



Committee on Disaster Recovery, Infrastructure and Planning

Legislature USVI

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- 0:00:00 We'll be right back. Thank you. [2 such phrases repeated 40 times · standby audio before the proceeding, transcribed by the recogniser as speech]
- 0:20:00 Thank you. Thank you. Thank you. Thank you. We'll be right back. Thank you.
- 0:23:00 We'll be right back. Thank you. [2 such phrases repeated 21 times · standby audio before the proceeding, transcribed by the recogniser as speech]
- 0:33:30 Good morning, Virgin Islands, colleagues, staff, members of the administration, invited testifiers and members of the public who are present in person and who are joining us remotely. I am Senator Marie C. James, the chair of this committee, the Committee on Disaster, Recovery, Infrastructure, and Planning, and I call this hearing to order.
- 0:34:18 I ask Madam Clerk to conduct the roll call. Senator Dwayne Amdergraf is present. Senator Dwayne Amdergraf is present. Senator Dwayne Amdergraf is present. Senator Mauricio James.
- 0:34:53 We couldn't hear you, Madam Chair. All right, we're gonna start over. All right. We're gonna start over from the very beginning. Senator, I am going to start over from the very beginning. All right. Ready? Today's are seriously, so we have to be serious from the very beginning. Good morning, Virgin Islands, colleagues, staff, and testifiers. The Committee on Disaster Recovery Infrastructure and Planning is hereby called to order.
- 0:35:32 I am Senator Maurice James, the chair of this committee, and I will be presiding over this meeting today. I want to welcome my colleagues, invited testifiers, members of the administration, members of the public who are present here in person and who are joining us remotely. We will begin by having Madam Clerk conduct the roll call. Senator Angelo L. Bocas, Jr.

- 0:36:04 Present. Senator Bocas, Jr., present. Senator Duane M. DeGraf. Here. Senator Duane M. DeGraf, present. Senator Hubert L. Frederick. Senator Frederick present. Senator Marie C. James. I am here. Senator Marie C. James here. Senator Clifford A. Joseph Senior. Senator Joseph Senior present. Senator Milton E. Potter. Here.
- 0:36:32 Senator Milton E. Potter present. Senator Kurt Aviale. Senator Kurt Aviale absent. Madam Chair, you have six present, one absent. Thank you, thank you, Madam Clerk. Do you have any correspondence to be read into the record? No, Madam Chair.
- 0:37:05 Yes, you do. Do you have correspondence from Commissioner Peterson? Yes, I do, Madam Chair. I was referring to senators, but I shall read it right now, Madam Chair. Go ahead. February 19, 2026, the Honorable Marie C. James, Senator, 36th Legislature of the US Virgin Islands, 3022 Estate, Golden Rock, Christianset, St. Croix, U.S. Virgin Islands, 00820. Dear Senator James, greetings from the Virgin Islands Department of Agriculture. Thank you for your correspondence dated January 30th, 2026, inviting me to offer testimony during today's Senate hearing of the Committee on Disaster Recovery, Infrastructure and Planning. Please accept this letter as a request for my excused absence from today's meeting. Our agency is in the aftermath of our recent AgriFest event and I had previously scheduled a series of meetings throughout this week with numerous invited guests to the territory who will be partnering with VIDA on various initiatives. Thank you for your understanding. Best wishes for a productive hearing. Respectfully, Diane Hazelwood for Louis E. Peterson, Jr., Ph.D. Commissioner. Okay, let the record reflect that the Commissioner Peterson is excused from today's hearing. And we will recognize the other senators when they arrive. I want to recognize non-committee members that are here present. And that is my honorary, Senator Johnson.
- 0:39:03 Thank you. Thank you for coming. And we have Senator Marvin Blyden on the island of St. Thomas. Thank you also for joining us. So, Senator Franklin Johnson and Senator Marvin Blyden, non-committee members, thank you very much. I am actually hopeful that we are joined by all senators today, simply because this is a matter that's appropriate for the entire Senate at this time. That is my belief.
- 0:39:44 I want to, before we proceed with the reading of the agenda, I have some remarks that I do want to make. I want to pause for a moment to recognize that we are in the month of February, a month that's set aside nationally and locally to observe Black History Month. Black History Month provides an opportunity for reflection, education, and renewed commitment.
- 0:40:19 It is a time when we acknowledge the enduring contributions of Black Americans and people of African descent to the development of this nation, and we honor the sacrifices, leadership, and achievements that have shaped the course of history. Here in the Virgin Islands, Black History is inseparable from our identity. our own identity it is reflected in the strength of our ancestors the resilience of our communities the brilliance of our culture and the contributions of virgin islanders who have not only shaped these islands but the world this month reminds us that progress is never automatic it is demanded It is organized, it is fought for, and it is sustained through faith, courage, and collective action.
- 0:41:12 In that spirit, I also wish to acknowledge the passing of Reverend Jesse L. Jackson Sr., a revered civil rights leader, minister, and advocate whose life's work advanced the cause of human rights and strengthened the conscience of this nation. Reverend Jackson reminded the world that justice must be spoken aloud, that dignity belongs to every person, and that the voices of the marginalized should never and must never be ignored. His message was consistent, that no one should be invisible, no one should be disposable, and no one should be denied their humanity.
- 0:41:56 I also note personally that I had the privilege of meeting Reverend Jackson during the period of 1997-1998 when I served as a Democratic National Committee woman for the Virgin Islands. It was an experience that left a lasting impression and one that I remember with gratitude and respect. I grew up, and I'm sure many of you in here grew up, hearing his words and watching his example, not just as a public figure, but as a symbol of persistence. His legacy will continue to live in the movements he strengthened, the communities he uplifted, and the generations he inspired. In recognition of Black History Month, and in honor of Reverend Jackson's enduring message of human dignity and self-worth, I would like to, at this point in the hearing, begin with a short video clip from Public Broadcasting Service, 1972 Sesame Street segment.
- 0:43:11 titled I am somebody and I asked the media to show it for those of you who probably weren't born then this is you should see it now But I am. Somebody. I may be on welfare. But I am. Somebody. I may be small. But I am. Somebody. I may make a mistake. But I am. Somebody. My clothes are different. My face is different. My hair is different. but i am somebody i am black brown white i speak a different language but i must be respected protected never rejected I am God's child. I am somebody. Give yourself a big hand.
- 0:44:43 Yeah, that was nice. Although it's simple, it carries a powerful and timeless message that every child and every person deserves to know they matter. and they are worthy and they belong I want to thank let the record reflect that the video was played and again thanks to public broadcasting services for that clip that's been shown all over from the the minute I

heard of his passing I that was the first clip that came to my mind because I was a child in building In 20, Apartment 91, Ralph D. Chabot Project, when I heard that clip, I am somebody. I may be poor, but I am somebody. I may be on welfare, but I am somebody. And it inspired me, and I'm sure it inspired every single child that was living in the Ralph D. Chabot Project and all the projects on the island of St. Croix. And so today, with that in mind, it's about protecting. I was a child then, right?

0:46:05 And so, J.C. Jackson said, yeah, we need to be protected. Now I need, sitting here as a chair of this committee, I understand that I need to protect the generations that follow me. And so with that in mind, I'm going to ask, we will proceed with today's hearing, and I will ask Madam Clerk to read the only block and there's a reason it's the only block today because it deserves our full attention the only block on today's agenda will you please read it into the record Committee on Disaster Recovery Infrastructure and Planning Thursday February 19th 2026 10 a.m. Fritz Elouette's Legislative Conference Room St. Croix, U.S. Virgin Islands revised agenda. Bill number 36-0211, an act amending Title 29 Virgin Islands Code, Chapter 3, Subchapter 1, to allow small-scale distilleries and breweries in certain zone upon public notice and approval by the Department of Planning and Natural Resources, proposed by Senator Milton E. Potter by request of the Governor. Invited testifiers, Honorable Jean-Pierre L. O'Rio, Commissioner, Department of Planning and Natural Resources, Honorable Louis E. Peterson, Jr., Ph.D., Commissioner, Department of Agriculture, Kevin Reams, Esquire, Attorney, Law Office of Kevin Reams, P.C., Alice Charles, Member of People Protecting Places, and Vanessa Braxton, CEO, President, and Master Distiller at Graves and Braxton Distillers.

0:47:48 Madam Chair, this concludes the reading of the agenda. Thank you, Madam Clerk. I want to now recognize the presence of my Vice Chair, Senator Milton Potter on the island of St. Thomas. Welcome, Senator Potter. And you're right on time, because we are, and I also want to welcome Senator Zaccord-Veally, my committee member, also. So now we have seven members present. Thank you for joining us. I will start by asking all the testifiers in this block to speak clearly and put your name and position on the record. Do we're supposed to have someone joining us remotely? Is that correct?

0:48:45 Yes, that is correct. Okay. So we'll monitor. I will monitor for that. Thank you. So we'll start with Commissioner, put your name and title on the record, and then we'll to um miss laplace and then miss charles and then tony reams but you have to put your name and on the record and take on the record good morning madam chair jean-pierre oriel commissioner department of planning and natural resources good morning leah laplace matthew territorial planner with dpnr good morning alice charles people protecting places thank you kevin rames council ka rames pc okay and we we are we will be anticipating um vanessa braxton she's a master distiller who will be joining us virtually so expect her testimony also the committee will first hear from the sponsor of the bill um and so i will ask senator milton e potter to present the bill good morning thank you very much madam chair good morning colleagues good morning to our testifiers i'm sure i rise this morning to introduce bill number 36-0211 an act amending title 29 of the virgin islands code to allow small scale distilleries and breweries in certain zoning districts upon public notice and approval by the department of planning and natural resources this bill is proposed by request of the governor of the virgin islands Across our islands, and particularly on St. Croix, we've seen a growing number of small agricultural entrepreneurs who are not simply farming, they are dreaming bigger.

0:50:49 They want to take their sugarcane, their local crops, their creative vision, and produce something of value right here on Virgin Island soil. They want to distill, to brew, and to add value to what they grow, and to share it with the residents as well as visitors. What stands in their way is not ambition, it is zoning. That is precisely what the bill addresses. Bill number 36-0211 adds clear definitions for breweries, distilleries, microbreweries, and microdistilleries to our code. It allows microbreweries and microdistilleries, those producing no more than 100,000 gallons per year, to operate as conditional uses in our A1, A2, and R1 zoning districts, which are our agricultural and residential low-density zones. It updates our zoning use tables to reflect modern realities and directs DPNR in collaboration with the Department of Agriculture to promulgate regulations, ensuring proper oversight, community input, and environmental review. This bill is about potential economic diversification, tourism appeal, and cultural preservation. The bill requires public notice, requires DPNR approval, regulations must be promulgated, community voices must be heard.

0:52:26 This is not a shortcut. It is a responsible pathway forward. Thank you very much, Madam Chair. Thank you. Thank you, Senator Potter. And we will now begin with the, excuse me, we will now hear from our testifiers who will speak in opposition, support, or NIDA for or against this bill. And we will begin with the Honorable Jean-Pierre Oriel, Commissioner, Department of Planning and Natural Resources.

0:53:19 Go right ahead, Commissioner. Thank you, Madam Chair. And good day, Honorable Marie C. James, other members of the 36th Legislature's Committee on Disaster Recovery, Infrastructure and Planning, non-committee members, all legislative staff present, and members of the public both viewing and listening. My name is Jean-Pierre Oriel, Commissioner for the Department of Planning and Natural Resources. Joining me is Ms. Leah Laplace-Bathieu,

Territorial Planner. We appear before you today to testify regarding Bill No. 36-0211, which proposes allowing small-scale distilleries and breweries to be erected in certain zones upon public notice and approval by the Department of Planning and Natural Resources. This legislation is not nearly about alcohol production. It represents a broader policy discussion about the future of agriculture, rural land use, and value-added enterprise in the Virgin Islands. The Department is in support of the proposed legislation, which aligns with our vision for updating the zoning code, specifically our agricultural zones, and their permitted uses to encourage old-fashioned farming, promote diversification of farm-related activities, pursue value-added uses to working farms, and incorporate high-tech farming. Boosting agriculture can be accomplished by clarifying agricultural terms used in our codes, such as the term agricultural processing, allowing complementary educational, recreational, or retail uses to farming, such as on-site manufacturing and sale of produce, and finally by creating rules and regulations that allow for community input. The bill seeks to add clarity by defining terms like brewery, distillery, microbrewery, and microdistillery. It also aims to redefine and replace the currently used term agriculture processing plant with agricultural processing. This bill will further amend section 228 of the code by replacing the use alcohol and alcoholic beverage manufacturing with distillery brewery in the I-1, I-2, and W-2 zones, thereby permitting the use of microbreweries and microdistilleries within the A1, A2, R1, and R2 zones subject to promulgated rules and regulations. The department emphasizes that any allowance of microdistilleries or microbreweries within agricultural or residential adjacent zones must be subject to environmental performance standards, including but not limited to wastewater management, stormwater control, solid waste disposal, odor mitigation, noise attenuation, and energy use considerations.

0:56:08 The Department acknowledges that threats to agriculture, including rising costs of land, climate change impacts, urbanization and development on and around prime farmland, as well as social and economic disruptions that require the evolution of agricultural industries that embrace technological innovation and sustainability advancements. Evolution of our agricultural industries require the integration of local food production within mixed-use environments, monitoring emerging food technologies, and considering alternatives to outdoor agriculture in zoning and land use implications, such as indoor and urban agriculture. Agriculture evolution must also explore the adoption of zoning reforms that are farm-friendly and support food production, access, security and economic development, promote diversification of farm-related activities, permit the pursuit of value-added, agriculturally-related, accessory commercial uses, and incorporate future-focused food strategies into resilience and agricultural economic development planning. There is a myriad of opportunities to counteract the loss of farms and agricultural infrastructure through zoning and other local policy initiatives. Supporting the success of farms that contribute to local food security and agricultural heritage tourism will require zoning reform. The purpose of the above-referenced bill seeks the revitalization of agriculture and spirits production in the Virgin Islands, particularly on St. Croix, by offering meaningful opportunities for economic development, cultural preservation, and tourism growth. Agricultural ventures have sought to vertically integrate their operations through value-added

0:57:59 processing, including distillation of cane and other local crops. The Government of the Virgin Islands recognizes the need to support this growth while maintaining proper land use oversight, transparency, and environmental review, foster entrepreneurship economic growth while simultaneously ensuring that any changes to land use is accompanied by opportunities for community input and appropriate oversight. The Department is presently revising portions of the zoning code along with the table of permitted uses, thereby propose an expansion of the zones that agricultural activities would be allowed to occur. The revision aims to diversify farm income streams and allow them to maximize use of their land while creating a value-added agricultural enterprise, which will potentially increase revenue and aid in their continued success. Other methods for ensuring farm success that should be considered are the reduction of startup costs, boosting local agritourism, and enhancing a farm's brand. It is important to note that the 29th legislature contemplated this when they passed Act 73-33, expanding the definition of agricultural activities under Virgin Islands Code Title 7, Section 192. However, where tasting rooms, tours, retail sales, or event programming are proposed, additional review should be required to evaluate parking, public assembly capacity, and traffic circulation, particularly in rural or low-density zones. Distilleries and breweries must be differentiated from micro distilleries and microbreweries. Distilleries and breweries are industrial manufacturing uses, therefore require appropriately located in the heavy industrial zones of I1, I2, and W2. However, micro distilleries

0:59:57 and microbreweries are considered lighter manufacturing or artisanal industrial, thereby permitting them to operate in commercial, mixed-use, or light industrial zones. All zoning districts in the USVI are mixed. The Agriculture 1 Zone has 63 uses in total, seven of which are agricultural. The A2 Zone has 46 uses in total, six of which are agricultural uses. The R1 Zone has 34 uses in total, two of which are agricultural, and nine are residential. And the R2 Zone has 38 uses in total, two of which are agricultural, and 11 are residential. Therefore, the Department recommends that micro-distilleries and micro-breweries in the A1, A2, R1, and R2 Zones be permitted through rules and regulations where public hearings are

held.

- 1:00:55 This ensures community input and allows the Department to evaluate site-specific impacts and assess production volume restrictions, location, parking, wastewater handling, traffic, odor, noise, and compatibility with neighborhood. As previously mentioned, the Department is in the process of updating the Table of Permitted Uses to allow it to compare favorably to best practices found in most codes throughout the U.S. In hopes of departing from an exhaustive 118-page permitted uses list dating back to the mid-20th century and earlier, the goal, therefore, is to reorganize the table of permitted uses into groups with narrowly tailored categories. The use categories would include all uses within a group that function similarly to each other, and this proposal would replace the current 21-page use table with a concise five-page table. The Department have begun drafting rules and regulations.
- 1:01:58 Drafts are attached for your reference, and therefore, should Bill 36-0211 be signed into law, DPNR will begin with the public hearing process, which begins with our dialogue with the public. Specifically, DPNR makes the following recommendations to the bill. Page 3, Line 1 to insert I-1 heavy industry before I-2. On page 3, line 7, insert R2 residential load density, 1 and 2 family after the R1 residential load density.
- 1:02:32 On page 3, line 10, insert within two years of adoption, begin between regulations or change the wording to this act shall take effect two years after enactment to allow DPNR or the department to promulgate implementing rules and regulations, conduct public hearings, establish production thresholds, adopt environmental performance standards, and coordinate with other relevant agencies. Four, to eliminate conflict with the zoning code's agricultural use definition, amendment is needed to Title 29, Section 225, Number 5, for agricultural use. Changing the definition of the production of agricultural products, including but not limited to the cultivating of any fruits, vegetables, herbs, honey, forage, ornamentals, aquaculture, trees, poultry, eggs, meat, and dairy products, and aquatic. The production, manufacture, or processing of any food products or edible food byproducts or other activities, as is mentioned in Title VII of the Code, Section 192. And lastly, to address current conflict with livestock in residential areas, deletion of agriculture is needed to 29 Virgin Islands Code Section 228 for R1 and R2 zones use category and changing it to crops, fruits, and vegetables.
- 1:04:08 In conclusion, the Department supports innovation and diversification of our agricultural industry, but such innovation must be paired with clear regulatory framework to ensure environmental protection, neighborhood compatibility, and long-term agricultural preservation. DPNR is in support of the bill's intent and appreciates the invitation. The department recommends that any approvals issued pursuant to this act be reviewed for all consistency with the comprehensive land and water use plan and any adopted agricultural preservation strategies. The department is available for further discussion. This concludes my testimony, Madam Chair.
- 1:04:52 Thank you, Commissioner Oriel. We will now proceed to Ms. Alice Charles of People Protecting Places. Good morning, people of the Virgin Islands, Senators, Senator Potter and James, for allowing me this opportunity to testify. My name is Alice Charles. I'm a resident of St. Croix, specifically Frederick State. I would like to pay homage to our ancestors, General Burlho, Queen Mary, my parents, those past and living, and our group People Protecting Places. A special education to ancestor Franz Fanon, who said, and I quote, For our colonized and for us in the Virgin Islands, we're a territorialized, they call as a territory same as a colony he said for a colonized people the most essential value because the most concrete is first and foremost the land the land which will bring them bread and above all dignity again quoted by our fellow caribbean writer france fanon from martinique Again, good day, Senate President, members of the 26th Legislature, and fellow residents. My name is Alice Naila Charles, and I live in Frederickset, St. Croix.
- 1:06:28 I'm a homeowner, former farmer, and parent, and I'm here to strongly oppose Bill 36-0211, as it is written. First, I want to say clearly I am not against small businesses or breweries. I support local entrepreneurs and value-added agriculture. My concern is where and how these industrial uses are placed and what they can do to our farms, our neighborhoods, aquifers, and coastal waters when we open the door without strong protections. I also come here today from a place of love and duty.
- 1:07:20 We live on some of the most beautiful, fragile islands in the world. Our land, our reefs our beaches are not just scenery they are our home our children's inheritance and the foundation of our tourism economy and I stress our tourism economy we have a moral obligation to protect and preserve this beauty for ourselves in retirement for our children and grandchildren and for those who come after us my first point farmland should grow food not industrial alcohol a 1 and a 2 zones were created to protect our limited farmland in the Virgin Islands. We are not a continent where our farmlands is miles and miles away from the ocean. We are a small island where everything that happens anywhere on this island ends up in the ocean. Bill 36-0211 caused micro distilleries agricultural processing and allows them as conditional uses in these zones. That makes it easy to shift land, water, and infrastructure away from food production and into alcohol production, raising the cost and difficulty for current and future farmers.

- 1:09:00 At a time when we talk about resilience and disaster preparedness, agricultural land should primarily primarily be used to grow food not more industrial alcohol when we already import how much over 95 percent of our food we do not need any distilleries or breweries on agricultural land with their potential to destroy viable soils and our aquifers we need soil that can grow food Water that can sustain plants and policies that protect our ability to feed our cells.
- 1:09:46 Point number two, our land and waters are already being damaged on St. Croix. We have real experience with rum fungus that feeds on ethanol from rum storage facility. Rum fungus has already coated homes, cars, trees and signs near existing rum operations. Rum, spirits, same thing.
- 1:10:16 An example, the Azure Rum storage barriers had to be removed from the island and shipped away to be aged because of that fungus. This would not be economically feasible for small distillers. That means the impacts are likely to stay here in our neighborhoods. Wastewater from rum distilleries, and I'd like to clarify, distilling cane juice gives you the same waste as rum distillery the rum comes from cane juice the problem is the distillation of cane juice I cannot emphasize that more the problem is the distillation of cane juice waste water from rum distilleries which is for every one gallon or liter of ethanol produce 10 to 15 gallon or liters is less as waste that waste is called venice and if it's not properly treated and contained can harm soils guts ground water and coastal waters because of the large amount of bacteria and other contaminants we've seen a large brownish discharge on the south shore from our present distilleries that had to be controlled large producers like diajo and crujan rum were required to implement costly treatment facilities to dispose of their wastewater again known as venus some treated while others shipped the waste off island for disposal we cannot realistically expect small micro distilleries to meet those same costly standards without strong enforceable regulations, which we know is a challenge for DPNR's lack of staff. Solid waste from cane juice, bagasse with a leftover cane stock, also must be managed.
- 1:12:37 This is not hypothetical. The damage has already begun. A toxic discharge of rust-colored runoff, some people calling it black, but it's really a dark, rusty color, consistent with liquid distillery waste known as the Nass, was seen and documented flowing from the vicinity of Prosperity Farm on October 10, 2025. Because the runoff was unusual and it was reported, D.P.N.R. tested the water. The tests revealed extremely high levels of bacterial contamination in the gut and onto our beaches. DPNR issued a public advisory, Water Quality Alert at Prosperity Beach on October 22nd, 2025. Warning the public that the beach is unsafe to swim. And you will see this on the screen as Exhibit 1. People of the Virgin Islands, Senator, testifiers, look on the screen, there's a water quality alert.
- 1:14:12 It says Wednesday, October 22nd, for immediate release. I'm going to just try to shorten it and say DPNR, through its Division of Environmental Protection, in coordination with the U.S. Environmental Protection AGC, responded to community reports of a suspected pollutant discharge coming from the vicinity of the Prosperity Farm and Distillery and flowing into the ocean across from Mahogany Road. Following Under investigation, DEP and Coastal Zone Management staff collected water samples from the affected runoff.
- 1:14:59 Laboratory results confirmed that the beach area directly across from Prosperity Farm and Distillery does not meet established water quality standards and is currently unsafe for swimming. As a precaution, DPNR advises the public to avoid recreational activities at this location until further notice. I will not read the rest of it because that's the relevant part. Thank you, media people. The DPNR UVI lab report shows that for beach bathing and safe allowable enterococci bacteria which is the bacteria that dpr tests for and i must emphasize they never test they're not testing for e coli bacteria as some is missing from missing farm in the public they are testing for enterococci bacteria the dpr and our lab report shows that for beach bathing the safe allowable enterococci bacteria level is 70 mnp that means most probable number that's the unit of measurement they're using 70 mnp but test results and prosperity beach were seven thousand seven MNP. Safe allowable is 70. The water tested at 7,701. More than a hundred times higher. Turbidity levels on our beach normally average between one NTU, again
- 1:16:59 the unit of measurement test results at prosperity beach was 14.56 when it's normally under one it was 14 point size and you could see if you could show exhibit two that's the report and it's next page please that's the report from UVI and where the first arrow is you'll see that the normal amount that did normally tested for prosperity beach back on November 7th that's after it all dissipated in the ocean was 10 and again the indicator what that circled on top shows enterococci bacteria which is not E. coli bacteria and enterococci bacteria comes from can come from plants plants okay So on the other page, please, okay, no, shut that off, my mistake, not that. So the other page would have had the turbidity level, but I didn't include it. Okay, again, Enterococci is the bacteria tested for, not E. coli.
- 1:18:32 E. coli come from animal or human waste. okay enterococci can have animal and human waste also but it also comes from plants plants is a source of enterococci bacteria CEPA fact sheet I did not include that fact sheet on this screen but senators you all have it in your package that talks about enterococci bacteria those numbers confirm that polluted runoff is already affecting our coast this must be due to fertigation or using venice the cane distillation wastewater to irrigate or

water the cane fields though beneficial excessive use remember for one liter you're getting 10 to 15 liter of waste okay Okay, will cause, excessive use will cause soil salination or salt, ground water contamination, nutrient overloads, and release of greenhouse gases. Pre-treatment is essential, along with regular pH tests for acidity and salt.

1:19:56 Besides bacteria and turbidity, venous waste includes low pH. That means it's a very acidic, means it's corrosive. High in biological oxygen demand and high in chemical oxygen demand and compounds that are hard to treat. A second discharge was discovered on February 3rd, 2026 at 10.23 a.m. And I reported to DPNR that discharge flowed directly from Prosperity Farm property through a culvert under Prosperity Subdivision Road. Could you show exhibit three, please? That's the culvert. See the same color water? That's coming off a Prosperity Farm. They say it's not them creating this venous or brown colored water. And if you go to the next exhibit, that culvert goes under the road on Prosperity Road, Prosperity Road is in the way background, that culvert goes under that road and on to a second property. And ladies and gentlemen, look at the same discharge. Look at the brown color and it's on Prosperity property. On the top right hand side you see the cane. and yet they say it's not them, then who is it? How did it get on your property?

1:21:32 Okay. The discharge flow directly from Prosperity Farm property to a culvert under Prosperity Subdivision Road and back onto the farm's property. That's Exhibit 4. And could you go to Exhibit 4, please? that's the culvert back onto prosperity farm property and then by aerial photography photography was seen flowing onto an adjacent property that's exhibit five and six people this is what they're asking us to allow in the virgin islands that is behind see the brown go back to five please that is behind rainbow beach a disaster waiting to happen when we get enough rain that they're going to flow right into rainbow beach this is venus waste okay and you could go to number six there's the cane on the right hand side to the left of it you see all the dead foliage because the waste is really concentrating there and just as those it could be used to water and it's high nutrient level we all know that too much nutrients will kill your plants and that's how it damages soil so you see the dead vegetation same rust colored water it was consistent with the October 10th discharge and can we see exhibit seven please okay stop right I see rainbow beach on the right yeah I see rainbow beach on the right with the car and there's the Venus behind a rainbow beach this is what they're proposing to allow to continue to happen in St. Croix and extend in our neighborhoods and on our

1:23:35 agricultural land. It was consistent with the October 10, 2025 discharge. Can we have Exhibit 7? That's the original discharge right there that DPNR tested. Okay? You could continue, sir. There is it going into the sea. here is it going into the sea next there is it coming off a prosperity farm they say it's not their waste they say it's one lone horse yes they did say that it was in the news I was on the radio so it's one horse doing this I mean I know with exhibit 8 that's what normal runoff looks like that's the color of normal runoff absence of venice or distillery cane juice waste allowing micro distilleries and micro breweries in farm and residential zones means these problems can spread into more communities including places where families rely on cisterns wells and nearby beaches. Once our soils and aquifers are contaminated, once our reefs and near shore waters are stressed, once our beaches are seen as dirty and unsafe, that harm is very hard, sometimes impossible to reverse. What does that mean for tourism? Visitors come here for

1:25:24 clean water, healthy reefs, and unspoiled beauty. If we allow corporate or small businesses' interest to pollute our guts and shorelines, we are not just poisoning our environment, we are tarnishing the reputation of the Virgin Islands and risking our tourism economy. If this bill passes, our coalition will have no choice but to alert the Department of Tourism and the cruise lines. that their passengers are being exposed to contaminated waters along all our western beaches. Remember the tides shift. Sometimes it go left, sometimes it go right.

1:26:09 It will affect rainbow. If it go not, it will affect the Frederick State Beach by the ballpark if it goes south. And we have the letter here completely drafted and ready to go to the Department of Tourism and ready to go to the cruise ship lines if they spill pass and allows this distillery to continue to pollute our beaches. The cruise ships don't want to know that the passengers' health is compromised. Point three, you already decided once that distilleries do excuse me you have already decided once that distilleries do not belong in agricultural land in 2022 this legislature and most of you were in the legislature during that time passed bill 34-03-01 to repeal section 2 of act 85-69 that section had changed the definition of agricultural processing plant specifically to allow rum distilleries to be constructed on agricultural lands in the virgin islands you amended 29 vi code section 225 Four, to return it to its original definition, thereby including or rum distillation to the definition of agricultural processing plant.

1:27:45 And reconsideration, that repeal and clarification passed 15 to 0. Exhibit 9 shows you that. It was passed 15 to 0. that's the roll call i've studied 2022 where all the senators voted for that repeal that would allow distillery and agricultural land how is this back in front of you guys again how is it behind in front of you guys again every voting member of the 24th legislature included senators who are here today or whose successors sit in these seats voted yes to say that rum distillation and I would include cane distillation should not be classified as agricultural processing and agricultural land. Bill 360211 now asks you to approve almost the exact same redefining agricultural processing to include micro

distilleries and micro breweries in a1 and a2 agricultural zone and then goes even further by extending these uses in residential one and residential two zones if it was wrong in 2022 after community outcried and ignored environmental reports it is even more wrong now when we have documented pollution events and have a newly adapted comprehensive land and water use plan telling us to stop this pattern along with new environmental

- 1:29:35 reports taken from that october 10 2025 discharge that dpnr is refusing to disclose to the public an inspection report that was requested per the Freedom of Information Act and yet to be received from DPNR. The report of that occurrence, people, was requested per the Freedom of Information Act from DPNR, from the federal level Environmental Protection Agency, and we are yet to receive it. What is there to hide? We are not asking you to invent a new position. We are asking you to stand by your own decision in Bill 34-0301 and be consistent. Distilleries should not be treated as agricultural processing and agricultural lands, and they certainly should not be embedded in our neighborhoods. Point number four, this bill violates the comprehensive land and water use plan you just adopted. Because of that plan, this bill should not even be before that body. It should not be before this body. The plan purpose is to end the old pattern of spot zoning, inconsistent and permitting and politically driven land use decisions and to move us toward a consistent territory-wide framework that protects our environment before we expand industrial uses.
- 1:31:28 The plan engagement process identified, and I quote, no more spot zoning, end of quote. a core community demand. The plan acknowledges that chief elected officials in other jurisdictions do not make day-to-day zoning decisions because of the political tango between competing interests that can make it hard to focus on the merits of a particular application. That is what is happening now people senators this is what's happening bill 36.021 does the opposite of what the comprehensive land and water use plan calls for it is a zoning carve out that redefines agricultural processing to include industrial alcohol production and insert those uses into A1, A2, and R1, and R2, and ask DP&R and agriculture to write the rules later, putting the cart before the house. It expands distilling permissions into agricultural and residential zone before enforcement reforms permitting The Comprehensive Land and Water Use Plan warns that the current two-tier permitting system creates an artificial divide between upland development and coastal impacts, even though upland impacts run downstream to our coastal waters. We are already seeing that at Prosperity Beach today. This bill would push more distillery activity into upland areas that drain straight into our guts and beaches, embedding new risks into a system the plan itself says is broken.
- 1:33:41 The plan also emphasized that while some lands should be maintained exclusively for agriculture, There are opportunities to blend agriculture into residential and commercial areas through food-based activities. It didn't say alcohol, spirits, rum, beer, and all of that. It said food-based activities. We don't eat, and rum cannot sustain us. neither can spirits, gin, vodka, liqueur. They cannot sustain us. Food can. It says food-based for a reason. Distilleries are not food. They waste water and emissions can poison our land and aquifer with acidic water, high biological oxygen demand, high chemical oxygen demand from venous, and promote rung fungus.
- 1:34:42 Finally, the plan calls for enforcement that is effective, consistent, and transparent, with clear permitting processes and comment opportunities. This bill only asks for a public notice. It did not ask for public hearings, contrary to what you heard earlier this morning. It asks for public notice. That means put a sign up for 30 days, and if somebody happened to see it and want to oppose, it's fine. A public hearing now says there is a hearing date, such and such place and time people come out and take a chance to, we're going to discuss the issue, and you'll have your input on it.
- 1:35:27 Okay, so we want public hearings, not public notice. We don't want this bill, period. But you are being asked to vote on this bill before those systems exist. That is backwards and directly contradicts and violates the implementation sequence that the Comprehensive Land and Water Use Plan lays out. Point five, who is this bill really for? We are told that this bill is about supporting agricultural and local industry.
- 1:36:06 But look at what it actually does. Bill 36-0211 opens A1, A2, R1, and R2 to micro distilleries and micro breweries by changing definitions and conditional use tables while leaving the details of regulation, monitoring, and enforcement for later. that is ready fire aim policy making everybody know is ready aim fire they ain't ready so they can't aim and fire no we calling it ready fire and then aim policy making much of the push for these changes is coming from outside corporate interests and wealthy landowners who see our land as a playground or an investment not as a home they must protect if they truly felt rooted in the Virgin Islands they would be leading with environmental stewardship and community consent not asking you to loosen the rules now and figure out the protections later we have watched for decades as deep pockets push projects that promise jobs and progress and then leaves us with the pollution, the health impacts, and broken promises. Look at the environmental degradation now visible on properties east of Rainbow Beach. You saw the rust-colored venous waste, the vegetation, and runoff pathways leading towards our swimming waters.

- 1:37:50 These photos are not theory. They show what is happening today. And could you show Exhibit 6, please? 6. 6A, I'm sorry. 6A. For emphasis, I'm showing this again. Right there, right there. That's Rainbow Beach.
- 1:38:26 That's the Vanas behind a rainbow beach, waiting to explode in the beach. These photos are not theory. They show what is happening today. Our people are tired of seeing our laws bent to accommodate whoever has the money to hire liars and lobbyists. Point six. And people listen. I know I'm long, but listen. Please listen and wake up and hear me, Senators, St. Thomas Senators, wish you were here in the hall. This would allow micro, sorry, 0.6 residential neighborhoods and our legacy are at risk. This bill would allow micro distilleries as conditional uses in R1 and R2 residential zones. zones. People bought homes in those neighborhoods expecting peace, safety, and protection from industrial activity. Instead, this opens the door to more noise, trucks, orders, lights, rum fungus, and even more alcohol-related temptation close to families' home. It risks Lowering property values and making homes harder to refinance or sell. Most of us have our life savings in our home. Our children sleep there, our elders rest there. We cannot afford to see residential zoning quickly turn into light industrial zoning because of outside cooperation wants to maximize profit.
- 1:40:11 Point seven, and listen to me carefully senators, point seven says no jobs will be lost. This is our recommendation. No jobs will be lost. Our goal is not to negatively impact jobs on our economy, but to allow the prosperity firm to maintain the business without impacting other businesses, residents, tourism, and our overall economy. If we allow this business to discharge waste and rum, our best bitches will lose way more jobs in tourism than we create in rum production. Contrary to the perceived idea that rejection of this bill will result in the loss of jobs senators it will generate new jobs and maintain existing jobs in agritourism agritourism activities defined in title 7 chapter 13 section 192 subsection 8 allow farm tours seminars farm classes field days or farm food events and farm stays note alcohol spirits or rum is not food the agritourism bill does not says alcohol spirits I'll do it says manufacturing when you look at the manufacturing definition it's a except for rum distillation if any of definition is absent under this statute here it's there in the zoning definition processing of your product except for rum distillation. The Act could be amended to
- 1:42:06 include alcohol sales from farm bars and broad farmhouse events similar to the illegally operating farm bar and farmhouse at Prosperity Farm and Distillery, making them legal. in essence we have no problem with the farmhouse the farm stays the farm tours we have a problem with the distillery and then no jobs will be lost land can be bought recommendation let me clarify and make it clear here's the recommendation we're not just opposing land can be bought in the i1 i2 or w2 zones which allow distilleries breweries and alcohol manufacturing the distillery by moving to a new location will demand temporary jobs for relocation and permanent jobs to operate this distillery and transport the cane juice from the new location this will be relative to any new distillery business again prosperity is the driver behind this bill and prosperity have already damaged our island and another issue with the cane growing people and agriculture and preserving soil and land and water. If you could put up Exhibit 9, A, B, and C. We all saw the article and who have knowledge and studied their health and the problems with glyphosate or Roundup. We heard the farm come on the radio, said that don't spray we heard the farm testify I mean did up Ed and so say they don't spray if they did in that I think that they did it in that update article but however
- 1:44:10 they say they do not spray here is evidence there's a big farmhouse big beautiful farmhouse there's somebody doing small-scale spring right to the road there where they said a plant in ginger or something right now the next exhibit that's a little bigger time probably two to three hundred gallons they're using in the cane field to spray what we understand is wrong them and again they're telling DPNR they are not spraying yet they are applying for our testifying permit an exhibit C people I know you are seeing this image many places on TV with the big arms spread out and if you see to the left and right at a machine you see the mist that's spraying on the land right there a A resident woke up to that one morning, and he testified at our Tonghal meeting and how it has damaged his health ever since being exposed to that Roundup or glyphosate, that Prosperity Farm distillery, is spraying on the land.
- 1:45:37 that is large-scale sprain and if you're going to allow them to continue and to stop this from happening close to our beaches and neighborhoods we propose a ban and roundup in the virgin islands then it does jump on it put in a bill to ban roundup we don't need it on this small Island what is to stop them this from continuing if this bill passes what is to stop it so our recommendation move the distillery let the people spend their money rich people should be able to lift that distillery up move it buy property where it can be placed, relocated, and then ban Roundup.
- 1:46:40 And we will be moving towards sustaining our island for us to live and have a good quality of life. My request to you and my challenge, for all these reasons, I respectfully but firmly ask you to vote no to bill 36 that's zero two one one as written hold oversight hearings on the comprehensive land and water use plan in an implementation readiness before you consider any expansion of distillery zoning we need to see enforcement staffing plans and budgets permit tracking and transparency system in in place. Tier 2 scrutiny reforms that account for downstream impacts. Updated stormwater and wastewater disposal regulations. If this bill is ever revisited later, it must only be within a comprehensive land and water

use consistent framework that includes mandatory monitoring and inspection frequency, enforceable pollution prevention standards, public transparency of compliance and violations, watershed-based protections aligned with the Comprehensive Land and Water Use Plan. The plan was your promise, Senators, to the people of the Virgin Islands that land use decisions should you would be guided by planning science and community input not by political favors and corporate pressure bill 36-0211 breaks that promise bill 34-0301 was your acknowledgement that distilleries do not belong under agricultural processing for agricultural lands in the Virgin islands passing by 30 bill 36 that's zero two one one now would contradict both your own prior vote and new plan you just adopted finally i want to speak plainly the people of the virgin islands

1:49:05 are watching and have spoken to the petition have spoken to the petition against bill 36-0211 which was gathered which has gathered hundreds of signatures from st croix and st thomas okay ladies and gentlemen this is 941 signatures gathered from the people of the virgin gathered from the people of the virgin islands 941 signatures attire talking my diaphragm is hurting from discussing this i didn't just say hey sign this people had questions what are you talking about what are you talking about and i had to explain at least 900 times to our people what these bills mean to them and they signed they signed and they signed and if i had more time and more energy i would get more signatures so i'm begging you to listen to the people of senators the same people who voted for you And who now want to vote for leaders who will protect the people's interests, not corporate interests.

1:50:35 We are watching, and we will vote accordingly. We will vote accordingly if it means a voter registration drive. We will vote accordingly. we know the history of our land and how often powerful interests have been ahead of our communities and our environment we do not need more politicians who bend to wealthy land owners and corporate agendas we need men and women who will stand up to protect our islands even when it's not easy each of you must decide decide when our children ask what you did to protect their water their beaches their farms and their future will you be able to say you stood with the people and with the land but will you be remembered as someone who helped open the door to irreversible harm. I'm asking you, not just as a voter, but as a fellow Virgin Islander, please do not sacrifice our islands for a short-term corporate win. Choose to be remembered as protectors, not as those who stood by while our homes was put at risk. And this whole micro distillery and brewery idea is a dying idea they are shutting down all over the states there are dying ideas so I don't believe this gonna be any economic growth for us this is a bill for prosperity farm and illegal rum distillery thank you for your time and and service to our community i am happy to answer any questions thank you Point of information, Senator Milton Potter.

1:52:57 Thank you. Thank you very much, Madam Chair. I wanted to ask Mrs. Charles, I know she definitely had a very powerful and compelling testimony. I wanted to ask her, she cited two documented discharge events at Prosperity Farm. Has DPNR issued any notice of violation or enforcement action against the property owner, to your knowledge, following your incidents? Senator Potter, I'm going to let her answer that after we have the presentation. I thought that you were asking for something else. I'm going to let her answer that after we have the testimony from attorney Kevin Reams. And did we receive testimony from Ms. Braxton?

1:53:52 Madam Clerk? No, Madam Chair. Okay, so Attorney Kevin Reams, let me ask you this. Is Ms. Braxton only here to answer questions along with you? I believe that is the case. I know she was a little difficult to get in touch with, but I don't know whether or not she's immediately available. But my understanding was that she did not intend to and did not submit written testimony, that she's here to answer questions. Answer questions. Yes, please. Thank you. Okay, so she is present with us, and I want to acknowledge her presence and just let her know that after the testimonies, we open for questions, and that there may, in fact, be some senators who want to ask her questions because of her knowledge of distilleries. So I'm going to let you proceed with your testimony.

1:54:42 Thank you. Thank you very much, Madam Chair, and to the Honorable Senators and members of the committee, and to the people of the Virgin Islands who are listening to this broadcast. I am an attorney, and I have been practicing law on the island of St. Croix for the last 40 years. This is 41 years behind the same desk there in Christiansted. And I am a proud descendant of the Brady family of the town of Frederickstead. We've been in Frederickstead as long as anyone can remember.

1:55:21 I believe one of my ancestors was part of the group that laid the foundation stones at St. Patrick's Church. church and we've been some of us practicing, some of us non-practicing Catholics ever since but yeah we are of this place of this home and we love it and we protect it and we defend it and we've been hearing over the entirety of my career over the entirety of my 40 year career yes we want economic development but not there yes we want new hotel development but not there. Yes, we want new factories, new jobs, new opportunities, but not there, not there, not there, not there. You know, I think it's time, you know, that we stopped that sort of approach to a complete and utter desire on the part of certain elements in this community, to limit the scope of what we can do, to limit the opportunities that we can provide to

our children in the name of so-called protecting the environment, protecting the island of St. Croix.

- 1:56:43 What we heard a little earlier, and I know I'm sort of departing from my written testimony, but what we heard earlier was very interesting, was a very compelling argument. You know, but at the same time, we can't, we simply can't, we can have different opinions, but facts are facts, and you have to make your determinations based upon fact. Senator Potter asked a very interesting question. Have there been any notices of violation and assessment against Prosperity Farm?
- 1:57:17 And the answer is no. Have there been any findings that Vanass has left the property? The answer is no And this nonsense about we don't test for E. coli But we test for N. coli Everybody's got a cell phone All you need to do is type in N. coli into a cell phone And it says as follows N. coli, a gram-positive bacteria Primarily originating from the intestinal tracts of humans And warm-blooded animals acting as a key indicator of fecal contamination in water, soil, and food. Major sources include human sewage, malfunctioning septic systems, stormwater runoff, and agricultural runoff, paren, animal waste, clothes, paren. They are primarily and commonly found in environments like sandy beaches, plants, and contaminated food products. The primary sources of ventricle guide bacteria, human and animal fecal matter, water contamination, sewage and septic systems, stormwater runoff, that washes animal and human waste into lakes, rivers, and coastal waters, and recreational boats. Obviously, they have places on boats where they hold human waste, and sometimes, unfortunately, they let those go into the waters of the coastal areas.
- 1:58:38 But anybody who looks at this area of St. Croix, and you look at Prosperity Farm, All you need to do is walk across the street, walk across the walk across Mahogany Road and walk onto the property that has the big tower. You will soon be walking in a pond that is a pond of black water that comes up to your knees. Thousands of gallons of black water. Thousands of gallons of black water. Go there today. Go there after this hearing. Walk onto that property and walk and bring some boots. But you'll see thousands of gallons of this black water. Okay, and then, yes, okay, excuse me, read your testimony. Yes, I will. And then, I'm sure. Questions will be asked. And you can respond with those that you have, because then we want the other side to also respond. So let's, let's, let's. Thank you. I will. Okay, thank you.
- 1:59:34 Okay, this legislation presents a strategic opportunity to strengthen agriculture, to diversify our economy, to expand agro-tourism, and to preserve rural land, all while protecting neighborhood quality of life and environmental standards. This bill is not merely about allowing small-scale distillation. It's about building a value-added agricultural economy that captures more revenue locally, supports farmers, and positions the Virgin Islands for long-term resilience. Across the United States, craft distilling has proven to be a powerful economic multiplier. In Kentucky, the bourbon industry generates over \$9 billion annually in economic output and supports more than 22,000 jobs statewide. The Kentucky Bourbon Trail alone attracts over 2 million visitors a year, with visitor spending at \$350 million annually in lodging, dining, retail, and transportation. Those dollars flow not only to the distilleries, but to the hotels, to the restaurants, to the tour operators, and to the local farmers supplying grain. In the Napa Valley, the wine industry generates approximately \$9 to \$10 billion a year in regional economic impact, with tourism accounting for more than \$2.5 billion in visitor spending annually. The integrated agricultural tourism model has preserved tens of thousands of acres of farmland while sustaining high-paying hospitality and agricultural jobs. In New York, farm distillery legislation has fueled the growth of more than 150 craft distilleries that is in the state of New York, over 150 craft distilleries. The state's craft beverage sector overall contributes over \$6 billion annually to the New York economy. Farm distilleries are required to source a percentage of their ingredients locally, channeling millions of dollars into New York's agriculture each year and stabilizing rural economies that once faced decline. The lesson is clear. When government-enabled value-added agricultural production takes place, the return is measured not only in product sales, but in broad-based economic activity. Martinique is a Caribbean neighbor where craft distilleries have a measurable economic impact. for a model even more geographically and economically comparable to the Virgin Islands.
- 2:02:02 We only need to turn to one of our Caribbean neighbors, Martinique. Martinique produces approximately 17 million liters of rum annually, the majority of which is exported. The rum sector generates an approximate 400 million to 500 million euros. That's approximately 430 to 540 million U.S. dollars in annual economic impacts, including direct production, exports, agricultural activity, tourism, and related services. In Martinique, sugarcane cultivation covers thousands of acres and supports hundreds of farming families. Rum production represents one of the highest value-added agricultural outputs on the island.
- 2:02:46 By converting raw sugarcane into premium, what they call rum agricole, under its AOC designation, Martinique captures significantly greater value per hectare than would be possible through raw commodity exports. The linkage between farming and distillation stabilizes farmland. Instead of abandoning agricultural lands or converting them to non-agricultural uses, farmers maintain active cultivation because distilleries provide a reliable, premium-paying buyer. If the USVI, to replicate even a fraction of Martinique's scale, for example, reaching 1 million liters annually across multiple small producers, that could represent between \$20 and \$30 million in direct production value, depending on

price and positioning in the marketplace. When tourism, hospitality, and agricultural multipliers are included, the broader economic footprint could be substantially higher. In Martinique, rum accounts for a dominant share of non-petroleum exports.

- 2 : 03 : 53 Premium bottles retail internationally at \$40 to \$80 and higher, demonstrating the power of geographical branding. Export earnings bring external capital into the island economy, which is a critical factor for small island territories. The USVI already has a global recognition in rum heritage. By empowering small producers to develop distinctive, premium-positioned brands, we could expand export revenue streams and produce economic growth. Martinique's rum distilleries function as a major tourism attraction. Estate tours, rum tastings, heritage museums attract hundreds of thousands of visitors annually.
- 2 : 04 : 41 Rum tourism is deeply ingrained into the island's culinary and cultural identity. For the USVI, where tourism accounts for in excess of 60 percent of the GDP, the addition of craft distillation or craft distillery tourism could meaningfully increase per visitor spending. Even 5% of our annual visitor stay-overs, if they participated in paid distillery tours averaging \$40 per person, this could generate several million dollars annually in direct tourism receipts before accounting for related spending in restaurants and lodging. Martinique demonstrates that a Caribbean island can leverage rum or spirits, not just as a product, but also as an integrated economic driver, supporting agriculture, exports, branding, and tourism simultaneously. Agritourism expansion in the U.S. Virgin Islands. Agritourism is one of the fastest-growing segments in global travel.
- 2 : 05 : 49 Travelers increasingly seek experiential activities, tastings, farm tours, culinary events, and educational workshops. A structured Virgin Islands craft distillery sector could generate new paid tour experiences, increase farm-based event hosting, create annual festivals celebrating local crops, encourage participation with cruise lines and boutique hotels. If just three to five small distilleries were established across the territory, each attracting maybe 15,000 to 20,000 visitors annually, the combined visitor count could approach 75,000 to 100,000 specialty tourism visits each year. At conservative spending levels of \$75 to \$150 per visitor, including tours and ancillary purchases, This could represent between \$5 and \$15 million annually in direct visitor spending, with multiplier effects beyond that.
- 2 : 06 : 54 Farmland preservation is not just environmental policy. It is an economic strategy. When agricultural land lacks viable markets, it becomes vulnerable to subdivision and alternative development. Craft distilleries create stable demand for sugarcane, for sorrel, for tropical fruits, for herbs and for botanicals, and for honey and for specialty crops. By vertically integrating farmland and distillation, producers retain more revenue locally. Instead of exporting raw materials and importing finished goods, the Virgin Islands keeps value-added production within the territory. This model aligns with food security goals and strengthens rural land use. To ensure that growth remains balanced, the craft distillery bill should include quality of life protections.
- 2 : 07 : 49 It should define operating hours. It should define noise and odor mitigation standards. It should define traffic planning thresholds, and it should require community engagement requirements. The building sizes and setbacks. There should be tiered facility classifications, micro, small, medium. There should be a minimum 100-foot setback from residential properties where applicable. There should be scaled parking, building, and infrastructure requirements. And there should be architectural compatibility standards for architectural zones. With respect to production limits, there should be lower production thresholds to encourage startups. There should be an upper annual cap of perhaps \$100,000 gallons per license. There should be graduated licensing tiers with the appropriate fee structure, and there should be incentives for sourcing local agricultural inputs into the distillation process. These safeguards maintain the integrity of craft designations while ensuring compatibility with neighborhoods and with rural landscapes. In conclusion, the proposed craft distillery bill is an economic development strategy that is rooted in both agriculture and in culture generally.
- 2 : 09 : 07 30% of our USVI economy depends on rum cover over taxes, and this law can diversify the industry significantly, as bond rating agencies have called for. Additionally, we spend \$40 to \$70 million annually in molasses subsidies, buying molasses from Honduras, Nicaragua, and the Dominican Republic for two large multinational companies. Let's invest that money in our people, in our land, and in our products. Kentucky demonstrates that spirit tourism can generate billions of dollars. Napa Valley shows that agriculture and hospitality can coexist in a globally recognized brand economy.
- 2 : 09 : 50 New York proves that farm-based distillery legislation strengthens rural regions. And Martinique, our Caribbean neighbor to the south, shows that even one small island can generate hundreds of millions of dollars annually through premium agricultural spirits, stabilized farmland, increased imports, increased exports, and the integration of tourism into a cohesive economic engine. The Virgin Islands has the climate, we have the heritage, we have the tourism infrastructure with a thoughtful regulatory framework, including production caps, setbacks, and community protections. We can cultivate a responsible craft distillery sector that strengthens economic diversification, diversifies our economy, preserves

our land for future generations. I respectfully urge this committee to advance the craft distillery bill with the modifications suggested by the DPNR and subject to the regulatory framework that was outlined by DPNR as an investment in the long-term prosperity of the United States Virgin Islands. Thank you very much for hearing me.

2:10:58 Thank you, Mr. Kevin Rames, Esquire, Attorney at Law Offices of Kevin Rames, PC, for your testimony in relation to Bill number 36-0211. We have online virtually Ms. Vanessa Braxton, CEO, President Master Distiller of Gravesand Braxton Distilleries. We understand that you have not submitted a testimony.

2:11:28 uh however i will give you at least a minute just to introduce yourself because it's not mandatory that um we provide just uh freestanding uh discussion without a written testimony but please introduce yourself you have one minute um good morning can you hear me yes we can loud and clear please proceed okay great um i'm vanessa braxton um the first african-american woman distillery in the united states um this year as a matter of fact tomorrow will be 14 years that i'm distilling and have my own distillery and i just finished building um my second distillery a craft farm distillery in a wealthy community with residential in farmandale new york long island i'm also a retired civil structural engineer and used to work for the mta the government and sat on the New York State Transportation Committee Board and ethics as vice president. So I'm here to answer anybody's questions or thoughts and I'm here to help to mitigate. Thank you so much and we appreciate that and congratulations to you for being the first Black African-American woman in that field and industry commendations to you on Black History month colleagues um i believe that the chair had provided uh the president with um a question that would be answered after all the testimonies had been provided now that we've reached that juncture um the question was from president potter uh to miss um charles alice alice charles do you recall the question Ms. Charles are you ready to answer the question or would you want you repeat it please if very well colleagues thank you uh Mr. President uh Senator Potter if you would be so kind to

2:13:30 please repeat your question for the record yes definitely Mr. Chair thank you very much for the opportunity again Ms. Charles I was saying that you absolutely provided some powerful and compelling testimony i wanted to ask you about one thing that you mentioned you cited that there were two documented discharge events at prosperity farm has dpnr issued any notice of violation to your knowledge and i know commissioner oriel is there too so you can weigh in on this has dpnr issued any notice of violation or enforcement action against the property owner following either event, to your knowledge?

2:14:12 The October 10, 2025 discharge was reported, and it prompted, I think, a multi-departmental inspection of the property, and they came up with an inspection report that's dated November 14, 2025. I requested that report per the Freedom of Information Act. I'm yet to receive it.

2:14:41 I've been told by the Director of Environmental Protection that it's an ongoing investigation, which I don't understand. October 14th, gone a long time ago, and you issued a report. However, you're refusing to release it to the public. You're breaking the law. As far as a notice of a violation, again, there is a blackout of information, so I don't know what DPNR have issued to the farm. I know that their attorney has responded to the findings from the November 14th letter.

2:15:25 Thank you. Mr. Chair, may I ask Commissioner Oriel if he was inclined to weigh in on this? Please proceed. Thank you for the question, Senator. So as Ms. Charles stated, yes, we have launched, we did launch a multi, what we call a multi-sector investigation through several divisions. We submitted a report and a request for information to the distillery. The distillery has retained counsel and also responded to our request for information. So the process is · the investigation is still in process and then therefore not subject to the open sunshine laws. It is a quasi-legal proceeding, and it is not open to open the open laws if you look at what the exemptions are under the Sunshine Act. Thank you, Ali. I'll leave it. Thank you very much for your response, Commissioner. Thank you, Mr. Chair.

2:16:27 Thank you, Senator Potter. So just for the sake of clarity regarding the bacterial contamination or the potential bacterial contamination that was referred to by the testifier in relation to Prosperity Farm, there is an investigation, an ongoing investigation. As we have heard, this substance can come from plants, stormwater, agricultural runoff, or any other source. And is there a determined timeline or date associated with the results of that assessment or investigation? Yes, Senator.

2:17:18 So, you know, after a heavy rainfall, if I test the water in most places here due to our watershed nature of our islands, I can test positive or high exceeding the amounts for turbidity as well as for enterococci, right? Because the water, stormwater that's entering the coastal areas after heavy rainfall, I mean, it's all running down to our coastal areas. A number of our homes have sewage plants, everything. So, you know, independent sewer systems, some of them are older. Those nutrients, everything, bacteria are caught in the soil.

2:18:05 They end up in the water, and that's how you end up testing high. So what is interesting to me is that beach advisory from going back to Thanksgiving now, right, all the way up to February 10th, I believe, is what Ms. Charles stated. Every

single week since February, Prosperity Beach has been on our safe water drinking list. All right, so I understand it failed on that date after a massive, massive rainfall. That rainfall passes. It has passed. The water quality has passed every single week up until the heavy rainfall that we had the other day in that same spot where we test week in and week out. So, now, that doesn't mean that we have stopped our investigation for things that are happening at the distillery. It just means that, again, there is an acute event that's associated with why that water was there. And then also to the rust-colored water, everything like that, all broken up organic material ends up being rusty, dark brown, everything. I'm sure if we go behind the bridge by La Grange right now, behind the Festival Village, that's not clear water back there.

2:19:32 But is that from Vanas? So, again, I understand that the community is expecting more from the department with respect to certain things on the distillery itself. But really and truly, Senator, I'm not here to speak specifically about Prosperity Farms. I'm here to talk about the allowance of micro distilleries and micro breweries as an allowed use, not just in one specific location, but throughout the territory. Very well, before I go to the point of information, I just want to ask Ms. Charles, because she referred to the Enterocaki levels being almost 100 times higher, and to your point, it could come off the mountainside straight down into the coastal zone.

2:20:26 We know that, we understand that environmentally and how our watersheds work. However, I want to ask Ms. Charles directly, can you provide the laboratory evidence linking that bacterial spike specifically to those discharges? How did you acquire that information? Where did you receive it from? Was there an assessment associated with that from a company? How was that information acquired and provided to us here today? Before the blackout of information from DPNR, I got that information from them. This is the beach report here where prosperity of this is November 7th. We're tested at only 10 and we have morning star beach at 422 to show a distinct difference. this is high 422 you have another 313 on november 7th however prosperity beach was seven thousand seven thousand okay and other thing we need to keep in mind prosperity beach and you could go on dpnr website right now is not on the list of tests weekly beach tests it is not it only ended up on here because of that discharge and I checked that up to this morning Commissioner would you like to respond before we go to the point of information sure so I would agree that that incident actually caused us to start testing prosperity regularly and so what I'm saying is that yes we had an an illicit discharge after a heavy rainfall area that was an acute thing.

2:22:20 If we had a chronic problem, every single one of the tests that followed those weeks would have failed. It would have failed if it was a chronic issue. Thank you. Senator Novel Francis Jr., you're recognized for your point of information. Thank you very much, Mr. Chair. Just real quickly, good morning to everyone, a good day to everyone. I wanted to ask you, Commissioner, in respect to the investigation that's being done, what is the timeline, what is the duration for this investigation, and being able to provide the public or this committee with the results of that investigation?

2:23:00 It's difficult to say, Senator, because, again, they have provided responses to the things that we have submitted. They are challenging some of the information or challenging some of the pieces there. We are now in receipt of those challenges, and we're formulating our responses back to them. I mean, again, it's informal administrative process right now. Corrective actions is what we are actually pushing for. But if the property owner decides to escalate it into more of a legal thing, then it becomes more of a legal thing, right? So we are hoping to address what we see as some issues on there that need to be addressed, that from a regulatory standpoint, there are things that can be definitely improved that will make the discharges, running off, those types of things less and having better soil conservation, other things. But again, if it's right now, it's an informal administrative process, and it can be escalated to a legal thing, which becomes a larger issue.

2:24:14 So the dem that you're referring to in terms of the response back is to Prosperity Farm? The distillery, yes. Yes, the Prosperity Farms. Thank you, Senator Noveli Francis Jr. for your point of information. Senator Franklin Johnson, you're recognized for yours. Good morning. Thank you very much, Mr. Chair. My question is to Commissioner J.P. Orio. We're talking about a 7,000 spike, right? Where or when have you ever got those type of results on that side of Frederick State or any place on the island? A spike of 7,000. Have you ever got those numbers before?

2:24:48 I can't say, Senator. But in your time, can you ever recall, see those numbers? So I can say, for example, and I apologize just based on my geographic location, I'll have to use a St. Thomas example, but after a heavy rainfall and the berm beyond the bridge at Megan's Bay bursts and all of that organic material goes in there, that spike in there that happens is significantly higher than what our normal is. Have you seen 7,000 at Megan's Bay? I don't look at the numbers like that, Senator.

2:25:26 You know, you came here today and you bring your inspectors. And those are the people I would really like to ask these questions. Because they will have all your test examples. So just for what we're saying here today, somebody should have been here to tell us all of these testing that have been happening throughout the territory. Because this is a significant number. This is no little number to play with. And as Ms. Charles said, a couple of the tests, you have been up to 300. We're talking 7,000. So, Senator, although we don't release the actual numbers on a weekly basis, we actually release the

results on a weekly basis. I- If you, because again, right? I didn't come here to talk specifically about prosperity, but if you would like us to forward to your office all of the laboratory results going back to November or even to the point of the day when we started testing prosperity regularly.

2:26:25 I have no problem with that because we've already released the public information. What I would like for you to do for us, because we're going to be here for a long time. You can reach out to your inspectors and have them send us some numbers. We'd like to see numbers that tell us that we have had this 7,000 before. So if you can, whilst we sit in here, send a text. Let somebody send us some numbers because it's very important to hear what the numbers normally are after this big downpour of rain on any of our beaches. Okay. Thank you very much, Mr. Chair. Thank you, Senator Franklin Johnson. We're actually going to go into our round. I may have to deduct some time from you, because that was a very long point of information. However, I want to recognize the presence of Senator Carla J. Joseph in the St. Thomas and St. John District. Thank you for being here with us today, Senator.

2:27:19 Colleagues, we are going to go into a six-minute round. I will let the Chairwoman decide if there's going to be a second round, but my marching orders as of right now are six minutes. With the first, Senator being Franklin Johnson. Second, Senator Bulkes. But if the Chairwoman does not come back, then I will let the third person go before me. who will be Senator Hubert Frederick, then Senator DeGraff, Senator Joseph Senior, Senator Potter Sixth, Senator Blyden Seventh, Senator Vielli Eighth, Senator Nobel E. Francis Junior Ninth, and Senator Carla J. Joseph Tenth. So we have almost all 15 members here for the listening and viewing audience.

2:28:13 As you all can see, this is a very important discussion. And we're now going to open up for a round of questions, beginning with Senator Franklin D. Johnson. You're recognized for your six minutes. Good morning. Thank you again very much, Mr. Chair. I would like to start out with Attorney Kevin Rains, and I want you to be simple and fast. I don't want the lang-a-toni language here. You use a lot of different states, and you use one Caribbean island as an example. And you use Martinique. Do you know what's the square?

2:28:46 Miles of Martinique? I do not. Good. When you brought Martinique, I stepped out. It's 436 square miles, meaning the Virgin Islands could fit in Martinique five times. Would you agree if my numbers are right? Numbers sound right, sure. Then why would you want to compare this little dot to 436 square miles? Well, maybe we should have one-fifth the number of craft distillers that have in Martinique. I mean, you know, the fact of the matter is that the regulations that are going to be worked up by the Department of Planning and Natural Resources, and I understand they want two years to do that, which makes a lot of sense.

2:29:22 I want to take my time. No, I understand. You don't have to do that on somebody's time. I got a lot of questions. Those limitations will be added, one presumes. Well, I appreciate you. Yes, okay. Sure. The first time we had this hearing about Asphalt and his company, I was very impressed with you, but you was on the next side. what change you are wrong today to be supporting as well besides you're being employed there what changed your position first of all i'm employed by the law of sakaya rames pc i'm not employed by any of my clients is that your client i'm not employed by any of my clients is that a client of yours no no one step at a time i do represent prosperity farm nyl thank you thank you thank you thank you thank you madam clerk hold the time uh just for the sake of order uh please uh let the question be asked first then respond and vice versa and of course name and title for the record for our stenographers please and thank you yes please please please let them know if i said stop to stop because my time so so i'm finished with you for now because i i understand that you definitely work for us well and that's all i wanted to clear uh to commissioner urio after um october 22nd you say you didn't do a next test of prosperity beach that's incorrect senator all right what about exhibit six up inland you saw what exhibit six look like yes have you guys went and 60 have you guys went and test that area yes and what was the result so Again, we've taken soil samples as well as water samples. Again, the water sample tested high for biological material.

2:31:14 You know exactly what it is. It's difficult to say in terms of what the source is because, again, it's biological material, but it's bacterial material, so it's tested high. But in terms of the soil samples now, where we were also looking for pesticide use to see if there is any excess or anything like that in there, the lab results came back that what you're looking for in terms of the chemical signage is coming up undetectable. And I want to go to your testimony.

2:31:53 And your testimony started out, the department emphasized that any allowance of micro-distillery or micro-breweries within agriculture or residential adjacent zone must be subject to environmental performance standards, including but not limited to wastewater management, stormwater control. You guys, Benby Prosperity, does he have any kind of wastewater managerial treatment down there? There is some treatment, but again, there is improvements that can be made, yes. and you're satisfied with what treatment he has there for what he's doing no thank you um i'll go to michelle and i'll come back again and and myself i'm i'm very proud here today to say that you is my cousin because what what you did you did you did your homework and i i like when people come in front of me to testify rather is my family or not

that they do the homework and your homework was very extensive touching 900 people is a lot and 900 people i didn't know what's going on at prosperity farm 941 941 i've traveled in that area i've seen the runoff that you're talking about but i want you to explain a little bit more because you're trying to explain to us and tell me what exhibit we need to go to because you show that the drainage the water didn't come back down to that same area however it's going in a different direction and if anybody knows about Rainbow Beach based on what those photograph you have there it's only the matter of time it's one of the better beach that most of the tourists goes to and and there's no hiding about that 90% of the tourists that come off on St. Croix if they going to a beach they walk straight to Rainbow Beach so I want you to explain a little bit and you could take up my time now explaining how

2:33:43 come the water reaching on the next side and whatever exhibit they need to put up please share that with us the area of the October 10 discharge they put up berms and a silt fence and as I would allege that they have a pipe where they have a way of diverting that visit Venus the Venus apparently no not apparently, but by aerial photo, is being diverted to the north towards the property behind of Rainbow Beach. That's where that photo... Which exhibit? Can you guys put up exhibit takes away please um and i'd like to say that it's being diverted there and just if i may when you're gonna test for a pesticide it is no place in the virgin islands that can do it and you have to tell the lab well i'm looking for atrazine or i'm looking for glyphosate so that they could narrow down their investigation okay dpnr and the farm owner is saying he's not spraying so they can't tell the lab what to look for we only suspect glyphosate and i understand the reports were lost or results they're still testing but help me out with this picture here, Mr. Chair, if I may, I really want to follow up on Exhibit 6E. Yes. This is the area now that you're saying that the water now is now coming to versus where it was going straight down by Prosperity Beach. Yes sir. And that's Rainbow Beach to the right. Where you see the car. Where the car is. Commissioner, I need for you to help me a bit with this picture here have you tested the water in this area here i can't say senator specifically in that egg well commissioner you got a lot of work to do and and my question to you is how many inspectors does the department have right now specifically environmental inspectors Environmental protection, I would say one, two, three, four, we have about six.

2:36:14 How much on the island of St. Croix? Those are six in St. Croix. Senator, your time has now expired. They're all in different programs. Thank you very much, Mr. Chair. Thank you, Senator Franklin Johnson. And just for clarity purposes, in slide 6, 8, that was up just a moment ago. Can anyone tell me who owns that property, just for the sake of the record? Does anyone on the panel?

2:36:45 I could tell you. I, it's remained, I don't have the deed here, but I did investigate, and it's under the name of William & Punch, LLC. so I know that Kevin Reims name is on there as attorney I believe and I have the deed at home so it's it's it's part of I think he's have some control you know of it Kevin Reims I want to just because we are referring to a piece of property and an alleging that it is coming from prosperity but for clarity purpose is I'm curious to know who the property belongs to because and again I'm a person that deals with data and facts and information. Nowhere in the bill does it say prosperity I will say that even though they're being referred to many many times over and over again. However I'm curious to know this piece of property that is being referred to in slide 6a who is the owner of that property would you anyone on the panel like to respond the the company that was identified by by testifier charles uh is william and punch llc that's my company it's your company yes that's correct okay uh so you are fully aware of the liquid or the water that has been collected there in that area i am aware that there's that there's storm water runoff on william and punch property But there is no Vanass disposition or Vanass present on my property.

2:38:31 There is simply none. The Vanass does not leave Prosperity Farm. And any statements to the contrary are simply uninformed. Okay, so until some sort of investigation or testing takes place, I guess then is when we'll know if in fact there is any chemical waste or discharge on the property. But to your point, it does look like wastewater runoff, but it potentially could also be what is being referred to by Ms. Charles. So we really need to have some testing done to get a better picture of what's happening. Senator Hubert Frederick, being that I'm the chair, I'll go ahead and let you proceed.

2:39:17 You're now recognized, sir. Thank you very much, Mr. Chair. Pleasant. Good afternoon, all. Listening and viewing audience, testifiers, Officer Hubert Frederick, Central Staff. this issue four years ago i remember when i was running as a senator it was a big hoo-ha-ha about this issue and i i didn't attend the town hall at the time i heard it was pretty live um but i thought the issue was settled four years later another election year and it's back again. Still no settlement, no resolution. But a bill came down, and we have to deal with it now from the governor. Clearly, the recommendations that the Department of DPNR has stated should have been incorporated in that drafting of the bill before it even got sent down, because those are critical elements I thought that should be considered in a piece of legislation as complicated as this. The fact that we just had a comprehensive land and water use plan finalized, which I was so excited that Commissioner O'Reilly, you and your team did a great job, got it done finally. And now we're just a few couple years now into it, we're doing carve outs.

- 2:40:46 that worries me so soon um i mean i figured we'd have some but this is like so soon we're carving out parts to accommodate maybe you view it differently than i do i don't know but it seems like we're asking for an exception on on this piece of land for microbreweries which was not part of the code so if you could enlighten me a little bit on that part thank you senator so I do disagree with the way you're viewing it because it's it's not actually a carve-out what the comprehensive land and water use plan wants to do is actually stops like spot zonings across to take place right but one of the key elements in the plan is recognizing the finite amount of land land space and the nature of the territory becoming more mixed use. And so one of the things that's in there inherently in terms of follow up actions is the fact that in 1972, they could not have contemplated all of the uses in 1972 that are being present in 2025 and 2026. And so this legislation is adding a use because we see the emergence of this taking place, right?
- 2:42:15 And so whether it's handled independently, I do think if the bill is not voted on by this particular legislature, years down the line when we're actually amending the table of permitted uses, As we mentioned, that we're trying to take it from a 21-page, 118 very specific things to softening it into five general-use categories that align with each other. These activities, because they are present today, are going to be part of that remodel. What we're actually offering here, and again, I don't think what we're doing is so different than how the original bill came down. But we're proposing rules and regulations, usually, and that's typically the way it works.
- 2:43:06 The act is passed, but then the agency has to promulgate rules and regulations to fit those things in. And so it's not to legislate the actual rules and regulations. It's to go out into the public hearing phase, do all of those things to create those regulations. What's your department's position on Roundup or GeoFoster? Is that an item that we're encouraging, discouraging? Are you familiar with people widely using it?
- 2:43:38 So, again, we know that there have been specifically cases where Roundup has been cited as the reason for certain things and even settlements have been issued. But even to this point now, the EPA has not issued a complete ban on Roundup, right? You can still even get it for spray for your home use, those types of things from certain stores. So I think that if, in fact, the territory was to look at Roundup, then that becomes a broader conversation in terms of what the use is. Are you familiar with it being widely used in the Virgin Islands on any farm?
- 2:44:26 I mean, again, it's available at your hardware store, Senator. It's on the shelf in your hardware store. Okay, so we're talking about, we saw a picture of a tractor spraying something. I don't know what that is, but that's large. That's a huge volume of pesticides. So, again, the reason I mentioned, and Ms. Charles is correct, there's nobody that tests for pesticides here, so we have to have the report sent to a laboratory in Florida called Pace Laboratories. who sent us back the findings, and again, undetectable. Like, you're going to have, in agricultural settings, whether, depending on what they're using, you're going to have some form of pesticide. That's why DPNR has a pesticide program, right? And so applicators have to get registered or certified by the department for pesticide use. There are different ones, they have certain levels where they can be, you know, industrial uses, they may have to be covered. There are different certifications for a number of those things.
- 2:45:39 That's why we have the program, Senator. Time. Mr. Chair, if I could just conclude. Please proceed. We don't know when this final report is going to be issued. And I am really concerned now voting on an issue that I don't even know what the findings are, the November, what was it, November 4th? I don't know what that report might contain. I would love to see what it contains. So I would ask this question, Senator, irrespective of whether or not you move forward agreeing to a micro distillery bill or not. It's a farm property. It's going, if it chooses to, going to use pesticides. and if those pesticides are applied in the appropriate manner and are not causing degradation on the surrounding environment, it will still be a farm that uses pesticides irrespective of whether or not you vote on the microdistillery.
- 2:46:52 But we don't know how much pesticide and the impact on the environment. That's my issue, especially with the runoff. That's the big issue. Is it causing undue harm to the beaches, to the sea life? I don't know. And again, Senator, what I can share, and I have testified to, is I have the lab results for a number of compounds that are found in pesticides, and they are registering as you on the actual lab analysis, which means undetectable. Thank you very much for the time and the responses.
- 2:47:30 Thank you, sir. Thank you, Senator Hubert Frederick. Senator Duane de Graff, St. Thomas, St. John District, you're recognized for your six minutes. Thank you, Mr. Chair. Good afternoon, colleagues. Good afternoon, testifiers, all of you listening and present. You know, I have a saying where I always make sure I say I don't buy cutting back. And, you know, this being my 10th year in the Senate, i would like to always maintain something that i always do i i i vote no i i don't support the bill as it is because when you get into microbrewery we talking about putting them all over the place wherever somebody want to pop up one i don't think i want one next to my house um so i i too would make some noise and and you know i i'm elected by the people and to hear the people speak up i think they should be considered in regards to it you know like we just had just jackson and he was talking about i am somebody's speech i added something where i

am from the virgin islands i may sound like i speak a different language but i must be respected protected and never rejected that's how i feel so we're gonna do that um for me it's not the same dama st croix issue is a virginal issue in regards to who you want to put these microbreweries on and the bill the third whereas clause says the government of virgin islands recognizes the need to support this growth while maintaining proper land use oversight transparency and environmental review commissioner have we decided what size lots you would allow microbreweries on have we decided uh you know required setbacks for residential property lines uh water wastewater requirements have any of these things been put into place uh regulations for order and air filtration uh operating hours noise ordinances parking uh requirements have any of those things even though he talks about promulgating rules again i need to know these things are being put into place prior to me supporting something like this that's going to have some kind of

2:49:46 effect on the virgin islands whether it's prosperous or not thank you for the question senator so with your written testimony we did submit what we have come up with as draft rules and regulations but they're not finalized because those are what we would go out to the public with in terms of offering and then the debate would begin okay good so so we're not putting the card before the horse we're doing it a proper way it should be it just seems that way to me uh would you agree again we offer the language with within two years and again we are that the department is fully committed to going to the public if this bill is passed for what would be necessary to answer just just one of the questions you asked or in terms of one of the points we put in there that we believe a minimum lot size acreage should be no less than two acres okay and and again it's it's you know in where you put your testimony i agree but we're here to address the bill right now as it stands like you said i don't want to get into talking about prosperity farm and and all those things they already exist so i you know i want to look at in regards to the so in in regards to the land and water use plan as it stands how do we integrate or where do we integrate it or or can we integrate uh these microbreweries as it stands right now without modifying anything for the land and water use plan so if if we were not modifying anything right now senator then the actual distillation and uh the actual distillation

2:51:39 or brewing is either going to be in the I-1, I-2 zone in the industrial area, or it will be allowable in your, I think, business and commercial as an accessory to, say, a restaurant. So example, here we have the Mutiny Distillery, a restaurant in Pitass, in Sion Farm. And so it's allowable there because it's an accessory used to the restaurant. They serve food, doing all those things, but they also brew their beer. that's taking place in a very small, small environment in, you know, in a commercial business, mixed use sort of area with a residential area right across the street behind it. So if we don't do any modification, it'll be limited to those few zones, either on the full industrial scale or accessory uses to something else. and in terms of those zones how large are those zones uh can they accommodate the expansion of microbreweries in those particular zones only no i mean you have you have beer but senator to use a st thomas example you have beer brewing right now inside tap and still and that's a six one minute six thousand square foot business at best in in the middle of haven site right and that's what i said they exist but they exist within specific zones that dpnr is aware of and dpnr sets up in the uh also in the water use plan so i think i that's some of the issues going forward right now in terms of making us out to be in closing mr chair making

2:53:31 us out to be where we should be like what's going on in the states we're unique we're virgin Islanders. We like what we like, we want what we want, and we want to do it the way we want to do it. Thank you for the time Mr. Chair. Thank you Senator DeGraff. We'll now move on to and thank you Senator Bulquez for assisting me and we'll now recognize Senator Bulquez for his six minutes. Thank you, Madam Chair. Good afternoon, Madam Chair. Good afternoon, colleagues. Good afternoon to the listening and viewing audience. Good afternoon, central staff. And, of course, good afternoon to the panel before us today in relation to Bill No. 36-0211. This is a measure that is economical but also environmental. The balancing scale has to be precise. It cannot be one side over the other. It has to be balanced. And I want to ask some questions in relation to a number of things because I've looked at the bill and I saw a lot of gaps. I attended a town hall and expressed some of the things that I felt as a legislator that were missing from this piece of legislation to make it more whole in the sense of providing additional protections from an environmental standpoint in addition to enforcement.

2:55:16 And what I noticed is that the draft regulations also in addition to what was provided by the commissioner today, they require odor control, wastewater plans, inspections, and annual compliance affirmation. And we heard that there's six compliance officers on the island of St. Croix. Currently, with the distilleries that exist here on St. Croix, of those compliance officers, how many of them are responsible for agricultural runoff or industrial wastewater or alcohol production facilities all six or right i can you can you rephrase the question for me senator what i'm trying to find out of the enforcement officers that exist here on st croix which i heard it was six are they all responsible for agricultural runner for industrial waste water or any compliance for any other distilleries on the island yeah so Yes, Senator. So, I mean, those, the, when we have, within the Division of Environmental Protection, we have, I believe, like nine or ten different programs in there, drinking water, wastewater, solid waste, all of those. So the inspectors, compliance officers in there, a facility can have more than one program that it needs to meet requirements.

- 2:56:45 Okay, noted. So how many inspections per year do you currently conduct for the existing distilleries? I couldn't say, Senator. I can say, for example, as an example of what takes place on the wastewater side, every single entity in the territory that discharges their wastewater is required to submit monthly reports on that discharge, And they must get, the major facilities have to get at least three inspections per year, and some of those we even do with our counterparts at the EPA. Three minutes.
- 2:57:30 What's the average response time for a discharge complaint? They provide them monthly, they get notices of non-compliance when they are not up to date. But all of those then get posted on a national database as well. Okay. Now, when it comes to the BOD and the COD, of course, we've heard about the low pH balance, which is acidic, which was referred to numerous times. With a potential micro distillery, which would be operating at a 100,000 gallon annual cap, will you require biogas recovery as a mandatory means of dealing with these things? I don't think so. What are some of the recommendations that you would have if in fact a micro distillery water exists in the Virgin Islands? So again, one of the things that one of the things and again, I'm not an expert in this, right? But one of the things that we know is that particularly when the sugar and cane juice is used, the vaness, right, is actually reused as fertilizer.
- 2:58:46 And then the wastewater is also reused for irrigation purposes as well. I would believe that the, and the concentrations must be right, and again, I apologize, I'm not the expert on this. Maybe the Department of Agriculture could help, but anything that's reused, any organic material that's reused to feed back into the processing of the land, the farmer's interest is in making sure that it doesn't degrade the soil for their own purposes.
- 2:59:24 Otherwise, they're not going to be able to produce. So, yes, there is a careful balance that must take place. That's more on the farming side, not in the DPNR wheelhouse. But if there is any excess, not only will you have the dying land, but then it'll also escape, and we'll see it as runoff as well. And before my time expires, because right now we're hearing three different narratives. Supporters cite the economic opportunities.
- 3:00:01 We're hearing the opponents saying that there's environmental issues or challenges or incidents that can take place. And DPNR is expressing its regulatory intent to actually fulfill its mandate to make sure that this actually all runs safely. But policy cannot just be built on a narrative. What is missing are the actual data sets, the information, to allow us as a legislature to make an evidence-based decision. We don't have any reports quantifying the wastewater or watershed impacts. We don't have any reports about the fiscal impact that is projected to revenue or against enforcement or remediation costs.
- 3:00:56 We don't have any regulatory capacity audit demonstrating staffing or monitoring the readiness of us to actually pull this off. We don't have a watershed-specific risk assessment for the zones that are actually proposed in this bill. So these are all the things that I believe we are missing in order for us to make a data-driven decision that would balance between... Madam Chair, if I may please. Thank you, Madam Chair.
- 3:01:27 Yes, go ahead. that would balance between the economic opportunities and the environmental challenges that are associated with this piece of legislation. There is no doubt in my mind that if in fact this were to be pulled off properly, it would be a huge economic win for the Virgin Islands, based on our rum cover overtax, based on what we pull in every single year to be able to run our departments and agencies for programs and services for our youth and elderly however again the environmental component outweighs all of that because this the second that our beaches go bad and our land looks washed up our tourism dies so we have to weigh this very carefully and put it on the scale and take our time and make the right decision so madam chair i appreciate the additional time thank you so much Sure. Thank you, Senator Boquez. I'm just going to entertain one more point of information, and then we're going to take a break that is needed, especially for the testifiers. So Senator Johnson, go right ahead.
- 3:02:35 Thank you very much. But before I make my point, none of these breweries are going to give us no rum cover over benefits. Rum cover over benefits is only for exporting rum to the U.S. territory. But I wanted to go to Commissioner Ohr, you're talking about wastewater being put back into the soil or in the ground. Any wastewater that is used to go back to fertilizer or to feed in the plant must go choose some kind of a treatment process to make sure that it's safe. Do you know of any treatment process done at the Prosperity Palm?
- 3:03:12 Yes, they have a treatment. For the water? Yes. all right and you inspect that we we have inspected it yes they they are it they again this is part of the ongoing thing in terms of what they're required to do so I'm not getting too much into it because again they have retained council but okay like I said there are some things that improvements absolutely need to be made once they retain council of origin I just need to retain council to make sure that we don't just do something just out in the dark that won't cast us to the end. Thank you very much, Madam Chair. Thank you, Senator Johnson. The committee is in recess for 10 minutes.

- 3:04:12 Thank you. We'll be right back. [2 such phrases repeated 28 times · standby audio before the proceeding, transcribed by the recogniser as speech]
- 3:18:12 Thank you. We'll be right back. [2 such phrases repeated 20 times · standby audio before the proceeding, transcribed by the recogniser as speech]

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.

- 13x **Senator Milton E. Potter**
heard in this transcript as: Milton Potter, Potter
- 9x **Senator Franklin D. Johnson**
heard in this transcript as: Franklin Johnson, Johnson
- 7x **Senator Marise C. James**
the surname alone also matches: Javan James; Giovanni James Sr
heard in this transcript as: James, Marie C. James, Maurice James, Mauricio James
- 6x **Senator Dwayne DeGraff**
heard in this transcript as: DeGraff, Duane M. DeGraf, Duane de Graff
- 6x **Senator Hubert Frederick**
heard in this transcript as: Frederick, Hubert L. Frederick
- 4x **Senator Angel L. Bolques, Jr.**
heard in this transcript as: Angel L. Bolques Jr., Boquez, Bulquez
- 3x **Senator Angel L. Bocas Jr**
heard in this transcript as: Angelo L. Bocas Jr., Bocas Jr.
- 3x **Commissioner Jean-Pierre Oriel**
heard in this transcript as: Oriel
- 3x **Senator Joseph Senior**
- 3x **Senator Kurt Vialet**
heard in this transcript as: Kurt Aviale
- 3x **Senator Marvin Blyden**
- 3x **Senator Novelle Francis**
heard in this transcript as: Novel Francis Jr, Noveli Francis Jr
- 2x **Senator Angel L. Bulkes Jr**
heard in this transcript as: Bulkes
- 2x **Senator Carla Joseph**
heard in this transcript as: Carla J. Joseph
- 2x **Senator Clifford A. Joseph Senior**

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.

- Bill 34-0301** Act 8614 · August 30, 2022 · An Act repealing section 2 of Act No. 8569 relating to the definition of agricultural processing plant and amending title 29 Virgin Islands Code, chapter 3, subchapter I, section 225(b)(4) to exclude rum distillation from the definition of agricultural processing plant ---0
- Act 8614** Act 8614 · August 30, 2022 · An Act repealing section 2 of Act No. 8569 relating to the definition of agricultural processing plant and amending title 29 Virgin Islands Code, chapter 3, subchapter I, section 225(b)(4) to exclude rum distillation from the definition of agricultural processing plant ---0
- Act 8569** Act 8569 · March 24, 2022 · An Act amending Official Zoning Map No. SCZ-11 to allow for the rezoning of Parcels No. S-

Eand 5-F VICORP Land, Estate Castle Burke, Prince Quarter, St. Croix from A-1 (Agricultural Zone) to A-2 (Agricultural Zone) and from A-1 (Agricultural Zone) to B-2 (Business- Secondary/Neighborhood), respectively ---0

Referred to but not found in our acts corpus: Bill 36-0211