

Virgin Islands Casino Control Commission

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Virgin Islands Casino Control Commission

Fiscal Year 2020

Budget Presentation

Before the

Thirty-Third Legislature of the Virgin Islands

Committee on Finance

Earle B. Ottley Legislative Hall

St. Thomas, Virgin Islands

August 14, 2019

1:00 O'clock PM

Usie R. Richards

Vice-Chairman

GOOD AFTERNOON MR. CHAIRMAN, MEMBERS OF THE THIRTY-THIRD LEGISLATURE COMMITTEE ON FINANCE, OTHER MEMBERS OF THE LEGISLATURE PRESENT, STAFF AND LISTENING AUDIENCE.

FOR THE RECORD, MY NAME IS USIE R. RICHARDS, AND I AM THE VICE-CHAIRMAN OF THE VIRGIN ISLANDS CASINO CONTROL COMMISSION. ACCOMPANYING ME TODAY IS COMMISSIONER STACY A. BOURNE, SECRETARY/TREASURER OF THE COMMISSION AND THE EXECUTIVE DIRECTOR BARBARA JAMES-PETERSEN.

WE THANK YOU FOR THE OPPORTUNITY TO PRESENT AND DISCUSS THE FISCAL YEAR 2020 BUDGET OF THE VIRGIN ISLANDS CASINO CONTROL COMMISSION.

THE COMMISSION IS RESPONSIBLE FOR THE REGULATION OF CASINOS PURSUANT TO THE VIRGIN ISLANDS CASINO AND RESORT CONTROL ACT OF 1995 (ACT NO. 6069), INTERNET GAMING AND GAMBLING PURSUANT TO THE VIRGIN ISLANDS INTERNET GAMING AND GAMBLING ACT (ACT NO. 6419), RACINOS PURSUANT TO THE VIRGIN ISLANDS HORSE RACING INDUSTRY ASSISTANCE ACT OF 2011 (ACT NO. 7318), AND CASINO IV ESTABLISHMENTS (ACT NO. 7702) WITHIN THE ENTERPRISE ZONES OF CHRISTIANSTED AND FREDERIKSTED. THESE STATUTES, AND ALL RELEVANT AMMENDMENTS, ESTABLISHES THE BASIS FOR THE GOVERNANCE AND OPERATIONAL FUNCTIONS OF THE COMMISSION AND ITS STAFF.

THE COMMISSION RECEIVES FUNDING FROM FOUR SOURCES: (1) THE GENERAL FUND FOR EMPLOYEE SALARIES ONLY, (2) A SPECIAL CASINO CONTROL COMMISSION CHECKING ACCOUNT, FORMERLY THE CASINO CONTROL REVOLVING FUND PURSUANT TO 32 VIC §514, WHICH WAS AMENDED BY ACT NO. 7643, AND MOST RECENTLY BY SECTION 4., OF ACT NO. 8184. THIS ACCOUNT IS FUNDED IN THE SAME MANNER AS THE FORMER REVOLVING FUND, NAMELY BY CASINO AND CASINO EMPLOYEE LICENSE FEES, FINES AND OTHER FEES IMPOSED BY LAW OR THROUGH REGULATION BY THE COMMISSION, (3) THE CASINO REVENUE FUND PURSUANT TO 32 VIC §517 WHICH IS FUNDED BY THE 12% AND 8% TAX ON BOTH CASINOS. THE COMMISSION RECEIVES A MERE 10% OF THESE TAXES, WITH 90% ALLOCATED TO OTHER DEPARTMENTS AND AGENCIES OF GOVERNMENT, AND (4) THE CASINO REVENUE FUND PURSUANT TO 32 VIC §901 (THE VIRGIN ISLANDS HORSE RACING INDUSTRY ASSISTANCE ACT OF 2011 (ACT NO. 7318)).

IN OUR SEPTEMBER 2018 BUDGET HEARING THE COMMISSION STATED, “THE MANDATES ENACTED WITH THE ADOPTION OF ACT NO. 7643, WHICH RESULTED IN THE EXTINCTION OF THE CASINO CONTROL REVOLVING FUND AND ESTABLISHMENT OF A SPECIAL CHECKING ACCOUNT REMAINS A MATTER OF CONCERN TO THE COMMISSION. THE COMMISSION WOULD RESPECTFULLY REQUEST THAT ALL REFERENCES IN TITLE 32 VIC SECTION 514 TO THE CHAIRMAN OF THE CASINO CONTROL COMMISSION BE STRICKEN AND REPLACED BY THE TERM VIRGIN ISLANDS CASINO CONTROL COMMISSION.” WE TAKE THIS OPPORTUNITY TO ACKNOWLEDGE THE ACTIONS OF THIS LEGISLATIVE BODY IN SECTION 4 OF ACT NO. 8184 AND EXPRESS OUR GRATITUDE FOR EXECUTING THE PROPOSED CHANGES.

IN PRIOR FISCAL YEARS THE COMMISSION DID NOT RECEIVE ANY FEDERAL FUNDS, BUT IN FISCAL YEAR 2019 THE COMMISSION RECEIVED \$58,156.80, THROUGH THE VIRGIN ISLANDS TERRITORIAL EMERGENCY MANAGEMENT AGENCY (VITEMA), FOR GENERATOR EXPENSES FOLLOWING THE HURRICANES AND THE REPLACEMENT OF THE GENERATOR WHICH BECAME INOPERABLE.

THE COMMISSION ADMINISTERS FUNDS ALLOCATED FOR YOUTH RELATED PROGRAMS PURSUANT TO *TITLE 32, CHAPTER 21, ARTICLE XI, §518(A) THROUGH (G)*. THE COMMISSION MUST ALLOCATE 10% OF “*MONEYS FROM THE CASINO REVENUE FUND EARMARKED TO YOUTH RELATED PROGRAMS TO ASSIST IN THE PARTIAL FUNDING OF CERTAIN JOB-RELATED PROGRAMS*”. MOST OF THIS FUNDING IS EARMARKED FOR FINANCIAL ASSISTANCE TO CASINO EMPLOYEES FOR OBTAINING THEIR GED, HOTEL/HOSPITALITY MANAGEMENT CERTIFICATION, OR HIGHER EDUCATION. THE COMMISSION MUST MAKE AVAILABLE TO THE CASINO LICENSEE HALF THE COST OF EACH EMPLOYEE PARTICIPATING IN THE GED OR HOTEL/HOSPITALITY PROGRAMS, WHICH MUST BE MATCHED BY THE CASINO LICENSEE. THE LAW ALSO REQUIRES THE COMMISSION TO ALLOCATE 50% OF BUDGETARY NEEDS FOR THE JOBS FOR VIRGIN ISLANDS GRADUATES PROGRAM (JOVIG) MANAGED BY THE DEPARTMENT OF LABOR.

THE CURRENT MEMBERS OF THE COMMISSION ARE COMMITTED TO ENSURING THAT ALL MANDATORY DISBURSEMENT OF FUNDS, FOR THE ABOVE REFERENCED PURPOSES, ARE EXECUTED AND DONE WITHIN THE CONFINES OF THE

LAW. ON OR ABOUT JUNE 24, 2019 I RECEIVED A TELEPHONE INQUIRY FROM THE COMMISSIONER OF THE DEPARTMENT OF LABOR REGARDING FUNDING UNDER SECTION 514 OF THE LAW. THE COMMISSIONER WAS PROVIDED WITH MY EMAIL ADDRESS, SO HE COULD TRANSMIT DOCUMENTATION ON THE CONCERNS OF HIS DEPARTMENT. ON JUNE 26TH THE COMMISSIONER OF THE DEPARTMENT OF LABOR TRANSMITTED TWO LETTERS, ONE DATED MAY 10, 2016 AND THE OTHER DATED JULY 21, 2016. BOTH LETTERS WERE ADDRESSED TO THE THEN CHAIRMAN OF THE COMMISSION AND SIGNED BY THE THEN COMMISSIONER OF LABOR. THE TRANSMITTAL WAS FORMALLY ACKNOWLEDGED BY ME ON JUNE 28TH AND LIKEWISE COPIED AND FORWARDED TO COMMISSIONER BOURNE AND THE COMMISSION'S EXECUTIVE DIRECTOR. MY RESPONSE ALSO STATED, "WE REMAIN APPRECIATIVE OF THE BACKGROUND INFORMATION ON PAST ATTEMPTS TO SECURE THE NECESSARY AND STATUTORY FINANCIAL SUPPORT. PLEASE PROVIDE THE VI CASINO CONTROL COMMISSION YOUR CURRENT REQUEST AND PROPOSED BUDGET FOR OUR REVIEW AND DETERMINATION ON THE AVAILABLE FUNDS". A MONTH LATER ON JULY 31ST, THE COMMISSIONER OF LABOR RESPONDED BY EMAIL STATING, "PLEASE FIND THE ATTACHED LETTER AND DOCUMENTATION TO SUPPORT THE VIRGIN ISLANDS DEPARTMENT OF LABOR'S REQUEST FOR THE RELEASE OF FUNDING FOR OUR YOUTH PROGRAMS". ON AUGUST 2ND, I REPLIED STATING, "I AM IN RECEIPT OF THE TRANSMITTED EMAIL, WITH ATTACHMENTS, REQUESTING OVER \$2 MILLION DOLLARS OWED TO THE DEPARTMENT OF LABOR. GIVEN THE TRANSMITTAL, IT IS CLEAR THAT SOME FURTHER CLARIFICATION AND MEETING ON THIS MATTER IS NECESSARY." AS MEMBERS OF THIS BODY YOU ARE QUITE AWARE, BOTH IN YOUR ELECTED CAPACITY AND VIA NEWS OUTLETS, OF THE

DEPARTMENT'S REQUEST OF \$2.8 MILLION FOR THE REFERENCED PROGRAM, PURPORTEDLY OWED THE DEPARTMENT OF LABOR OVER THE PAST FISCAL YEARS COMBINED.

THE COMMISSION HAS DISCONTINUED ITS RELATIONSHIP WITH ABC BEHAVIORAL CONSULTING SERVICES, LLC, AND ARE CURRENTLY REVIEWING THE NEXT STEP FORWARD TO ADDRESS THE ISSUE OF PROBLEM GAMBLING AND RESPONSIBLE GAMBLING IN THE TERRITORY. WE LOOK FORWARD TO SECURING THE APPROPRIATE GUIDANCE OF THE NATIONAL COUNCIL ON PROBLEM GAMBLING AND WORKING TO IDENTIFY LOCAL RESOURCES TO SUPPORT THIS ENDEAVOR.

WITH THE INCREASE IN THE NUMBER OF CASINO CUSTOMERS WHO HAVE BEEN 86D, THIS REFERS TO PERSONS EJECTED FOR IMPROPER CONDUCT IN THE CASINO, THE COMMISSION IS IN THE PROCESS OF RE-INSTATING THE SERVICES OF AN INDEPENDENT HEARING OFFICER (IHO) TO CONDUCT HEARINGS, WHERE NECESSARY, FOR CUSTOMERS THAT MAY APPEAL SUCH LICENSEE ACTIONS AND REVIEW COMPLAINTS FROM ANY CUSTOMER OR CLIENTS OF THE CASINOS OR RACINOS. THERE HAS ALSO BEEN AN INCREASE IN THE NUMBER OF CUSTOMERS REQUESTING AN APPLICATION FOR VOLUNTARY SELF-EXCLUSION FROM THE CASINOS.

IN DECEMBER OF 2018 A COMPLAINT WAS FILED IN THE DISTRICT COURT OF THE VIRGIN ISLANDS ENTITLED SOUTHLAND GAMING OF THE VIRGIN ISLANDS, INC.,

V. GVI ET, AL CASE NO. 2018-107. ON APRIL 19, 2019 SOUTHLAND GAMING FILED A MOTION TO AMEND ITS INITIAL COMPLAINT, WHICH ALSO SEEKS TO INCLUDE THE COMMISSION AS A PARTY TO THE SUIT. AS OF TODAY, NO ACTION HAS BEEN TAKEN ON THE PROPOSAL TO AMEND THE COMPLAINT, BUT THE COMMISSION HAS ALREADY RETAINED LEGAL SERVICES THAT WILL COVER ANY AND ALL SERVICES THAT REQUIRE LEGAL COUNSEL.

REGARDING THE ADMINISTRATIVE AND OPERATIONAL FUNCTIONS OF THE COMMISSION, THE STATUTES AND OUR BY-LAWS REQUIRE THE COMMISSION TO ELECT OFFICERS TO ENSURE APPROPRIATE CHECK AND BALANCE IN THE CONDUCT OF THE COMMISSION'S AFFAIRS. THE COMMISSION ALSO HAS DAY-TO-DAY FUNCTIONS THAT REQUIRES ADMINISTRATIVE AND OPERATIONAL OVERSIGHT OF THE CASINOS AND/OR RACINOS, THROUGH OUR CASINO INSPECTORS AND IN CONJUNCTION WITH THE DEPARTMENT OF JUSTICE-DIVISION OF GAMING ENFORCEMENT (DGE). THE DECISION-MAKING PROCESS OF THE COMMISSION IS CONDUCTED THRU FORMAL PUBLIC HEARINGS, IN ADDITION TO REVIEWING, RATIFYING AND EXECUTING RECOMMENDATIONS FROM THE DGE.

WITH THE ADOPTION OF A RESOLUTION AT THE VICCC SPECIAL MEETING 18-06-08, ENTITLED VICCC ADMINISTRATIVE ACTIONS AS PER 2016 BY-LAWS, WHICH NAMED COMMISSIONER RICHARDS VICE-CHAIRMAN, AND COMMISSIONER BOURNE, SECRETARY/TREASURER. THE COMMISSION BEGAN THE EXECUTION OF ACTIONS TO MEET THE MANDATES OF THE LAWS, RULES AND REGULATIONS, AND BY-LAWS OF THE COMMISSION.

THE RESOLUTION ALLOWED FOR THE OFFICERS TO RECLAIM CONTROL OF ALL COMMISSION'S BANK ACCOUNTS AT BANCO POPULAR DE PUERTO RICO AND FIRST BANK, WHICH CURRENTLY DESIGNATES THE MEMBERS OF THE COMMISSION AS THE SOLE SIGNATORIES ON THESE ACCOUNTS AND REQUIRES THE SIGNATURES OF AT LEAST TWO (2) COMMISSION MEMBERS. PRIOR TO THIS CHANGE THE SIGNATORIES TO MOST OF THE ACCOUNTS WERE THE COMMISSION'S CHAIRMAN/CEO, THE COMMISSION'S SECRETARY/TREASURER AND THE COMMISSION'S EXECUTIVE DIRECTOR. THIS ACTION RESULTED IN THE IMMEDIATE CHANGE OF THE SIGNATORIES TO ALL BANK ACCOUNTS; CLOSING OF THE WEB CASH MANAGEMENT OPTION AT BANCO POPULAR DE PUERTO RICO; AND CASHING OUT OF THE MATURED CERTIFICATE OF DEPOSIT.

A CHANGE WAS ALSO MADE TO THE AUTHORIZATION FOR GASOLINE DISTRIBUTION TO BE LIMITED SOLELY TO COMMISSION OWNED AND LICENSED VEHICLES. AS OF TODAY, THE FIDUCIARY RESPONSIBILITIES OF THE COMMISSION'S FINANCES LIE SOLELY IN THE HANDS OF THE VETTED AND VESTED MEMBERS OF THE COMMISSION.

DURING THE COMMISSION'S FY 2019 BUDGET HEARING REFERENCE WAS MADE TO THE THEN RELEASED "DRAFT AUDIT REPORT OF THE CASINO CONTROL COMMISSION", CONDUCTED BY THE OFFICE OF THE VIRGIN ISLANDS INSPECTOR GENERAL. THE COMMISSION RESPONDED TO THIS "DRAFT REPORT" ON AUGUST 23, 2018, WITH A RESOLUTION, VICCC-INSPECTOR GENERAL AUDIT REPORT NO. 18-24-08,

ENTITLED VICCC ADMINISTRATIVE RESPONSE. THE RESOLUTION OUTLINED THE COMMISSION'S COMMITMENT TO ADDRESS THE FINDINGS IN FOUR (4) ADMINISTRATIVE FUNCTIONS, NAMELY 1) INTERNAL CONTROLS, 2) OPERATING EXPENSES, 3) TRAVEL EXPENSES, AND 4) PROFESSIONAL SERVICES. THE FINAL AUDIT WAS ISSUED AND MADE PUBLIC ON SEPTEMBER 4, 2018, ENTITLED AUDIT OF THE ADMINISTRATIVE FUNCTIONS OF THE VIRGIN ISLANDS CASINO CONTROL COMMISSION.

ON OCTOBER 31, 2018 THE COMMISSION PROVIDED AN UPDATE TO THE INSPECTOR GENERAL OF THE VIRGIN ISLANDS, WHICH WAS COPIED TO THE GOVERNOR OF THE VIRGIN ISLANDS AND THE PRESIDENT OF THE LEGISLATURE OF THE VIRGIN ISLANDS, OUTLINING THE COMMISSION'S PROGRESS IN ADDRESSING THE RECOMMENDATIONS OF THE "AUDIT.". THE RESPONSE TRANSMITTAL GAVE AN UPDATE OF THE COMMISSION'S EFFORTS IN SECURING CONTROL OF OUR FINANCES (BANK ACCOUNTS, CREDIT CARDS AND ELECTRONIC TRANSFERS); MAKE PAYMENTS ON OUTSTANDING BILLS (LEASEES, VENDOR PAYMENTS, CONTRACTORS AND GOVERNMENT AGENCIES); AND THE ADOPTION OF A TRAVEL POLICY, CREDIT CARD USES POLICY, AND A POLICY FOR THE PROCUREMENT OF GOODS AND SERVICES. THESE STANDARD OPERATING PROCEDURES HAVE BEEN ADOPTED BY THE COMMISSION.

THE OFFICES OF THE VIRGIN ISLANDS CASINO CONTROL COMMISSION HAS BEEN LOCATED AT #3005 ESTATE ORANGE GROVE, CHRISTIANSTED, ST. CROIX. THE BUILDING IS LEASED FROM THE GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM

(GERS) AND CONSISTS OF APPROXIMATELY 4,667 SQUARE FEET OF GROSS LEASABLE AREA. ON DECEMBER 7, 2018 THE COMMISSION RECEIVED A HAND-DELIVERED LETTER, DATED DECEMBER 3, 2018, WITH THE SUBJECT MATTER “NOTICE TO VACATE PREMISES, GROSS LEASABLE AREA OF 4,667 SQUARE FEET”. THE LETTER STATED, “THIS IS A DEMAND FOR PAYMENT. ONLY FULL PAYMENT OF THE AMOUNT OWED WILL PREVENT THE TERMINATION OF THE MONTH-TO-MONTH TENANCY.”. THE LETTER FURTHER INDICATED THAT THE COMMISSION OWED \$42,003 COVERING THE PERIOD FROM JUNE THROUGH NOVEMBER 30, 2018. THE CURRENT MEMBERS OF THE COMMISSION WERE ABLE TO MAKE THE REQUESTED PAYMENT IN FULL AND ARE AWAITING THE SCHEDULING OF A MEETING TO REVIEW, DISCUSS AND EXECUTE A NEW LEASE AGREEMENT.

THIS MATTER WAS COMPOUNDED WHEN THE COMMISSION’S AIR CONDITION SYSTEM COMPLETELY SHUT DOWN, DUE TO A LACK OF MAINTENANCE, ON SEPTEMBER 30, 2018. FOR ALMOST TWO (2) MONTHS THE COMMISSION OPERATED ON STAGGERED HOURS FROM 10AM TO 2PM, AND WE AGAIN THANK OUR COMMITTED STAFF FOR THEIR SERVICE DURING THAT DIFFICULT TIME. THE COMMISSION WAS ABLE TO PROCURE A VENDOR, PURCHASE A NEW SYSTEM, INSTALL THE SYSTEM AND SECURE A MAINTENANCE AGREEMENT THAT ENSURE THE PROPER FUNCTIONING OF THE OFFICE.

THE ONLY OTHER LEASE UNDER THE COMMISSION’S AUSPICIES IS WITH SUN-SELF STORAGE, FOR STORAGE SPACE TO MAINTAIN AND SECURE CERTAIN RECORDS AS MANDATED BY LAW.

THE COMMISSION THEN BEGAN THE PROCESS OF IDENTIFYING ALL OUTSTANDING FINANCIAL OBLIGATIONS TO VENDORS, SERVICE PROVIDERS, LEASEES AND CONTRACTORS. TO DATE THE COMMISSION HAS MADE PAYMENTS FOR PAST DUE INVOICES TOTALING MORE THAN \$280,000, THAT WERE OWED TO SEVERAL VENDORS, SERVICE PROVIDERS AND CONTRACTORS. AS OF THIS WRITING, THE COMMISSION HAS CURRENTLY IDENTIFIED APPROXIMATELY ANOTHER \$70,000 IN OUTSTANDING BILLS OWED TO VENDORS, SERVICE PROVIDERS, LEASEES AND CONTRACTORS.

IN SEPTEMBER OF 2018 THE COMMISSION BEGAN REVAMPING THE LICENSURE PROCESS FOR EMPLOYEES OF THE CASINO AND HOTEL EMPLOYEES. THE PROCESS BEGAN WITH THE DESIGNATION OF OCTOBER, AS THE MONTH FOR ALL REQUIRED EMPLOYEES OF VI GL TO SUBMIT AND UPDATE ALL REQUIRED APPLICATIONS FOR REVIEW BY THE DIVISION OF GAMING ENFORCEMENT. THIS MEASURE WAS THE FIRST STEP IN THE IMPLEMENTATION OF LICENSURE ISSUANCE ON AN ANNUAL, BI-ANNUAL AND TRI-ANNUAL BASIS.

IN OCTOBER OF 2018 THE COMMISSION DESIGNATED NOVEMBER, AS THE MONTH FOR ALL REQUIRED EMPLOYEES OF DIVI CARINA BAY CASINO AND RESORT TO SUBMIT AND UPDATE ALL REQUIRED APPLICATIONS FOR REVIEW BY THE DIVISION OF GAMING ENFORCEMENT. THIS MEASURE WAS AN ADDITIONAL STEP IN THE IMPLEMENTATION OF THE LICENSURE ISSUANCE ON AN ANNUAL, BI-ANNUAL AND TRI-ANNUAL BASIS.

WITH THE RENEWED WORKING RELATIONSHIP BETWEEN THE COMMISSION AND THE DEPARTMENT OF JUSTICE - DIVISION OF GAMING ENFORCEMENT, WE HAVE BEEN ABLE TO SORT THRU THE BACKLOG OF APPLICATIONS AND ARE PREPARING TO ROLL-OUT A COLOR-CODED ID SYSTEM FOR ALL CATEGORIES OF EMPLOYEES LICENSED BY THE COMMISSION, CASINO INSPECTORS OF THE COMMISSION AND OFFICE STAFF OF THE COMMISSION. THE ID'S INCLUDE A PHOTO OF THE EMPLOYEE AND EXPIRATION DATE AND MUST BE VISIBLY WORN BY ALL EMPLOYEES WHILE ON-DUTY.

THE COMMISSION HAS REVIEWED THE EXISTING FINANCIAL MANAGEMENT SYSTEM AND DETERMINED THE NEED TO ESTABLISH A NEW DATA BASE. UTILIZING QUICKBOOKS THE COMMISSION HAS MADE CHANGES THAT PROVIDES FOR THE IMMEDIATE INPUT OF DATA WITH OVERSIGHT BY THE COMMISSIONERS AND THE EXECUTIVE DIRECTOR. LIKEWISE, THE PREVIOUS WEB CASH MANAGEMENT SYSTEM WITH BANCO POPULAR WAS CANCELLED AND REINSTATED A FEW WEEKS AGO WITH THE REQUIREMENT OF AUTHORIZATION BY TWO (2) COMMISSIONERS, INSTEAD OF THE PREVIOUS AUTHORIZATION OF JUST THE COMMISSION CHAIRMAN/CEO. THESE EFFORTS WERE ACCOMPLISHED DESPITE THE LACK OF ACCESS OR TRANSMITTAL OF PERTINENT FINANCIAL RECORDS AND INFORMATION FROM THE FORMER COMMISSION CHAIRMAN/CEO. AS OF THE JUNE 30, 2019 DEPARTURE OF THE CHAIRMAN, THE INSTRUMENTS UTILIZED TO STORE FINANCIAL RECORDS AND CONDUCT FINANCIAL TRANSACTIONS HAD NOT BEEN RETURNED TO THE COMMISSION. JUST DAYS PRIOR TO LEARNING OF THE

CHAIRMAN'S RESIGNATION, BOXES OF DOCUMENTS AND RECEIPT BOOKS WERE STACKED IN THE OFFICE OF THE EXECUTIVE DIRECTOR. THESE ITEMS HAVE TO BE INVENTORIED AND A DETERMINATION MADE AS TO THEIR USEFULLNESS IN RECONCILING OUR RECORDS.

THE COMMISSION HAS REVIEWED THE STANDARD OPERATION PROCEDURES FOR CASINO INSPECTORS AND CASINOS AND IS IN THE FINAL STAGE OF ADOPTING PROCEDURES FOR TABLE GAMES DROP; TABLE GAMES COUNT; SLOT CASH STORAGE BOX; SLOT CASH STORAGE BOX COUNT; REQUESTING SURVEILLANCE RECORDING; PATRON COMPLAINT; VERIFYING EMPLOYEE'S LICENSE; SLOT MOVEMENT; CASINO HOTEL ALCOHOL BEVERAGE; TABLE CONDUCT; REPORTING OF VIOLATIONS; AND INCIDENT REPORTING.

THE COMMISSION HAS RECEIVED INQUIRIES REGARDING THE ESTABLISHMENT OF INTERNET GAMING IN THE VIRGIN ISLANDS AND JUST A FEW DAYS AGO BEGAN OUR REVIEW OF A THOROUGH PROPOSAL TO AMEND THE EXISTING LAW, FOR SUBMITTAL, REVIEW AND CONSIDERATION BY THE LEGISLATURE.

THE COMMISSION HAS CONDUCTED TIMELY HEARINGS FOR THE REVIEW OF CASINO LICENSEES AND HAS ISSUED TEMPORARY CASINO LICENSE AND A TEMPORARY OPERATING CERTIFICATE TO VIOLATIONS OF WHICH BOTH EXPIRES ON SEPTEMBER 4, 2019. DIVI CARINA BAY CASINO AND RESORT WAS ISSUED A TEMPORARY CASINO LICENSE WHICH ALSO EXPIRES ON SEPTEMBER 4, 2019. BOTH

CASINOS ARE WORKING TOWARD PERMANENT LICENSURE AND ARE EXPECTED TO PROVIDE AN UPDATE ON MANDATED CONDITIONS FOR FULL LICENSURE WITHIN THE COMING WEEKS.

IN JUNE OF 2019 THE COMMISSION RECEIVED A REPORT FROM THE DEPARTMENT OF LABOR'S DIVISION OF OCCUPATIONAL SAFETY AND HEALTH, OUTLINING SOME MINOR VIOLATIONS THAT ARE BEING ADDRESSED.

THE COMMISSION IS MOVING FORWARD WITH OUR ASSESSMENT OF EXISTING EMPLOYEES TO IMPROVE EFFICIENCY; DETERMINATION OF REQUIRED TECHNOLOGY UPGRADES; IMPROVED COLLECTION METHODS TO ENSURE ALL FUNDS OWED THE COMMISSION ARE COLLECTED; CONTINUE REVIEW OF STATUTE AND REGULATIONS, AND PROPOSE AMENDMENTS AS NEEDED; CONTINUE RECONCILIATIONS, UPLOAD SUPPORTING DOCUMENTS IN QUICKBOOKS, AND CREATE REDUNDANT BACK-UP OF SYSTEM FOR SECURITY PURPOSES; IMPLEMENT VICCC WEBSITE BY END OF 2019; CONTINUE ADOPTION OF STREAMLINED FORMS AND UNIVERSAL INDUSTRY FORMS; CONTINUE DEVELOPMENT OF INTERNAL POLICIES AND PROCEDURES FOR EFFICIENT MANAGEMENT OF THE COMMISSION; AND THE IDENTIFICATION AND FUNDING OF PROBLEM GAMBLING INITIATIVES AND MANDATORY TRAINING FOR ALL CASINO AND COMMISSION EMPLOYEES.

MR. CHAIRMAN, THE REPRESENTATIVES OF THE COMMISSION STAND READY TO RESPOND TO ALL QUESTIONS TO THE BEST OF OUR ABILITY.