

**TESTIMONY OF KEVIN MCCURDY
COMMISSIONER, DEPARTMENT OF FINANCE
TO THE COMMITTEE ON BUDGET, APPROPRIATIONS, AND FINANCE
BILL NO. 36-0045
JUNE 8, 2026**

Good morning, Finance Committee Chairman, Senator Novelle E. Francis; Vice Chairman, Senator Marvin A. Blyden; other committee and non-committee members present; and the people of this territory listening and viewing today. My name is Kevin McCurdy, Commissioner of the Department of Finance, and I am testifying on Bill No. 36-0045, an Act appropriating \$400,000.00 from the Tourism Advertising Revolving Fund to the Virgin Islands Taxicab Commission for the implementation of technology upgrades.

The proposed legislation seeks to allocate \$400,000 from the Tourism Advertising Revolving Fund to the Virgin Islands Taxicab Commission. The objective is to implement technological upgrades for the taxi sector, including improvements in dispatch systems, payment solutions, trip-tracking, fare meters, and other modernizations.

While the modernization of taxi technology is a reasonable and forward-looking policy goal, the Department of Finance does not support the proposed funding mechanism. Specifically, we do not recommend approving the transfer of \$400,000 from the Tourism Fund for this purpose.

The Tourism Advertising Revolving Fund is dedicated to supporting tourism-related contractual obligations, seasonal cash-flow needs, and ongoing program commitments. Unlike other agencies, Department of Tourism does not draw from the General Fund and relies solely on its own revenue to cover vendor contracts, marketing activities, grant matches, and special events. Diverting resources from this fund would risk service interruptions, vendor nonpayment, and potential harm to the tourism sector, especially during peak seasons.

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Recommended Alternative Actions

1. Institute daily electronic reconciliation of fares and fees to improve transparency and accountability.
2. Centralize cash handling or transition aggressively toward cashless payment systems to minimize loss and improve efficiency.
3. Conduct thorough internal and external financial audits, as well as a comprehensive operations review, to identify new revenue opportunities and areas for cost reduction.

We believe that modernizing taxi technology is an appropriate objective, but it must be pursued in a fiscally responsible and transparent manner that does not jeopardize the tourism sector or establish a precedent for inappropriate fund transfers.

We urge the committee to reconsider the \$400,000 transfer and instead require the Taxicab Commission to document internal reforms, develop a staged pilot plan, and pursue targeted, user-aligned, and grant-based funding options.

Currently, the Department is reconciling the Tourism Advertising Revolving Fund. The results of this reconciliation may significantly adjust the reported fund balance and will provide a more accurate representation of the fund's ability to sustain the current break-even trend. Therefore, we do not support the proposed transfer to the taxi fund, as doing so may place the Tourism Advertising Revolving Fund at risk of a deficit and impair its ability to meet existing and future expenditure obligations.

Thank you for the opportunity to provide this testimony. I am available to answer any questions you may have.