

Lawmakers Blast Dept. of Agriculture Over \$9.8M in Unspent Federal Grants Amid Agricultural Crisis

Despite the territory facing what senators call a “crisis in agriculture,” VIDA holds nearly \$10 million in idle federal funds, with \$1.15 million set to expire in 2025; senators urged urgent action as leadership blamed staffing gaps and halted programs.

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VIDA Commissioner Louis Petersen. By. V.I. LEGISLATURE.

Lawmakers have lambasted the Department of Agriculture for a large amount of unspent federal grants despite the territory being in a “crisis when it comes to agriculture.”

VIDA Commissioner Louis Petersen appeared before the Committee on Budget, Appropriations, and Finance on Friday to defend his department's FY2026 budget request. VIDA is anticipating a

total budget of \$17,501,107, which includes a general fund request of \$5,268,235, a \$500,000 contribution from the tourism advertising revolving fund to the agriculture revolving fund, and \$246,277 for the industrial hemp commission. Of its requested general fund allocation, VIDA anticipates that \$4,585,694 will be spent on personnel and fringe benefits, \$373,667 on services, \$160,000 on utilities, and \$148,874 on supplies.

The bulk of the budget, however, is \$11,486,594.97 in federal grants that are already awarded. The federal dollars include funds from the multi-year USDA Special Crops Grants, Forest Legacy Grants, and Urban Forestry grants.

Committee chair Senator Novelle Francis observed that VIDA has “a little bit over a million dollars, \$1.156 million expiring as of September 30 of 2025.” He requested an update on the status of the funds. According to Mr. Petersen, VIDA has “requested and received favorable responses for the grants to be extended, and therefore we are not in jeopardy of losing funds.” Senator Francis was not satisfied with that response, and urged VIDA to act with more urgency.

Referencing recent [executive orders from the White House](#), Sen. Francis warned that “the request for extension might not necessarily result in those monies being available right now.”

VIDA is currently holding \$9,830,584 in unspent federal grant funds. Francis advised that the money be “spent or obligated and be earmarked to be spent as soon as possible.”

While Francis adopted an advisory approach, Senator Marvin Blyden spoke plainly of his frustration regarding VIDA's ongoing failure to use allocated federal monies in a timely manner.

“These are the same grants I see every year that's not being touched... We are not utilizing these funds like we should and really being aggressive in terms of assuring that we utilize these funds by any means,” Blyden complained. “This is simple stuff. What are we doing?” He questioned whether VIDA possesses the requisite capacity to manage the federal dollars it is given.

Capacity is indeed a challenge, as Commissioner Petersen would confirm. VIDA has turned to its federal partners for instance in hiring staff and had since onboarded four individuals to “assist us with moving initiatives forward” within the Forestry Division. There is still much work to be done. The forestry program in question, which involved a partnership between VIDA and the University of Tennessee, has been “halted.” VIDA blames it on a loss of the university’s program manager, a position that has not been replaced, and the loss of the department’s contact person as well.

Assistant Commissioner Billy Abraham, however, warned Sen. Blyden against “misconstruing the uses of these funds.” He stated on the record that the large amount of unspent federal dollars are not earmarked to “help farmers.” Instead, they are largely earmarked for VIDA’s purchase of Inner Brass island. That purchase process is ongoing.

Nonetheless, Senator Kurt Violet still had some criticism for VIDA. He recalled that forestry grant funds have remained on the books for several years. “I've heard all different type of reasons as to why,” he protested. The lawmaker read out several unspent grants, including repeated deposits into the Urban and Community Forestry Program.

“We need to come up with a plan as to how we're going to be able to spend those monies,” Violet declared.

Though not federal funding, VIDA did outline how it plans to spend some \$904,045 in its Agriculture Revolving Fund. According to Mr. Petersen, the money will be used for

“improvement of the community gardens area on St. Croix,” bringing “new wells online and increasing the water line distribution system.” VIDA also intends to install infrastructure for a community garden in St. John and “other initiatives that include some market improvements.”

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