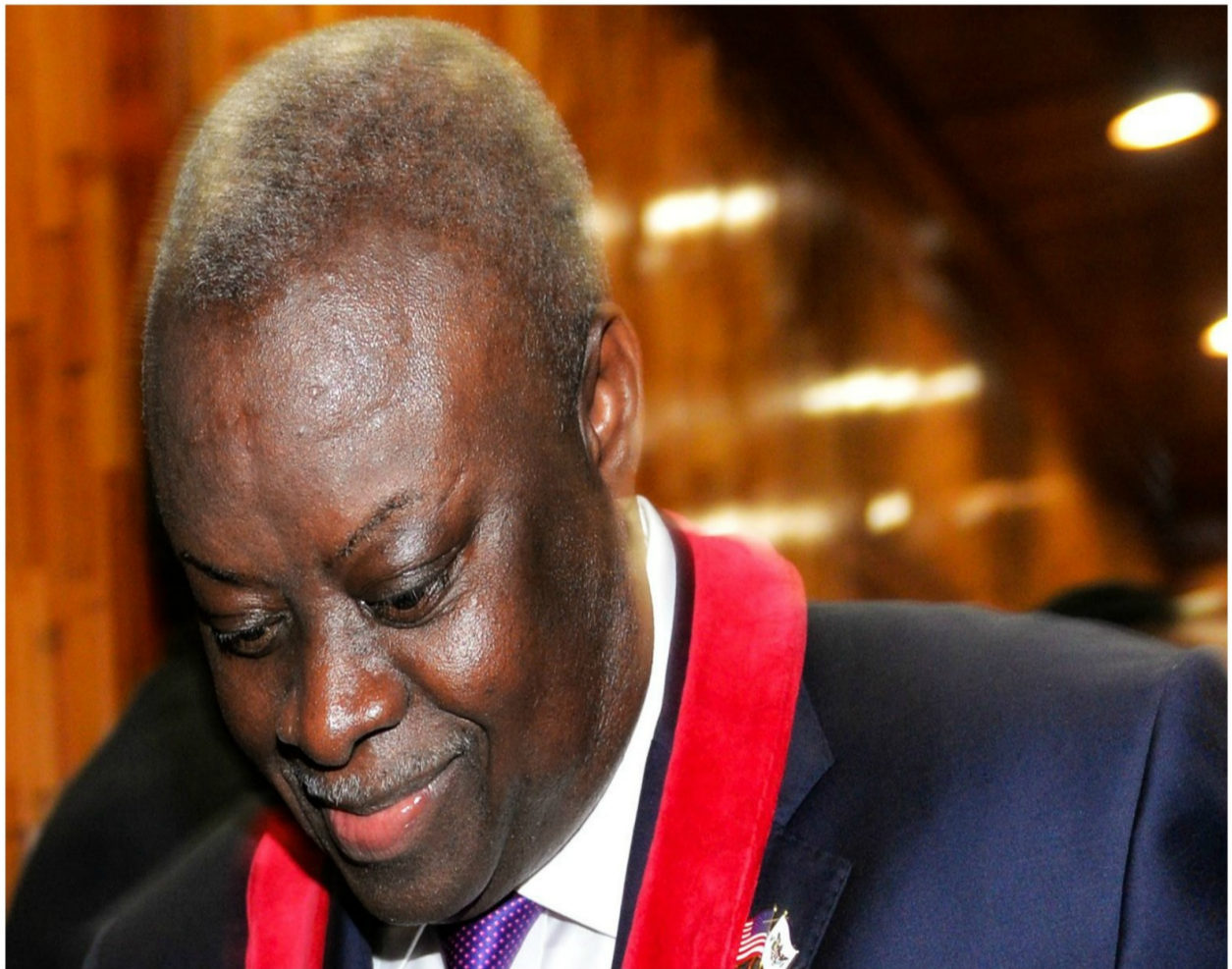


The Virgin Islands Consortium

Mapp's Fourth State Of The Territory Address Happens Tonight. Here's What To Expect.

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ST. THOMAS -- Governor Kenneth Mapp will deliver his fourth State of the Territory Address (SoTA) tonight at 7:00 p.m. at the Earl B. Ottley Legislature here, in what many political observers have concluded will be his most consequential yet. It will be the governor's last SoTA before seeking reelection, and he is expected to focus on multiple topics.

The address comes against a backdrop of a territory that was struck by two deadly and destructive hurricanes, Irma and Maria, which ruined many parts of the U.S.V.I., causing widespread damage to infrastructure and leaving the territory without power for months. The result of the storms' passage was a territory -- long struggling financially -- that

became even more burdened with debt and heavily reliant on the federal government.

Four months after the storms and into a new year, affected Virgin Islanders are struggling to recover, while many are in need of housing and jobs. And the storms exacerbated an already struggling government: The education system is in crisis, the Government Employees Retirement System (G.E.R.S.) is set to collapse in a few years, the territory's roads are in poor condition, the budget deficit is nearing \$300 million, and the migration of the Virgin Islands' best and brightest continues. These are just some of the problems facing the U.S. Virgin Islands.

Mr. Mapp has been talking about a V.I. resurgence from the moment he took office, and has, year after year, spoken about projects on the way that have yet to commence. Observers say the governor will have to do more than talk this year, if he is expected to win the 2018 gubernatorial race: The projects long promised will have to start; the jobs oft-mentioned will have to be offered, and the road projects [whose funding was secured over two years ago](#), will need to be visible to Virgin Islanders, according to these observers.

Here are some of the topics the governor is expected to cover:

Education: What is the administration's plan for an education system that [continues to lose both educators and students](#), while classes are held on the undesirable split session schedule, which some have said is negatively impacting students? The governor is expected to reveal his plan.

Roads: With the roads in the U.S.V.I. the worse they've been in decades, the governor is expected to talk about the commencement of road projects that have been in the making for years.

Limetree Bay: There has been talk of an impending announcement by the governor relative to recent developments at the Limetree Bay Terminals. Rumors of a restart of the oil refining units on the east of the refinery have dominated local circles, with the talk being that British Petroleum, known universally as BP, taking the lead. None of this has been confirmed, however, and trusted Mapp administration sources have remained mum.

If there is in fact a major development relative to oil refining at the former HOVENSA facility, expect the governor to make it a key part of his address tonight.

Budget shortfall: How will the government bridge a budget deficit projected to be roughly \$300 million? Will it be forced to layoff hundreds or even over a thousand government employees to close the gap? Mr. Mapp is expected to speak on the liquidity issues facing the government.

Healthcare: Both hospitals are basically shuttered, with most patients in need of serious care being airlifted out of the territory. Has the federal government agreed to fund new hospitals, or repair the damaged ones?

Status of the \$7.5 billion request: Has the federal government given any indication on whether it intends to fund the local government's multi-billion financial aid request? Mr. Mapp said the funds are needed if the U.S.V.I. is to recover expeditiously -- with almost \$1 billion to repair or rebuild damaged schools. The governor is expected to give a clear

indication on the request's status.

Recovery plan: The U.S.V.I. has gone from relief to recovery mode, but does the administration has a holistic strategy that will see the entire territory recovering from the storms?

G.E.R.S.: Administrations and senators have spoken for years about fixing the system, but it remains one of the most far-reaching and serious matters facing the Virgin Islands, with an [unfunded pension liability of \\$4.6 billion](#). The system is projected to collapse in 2023 or before, but there are no easy solutions, as the government's poor credit rating means access to the bond market to borrow just over \$100 million has last year proved impossible; far less than the billions of dollars needed to fix the pension system.

Yet, the governor will be expected to lay out how he intends to tackle the problem, as G.E.R.S.'s collapse has the potentially of taking down the entire U.S.V.I. economy with it.

Correction: Jan. 22, 2017

A previous version of this story stated that tonight's State of the Territory Address will be the governor's third. However, it will actually be his fourth. The story has been updated to reflect the correct information.