

Testimony

Good day, Senate President, members of the 36th Legislature, and fellow residents.

My name is Alice “Nailah” Charles, and I live in Frederiksted, St. Croix. I am a homeowner, farmer, and parent, and I am here to strongly oppose Bill 36-0211 as it is currently written.

First, I want to say clearly: I am not against small businesses. I support local entrepreneurs and value-added agriculture. My concern is where and how these industrial uses are placed, and what they can do to our farms, neighborhoods, aquifers, and coastal waters when we open the door without strong protections.

I also come here today from a place of **love and duty**. We live on some of the most beautiful, fragile islands in the world. Our land, our reefs, our beaches are not just scenery – they are our **home**, our children’s inheritance, and the foundation of our **tourism** economy. We have a moral obligation to protect and preserve this beauty for ourselves in retirement, for our children and grandchildren, and for those who come after us.

Point 1 – Farmland should grow food, not industrial alcohol

A-1 and A-2 zones were created to protect our limited farmland in the Virgin Islands. Bill 36-0211 calls micro-distilleries “agricultural processing” and allows them as conditional uses in these zones. That makes it easier to shift land, water, and infrastructure away from **food production** and into alcohol production, raising the cost and difficulty for current and future farmers.

At a time when we talk about resilience and disaster preparedness, agricultural land should primarily be used to grow **food**, not more industrial alcohol, when we already import over 95% of our food. We do not need any distilleries or breweries on agricultural land with their potential to destroy viable soils and our aquifers. We need soil that can grow food, water that can sustain plants, and policies that protect our ability to feed ourselves.

Point 2 – Our land and waters are already being damaged

On St. Croix, we have real experience with rum fungus that feeds on ethanol from rum storage facilities. Rum fungus has already coated homes, cars, trees, and signs near existing rum operations. As an example, Diageo rum storage barrels had to be removed from the island and shipped away to be aged because of that fungus. This would not be economically feasible for small distillers, that means the impacts are likely to stay here, in our neighborhoods.

Wastewater from rum distilleries, (for every 1 liter/gallons of ethanol produced, 10 to 15 liters/gallons is left as waste, i.e. **vinasse**,^{1 2}) if not properly treated and contained, can harm **soils, ghuts, groundwater, and coastal waters** because of the large amounts of bacteria and other contaminants. We've seen the large brownish discharge on the south shore from our present distilleries that had to be controlled. Large producers like Diageo/Captain Morgan and Cruzan Rum were required to implement costly treatment facilities to dispose of their wastewater, known as **vinasse**, some treat it while others ship the waste off island for disposal. We cannot realistically expect small "micro" distilleries to meet those same costly standards without strong, enforceable regulations which we know is a challenge for DPNR's lack of staff.

Solid waste from juicing cane, **bagasse** or the left-over cane stalk also must be managed.

This is not hypothetical. The damage has **already begun**. A **toxic** discharge of rust-colored runoff, consistent with liquid distillery waste known as **vinasse**, was seen and documented flowing from the vicinity of Prosperity Farm on October 10, 2025. Because the runoff color was unusual, DPNR tested the water. The test revealed extremely high levels of bacterial contamination in the ghut and onto our beaches. DPNR issued a "Public Advisory: Water Quality Alert at Prosperity Beach" on October 22, 2025, warning the public that the beach is unsafe to swim.(see exhibit 1)

The DPNR/UVI lab report shows that for beach bathing the safe allowable **Enterococci bacteria (not e coli bacteria which is distinctly different to enterococci bacteria)** level is 70 MPN (most probable number), but test results at Prosperity Beach were **7,701 MPN** – more than 100 times higher. Turbidity levels on our beaches normally average below 1 NTU; test results at Prosperity Beach were **14.56 NTU** (see exhibit 2, 1-2). Enterococci is the bacteria tested for, not e coli, as noted on DPNR weekly beach test (see exhibit 2A). Plants is a source of enterococci bacteria, see EPA fact sheet, (Exhibit 2B, 1-4). Those numbers confirm that polluted runoff is already affecting our coast. This must be due to fertigation or using vinasse (cane distillation wastewater) to irrigate or water the cane fields. Though beneficial, excessive use, remember for every 1 liter/gallons of ethanol produced, 10 to 15 liters/gallons is left as waste, will cause soil salinization, ground water contamination, nutrient overloads, and release of greenhouse gases. Pretreatment is essential along with regular pH tests for acidity and salts.

Besides bacteria and turbidity vinasse waste includes low pH (acidity), high BOD (biological oxygen demand), high COD (chemical oxygen demand), and compounds that are hard to treat.³

A second discharge was discovered on February 3, 2026, at 10:23 a.m. The discharge flowed **directly** from Prosperity Farm property through a culvert under Prosperity subdivision road (see inlet, exhibit 3), and back onto the farm's property (see outlet, exhibit 4), and by aerial photography was seen flowing onto an adjacent property (see exhibit 5 and 6), with dead

¹ The Oxford Companion to Spirits and Cocktails

² Science Direct-Energy from Sugarcane-Vinasse

³ National Institute of Health, National Library of Medicine (<https://pubmed.ncbi.nlm.nih.gov/articles>)

vegetation and the same rust-colored water. It was consistent with the October 10, 2025, discharge (see exhibit 7), and inconsistent with normal stormwater runoff (see exhibit 8).

Allowing micro-distilleries and micro-breweries in farm and residential zones means these problems can spread into more communities, including places where families rely on **cisterns, wells, and nearby beaches**. Once our soils and aquifers are contaminated, once our reefs and nearshore waters are stressed, once our beaches are seen as dirty or unsafe, that harm is very hard – sometimes impossible – to reverse.

And what does that mean for **tourism**? Visitors come here for clean water, healthy reefs, and unspoiled beauty. If we allow corporate interests to pollute our ghuts and shorelines, we are not just poisoning our environment – we are **tarnishing the reputation of the Virgin Islands and risking our tourism economy**. If this bill passes, our coalition will have no choice but to alert the Department of Tourism and the cruise lines that their passengers are being exposed to contaminated waters along our west end beaches.

Point 3 – You have already decided once that distilleries do not belong on agricultural land

In 2022, this Legislature passed Bill 34-0301 to repeal Section 2 of Act 8569. That section had changed the definition of “agricultural processing plant” specifically to allow rum distilleries to be constructed on agricultural lands in the Virgin Islands.

You amended 29 V.I.C. § 225(4) to return it to its original definition thereby including **or rum distillation to the definition of agricultural processing plant**.

On reconsideration, that repeal and clarification passed **15–0** (see exhibit 9). Every voting member of the 34th Legislature – including senators who are here today or whose successors sit in these seats – voted YES to say that rum distillation should **not** be classified as agricultural processing on agricultural lands.

Bill 36-0211 now asks you to approve almost the exact same move – redefining “agricultural processing” to include micro-distilleries and micro-breweries in A-1 and A-2 agricultural zones – and then goes even further by extending these uses into **R-1 and R-2 residential zones**. If it was wrong in 2022, after community outcry and ignored environmental reports, it is even more wrong now, when we have documented pollution events and a newly adopted Comprehensive Land and Water Use Plan telling us to stop this pattern along with new environmental reports taken from the **October 10, 2015 discharge that DPNR is refusing to disclose to the public. An inspection report that was requested per the Freedom of Information Act and yet to be received.**

We are not asking you to invent a new position. We are asking you to **stand by your own decision** in Bill 34-0301 and be consistent: distilleries should not be treated as agricultural

processing on agricultural lands, and they certainly should not be embedded in our neighborhoods.

Point 4 – This bill violates the Comprehensive Land and Water Use Plan (CLWUP) you just adopted

Because of the CLWUP, this bill should not even be before this body. The CLWUP’s purpose is to end the old pattern of spot zoning, inconsistent permitting, and politically driven land use decisions, and to move us toward a consistent, territory-wide framework that protects our environment **before** we expand industrial uses.

The CLWUP engagement process identified “No more spot zoning” as a core community demand. The Plan acknowledges that chief elected officials in other jurisdictions do not make day-to-day zoning decisions because of the “political tangle” between competing interests that can make it hard to focus on the merits of a particular application. That is exactly what is happening now.

Bill 36-0211 does the opposite of what the CLWUP calls for. It is a **zoning carve-out** that redefines “agricultural processing” to include industrial alcohol production and inserts those uses into A-1, A-2, and R-1 and R-2, with DPNR and Agriculture directed to write the rules later. It expands distilling permissions into agricultural and residential zones **before** enforcement reforms, permitting transparency systems, and watershed-based protections are in place.

The CLWUP warns that the current two-tier permitting system creates an artificial divide between upland development and coastal impacts, even though **upland impacts run downstream** to our coastal waters. We are already seeing that at Prosperity Beach today. This bill would push more distillery activity into upland areas that drain straight into our ghuts and beaches, embedding new risk into a system the CLWUP itself says is broken.

The CLWUP also emphasizes that, while some lands should be maintained exclusively for agriculture, there are opportunities to blend agriculture into residential and commercial areas through **food-based activities**. It says “food-based” for a reason. Distilleries and breweries are not food. Their wastewater and emissions can **poison our land and aquifers** with acidic water, high-BOD, high-COD vinasse and promote rum fungus.

Finally, the CLWUP calls for enforcement that is effective, consistent, and transparent, with clear public permitting processes and comment opportunities. But you are being asked to vote on this bill **before** those systems exist. That is backwards and directly contradicts the implementation sequence the CLWUP lays out.

Point 5 – Who is this bill really for?

We are told this bill is about supporting agriculture and local industry. But look at what it actually does: Bill 36-0211 opens A-1, A-2, R-1, and R-2 to micro-distilleries and micro-breweries by changing definitions and conditional use tables, while leaving the details of regulation, monitoring, and enforcement for later. That is “ready, fire, aim” policy-making.

Much of the push for these changes is coming from **outside corporate interests** and wealthy landowners who see our island as a playground or an investment, not as a home they must protect. If they truly felt rooted in the Virgin Islands, they would be leading with environmental stewardship and community consent, not asking you to loosen the rules now and “figure out the protections later.”

We have watched for decades as deep pockets push projects that promise jobs and progress and then leave us with the pollution, the health impacts, and broken promises. Look at the environmental degradation now visible on properties east of Rainbow Beach – the rust-colored **vinasse waste**, the **dead vegetation**, and runoff pathways leading toward our swimming waters. These photos are not theory; they show what is happening today. Our people are tired of seeing our laws bent to accommodate whoever has the money to hire lawyers and lobbyists.

Point 6 – Residential neighborhoods and our legacy are at risk.

This bill would allow micro-distilleries as conditional uses in **R-1 and R-2 residential zones**. People bought homes in those neighborhoods expecting peace, safety, and protection from industrial activity. Instead, this opens the door to more **noise, trucks, odors, lights, rum fungus, and even more alcohol-related temptations** close to family homes. It risks **lowering property values and making homes harder to refinance or sell**.

Many of us have our life savings in our homes. Our children sleep there. Our elders rest there. We cannot afford to see residential zoning quietly turn into light industrial zoning because an outside corporation wants to maximize profit.

Point 7 – No jobs will be lost.

Our goal is not to negatively impact jobs and our economy but to allow the Prosperity Farms to maintain their business without impacting other businesses, residents, tourism and our overall economy. If we allow this business to discharge waste and ruin our best beaches, we will lose way more jobs in tourism than we create in rum production. Contrary to the perceived idea that rejection of this bill will result in the loss of jobs, it **will generate new jobs and maintain existing jobs in Agrotourism**.

Agrotourism activities defined in Title 7 Chapter 13 Section 192 (8) allow Farm tours, seminars, farm classes, field days, or farm food events, and farm stays. **Note alcohol, spirits, or rum is not food**. The Act can be amended to include alcohol sales from farm bars and broad farmhouse events similar to the illegally operating Farm Bar and Farm House at Prosperity Farm and Distillery making them legal. **No Jobs Will Be Lost**. Land can be bought in the I-1, I-2 or W-2

zones which allow distilleries, breweries and alcohol manufacturing. The distillery, by moving to a new location, will demand temporary jobs for relocation and permanent jobs to operate the distillery and transport the cane juice to the new location. This will be relative to any new distillery business.

My request to you – and my challenge

For all these reasons, I respectfully, but very firmly, ask you to:

1. **Vote NO on Bill 36-0211 as written.**
2. **Hold oversight hearings on CLWUP implementation readiness** before you consider any expansion of distillery zoning. We need to see:
 - Enforcement staffing plans and budgets
 - Permit tracking and transparency systems in place
 - Tier 2 scrutiny reforms that account for downstream impacts
3. **Updated stormwater and wastewater disposal regulations**
4. **If this bill is ever revisited later, it must only be within a CLWUP-consistent framework that includes:**
 - Mandatory monitoring and inspection frequency
 - Enforceable pollution prevention standards
 - Public transparency of compliance and violations
 - Watershed-based protections aligned with the CLWUP

The CLWUP was your promise to the people of the Virgin Islands that land use decisions would be guided by planning, science, and community input – not by political favors and corporate pressure. Bill 36-0211 breaks that promise. Bill 34-0301 was your acknowledgment that distilleries do **not** belong under “agricultural processing” for agricultural lands in the Virgin Islands. Passing Bill 36-0211 now would contradict both your own prior vote and the new Plan you just adopted.

Finally, I want to speak plainly. The people of the Virgin Islands are watching and have spoken through the Petition Against Bill 36-0211, which has gathered hundreds of **signatures** from St. Croix and St. Thomas (**SEE EXHIBIT 10, - 630 signatures and counting**) – the same people who voted for you and who now want to vote for leaders who will **protect the people’s interests**, not corporate interests. **We are watching and will vote accordingly.** We know the history of our land and how often powerful interests have been put ahead of our communities and our environment. We do not need more politicians who bend to wealthy landowners and corporate agendas. We need **men and women who will stand up to protect our islands**, even when it is not easy.

Each of you must decide: when our children ask what you did to protect their water, their beaches, their farms, and their future, will you be able to say you stood with the people and with

the land? Or will you be remembered as someone who helped open the door to irreversible harm?

I am asking you not just as a voter, but as a fellow Virgin Islander: please do not sacrifice our islands for a short-term corporate win. Choose to be remembered as protectors, not as those who stood by while our home was put at risk.

Thank you for your time and service to our community. I am happy to answer any questions.