

THE UNITED STATES VIRGIN ISLANDS OFFICE OF THE GOVERNOR GOVERNMENT HOUSE Charlotte Amalie, V.I. 00802 340-774-0001

September 9, 2024

## VIA EMAIL DELIVERY

The Honorable Novelle E. Francis, Jr. Senate President Thirty-Fifth Legislature of the Virgin Islands Capitol Building St. Thomas, Virgin Islands 00802

## Re: Proposed Bill for Cruise Ships to Operate its Casino in St. Croix

Dear Senate President Francis, Jr.:

The economic viability of our towns and overall tourism product has been a key initiative of the Bryan/Roach administration. Our strategy is simple: extend the day, extend the stay, increase the spend. As you are well aware Frederiksted is a focal point of this attention as we seek new strategies and initiatives to attract new tourists as well as locals to the downtown area. Policy initiatives such as the "Derelict & Abandoned Buildings Legislation", Frederiksted Jazz series and the revitalization of the waterfront are all designed to enhance the experience of our visitors. We have worked with cruise lines to triple the number of cruise passengers over the last three years and are certain that this new initiative will encourage our cruise partners to bring even more passengers.

Currently, cruise ships berth in the Port of Frederiksted for an average time of 10 hours, arriving at approximately 7 AM and departing by 5 PM. As vacationers tend to move later in the morning it's already 9 AM before passengers embark. This not only limits the time for tours, beaches and other excursions but they have little or no opportunity to walk around Frederiksted before returning to the ship for its next destination. We seek to extend the day by presenting an option for the cruise lines that saves money on fuel, maintains their onboard revenue and allows their passengers to have a full experience when in Frederiksted.

Unlike land based operations, cruise ship casinos are not open 24 hours a day, seven days a week. Cruise ship casinos are only operated in international waters (USVI territorial waters extend from land to 3 miles offshore) because of varying gambling regulations from port to port. On any given night, one can see multiple cruise ships meandering on the horizon so that

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they are out of territorial waters and within international waters where they may operate legally. This is a fuel cost that they could avoid if they were allowed to operate at the port.

Since 1999, Act No. 6287 has permitted cruise ships anchored or docked at the piers in St. Thomas and St. John to operate their onboard casinos for use by their passengers only. The legislation attached proposes to extend this privilege to the district of St. Croix. Notwithstanding any other law, cruise ships will be allowed to operate its casino, while docked in Frederiksted. The law is very deliberate and only allows this action after 5 PM, negating the need to leave port as soon as possible. Increasing time in the Port of Frederiksted provides cruise passengers and crew with an opportunity to purchase a second tour, explore Christiansted, eat dinner, do some more shopping and soak up more of the crucian culture, "A Vibe like no other".

We believe that this legislation will not only extend the day of cruise passengers but will ultimately increase the amount of cruise ship calls thereby providing a positive impact on the economy of St. Croix. This is but one step in a host of improvements to encourage lines to provision locally, bunker fuel, purchase water and reduce emissions by plugging into shore power (WAPA).

We recently approved \$250,000 for Our Town Frederiksted in hopes that once this legislation is passed we can also create nighttime activities and festivals like the traditional "Harbor Night" for our visitors. I thank you in advance for your commitment to our downtown initiatives and the speedy consideration of this legislation. We remain eager and available for a meeting or hearing as requested by you and your colleagues.

Thank you for assigning the proposed measure to the proper committee of jurisdiction.

Respectfully Submitted,

Albert Bryan Jr. Governor

Cc: Members of the 35<sup>th</sup> Legislature of the Virgin Islands