

Doomed Caribbean Waiver Legislation, No Timeline on Rum Taxes at \$13.25 Rate: Plaskett Blames Republican Intransigence For Lack of Progress on Key Policy Goals

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Progress on some key issues facing the territory is being delayed due to the political climate on Capitol Hill. That’s the sense from Congresswoman Stacey Plaskett, who sat with Consortium publisher Ernice Gilbert for a [wide-ranging exclusive interview](#) in Washington on Wednesday.

Among the topics discussed was the status of legislation to provide a permanent “extension” of rum cover-over funds, something that Ms. Plaskett confidently declared last year would be in place by the [end of 2022](#). Now, the timeline seems murky, a circumstance the delegate to Congress blamed on Republican infighting on tax legislation.

“There has not been agreement on the tax bill, and there hasn’t been an agreement in two years,” she said. Noting that there was legislation being drafted right now that contains provisions to fix the territory’s cover-over rate at the higher \$13.25 per gallon rather than the current statutory \$10.50, Ms. Plaskett informed that “a bunch of other people and other industries and other areas” were awaiting the same legislation which also contains provisions to adjust taxes in their jurisdictions. “That will not take place,” she predicted, “because Republicans can’t agree on what should be in the tax bill.” Congresswoman Plaskett pointed out that the GOP’s own defense bill died on the House floor earlier this week after a small group of Republicans voted against a procedural vote, before disclosing that should a tax bill make its way out of the Ways & Means committee, she has received assurances from legislators on both sides of the aisle that the rum cover-over remedy will be included.

The congresswoman sought to distance herself from the move to use the higher rather than the lower rate in the territory’s calculations for its debt resecuritization plans. “I have an amazing team. My legislative director had told the Virgin Islands government and their lobbyists ‘I think you should use the \$10.50’.”

Another issue for Virgin Islanders that seems doomed until perspectives in Congress shift is the one of establishing a [visa waiver program](#) for Caribbean nationals visiting the territory. Congresswoman Plaskett told the Consortium that when the idea was [first broached](#), leaders across the region reached out enthusiastically. “I got calls from...prime ministers...my good friend Gonsalves from St. Vincent...the comrade,” Ms. Plaskett remarked. “With the Republicans controlling the House, there’s a large faction...that believes this is an immigration bill.” The congressional delegate said that several conservative House members believe that the policy would allow people to settle the United States. “And at this point, they have such stark positions on border control, that it’s not going to move in the House.”

What’s the solution? Flip the House, Ms. Plaskett believes. “That’s why many of us are out on the trail, trying to make sure that the House flips back again to Democrats...if that happens, then that will be a piece of legislation that we know we will work on in the House and then [will] go to the Senate.”