

Virgin Islands Casino Control Commission

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Virgin Islands Casino Control Commission

Fiscal Year 2024

Budget Presentation

before the

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

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

July 27, 2023

2:30 PM

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

GOOD AFTERNOON, HONORABLE SENATOR DONNA FRETT-GREGORY, CHAIRPERSON OF THE COMMITTEE ON BUDGET, APPROPRIATIONS AND FINANCE, ALL HONORABLE MEMBERS OF THE COMMITTEE, OTHER HONORABLE MEMBERS OF THE THIRTY-FIFTH 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 LUTHER F. RENEE, SECRETARY/TREASURER, OF THE COMMISSION AND OUR EXECUTIVE ASSISTANT, ROMESHA SMITH. DUE TO HER PREVIOUSLY SCHEDULED ATTENDANCE AT A CONFERENCE ON PROBLEM GAMBLING, COMMISSIONER CAROLYN P. HERMON-PERCELL, VICE-CHAIR OF THE COMMISSION, IS UNABLE TO JOIN US TODAY.

WE THANK YOU FOR THE OPPORTUNITY TO PRESENT AND DISCUSS THE FISCAL YEAR 2024 BUDGET REQUEST FOR THE COMMISSION.

THE COMMISSION IS RESPONSIBLE FOR THE REGULATION OF CASINOS PURSUANT TO THE VIRGIN ISLANDS CASINO AND RESORT CONTROL ACT OF 1995, AS AMENDED ; INTERNET GAMING AND GAMBLING PURSUANT TO THE VIRGIN ISLANDS INTERNET GAMING AND GAMBLING ACT, AS AMENDED; 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. THESE STATUTES, AND ALL RELEVANT AMENDMENTS, ESTABLISH THE BASIS FOR THE GOVERNANCE AND OPERATIONS OF THE 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, WHICH WAS AMENDED BY ACT NO. 7643, AND BY SECTION 4 OF ACT NO. 8184. THIS ACCOUNT IS FUNDED BY CASINO AND 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 WAS AMENDED BY SECTION 2 OF ACT NO. 8577 AND IS FUNDED BY THE TWELVE PERCENT (12%) TAX ON GROSS REVENUES FROM DIVI CARINA BAY CASINO AND RESORT AND VIGL-CRG, COMMONLY REFERRED TO AS CARAVELLE HOTEL AND CASINO. WITH THE AMENDMENT TO 32 VIC § 517, THE COMMISSION NOW 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 IT RELATES TO THE GENERAL FUND FOR THE COMMISSION’S PERSONNEL, THE TOTAL SUM WE ARE REQUESTING FOR SALARIES AND FRINGE BENEFITS, IS \$1,477,300

FOR FIFTEEN (15) EMPLOYEES, INCLUDING TWO (2) VACANCIES. THE VACANT POSITIONS ARE FOR AN IN-HOUSE LEGAL COUNSEL AND AN EXECUTIVE DIRECTOR. THE TABLE BELOW LISTS THE NAMES AND RELATED INFORMATION FOR THE EMPLOYEES, INCLUDING COMMISSIONERS, OF THE COMMISSION.

Name	Position	Current Salary	Activity Center	Funding	Retirement	Classification
Pickering, Marvin L.	Chairman/CEO	\$105,000	STX	General	Yes	Unclassified
Hermon-Percell, Carolyn P.	Commissioner	\$100,000	STT	General	Yes	Unclassified
Luther F. Renee	Commissioner	\$100,000	STX	General	Yes	Unclassified
VACANT	Legal Counsel	\$100,000	STX	General	Yes	Unclassified
VACANT	Executive Director	\$ 80,000	STX	General	Yes	Unclassified
Henry E, Schjang	Special Assistant for Licensing & Compliance	\$ 68,250	STX	General	Yes	Unclassified
Odingo Davila	IT Support Specialist	\$59,000	STX	General	Yes	Unclassified
Smith, Romesha	Executive Assistant	\$ 65,500	STX	General	Yes	Unclassified
O'Reilly, Daren H.	Archive Technician	\$ 55,500	STX	General	Yes	Unclassified
Henry, Masai	Senior Casino Inspector	\$ 54,600	STX	General	Yes	Unclassified
Browne, Sean	Casino Inspector II	\$ 49,820	STX	General	Yes	Unclassified
Luis, Jr., Juan	Casino Inspector II	\$ 49,820	STX	General	Yes	Unclassified
Encarnacion, Rafael	Casino Inspector II	\$ 49,820	STX	General	Yes	Unclassified
Womack, Cheray	Casino Inspector I	\$ 49,820	STX	General	Yes	Unclassified
Rodriguez de Garcia, Claridilia	Custodial Worker	\$ 34,000	STX	General	Yes	Unclassified
Total Personnel Costs		\$1,021,130				

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 2023, FROM OCTOBER 1, 2022, THROUGH APRIL 30, 2023, THE COMMISSION COLLECTED \$100,390 OF WHICH 80% OR \$80,312 WAS ALLOCATED TO THE COMMISSION AND 20%, OR \$20,078, WAS ALLOCATED TO THE DEPARTMENT OF JUSTICE, DIVISION OF GAMING ENFORCEMENT (DGE) OPERATING ACCOUNT FOR THEIR OPERATING EXPENSES RELATIVE TO GAMING

ENFORCEMENT. THE SIGNATORIES ON THIS ACCOUNT ARE THE COMMISSIONERS AND THE ATTORNEY GENERAL OF THE VIRGIN ISLANDS.

REGARDING THE CASINO REVENUE FUND, THE COMMISSION CURRENTLY IS ALLOCATED 25% OF THE GROSS CASINO REVENUE TAXES LEVIED ON CASINOS AT THE RATE OF 12%. IN FY 2022, THE AMOUNT APPROPRIATED TO THE COMMISSION FROM THE DEPARTMENT OF FINANCE WAS \$265,680, AS COMPARED TO \$164,732 FOR FY '21, AN INCREASE OF \$100,948 OR 61% YEAR OVER YEAR. THIS INCREASE IS PRIMARILY ATTRIBUTED TO THE CHANGE IN APRIL 2022 IN THE ALLOCATION RATE FROM 10% TO 25% PURSUANT TO ACT 8577. FOR THE CURRENT FISCAL YEAR THROUGH APRIL, THE AMOUNT ALLOCATED TO THE COMMISSION WAS \$238,817 VERSUS \$137,412 WHEN COMPARED TO THE SAME PERIOD LAST FISCAL YEAR, AN INCREASE OF 74%. THE SECOND QUARTER REPORT BELOW FROM THE DEPARTMENT OF FINANCE FOR FY '23 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 '23 986,621.23
DISTRIBUTIONS		Amount to be paid 2nd Qtr 03/31/2022
Agency/Program/Org	%	
Agriculture	10	\$ 98,662.12
Bureau of internal Revenue	1	\$ 9,866.21
Casino Control Commission	25	\$ 246,655.31
Casino Rehabilitation Fund	-	\$ -
Education ²	20	\$ 197,324.25
Hospital & Health	15	\$ 147,993.18
Housing, Parks, & Recreation	15	\$ 147,993.18
Juan F. Luis Hospital	-	\$ -
Myrah Keating Smith Clinic	-	\$ -
Public Safety	10	\$ 98,662.12
Roy L. Schneider Hospital	-	\$ -

St. Croix Foundation ¹¹			
Tourism/Casino Promotion STX	-	\$	-
Union Arbitration & Iner. Fund		\$	-
University of the Virgin Islands	3	\$	29,598.64
V.I. Alliance for Responsible Gaming	1	\$	9,866.22
Worker Prep Edu Prog/High School	-	\$	-
Youth Programs	-	\$	-
Total Distribution	100	\$	986,621.23

THE FUNDS WERE DISTRIBUTED TO DEPARTMENT OF HEALTH; DEPARTMENT OF EDUCATION; DEPARTMENT OF AGRICULTURE; BUREAU OF INTERNAL REVENUE; UNIVERSITY OF THE VIRGIN ISLANDS; V.I. ALLIANCE FOR RESPONSIBLE GAMING; DEPARTMENT OF SPORTS, PARKS, & RECREATION; CASINO CONTROL COMMISSION; AND THE POLICE DEPARTMENT. THE DISTRIBUTION REPORTS FOR FY 2019, FY 2020, FY 2021, FY 2022 AND THROUGH THE SECOND QUARTER OF FY 2023 CAN BE FOUND ON THE COMMISSION’S WEBSITE.

THE HORSE RACETRACK CASINO REVENUE FUND HAS NOT PROVIDED ANY FUNDING SINCE TRAXCO ENDED RACINO OPERATIONS IN MAY 2016.

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 FOR DAMAGES RELATED TO HURRICANE MARIA. OF THAT AMOUNT, THE COMMISSION HAS RECEIVED \$87,412 THUS FAR. APPROVAL IS PENDING FROM THE VIRGIN ISLANDS

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.

TERRITORIAL EMERGENCY MANAGEMENT AGENCY (VITEMA) REGARDING A MOLD REMEDIATION PROJECT IN THE AMOUNT OF APPROXIMATELY \$50,000. .

A FINANCIAL OVERVIEW OF THE COMMISSION, BY BANK ACCOUNTS, FOR THE PERIOD OCTOBER 1, 2022, THRU APRIL 30, 2023, IS INSERTED BELOW FOR YOUR REVIEW.

Accounts	Beginning Balance October 1, 2022	Deposits	Disbursements	Ending Balance April30, 2023
		\$0		
Petty Cash	\$300		\$0	\$300
Commission Operating Account (BP)	\$173,301	\$258,527	\$312,898	\$118,930
Youth Programs Account (BP)	\$345,112	\$40,185	\$0	\$385,297
Commission Revolving Account (FB)	\$134,241	\$74,523	\$58,333	\$150,431
VI Alliance on Responsible Gaming	\$185,476	\$9,553	\$13,403	\$181,626
Commission\DGE Revolving Account (FB)	\$265,070	\$177,399	\$106,057	\$336,412

ADMINISTRATIVE ACTIONS

THE COMMISSION RECEIVED FUNDING FOR TWO (2) ADDITIONAL POSITIONS IN THE FY 2023 BUDGET AND WE THANK THIS BODY FOR SUPPORTING OUR REQUEST FOR THOSE POSITIONS. SPECIFICALLY, THE POSITIONS TO BE FUNDED WERE AN IN-HOUSE LEGAL COUNSEL AND AN IT SUPPORT SPECIALIST. I AM PLEASED TO REPORT THAT THE IT SUPPORT SPECIALIST POSITION WAS FILLED AND THE INDIVIDUAL BEGAN WORK ON JULY 17, 2023. THE COMMISSION IS CONTINUING IN ITS SEARCH FOR A LEGAL COUNSEL. THE COMMISSION CURRENTLY ALSO HAS A VACANCY FOR THE EXECUTIVE DIRECTOR’S POSITION, WHICH WE HOPE TO POST IN THE VERY NEAR FUTURE AND AFFORD OUR EMPLOYEES WHO MEET THE QUALIFICATIONS AN

OPPORTUNITY TO APPLY. THE VACANT POSITION FOR A COMMISSIONER FROM THE DISTRICT OF ST. CROIX WAS FILLED WITH THE NOMINATION AND SUBSEQUENT CONFIRMATION OF COMMISSIONER LUTHER F. RENEE BY THE THIRTY-FIFTH LEGISLATURE ON APRIL 14, 2023, TO A FIVE (5) YEAR TERM. THE COMMISSION THANKS THE HONORABLE GOVERNOR ALBERT BRYAN, JR. FOR COMMISSIONER RENEE'S APPOINTMENT AND THE MEMBERS OF THE LEGISLATURE OF THE VIRGIN ISLANDS FOR HIS CONFIRMATION. THE COMMISSION NOW HAS A FULL COMPLEMENT OF COMMISSIONERS.

ON FEBRUARY 10, 2023, THE COMMISSION ISSUED ITS THIRD 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 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, FOR THE FIRST TIME IN ITS HISTORY, SUBMITTED TO THE LEGISLATURE AND THE COMMISSIONER OF FINANCE, THE ANNUAL REPORT FOR THE CASINO CONTROL REVOLVING FUND. WITH THE SUBMISSION OF QUARTERLY REPORTS AND ANNUAL REPORTS TO THE COMMISSIONER OF FINANCE AND THE LEGISLATURE, IT REMOVES A YELLOW BOOK AUDIT FINDING THAT WAS CITED AS A SIGNIFICANT DEFICIENCY IN INTERNAL CONTROL AS IT RELATED TO THE DEPARTMENT OF FINANCE. THE COMMISSIONERS AND STAFF ARE VERY PLEASED WITH THIS ACCOMPLISHMENT. AS WAS MENTIONED PREVIOUSLY, THE CASINO CONTROL 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

CASINO CONTROL COMMISSION AND 20% TO DGE FOR THE OPERATING EXPENSES OF BOTH ENTITIES. THE SIGNATORIES TO THIS ACCOUNT ARE THE MEMBERS OF THE COMMISSION 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.

IT IS THE INTENT OF THE COMMISSION TO FOSTER A HARMONIOUS AND COOPERATIVE WORKING RELATIONSHIP WITH ITS EMPLOYEES. TO THAT END, THE COMMISSION CONDUCTED EMPLOYEE PERFORMANCE EVALUATIONS EXAMINING RESULTS AND GOAL ACCOMPLISHMENTS FOR CALENDAR YEAR 2022. EMPLOYEES WITH SATISFACTORY PERFORMANCE EVALUATIONS RECEIVED SALARY ADJUSTMENTS. MANAGERS AND SUPERVISORS COLLABORATED WITH EMPLOYEES TO SET GOALS TO BE ACCOMPLISHED FOR CALENDAR YEAR 2023. IN ADDITION, EMPLOYEES, INCLUDING THE COMMISSIONERS, RECEIVED ETHICS TRAINING DURING THIS FISCAL YEAR. IT IS IMPERATIVE THAT THE COMMISSION'S CODE OF ETHICS IS ADHERED TO BY THE COMMISSIONERS AND STAFF. FURTHER, THE COMMISSION CONDUCTED A FORMS WORKSHOP FOR PERSONNEL OF THE COMMISSION AND THE DGE. THE COMMISSION'S INSPECTORS RECENTLY RECEIVED TRAINING IN TABLE GAMES AND SUCH TRAINING WILL CONTINUE AND SOON BE AUGMENTED WITH ANTI-MONEY LAUNDERING AND OTHER EDUCATION OPPORTUNITIES. AND, IN SEEKING TO INCREASE ACCESSIBILITY INTO THE OPERATIONS OF THE COMMISSION, THE HEARING ROOM WAS UPGRADED WITH NEW AUDIO-VISUAL EQUIPMENT THAT WILL ENABLE THE COMMISSION TO CONDUCT

MEETINGS VIA ZOOM OR MICROSOFT TEAMS FROM THAT LOCATION. ALSO, IT IS THE COMMISSION'S INTENT TO LIVE-STREAM OUR REGULAR QUARTERLY MEETINGS AND PUBLIC HEARINGS IN THE NEAR FUTURE.

THE COMMISSION CONTINUES TO REVIEW AND MONITOR THE LICENSURE PROCESS FOR EMPLOYEES OF THE CASINOS AND CASINO HOTELS AND RELATED ENTITIES. LAST FISCAL YEAR, WITH THE ASSISTANCE AND COORDINATION OF THE DGE, THE COMMISSION BEGAN TO ADDRESS THE BACKLOG OF APPLICATIONS FOR ALL TYPES OF EMPLOYEE LICENSES AND GAMING AND NON-GAMING ENTITY LICENSES. HOWEVER, THOSE EFFORTS WERE SHORT LIVED BECAUSE THE DGE LACKS THE RESOURCES TO ADEQUATELY AND TIMELY SUBMIT THE REQUIRED INVESTIGATIVE REPORTS TO THE COMMISSION. THE COMMISSION'S RECORDS INDICATE THAT THERE ARE MORE THAN 180 APPLICATIONS CURRENTLY AT DGE AWAITING INVESTIGATIVE REPORTS FOR GAMING AND NON-GAMING RELATED ENTITIES, CASINO HOTEL EMPLOYEES, CASINO KEY EMPLOYEES, AND CASINO SERVICE EMPLOYEES. ALTHOUGH, THE DGE IS A DIVISION OF THE DEPARTMENT OF JUSTICE AND NOT A PART OF THE COMMISSION'S BUDGET, 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 CRITICAL RESOURCES TO THE DGE.

THE COMMISSION ISSUED A REQUEST FOR PROPOSAL (RFP) FOR FINANCIAL AUDIT SERVICES TO AUDIT THE FISCAL YEARS 2021, 2022 AND 2023. TWO CPA FIRMS RESPONDED. THE COMMISSION SELECTED THE FIRM OF BERT SMITH AND COMPANY

AND I AM PLEASED TO REPORT THAT THE FISCAL YEAR 2021 AUDIT IS CURRENTLY UNDERWAY.

THE COMMISSION RECENTLY PARTNERED WITH THE NATIONAL COUNCIL ON PROBLEM GAMBLING (NCPG) IN RECOGNITION OF PROBLEM GAMBLING AWARENESS MONTH. AT THE COMMISSION'S REQUEST, GOVERNOR ALBERT BRYAN, JR. ISSUED A PROCLAMATION DECLARING MARCH 2023 AS PROBLEM GAMBLING AWARENESS MONTH IN THE U. S. VIRGIN ISLANDS. THE COMMISSION AIRED PUBLIC SERVICE ANNOUNCEMENTS THROUGHOUT THE TERRITORY ON PROBLEM GAMBLING AWARENESS, PLACED BANNERS IN HEAVILY TRAVERSED AREAS AND PROVIDED GIVEAWAYS AT THE CASINOS, ALL CONTAINING THE NATIONAL HELPLINES AND OTHER INFORMATION ON HOW AND WHERE TO OBTAIN FREE AND CONFIDENTIAL HELP FOR PROBLEM GAMBLING.

DURING FISCAL YEAR 2023, THERE WERE NO CASINO PATRONS WHO WERE 86(d), WHICH IN THE INDUSTRY, REFERS TO PERSONS EJECTED OR BANNED FOR IMPROPER CONDUCT BY A CASINO. THE COMMISSION PROCESSED ONE (1) PATRON COMPLAINT AND SIX (6) PETITIONS FOR VOLUNTARY SELF EXCLUSIONS. THE COMMISSION ALSO DECIDED THREE (3) EXCLUSION COMPLAINTS AND SIX (6) LICENSE REVOCATION COMPLAINTS FILED BY THE DGE. THE COMMISSION HAS SECURED THE SERVICES OF AN INDEPENDENT HEARING OFFICER (IHO), WHO WILL PRESIDE OVER MATTERS SUCH AS THESE, WHEN WARRANTED, AND MAKE RECOMMENDATIONS TO THE COMMISSION FOR FINAL DISPOSITION.

THE COMMISSION ISSUED NEW AND RENEWAL LICENSES FOR ALL CATEGORIES TO INCLUDE 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 2022 AND THUS FAR FOR THE CURRENT FISCAL YEAR:

<u>Type of License</u>	<u>FY 2022 Number of Licenses</u>	<u>FY 2023 Number of Licenses</u>
Casino Employees	86	66
Casino Key Employees	52	45
Gaming Related Licenses	12	15
Non-Gaming Related Licenses	25	23
<u>Work Permits</u>	<u>393</u>	<u>144</u>
Total Licenses	568	293

PLEASE NOTE THAT A TOTAL OF 568 LICENSES IN ALL CATEGORIES WERE ISSUED IN FISCAL YEAR 2022. THROUGH JUNE OF THE CURRENT FISCAL YEAR, A TOTAL OF 293 LICENSES WERE ISSUED, WHICH WILL SLIGHTLY SURPASS FISCAL YEAR 2022 NUMBERS ON AN ANNUALIZED BASIS.

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 EXERCISED ITS OPTION TO

RENEW THE CURRENT LEASE WITH THE GERS FOR AN ADDITIONAL YEAR WHICH WILL EXPIRE ON OCTOBER 4, 2023. THE COMMISSION AND THE GERS ARE CURRENTLY IN NEGOTIATIONS FOR A NEW LEASE. INDICATIONS ARE THAT THE TERM OF THE LEASE WOULD REVERT TO THE MORE CUSTOMARY FIVE (5) YEARS AT THE VERY LEAST.

AS EXPRESSED LAST YEAR AT OUR BUDGET HEARING, IT IS THE COMMISSION'S INTENT TO IMPLEMENT THE PROVISIONS OF THE INTERNET GAMING AND GAMBLING LAWS OF THE VIRGIN ISLANDS, 32 VIC, CHAPTER 21, ARTICLE XIV. THIS LAW HAS BEEN ON THE BOOKS FOR MORE THAN TWENTY (20) YEARS AND HAS NEVER BEEN FULLY IMPLEMENTED, DESPITE PREVIOUS ATTEMPTS TO DO SO. THE COMMISSION HAS ENGAGED THE SERVICES OF A CONTRACTOR, INDUSTRY RENOWNED, GAMING LABORATORIES INTERNATIONAL (GLI), TO REVIEW THE CURRENT LAW AND RULES AND REGULATIONS, WHICH MUST BE UPDATED TO REFLECT THE CURRENT ENVIRONMENT OF THE INDUSTRY, WITH THE NEW TECHNOLOGICAL CHANGES AND CURRENT PROCESSES THAT HAVE EVOLVED SINCE THE ENACTMENT OF OUR STATUTES. UNFORTUNATELY, THIS PROCESS IS TAKING MUCH LONGER THAN ORIGINALLY ANTICIPATED. HOWEVER, THE COMMISSION WILL REDOUBLE ITS EFFORTS TO COMPLETE THIS TASK BY THE END OF FY 2024.

GOALS FOR FY 2024

- CONTINUE TO REVIEW THE EXISTING LAWS, REGULATIONS AND POLICIES THAT GOVERN THE AFFAIRS OF THE COMMISSION AND PROPOSE AMENDMENTS OR MAKE CHANGES WHERE NECESSARY.**

- **CONTINUE TO UPGRADE THE COMMISSION'S IT INFRASTRUCTURE TO INCLUDE IMPROVEMENTS AND ACCESS TO SOCIAL MEDIA PLATFORMS THAT WILL ALLOW BROADCASTS OF HEARINGS AND MEETINGS.**
- **CONTINUE DEVELOPMENT OF INTERNAL POLICIES AND PROCEDURES FOR EFFICIENT AND EFFECTIVE OPERATIONS AND MANAGEMENT OF THE COMMISSION.**
- **ISSUE A REQUEST FOR QUALIFICATIONS FOR GAMBLING ADDICTION COUNSELORS, WHICH WILL ENABLE THE COMMISSION TO PROVIDE RESOURCES LOCALLY TO PATRONS WITH GAMBLING ADDICTION THROUGH THE ALLIANCE ON RESPONSIBLE GAMING FUND.**
- **PROVIDE TECHNICAL TRAINING AND OTHER EDUCATIONAL OPPORTUNITIES FOR THE COMMISSION'S STAFF WHILE IMPLEMENTING ACTIVITIES DESIGNED TO MAINTAIN AND IMPROVE THE POSITIVE WORKPLACE ENVIRONMENT.**
- **CONTINUE TO FOSTER AND ENHANCE THE WORKING RELATIONSHIP BETWEEN THE COMMISSION AND THE DGE TO ENSURE THAT REGULATORY COMPLIANCE IS MAINTAINED THROUGHOUT THE GAMING INDUSTRY.**
- **UPGRADE THE COMMISSION'S WEBSITE TO INCLUDE CONTINUOUS CONTENT IMPROVEMENT AND ENSURE TRANSPARENCY OF THE COMMISSION'S FUNCTIONS AND OPERATIONS.**
- **CONTINUE TO ENCOURAGE CASINO ENTITIES AND OTHER STAKEHOLDERS TO UNDERTAKE THE OBLIGATIONS OF THE GAMBLING AND GAMING INDUSTRY IN PROMOTING RESPONSIBLE GAMBLING WHILE WORKING TO PREVENT PROBLEM GAMBLING.**

BEFORE CLOSING, I WISH TO TAKE THIS OPPORTUNITY TO EXPRESS MY APPRECIATION AND THANKS TO MY COLLEAGUES ON THE COMMISSION AND THE ENTIRE STAFF, INCLUDING OUR INSPECTORS WHO ARE USUALLY ON-SITE DAILY AT THE CASINOS, FOR THEIR DILIGENT WORK TO PROTECT THE INTEGRITY OF THE LOCAL CASINO INDUSTRY AND TO ENHANCE THE GAMING EXPERIENCE FOR PATRONS. I MUST ALSO ACKNOWLEDGE THEIR COMMITMENT AS WE STRIVE TO MAINTAIN THE PUBLIC'S TRUST AND TO INSTILL CONFIDENCE THAT THIS COMMISSION WILL OPERATE ABOVE REPROACH AND IN A TRANSPARENT MANNER AT ALL TIMES.

MADAM CHAIR, THIS CONCLUDES THE TESTIMONY OF THE VIRGIN ISLANDS CASINO CONTROL COMMISSION RELATIVE TO ITS FISCAL YEAR 2024 BUDGET. THE REPRESENTATIVES OF THE COMMISSION STAND READY TO RESPOND TO ALL THE QUESTIONS YOU AND THE MEMBERS OF THIS BODY MAY HAVE, TO THE BEST OF OUR ABILITY.