The Virgin Islands Consortium

Sen. Nelson Proposes Phase One Of 'Infrastructure Construction Plan' Costing $250 Million

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ST. CROIX -- Senator Terrence "Positive" Nelson on Friday proposed phase one of his 'big deal', dubbed "Virgin Islands Infrastructure Reconstruction Plan", costing tax payers some $250 million that he says will give the critical boost needed to jumpstart the territory's lagging economy.

"It is my wholehearted belief that the contents of this legislation can be the economic stimulus to turn around the economy of our U.S. Virgin Islands," Nelson said in a press release his office issued on Friday.

The senator has also begun circulating the measure to 31st Legislature senators in hopes that they would sign onto the measure.

In late March, The Consortium spoke to Senators Nelson, Kurt Vialet and Novelle Francis about the 'big deal', which would ultimately cost the territory some $4 billion according to Nelson, to gauge reception and get an idea as to whether the measure would succeed once it arrives on the Senate floor. Nelson said the legislation would move capital improvement projects forward, all while consolidating smaller, high-interest loans into one lower-interest, long-term payment.

“We do need an infusion of cash,” Vialet said, “the big question is going to be the source.” Vialet said the federal government has a duty to support the territory, especially since it has been giving billions to other countries."And so he seemed to favor a bailout in lieu of a $4 billion loan.

“I do think that the federal government has a responsibility to the Virgin Islands,” Vialet continued. “They give billions of dollars to Israel and other countries, and sometimes they try to brainwash us [by saying] we should not be begging; but we’re not begging, it’s a responsibility. We’re an entity of the United States, we have special conditions that govern the Virgin Islands in terms of geography, and I don’t see the reason why [the federal government] can’t provide a bailout for the Virgin Islands.”

Francis said there are several other senators with plans similar to Nelson’s that he thinks can be meshed into one offering, but he supports Sen. Nelson's efforts.

“In regards to Sen. Nelson’s plan, there are several senators that also have plans that I believe we could have a discussion and merge the plans so we could have a win-win situation at the end of the day that would be beneficial to us,” he said. “But we’re not in any way opposed to the plan that has been proposed by Sen. Nelson, but we just want, as a body, to sit down and look at all options at the table to get the right fitting of a plan that would come forth.”

For his part, Nelson believes his measure is the best way forward, and reminded Vialet and Francis that the federal government is not obligated to bailout the territory.

“We have to be clear, we know we can’t force the federal government to granting us or lend us this money,” Nelson said, “that is why the bill proposes several financial instruments inclusive of federal grants or borrowing bonds. So, it reaches across and I am open to collaboration and I’m hoping that we can have this sit down as a body.”

But the ‘big plan,’ the senators assured, would happen sooner rather than later.

“We’re actually hoping to discuss this, off record, as a body, so that by the time we come to the public we could have some consensus because we’re not just going to give the governor a blank check,” Nelson said in March. “We’re going to have descriptive uses [to] prioritize how we want this spending done.”

Nelson added that he learned in speaking with Morgan Stanley, one of the firms interested in his Infrastructure Reconstruction Plan, financial firms are generally not interested in funding a project, “they’re interested in funding a plan, and that’s why I believe once they see we’re heading somewhere, the chances of it being funded is a lot more viable.”

Vialet said action will be seen on the ‘big deal’ soon because “we don’t have a choice.” Francis added that the ‘big plan’ is “necessary” given the territory’s current state. And Nelson said “at least some discussions” will be had.