

**PRESENTATION OF ATTORNEY GENERAL
GORDON C. RHEA
DEPARTMENT OF JUSTICE'S FISCAL YEAR 2027 BUDGET
THIRTY-SIXTH LEGISLATURE OF THE VIRGIN ISLANDS
COMMITTEE ON BUDGET, APPROPRIATIONS, AND FINANCE**

Good morning, Chairperson Novelle E. Francis Jr., Committee on Budget, Appropriations, and Finance members, other Senators, legislative staff, and the listening and viewing audience. I am Attorney General Gordon C. Rhea. It is a pleasure to appear before you and to justify Governor Albert Bryan's proposed budget for the Virgin Islands Department of Justice's 2027 Fiscal Cycle.

DOJ's primary goal is to protect the Virgin Islands' citizens and to advance their interests and well-being. During this past year, we have taken major steps toward achieving that goal. Last month a team from the National Association of Attorneys General spent a week on St. Croix and St. Thomas giving our prosecutors, investigators, and support staff intense training to ensure that they meet national standards. Also last month, Journal Technologies, a company that designs and installs case management systems for DOJ's across the nation, spent a week with our staff gathering information for the customization of our new case management system, a project they expect to finish before November 2026. In addition, we are in the final stages of implementing a notification system used across the country called VINELink, which will keep victims and witnesses informed of developments

in their cases and alert them when a defendant is about to be released from custody.

We have also increased our meetings and cooperation with VIPD and implemented procedures to ensure that our Special Investigations Division (SID) works hand-in-hand with prosecutors and the police preparing homicides and other major cases for trial. Last but not least, we are well ahead of schedule in constructing the St. Croix morgue, which will should open within the next two months. ¹

DOJ remains seriously challenged by critical vacancies. Our Criminal Divisions each require at least three additional prosecutors, and the Civil Division, the Solicitor General's Division, and several specialized units continue to operate

¹ I have invited several deputies and division chiefs to join me today to help answer questions about their respective areas of oversight. They are:

- Ian S.A. Clement, Chief Deputy Attorney General in the St. Thomas, St. John District
- Patricia Lynn Pryor, Director of the White Collar Crime and Public Corruption Division
- Pamela R. Tepper, Solicitor General
- Kathryn Jensen-de Lugo VI-D, Director of the Paternity and Child Support Division
- Ariel M. Smith, Chief of the Civil Division
- H. Timothy Perry, Chief of the Criminal Division, St. Thomas, St. John District
- William Appleton, Chief of the Criminal Division, St. Croix District
- Kaj A. Christopher, Chief Financial Officer
- Claudette M. Georges, Operations Manager, St. Thomas, St. John District
- Maxine Sasso, Medical Examiner Operations Manager
- Barrett Stridiron, MIS System Director
- Sherlene Luke, Litigation Specialist Supervisor
- Tracy M. Callwood, Director of Human Resources
- Ronan Oliver David, Director of the Division of Gaming Enforcement
- Renee Petersen, Operations Manager, St. Croix District
- Homer Innis, Director of the Special Investigations Division
- Julita de Leon, Director of the Medicaid Fraud Control Unit

below optimal staffing levels. Support staff vacancies also affect operations across the Department. In short, we require additional staffing to fulfill our statutory mission to serve the People of the Virgin Islands.

Despite these challenges, our attorneys and support staff remain committed to public service. Additional personnel, however, would strengthen our ability to reduce case backlogs, respond more quickly to emerging legal matters, expand victim services, and ensure that the people of the Virgin Islands receive the timely and effective legal representation they deserve. The Governor's recommended budget will help us continue recruiting and retaining qualified professionals while building the workforce necessary to meet the growing demands faced by the Department.

General Funds:

The FY 2027 recommended allocation for personnel services and fringe benefits will cover salaries and associated fringe costs for 168 positions including 20 vacant positions, of which 109.02 are filled positions, and 14.72 are vacant positions in the General Fund.

Federal and Program Funds:

DOJ's personnel services are also supported by federal grant and program funds. The FY 2027 Federal Fund recommended allocation for personnel services

and fringe benefits will support salaries and associated fringe benefits costs for 44.26 FTEs, comprised of 38.98 filled positions and 5.28 vacancies. 1 of those vacancies is currently filled and 4.28 are in the process of being filled.

I will now share with this Committee the Governor's proposed budget breakdown of \$18,786,275.00.

From the General Fund, the breakdown is as follows:

- Personnel Services: \$10,812,304.00
- Fringe Benefits: \$4,445,418.00
- Supplies: \$291,101.00
- Other Services: \$2,943,252.00
- Utilities: \$294,200.00
- Capital Outlay: \$0.00

Total General Fund: \$18,786,275.00

Another \$7,283,536.00 of the Department's budget is projected to be funded by federal grants. Thus, the Department's proposed budget, including federal funds, is \$26,069,811.00. The FY-2027 general fund appropriations have increased by \$272,516, or 1.4%, from the FY-2026 general fund appropriation of \$18,544,462.00. This budget presents significant challenges for the Department to fulfill its Constitutional and organic responsibilities.

This represents the Governor's recommendation for funding the Department of Justice over the next fiscal year. I will now briefly describe some of the Department's needs, accomplishments, and justification for the figures presented.

CIVIL DIVISION

DOJ's Civil Division represents the executive branch, elected and appointed officials, and all departments, boards, and commissions in legal and quasi-legal matters. It operates in a demanding, fast-paced environment, providing counsel and litigating complex civil cases that shape public policy on a territorial and national scale.

At the start of Fiscal Year 2026, the division managed 315 civil cases ranging from negligence actions to massive multi-party suits. It successfully closed 72 of those cases and today is litigating 243 cases, including 26 new matters filed this year. These include fighting to protect our youth from the dangers of social media in *GVI v. Meta Platforms*, defending our environment against deceptive marketing in *GVI v. Pepsi Co & Coca Cola*, and challenging PBM business practices that inflate local medication costs in *GVI v. Caremark*. Simultaneously, we advise the Board of Elections and assist VIPD and BOC in achieving substantial compliance with their long-standing consent decrees.

This massive workload is carried by a remarkably dedicated yet small team of three attorneys on St. Thomas and two on St. Croix who go the extra mile to meet tight deadlines, negotiate fair dispositions, and appear in courtrooms across the Territory. The division has only one administrative professional on each island; adding an administrative assistant on each island is critical. To operate at its absolute peak, the division needs additional funding for expert analysts, electronic data systems, mediations, and general litigation expenses.

PATERNITY AND CHILD SUPPORT DIVISION

The Paternity and Child Support Division (PCSD) currently operates with two Administrative Hearing Officers, five Attorneys, and forty-five support staff. It manages 5,695 active child support cases, including 2,779 cases on St. Croix and 2,916 cases on St. Thomas/St. John. PCSD recently acquired two Grants Specialists to ensure that federal and local funding remain sufficient to support program operations, that outstanding vendor payments are processed in a timely manner, and that available funds are properly drawn down and accounted for. The Division currently plans to onboard three new employees who are critical to maintaining service continuity, meet operational demands, and ensure compliance with federally mandated State Plan requirements.

To locate individuals entitled to receive undistributed child support funds, the Division utilizes databases and information-sharing partnerships with agencies including the Federal Bureau of Investigation, Department of Defense, Social Security Administration, National Directory of New Hires, United States Postal Service, National Crime Information Center, and other authorized agencies. The Division anticipates increased collections through expanded utilization of its Financial Institution Data Match program. PCSD is also trying to lease office space on St. John to improve access for St. John residents and eliminate their need to travel to St. Thomas to receive assistance.

The Division successfully completed its Fiscal Year 2024 Data Reliability Audit and its Internal Revenue Service Safeguard Review to ensure continued compliance with federal security and information protection requirements. Federal funding remains PCSD's primary source of financial support, accounting for 66 percent of its operating expenditures. Consequently, PCSD must meet federal performance and compliance standards to maintain eligibility for federal funding. In accordance with federal cost-sharing requirements, the Division must first expend its required 34 percent local matching funds before drawing down the federal share.

An important component of PCSD's operations is the Child Support Territorial Automated Reporting System (CSTARS), the Division's case management system

since 2000. While PCSD recently completed the first phase of a system modernization effort, funding constraints have prevented implementation of the critical second phase. Securing the resources needed to complete this modernization remains a top priority, as CSTARS is essential to the Division's ability to deliver services effectively, maintain compliance, and fulfill its statutory mission.

SOLICITOR GENERAL DIVISION

The Solicitor General (“SG”) Division represents the Government in appeals and bond matters, prepares legal opinions, reviews contracts for legal sufficiency, and advises boards and commissions. The Division also represents all government agencies before the Public Employees Relations Board “PERB” for section 530 and 531 actions. Although the Division formerly had as many as twelve attorneys, today it has only four, including the Solicitor General and three support staff. Advising the many boards and commissions is a challenge. For example, DOH alone has some ten boards requiring legal advice. SG’s advisory responsibilities extend to all the executive departments as well.

On average, the Division reviews 250-300 contracts annually for legal sufficiency. From October 1 through May 31, 2026, the Division received 123 contracts, all of which it reviewed and sent to either the Governor or the Commissioner of Property and Procurement for signature. The Division tries to

complete all contract reviews within three to five days, which it generally accomplishes despite its shortage of attorneys.

During this period, the Division received 35 appeals, 17 PERB cases, and a constant influx of habeas corpus petitions from persons incarcerated in prison, all of which require long hours of preparation and research.

Working under these demanding conditions is challenging, but the Division is committed to doing its best with its limited resources but extremely dedicated staff. Any additional resources that this body can provide would be welcomed.

CRIMINAL DIVISION

The Criminal Division prosecutes local crimes while enhancing community safety and bringing justice to victims. Its attorneys appear in the Virgin Islands' Superior, Magistrate, and Family Courts (14 courtrooms) representing the People in all Criminal, Traffic, and Family Court matters. The Division also handles expungements and extraditions and provides substantial support to the VIPD.

The St. Thomas/St. John Criminal Division has 8 attorneys, including Criminal Chief Timothy Perry, 4 support staff, and 2 victim advocates. Unfortunately, this is 3 attorneys and 3 support staff short of the full complement, which has caused serious delays in processing cases. The Division also needs an additional victim advocate

Over the past year, the STT/STJ Criminal Division opened 300 new cases and resolved 406 cases. Of the new cases, 189 involved crimes of violence, 82 involved domestic violence, 10 involved sex crimes, 9 involved homicide, and 44 involved illegal firearms. During this period, the Family Unit opened 61 new cases and resolved 31 cases. The Division has also improved its response to sexual violence. Its Victim Advocates received grant-supported training in identifying sex trafficking and supporting victims of the same, and its prosecutors received week-long sexual assault training hosted by the Hoover Alabama Police Department.

St. Croix's Criminal Division is staffed by seven attorneys, including Criminal Division Chief William A. Appleton, Jr., and White-Collar Crime and Public Corruption Unit Director Patricia Lynn Pryor, and is supported by four administrative staff members and one Victim Advocate.

Since October 2025, the St. Croix Division has charged 263 new criminal cases and successfully disposed of over 300 cases through trials, plea agreements, dismissals, and other resolutions. This reduced the Division's caseload by 162 cases, leaving 303 active criminal cases pending. New cases included 16 homicides, 63 crimes of violence, 68 domestic violence cases, 4 sex crime cases, and 31 illegal firearm cases. These are among the most serious offenses prosecuted by the Department and require extensive attorney preparation, law enforcement

coordination, victim support, and court appearances. During this period, the Division secured three significant homicides dispositions, including a life sentence, a 30-year sentence, and a 25-year sentence.

The St. Croix prosecutors attended 3,936 court hearings during the reporting period. Continued investment in prosecutorial staffing, investigative support, victim services, training, and technology remains critical. Additional resources would enhance the Division's ability to further reduce case backlogs, improve case processing times, strengthen the prosecution of violent and white-collar crimes, and ensure that victims receive the support and counseling they need.

WHITE COLLAR CRIME AND PUBLIC CORRUPTION UNIT

DOJ's White-Collar Crime and Public Corruption Unit [WCC] investigates and prosecutes complex financial crimes, public corruption offenses, and other matters involving the misuse of public trust and resources. These cases often require extensive investigation, detailed financial analysis, review of voluminous records, and coordination with local and federal law enforcement partners. Currently, this unit operates with only one employee – the Director – and cooperates with VIPD's Economic Crimes Unit, many federal law enforcement agencies, other DOJ divisions, and the Regional Organized Crime Information Center [ROCIC].

During the reporting period, the Unit maintained an active caseload of significant and complex matters. It currently has 44 open cases across both districts and has successfully closed 25 cases through prosecution, plea agreements, or other methods. Restitution to victims remains a priority.

One of the Unit's most significant accomplishments during this reporting period was its collaboration with the Medicaid Fraud Control Unit (MFCU) and other local and federal law enforcement agencies in a major Medicaid fraud investigation that resulted in charges against 11 defendants. An additional case of Elder Exploitation was also recently brought following an investigation by MFCU, in which a caretaker with a power of attorney allegedly fraudulently obtained over \$130,000.00 from an 82-year-old resident suffering from dementia. Other convictions involving exploitation of older adults have resulted in restitution exceeding \$325,000.00.

As financial crimes grow in sophistication, the need for specialized prosecutorial resources becomes increasingly important. Continued investment in training, forensic accounting resources, digital evidence management, and investigative tools is critical.

MEDICAID FRAUD CONTROL UNIT (MFCU)

The Medicaid Fraud Control Unit (“MFCU”) investigates and prosecutes Medicaid provider fraud and patient abuse and neglect in healthcare facilities and other care settings. The U.S. Department of Health and Human Services Office of Inspector General (“OIG”) oversees and annually recertifies and approves Federal funding for MFCU. The Unit is funded 100 percent by a grant from the OIG.

Since its establishment, MFCU has identified and combated fraud schemes that divert scarce healthcare resources from eligible beneficiaries. To date, MFCU has initiated fourteen arrests involving Medicaid fraud and one arrest involving the neglect and financial exploitation of a vulnerable person. MFCU currently maintains nine active investigations involving allegations of Medicaid fraud, false claims, unlicensed practice, abuse, neglect, and financial exploitation, and other violations impacting the Virgin Islands Medicaid program.

MFCU evaluates complaints from service providers, government agencies, other law enforcement agencies, and the public. Referrals have remained steady, with fifteen received in Fiscal Year 2024, ten in Fiscal Year 2025, and to date, four in Fiscal Year 2026. Current investigations involve potential losses and recoveries exceeding \$2.5 million dollars.

MFCU works closely with several federal and territorial partners. MFCU also conducts outreach and educational initiatives designed to increase awareness of Medicaid fraud, abuse, neglect, and financial exploitation of elderly and vulnerable adults, and reporting obligations.

To effectively carry out its mission and address the growing complexities of healthcare fraud investigations, MFCU requires additional personnel, including two investigators, a registered nurse, a forensic accountant, a data analyst, and a grant administrator. Continued staffing shortages place additional burdens on existing personnel and may impact MFCU's capacity to pursue emerging fraud schemes and protect vulnerable Medicaid beneficiaries. Legislative support for additional staffing and operational resources will strengthen MFCU's ability to combat fraud, recover public funds, protect vulnerable residents, and ensure the integrity of the Virgin Islands Medicaid program.

DIVISION OF GAMING ENFORCEMENT (DGE)

During the current fiscal year, DGE filed four Complaints against casino licensees for violating the Virgin Islands casino laws, rules, and regulations. Two Complaints were settled, one was dismissed by DGE, and the other is pending. DGE received six Patron Complaints for investigation; four investigations were completed and DGE's reports were transmitted to the Casino Control Commission for further

action. During the referenced period, DGE opened 111 due diligence investigation files, completed investigations of 34 applicants, and transmitted its findings to the VICCC for licensure determinations. During that period, DGE closed 40 investigation files for employees who resigned or were terminated. Currently DGE has approximately 375 open investigation files.

During the referenced period, DGE responded to approximately 58 requests for technical assistance from the Divi Carina Bay and the Caravelle casinos.

I wish to thank members of the Thirty-Sixth Legislature, especially Finance Chairman Novelle Francis and Senator Clifford Joseph, for spearheading an amendment to the Casino Resort and Control Act to reallocate the Casino Revenue Fund to provide ten percent (10%) of the revenue to the Department of Justice to hire additional employees for the Division of Gaming Enforcement. The Bill was signed into law by Governor Albert Bryan on November 10th, 2025, and DOJ received its first quarterly allotment of \$50,422.48 on April 1st, 2026. DGE's Director is working closely with DOJ's CFO and HR Director to hire an Administrative Assistant and an Investigator, additions that will prove invaluable to DGE's efficient functioning.

SPECIAL INVESTIGATIONS DIVISION

During the current fiscal year, the Special Investigations Division (“SID”) completed numerous investigations and discharged its criminal, administrative, and witness protection duties. SID opened 43 cases, closed 40 cases, and served 193 subpoenas. SID is staffed on St. Thomas by 3 Special Agents, an Administrative Specialist, and the Director, and on St. Croix by an Assistant Director. Although staffing shortages remain critical, SID continues to meet its obligations. SID hopes to operate at full efficiency with the optimal number of 5 agents per district, supplemented by an investigative analyst in each district to research and analyze data and spreadsheets, record search results, and aid agents in preparing investigative reports.

This year, SID’s agents participated in several training programs that provided in-depth looks at national standards and practices in law enforcement and their application in the Territory. SID’s agents also coordinate with DOJ’s Criminal Division to assist in investigating and preparing cases for trial. This year, SID participated in several community events. SID, alongside the Office of the Medical Examiner (OME), took part in the Annual Virgin Islands Police Department (VIPD) Trunk or Treat activities, which enabled the Agents to interact with the community. SID also participated in career-day activities at several schools, gave a presentation

to the VIPD's Police Cadet program, and participated in the Peace Officer Memorial Day Motorcade, Parade, and Memorial Service, paying tribute and honor to those officers who gave the ultimate sacrifice in the line of duty.

OFFICE OF THE MEDICAL EXAMINER

The primary role of the Medical Examiner's Office ("MEO") is to determine the accurate cause and manner of death through thorough investigations of deaths occurring under unnatural, sudden, suspicious, or unattended circumstances. This includes, but is not limited to, homicides, suicides, accidents, and unexpected deaths. The office conducts medico-legal death investigations, performs autopsies and external examinations, collects toxicology and other necessary specimens, obtains relevant medical records, identifies decedents, and provides support and guidance to grieving families. The MEO also prepares detailed case reports and documentation for investigative and legal proceedings.

At present, the St. Thomas/St. John district is staffed with one contracted Medical Examiner, one Medical Examiner Operations Manager, one Forensic Technician, and two Medicolegal Death Investigators. The St. Croix district currently has two Medicolegal Death Investigators. In the St. John district, one contracted member is assigned to support operations. Staff are on-call 24 hours a

day, seven days a week, to respond to death scenes, conduct investigations, and retrieve decedents that fall under their jurisdiction.

MEO needs additional staff and specialized training to strengthen operations in both districts. It also requires dedicated Medical Examiner response vehicles, investigative personnel, and essential investigative, forensic, mortuary, and office supplies. The St. John district still lacks a cooler or morgue facility, so decedents are transported to St. Thomas via STJ Rescue for temporary holding and further examination. A modular morgue unit is presently being installed on St. Croix and is expected to be completed by August. Currently, all autopsies are performed in the St. Thomas district.

The Territory has only one contracted Medical Examiner. He is currently on sick leave, but a former Medical Examiner has agreed to return temporarily to help maintain continuity of services. To address this challenge, the office has taken several proactive measures, including interviewing prospective new hires and working with other agencies to improve the contracting and payment process.

OFFICE OF SEXUAL OFFENDER REGISTRY

DOJ is charged with enforcing the Sex Offender Registration and Notification Act (“SORNA”) and the Virgin Islands Sex Offender Registration and Community Protection Act. Its SORNA staff registers and tracks sexual offenders within the

Territory, including all visiting sexual offenders, which involves regular site visits to ensure offenders reside at their reported address and comply with their registration requirements. During this past year, the Division maintained substantial implementation of Federal Sorna standards, reestablished the SORNA Board after more than two decades, strengthened partnerships with local and federal law enforcement agencies, and ensured continued offender accountability throughout the territory. It registered 128 local sex offenders and 160 visiting sex offenders, issued 3 failure-to-register warrants that resulted in arrests, and completed compliance address verifications for 67% of the registered offenders.

The division has several pressing needs. It requires an agent for the St. Thomas & St. John District so that offenders can be located within 24 hours of failing to register and apprehended within 24 hours of a warrant being issued for that failure. It also needs secure suites on St. Thomas and St. Croix separate from other DOJ facilities where sex offenders could report and register. Funding is also a major issue. Although the Division applied for a Federal SORNA grant, no funding has been awarded. As a result, not only has the Division operated without federal SORNA grant funding during the past year, but no funds are available for the upcoming fiscal year. Without funding, the Division's ability to continue providing

effective offender registration, monitoring, enforcement, and public safety services will be significantly impacted.

HUMAN RESOURCES

DOJ's Human Resources Division (HR), staffed by three dedicated employees, ensures timely recruitment, promotes retention, and strives to ensure a smooth transition for those joining or leaving DOJ. Onboarding outpaced separations in FY26; we have hired twelve individuals, promoted two employees, and processed six separations. We celebrated with the retirees on their successful completion of careers in government service; one was elevated to the bench, and others sought new work experiences.

Of HR's twelve new hires, six are exempt, six are unionized, and one is a classified non-union employee. Of those who separated from DOJ, one was in the St. Thomas-St. John District and five were in the St. Croix District. We currently have four outstanding offers to attorneys to fill vacant positions in both districts.

HR actively promotes training at DOJ. In addition to the in-person trainings with NAAG, there have been subsidized opportunities for DOJ staff outside the territory, such as the Chief Deputies Conference, NAAG Leadership Conference, and Support Staff training. This year, DOJ is participating in the Department of Labor's L.I.F.T. Program, hosting summer interns with enhanced work and learning

experiences in both districts. These students are currently pursuing higher education in legal careers and are a strong representation of the quality future employees we look forward to having in public service. And I once again praise our two honorees who were celebrated at Division of Personnel ceremonies in each District, St. Croix Honoree Gissell Quinones and St. Thomas-St. John Honoree Staniqua Mason, for their superb work and commitment to DOJ.

CONCLUSION

Senators, that concludes my prepared remarks. As you can see, the Department of Justice is doing all that it possibly can to do more with less and satisfy its organic and constitutional duties to the citizens of the Virgin Islands. My staff and I welcome any questions you might have.