

Tourism Advertising Fund Used as “Bank Two,” Senators Warn, Leaving DOT Strapped for Core Needs

Legislators warned that TARF allocations to VIPD, Waste Management, and other entities reduce DOT’s ability to meet obligations. Violet said the pattern explains past greeter layoffs and late vendor payments, urging a dedicated line item for greeters.

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A "Cruise Ship Day" in 2018 on St. Croix in Oct. 2018. By. ERNICE GILBERT, V.I. CONSORTIUM.

Could the generous usage of the Tourism Advertising Revolving Fund to support unrelated projects leaving the Department of Tourism without the requisite cash to pay outstanding invoices and sustainably run its greeter program? At least one lawmaker suggested this was the case when

the Department of Tourism appeared before the Legislature for its budget hearing.

On the job for less than a month, Tourism commissioner nominee Jennifer Matarangas-King was tasked with the responsibility of presenting the FY2026 budget proposal for \$39 million, wholly sourced from the Tourism Advertising Revolving Fund.

The DOT has several goals for the coming year, including bolstering airlift and creating a welcoming environment for visitors to all three islands. One tactic in support of those goals is establishing a consistent greeter program at ports of entry. A [recent release](#) issued by the Department signaled its intention to do just that, advertising vacancies for greeters and entertainers at the territory's air and cruise ports. For Ms. Matarangas-King, onboarding greeters is a “no-brainer.”

It's something that lawmakers supported, with the firm caveat that the individuals hired for that work must be appropriately compensated. There have been concerns about whether the pay being offered is commensurate with the duties of the job. “We got to make sure these greeters get paid,” committee chair Senator Novelle Francis said. Ms. Matarangas-King assured that “we are going to hire them and make sure they're getting paid.” DOT in 2023 [laid off greeters and entertainers](#) as budget setbacks strained operations.

Anxiety over DOT's ability to pay may not be unwarranted, as the department currently owes approximately \$1.3 million in vendor payments, some dating back to 2024's festival celebrations.

According to Senator Vialet, the difficulties in paying vendors on time could be caused by the liberal manner in which the Tourism Advertising Revolving Fund is used. In FY2026, recommended TARF appropriations to entities outside the Department of Tourism total \$7,800,000, including a \$3 million appropriation to the Virgin Islands Police Department and \$1 million for the Waste Management Authority.

“You have no authority over the Tourism Revolving Fund,” Senator Vialet reminded the commissioner nominee. “The Tourism Revolving Fund is bank two. Bank two empty, because we have taken all of the tourism fund and spent it on everything else,” he continued.

“That's why you didn't have money to pay your greeters, because bank two was empty,” Sen. Vialet theorized. “You submit everything...but the Tourism Revolving Fund is being utilized for everything else,” he told Ms. Matarangas-King. He further argued that the fund is being used for “everything else except what it's supposed to be utilized for.” Now, the Department of Tourism is “scraping.”

He isn't optimistic that the greeters will be a permanent fixture. He questioned whether the Department identified a dedicated line item for that purpose. “Make it a line item out of the Tourism Revolving Fund so bank two don't continue to use your money,” he advised. The Legislature is awaiting an update on the cost of hiring greeters for each port on entry.

The Department of Tourism anticipates depositing \$58,038,462 into the Tourism Advertising Revolving Fund by the end of the fiscal year. As of June, \$41,497,500 was already collected.

Vialet felt that the projections are “a little off” based on the assumption that August and September are “slow months.” He offered an estimate of \$53 million instead of the \$58 million. Assistant commissioner Alani Henneman, however, noted that airlift over the summer months were “on par with our peak season.” Indeed, Ms. Matarangas-King was optimistic. “We've had a pretty good summer...I think that will help us in terms of us meeting that goal.”

For FY2026, the DOT's budget includes \$2,602,727 in personnel costs, \$1,134,774 in fringe benefits, and \$522,000 in supplies. Other services and charges including rent and travel, totals \$34,495,499. From that figure, advertising and promotion are budgeted at \$15,323,376. Finally, utilities are estimated at \$245,000.

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