

Virgin Islands Casino Control Commission

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Virgin Islands Casino Control Commission

Fiscal Year 2026

Budget Presentation

before the

**Thirty- Sixth Legislature of the Virgin Islands
Committee on Budget, Appropriations and Finance**

**Frits E. Lawaetz Legislative Conference Room
St. Croix, U.S. Virgin Islands**

July 23, 2025

1:00 PM

**Marvin L. Pickering
Chairman/Chief Executive Officer**

GOOD AFTERNOON, HONORABLE SENATOR NOVELLE E. FRANCIS, JR., CHAIRPERSON OF THE COMMITTEE ON BUDGET, APPROPRIATIONS AND FINANCE, ALL HONORABLE MEMBERS OF THE COMMITTEE, OTHER HONORABLE MEMBERS OF THE THIRTY-SIXTH LEGISLATURE, LEGISLATIVE STAFF, AND THOSE LISTENING AND VIEWING VIA RADIO, TELEVISION AND THE INTERNET.

FOR THE RECORD, MY NAME IS MARVIN L. PICKERING, AND I AM THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER OF THE VIRGIN ISLANDS CASINO CONTROL COMMISSION (“THE COMMISSION”). ACCOMPANYING ME TODAY IS COMMISSIONER CAROLYN P. HERMON-PERCELL, VICE-CHAIR; COMMISSIONER LUTHER F. RENEE, SECRETARY/TREASURER; AND KELVIN L. VIDALE, ESQ., LEGAL COUNSEL.

WE THANK YOU FOR THE OPPORTUNITY TO PRESENT AND DISCUSS THE FISCAL YEAR 2026 BUDGET REQUEST FOR THE COMMISSION.

THE COMMISSION IS RESPONSIBLE FOR THE LICENSURE AND REGULATION OF CASINOS PURSUANT TO THE VIRGIN ISLANDS CASINO AND RESORT CONTROL ACT OF 1995, AS AMENDED (AS CODIFIED AT 32 VIC § 401 *ET SEQ.*); INTERNET GAMING AND GAMBLING PURSUANT TO THE VIRGIN ISLANDS INTERNET GAMING AND INTERNET GAMBLING ACT, AS AMENDED (AS CODIFIED AT 32 VIC § 601 *ET SEQ.*); CASINOS AT RACETRACKS (COLLOQUIALLY REFERRED TO AS RACINOS) PURSUANT TO THE VIRGIN ISLANDS HORSE RACING INDUSTRY ASSISTANCE ACTS OF 2011 AND 2016; AND CASINO IV ESTABLISHMENTS ACT PERMITTED WITHIN THE ENTERPRISE ZONES OF

CHRISTIANSTED AND FREDERIKSTED, ST. CROIX, U.S. VIRGIN ISLANDS. THESE STATUTES, AND ALL RELEVANT AMENDMENTS, ESTABLISH THE BASIS FOR THE GOVERNANCE AND OPERATIONS OF COMMISSION AND ITS STAFF.

FINANCES

THE COMMISSION HAS FOUR (4) FUNDING SOURCES: (1) THE GENERAL FUND FOR SALARIES OF THE COMMISSIONERS AND STAFF ONLY; (2) THE CASINO CONTROL REVOLVING FUND PURSUANT TO 32 VIC § 514. THIS ACCOUNT IS FUNDED BY CASINO LICENSE FEES, CASINO EMPLOYEE LICENSE FEES, FINES, AND OTHER FEES IMPOSED BY LAW OR THROUGH REGULATION BY THE COMMISSION; (3) THE CASINO REVENUE FUND PURSUANT TO 32 VIC § 517, WHICH IS FUNDED BY THE TWELVE PERCENT (12%) TAX ON GROSS REVENUES FROM THE TWO CASINOS AND CASINO HOTELS CURRENTLY OPERATING IN THE CASINO ZONE, NAMELY DIVI CARINA BAY CASINO AND RESORT AND VIGL-CRG, COMMONLY REFERRED TO AS CARAVELLE HOTEL AND CASINO. THE COMMISSION RECEIVES 25% OF THESE TAXES, WITH 75% ALLOCATED TO OTHER GOVERNMENT DEPARTMENTS OR AGENCIES, INCLUDING 1% TO THE COMMISSION FOR PROGRAMS TO TREAT AND PREVENT GAMBLING ADDICTION; AND (4) THE HORSE RACETRACK CASINO REVENUE FUND PURSUANT TO 32 VIC § 901. THE COMMISSION HAS NOT RECEIVED FUNDING FROM THIS SOURCE SINCE 2016 WHEN TRAXCO CEASED OPERATIONS AT THE RANDALL “DOC” JAMES RACETRACK. AS HAS BEEN WIDELY REPORTED IN LOCAL NEWS AND FOLLOWED BY THE GENERAL POPULACE, WHILE THE COMMISSION ISSUED AN INITIAL LICENSE ON APRIL 18, 2024, TO VIGL OPERATIONS, LLC (VIGL) TO OPERATE A CASINO AT THE RANDALL “DOC”

JAMES RACETRACK, VIGL DID NOT PROCEED WITH THE CONSTRUCTION AND ALLOWED THAT LICENSE TO EXPIRE ON APRIL 19, 2025.

AS IT RELATES TO THE GENERAL FUND FOR THE COMMISSION’S PERSONNEL, THE TOTAL SUM WE ARE REQUESTING IS \$1,723,300, INCLUDING FRINGE COSTS, WHICH REPRESENTS SEVENTEEN (17) EMPLOYEES, FIFTEEN (15) CURRENTLY FILLED AND TWO (2) VACANCIES. THE VACANT POSITIONS ARE FOR ONE (1) IT SUPPORT SPECIALIST AND ONE (1) CASINO INSPECTOR. THE TABLE BELOW LISTS THE NAMES, PROPOSED BUDGETED SALARIES, AND OTHER RELATED INFORMATION FOR THE COMMISSION. FOR THREE CONSECUTIVE FISCAL YEARS, THE COMMISSION WAS FUNDED AT THE SAME LEVEL OF \$1,423,800. THE COMMISSION HAS REQUESTED, AND THE GOVERNOR HAS RECOMMENDED, A BUDGET OF \$1,723,800. WE THANK GOVERNOR ALBERT BRYAN, JR., FOR HIS SUPPORT. WE ALSO LOOK FORWARD TO THE SUPPORT OF THE COMMITTEE ON BUDGET, APPROPRIATIONS AND FINANCE AND THE SUPPORT OF THE ENTIRE BODY AT THE APPROPRIATE TIME.

Name	Position	Proposed Salary	Activity Center	Funding	Retirement	Classification
Pickering, Marvin L.	Chairman/CEO	\$125,000	STX	General	Yes	Unclassified
Hermon-Perrell, Carolyn P.	Commissioner	\$115,000	STT	General	Yes	Unclassified
Renee, Luther F.	Commissioner	\$115,000	STX	General	Yes	Unclassified
Vidale, Kelvin L.	Legal Counsel	\$110,000	STX	General	Yes	Unclassified
Smith, Linda I.	Executive Director	\$100,000	STX	General	Yes	Unclassified
Hurtault, Ruthlin	Licensing & Compliance Officer	\$ 65,000	STX	General	Yes	Unclassified
Smith, Romesha	Finance and HR Administrator Executive Assistant	\$ 68,500	STX	General	Yes	Unclassified
Davila, Odingo	IT Support Specialist	\$64,000	STX	General	Yes	Unclassified
Vacant	IT Support Specialist	\$64,000	STX	General	Yes	Unclassified
O'Reilly, Daren H.	Archive Technician	\$ 57,000	STX	General	Yes	Unclassified

Henry, Masai	Senior Casino Inspector	\$ 57,600	STX	General	Yes	Unclassified
Browne, Sean	Casino Inspector II	\$ 52,000	STX	General	Yes	Unclassified
Luis, Jr., Juan	Casino Inspector II	\$ 52,000	STX	General	Yes	Unclassified
Blewett, Roberto	Casino Inspector I	\$ 47,000	STX	General	Yes	Unclassified
Daniel, Karissa	Casino Inspector I	\$ 47,000	STX	General	Yes	Unclassified
Vacant	Casino Inspector I	\$47,000	STX	General	Yes	Unclassified
Rodriguez de Garcia, Claridilia	Custodial Worker	\$ 37,000	STX	General	Yes	Unclassified
Total Personnel Costs		\$1,222,000				

THE CASINO CONTROL REVOLVING FUND IS A SPECIAL CHECKING ACCOUNT THAT SERVES AS A DEPOSITORY OF MONIES COLLECTED FROM ALL LICENSE, REGISTRATION AND PERMIT FEES, FINES, PENALTIES, AND OTHER FEES, ALL SUMS APPROPRIATED THERETO BY THE LEGISLATURE OF THE VIRGIN ISLANDS, AND ALL DONATIONS, GIFTS AND BEQUESTS. IN THIS FISCAL YEAR 2025, FROM OCTOBER 1, 2024, THROUGH MAY 31, 2025, THE COMMISSION COLLECTED \$112,750, OF WHICH 80% OR \$90,200, WAS ALLOCATED TO THE COMMISSION AND 20% OR \$22,550 WAS ALLOCATED TO THE VIRGIN ISLANDS DEPARTMENT OF JUSTICE, DIVISION OF GAMING ENFORCEMENT’S (DGE) OPERATING ACCOUNT FOR ITS OPERATING EXPENSES RELATIVE TO GAMING ENFORCEMENT. THE MANDATED SIGNATORIES ON THIS ACCOUNT ARE THE COMMISSIONERS AND THE ATTORNEY GENERAL OF THE VIRGIN ISLANDS.

REGARDING THE CASINO REVENUE FUND, THE COMMISSION IS CURRENTLY ALLOCATED 25% OF THE GROSS CASINO REVENUE TAXES LEVIED ON CASINOS AT THE RATE OF 12%. IN FY 2024, THE AMOUNT APPROPRIATED TO THE COMMISSION FROM THE VIRGIN ISLANDS DEPARTMENT OF FINANCE WAS \$554,417, AS COMPARED TO \$564,402 FOR FY ’23. FOR THE CURRENT FISCAL YEAR 2025 THROUGH MAY, THE AMOUNT ALLOCATED TO THE COMMISSION WAS \$381,299 VERSUS \$283,021 WHEN

COMPARED TO THE SAME PERIOD LAST FISCAL YEAR, AN INCREASE OF 35%. THE SECOND QUARTER REPORT BELOW FROM THE DEPARTMENT OF FINANCE FOR FY '25 SHOWS THE PERCENTAGES AND AMOUNTS DISTRIBUTED.

**CASINO REVENUE FUND
SCHEDULE OF COLLECTIONS AND DISTRIBUTION
AS AUTHORIZED BY ACTS 6069, 6132, 6534, 7100 & 8577**

COLLECTIONS		F/Y '25	
		\$	669,172.10
DISTRIBUTIONS		Amount to be paid 2 ND QTR 03/31/2025	
Agency/Program/Org		%	
Agriculture	10	\$	66,917.21
Casino Control Commission	25	\$	167,293.02
Education ²	20	\$	133,834.42
Health	15	\$	100,375.82
Housing, Parks & Recreation	15	\$	100,375.82
Public Safety (VIPD)	10	\$	66,917.21
V.I. Alliance for Responsible Gaming	1	\$	6,691.72
VI Government Hospital & Health Facilities	4	\$	26,766.88
		100	\$ 669,172.10

¹ Effective September 2004 Casino Revenue collection to the St. Croix Foundation is deposited in the Casino Rehabilitation Fund.

² Authorized by Act 7100 to change from 18 percent of Education to 16 percent effective January 15, 2010.

THE FUNDS WERE DISTRIBUTED TO DEPARTMENT OF HEALTH; DEPARTMENT OF EDUCATION; DEPARTMENT OF AGRICULTURE; V.I. ALLIANCE FOR RESPONSIBLE GAMING; DEPARTMENT OF SPORTS, PARKS, & RECREATION; CASINO CONTROL

COMMISSION; VI GOVERNMENT HOSPITAL AND HEALTH FACILITIES; AND THE POLICE DEPARTMENT. THE DISTRIBUTION REPORTS FOR FISCAL YEARS 2019, THROUGH 2024, AND THE TWO QUARTERS OF THIS FISCAL YEAR CAN BE FOUND ON THE COMMISSION’S WEBSITE, CASINOCONTROLCOMMISSION.VI.

THUS FAR IN THIS FISCAL YEAR, THE COMMISSION HAS NOT RECEIVED ANY FEDERAL FUNDS. HOWEVER, OVERALL, THE COMMISSION RECEIVED APPROVAL FOR A PROJECT WORKSHEET IN THE TOTAL AMOUNT OF \$123,326.72 (\$120,860 AT THE 98% MATCH RATE) FOR DAMAGES RELATED TO HURRICANE MARIA. THE COMMISSION HAS EXPENDED \$78,573 ON ALL PROJECTS AND HAS RECEIVED, TO DATE, \$56,993. WE ARE CURRENTLY AWAITING REIMBURSEMENT OF \$21,580 (98% OF \$22,020) FOR A DOCUMENT RESTORATION PROJECT THAT WAS THE LAST PROJECT COMPLETED.

A FINANCIAL OVERVIEW OF THE COMMISSION, BY BANK ACCOUNTS, FOR THE PERIOD OCTOBER 1, 2024, THRU MAY 31, 2025, FOLLOWS IN THE TABLE BELOW:

Accounts	Beginning Balance October 1, 2024	Deposits	Disbursements	Ending Balance May 31, 2025
Petty Cash	\$300	\$0	\$0	\$300
Commission Operating Account (BP)	\$874,778	\$273,010	\$303,589	\$844,199
Commission Revolving Account (FB)	\$435,904	\$77,770	\$53,305	\$460,369
VI Alliance on Responsible Gaming	\$186,617	\$10,117	\$22,760	\$173,974
Commission\DGE Revolving Account (FB)	\$385,490	\$129,015	\$123,062	\$391,444

ADMINISTRATIVE ACTIONS

THE COMMISSION FILLED THE POSITION OF LEGAL COUNSEL WITH THE SELECTION OF ATTORNEY VIDALE IN SEPTEMBER 2024. IN MARCH 2025, THE LICENSING AND COMPLIANCE OFFICER RESIGNED CREATING A VACANCY IN THAT POSITION. ON JUNE 16, 2025, AFTER AN EXTENSIVE SEARCH AND INTERVIEW PROCESS, THE COMMISSION FILLED THAT VACANCY WITH THE SELECTION OF MS. RUTHLIN HURTAULT. IN THE FISCAL YEAR 2026 BUDGET REQUEST, THE COMMISSION IS REQUESTING TWO (2) ADDITIONAL POSITIONS, AN IT SUPPORT SPECIALIST AND A CASINO INSPECTOR I. WITH THE COMMISSION'S INTENT TO FULLY IMPLEMENT THE PROVISIONS OF THE INTERNET GAMING AND INTERNET GAMBLING ACT, THAT HAS BEEN LAW SINCE 2001, IT IS INCUMBENT ON US TO HAVE AN IT PERSON WHO IS KNOWLEDGEABLE IN CYBERSECURITY, SURVEILLANCE, ANTI-MONEY LAUNDERING, AND OTHER HIGHLY SKILLED FIELDS. CONCOMITANTLY, THE COMMISSION WILL REQUIRE AN ADDITIONAL CASINO INSPECTOR TO MONITOR COMPLIANCE WITH INDUSTRY STANDARDS AND VIRGIN ISLANDS LAW AND TO OVERSEE THE PROCEDURES PRODUCING THE REVENUE REPORTS RELIED ON BY THE COMMISSION. IF APPROVED, THESE POSITIONS WILL BRING THE COMMISSION'S STAFF TO SEVENTEEN (17) POSITIONS.

ON JANUARY 31, 2025, THE COMMISSION ISSUED ITS FIFTH ANNUAL REPORT TO THE GOVERNOR AND THE LEGISLATURE OF THE VIRGIN ISLANDS. THE REPORT WAS ISSUED IN ACCORDANCE WITH THE PROVISIONS OF 32 VIC § 424 AND CAN ALSO BE FOUND ON THE COMMISSION'S WEBSITE. IN ADDITION, ON THE SAME DATE, IN

ACCORDANCE WITH THE MANDATES OF 32 VIC § 514(e), THE COMMISSION SUBMITTED THE THIRD ANNUAL REPORT FOR THE CASINO REVOLVING FUND TO THE LEGISLATURE AND THE COMMISSIONER OF FINANCE. AS WAS STATED IN THE COMMISSION'S BUDGET TESTIMONY LAST YEAR, WITH THE SUBMISSION OF QUARTERLY AND ANNUAL REPORTS TO THE COMMISSIONER OF FINANCE AND THE LEGISLATURE, IT REMOVES A YELLOW BOOK AUDIT FINDING THAT WAS CITED IN PAST COMPREHENSIVE GOVERNMENT OF THE VIRGIN ISLANDS FINANCIAL AUDITS AS A SIGNIFICANT DEFICIENCY IN INTERNAL CONTROLS AS IT RELATED TO THE DEPARTMENT OF FINANCE. THE COMMISSIONERS AND STAFF ARE VERY PLEASED WITH THIS CONTINUING ACCOMPLISHMENT. ONE OTHER ACCOMPLISHMENT THAT I AM PERSONALLY PROUD OF, AND MY COLLEAGUES AND STAFF ARE AS WELL, IS THE COMPLETION OF THE COMMISSION'S SECOND FINANCIAL AUDIT. THE COMMISSION RECEIVED ANOTHER UNMODIFIED, (OR "CLEAN AUDIT"), AUDIT REPORT OF ITS FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2022, IN THE AUDIT REPORT PREPARED BY BERT SMITH AND COMPANY. FOR THE SECOND CONSECUTIVE AUDIT REPORT, THERE WAS ONE FINDING, THE SAME AS THE PREVIOUS REPORT, WHICH WAS THAT THE COMMISSION DOES NOT HAVE A FORMALIZED POLICY FOR THE REVIEW AND APPROVAL OF FINANCIAL TRANSACTIONS. THAT HAS SINCE BEEN CORRECTED AND HOPEFULLY SHOULD NOT APPEAR ON THE FY 2023 AUDIT REPORT, WHICH SHOULD COMMENCE SHORTLY. AS ALWAYS, I WISH TO THANK ALL THE MEMBERS OF STAFF FOR THEIR CONTINUING EFFORTS TO ADHERE TO THE HIGHEST STANDARDS OF ACCOUNTABILITY AND TRANSPARENCY.

AS WAS MENTIONED PREVIOUSLY, THE CASINO REVOLVING FUND IS A SPECIAL CHECKING ACCOUNT WHEREIN ALL LICENSE, REGISTRATION AND PERMIT FEES, FINES, PENALTIES, AND OTHER FEES ARE DEPOSITED. THE FUNDS ARE SPLIT 80% TO THE COMMISSION AND 20% TO THE DGE FOR THE OPERATING EXPENSES OF BOTH ENTITIES. THE SIGNATORIES TO THIS ACCOUNT ARE THE COMMISSIONERS AND THE ATTORNEY GENERAL OF THE VIRGIN ISLANDS. THE COMMISSION PROVIDES MONTHLY FINANCIAL REPORTS TO THE ATTORNEY GENERAL AND THE DIRECTOR OF GAMING ENFORCEMENT DETAILING THE REVENUES AND EXPENDITURES RELATED TO THE REVOLVING FUND.

ALL COMMISSION EMPLOYEES, INCLUDING THE COMMISSIONERS, RECEIVED ETHICS TRAINING LAST FISCAL YEAR. THE TRAINING WAS CONDUCTED ON SEPTEMBER 3, 2024. IT IS IMPERATIVE THAT THE COMMISSION'S CODE OF ETHICS IS ADHERED TO BY ALL COMMISSIONERS AND EMPLOYEES, WITHOUT EXCEPTION. FURTHER, OUR IT SUPPORT SPECIALIST, MR. ODINGO DAVILA, PRESENTED IN-HOUSE CYBERSECURITY TRAINING FOR THE COMMISSIONERS AND STAFF. ADDITIONALLY, OUR CASINO INSPECTORS RECEIVED REFRESHER AND REPORT WRITING TRAINING CONDUCTED BY ATTORNEY VIDALE.

THE COMMISSION CONTINUES TO REVIEW AND MONITOR THE LICENSURE PROCESS FOR EMPLOYEES OF THE CASINOS AND CASINO HOTELS AND FOR GAMING RELATED, AND NON-GAMING RELATED ENTITIES DOING BUSINESS WITH THE CASINOS. THE DIVISION OF GAMING ENFORCEMENT (DGE) CONDUCTS THE BACKGROUND INVESTIGATIONS ON THE APPLICATIONS FOR ALL PERSONS AND ENTITIES SEEKING

LICENSURE. AS WE HAVE EMPHATICALLY STATED FOR MANY YEARS, THE DGE LACKS THE RESOURCES TO ADEQUATELY AND TIMELY SUBMIT THE INVESTIGATIVE REPORTS RELATIVE TO THESE APPLICATIONS TO THE COMMISSION. AT THE COMMISSION'S MOST RECENT QUARTERLY MEETING AND HEARING HELD ON JUNE 25, 2025, ATTORNEY R. OLIVER DAVID, THE DGE DIRECTOR, PUT ON THE RECORD THAT HIS OFFICE HAS A BACKLOG OF 385 DUE DILIGENCE INVESTIGATIONS. THESE INCLUDE NEW AND RENEWAL APPLICATIONS AND REGISTRATIONS FOR GAMING AND NON-GAMING RELATED ENTITIES, CASINO HOTEL EMPLOYEES, CASINO KEY EMPLOYEES AND CASINO SERVICE EMPLOYEES. MOREOVER, OUR CURSORY REVIEW FINDS THAT IT CAN TAKE THE DGE ALMOST TWO YEARS TO RETURN AN INVESTIGATIVE REPORT TO THE COMMISSION. THIS AFFECTS THE COMMISSION'S ABILITY TO COMPLETELY VET PERSONS OR ENTITIES SEEKING ENTRY INTO THE VIRGIN ISLANDS CASINO INDUSTRY. EXISTING LAW AT 32 VIC § 433 AUTHORIZES THE COMMISSION TO ISSUE A STATEMENT OF COMPLIANCE FOR ONE (1) YEAR TO AN APPLICANT WHO "HAS ESTABLISHED BY CLEAR AND CONVINCING EVIDENCE THAT ONE OR MORE ELIGIBILITY CRITERIA HAS BEEN SATISFIED," AS SHOWN BY LAW ENFORCEMENT BACKGROUND CHECKS AND OTHER RELIABLE DOCUMENTS, AND TO RESERVE THE REVOCATION OF THE STATEMENT DUE TO CHANGED CIRCUMSTANCES. WHILE THE COMMISSION IS USING THIS PROCESS TO ENSURE UNINTERRUPTED CASINO OPERATIONS OF STAFF AND SUPPORTING BUSINESSES, THE COMMISSION PREFERS DUE DILIGENCE INVESTIGATION REPORTS. THE DGE IS A DIVISION WITHIN THE DEPARTMENT OF JUSTICE AND NOT A PART OF THE COMMISSION'S BUDGET. YET, THE COMMISSION STRONGLY ADVOCATES FOR SUFFICIENT STAFFING FOR THE DGE AND HOPES THAT THIS BODY WOULD LOOK

FAVORABLY ON REQUESTS FROM THE JUSTICE DEPARTMENT TO PROVIDE THESE RESOURCES TO DGE. IN A LETTER DATED JULY 22, 2024, ADDRESSED TO THEN BUDGET, APPROPRIATIONS AND FINANCE COMMITTEE CHAIR, THE HONORABLE SENATOR DONNA A. FRETT-GREGORY AND TO YOU MR. CHAIRMAN, WHEN YOU SERVED AS THE VICE-CHAIR OF THAT COMMITTEE, THE COMMISSION SUGGESTED THE RE-ALLOCATION OF THE CASINO REVENUE FUND, WHICH INCLUDED A SLIGHT REDUCTION TO THE COMMISSION'S SHARE, TO ADDRESS THE FUNDING ISSUES OF THE DGE. IT WOULD ALSO RESTORE FUNDING TO THE JAG-VI PROGRAM UNDER THE VIRGIN ISLANDS DEPARTMENT OF LABOR. WE UNDERSTAND YOU HAVE DRAFTED A PROPOSED BILL AND HOPE THAT IT WILL SOON BE FAVORABLY CONSIDERED BY THE BODY.

DURING FISCAL YEAR 2025, THE COMMISSION PROCESSED FIVE (5) PATRON COMPLAINTS, WHICH WERE ALL SUBMITTED TO THE DGE FOR INVESTIGATION. FOUR (4) OF THOSE INVESTIGATIONS WERE CLOSED AND ONE (1) IS STILL PENDING. THE COMMISSION RECEIVED ONE (1) REQUEST FOR PLACEMENT ON THE VOLUNTARY SELF-EXCLUSION LIST (VSE) AND GRANTED TWO (2) PETITIONS FOR REMOVAL FROM THE VSE LIST. ADDITIONALLY, THUS FAR FOR FY 2025, THE COMMISSION HAS RECEIVED ONE (1) COMPLAINT FILED BY THE DGE AGAINST A CASINO LICENSEE FOR AN ALLEGED VIOLATION OF 32 VIC RULES AND REGS § 455-2.3.

THE COMMISSION HAS NO OUTSTANDING PAST DUE INVOICES, AND OUR ONLY OUTSTANDING PAYMENTS ARE FOR CURRENT GOODS AND SERVICES PROCURED OVER THE IMMEDIATELY PRECEDING MONTH.

THE COMMISSION IS LOCATED AT #3005 ESTATE ORANGE GROVE, CHRISTIANSTED, ST. CROIX. THE BUILDING IS LEASED FROM THE GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM (GERS) AND CONSISTS OF APPROXIMATELY 4,667 SQUARE FEET OF GROSS LEASABLE AREA. THE COMMISSION REMAINS CURRENT WITH OUR RENTAL OBLIGATIONS TO THE GERS. THE COMMISSION AND THE GERS EXECUTED A RENEWAL OF OUR LEASE AGREEMENT EFFECTIVE FOR THE PERIOD OCTOBER 5, 2023, THROUGH OCTOBER 4, 2028, A TERM OF FIVE (5) YEARS. THE CURRENT ANNUAL RENT PAYMENT IS \$102, 674.

THE COMMISSION ISSUED LICENSES AND STATEMENTS OF COMPLIANCE THAT INCLUDED BOTH NEW AND RENEWAL LICENSES FOR CASINOS, CASINO EMPLOYEES, CASINO KEY EMPLOYEES, GAMING RELATED ENTITIES AND NON-GAMING RELATED ENTITIES. THE TABLE BELOW SHOWS A COMPARISON OF LICENSES ISSUED BY THE COMMISSION FOR FISCAL YEAR 2024 AND THUS FAR FOR THE CURRENT FISCAL YEAR:

<u>Type of License</u>	<u>FY 2024 Number of Licenses</u>	<u>FY 2025 Number of Licenses</u>
Casino Employees	101	53
Casino Key Employees	43	36
Gaming Related Licenses	9	1
Non-Gaming Related Licenses	7	4
Work Permits	357	234
Statements of Compliance	173	<u>104</u>
Total Licenses	690	432

PLEASE NOTE THAT A TOTAL OF 690 LICENSES IN ALL CATEGORIES AND WORK PERMITS WERE ISSUED IN FISCAL YEAR 2024. THROUGH MAY OF THE CURRENT FISCAL YEAR 2025, A TOTAL OF 432 LICENSES AND WORK PERMITS WERE ISSUED.

AS SUCH, THE COMMISSION ENVISIONS THAT IT WILL EXCEED THE NUMBER FOR FISCAL YEAR 2024. ADDITIONALLY, THROUGH MAY OF FISCAL YEAR 2025, THE COMMISSION ISSUED 86 EXEMPTIONS FROM LICENSURE AND 30 WAIVERS FROM REGISTRATION/LICENSURE VERSUS 104 AND 86, RESPECTIVELY, FOR FISCAL YEAR 2024.

AS MENTIONED IN PREVIOUS BUDGET HEARINGS, THE COMMISSION IS COMMITTED TO IMPLEMENTING THE PROVISIONS OF THE INTERNET GAMING AND INTERNET GAMBLING ACT (“IGIG”). TO THAT END, THE COMMISSION ENLISTED THE SERVICES OF A GLOBAL LEADING FIRM IN THE GAMING INDUSTRY TO REVIEW THE STATUTES CONTAINED IN 32 VIC § 601 *ET SEQ.* AND RELATED REGULATIONS, AND TO PROPOSE AMENDMENTS. THE COMMISSION ALSO CONTRACTED WITH ANOTHER CONSULTING FIRM WITH GLOBAL EXPERIENCE IN THE GAMING INDUSTRY TO CONDUCT A MARKET IMPACT ANALYSIS TO LAY OUT THE ECONOMIC BENEFITS, THROUGH TAXATION AND OTHER MEANS, ASSOCIATED WITH THE IGIG ACT’S FULL IMPLENTATION. THE COMMISSION IS HOSTING AN IGIG SUMMIT ON JULY 31, 2025, TO WHICH YOU AND OTHER STAKEHOLDERS HAVE BEEN INVITED. WE CERTAINLY HOPE THAT ALL SENATORS, OR, IN THEIR ABSENCE, THEIR STAFFERS ATTEND AS THE INFORMATION SHARED AT THE SUMMIT WILL BE VALUABLE IN FUTURE DISCOURSE AND DELIBERATION AS THIS MATTER ADVANCES THROUGH THE POLICYMAKING LEVELS.

GOALS FOR FY 2026

- 1. CONTINUE TO REVIEW THE EXISTING LAWS, REGULATIONS AND POLICIES THAT GOVERN THE AFFAIRS OF THE COMMISSION AND**

PROPOSE AMENDMENTS OR MAKE CHANGES WHERE NECESSARY.

- 2. SUBMIT PROPOSED AMENDMENTS TO 32 VIC § 601, *ET SEQ.*, FOLLOWING THE IGIG SUMMIT TO BE HELD ON JULY 31, 2025, TO THE LEGISLATURE**
- 3. COMMENCE THE BERT SMITH & CO. AUDIT OF FISCAL YEAR 2023.**
- 4. CONTINUE THE DEVELOPMENT OF INTERNAL POLICIES AND PROCEDURES FOR EFFICIENT AND EFFECTIVE OPERATIONS AND MANAGEMENT OF THE COMMISSION, INCLUDING A FORMAL ACCOUNTING POLICY TO INCLUDE THE REVIEW AND APPROVAL OF ALL FINANCIAL TRANSACTIONS.**
- 5. PROVIDE TECHNICAL TRAINING AND OTHER EDUCATIONAL OPPORTUNITIES FOR THE COMMISSION'S STAFF WHILE IMPLEMENTING ACTIVITIES DESIGNED TO MAINTAIN AND IMPROVE THE POSITIVE WORKPLACE ENVIRONMENT OF THE COMMISSION.**
- 6. CONTINUE TO FOSTER AND ENHANCE THE WORKING RELATIONSHIP BETWEEN THE COMMISSION AND THE DIVISION OF GAMING ENFORCEMENT TO ENSURE THAT LICENSURE AND REGULATORY COMPLIANCE IS MAINTAINED THROUGHOUT THE LOCAL GAMING INDUSTRY.**
- 7. CONTINUE TO ADVOCATE FOR ENHANCED FUNDING AND STAFFING OF THE DIVISION OF GAMING ENFORCEMENT TO ENSURE THAT IT CAN TIMELY PERFORM ITS INVESTIGATORY AND PROSECUTORIAL ROLES WITH COMMISSION.**
- 8. CONTINUE TO ENCOURAGE CASINO ENTITIES AND OTHER STAKEHOLDERS TO UNDERTAKE THE OBLIGATIONS OF THE**

**GAMBLING AND GAMING INDUSTRY IN PROMOTING RESPONSIBLE
GAMBLING TO PREVENT PROBLEM GAMBLING.**

BEFORE CLOSING, I WISH TO TAKE THIS OPPORTUNITY TO EXPRESS MY THANKS AND GRATITUDE TO MY COLLEAGUES ON THE COMMISSION AND THE ENTIRE STAFF, INCLUDING OUR INSPECTORS WHO ARE USUALLY OFF-SITE AT THE CASINOS, FOR THE COMMITMENT TO FULFILL OUR MANDATES IN A PROFESSIONAL AND TRANSPARENT MANNER AND WITHOUT REPROACH. THE COMMISSION IS CURRENTLY OBSERVING 30 YEARS OF REGULATORY EXCELLENCE BY HONORING OUR LEGACY AND SHAPING THE FUTURE. THE COMMISSION HAS DONE MUCH IMPORTANT WORK IN ITS 30 YEARS AND WE AT THE COMMISSION ARE DETERMINED TO MAINTAIN THOSE EFFORTS WHILE ENSURING THE PUBLIC'S TRUST AND CONFIDENCE IN THE CASINO INDUSTRY OF THE U.S. VIRGIN ISLANDS.

MR. CHAIRMAN, THIS CONCLUDES THE TESTIMONY OF THE VIRGIN ISLANDS CASINO CONTROL COMMISSION RELATIVE TO ITS FISCAL YEAR 2026 BUDGET. THE REPRESENTATIVES OF THE COMMISSION STAND READY TO RESPOND TO THE BEST OF OUR ABILITY TO YOUR QUESTIONS. THANK YOU.