant to these regulations.

(21) ***Intoxicating Hemp Product*** means any hemp-derived Cannabinoid Product, containing a cannabinoid that is not capable of being naturally produced by the *Cannabis sativa L.* plant; any cannabinoid that has been synthesized, chemically altered, or manufactured outside of the plant, including by isomerization of cannabidiol (CBD); any product containing a quantifiable amount of tetrahydrocannabinolic acid (THCA) or another cannabinoid having effects similar to tetrahydrocannabinol (THC); or any product marketed or labeled as having such effects.

(22) ***Inventory Tracking System*** means the electronic inventory tracking system designated by the Office for tracking regulated cannabinoid products from seed-to-sale, import-to-sale, or other point of origin through final disposition.

(23) ***License*** means an authorization issued by the Office to engage in an activity regulated by the Office.

(24) ***License or Permit Holder*** means a Person to whom a License or Permit has been issued by the Office.

(25) ***Licensed Premises*** means the premises approved by the Office for the conduct of activities authorized under a License or Permit issued by the Office, including all buildings, rooms, storage areas, vehicles, and other areas approved by the Office for use in connection with the licensed or permitted operation.

(26) ***Manifest*** means the transportation document approved or prescribed by the Office that accompanies Regulated Cannabinoid Products during transport and identifies the shipment and its authorized origin and destination.

(27) ***Manufacturer*** means any Person engaged in the extraction, blending, infusion, formulation, packaging, labeling, or other manufacture of Regulated Cannabinoid Products for distribution or sale.

(28) ***Minor*** means a person under twenty-one (21) years of age.

(29) ***Office*** means the Office of Cannabis Regulation.

(30) ***Peace Officer*** means an officer with the powers enumerated in 5 V.I.C. § 3561, including officers of the Virgin Islands Police Department, Enforcement Officers of the Office, and any other officer designated by law.

(31) ***Permit*** means an authorization issued by the Office to engage in an activity regulated by the Office.

(32) ***Person*** means a natural person, partnership, association, company, corporation, limited liability company, organization, trust or similar entity, estate, joint venture, or a manager, agent, owner, director, servant, officer, or employee thereof; except that "Person" does not include any governmental organization.

(33) ***Regulated Cannabinoid Product*** means any Cannabis, Cannabis Product, Intoxicating Hemp Product, or any product containing an Artificially Derived Cannabinoid that is regulated by the Office pursuant to the Cannabis Use Act, Act No. 9072, or these regulations.

(34) ***Responsible Vendor Training Program or RVT Program*** means the mandatory training program required by these regulations.

(35) ***Retailer*** means any Person who sells or offers for sale Regulated Cannabinoid Products directly to consumers.

(36) ***School*** means a child-care or day-care facility, public or private preschool, or a public or private elementary, middle, junior high, or high school.

(37) ***Total THC*** means the sum of delta-9 tetrahydrocannabinol and tetrahydrocannabinolic acid (THCA) multiplied by 0.877 to account for decarboxylation, expressed as a percentage by mass or in milligrams, as applicable, and quantified by an Authorized Laboratory.

(38) ***Transporter*** means a Permit Holder authorized by the Office to transport Regulated Cannabinoid Product.

(39) ***VIPD*** means the Virgin Islands Police Department.

§ 200a-3. Applicability and Interpretation

(a) ***General applicability.*** These regulations apply to all activities governed by Act No. 9072 and these regulations within the Territory of the United States Virgin Islands. They apply equally to activities conducted through in-person, internet, telephone, mail-order, and delivery methods where any part of the regulated activity occurs within the Territory.

(b) ***Federal preservation.*** Nothing in these regulations creates a defense to prosecution under the laws of the United States, including the Federal Food, Drug, and Cosmetic Act, 21 U.S.C. § 301 et seq., the Controlled Substances Act, 21 U.S.C. § 801 et seq., or 21 U.S.C. §§ 952 and 960.

(c) ***Relationship to controlled substances laws.*** Nothing in these regulations shall be construed to alter the scheduled status of any substance under 19 V.I.C. Chapter 29.

(d) ***Regulation of covered products.*** Products subject to these regulations remain subject to the requirements of this chapter regardless of whether such products constitute controlled substances under 19 V.I.C. Chapter 29. Products subject to these regulations may be regulated, tested, embargoed, forfeited, or made subject to administrative, civil, or criminal penalties as provided by law.

(e) ***Use of additional scientific data.*** To establish whether a product is an Intoxicating Hemp Product or contains an Artificially Derived Cannabinoid, the Office may rely on, and may require an applicant, License or Permit Holder, or other regulated Person to submit any analytical data, certificate of analysis, manufacturing record, formulation, or expert opinion the Office deems relevant. The Office may also rely on generally accepted scientific literature and on guidance, standards, or other information published or issued by the United States Food and Drug Administration, the United States Drug Enforcement Administration, the United States Centers for Disease Control and Prevention, and the United States Pharmacopeia.

§ 200a-4. Duties and Powers of the Office

(a) ***Administration.*** The Office is responsible for the administration and enforcement of these regulations and Act No. 9072. The Executive Director shall serve as the principal officer responsible for directing the operations of the Office and may delegate duties and responsibilities to employees of the Office. The Director may request technical assistance from any department, agency, or other qualified entity as permitted by law.

(b) ***General authority.*** The Office shall have the authority to issue interpretations, guidance, policies, and procedures necessary to implement these regulations and Act No. 9072. Such interpretations, guidance, policies, and procedures shall:

(1) Be consistent with the intent and purpose of these regulations, the Cannabis Use Act, and Act No. 9072;

(2) Be construed to effectuate the purposes of these regulations and to protect the public health, safety, and welfare of the Territory;

(3) Not have the effect of waiving any specific requirement except through a variance or other process authorized by these regulations; and

(4) Neither limit nor repeal any authority granted under any other statute or regulation.

(c) ***Duties of the Office.*** The duties of the Office include but are not limited to:

(1) Reviewing all License or Permit applications and determining whether to issue, renew, condition, deny, suspend, or revoke a License or Permit;

(2) Maintaining the Inventory Tracking System and the Authorized Laboratory list;

(3) Establishing written enforcement protocols, including procedures governing inspections, administrative citations, embargoes, removal of product orders, and the disposition of Regulated Cannabinoid Products, consistent with these regulations;

(4) Maintaining all records required for the administration of these regulations;

(5) Preparing and submitting, through the Executive Director, an annual report to the Governor and the Legislature on the operation of these regulations, including the number of Licenses or Permits issued, citations issued, embargoes effected, fines collected, and criminal referrals made; and

(6) Promulgating, with any approvals required by law, such further rules as may be necessary or appropriate to implement these regulations.

§ 200a-5. Duties and Powers of the Enforcement Division

(a) ***Powers of Enforcement Officers.*** Enforcement Officers are peace officers under 5 V.I.C. § 3561 and are subject to the requirements of 23 V.I.C. Chapter 16. The Enforcement Division is authorized to enforce Act No. 9072 and these regulations. Enforcement Officers possess the powers granted to peace officers under Virgin Islands law, including the authority to:

(1) Investigate suspected violations of these regulations, the Cannabis Use Act, Act No. 9072, 19 V.I.C. Chapter 29, and other applicable laws within the authority of the Office;

(2) Make arrests, with or without a warrant, as authorized by 5 V.I.C. § 3562, and refer matters to the Department of Justice for criminal prosecution where appropriate;

(3) Serve warrants, summonses, subpoenas, administrative citations, embargo orders, and notices of violation as authorized by law;

(4) Inspect any Licensed Premises, books, records, vehicles, and Regulated Cannabinoid Products, during business hours or other times of apparent activity, without prior notice, as authorized by law;

(5) In furtherance of their duties as peace officers, inspect places, vehicles, vessels, or other locations where Regulated Cannabinoid Products are manufactured, distributed, displayed for sale, sold, transported, or stored, as authorized by law;

(6) Seize Contraband and secure, embargo, remove, or otherwise control Regulated Cannabinoid Products subject to enforcement action as authorized by law;

(7) Issue administrative citations and notices of violation as authorized by law;

(8) Assist the VIPD or any other law enforcement or governmental agency at the request of such agency;

(9) Conduct background and character investigations of applicants for Licenses or Permits as required by the Office during the licensing or permitting process;

(10) Coordinate with the United States Drug Enforcement Administration, the United States Customs and Border Protection, the United States Coast Guard, and any other appropriate federal law enforcement partners with respect to enforcement matters; and

(11) Exercise any other authority or duty authorized by law in support of the purposes of these regulations.

§ 200a-6. Licenses and Permits

(a) ***Licenses or Permits required.*** It is unlawful for any Person to engage in any of the following activities involving Regulated Cannabinoid Products without a valid License or Permit issued by the Office:

(1) Manufacturing;

(2) Distribution;

(3) Retail sale; and

(4) Transport.

(b) ***License categories.*** The Office may issue an Intoxicating Hemp/Artificially Derived Cannabinoid Retailer License authorizing the retail sale of Regulated Cannabinoid Products.

(c) ***Permit categories.*** The Office may issue Permits in the following categories: Manufacturer, Distributor, and Transporter. A single Person may hold multiple Permits, subject to the requirements applicable to each Permit and any applicable conflict-of-interest restrictions.

(d) ***General application requirements.*** An applicant for a License or Permit shall submit an application on a form prescribed by the Office. The application shall include:

(1) The applicant's legal name, trade name or business name, entity type, if applicable, mailing address, and physical address of the proposed Licensed Premises;

(2) The name, title, mailing address, telephone number, and email address of the applicant's primary business contact person;

(3) If the applicant is an entity, the name and percentage ownership interest of each owner or beneficial owner holding more than five percent (5%) ownership interest, and the name and title of each officer, director, member, manager, partner, or other Person with operational control or management authority over the applicant;

(4) Proof that the applicant is authorized to conduct business in the Territory;

(5) Proof that the applicant and each Person required to be disclosed as an owner, beneficial owner, or individual with operational control or management authority over the applicant are twenty-one (21) years of age or older;

(6) A criminal history disclosure, fingerprints in a form prescribed by the Office, and consent to any background investigation required by the Office for the applicant and each Person required to be disclosed as an owner, beneficial owner, or individual with operational control or management authority over the applicant;

(7) A floor plan of the proposed Licensed Premises identifying restricted areas, storage areas, product handling areas, and points of sale, if applicable;

(8) A security plan addressing, as applicable, alarm systems, video surveillance, access control, and product-handling procedures;

(9) A standard operating procedure manual addressing the applicant's proposed activities, product handling, and compliance with these regulations;

(10) Payment of any applicable application fee established by the Office in a separate fee schedule; and

(11) Such other information as the Office may require to administer and enforce these regulations.

(e) ***Disqualification.*** The Office shall deny an application or refuse renewal of a License or Permit where:

(1) The applicant or any Person required to be disclosed as an owner, beneficial owner, or individual with operational control or management authority over the applicant has been convicted within the preceding ten (10) years of a felony involving fraud, dishonesty, the manufacture or distribution of controlled substances, the diversion of controlled substances, money laundering, or any offense involving the sale of an intoxicant to a Minor;

(2) The applicant or any Person required to be disclosed as an owner, beneficial owner, or individual with operational control or management authority over the applicant has had a cannabis, hemp, or controlled-substance license or permit revoked by any jurisdiction within the preceding five (5) years;

(3) A material misrepresentation or omission affecting the Office's review of the application has been made in the application or supporting materials; or

(4) The applicant fails to meet any other requirement of these regulations.

(f) ***Term and renewal.*** Licenses and Permits shall be issued for a term of one (1) year and may be renewed for successive one-year terms upon submission of a renewal application in the manner prescribed by the Office and upon continuing compliance with these regulations.

(g) ***Fees.*** The Office shall publish and maintain a schedule of application, issuance, renewal, modification, and any other applicable fees related to Licenses or Permits issued pursuant to these regulations.

(h) ***Display.*** Each License or Permit Holder shall conspicuously display the OCR-issued License or Permit at the Licensed Premises in a location visible to the public, where applicable, and to inspecting Enforcement Officers.

(i) ***Modification.*** A License or Permit Holder shall obtain prior written approval from the Office before making any change in ownership, operational control, Licensed Premises, or scope of operation.

(j) ***Cap on Retailer Licenses.*** Pursuant to Act No. 9072, the Office shall issue Intoxicating Hemp/Artificially Derived Cannabinoid Retailer Licenses subject to the following limits: no more than six (6) in the District of St. Croix, no more than six (6) in the District of St. Thomas, and no more than two (2) in the District of St. John. The cap established by this subsection does not apply to Manufacturer, Distributor, or Transporter Permits, or to Authorized Laboratories.

(k) ***Compliance with applicable tax laws.*** Each License or Permit Holder shall comply with all tax obligations imposed by Act No. 9072 and any other applicable Territorial or federal law.

(l) ***Location restrictions.*** Pursuant to Act No. 9072, an Intoxicating Hemp/Artificially Derived Cannabinoid Retailer License shall not be issued to a gas station, convenience store, or grocery store. A Retailer License Holder shall not operate a Licensed Premises within two hundred fifty (250) feet of a School or church. The distance requirement shall be measured in a manner prescribed by the Office.

§ 200a-7. Disciplinary Actions; Suspension and Revocation

(a) ***Suspension and revocation.*** The Director may suspend or revoke a License or Permit, after notice and an opportunity to be heard, on any of the following grounds:

(1) Violation of these regulations, the Cannabis Use Act, Act No. 9072, or any other applicable law within the authority of the Office;

(2) Sale or distribution to a Minor;

(3) Failure to comply with applicable testing, labeling, packaging, or Inventory Tracking System requirements;

(4) Failure to pay any civil penalty, fee, or assessment when due;

(5) Conviction, after issuance of the License or Permit, of a felony by the License or Permit Holder or any Person required to be disclosed as an owner, beneficial owner,

or individual with operational control or management authority over the License or Permit Holder;

(6) Discovery of a material misrepresentation or omission in any application or supporting materials that affected the Office's decision to issue or renew the License or Permit;

(7) Failure to submit required reports or records, or submission of false or misleading information in any required report or record; or

(8) Any other violation or condition that demonstrates the License or Permit Holder is unable or unwilling to comply with these regulations.

(b) ***Summary suspension.*** The Director may summarily suspend a License or Permit, without prior notice, where the Director determines, based upon available evidence, that continued operation poses an immediate threat to public health, safety, or welfare. A summary suspension shall be followed by notice and an opportunity to be heard within ten (10) business days.

(c) ***DLCA referral.*** Where a License or Permit Holder accumulates three (3) violations of these regulations or of Act No. 9072 within an eighteen-month period, the Office shall refer the matter to DLCA for revocation of the underlying business license pursuant to Act No. 9072 § 209(b) and 27 V.I.C. § 307.

(d) ***Stipulated settlements.*** The Director may, in lieu of a contested hearing, enter into a stipulated settlement with a License or Permit Holder addressing violations, civil penalties, compliance undertakings, suspensions, and other remedial conditions. A stipulated settlement is binding on the License or Permit Holder and is enforceable in the Superior Court.

§ 200a-8. Operational Requirements for License and Permit Holders

(a) ***Adult sales only.*** No License or Permit Holder shall sell, give, or otherwise transfer Regulated Cannabinoid Product to any person under twenty-one (21) years of age.

(b) ***Age verification.*** A Retailer License Holder shall verify the age of each purchaser prior to the sale of any Regulated Cannabinoid Product in a manner prescribed by the Office.

(c) ***Co-location.*** Regulated Cannabinoid Product may be sold at the Licensed Premises of a Dispensary licensed under the Cannabis Use Act, subject to physical separation of inventory, separate inventory tracking and sales records, and compliance with these regulations.

(d) ***Face-to-face transactions only; prohibited sales channels.*** All sales of Regulated Cannabinoid Products to consumers shall occur at the Licensed Premises of a Retailer through a transaction that includes age verification in the manner prescribed by the Office. The following are prohibited: (1) internet, telephone, mail-order, application-based, or other remote sales completed without age verification and in-person transfer; (2) delivery of Regulated Cannabinoid Products to consumers; and (3) vending machine or self-checkout sales.

(e) ***Display.*** Regulated Cannabinoid Products shall not be displayed in any manner visible from outside the Licensed Premises. Self-service displays are prohibited, and all consumer access to Regulated Cannabinoid Products shall be controlled by an employee of the Retailer.

(f) ***Recordkeeping at the point of sale.*** Each sale shall be recorded in accordance with recordkeeping and inventory tracking requirements established by the Office, including, at minimum, the product batch identifier, quantity sold, and time and date of sale. No personally identifiable information of the consumer shall be retained beyond the period necessary to comply with applicable tax, recall, or other legal requirements.

(g) ***Recall.*** Each Manufacturer, Distributor, and Retailer shall maintain a written recall plan that allows the rapid identification, retrieval, segregation, and disposition of any Regulated Cannabinoid Product that is the subject of a recall ordered by the Office, the United States Food and Drug Administration, or initiated by the manufacturer.

(h) ***Responsible Vendor Training Program.*** Each License or Permit Holder shall ensure that every employee or agent who possesses, handles, sells, transports, stores, secures, or disposes of Regulated Cannabinoid Products successfully completes the Responsible Vendor Training Program within thirty (30) days of employment or engagement and annually thereafter. The Office shall establish the minimum curriculum, duration, delivery method, and completion requirements for the RVT Program and may approve or contract with qualified training providers to administer the Program. The curriculum shall address applicable laws and regulations, age and identification verification, cannabinoid effects and impairment, prevention of theft and diversion, product handling and storage, recordkeeping and inventory tracking, and other subjects required by the Office. Each License or Permit Holder shall maintain documentation of each employee's or agent's completion of the RVT Program for at least three (3) years and shall make such documentation available to the Office upon request.

(i) ***Mandatory point-of-sale signage.*** Each Retailer shall conspicuously post, in a location easily visible to consumers, signage prescribed by the Office containing warnings and other information required by these regulations. The signage shall include warnings regarding impairment, age restrictions, keeping products away from children, operating vehicles or heavy machinery after use, and any applicable federal disclaimer. The Office may prescribe the content, format, size, placement, and language of such signage by separate guidance.

(j) ***Hours of operation.*** A Retailer shall conduct retail sales of Regulated Cannabinoid Products only between the hours of 8:00 a.m. and 7:00 p.m., unless otherwise authorized by the Office.

(k) ***Refusal of sale.*** Nothing in these regulations shall prohibit a Retailer from refusing to sell Regulated Cannabinoid Products where the sale would violate these regulations or where the Retailer reasonably believes the sale would endanger public health or safety.

§ 200a-9. Laboratory Testing Requirements

(a) ***Authorized Laboratories.*** All testing required by these regulations shall be performed by an Authorized Laboratory. The Office shall maintain and publish a list of Authorized Laboratories. Until an Authorized Laboratory is operational in the Territory, samples may be tested at an Authorized Laboratory in the Commonwealth of Puerto Rico or elsewhere in the United States in accordance with requirements established by the Office.

(b) ***Required panels.*** Each batch of Regulated Cannabinoid Product offered for sale in the Territory shall be tested by an Authorized Laboratory for all applicable testing panels required by the Office and shall meet the limits established in testing standards adopted or approved by the Office. Required testing panels may include:

(1) Cannabinoid profile and potency;

(2) Residual solvents, where applicable;

(3) Microbiological contaminants;

(4) Heavy metals;

(5) Mycotoxins;

(6) Pesticide residues;

(7) Foreign matter; and

(8) Water activity and moisture content, where applicable.

(c) ***Sampling.*** Samples shall be collected from each batch in accordance with a written sampling protocol approved by the Office. Samples may be collected by an employee or agent of an Authorized Laboratory, an Enforcement Officer, or another person authorized by the Office.

(d) ***Chain of custody.*** Each sample shall be sealed in tamper-evident packaging, labeled with the batch identifier, weight, date, time, and identity of the sampler, and documented in accordance with recordkeeping and inventory tracking requirements established by the Office. Custody shall be continuous from the point of sampling to the point of delivery to the Authorized Laboratory.

(e) ***Failed batches.*** A batch that fails any required test shall be placed under quarantine and shall not be released for sale. The Office may authorize a retest in accordance with procedures established by the Office. A batch that remains noncompliant following an authorized retest shall be disposed of in accordance with these regulations and any applicable procedures established by the Office.

(f) ***Recordkeeping.*** Each License or Permit Holder shall retain Certificates of Analysis for not less than five (5) years and shall make them available to the Office and any other governmental agency authorized to enforce Act No. 9072 or these regulations upon request.

§ 200a-10. Product Requirements

(a) ***Required label disclosures.*** Each unit of Regulated Cannabinoid Product offered for sale in the Territory shall bear, on the immediate container or on a label firmly affixed to the container, the following information in legible type:

(1) The product name and the name of the manufacturer or processor, as applicable;

(2) The batch identifier and date of manufacture or packaging;

(3) Total THC content in the form and units prescribed by the Office for the applicable product category;

(4) A list of all ingredients;

(5) Allergen disclosures consistent with 21 U.S.C. § 343(w);

(6) The International Intoxicating Cannabinoid Product Symbol (IICPS) as prescribed by the Office;

(7) An intoxication warning statement prescribed by the Office;

(8) A pregnancy and lactation warning statement prescribed by the Office; and

(9) A scannable code linking to the current Certificate of Analysis applicable to the product batch.

(b) ***Child-resistant packaging.*** All packaging shall comply with the child-resistant packaging requirements set forth in 16 C.F.R. Part 1700 and the Poison Prevention Packaging Act, 15 U.S.C. § 1471 et seq. Multi-serving packaging shall be re-sealable in a child-resistant manner.

(c) ***Prohibited marketing.*** No License or Permit Holder shall:

(1) Make any health, therapeutic, or disease- or illness-related claim not authorized by applicable federal law;

(2) Use any image, character, mascot, or theme that targets, or is reasonably likely to be appealing to, Minors;

(3) Advertise in a manner reasonably likely to target or appeal primarily to Minors;

(4) Distribute samples or branded merchandise in a manner reasonably likely to reach or appeal to Minors; or

(5) Sponsor or co-promote any event primarily attended by Minors.

(d) ***Foreign language labeling.*** Where any portion of the product label appears in a language other than English, the required disclosures shall also appear in English in type of equal or greater prominence.

(e) ***Brand registration.*** Each brand of Regulated Cannabinoid Product offered for sale in the Territory shall be registered with the Office prior to importation, distribution, or sale. Brand registration shall be filed by the Manufacturer or, in the case of a product imported into the Territory, by the first License or Permit Holder introducing the brand into commerce in the Territory, on a form prescribed by the Office, and shall include:

(1) the brand name, marks, logos, and dosage forms;

(2) the formulation, including the source and identity of all cannabinoids and a Certificate of Analysis from an Authorized Laboratory;

(3) the package configuration and proposed retail packaging;

(4) the name and License or Permit number of the registrant; and

(5) such other information as the Office may require.

A brand registration is valid for one (1) year and may be renewed. The Director may refuse, condition, or revoke a brand registration on any ground that would justify the denial, conditioning, or revocation of a License or Permit.

(f) ***Source verification.*** No License or Permit Holder shall receive, transport, hold for sale, distribute, or sell any Regulated Cannabinoid Product that does not have a valid Certificate of Analysis from an Authorized Laboratory or is not tracked in accordance with requirements established by the Office.

(g) ***THC limits.*** No Regulated Cannabinoid Product shall contain more than ten (10) milligrams of Total THC per serving or more than one hundred (100) milligrams of Total THC per package. Multi-serving packages shall permit individual servings to be readily identified and separated in a manner prescribed by the Office.

(h) ***Product formulation.*** Regulated Cannabinoid Products shall contain only cannabinoids authorized by Act No. 9072 and these regulations and shall otherwise comply with formulation requirements established by the Office.

(i) ***Prohibited products.*** The following products are prohibited and may not be manufactured, transported, distributed, sold, or possessed for sale in the Territory by any License or Permit Holder:

(1) Any Regulated Cannabinoid Product designed, packaged, or marketed in a manner reasonably likely to appeal to Minors;

(2) Any Regulated Cannabinoid Product blended, infused, or combined with alcohol, nicotine, or any other substance prohibited by the Office;

(3) Any Regulated Cannabinoid Product marketed with health, therapeutic, or disease- or illness-related claims not authorized by applicable federal law; and

(4) Any Regulated Cannabinoid Product that fails to comply with testing standards established by the Office.

§ 200a-11. Inventory Tracking and Recordkeeping

(a) ***Inventory tracking.*** Each License or Permit Holder shall comply with inventory tracking requirements established by the Office and shall maintain complete and accurate inventory records for all Regulated Cannabinoid Products in its custody from the point of importation or manufacture through sale or other lawful disposition.

(b) ***Required records.*** Each License or Permit Holder shall maintain complete and accurate inventory records in accordance with inventory tracking requirements established by the Office. Such records shall include, at a minimum, information sufficient to identify the origin, receipt, manufacture or processing, transfer, sale, testing, and lawful disposition of each Regulated Cannabinoid Product.

(c) ***Records retention.*** All records required by these regulations shall be retained for not less than five (5) years and shall be made available for inspection by the Office and any other governmental agency authorized to enforce Act No. 9072 or these regulations upon request, without prior notice during business hours or other times of apparent activity.

(d) ***Reporting.*** Each License or Permit Holder shall submit to the Office a monthly reconciliation of inventory in a form prescribed by the Office.

(e) ***Out-of-territory imports.*** No Regulated Cannabinoid Product manufactured, processed, or packaged outside the Territory may be imported, distributed, or sold in the Territory unless it is accompanied by a Certificate of Analysis from an Authorized Laboratory and the brand under which it is sold has been registered with the Office.

The Office may recognize testing, labeling, or other regulatory requirements of another jurisdiction where the Office determines those requirements provide protections substantially equivalent to these regulations.

(f) ***Bills of sale and supporting documentation.*** Each License or Permit Holder shall retain bills of sale, invoices, shipping documents, manifests, and other documentation sufficient to establish the lawful acquisition and disposition of all Regulated Cannabinoid Products.

(g) ***Inventory discrepancies.*** Each License or Permit Holder shall notify the Office in writing within seventy-two (72) hours of discovering any unexplained inventory discrepancy, theft, diversion, loss, or other material inventory irregularity involving Regulated Cannabinoid Products. The notification shall be submitted in a form prescribed by the Office.

§ 200a-12. Inspections

(a) ***Inspections of Licensed Premises.*** Enforcement Officers may inspect any Licensed Premises, including books, records, vehicles, and products, during business hours or other times of apparent activity, without prior notice. Refusal to permit inspection may constitute grounds for summary suspension and for the issuance of an administrative search warrant upon application to the Superior Court.

(b) ***Inspections outside Licensed Premises.*** Enforcement Officers may, on the basis of reasonable articulable suspicion of unlicensed commercial activity involving Regulated Cannabinoid Products, inspect any place, vehicle, or vessel outside Licensed Premises. The scope of such an inspection outside Licensed Premises shall be limited to that reasonably necessary to confirm or dispel the suspicion and to identify and, where appropriate, seize Contraband.

(c) ***Identification.*** Each Enforcement Officer shall, upon request, present that Officer's Office-issued identification card or badge and shall identify himself or herself as an Enforcement Officer of the Office of Cannabis Regulation.

(d) ***Coordination.*** Inspections that may involve evidence of conduct outside the Office's jurisdiction shall, where practicable, be coordinated with any government agency having jurisdiction over the matter.

§ 200a-13. Administrative Holds, Embargoes, and Removal of Product Orders

(a) ***Authority.*** The Director or any Enforcement Officer may place an administrative hold or embargo on any Regulated Cannabinoid Product, on or off Licensed Premises, where there is reasonable cause to believe that the product:

(1) Has not been tested in accordance with requirements established by the Office;

(2) Bears labeling that does not comply with these regulations;

(3) Contains cannabinoids or other ingredients that do not comply with Act No. 9072, these regulations, or formulation requirements established by the Office;

(4) Exceeds applicable THC limits established by these regulations;

(5) Has been manufactured, processed, distributed, transported, or held by a person not authorized under these regulations; or

(6) Otherwise violates these regulations, the Cannabis Use Act, Act No. 9072, or other applicable law within the authority of the Office.

(b) ***Manner of embargo.*** An administrative hold or embargo may be effected by tag, seal, lock, or removal of the product to a secure facility designated by the Office. The Enforcement Officer shall issue to the person in apparent custody of the product, or shall affix to the product, a written embargo notice on a form prescribed by the Office identifying the product, the basis for the embargo, the date and time of issuance, the name or identification number of the issuing Enforcement Officer, and information regarding the right to request a hearing.

(c) ***Duration.*** An administrative hold or embargo shall expire not later than thirty (30) days after issuance unless extended in writing by the Director upon a finding of good cause for an additional period not exceeding sixty (60) days.

(d) ***Tampering with embargo.*** It is a violation of these regulations to break, remove, deface, alter, or otherwise tamper with any embargo tag, seal, or lock, or to remove any embargoed product from the location of embargo, except as expressly authorized in writing by the Office. Conduct prohibited by this subsection may also constitute obstruction under 14 V.I.C. § 1508 or any other applicable provision of law.

(e) ***Removal of product orders.*** In addition to the authority to place an administrative hold or embargo on specific products, the Director may issue a removal of product order directing one or more License or Permit Holders or other persons to cease the manufacture, transport, distribution, transfer, or sale of, and to remove from inventory or points of sale, any brand, type, category, or specific Regulated Cannabinoid Product where the Director determines, based upon available evidence, that the product poses a substantial risk to public health, safety, or welfare. A removal of product order may be issued where:

(1) the product is designed, packaged, or marketed in a manner especially likely to appeal to Minors;

(2) the product or product category has repeatedly failed to meet applicable testing standards;

(3) the product's cannabinoid composition or formulation has been associated with reported adverse health events;

(4) the product is subject to a recall initiated by the manufacturer or ordered by the United States Food and Drug Administration; or

(5) the product or product category otherwise violates these regulations or applicable law.

A removal of product order shall identify the affected product or product category, the basis for the order, and its effective date. The order shall remain in effect until rescinded in writing by the Director or otherwise set aside in accordance with law and shall be subject to notice and an opportunity to be heard in accordance with these regulations.

§ 200a-14. Transportation

(a) ***Authorized transport.*** Regulated Cannabinoid Products may be transported only by a License or Permit Holder authorized to transport under these regulations.

(b) ***Manifest.*** Every transport shall be accompanied by a manifest or other documentation prescribed by the Office sufficient to identify, at minimum, the transporting License or Permit Holder, the originating and receiving locations, the products transported, and the date and time of transport.

(c) ***Security.*** Regulated Cannabinoid Products shall be transported in a secure manner in accordance with transportation and security requirements established by the Office.

(d) ***Inter-island transport.*** Transportation between the islands of the Territory shall comply with these regulations and any transportation procedures established by the Office.

§ 200a-15. Interagency Coordination

(a) ***Interagency coordination.*** The Office may enter into memoranda of understanding or other cooperative agreements with territorial, federal, or other government agencies to facilitate the administration and enforcement of Act No. 9072 and these regulations.

(b) ***Information sharing.*** The Office may share information with government agencies having lawful authority as necessary to administer or enforce Act No. 9072 or these regulations, subject to applicable confidentiality and privacy laws. Personally identifiable consumer information shall not be disclosed except as authorized by law.

§ 200a-16. Variances, Hearings, and Appeals

(a) ***Variances.*** The Director may grant a written variance from any provision of these regulations, other than a provision required by Act 9072 or by federal law, on a finding that:

(1) Strict application of the provision would cause exceptional hardship to the applicant by reason of unique circumstances not common to similarly situated License or Permit Holders;

(2) The variance is the minimum necessary to afford relief; and

(3) The variance will not result in a substantial increase in risk to the public health, safety, or welfare and will not be inconsistent with the purposes of these regulations.

(b) ***Administrative hearings.*** Any person aggrieved by a decision of the Director or of an Enforcement Officer to deny, condition, suspend, or revoke a License or Permit; to impose an administrative hold or embargo; to direct the disposition of product; or to deny a request for a variance may request an administrative hearing by written request to the Director made within fifteen (15) business days after the date of notice of the decision.

(c) ***Hearing officer.*** Hearings shall be conducted by the Director or by a hearing officer designated by the Director who is not the same Officer or employee whose decision is the subject of the hearing. The Virgin Islands Rules of Evidence shall not strictly apply, but the rules of fundamental fairness shall govern.

(d) ***Decision.*** The hearing officer shall issue a written decision within thirty (30) days of the close of the hearing. The decision shall constitute final agency action for purposes of judicial review.

(e) ***Judicial review.*** Final agency action under this section is reviewable in the Superior Court of the Virgin Islands pursuant to 5 V.I.C. § 1421 et seq. The filing of a petition for review does not stay the action under review unless the Court so orders.

§ 200a-17. Violations and Penalties

(a) ***Civil penalties under Act 9072.*** Civil penalties shall be imposed in accordance with Act No. 9072. A first violation is punishable by a civil penalty of two thousand five hundred dollars ($2,500). A second violation within a twelve (12) month period is punishable by a civil penalty of not less than five thousand dollars ($5,000).

(b) ***Criminal referral.*** Where the Director or an Enforcement Officer has reasonable cause to believe that a violation of criminal law has occurred, the Office may refer the matter to the appropriate law enforcement or prosecutorial authority.

(c) ***Cumulative remedies.*** The remedies provided by these regulations are cumulative and are not exclusive. Pursuit of one remedy does not preclude pursuit of any other remedy authorized by law.

§ 200a-18. Severability and Effective Date

(a) ***Severability.*** If any provision of these regulations is declared by a court of competent jurisdiction to be unconstitutional, preempted, or otherwise invalid, that decision shall not affect the validity of the remaining provisions of these regulations.

(b) ***Effective date.*** These regulations shall become effective upon approval by the Governor and publication in accordance with 3 V.I.C. § 936.

CERTIFICATION OF PUBLICATION AND CONFORMITY IN FORMATTING

In my capacity as Lieutenant Governor of the United States Virgin Islands, I have reviewed the foregoing Rules and Regulations from the Office of Cannabis Regulation and find them to conform with Title 3, Chapter 25, of the Virgin Islands Code and the Amended Rules and Regulations for Filing and Publication of Regulations in the Territory of the United States Virgin Islands, and hereby approve them in accordance with 3 V.I.C. § 936.

____________________________ ____________________
TREGENZA A. ROACH, ESQ. Date
Lieutenant Governor

United States Virgin Islands

GOVERNOR'S APPROVAL & LIEUTENANT GOVERNOR'S ATTEST

Pursuant to the powers vested in me by Section 11 of the Revised Organic Act of 1954, the above Rules and Regulations for Intoxicating Hemp and Artificially Derived Cannabinoid Products, issued by the Office of Cannabis Regulation and promulgated in accordance with applicable law, are hereby approved.

____________________________ ____________________
ALBERT BRYAN, JR. Date
Governor

United States Virgin Islands

Attest:

____________________________ ____________________
TREGENZA A. ROACH, ESQ. Date
Lieutenant Governor

United States Virgin Islands

CERTIFICATION OF TRANSMITTAL TO LEGISLATURE

I hereby certify that the above approved Rules and Regulations for Intoxicating Hemp and Artificially Derived Cannabinoid Products for the Territory of the United States Virgin Islands, issued by the Office of Cannabis Regulation, were transmitted to the Legislature of the United States Virgin Islands pursuant to 3 V.I.C. § 913(a) on the date noted below.

_______________________________ _______________________

Governor / Governor's Designee Date