



Committee on Budget, Appropriations and Finance

Legislature USVI

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0:00:00 I'll see you next time Thank you. Oh, my God. Thank you. Oh, my God.

0:02:30 Thank you. Thank you. Thank you. Thank you. Thank you. Thank you.

0:05:30 Thank you. Thank you. so so uh

0:08:00 so Thank you. Thank you.

0:09:30 so Thank you. Oh Thank you. Oh, my God.

0:12:00 Oh, my God. Thank you. Thank you. Thank you. Thank you. Thank you.

0:15:00 Thank you. Oh, my God.

0:16:00 Thank you. Oh, my God. I love you. [3 such phrases repeated 10 times · standby audio before the proceeding, transcribed by the recogniser as speech]

0:21:00 Thank you. Thank you. Thank you. Thank you.

0:23:00 Thank you. Thank you. Thank you.

0:24:30 Thank you. Thank you.

0:25:30 The Committee of Budget, Appropriations, and Finance is in order. At this time, I want to say a pleasant good morning. My name is Senator Novel E. Francis Jr., and I'm the chair of the Committee of Budget, Appropriations, and Finance. Good morning to all present, listening, and viewing. Today, the committee will receive the budget presentations of the Office of the Governor and from the Office of the Lieutenant Governor, which is one of the most important of the territory's revenue-generating agencies. The Lieutenant Governor's Office will defend their proposed general fund request of \$7,743,246. And the Office of the Governor will defend their budget request of \$40,087,494. Over the weeks of this

budget process, my colleagues and I have heard the good, the bad, and the ugly. Today, the Lieutenant Governor's Office and the Office of the Governor will present their operational accomplishments, challenges, performance matrix, as well as any special circumstances that may affect their fiscal year 2026 budgetary needs. These hearings are a valuable window into government's operation. Today's budget presentation, the supporting post-audit analysis, and all documents presented thus far can be found on the legislative website www.legvi.org in the budget appropriations and finance committee folder i also want to take this opportunity to recognize our ambassador michelle smith again and her accomplishment where she continued to put the versions on the map where she won recently again she won a silver a silver medal for the first time a female from the Virgin Islands have been able to be placed in in that area so we want to recognize her again and support the work that she continue to do and recognize the contribution to the Virgin Islands. At this time I'd like to remind everyone to please put your cell phone on silent to avoid any interruptions during this meeting and to ask the Madam Clerk to please call the roll.

0:27:37 A Blyden, Senator Blyden present, Senator Duane M. DeGraff, Senator DeGraff absent, Senator Ray Fonseca, Senator Ray Fonseca absent, Senator Novelli Francis Jr. Senator Francis Jr. present senator hubert l frederick center hubert l frederick present senator marie c james i am here senator james present senator curte veille center veille present mr chair five present and two absent uh thank you very much madam clerk we do have a quorum i'm prepared to proceed uh do we have any correspondence to be read into the record yes mr chair you may proceed july 25th 2025 the honorable novelli francis jr chairman committee on budget appropriations and finance legislature of the virgin islands 3022 estate golden rock kristin stetson croy subject request to be excused for a late arrival. Dear Chairman Francis, please accept this correspondence as a formal notice that I'll be arriving late to today's Committee on Budget Appropriations and Finance due to a prior engagement. I appreciate your understanding and extend my thanks for your continued leadership.

0:29:23 Cordially, Senator Ray Fonseca. that ends the correspondence mr chair very well please mark senator fonseca as excuse and we recognize him as soon as he arrives we also want to recognize the presence of non-committee members senator angel boca senator at large good morning senator welcome and at this time i don't click please read today's agenda into the record yes mr chair the committee on budget appropriations and finance will meet on friday july 25th 2025 10 a.m in the earlby atley legislative hall on st thomas to receive testimony on the fiscal year 2026 budget block one 10 a.m to 12 noon office of the lieutenant governor invited testifier nadia harrigan esquire acting chief of staff block 2 1 to 3 pm office of the governor invited testifier kevin a williams senior chief of staff this ends the reading of today's agenda mr chair very well thank you very much please also recognize the presence of committee members senator duane m de graf at this time we'll go to the testifiers table we have the members of the lieutenant governor's office team uh seated at the testifiers table so we go to them real quickly for introductions good morning attorney acting chief of staff nadia harrigan good morning um nadia d harrigan esquire acting chief of staff slash legal counsel very well miss farrington good morning claudette farrington director of business and financial management good morning denise johannes

0:31:14 director of the division of corporations and trademarks good morning chris george administrator gis division project manager good morning good morning ludence a romney tax assessor good morning erica dover recorder of deeds office in thomas district good morning magdalene burke assistant director and chief of securities registration Rose Maduro. Good morning. Rose Marie Maduro, VI Ship, Medicare.

0:31:52 Good morning. Kishma Dorset, District Supervisor of Passport Services. We'll go over to St. Croix. Good morning. Ruthlyn Peters, Supervisor Passport Services, St. Croix. morning good morning shalma morehead a system tax assessor morning good morning at claudina matthew division of banking insurance and financial regulation morning morning everyone uh c porsha joseph district recorder recorder of deeds office st croix morning oh at this time good morning uh tax collector all right um can we have media can we just uh show mr later i'm real quick okay this camera is working he's virtual there we go good morning mr later let's try that again yes good morning brent lerda i'm tax collector very well thank you at this time um attorney Nadia Harrigan the acting chief of staff you're recognized for your testimony thank you senator good morning committee chairperson honorable Novell E. Francis jr. and honorable members of the 36th legislature of the Virgin Islands Committee on Budget Appropriations and Finance other senators present today as well as the viewing and listening audiences my name is Nadia D. Harrigan Esquire, Acting Chief of Staff and Legal Counsel for the Office of the Lieutenant Governor, LGO, which is under the leadership of the Honorable Tregenza A. Roach Esquire, Lieutenant Governor of the United States Virgin Islands. I most respectfully appear before you today on behalf of Lieutenant Governor Roach to present testimony in the support of the Office of the Lieutenant governor's fiscal year 2026 budget request in summary i have included accomplishments for each division within lgo for fiscal year 2025 and their goals for fiscal year 2026. today i am accompanied in the saint thomas legislative chambers and virtually from legislative chambers on saint Croy by Miss Claudette Farrington, Director of Business and Financial Management, Attorney Glendina Matthew, Director of the Division of Banking Insurance and Financial Regulations, Mr. Ludens A. Romney, the Tax Assessor for the Division of Real Property Tax, Mr. Leardom, the Tax Collector for the Division of Real

Property Tax, Mr. L. Chris George, Administrator for the the Division of Geospatial Information Systems. Miss Denise Johannes, Director of the Division of Corporations and Trademarks. Miss Erica Dover, the Recorder of Deeds for the St. Thomas-St. John District. Miss Seat Portia-Pierre, the Recorder of Deeds for the St. Croix District. Miss Kishma Dorsett, Supervisor of the Passport Acceptance Facility for the St. Thomas-St. John District. Miss Ruthline Peters, Supervisor for the Passport Acceptance Facility for the St. Core District, Ms. Rose Maduro, Director of the VI SHIP slash Medicare Program, Mr. Lance McKay, Director of Management Information Systems, Ms. Magdalene Burke, Assistant Director and Chief of Securities Registration in the Division of Banking Insurance and Financial Regulation, Ms. Shalma Moorehead, the Assistant Tax Assessor for the Division of Real Property Tax, and Ms. Laura

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Minster, Assistant Director of the Division of Corporation and Trademarks. Collectively, the divisions within LGO provide essential services to the people of the Virgin Islands. These essential services include but are not limited to one, the licensing registration and regulation of businesses that fall within the jurisdiction of respective divisions, two, the recording and provision of access to critical land ownership documents and information, three, the collection and provision of access to geospatial data used by public and private entities that provide emergency navigational and other essential services. Four, the acceptance of passport applications which makes it possible for members of this community to travel around the world. Five, the appointment of notaries and the processing of apostilles to authenticate official documents to be used and recognized in foreign countries when traveling in and out of the United States. Six, assessment of real property in the Virgin Islands and collections of taxes thereto. And seven, the education and counseling of the members of this community regarding the services offered by LGO divisions through outreach. LGO's divisions generate significant revenue for the government of the virgin islands making lgo the second largest revenue generating government agency in the territory in fiscal year 2024 lgo collected 124 million three hundred three thousand eight hundred ninety eight dollars and 92 cents in revenues for the government of the virgin islands as of 2025 the divisions within lgo have collected 74 million nine hundred thirty nine thousand nine hundred ninety two dollars and seventy two cents and one million two hundred eighty two thousand twenty four dollars in money transmission fees for a total of seventy six million two hundred twenty two thousand sixteen dollars and seven cents whereas seven million five hundred seventy six thousand six hundred nineteen dollars and ninety one cents was collected during the same period last fiscal year the total revenue collections for fy 2025 across lgo's divisions is estimated to be 128 million eight hundred forty six thousand five hundred seventy six dollars and two million two hundred twenty seven thousand twenty four dollars in money transition fees for a total of 131 million seventy three thousand six hundred dollars which is a 5.45 increase of collections in fy 2024 the total revenue collections across lgo's divisions for fiscal year 2026 is projected to be 128 million 829 263 dollars and 3 million 780 000 in money transition fees for a total of 132 million six hundred nine thousand two hundred sixty three dollars since the beginning of fiscal year 2025 the office of the lieutenant governor under the direction of lieutenant governor roach continues to provide the above reference critical services to members of this community and to generate significant revenues for this territory with transparency efficiency consistency and integrity the accomplishments and goals of lgo's various divisions play a critical role in the efforts of the brian roach administration

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to help restore rebuild and maintain a more resilient virgin islands community LGO's budget for FY2026 has increased from \$7,187,246 in FY2025 to \$7,743,246, a difference of \$556, or an increase of 7.74%, which will fund at least 91 positions. Despite challenges during the FY 2025, the very dedicated, experienced, qualified, and competent staff across all of LGO's various divisions continue to perform their duties and responsibilities effectively and efficiently and have had several noteworthy accomplishments as a result of their hard work, dedication, and continued sacrifices. On behalf of Lieutenant Governor, we publicly commend the members of the LGO staff without whom LGO could not have achieved any of its goals, which include inter alia the following. The Division of Business and Financial Management continues to serve the nucleus of all financial activities and operations for the Office of the Lieutenant Governor, including preparing and managing LGO's budget, providing budgetary support, and overseeing the day-to-day financial procurement of all divisions within LGO to include facilitating the procurement of supplies and services and centralizing the

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maintenance of all personnel time and attendance activity financial records processing vendor payments including payments for all leases and contractual obligations of LGOs various divisions and processing the payroll additionally the department is responsible for the overall collections of revenues within the direct oversight of cashier services. This division has worked tirelessly on LGO's fiscal 2026 budget, which was submitted to the Office of Management and Budget via OpenGov. The division also implemented the fiscal year 2025 salary increases for unionized employees under the Master Agreement for Steelworkers of America, coupled with processing retroactive payments associated with the increases. Additionally, the division participated in beginning negotiations for USW Supervisors Union. We are pleased to report that the long-awaited services to repair and renovate the Cyan Farm Great House on St. Croix has begun. The contract was awarded to DVD Construction Inc. The Cyan Farm project has been underway and commence on or about

February 27th, 2025, according to the notice to proceed. As you may be aware, repairs to this historic structure must meet exacting standards and must be closely monitored. The division actively participates in biweekly meetings regarding the progress of this ongoing renovation project and anticipates the completion of this project by year's end. The division oversaw the completion of the elevator repair measures at the main administrative

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building of the office of lieutenant governor additionally we participated in selection of janitorial services for the St. Thomas St. John district coupled with involvement in other evaluation committees for our agency and on a specific division under our agency the division facilitated filling two new real property tax appraiser one positions and a current employee was promoted to the same position in the office of the tax assessor real property tax division sadly in February LGO lost the former tax assessor Ira Mills who gave nine years of service to the division of real property tax since March 2016 as the territories tax assessor and five years from 2011 to 2016 as business of business and financial management his dedication contributions and service to LGO were highly valued and will not be forgotten the division has facilitated filling the position and we currently have a new tax assessor in FY 2025 LGO had eight separations to include five resignations and two retirements there are 29 vacancies at LGO we reported last year that LGO was relocating to the Vi Ship Medicare office from the San Juan Louis Hospital to the new Caribe location in Estate Castle Coakley that has been accomplished and we are actively serving clients at the new location the passport division was relocated from government house in Frederickstead to the Caribe location and the recorder of deeds office has been relocated from government house in Christiansted to the Caribe location and the division of banking insurance and financial regulation has been relocated from the Christiansted location in government house to the new Caribe location additionally cashiers have been relocated to the new Caribe location all of the aforementioned divisions are actively seeing clients at the new location as stated in our testimony last year in February 2024 LGO purchased the first bank building in Christiansted St. Croix with a legislative appropriation the first bank building will house the office of the tax assessor office of the recorder of deeds and tellers we subsequently discovered that two air conditioning units and a condenser must be replaced and we have commenced the process to procure the units and services. Additionally, a build-out would be needed to accommodate the divisions that will be housed at that location. We are in the process of obtaining the specifications for solicitation and are diligently striving to fix these challenges to complete the relocation to the building as soon as possible. We have anticipated moving into this buildings sooner but the need to make other moves such as the ones mentioned above had to be prioritized in the interest of workplace health and safety as example our recorder deeds had to

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be moved from the Christiansted location because of high mold counts which made that location unusable the division's goals and objectives for FY 2026 include but are not limited to one attending meetings to monitor the progress and completion of the repairs and renovations to the Siren Farm Great House two continue negotiations for the S.U.S.W. supervisors union three participation in the selection of vendors for necessary services that will involve supply contracts cleaning exterminating etc four facilitate filling positions in various divisions due to resignations and retirements five prepare a budget and prepare and submit the FY 2027 budget to OMB via Open Gov six facilitate needed remediation efforts to address challenges pertaining to mold mildew etc seven and continue to process LGO's payroll and payments to LGO's vendors for services rendered and to landlords for LGO's office locations We commend the very small staff of the Division of Business and Financial Management for their hard work, commitment, dedication, and sacrifice to ensure that LGO employees receive compensation for their work, have safe and comfortable working environments, have the resources they need to perform their duties and responsibilities, and are able to provide the crucial services to members of the Virgin Islands community and to generate revenues for this government. In the Administrative Office, thank you, Director Claudette Farrington, Passion Dixon, Jermaine Estrell, Jasmine Powell, and Facilities, Matty Seeley, Jalon James, and Jacqueline Jones. Additionally, we want to applaud the employees of Revenue Collections who diligently and tirelessly accept payments to the Office of Lieutenant Governor.

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Thank you for your service and long hours of work, particularly around June 30th and August 30th. Thank you to the Chiefs of Revenue Collection, Arlene Chandler and Anissa Bright, and Akilah Thompson, Shivani Pennyfeather, Colette Lake, Darlene Rapsat, Shani White, Jenester Benjamin, Glory Vicarino, Eloise Charles, Tashaun Matthew, Marcia Pickren, and Lawana Williams. The Division of Banking and Insurance and Financial Regulation is a regulatory agency with statutory and administrative authority to license, regulate, and supervise banks, insurance, and other financial entities and related service providers, as well as administer the Virgin Islands Unclaimed Property Program, subject to Titles 9, 12A, 22, and 28 of the Virgin Islands Code. The Lieutenant Governor serves as Commissioner of Insurance, Chairman of the Virgin Islands Banking Board and Administrator of Securities and Unclaimed Property. The division collected \$34,546,404 in FY 2024. As of June 30th 2025, the division has collected in the Banks and Insurance Fund \$19,355,984.57 and 57 cents the financial services fund seven million nine hundred seventy two thousand one hundred sixty nine dollars and in the money transition fund one million two hundred eighty two thousand twenty four dollars and forty one cents for a grand total of twenty eight million six hundred ten thousand one hundred seventy six dollars and 98

cents which is a nine percent increase over 26 million two hundred forty eight thousand seven hundred forty six dollars four dollars which was collected in the same period in fy 2024. the division is projected to collect

0:50:53 37 million seven hundred forty five thousand one hundred seventy nine dollars to include two million two hundred twenty seven thousand twenty four dollars in money transition fees in fy 2025 which is a nine point two cent percent increase over fy 2024 and 39 million four hundred \$15,000 including \$3,780,000 in transmission fees in FY 2026. On November 16th of 2024, at the National Association of Insurance Commissioners Fall National Meeting in Denver, Colorado, Lt. Governor Churgenza A. Roach Esquire and his team of key persons from the division gave a presentation which is the final component of the accreditation review for consideration of accreditation we are pleased to report that the division was granted re-accreditation status for another five-year period which will allow other jurisdictions to readily accept financial examinations of domestic multi-state insurance companies conducted by the division and will ensure other regulators and the insurance industry of the division's compliance with standards rules and regulations established by the naic as a part of its efforts to maintain accreditation the staff will continue to draft proposed legislation for the approval of this body to update the insurance code of the virgin islands as stated in lgo's budget presentation last year for FY 2025 as a part of its ongoing efforts to modernize regulatory operations and enhance public service delivery the division officially launched Avenue Connect on April 2nd 2024.

0:52:48 This comprehensive digital platform was developed to streamline and centralize the administration of unclaimed property making it significantly easier for reporting institutions to meet statutory obligations and for individuals to locate and reclaim their unclaimed funds it allows holders of unclaimed property not real property in form of a bank accounts and with refunds owned by insurance companies utility companies etc to electronically file unclaimed property reports the division has created and made available unclaimed property listings via the office of lieutenant governor's website from year 2007 to 2024 on the division's webpage and will continue to publish an unclaimed property listing annually in a paper of general circulation as of june 30th 2025 avenue connect has facilitated the successful return of 1 million two thousand forty four dollars to 251 residents across the territory this measurable outcome of highlights the the platform's tangible impact and underscores the division's commitment to reuniting rightful owners with their property beyond its financial benefits the initiative reflects the division's dedication to fiscal responsibility community customer protection and restoration of public trust in government processes we are pleased to report that on march 24th of 2025 the division received the prestigious and national compliance advancement of the year award from the unclaimed property professionals organization uppo which is recognized the office of the lieutenant governor of the u.s virgin islands for the efficient and timely implementation of its online on claimed property website a major milestone in improving access transparency and service to the public the division has also successfully implemented act number 8936 as amended and codified in title 9 virgin islands code sub chapter 2 which establishes the money transmission fee and money transmission revolving fund the act mandates all licensed money transmitters that originates money transmission in the virgin islands and terminates outside the united states with a few specifically identified exceptions collect three percent from consumers on all transmissions this act was created by the 35th legislature of the virgin islands in an effort to help bridge the government of the Virgin Islands revenue shortfall. The division was tasked with administering the act within 90 days of its enactment on October 16, 2024. Remittance of the fee is required no later than 10 days after the last day of the calendar month during which the fees are collected. As of June 30th, 2025, the division has collected \$1,282,024.41 under the provisions of act number 8936 in january 2025 the division participated in a multi-state settlement coordinated by the north american securities administrators association nasaa as a result of the division's participation the securities unit received a settlement in the amount of 321 000 reinforcing the division's ongoing commitment to investor

0:56:40 protection regulatory enforcement and financial accountability the division anticipates participating in the upcoming multi-state settlement in fy 2026 and subsequent fiscal years the securities unit continues to accept security notice filings and payments across all categories of registrations thus far in fy 2025 the unit has collected five million seven hundred ninety six thousand five hundred four dollars and seventy two cents the division is committed to attending training and conferences and furtherance of continued education in banking insurance and financial regulation the division attended training and advancement conferences held by the NAIC national multi-state licensing system national nationwide mortgage licensing system and registry and the north america securities administrators throughout fy 2025 and will continue to attend training and conferences to advance skills and continuing education through fy 2026. in fy 2025 the division provided outreach to inform the citizens of the virgin islands about their mandates in furtherance thereof the division developed the distributed brochures bulletins and booklets to educate consumers on key topics such as banking insurance unclaimed property securities and investment scams in alignment with the division's consumer protection mandate they also made information available at cultural events and food fairs the vi housing finance authority expo and partnered with non-profit organizations on saint croix and saint thomas to distribute educational materials reaching approximately 465 individuals across the territory in fy 2026 the division will continue to provide outreach which is vital

to the education of the virgin islands community about the units under its supervision the division also successfully implemented the nasaa model rule on investment

0:59:03 advisor representative continuing education which was adopted on november 24th of 2020 and went into effect on january 1st of 2025 mandating annual continuing education for both state registered and federally covered investment advisor representatives in furtherance thereof the division will be conducting required examinations of state registered investment advisor and broker dealers using the nasaa examination model system nemo in fy 2026 the The division strives to participate in the AARP TV program, as well as other outreach programs to discuss securities, scams and investment fraud, commence examinations of state registered investment advisor and broker dealers using the NASAA examination model system and will continue to coordinate and host Virgin Islands Insurance Industry Symposiums in both districts.

1:00:18 Due to retirement, this division has lost and will continue to lose crucial employees and continues to face challenges in attracting applicants with requisite specialized educational requirements and skill sets to fill these positions. For example, the position of financial services examiner conducts examinations and investigations and reviews financial statements for insurance companies and other licensed entities conducting business in the territory, which requires an accounting background. This position is important because it encompasses the statutory duties and responsibilities of the division and it is required to maintain accreditation status with the National Association of Insurance Commissioners. Notwithstanding this challenge, the staff conducted examinations, investigations, and annual reviews of financial statements for insurance companies and other licensed entities conducting business in the territory however it has been a challenge for the division to conduct financial analysis of licensed companies doing business in the territory within the desired target period of 60 days from the date of receipt therefore hiring of additional staff is critical for succession planning which currently has vacant position for banks and insurance regulatory analyst chief insurance licensing examiner consumer protection and education officer insurance licensing licensing examiner financial services examiner and securities registration examiner we have received from the division of personnel listings for the financial services examiner and securities registration open positions and will be conducting interviews within the next two weeks we commend and thank the hard-working staff of the division who continue to perform their statutorily mandated duties competently and effectively to ensure that the best interest of the people of this territory is served thank you director glendina matthew Esquire, Suzette Richards Esquire, Ashton Bertrand, Shaleen Soldano, Sylvia Brown, Pauline Lynch, and Anna Lewis in the St. Croix District, and Assistant Director and Chief of Securities Registration, Magdalene Burke, Natoya Cole, Juliet Daniel, Martin Emanuel, Kathleen Fleming, Beryl Fleming, Ariane Glang, Alicia Patrick Morse, Condese Richards, Vanessa Richards, Louise Williams, Isaac Banson, Anna Alexander in the St. Thomas St. John District. The Division of Real Property Tax administers and enforces all laws relating to the assessment, levy, and collection of real property taxes and to the attachment and sale of real property for non-payment of real property taxes. The Division of Real Property Tax comprises the Office of the Tax Assessor and the Office of the Tax Collector. The Office of the Tax Assessor propels property tax bills which are sent to real property tax owners in June informing them of real property tax arrearages and public sewer fees owed, as well as any interest and penalty owed if applicable. The Office of the Tax Collector receives payments for real property taxes and upon request issues tax clearance letters. Pursuant to Title 33 of the Virgin Islands Code, section 2492, real property taxes are due on June 30th and are considered to be delinquent if not paid by August 30th of each year. Based on the aforementioned deadlines, the Visions experiences an insurgent of real property tax revenue in July and August before property taxes become delinquent. In FY 2024, the office of the tax collector was projected to collect \$61 million and the office actually collected \$62,771,876 in real property taxes. In FY 2025, the office of the tax selector was projected to collect \$64 million. As of June 30, 2025, the office of the tax collector collected \$24,332,151.

1:04:46 When real property taxes are delinquent, the Division of Real Property has options to collect real property tax arrearages through tax lien sales, auctions, and judicial foreclosure and rem proceedings, the latter of which is initiated with a court filing. Pursuant to Title 33 of the Virgin Islands Code, Section 2541, residents who are considered middle and low to moderate income veterans first-time home buyers seniors and persons with disabilities will have the opportunity to obtain property through this process we are currently finalizing the rules and regulations for the judicial foreclosure and rem proceedings to bring them to fruition installment plans are available for property owners who cannot afford to pay their property taxes in full by entering into a payment plan it will stop the accrual of interest and penalties during the period that the plan is in effect interest and penalties that are accrued prior to the execution of the installment plan are not removed in fy 2024 real property tax owners entered into 581 installment plans and as of june 30th 2025 371 installment plans have been established by homeowners who want to fulfill their obligations to pay the real property taxes the office of the tax collector anticipates that 570 installment plans will be entered by august 30th 2025 after which real property taxes are deemed delinquent real property taxes are a vital source of revenue for all jurisdictions and countries all over

the world therefore it is crucial and essential that every real property tax owner fulfills his her obligation to pay their real respective property taxes the online citizens access portal at <https://propertytax.vi.gov> can be accessed 24 hours a day from the comfort of your home place of employment or vacation spot to pay your real property taxes installment plans can also be entered into and maintained at the same website in an effort to increase the real property tax revenue the office of the tax collector continues to contact property owners to pay their respective taxes and public sewer fees and if applicable interest and penalties the office has also commenced public awareness campaigns as evidence in the article in the st thomas source on july 10th 2025 wherein tax collector brent leardham was interviewed the real property tax division is seriously committed to providing public awareness campaigns via various social media and radio in fy 2026. the message is clear pay your real property taxes As stated in our testimony last year, pursuant to the applicable statute, a mass reappraisal

1:07:56

must be conducted every five years. Based on appreciated assistance from the Office of Management and Budget, the Real Property Tax Division received three real property tax appraisal positions, which were filled in May 2025 in the St. Thomas St. John District. In FY2026, our goal is to acquire additional appraiser positions. Additional appraisers would inevitably reduce the cost of a mass appraisal because if we have sufficient local appraisers, they can learn the process from the successful contractor and continue the appraisal process once the successful contractor leaves, failing which a contractor would have to bring their crew of appraisers, which would increase the cost of the mass real appraisal contract in addition in fy 2026 the division will strive to provide the appraisers with required training from the a i double a o due to lack of adequate staff only 883 properties have been inspected in fy 2025 thus far in the saint thomas district st thomas st john district 28 716 parcels should be inspected and 32 028 parcels in the st core district armed with additional appraisers and other personnel in the real property tax division this will enable us to accomplish and fulfill our mandates more efficiently and effectively Additionally, LGO requests that consideration be given to removing or increasing the \$500,000 cap on the Tax Assessor Revolving Fund to assist the division in generating more revenue for the territory and in carrying out all of its legislative mandates. Pursuant to Title 33 of the Virgin Island Code, Section 2456, the Office of the Tax assessor revolving fund shall consist of 1% of real property taxes collected annually by the tax assessor or an amount not to exceed \$500,000 per annum. For example, at FY 2024, if there were no cap, the real property tax division would have realized 1% of \$63 million or \$630,000 for the tax assessor revolving fund. The difference is patently clear. We publicly commend and thank the very dedicated and heartbreaking staff of the Division of the Real

1:10:24

Property Tax for their hard work in continuing to serve the members of the Virgin Islands community and generating the necessary revenue for the government of the Virgin Islands. Thank You Tax Assessor Ludens A. Romney, Deputy Paulette Eibel, Welby Warner, Sakina George, Paula Matthew, Colleen Wallace, Deborah maximum and sandra gustav cadastro wayne carwood alita bradshaw and shereem jones and appraisers joanna stefferson asham nibs daryl goodings and shakuan wallace in the saint thomas st john district and assistant tax assessor shalma moorhead zuma aloyo ruth perkins pamela ritter laura acoy sakina ralph carmen francis and cadastro margaret acosta and chanelle bailey porter and appraisers lilia Benjamin, Miguel Encarnacion, Henrique Alpin, Albert Schein, Michael Williams in the St. Core District, Tax Collector Brent A. Leardom, Latoya Libert, and Aliyah Alexander in the St. Thomas, St. John District, and Reginald Peterson, Jacqueline Rosario, and Nigel Gore in the St. Core District. The Division of Geospatial Information Systems of the Office of Lieutenant Governor is responsible for providing the critical geospatial background backbone for the territory of the United States Virgin Islands. The GISD, under the supervision of its administrator, delivers the development, maintenance, and distribution of the Virgin Islands infrastructure, GIS information and related databases, and GISD implements GISD policies, procedures, standards, and provides ultra-agency technical leadership, information management, and project coordination. Additionally, GISD produces income by networking and providing services to local government agencies, federal government agencies, and the private sector through the administration of the GISD platform. These capabilities have positioned the office of lieutenant governor as the Caribbean regional leader in the field of GIS in government infrastructure. In FY 2024 and FY 2025, GISD expended \$746,125.50 in federal funding. GISD will receive \$4,590,519.03 in federal funding in FY2026 to be utilized for Street Addressing Initiative Project. In FY2025, GISD completed the St. John SAI Project for the island of St. John. This means that St. John is distinguished as being the first island in the Caribbean to have complete urban grid where every highway, road, street, and lane is named and each parcel uniquely identifiable. And any utility or infrastructure project is now enabled by a reliable grid which can lead utility, service, and emergency vehicles to a specified location. Other accomplishments include expending over \$1.7 million of the \$5.3 million funding for the Territory Street Addressing Initiative Final Phase. There's no local match. Continue collaboration with USPS, VITEMA, and E911 for active transition to utilizing USVI street addresses. Facilitating the manufacture and installation of street name signs in St. John. and will execute the final phase work on St. Thomas and St. Croix. While we await the manufacture and installation of these signs, you will note that you will have already seen the illuminated highway signs

- 1:14:36 on specified roadways in each island of the territory. GISD continues to partner with the Department of Public Works to manage the critical infrastructure data sharing program as a cornerstone for the USVI Utilities Coordination Group. It plays a fundamental part in the success of the implementation of Act 7798, otherwise known as Call Before You Dig legislation. To realize the goals of the Street Addressing Initiative, GISD, continues to assist various Virgin Islands communities and homeowners associations in naming streets and their neighborhoods. GISD has been actively talking to citizens by going into neighborhoods and hosting radio shows. You may believe that everyone has heard the jingle, name your own, on the radio, or when customers are placed on hold at LGO. GISD also continues to update USVI Road and estate data on the global OpenStreetMap platform, which is the basis for all global mapping engines such as Google, Apple Maps, and ESRI. We are pleased to report that phase one of the Benchmark Network Control Project funded by FEMA at 7.8 million, which installed over 18 new NOAA National Geodetic Survey markers throughout the territory, has been completed. Additionally, GISD strives to complete Phase 2 of the Benchmark Network Control Project, which would install survey benchmarks in key residential and estate areas across the Virgin Islands. The benchmarks will provide useful civil and construction industry standard latitudes, longitudes, and elevations, which will improve more accurate information for surveying property. In FY2026, GISD has the following goals, complete St. Thomas, St. Croix and Wata Island
- 1:16:49 as a part of the territory-wide, complete the phase, final phase of the SAI, facilitate the manufacture and installation of street signs for the entire territory, complete phase two of the benchmark network control project, which will establish a more resilient geographic grid for the territory as well as improve our overall GPS capabilities and update all utilities agencies GIS data in the critical infrastructure data sharing program to facilitate the best implementation of the call before you dig legislation pursuant to act 7798. We commend the very small yet hardworking and dedicated staff of this division who have worked tirelessly in the street addressing and street naming initiatives, which will improve and assist in saving the lives of citizens of this community. Thank you, Administrator L. Chris George and John Gums in the St. Thomas, St. John District and Pedro Naives in the St. Croix District.
- 1:17:59 The recorder of deeds, ROD, is responsible for recording and filing of deeds, mortgages, contracts, liens, including federal and local, releases of mortgages, and all other legal instruments relating to the transfer of title and encumbrances on all real and personal property. The Recorder of Deeds Office is responsible for the sale of all revenue stamps. In FY 2024, the Recorder of Deeds Office collected \$17,569,020 in stamp taxes and other fees. twenty dollars in stamp taxes and other fees as of june 30th 2025 the recorder of deeds office collected 14 million eight hundred fifty two thousand seven hundred thirty three dollars in stamp taxes and other fees a 13.4 percent increase compared to fy 2024 rld collected 13 million 100 one thousand eight hundred four dollars in fy 2025 the recorder d's office is estimated to collect 19 million ninety eight thousand six hundred fifty nine dollars in stamp taxes and other fees that is a 8.7 increase over fy 2024 collections in our testimony last year we stated that one of our goals would be to provide continuous online service to our customers when there are service interruptions such as those caused by electrical power outages in fy 2025 the contract with gov os inc provides complete online cloud services therefore we have been able to provide uninterrupted service to our customers in fy 2026 when negotiating the terms of the new contract we will strive to expand online access to ownership index cards and estate cards and scan ancient records from the early 1900s into the database, thereby achieving 100 animation of services it offers. In FY 2026, the office will engage in outreach with other divisions such as the Division of Banking, Insurance, and Financial Regulation to provide brochures regarding the procedure to record documents. We commend the knowledgeable, experienced, and hard working and dedicated staff of this office for the crucial service they provide to this community thank you to recorder of dc porsche joseph and louie felix in the st croix district and recorder of these erica dover ingrid lake and rachel griffin in the st thomas st john district the division of corporations and trademarks collected seven million eight hundred
- 1:20:42 forty three thousand five hundred eighty eight dollars and seventy two cents in registration fees filing fees and franchise fees in fy 2024 as of may 30th 2025 the division collected 3 million five hundred forty six thousand six hundred ninety three dollars and fifty cents and as of june 30th of 2025 the division has collected seven million forty nine thousand six hundred ninety \$91.38 in registration fees, filing fees, and other franchise taxes. The division experiences highest peak in collections in the month of June, as June 30th is the deadline for registered entities to pay their franchise taxes. By the end of FY 2025, the division is estimated to collect \$8,600, \$9,691.38 in registration fees filing fees and franchise fees which is a 9.77 percent increase over the revenue collected in fy 2024. in fy 2026 the division is projected to collate collect eight million five hundred seventy five thousand dollars in fy 2025 based on upgrades to the catalyst system the division provided online access to all of its registered entities and continues to provide outreach to its users to assist them in remaining compliant with franchise tax and annual report requirements the division also continued to provide outstanding customer service in fy 2026 the division projects that additional features will be added to the catalyst system to include streamlining the system to reduce customer glitches accessing name availability without staff involvement

adding conversion services from partnerships to corporations and llc's and vice versa and enhancing delivery of services to customers the division staff are always ready to assist customers and answer any inquiry inquiries thank you to director denise johannes assistant director laura

1:23:02

Ben Minster, Alomar Hindman, Jeanette Reimer, and Angela Mills in the St. Thomas St. Don District, and Assistant Director Lynn Isidore in the St. Croix District. The VI SHIP Medicare Program is comprised of two federal programs. One, the state health insurance assistant program known as SHIP, and two, the Medicare program continues to realize its mission to the members of this community through education, outreach, counseling, and training. This program provides medicare information with a team of counselors to provide assistance in person and by phone group presentation and utilizes a variety of media sources to educate our community about medicare their program offers one-on-one assistance counseling and education to medicare beneficiaries their families and caregivers to help them make informed decisions about their care benefits and services support people with limited incomes as well as beneficiaries under the age of 65 with disabilities and individuals who are duly eligible for medicare and medicaid their program proudly delivered guidance with billing inquiries the medicare appeal process and medicare enrollment and assisted medicare beneficiaries with enrollment into the medicare prescription plan part d and medicaid supplement plans in fy 2025 the program has fought as a following accomplishments 520 medicare eligible individuals were served at the vi ship offices 367 medicare eligibility eligible individuals caregivers and family members attended vi ship outreach events their program also participated in the 2025 usbi wellness fair by distributing educational brochures flyers and other giveaways to over 1100 clients who were in attendance in fy 2026 their program strives to remain as the known and trusted community resource for medicare information continued services to empower educate and assist medicare eligible individuals their family and caregivers through outreach counseling and training increased contracts with hard increased contacts rather with hard to reach medicare beneficiaries who are under the age of 65 enhanced service and outreach for medicare eligible individuals who are spanish or french speaking with limited english proficiency continue partnerships with centers for medicare and medicaid puerto rico and virgin islands senior medicare patrol and aarp of the virgin islands and build more community partnerships and revamp the mental health in the post-covered era grab a whole of it great series providing education on medicare mental health benefits with presentations from licensed mental health professionals to assist medicare beneficiaries in understanding and coping with increased feelings of loneliness sadness depression and anxiety caused by the coveted pandemic in fy 2026 the program will engage in radio public service announcement announcement campaigns informing the community of vi ship services and medicare coverage options also it is a small office we commend the experience and dedicated staff of the VI SHIP Medicare program for their hard work and dedication in assisting the territory's growing aging population in making sound and reasonable health coverage choices. Thank you to Director Rose Marie Maduro and Macy Mills in St. Thomas and St. Don district and Glenise Herbert and O'Danny Evans in the St. Croix district.

1:26:52

We commend the experienced and dedicated staff of the VI SHIP Medicare program for their hard work. The Virgin Islands passport acceptance facilities are the local agencies designated to accept applications for US passports in the territory. The Virgin Islands falls under the Department of State Bureau of Consular Affairs Miami passport agency in this region. The Virgin Islands passport acceptance facility plays a role in helping residents of the Virgin Islands obtain United States passports without having to travel to another u.s jurisdiction the staff in the passport division accepts passport applications verifies the identity of passport applicants and educates its customers about passport services and products we are pleased to report that in fy 2024 the st thomas district again ranked in the top 10 for passport acceptance performance in the region in fiscal year 2024 the amount of revenue collected was \$1,300,610. As of June 2025 the amount of revenue collected was \$1,174,222 and the facilities are estimated to collect \$1,345,910 in FY 2025 which is a 3.48 increase over fy 2024 the facilities are projected to collect one million three hundred ninety seven thousand three hundred dollars for fy 2026. the revenue collected by the facilities goes into the general fund in fy 2025 the division continued its efforts to educate the public on new generation passport travel safety updated passport policies reinforce the importance of early passport application to to reduce delays and avoid extra fees, work with the San Juan Passport Agency to support urgent passport needs and compliance readiness, maintain strong community outreach across the travel safety programs like Smart Traveler Enrollment Program and International Parental Child Abduction and ensured 100% certification for passport acceptance agents through Department of State training. For the third consecutive year, The St. Thomas district was ranked in the top 10, highlighting continued excellence in passport acceptance services. In FY 2026, the division strives to increase passport acceptance at local facilities by 20%, increase awareness and use of passport cards by 25%, and continue to teach travelers how to use the QR code features of their passports. Thank you to Supervisor Kishma Dorsett and Anton Popol Jr. in the St. Thomas, St. John District, and Supervisor Ruthland Peters and Malaysia Elisara in the St. Corey District. We commend the small but very dedicated and knowledgeable staff of the passport acceptance facilities who continue to provide this crucial service to the members of this community. The

Division of Management Information Systems continues to provide technological support to all divisions within LGO, including system management, diagnostic support and maintenance for all LGOs, computer and technology systems. The staff of the division continues to upgrade security measures for the protection of LGOs data and to work with the various remote vendors contracted by LGOs divisions to create and maintain local systems and assist in contract negotiations regarding the technological systems that we utilize. We commend the staff of the MIS division their hard work commitment and dedication in creating a more secure computer environment for lgo staff and ensuring that the goals and objectives of lgo's many divisions to enhance the services they provide and continue to generate significant revenues through automation are achieved thank you director lance mckay deanna hunt ludens romney jr in the saint thomas st Dunn District, Cynthia Codrington, and Carl Derricks in the St. Croix District. The Legal Division plays a critical role in the day-to-day operations of LGO. Specifically, Legal Counsel plays a critical role in the contract practice for selecting vendors that are responsible for creating, maintaining, and supporting the systems and databases utilized by LGO's divisions to provide services and collect revenue. Legal Counsel also drafts other legal documents and legislation needed for the operations of all LGO's divisions and works closely with the Virgin Islands Department of Justice to bring resolution to various legal matters

1:31:44 affecting LGO. Additionally, legal counsel also provides legal advice and guidance to the lieutenant governor and the divisions within LGO regarding their statutory duties and responsibilities. The legal division also oversees the notary public division which is directly responsible for the regulation of notaries public who are commissioned by the lieutenant governor to act as servant public servants with the assistance of another LGO employee on the island of st. Croix this division is staffed by one person who has served in the role of notary supervisor for the last six years she has achieved membership in esteemed notary or organizations including notary national notary Association the Notary Association of America and the American association of notaries and demonstrates a steadfast commitment to upholding notarial integrity and deterring fraud in the virgin islands the fy 2025 accomplishments of notary public's division include development of a comprehensive notary newsletter notary bulletin to provide valuable updates insights and best practices for notaries fostering improved communication and professional growth within the notarial community maintenance and organization of all notarial files to comprehensively verify and update notaries commissions thereby improving operational efficiency and insurance compliance the notaries republic the notaries public division continues to celebrate notary public day which is observed on november 7th in fy 2026 the notaries public division strives to provide standardized training for new notaries implement ongoing continuing education for experienced notaries enhance the notary public website provide online tools and resources including application forms and faqs develop educational materials and campaigns to inform the public about notarial services establish clear protocols for handling inquiries and complaints host regular workshops and seminars to ensure notaries remain current fostering knowledge and collaboration within the notary community maintaining ongoing notary inspections for all notaries in fy 2024 the notary's public division collected 42 291 As of June 2025, the division collected \$41,030 and is estimated to collect \$49,730 in FY 2025, which is a 17.6% increase over FY 2024.

1:34:33 The division is projected to collect \$45,600 for FY 2026. we commend the notaries public division for its hard work dedication and its many accomplishments thank you Diana P Brown supervisor of the notaries public division and Raquel Penn assistant to the legal counsel division we would also like to thank and commend Anise Canton Petra Victor and Augustine Holder who assists the lieutenant governor Roach and operations of the office for their dedication and service we are pleased to recognize our outstanding employees of the year Jalan James in the st. Thomas district and I'm the st. Croix district sorry and Jacqueline Jones in the st. Thomas st. John district in addition we thank this legislative body and senator DeGraff for three interns that worked at the office of lieutenant governor this summer Makai Hart and Kyle Correa who is actually in the chambers today sitting in the back on my right the other interns have finished their terms already so she's the only summer intern left with us who who worked in the notaries public division and Donnell Dominique who worked in the office of the tax assessor in the st. Thomas st. John district the follows up the following summer interns worked at LGO from the The Summer Youth Work Experience Program, Department of Labor. Tariq Edwards and Lenise Christopher worked in the Office of the Tax Assessor. Kaitlin Subrati in MIS St. Thomas, St. John District. And Janiyah Petty worked in the Recorder of D's Office in the St. Croix District. As always, the Lieutenant Governor, Lieutenant Governor Roach, extends his heartfelt gratitude and appreciation to the employees of the Office of the Lieutenant Governor, recognizing their continued commitment to service and sacrifice to the Virgin Islands government and the people of this territory. He would also like to publicly thank the constituents for their input and for those who have taken the time to call and write to the office to commend the staff for their good work and stellar customer service. Mr. Chairman, we have presented you with an overview of the Office of Lieutenant Governor's fiscal year 2025 accomplishments and the fiscal year 2026 goals and objectives which must be achieved to allow LGO to continue to improve the crucial services provided to the members of this community and to enhance its capabilities to

continue to collect significant revenues for the government of the Virgin Islands. We thank you and your committee for this opportunity and hope for your favorable review and response to our requests. We are now ready and available to answer any questions that you may have.

- 1:37:33 Thank you very much. Acting Chief of Staff, Nadia Harrigan, you could take a bow. You did well in that presentation there. Thank you. You're welcome. So now you, I wanna, before I move on to the discussion the budget i want to welcome the non-committee members senator carla j joseph uh to the committee morning senator welcome have you received all of your allotment for fiscal year 2025 to date for that farrington uh no senator not all of the allotment yet what are you what is the delta what are you short where are you sure well they do the allotment on a monthly basis so the last one would have been as of uh july so we have two more months to go okay so the last year you see of us july it's i mean you're up to date in terms of your life yes you're up to dating online yes correct any reductions or anything on on those or you got your full allotment as appropriated full allotment very well um do you are you the recipient of any federal funds any arpa money any money from insula um affair why we list the federal funds um vi ship they include it in this information right um so for the public benefit i was just asking whether or not there's any federal funds that you receive and how much is that well our gis division gets federal funds we're sub-grantee through vi housing finance authority and uh vitima and the same thing with public assistance funds so we're sub-grantee we're only a direct grantee for the vi ship medicare very well and in terms of your what is your current revenues to date behind the presentation by attorney harrigan
- 1:39:32 Again, our revenues as of June 2025, we have \$74,939,992 plus an additional \$1,282,024 for the money transmission. And let me take this opportunity to come in on my colleagues, certainly Senator Marvin Blyden and Senator Maurice James and those two initiatives that brought in some additional funding to all coffers. Vendors payment, how much do you owe in vendors payment or do you owe anything in vendors payment at this point?
- 1:40:19 Well, we have vendor payments in the system. I'm trying to think on the figure off the top of my head. now we've been working with department of finance to get us through the end of july to see how much we can clear out so we have a combination of payments that have been made and we do have some in the system i'll have to work up a number for you okay that's i'm more interested in the ones that's 60 days um and older in the system yes um that i would have to check 60 days and over 60 days and over you don't have any or you'll have to check that i would have to check that i'm sure we probably have a few okay all right and in um in rental and leases uh how much do you pay in aggregate for rental and leases at this point and for how many um locations we pay for rental and leases one minute please our post audit is reflecting 1.4 million dollars in rental and leases um is that correct what page are you on sir rental and leases is on page yes page eight that looks about right yes that looks about right yes senator and that's one two three four five six seven eight locations uh yes and tell me is everyone out of uh king king cross street christian said no we still have the i'm sorry um Nadia Harrigan acting chief of staff legal counsel no senator the office of the tax assessor is still located on the first floor of King Cross Street as well as the one employee
- 1:42:08 that's in GIS okay and at least you intend to extend that lease we could have expired last month just for the first floor senator just for the first floor so you banking and insurance was on the first banking insurance and financial regulation was on the third floor and they've vacated the third floor okay so you intend to maintain the lease so obviously it'll be adjusted from the amount that you're paying now for that lease if you just occupy in the first floor yes your honor it was built into the lease that way because we we explained that we intended to move from the third floor okay very well and um what else before i open up the floors my colleagues real quickly in the area of abundant and unclaimed properties i see that some of those properties go back to 2007. at what point uh do you uh again either uh auction those or or what happens or tell me what happens uh at what point um because we're talking about some of these properties being 18 years plus what happens next in that process especially for those that have been there for such extended period of time um mr lerda are you on i'm sorry glendina i'm sorry attorney matthew good morning thank you director of banking insurance and financial regulation senator those are not real property they are either bank accounts it could be refunds due by utility companies insurance companies any financial institution that owes you any kind of refund it would turn be turned over to the division and we're responsible for getting it to the individuals so these are not real property and they remain available to consumers or individuals until they're able to claim it but even if the individual themselves are not able to claim it their family will be able to claim it uh that's understood um attorney matthews so the question
- 1:44:26 is at what point or what happens next in the process some of these have been on the books for the last 18 years from 2007 what what happened next in the process we just continue to keep them on the books or what effort then is to pass them on to the family members at this point it remains on the books as we indicated in a testimony we have them available on the website our lgo website all of the listings from 2007 as well as we do have a new system the avenue system where a person can also search for any unclaimed property so it will remain available to individuals in this territory uh so even if

the individual themselves is not able to claim it their family members can claim on their behalf understood all right um and my last question before i open up to my colleagues at this point is um in terms of those delicate records that's what you have described as a more festive building what happened to those records that's maintaining those buildings that you have moved staff from but um records continue to remain in those buildings Senator, what we have been told, Claudette Farrington, what we have been told is that there are special and unique processes that can address the remediation of such documents. So besides having more remediation for facilities, there are companies that can facilitate that.

1:46:04 So that's an area that we hope to explore. okay I'll see I'm not initiated that process yet but you intend to explore the opportunity to save those records before yes very well at this time I'll open up the floor for a five-minute round from my colleagues and Senator Blyton the order will be going in this morning thus far Senator Blyton Senator VLA Senator Frederick Senator Angabalquez Senator Maurice James and a colleague a Joseph Senator Blyton you recognize for your five minutes thank Thank you so much, Mr. Chair. Good morning. I'm sorry. Yes. Yeah, I missed you. I'll make sure I fit you in there.

1:46:42 Thank you so much, Mr. Chair. Good morning. To my colleagues, staff, central staff, listening, viewing audience, good morning. Acting. Acting. No, she's not director. Chief of Staff. Chief of Staff. Acting Chief of Staff, Senator. and council and your supporting team there again thank you so much for most comprehensive testimony um before i go into the my questions um in terms of budget let me just state on my frustration though with government as a whole communication and collaboration between different agencies here it is in your testimony on page 12 you spoke to to anticipating 570 installment plans for property tax payments, et cetera, in order for folks to maintain their homes.

1:47:39 And we have a government program that has over \$8 million in it right now to assist individuals to attain this exact goal, pay your property taxes. If you don't have insurances, hurricane season coming up, help pay your insurance up to \$65,000. It does so much things for homeowners that you're behind in your mortgage payments. It assists you with getting caught up and we are not communicating. It frustrates me so much. It makes no sense. When these initiatives come out, that should be shared among different entities. That list that you have, it needs to go to HFA, please, like today.

1:48:17 So they can assist those individuals in assuring that they save their homes. I just wanted to put it out there. It's very important. Okay? Thank you, sir. Now let's go into your testimony. On page 12, go to page 12. No, that's page 12, I'm sorry. Page 10 of your testimony. You spoke about folks with accounting backgrounds that's needed to conduct financial analysis of licensed companies doing business in the territory. That's critical also. Correct? That's correct.

1:48:56 Senator. How much individual do you need to fill in order to accomplish this purpose? How much individual or how much vacant position do we have? I'll let, if attorney Matthew. Good afternoon, Gladina Matthew, Division of Banking Insurance and Financial Regulation. we have one open position on St. Croix and we have approximately three open positions on St. Thomas for the financial services examiner position. There are some other positions open but accounting backgrounds are not needed for those positions.

1:49:40 The one, those four positions I want to talk to specifically, do you believe the salary where it needs to be at and and if not what is being done to assure that we can onboard people because those positions are very critical to your operations and accountability of these companies can someone speak to that please and i thought the reality is um in regards to the salaries um that that is the challenge um many times you're competing with other agencies who may have higher salaries, and we're asking for the same requirements for those positions. So I think if we had higher salaries, we would be able to attract more persons to those positions.

1:50:28 How long have these positions been vacant? These positions have been vacant based on persons being either retiring or are resigning from the position so it varies maybe two three years depending on when the person had left just my point that's too long and the role that they play right um how much revenues do we um bring in in that division on annual basis average one minute And while you're doing that, can someone go to page 8 of the post, I'll just report on a professional service contracts. I know you had a contract that expired in March of this year. That was \$636,609. It was showing annual payment for 2024. But were all those funds expended? Was all those funds expended? The figure, Senator Claudette Farrington, the contract expired right now.

1:51:49 Thirty seconds? It's in progress. We're working. It's a contract that has to be continued. It addresses the system for our division of corporations and trademarks. The figures you're looking at indicate the payments for respective fiscal years. we're still paying down currently for 2025 okay we normally pay on a monthly basis we normally pay on a monthly basis okay very well and and did you find the figures for the amount that is collected for division yes for division of banking insurance and financial regulation, they collected approximately \$35 million in fiscal year 2024, and is projected to collect about \$38 million in fiscal year 2025, along with another \$2 million plus in money transmission fees.

- 1:52:59 Exactly, and they do a lot of work. And my point is, we need to be creative and find a way to adjust those salaries in order to onboard individuals to assist in carrying on the mission and goal of the division. And I want to thank all of you for doing a good job, in my opinion, at your division. You collect the most money for the government of the Virgin. I want to continue to do the work, but let's ramp up a little bit to see how we can be creative and onboarding those individuals. I want to thank you so much, Mr. Chair, for the time. Thank you for your responses.
- 1:53:29 uh thank you very much senator blight and i too want to join in commanding the lieutenant governor's office obviously you're the second wheel on the bus um you know in terms of the funding that comes into the coffers of the virgin islands and being the chair of budget appropriations and finance certainly i appreciate the efforts that have been made to ensure that we continue to collect monies and the tune of your projection for fy 2026 is 131 million dollars and we saw where you're nearing or you're projected to um collect about 128 million dollars during fy 2024. the building that has been purchased on first bank um has been very concerning to me that you have had that building for quite some time how long when was when was it that you close on that building um natty harrigan acting chief of staff legal counsel it was february of 2024 february of 2024 and i heard in your testimony you talk about the prioritization of a number of things that needed to be done um but i think that um when we look at the your expenditures of 1.4 million dollars in rentals i think it's so critical that you're able to move into your own building and there is an opportunity there and you know i just wanted to get from you what is the timeline that have been um set to um place the individual's unit within that purchase new purchase building um well as i stated in the testimony of nadi harrigan acting chief of staff legal counsel as i said in a testimony we've begun the process of procuring the two ac units and the condenser i'm not sure how long that's gonna that process will take hopefully won't be long the process in which to remove the old ones and replace the new ones isn't going to be a long process so we're hoping that that will come to fruition very shortly within the next couple weeks we will be doing another assessment inside to determine what exactly needs to be done so we are we have a plot in place to assiduously address this issue so that we can get moved into the building as soon as possible what's taking so long for the assessment though you purchased the building you closed on it before you purchased the building you had an idea of how you were going to utilize the building you i'm sure you had done a walk through and look at the building and make a determination how you want to retrofit it what's taking so long it's been almost it'll be over a year you know since you've closed on the building what's taking so long for for you to make a determination, a path forward, and what's needed to address that.
- 1:56:12 Nadia Harrigan, acting chief of staff, legal counsel. Understanding it's taken a while, but as stated in a testimony as well, there were issues, mold issues in other offices that we had to address immediately, not only for the employees of the office of the lieutenant governor, but also for customers and constituents that would frequent the office to conduct business. So it got to a point where the mold count excessively high and was adversely affecting even our employees so we had to address that situation all i can say is moving forward we've begun the process and we are going to move forward we've spoke to an architect and we have plans on meeting with him and we are going to move forward with this project as soon as possible thank you for that i just want to say i think that we could walk and chew gum at the same time and um yeah i think that um again putting these employees in a comfortable especially when you talk about mold fested um mold is a serious problem in in this territory you know uh and um certainly you have a new building that you're moving towards you know so i think that there's some opportunity there for you to minimize that mold exposure by placing them in a in a decent building but that to me is taking some time and i'm hoping that um you know based on your testimony based on your word here today that we could really see some uh movement in in that yes yes senator well the office of the recorder deeds is very happy in their new home temporary home yes all right good show uh senator you recognize for your five minutes thank you thank you mr chair good morning to the people at the virgin alas good morning colleagues good morning testifiers good morning good morning and um thank you for your testimony If I didn't know the employees of the lieutenant governor office, I now know each and every one of them by name.
- 1:57:57 That's right. I know you say the employees are happy, but they're happy at the expense of the government paying rent. And we purchased a building for almost a million dollars. And the money so that building was allocated when I was back in the Senate my last term and I've been out for two years. it's been going on four years that we allocated money so those buildings just so that we could reduce the rent and not seeing the movement you know is disheartening because that is a nice building first bank was in the building for years the building was usable when we purchased it and by the time we get in we're gonna hear you have a million other problems because it shut down four years so we we got to get in the bill and we're paying 272 thousand dollars for the king cross how how much has that been reduced since you're not using the third floor what's the new amount senator i can't give you an exact amount but it's 18 or 19 000 a month yes it's 19 000 a month but But the question is, how much will we reduce?

- 1:59:10 And I think it's going to go down to a hundred and something. I don't have an exact figure, but a hundred and something thousand. Okay. And if you're able to get usage of the building of your purchase, would that amount go to zero? Ultimately, yes. Ultimately, when we move. Can I make a comment, Senator, if you don't mind? You mentioned the passage of the legislation, which is true. It took a long time to close.
- 1:59:37 No, I'm just saying, yes, we had to go through the negotiation process. You know, we worked in concert to go through the negotiation process to arrive at a figure. And we also, we had to get appraisers, which was a... I understand all of that. Okay, I just wanted to... I do understand the clearly, but remember now that this is July. Yes, I understand. You close in March. Assessment should have been done. AC units should have been ordered. Do you have sufficient monies for the AC unit, et cetera, to get that building up and going?
- 2:00:11 Well, a little help will always be good, Senator, because I know with the passage. I know you're good with numbers. No, I'm just saying the passage of the legislation, there was some remnants. So if this body would allow us to retain that to help facilitate with the AC unit, that would be a plus as well. so you didn't use the entire amount uh no and you want to have access you want to have access to the remainder of the amount to purchase ac units etc exactly it's a small amount okay so we can have a discussion um right after thank you how many employees you have that are making less than 35 000 we have we have six employees well what's the cost to bring them up to 35 000 okay to include fringe you have that yeah i need to pull it out okay you go ahead and pull it up and before i move on to other parts one of the one of the unique uniqueness of being on the finance committee is that you have an opportunity to see the salaries of every single government department and you're able to make comparison and um from when i left in the 34 to back in the 36 do you think that your rank and file employees salaries are pretty flat pretty flat not leadership rank and file have not had much variation over the last four years five years well we have we have implemented as part of the negotiation process we we implemented salary increases for the rank and file in 2023 2024 and the last implementation was actually for fiscal year 2025. it was what a three percent uh no um it's what was negotiated with their union and what was it do you remember the average it varied based on the position but um some positions
- 2:02:19 did better than others but they went up not only vertically horizontally the lower ones could could do better but some of the higher positions so it varied some positions did very well but others can do better okay when you're doing like three four percent of a low number it's it is a low number so they the increases is marginal you know you give an increase but it's really when you equate it out it's really really nothing and i'm looking at a lot of the other government departments that come in with similar um titles similar position but don't have the responsibility that the lieutenant governor office have in terms of raising money and their salaries are literally better i'm seeing some department i open my eye and i'm like wow okay this department doing um pretty well all of the employees one minute and there's an issue okay to answer your question senator we have six positions that are under the 35 000. okay five of them are filled one is vacant and the cost to bring them to that level would be uh 30 000. okay and i'm glad we're putting that on the record because there was a myth out there that this 35 000 is going to broke the government cause financial instability and for some departments it's marginal there's one vacant position not filled it's not even an additional appropriation it is so easy to give these individuals a decent salary and some of them are working for these institutions 20 25 years especially those we have that are custodians and food they're working a long time 30 seconds your number of separations number of separations we had to include retirees how many what you said that said to include retirees individuals are resigned retired um senator i stated in this in
- 2:04:13 the testimony eight separations to include five resignations and two retirements and how many positions are filled we filled about nine positions we do a lot of in-house promotion so not just bringing people okay so so we are like plus one yes okay um quickly property tax or what's the outstanding amount owed for property tax they're not not what is not for this current year but what is the outstanding amount absent this current year that is owed for property tax time um mr leardon are you still on Yes, Brent Laird, I'm tax collector. The amount owed for property taxes right now is just around \$100 million.
- 2:05:07 Okay. And that dates back to how long? That dates back to somewhere in the 1970s. Okay. Timeshare, is that finally together that we're collecting the amount we need to collect for the timeshare units as a result of the legislation that was passed, or do we still have a large amount of timeshare owners not paying the taxes? There are still consolidation projects being done by the office of the tax assessor, and they're working through those. They take a very long amount of time, but they're diligently working on that. Tax assessor can speak more to that.
- 2:05:50 Okay, so for the current year timeshare units on St. Thomas, you don't really have any timeshare on St. Croix. Are they submitting en masse the payment? Have we reached our agreement with these timeshare operation that moving forward, they're going to be billing and then submit the money to the Lieutenant Governor's office as prescribed by the bill? Are we to the point where we're doing that now? Well, for the consolidation that has been done, specifically with Bluebeards,

the association is able to do that. But Senator, I would differ with you on the interpretation of that law because it also gives them the right to pay what they have been paid and leaves the rest of the taxpayers to the tax collector to chase behind. is nothing entirely how you represent okay but that that is past due amount i'm saying moving forward you're supposed to enter into agreement with the timeshare association for that particular complex collect all of the taxes from all of the units and submit that to the lieutenant governor office is that being done that that's the work in progress with the consolidation plan because once the tax assessor finishes consolidating each association they first have to remit the past due amounts before we talk about going forward so it's still a work in progress but it is being done this is over five years ago we're passing legislation to be able to collect taxes that outstanding and all to the people are divorcing now just five years i got this bill passed five six years we always we could never reach the conclusion in getting anything done and and and that bothers me you know did this entity does well and i commend all of the workers

2:07:44 but some of these decisions are questionable we're bragging about building the house with the office of lieutenant governor and the building that we need to move in short thank you mr ju uh thank you very much uh senator uh vla mr romney you wanted to say anything on that though you wanted to weigh in yes go ahead please recognize the mic mr romney you may proceed lurence romney tax assessor the The issue with the timeshares is something that we're working out.

2:08:27 And when it's completed, we will only be receiving one bill. It is not our intention, and we don't think that anybody besides the government should be making a decision about how and when taxes should be paid. And so once the process is completed and the rules are set, the timeshares will be paying one, the timeshare association will be paying one bill. Because part of the confusion is that a timeshare is really not real property. By definition in the code, real property are immovable. And so once we clarify that matter and things are set, we shouldn't have the situation that we have.

2:09:23 It will be one bill issued to the Condor Association for that. Yeah, that's understood, Mr. Rami. That's the legislation that was created. I think the question is in terms of the process, the urgency in putting these things in place so that we could be able to collect on these things. Time is not our friend. We need to take night and make day and move on. We have these circular discussions as we come to every budget hearing where we keep hearing things are in progress, has started, we intend to. We really want to know some timelines, some definitive timeline in terms of getting that wrapped up. so again the question to you is when do you believe you'll be able to close the loop for implementation what has been the mandate or the orders from the powers to be to make sure that we're moving as per the legislation well i am hoping by the time the next set of bills come out that uh this matter is closed and there will be one bill to each time share each condo association for the timeshares okay what is those bills do next that's that's next year june next year june all right yeah follow up follow up senator you recognize thank you so much when that bill was crafted it was done with legal counsel for all of the timeshares on st damas one person was representing just about all of them and it was done in conjunction with the office of the lieutenant governor tell us what you need in the bill to make it work and that is a bill we pass where if you have 40 units instead of billing 52 individuals a week for each unit times 40 it would be one bill to the association and they make the payment to the lieutenant governor office at that point

2:11:21 they were associations that had money in escrow that were not paying because they couldn't get the bills reconciled etc so we devised an easy process one bill lieutenant governor office sent one bill to the association and the association is responsible to collect the property tax from all the owners for that one unit the 52 owners or how many you have for that one unit and to know that we're still in the process of trying to reconcile or do anything you know i mean we we got to do better than that if there's a need to amend something on the bill then come back to this body and and let us know but we can't have that excuse where at the point associations were saying we have hundreds of thousands of dollars in escrow that is owed to the government but we can't pay it because we can't reconcile the information that we need thank you so much mr chair thank you very much senator viale senator college joseph you recognize for your point of information uh thank you so much mr chairman a pleasant good day to everyone i wanted to just follow up how much staff do you have mr romney working with you because i'm wondering if it is that you need additional staffing uh to be able to really pull and move this needle on this issue what what is the ask do you need additional staffing so that you could or assist them what what is it that is needed for us to be able to move this issue uh quickly along we need additional staff but not necessarily for that issue for that particular issue uh i think we at some point we may come back to this body to ask to make some amendments to the bill before we move forward okay thank you for saying that now we we understanding what some of the the uh hiccups may be all right thank you so much mr chairman thank you senator joseph

2:13:22 son of the graph you recognize we're coming to you senator senator the graph you recognize for your point of information uh thank you mr chair good good morning uh what is it tax assessor romney that does it yes tax assessor romney uh what is being done now are we collecting anything at all from the timeshare yes but it's the the confusion is in in some cases the the timeshare owners are wanting to pay, but it should be the association that is paying. So again, we have to clarify

some things, and we just need to get some things clarified with some of the associations, because they have issues that they think is one thing, and we don't agree with them. So we're turning money away? No.

2:14:26 no not at all okay thank you thank you for the time thank you senator the graph senator maurice james you recognize for your point of information thank you good morning thank you um mr chair i wanted to follow up on the timeshare question is it that in the virgin islands because i don't know the answer to this the timeshares are not um deeded timeshares and so they're considered personal property interest or is it can you can you tell me if that's the crux of the matter because if they were deeded timeshares um i have a deeded timeshare in another state and so you pay property taxes on it so is that part of the issue i'm i'm just um trying to get some understanding of what's happening with the timeshare ownership and how it's structured in the Virgin Islands. Thank you Mr. Chair. Thank you Senator James. Mr. Romney you may respond.

2:15:27 Lawrence Romney, tax assessor. By law the Virgin Islands is supposed to follow the standards of the International Association of Assessing Officers. The International Association of assessing officers does not consider timeshares to be real property now there are some states that they tax time shares but they they they tax them because they don't treat them as real property and they're allowed to tax them under another regime the law says that real property are one of the definition is immovable So this is part of the contention in the issue in settling the timeshare bills within the Virgin Islands.

2:16:22 In the past week, I've met with one attorney that represents one of those associations. In the next coming week, I am meeting with another attorney that deals with that issue. They are saying they have the money to pay. but they want in my estimation and I'm not trying to put words in their mouth or anything but my understanding is where they're coming from is they want to determine the how the terms and and and so that's why I said we may need to come back before this body to clarify and adjust the way the law is written to say things I don't want to speak those details on floor i'd rather speak with you after to say some of those things and then once we clean those things up we can get that done but basically we can only tax real property and that's the closest i can come to saying any of the details oh very well just just know that we're available for that discussion and whatever amendment that's required for us to be able to tie up any loose and or loopholes within the legislation so that we can move forward on that um at this time the chair We recognize Senator Hubert, Frederick, you're recognized for your five minutes.

2:17:37 Thank you very much, Mr. Chair. Good morning, colleagues. A pleasant good morning, testifiers, listening and viewing audience, my staff and central staff. Good morning, all. Good morning. Good morning. One, two, one, two. Good morning, everyone. I just wanted to say I was excited that this is a second highest revenue grossing revenue in the government and they continue to be no one is even close you know you guys are like if this was a horse race you guys would be way out there so personally normally my approach would be to talk about your costs. But I'm not going to do that today because you're generating revenues. You're doing what we want most of our agencies, if not all, to do. Try to generate some money to take the burden, the financial burden, off of us as a community. My concern is on the vacancies. I wasn't sure there were some inconsistencies your testimony spoke to 91 position on page 3 the post audit there's 29 so help me out with what's going on with the the variances with the positions claudette farrington senator for fiscal year 2025 i think there might be some misinformation but when the budget was constructed there were constraints in terms of the number of positions that you could have vacant you know positions that were available initially the thought was

2:19:26 it was limited to five we ended up with six then close to end of finishing the budget we did ask for three additional position those you've heard of those three real property tax appraiser one it was a process we were having challenges filling building appraisal position the system appraisal position So we did a revamp, you know, we did a revamp of the process, updated the specs, changed the names, went through a lot of job fairs and different ways to attract people as a part of that process. And by doing that, we were fortunate to not only get the three positions, but we were fortunate to bring on three individuals.

2:20:13 Well, we brought on two new coming in and one was promoted. So back in 2025 with the budget also in terms of the vacant positions, I don't know if you recall, but many of them were not at a FTE of one. Some of them was 0.5. I don't want to sit here and say you can't fill half of a position or if it's going to take you half of the fiscal year. So the structure was different for the general fund positions. We had started out the year with 24 vacancies, and they've been adjusted because sometimes as soon as you fill a position, we had a position in banking, as soon as we fill a position, somebody vacates it and move on to our next.

2:21:01 They use us to get their foot in the door, and they move on to another agency that's paying more money. So we have the position vacant again, and here's our second term in filling it. So that has been some of the challenges we had for fiscal year 2025. Fortunately, now to me, for fiscal year 2026, it's not structured like that. You are given a ceiling. You are allowed to work within that ceiling to get, once you address your field position, to get as many vacant positions as you

could. Which is the 91 as per the testimony?

2 : 21 : 38 91 positions as the general fund. all right yes page three page three 91 91 positions um i'm looking at the the post because when i look at the post audit i i counted um 30 32

People named in this transcript

SUSPECTED, and a finding aid only. Names were matched by machine against the spellings used across all 426 of our transcripts, and the title is the one used in the room. Being named here is NOT evidence that a person attended or spoke · only that the name was said. Speech recognition mishears names, so a spelling may be wrong even where no alternative is offered.

- 6x **Senator Marvin Blyden**
heard in this transcript as: Blyden, Blyton
- 5x **Senator Novelle Francis**
the surname alone also matches: Novel E. Francis Jr.; Navelle Francis Jr.
heard in this transcript as: Francis, Francis Jr, Novel E. Francis Jr, Novelli Francis Jr
- 4x **Senator Marise C. James**
the surname alone also matches: Javan James; Giovanni James Sr
heard in this transcript as: James, Maurice James
- 4x **Senator Ray Fonseca**
- 3x **Senator Dwayne DeGraff**
heard in this transcript as: DeGraff, Duane M. DeGraff
- 3x **Lieutenant Governor Tregenza Roach**
heard in this transcript as: Roach
- 2x **Senator Claudette Farrington**
- 2x **Senator Hubert Frederick**
heard in this transcript as: Frederick
- 2x **Senator Kurt VLA**
heard in this transcript as: VLA

Bills and acts referred to

Matched by number against our own acts corpus. The number is what the recognition heard, so it may be wrong; where it resolved, the title is the one the Legislature gave the act.

- Act 8936** Act 8936 · October 16, 2024 · An Act amending title 9 Virgin Islands Code, subchapter II to establish the money transmission fee and the Money Transmission Revolving Fund per |
- Act 7798** Act 7798 · An Act amending tide 31 Virgin Islands Code, Part I. adding chapter 2 requiring notification to the public and utility companies before undertaking excavation of public or private lands and roadways, enacted by the Thirty- first Legislature at its regular session held on May 21, 2015, (a copy of which is attached hereto) and vetoed by the Governor on June 12, 2015, was duly enacted, by override, by the Thirty-first Legislature at its regular session on September 22, 2015, pursuant to section 9(d) of the Revised Organic Act of the Virgin Islands, 48 U.S.C. §1575 (d), notwithstanding the Governor's veto and has become law. President DATED: 0]2a)zou8 Lwle Jos Neville A. James mew pee · a? 3) 4