PREPARED STATEMENT OF STEPHAN ADAMS, VINGN PRESIDENT & CEO BEFORE THE SENATE COMMITTEE ON HOUSING, TRANSPORTATION, INFRASTRUCTURE & TELECOMMUNICATIONS 36TH LEGISLATURE OF THE VIRGIN ISLANDS May 14, 2025

Good Afternoon, Honorable Marvin A. Blyden, Chairman of the Committee on Housing, Transportation, Infrastructure & Telecommunications, Honorable Senators, and the listening and viewing audiences. I am Stephan Adams, President, and CEO of viNGN, Inc. I am honored to present to you today.

I would like to begin my testimony with an overview of viNGN and our role in the community. viNGN is an instrumentality of the US Virgin Islands Government (GVI). We are solely owned by the Public Finance Authority (PFA). However, we are an incorporated entity with an independent board of directors of which Governor Bryan is our chairman.

viNGN is a middle-mile provider of broadband services to Internet Service Providers (ISPs) in the Territory. We sell wholesale Internet connectivity in an open and nondiscriminatory manner. The ISPs in turn resell as last mile Internet access.

viNGN's mission is threefold: 1) make the Internet widely available, 2) ensure access affordability, and 3) maintain a resilient network. As it pertains to availability, our network is widely distributed on all three islands and between them via undersea cables. Regarding affordability, we are constantly working to lower our operating costs through best business practices. However, our capital costs remain high given the small size of our population, which limits the distribution of costs. With respect to resiliency, our network performs as reliably as most commercial networks on the

US mainland. We also perform regular network upgrades to keep pace with changing user habits and demands on our infrastructure.

One significant change to our infrastructure has been increased bandwidth demand related to our community Wi-Fi deployment which began initially with a CARES Act Grant. viNGN's free Community Wi-Fi project is an initiative of Governor Bryan and has been a rousing success. The project is being expanded through an American Rescue Plan Act (ARPA) grant. The ARPA grant is allowing viNGN to undertake extensive core network expansion and resiliency projects, including upgrading our throughput to 100 Gigabyte, up from 10 Gigabytes.

viNGN also received Federal Emergency Management Agency (FEMA) approval for several 2017 Hurricane restoration projects. One project we are most proud of is restoring 9 miles of fiber from Myrah Keating to Coral Bay in St. John. We anticipate this project to be completed by this July. viNGN is also collaborating with WAPA, undergrounding several critical segments of our infrastructure for resiliency. Exhibit A provides further details of the ongoing FEMA projects.

viNGN is now leasing segments of its infrastructure under long-term agreements with our ISP partners. This has been a popular new service which helps ISPs lessen their capital costs, while giving them more ownership of their service delivery. It also gives viNGN more predictable recurring revenues for long term sustainability.

I will now briefly discuss viNGN's approach to cyber security, which we take very seriously. We understand that most cyber intrusions occur when employees unknowingly aid cyber mischief and criminality through downloading and sharing files that contain hidden threats. To counter these threats, all viNGN employees are

required to take mandatory annual cyber security training. We have seen first-hand the benefits of a literate cyber security workforce.

Turning now to how viNGN is impacted by changes to federal broadband guidelines. Up until last week, our operations were not directly impacted by federal funding gyrations. However, viNGN's awarded and fully funded \$2.1 million Digital Equity grant by the National Technology and Information Administration (NTIA) was terminated, effective May 9th. "The President has determined, and Secretary Lutnick agreed, that the Digital Equity Capacity Program, is unconstitutional and grants issued pursuant to it were created with, and administered using, impermissible and unconstitutional racial preferences." The intended purpose of this grant was to promote digital literacy and cyber security in our community. We have since paused and redirected internal resources associated with this grant. However, we are prepared to restart our activities if the program termination is reversed by the Courts.

NTIA also recommended that viNGN be awarded \$2.5 million for public technology buses. The status of this grant is highly uncertain, as it is the competitive component of the Digital Equity program.

On a brighter note, viNGN received, its final ARPA payment from OMB to further deploy free community Wi-Fi. We now have 102 free hotspots with 462 access points and over 30 candidate sites identified and counting. We are on track to complete the 95 hotspot installations under the ARPA grant by the end of this year.

Lastly, I would like to provide an update on the status of DiasporaLink Act (H.R. 3385). This legislation authorizes a Congressional study into the feasibility of running undersea cables between the US Mainland (New York and Virgina) to Africa (Ghana and Nigeria) via the USVI. It also calls for an assessment of building

a Tier 1 data center with an independent power plant of at least 100 Mega Watts on the island of St. Croix. Congresswoman Plaskett sponsored and shepherded DiasporaLink Act to unanimous passage in the 118th Congress. It stalled in the 11th hour in the Senate.

DiasporaLink has garnered significant bi-partisan support due to national security interest for our country. Consequently, Congresswoman Plaskett was able to reintroduce the DiasporaLink Act in the current 119th Congressional session where it is undergoing a "markup." We anticipate passage in both chambers of Congress and ultimately signed into law by the President. I call upon this body to support DiasporaLink on the grounds of economic development for the Territory.

This concludes my testimony. Thank you for your attention. I look forward to answering any questions you may have.

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Exhibit A

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<u>8</u>	Q	Agency	Project Type	Island	Period of Performance	B Oblic	FEMA/OMB Obligated Costs	FEMA 95% Federal Share	찣 드	Expended/ Invoiced	Requested Reimbursement		Reimbursement/ Advance Received*
a	q	ပ	P	Ð	ţ		6	ч			į		¥
_	PW 89402/586	FEMA	Communications Infrastructure - Hurricane Repairs	STX	12/31/2025		3,467,210	3,293,849		1,563,118	1,492,453	~~	927,442
2	PW 70673/587	FEMA	Communications Infrastructure - Hurricane Repairs	STJ	12/31/2025		4,663,026	4,429,875		363,746	0	_	0
လ	PW 78643/940	FEMA	FAPs (Repairs & Contents) - St. John	STJ	12/31/2024		13,031	12,380		9,998	0	_	0
4	PW 79117/1357	FEMA	Fiber Optic Landing Sites - St. Thomas	STT	11/2/2025		2,273,082	2,159,428		70,338	0	_	0
5	PW 78269/1254	FEMA	Fiber Optic Landing Sites - St. Croix	STX	8/31/2027		1,873,755	1,780,067		17,130	0	_	0
9	PW 78244/1253	FEMA	FAPs (Repairs & Contents) - St. Croix	STX	12/31/2024		72,709	69,073		48,975	0	_	0
7	HMP-4340-0059	FEMA	FEMA Hurricane 404 Mitigation Phase 2	NSNI	3/30/2027		6,634,829	6,634,829		0	0	_	0
			Sub-Total FEMA			\$	18,997,642	\$ 18,379,501	\$	2,073,304	\$ 1,492,453	€9	927,442
00	SLFRP3818	OMB-ARP	OMB-ARPA Community Wi-Fi - Communications, Network, Hardware USVI	USVI	9/30/2025	⇔	3,176,071 \$	\$ 3,101,940 \$		3,101,940	\$ 3,101,940 \$	€	3,176,071
*	SLFRP3818	OMB-ARP/	OMB-ARPA Community Wi-Fi - Equipment & Build Costs	NSN	9/30/2025		1,602,850	1,602,850		982,739	982,739	_	1,602,850
*	SLFRP3818	OMB-ARP	OMB-ARPA Community Wi-Fi - Bandwidth	NSN	9/30/2025		6,000,000	6,000,000		4,162,535	4,162,535		6,000,000
			Sub-Total OMB/DOI			\$	10,778,921	\$ 10,704,790	\$	8,247,213	\$ 8,247,213	₩	10,778,921
			GRAND TOTAL			\$	29,776,563	\$ 29,084,291	\$ 1	\$ 10,320,517	\$ 9,739,667	8	11,706,363