

The Virgin Islands Consortium

Frustrated By Backlash, Neville James Issues Final Statement On 'Slush Fund' Debacle

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ST. CROIX -- Senate President Neville James issued a final statement on Wednesday in an attempt to clear up any misconceptions being circulated regarding the Legislative Community Reinvestment Initiative, [dubbed](#) the "slush fund", a press release issued by Mr. James' office today has revealed.

Mr. James said he was confused by the backlash because the practice of State Legislatures allocating monies to nonprofit organizations is a standard practice in several states throughout the country, including New York, Pennsylvania, Rhode Island, Delaware, and Hawaii.

The release also cited a news release on New York Governor Andrew Cuomo's website.

“Governor [Andrew] Cuomo announced that \$50 million is available through the governor’s Nonprofit Infrastructure Capital Investment Program to support projects that improve the quality, efficiency, and accessibility of programs that provide crucial human services to millions of New Yorkers each year,” reads the October 2015 press release.

And it also cited similar measures in Hawaii, where in an average year, Hawaii’s Office of Community Services (O.C.S.) manages \$12 million in State appropriations for what they call “Grants-in-Aid” to assist nonprofit agencies. The funds appropriated by the Hawaii programs, food banks, community resource centers, and youth projects among others, according to



Senate President Neville James

Mr. James directly addressed The Virgin Islands Daily News which published an editorial on Wednesday, March 2, criticizing senators and accusing them of deceptive scheming, theft, and using charity work for buying election votes, according to the release.

“The Virgin Islands Daily News—unlike the St. Croix Avis and the V.I. Source who wrote balanced articles in an attempt to explain the Legislature’s intent—is on a mission to portray local elected officials and leaders as different from those on the mainland,” Mr. James said. The Consortium did not write articles on the matter.

“Additionally,” Mr. James went on, “the Daily News is also of the belief that only the governor, through his authority to submit a budget to the Legislature, should determine what nonprofits get support from the government on an annual basis.” The Senate president added that his biggest concern with the newspaper stems from their “unquestioned hypocrisy” in their assertion that supporting nonprofits is “giving away public money.”

“Need I remind the Gannett-owned Daily News brass that when an established local newspaper like theirs, who has been in a profitable business position for decades, applies for unnecessary tax holidays then that is potentially, corporate abuse of a local program geared towards economic development,” he said. “The Legislature had no role in the V.I. Economic Development Authority rejecting the Daily News 2015 application for unjustified tax benefits. If they are now of the belief that these nonprofit entities should not receive public/financial support, because they were denied in their bid to receive access to what they claim is ‘a deep well of money,’ then this sentiment is truly unfortunate because neglecting our at-risk community is as selfish an act as we could ever imagine from a storied institution like the Daily News.”

Mr. James also pointed out that the structure used to create the \$1.5 million initiative, which was funded by unanticipated monies derived from rum cover over proceeds, falls in line with the typical framework used by numerous states across the nation in an attempt to complement unselfish philanthropic contributions from those in the private sector.

“Our local nonprofits provide a stellar service to our community, they fill voids, provide outreach that this local government fails to cover. Whether it is elevating the arts, educating students afterschool, supporting our elders, mentoring our youth, protecting natural resources or nurturing our souls, these front-line providers are grounded in our community, and all 15 members of the first branch of government believe that our nonprofits have a stake in the strength and well-being of this economy and government at all levels,” Mr. James said.

The bill was [vetoed](#) by Governor Kenneth Mapp on the request of Mr. James, who said it needed clarification before enactment.

“This is an influential piece of legislation, but the ability for our government to perform proper checks and balances are also a vital part of efficient operation. It behooves this Body to assure that the separation of powers between government branches is recognized,” Mr. James said. “This veto will allow the Body to relanguage the measure in accordance with all federal and local laws.”

Correction: March 10, 2016

A previous version of this story, in a Neville James quote, included incorrect information regarding the owners of the V.I. Daily News. Mr. James' office has issued a correction, which is reflected in the updated version of this story.