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Lawmakers Challenge Casino Control Commission's \$200,000 Budget Hike

\$1.6 million proposal aims to address staffing needs, salary adjustments, and operational costs amid shifts in revenue allocation and potential funding jeopardy

Senate / **Published On July 18, 2024 06:32 AM /**

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V.I. Casino Control Commission building in Golden Rock, St. Croix. By. V.I. CONSORTIUM

On Wednesday, lawmakers on the Senate Committee on Budget, Appropriations and Finance were surprised to receive a FY 2025 budget request from the Casino Control Commission which was almost \$200,000 more than what had been recommended by the executive branch.

The Commission is requesting a general fund appropriation of \$1,604,300 to cover salaries and fringe benefits for 17 employees and 4 vacancies, said Chief Executive Officer Marvin Pickering. Committee chair Senator Donna Frett-Gregory pointed out that “the recommendation submitted in the 2025 budget submission to the Legislature is \$1,423,800,” a difference of \$181,500.

Like many government entities, the Casino Control Commission wants to increase staff to meet growing needs. Of the budget difference, the VICCC intends to use just over \$140,000 for salaries and fringe benefits for two new casino inspector positions. “The other \$40,000 is for proposed salary adjustments for some staff members.

?It remains to be seen whether the 35th Legislature will grant the increase to the Commission. The general fund is only one of the VICCC’s funding sources, however. It also receives funding from the Casino Revolving Fund, which is made up of casino license fees, employee license fees, fines, and other fees. The Casino Revenue Fund is another source, funded by the “12% tax on gross revenues from the two casinos and casino hotels currently operating in the casino zone.” Mr. Pickering noted that “the Commission receives 25% of these taxes, with 75% allocated to other government departments.”?

The fourth source is the Horse Racetrack Casino Revenue Fund, but Mr. Pickering explained that the VICCC has received no money from the Fund since 2016 when races at the Randall “Doc” James track ceased. However, he told lawmakers that in April, the VICCC granted a 1-year license to VIGL Operations LLC to operate a casino at the racetrack. “Once this casino commences operations, the Commission will begin to receive monies.”?

Thanks to Act 8577, the V.I. Casino Control Commission is also receiving a larger percentage of funds from the Casino Revenue Fund. In April 2022, the act changed the rate allocated to the Commission from 12% to 25%. The VICCC uses at least a portion of these funds for supplies and other operating costs. Noting the increase in funding from that source, Frett-Gregory suggested that perhaps commission's general fund allocation should be reduced rather than raised. “We increased the percentage. Although it may be small, it really matters to us in trying to balance our budget,” she said.

Act 8577 also rescinded a 10% allocation granted to the Department of Labor, which VIDOL had used for various youth-centric programs. While the commission said it is pleased with the increase in funding, lawmakers seem to regret the move. Frett-Gregory informed Mr. Pickering that “we are hearing from Labor that they're having challenges.” Meanwhile, Senator Novelle Francis questioned whether adjustments could be made to provide that support to VIDOL once more. “The legislation took it away, so the legislation would have to restore it,” said Mr. Pickering. It’s something that Francis has promised to consider.?

“In the haste to move this forward...we have reduced the allotment to our children,” said Frett-Gregory. She told Mr. Pickering that VIDOL had informed the 35th Legislature that “they were unable to hire as many students this year because some of the funds went away.” The committee chair has asked the CCC to submit their operating costs to allow legislators to “determine whether or not we need to make any adjustments.”