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Funding Questions and Infrastructure Needs Stall Frederiksted Harbor Nights Bill in Committee

With DOT and VIPA expressing reservations, lawmakers debate costs, potential infrastructure challenges, and legislative overreach before voting to hold the Frederiksted event proposal

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Cruse Ship Visit Day back in 2018, Frederiksted, St. Croix. By. V.I. CONSORTIUM

The return of the popular Harbor Night festivities in Frederiksted, St. Croix, will have to wait a little longer as members of the Committee on Economic Development and Agriculture voted to hold Bill 35-0396—legislation aimed at requiring the Virgin Islands Department of Tourism to reestablish weekly Harbor Night events—in committee.

The bill, sponsored by Sen. Diane Capehart, is the third such measure to be brought before the Legislature within the past twelve months. In December 2023 Sen. Donna Frett-Gregory introduced a [vague bill](#) requiring the Department of Tourism to host an annual music festival, followed by Ms. Capehart's October 2024 presentation of [Bill 35-0257](#), an act to develop and produce an annual U.S. Virgin Islands Beer, Wine, and Spirits Festival. Both bills were ultimately signed into law by Governor Albert Bryan Jr.

On Wednesday, Bill 35-0396 received support from the Departments of Tourism and the Virgin Islands Port Authority, which were both invited to share their perspectives as direct stakeholders if the bill is eventually enacted. However, both agencies shared reservations about particular components of the bill as written. Shamari Haynes from the Department of Tourism told the Committee that "based on our extensive industry knowledge, we suggest beginning with a monthly event," rather than weekly as proposed by the current language of the draft bill. He also encouraged the participation of the Casino Control Commission, as the bill outlined plans for "pop-up casinos" at Harbor Nights event.

Meanwhile, VIPA Executive Director Carlton Dowe told lawmakers that the Authority is favorable to the bill's promotion of a "family-friendly and culturally infused event for the residents and visitors in Saint Croix." Notwithstanding, he warned that "if any resources or manpower are required, we would need to know what those costs are, and we would need to be paid to implement the additional services."

Bill 35-0396 also speaks to the installation of water lines for shore power, but Mr. Dowe testified that VIPA "cannot guarantee that these amenities will be in place by December of 2025," as contemplated in the draft legislation.

In the face of Sen. Capehart's appeal to her colleagues to support the bill that would "grow our tourism product," a host of amendments were offered amid major concerns over financing. Among the pending amendments were plans to rename and trademark the festival as "Port Night" and to push the commencement date to 20th June 2026. Following conversations with the Water and Power Authority, Sen. Capehart also announced plans to increase the bill's funding amount to \$5 million, including approximately \$4 - \$5 million to WAPA "to build out that infrastructure for the water and electricity." Another \$1 million is meant for VIPA, she explained.

Lawmakers were deeply concerned about the identification of the Tourism Advertising Revolving Fund (TARF) as the funding source, and what Senator Donna Frett-Gregory described as "over legislating." The senator complained that "we are once again legislating what our tourism department should do." Instead, Frett-Gregory along with some of her colleagues believe that the Department of Tourism could undertake such an event through a public-private partnership, without being mandated to do so by the Legislature.

Additionally, Frett-Gregory, chair of the Senate Committee on Appropriations, Finance and Budget, took particular exception to the obligation of millions of dollars under the bill. "I don't know if you guys recall, but when we worked on the FY 2025 budget, we actually struggled to balance this budget," she reminded her colleagues. "I cannot, in good conscience, support a measure of this nature... We're not talking about \$25,000 [or] \$30,000. We're talking about millions of dollars."

Senator Alma Francis Heyliger, who voted against the two previous festival bills introduced within the last year, was also skeptical about the impact of this proposed legislation. "We are attempting to take away the authority from the Tourism [Department] from doing their job," she

contended. “I think a lot of these things could be had with conversations and encouragement,” she said, preferring that approach to legislative rule. Francis Heyliger also expressed concerns over appropriating more funding when the government is already “cash strapped”. Like Senator Javan James, she wondered why the governor’s finance team and the Casino Control Commission were not invited to testify.

“We're utilizing the TARF as the go-to funding for just about every event, and we still have not even paid vendors that are owed,” said Senator Novelle Francis, joining in the skepticism of his colleagues. “There's nothing currently that prohibits you from being able to do that outside of legislation,” he told DOT testifiers.

In her rebuttal, Capehart pushed back against concern over using the TARF, which she says comprises \$101 million. “This appropriation won't happen until FY2026,” she said. “We could spend \$14 million to dredge a harbor, but we can't spend \$5 million to implement infrastructure for the dock of Frederiksted?” she argued. That line of reasoning was swiftly countered by Mr. Dowe. “I don't have any problem supporting Frederiksted, but we shouldn't equate that with the dredging of the Charlotte Amalie harbor,” the VIPA CEO asserted.

Ultimately, a motion to hold the bill in committee was made by Senator Dwayne DeGraff, and seconded by Capehart herself. It will now be up to Committee Chair Sen. Javan James to decide whether the measure returns to the floor before the 35th Legislature concludes in January.