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## **Virgin Islands Taxicab Commission Budget Hearing August 18, 2025**

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Greetings Honorable Senator Novelle E. Francis, Chairman of the Committee on Finance, all Senators present, and legislative staff, as well as the present, viewing and listening audience. I am Ms. Melissa I. Smith, Acting Executive Director of the Taxicab Commission (TCC).

Thank you for extending an invitation for me to share testimony on the Commission's 2026 Fiscal Budget. Joining me today is Ms. Elizabeth Hansen Watley, Assistant Commissioner of the Department of Tourism and Taxicab Commission's Board (TCB) Chairperson.

The Virgin Islands Taxicab Commission (VITCC) was established under Title 20, Chapter 37 of the Virgin Islands Code. This law outlines the creation, structure, and responsibilities of the Commission, to regulate the Virgin Islands Taxi Industry.

Key duties and powers of the commission include:

- Licensing and regulation of taxi drivers and vehicles
- Setting and enforcing fare schedules
- Conducting hearings and investigations
- Enforcing compliance with taxi laws and regulations
- Title 3 Governs VITCCs administrative processes

“The Commission is charged with the responsibility for the continuance, further development, and improvement of taxicab passenger services within the Virgin Islands and the overall regulation of taxicabs, taxicab companies, and taxicab associations. In addition to the other powers and duties granted to it by law, the Commission may:

- (1) Issue medallions in accordance with the procedures of Title 20, chapter 37, subchapter II of this code;
- (2) Issue license plates to owners of automobiles for hire who properly registered their vehicles with the Motor Vehicle Bureau and in accordance with the procedures of Title 20, section 339, of this code, and who also are owners of medallions as provided in Title 20, chapter 37, subchapter II, of this code;”

## **BUDGET OVERVIEW**

The approved operational budget for the Virgin Islands Taxicab Commission is \$556,043.00. Our budget allocations include appropriations from fund 2114, the Taxi Revolving Fund in the amount of \$395, 603.00 and fund 6068, the Tourism Revolving fund in the amount of \$160, 440.00. Our revenue collections as of June FY 2025 stands at \$298,442.00 with a projection of \$550, 000.00.

As it stands today, the VITCC budget does not meet the operational funding needs of the Commission. The resource minimum projection is set at \$1.5 million dollars. Shortfalls due to budgetary constraints include the following areas:

**Staffing:** Currently the VITCC has been serving the territory with just two employees and myself as the Acting Executive Director. Our regulatory arm of enforcement is non-existent as we no longer have VITCC officers. All except two currently occupied positions need to be filled.

**Technology Shortfalls:** Computer systems and equipment are outdated. The Bureau of Information Technology (BIT) is currently working on their report on exactly what the agency needs to bring us not only up to date, but on a course to become the standard in accessibility regulation of the industry. Strengthening our connectivity is vital to our community engagement and industry professional support.

**Office Locations:** We have been plagued with location woes. As the taxicab industry’s regulatory arm , we are to be accessible, visible and ready to serve. We are not only tasked with regulating, but also serving the needs of industry professionals who often require our support.

Presently we occupy a small room at the Department of Property and Procurement (DPP) in St. Croix. The office space in St. Thomas has had issues of connectivity and environmental cleanliness.

Despite these challenges, as an agency guided with the support of the Taxicab Commission Board under the leadership of Chairperson, Assistant Commissioner Elizabeth Hansen Watley, we have been able to solidify governmental support with agency partners such as Virgin Islands Police Department (VIPD) , Bureau of Motor Vehicles (BMV) , Office of Management and Budget (OMB), Division of Personnel (DOP) , Department of Finance (DOP and the Bureau of Information Technology and the Governor's team at Government House.

### **FY 2025 PROGRESS AND STRATEGY**

Our goal at the Virgin Islands Taxicab Commissions is to improve the taxi industry throughout the Territory by focusing on key areas that will improve operations through service ,efficiency and enforcement, while also addressing critical operational challenges. VITCC is currently facing several significant challenges which are impacting its ability to effectively regulate and support the taxi industry. The major challenges include:

#### **1. Lack of Enforcement Personnel**

**2. Rising Illegal Taxi Operations** and the absence of enforcement staff has led to a surge in unlicensed taxi operators, which undermines legal businesses and poses safety risks.

#### **3. Budget Constraints**

The Commission currently operates on a budget of **\$556,000**. This funding level does not adequately support the Commission's funding needs. It is estimated that the Commission will need an infusion of funding in the amount of f **\$1.5 million** to effectively support staffing and operational activities.

Budgetary constraints have also contributed to the delay of travel to the St. Croix district and has slowed implementation of enforcement and public education campaigns.

#### **4. Operational Inefficiencies**

The Commission still relies on a manual, paper based customer system lacking digitized records which contributes to delays with customer service and revenue collections activities.

. This outdated process negatively impacts all VITCC business functions by slowing transactions particularly in the are area of collections and potentially in the area of citations where enforcement is now evolving to e-citations reporting .

### **AREAS FOR IMPROVEMENT**

During my tenure with the Commission it has been my focus to identify areas in which the VITCC may grow and improve . After observing work flows, meeting with staff, taxi operators and VI Taxi Association members I have been able to identify key areas that VITCC must improve in order to address theses challenges and contribute to the best outcomes for the Taxi Industry.

#### **Information Technology:**

The existing computers at the taxicab commission are severely outdated and upgrades are critically needed.

Computer system upgrades that are linked to modernization and digital transformation are critical to VITCCs ability to provide improved approval and processing services for the Territory. The offices are in need of more than computer upgrades. In order to grow and meet service demands with the on-set of new operators and to further meet the service demands of the growing Virgin Islands Tourism Industry the VITCC must transition from paper-based records to a fully digital database.

This includes digitizing taxi medallion records, licensing, documents and enforcement data to improve operational efficiency. This improvement will streamline the documentation and approval flow work flow by providing the capability of real-time communications with agencies such as the (VIPD) for Police and Traffic Records, the Virgin Islands Internal Revenue Bureau, (IRB), for current tax letters and our key partner agency, Bureau of Motor Vehicles (BMV) for the provision of Class C Driver's Licenses.

This system would also provide real-time statistical data that may be shared with the Bureau of Economic Recovery (BER), DOT, other agency partner agencies and key stakeholders. This will also support the provision of other data requests for executive reporting as required.

VITCC is currently in discussions with the BIT and also with the BMV for the best solutions. This technology enhancement is estimated to be in the range of \$200,000.00-\$400,000.00.

#### **Recruitment and Staffing**

The Commission's goal is to hire additional staff, to enhance customer service and regulatory enforcement.

VITCCs staffing levels are critically low, particularly within the enforcement division. As of June 2025, the Commission has been without active enforcement officers. This was mainly due to the retirements and resignation of three (3) key enforcement staff. Ideally, the Commission should be staffed with six (6) officers to ensure enforcement visibility and action at critical passenger pick-up areas throughout the Territory, particularly on ship days when the demand for enforcement is at a peak.

The Commission is also administratively understaffed with only two administrative staff members; one (1) collections clerk in St. Thomas and one (1) administrative secretary in St. Croix. Other traditional vacancies to be filled are those of critical support staff to include one (1) additional collections clerk and one (1) administrative secretary for the St. Thomas /St. John District and a staffing position upgrade of administrative secretary II for the St. Croix District.

The Commission has in process four (4) approved Personnel Requisition Forms for the positions of one (1) Administrative Secretary I, and three (3) Taxi Inspectors (Enforcement Officers).

### **Regulatory Oversight and Service Improvement-Productivity**

While the Commission is short staffed, it has been very productive. I would like to commend Ms. Joseph and Ms. McIntosh for their committed efforts and demonstrated support. If it were possible, they would be here today but are currently processing customer documents for approval. The agency has processed and approved over **2,739 transactions** documents and medallion accessories as follows:

- Certificates of Entitlement
- Operator Badges
- Business Licenses
- Lease Agreements
- Co-Ownerships
- Medallion Transfers and Sales

The Commission also continues to track and document its collections and revenue transactions which occur daily.

With limited funding levels VITCC maintains the production of key documents with the provision of a badge making machine, a copying machine, paper and ink. Other resource support has been provided through the DPP and the Print Shop. In lieu of having full time officers, VITCC has been in discussions with VIPD and DLCA who have extended some support.

**Education and Awareness** In collaboration with DOT and the University of the Virgin Islands (UVI) CELL program, the Commission has successfully processed over 84 taxi class aspirants. The initial class began on July 15, 2025 and will conclude August 28, 2025. Cohort II is projected for late fall, early spring.

The Commission is actively collaborating with DOT to expand the existing Safe Ride Campaign to educate the local and visiting public on what a safe taxi vehicle and operator should like. The campaign to include strategic placements throughout the Territory is now in draft and underdevelopment for final launching.

## **FY 2026 FORWARD MOVING VISION**

The Commission intends to meet the pace of growing technology and the tourism industry. To meet and measure specific improvement Goals for FY 2026, VITCC has identified Key Performance Indicators (KPIs) to be documented as follows:

### **Documentation Processing and Approval Time**

VITCC will monitor the average time it takes to approve and process documents and authorize accessories. This has already improved in 2025 from the average processing of 30 days to one (1) -same day service or two (2) days-second day service for document review and approval.

### **Compliance Rates**

VITCC will document the number of taxi operators that meet regulatory standards.

### **.Document Review , Processing and Approval Turnaround Time**

VITCC will measure how long it takes to complete administrative tasks such as license renewals, document processing, or complaint resolution .

VITCC will track the time taken to process and return official documents

### **Cycle Time for Administrative Processes**

VITCC will measure the duration from initiation to completion of key processes such as payroll, hiring and payment processing

### **Error Rate**

VITCC will measure the percentage of administrative errors in documentation, data entry, or compliance checks.

### **Compliance Rate**

VITCC will begin to track the percentage of operators meeting regulatory standards (e.g., visible and documented compliance requirements )

**.Policy Update Frequency**

VITCC will begin to track how often internal policies and procedures and legislation are created reviewed/ and updated.

**Complaint Resolution Time**

VITCC will track complaint and Resolution times.

**Resource Utilization Rate**

VITCC will monitor how efficiently staff and office resources are used.

**Training Completion Rate**

VITCC will measure the percentage of staff completing required training or professional development and the amount of training.

The tracking of these measurements will support success driven outcomes.

Honorable Senator Francis, Members of the Committee on Finance and all other Members of the 36th Legislature, your funding support for the Virgin Islands Taxicab Commission is a commitment to public safety, economic development, and the modernization of our taxi operation services.

With this funding, we will strengthen regulatory oversight, improve service standards, and ensure that our taxi industry continues to serve both residents and visitors with integrity and efficiency.

To add, your support will allow the Commission to modernize our operations, enhance public safety, and ensure fair and efficient transportation services for passengers.

Last but not least, it is s an investment in the economic vitality and mobility of our islands.

We respectfully urge your favourable consideration and partnership in driving this mission forward. as this investment will yield lasting benefits for our community and the Territory as a whole.

We are prepared to answer your questions.