

Virgin Islands Casino Control Commission
Eileen Ramona Petersen Casino Control Commission Building
3005 Orange Grove
Christiansted, VI 00820
Telephone: 340-718-3616 ♦ Fax: 340-718-3136
Email: info@casinocontrolcommission.vi
Website: www.casinocontrolcommission.vi



**TESTIMONY BEFORE THE COMMITTEE ON
HOMELAND SECURITY, JUSTICE AND
PUBLIC SAFETY**

**Thirty-Fifth Legislature of the Virgin Islands
Frits E. Lawaetz Legislative Chamber**

**Wednesday, December 11, 2024
10:00 AM**

**Honorable Luther F. Renee
Secretary/Treasurer**

**On behalf of the
Honorable Marvin L. Pickering
Chairman/CEO**

GOOD AFTERNOON, CHAIRMAN KENNETH L. GITTENS, AND MEMBERS OF THE COMMITTEE ON HOMELAND SECURITY, JUSTICE AND PUBLIC SAFETY OF THE 35TH LEGISLATURE OF THE VIRGIN ISLANDS, OTHER SENATORS OF THE 35TH LEGISLATURE, LEGISLATIVE STAFF, TESTIFIERS, AND PEOPLE OF THE U.S. VIRGIN ISLANDS WHO ARE WATCHING AND LISTENING. FOR THE RECORD, MY NAME IS LUTHER F. RENEE, SECRETARY/TREASURER OF THE VIRGIN ISLANDS CASINO CONTROL COMMISSION (“THE COMMISSION”). WITH ME IS ATTORNEY KELVIN VIDALE, LEGAL COUNSEL TO THE COMMISSION. WE APPEAR BEFORE YOU ON BEHALF OF MARVIN L. PICKERING, CHAIRMAN/CHIEF EXECUTIVE OFFICER OF THE COMMISSION. CHAIRMAN PICKERING AND VICE-CHAIR CAROLYN P. HERMON-PERCELL ARE UNABLE TO APPEAR TODAY DUE TO PREVIOUSLY SCHEDULED COMMITMENTS.

WE APPRECIATE THE OPPORTUNITY TO OFFER COMMENTS ON AMENDMENT NO. 35-756 TO BILL NO. 35-0179, AN ACT TO AMEND TITLES 14 AND 32 OF THE VIRGIN ISLANDS CODE TO STRENGTHEN THE ENFORCEMENT TOOLS OF THE VIRGIN ISLANDS LOTTERY AGAINST ILLEGAL GAMBLING AND LOTTERY, AS PROPOSED BY

THE HONORABLE SENATOR DIANE T. CAPEHART.

THE COMMISSION SUPPORTS THE INTENT OF AMENDMENT NO. 35-756 TO BILL NO. 35-0179. BILL NO. 35-0179 AIMS TO PROVIDE DEFINITIONS AND TO INCREASE PENALTIES AND FINES FOR ILLEGAL GAMBLING AND ILLEGAL LOTTERY SCHEMES IN THE U.S. VIRGIN ISLANDS. WE ACKNOWLEDGE THE SIGNIFICANT FINANCIAL CONTRIBUTIONS MADE BY THE VIRGIN ISLANDS LOTTERY TO THE LOCAL GOVERNMENT AND COMMUNITY ORGANIZATIONS. PROCEEDS FROM THE VIRGIN ISLANDS LOTTERY GO TO OUR PUBLIC SCHOOLS, THE GOVERNMENT EMPLOYMENT RETIREMENT SYSTEM, LOCAL NON-PROFITS, AND OTHER WORTHY CAUSES. WE ALSO RECOGNIZE THE DELETERIOUS EFFECT ILLEGAL GAMBLING AND ILLEGAL LOTTERY HAVE ON THE REVENUE-GENERATING CAPACITY OF THE VIRGIN ISLANDS LOTTERY AND THE CONCOMITANT ADVERSE RESULTS THESE ILLEGAL ACTIVITIES HAVE ON OUR COMMUNITY AS A WHOLE.

AS PRESENTED, AMENDMENT NO. 35-756 TO BILL NO. 35-0179 DOES NOT INVOLVE OR IMPACT THE WORK OF THE COMMISSION,

THAT IS PRIMARILY MANDATED PURSUANT TO THE PROVISIONS OF THE VIRGIN ISLANDS CASINO AND RESORT CONTROL ACT OF 1995, AS AMENDED AND CODIFIED AT V.I. CODE ANN., TITLE 32, SECTION 401-*ET. SEQ.* AND THE REGULATIONS PROMULGATED THEREUNDER. THE COMMISSION IS ALSO GUIDED BY THE VIRGIN ISLANDS INTERNET GAMING AND INTERNET GAMBLING ACT, CODIFIED AT 32 V.I.C. SECTIONS 601-646, AND IS RESPONSIBLE FOR THE LICENSING AND REGULATION OF RACINOS PURSUANT TO THE VIRGIN ISLANDS HORSE RACING INDUSTRY ASSISTANCE ACTS OF 2011 AND 2016, NUMBERS 7318 AND 7952, RESPECTIVELY.

WHEN WE PRESENTED THE COMMISSION’S BUDGET ON JULY 17, 2024, BEFORE THE COMMITTEE ON BUDGET, APPROPRIATIONS AND FINANCE, THE COMMISSION TESTIFIED THAT IT HAD ENGAGED THE SERVICES OF GAMING LABS INTERNATIONAL (“GLI”). THE COMMISSION CHOSE GLI, AN INDUSTRY LEADER EXPERIENCED IN PROVIDING GAMING CONSULTANCY AND REGULATORY EXPERTISE, TO STUDY THE ALMOST THIRTY-YEAR OLD STATUTES AND REGULATIONS AND TO RECOMMEND CHANGES TO BRING US INTO THE 21ST CENTURY OF GAMING. TO

THAT END, THE COMMISSION HAS REVIEWED AND APPROVED THE PROPOSED AMENDMENTS. ADDITIONALLY, THE COMMISSION HAS RECENTLY ENGAGED THE INNOVATION GROUP, ANOTHER HIGHLY-REGARDED GAMING INDUSTRY FIRM, TO CONDUCT A MARKET IMPACT ANALYSIS. THIS ANALYSIS, AMONG OTHER OBJECTIVES, WILL MEASURE THE REVENUE POTENTIAL FOR INTERNET GAMING AND INTERNET GAMBLING IN THE TERRITORY. OUR PLAN IS TO PRESENT THE PROPOSED AMENDMENTS AND THE MARKET FINDINGS TO INDUSTRY STAKEHOLDERS AND POLICY MAKERS, TO INCLUDE THE LEGISLATURE AND THE OFFICE OF THE GOVERNOR, IN A SETTING THAT WILL ALLOW FOR QUESTIONS AND DIALOGUE.

WE EXPECT THAT THIS WORK WILL FURTHER THE MISSION OF THE COMMISSION AND LEAD TO THE STRUCTURING OF AN UPDATED, COMPREHENSIVE STATUTORY AND REGULATORY FRAMEWORK FOR THE SAFE OPERATIONS OF AND PUBLIC CONFIDENCE IN GAMBLING IN THE U.S. VIRGIN ISLANDS, WHETHER AT THE BRICK-AND-MORTAR CASINOS OR ON THE INTERNET.

MR. CHAIRMAN, THIS CONCLUDES THE TESTIMONY OF THE VIRGIN ISLANDS CASINO CONTROL COMMISSION ON AMENDMENT NO. 35-756 TO BILL NO. 35-0179. THE REPRESENTATIVES OF THE COMMISSION STAND READY TO RESPOND TO ANY QUESTIONS THAT YOU OR OTHER MEMBERS OF THE BODY MAY HAVE, TO THE BEST OF OUR ABILITY.