The Virgin Islands Consortium

# Mapp Submits $1.278 Billion 2019 Budget To Legislature; $38 Million In Tax Refunds Included

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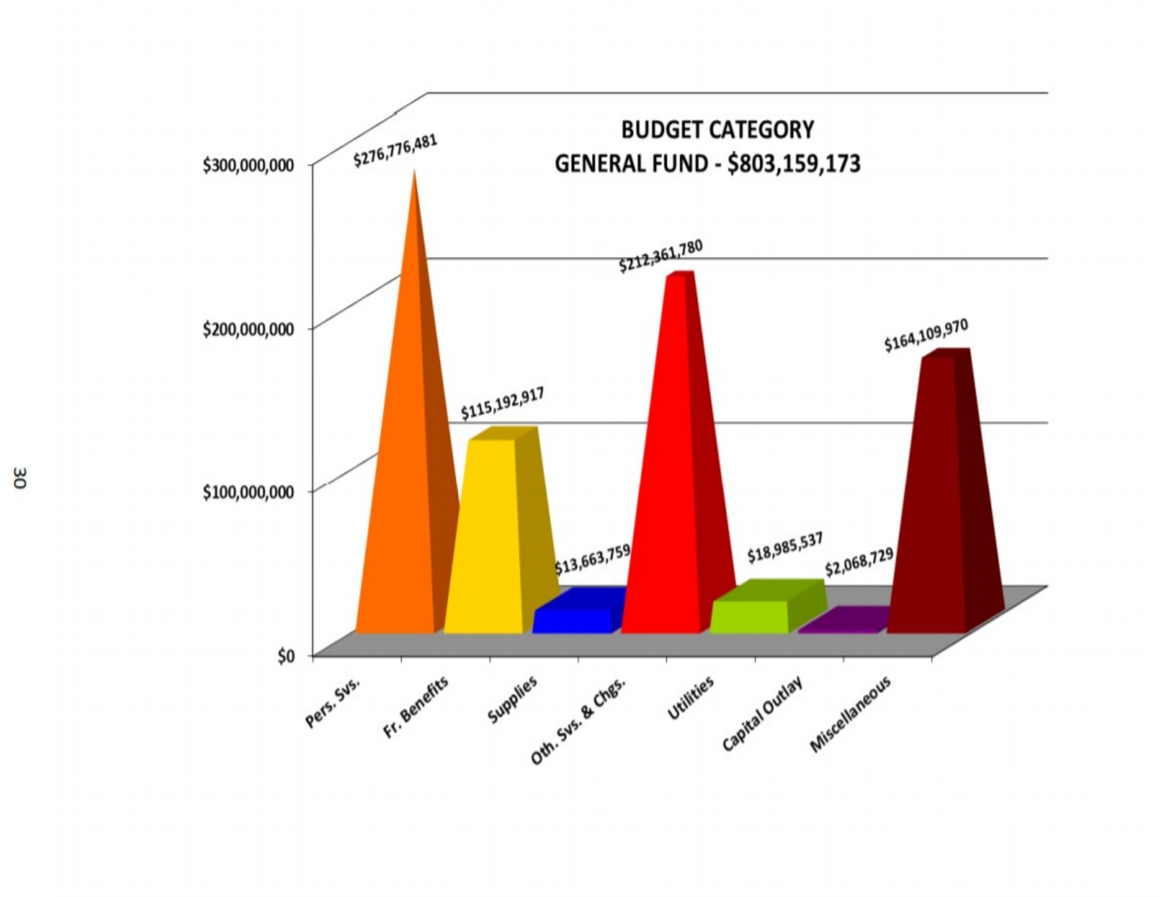


ST. THOMAS -- Governor Kenneth E. Mapp submitted a proposed $1.278 billion budget Wednesday evening to the 32nd Legislature to fund the operations of the Government of the Virgin Islands (G.V.I.) for Fiscal Year 2019, which commences on October 1, 2018, Government House announced Thursday morning.

In the budget proposal transmitted to Senate President Myron Jackson, G.V.I. operations will be funded by $851.34 million in local funds and $238.66 million in federal funds, and includes $150 million for debt service payments and $38 million for income tax refunds.

“Fate has provided us with an opportunity to rebuild our beloved Virgin Islands stronger and better than before, while investing in our people,” Mr. Mapp said. “This can only be done by rebuilding efficiently, relentlessly and implementing sound fiscal policy. My administration is committed to seeing this process through to a historically successful conclusion and I look forward to working with the Legislature to achieve this goal.”

The administration said that while the budget outlines the severe impact to the territory's economy in the aftermath of Hurricanes Irma and Maria, the billions in federal dollars the Virgin Islands has received will provide for economic growth. A projected $131.69 million in new revenue is the result of rebuilding activities and other revenue sources. The governor's transmittal proposes millions of dollars in capital projects and lists numerous infrastructure initiatives which are planned for the upcoming fiscal year, according to Government House.

Mr. Mapp said he intends to use increased revenues to improve employee salaries throughout the government to attract and retain capable staff in critical areas. These vacancies must be filled swiftly to implement the massive federally funded projects as part of the reconstruction of the Virgin Islands, according to Government House. The administration believes revenue lost by the tourism industry through the temporary closure of the territory's major hotels will be partially offset by the revenues derived from the reconstruction boom.

The territory's leader also proposed to merge the operations of the Roy Lester Schneider Medical Center and the Governor Juan F. Luis Hospital and Medical Center under one board. The budget calls for several initiatives addressing the needs of senior citizens such as the renovation of the Herbert Grigg Home on St. Croix and the purchase of Seaview Nursing Home on St. Thomas.

The Consortium will comb through the budget proposal for other important factors, including changes to the Government Employees' Retirement System, the state of the economy through data provided by the Bureau of Economic Research, and the health of the tourism industry, among others.