

**BILL NO. 27-0181**

**Twenty-Seventh Legislature of the Virgin Islands  
of the United States**

OCTOBER 10, 2007

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An Act amending Virgin Islands Code title 17, chapter 35, title 29, sections 543 and 919, title 30, chapter 5, Act No. 5826 relating to the Public Finance Authority's mandatory pooling and investing of executive agency funds, providing for a letter of credit to use \$45,000,000 from the Insurance Guarantee Fund to execute the retroactive payments for all Government Employees and retirees owed; providing for the establishment of the Retroactive Wage Commission for other purposes

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**PROPOSED BY:** Senators Carlton "Ital" Dowe, Shawn-Michael Malone,  
Usie R. Richards and Celestino A. White, Sr.

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**1** *Be it enacted by the Legislature of the Virgin Islands:*

**2**       SECTION 1. Title 17 Virgin Islands Code, chapter 35, section 492 (g) is  
**3** amended after "invest" by inserting "only through the Virgin Islands Public Finance  
**4** Authority pursuant to 29 V.I.C., §919 THIRD (E)".

**5**       SECTION 2. Title 29 Virgin Islands Code, chapter 10, section 543 (11) is  
**6** amended after the word, "invest" by inserting "only through the Public Finance Authority  
**7** pursuant to, section 919 THIRD (E)".  
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**1** SECTION 3. (a) Title 29 Virgin Islands Code, chapter 15, section 919  
**2** THIRD (E) is amended by striking the phrase, “at the request of such entity” and  
**3** inserting the word “and”, by striking the word, “above” and inserting in its place an  
**4** exception clause to read as follows: “; except that any agency, instrumentality,  
**5** commission, authority, or political subdivision of the Virgin Islands required by this  
**6** section or by other law to have the Authority to manage its investment funds may  
**7** terminate the investment services of the Authority if:

**8** (i) the Authority cannot establish that the total investment net return,  
**9** compounded over a four-year period is equal to or better than the total return that  
**10** another investment option would provide, taking into account the same risk  
**11** adjusted target return indicated by the agency’s investment policy statement; or  
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**13** (ii) the Authority’s investment strategies fail to achieve the agency’s  
**14** target return objective for four consecutive semi-annual periods.

**15** (b) The Public Finance Authority and each instrumentality shall develop an  
**16** investment policy. Before investing agency funds, the Public Finance Authority shall  
**17** consult with the agency, and after investments are made, the Authority shall review with  
**18** each agency its portfolio’s performance on a semi-annual basis to monitor the progress of  
**19** its investment policy’s stated return objectives.

**20** (c) The Public Finance Authority may charge each agency up to 0.1% for  
**21** administrative costs.

**22** (d) The Public Finance Authority shall recover its research and analysis cost  
**23** from a commission recapture program.  
**24**

**25** SECTION 4. (a) Title 29 Virgin Islands Code, chapter 15, section 919 FIFTH is  
**26** amended by striking the second sentence in paragraph (B) and by adding three sentences

1 at the end of the paragraph after the word, "necessary", to read as follows: "The Board  
2 shall hire, at a salary of no more than \$150,000, an executive director to manage the daily  
3 operation of the Authority. The Executive director must be an individual who is not a  
4 board member and who is qualified by education and experience in financial  
5 management, including knowledge of stocks, bonds and financial investments. The  
6 Executive Director shall include on the staff persons knowledgeable about stocks and  
7 bonds and investments of various negotiable instruments."

8 SECTION 5. Title 30 Virgin Islands Code, chapter 5, section 115 is amended at  
9 the end of the last sentence of subsection (a) by adding an exception clause to read as  
10 follows: "except that any investment of monies in the portfolio of the Authority must be  
11 done through the Virgin Islands Public Finance Authority pursuant to 29 V.I.C., section  
12 919 THIRD (E)".

13 SECTION 6. Act 5826 is amended in the following instances:

14 (a) Section 5 is amended at the end of the section by adding the following  
15 sentence: "Any investment of monies in the portfolio of the Company must be done  
16 through the Virgin Islands Public Finance Authority pursuant to 29 V.I.C., section 919  
17 THIRD (E)"; and

18 (b) Section 8, subsection (b), as amended by Act No. 6585, section 5, is  
19 amended by striking "\$1,000,000" and inserting "ten percent of its annual, net revenues,  
20 or \$500,000, which ever is greater".

21 SECTION 7. (a) The Governor of the Virgin Islands, within sixty days after the  
22 enactment of this Act shall establish under the Office of the Governor The Retroactive  
23 Wage Commission, consisting of accountants, persons with expertise in "Notice of  
24 Personnel Action" (NOPA) procedures and human resources to work exclusively with the  
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1 compilation, calculation and preparation of NOPAs in conjunction with all the  
2 departments for government employees and retirees who are owed retroactive wages.

3 (b) The Commission shall remain in existence until all retroactive wages  
4 owed on the date of enactment of this Act are paid, unless further action is taken by the  
5 Legislature to extend its operation.

6 (c) In addition to any other duties assigned by the Governor or by law, the  
7 Commission shall:

8 (1) select a chairperson and other officers that are necessary to execute  
9 its functions;

10 (2) enter into contracts consistent with the mandates of this Act;

11 (3) prepare a budget for the operation of the Commission;

12 (4) investigate all retroactive wages due to government employees and  
13 retirees;

14 (5) compile a listing of all government employees and retirees that are  
15 due retroactive wages and provide the Governor and the Legislature with a copy  
16 of the list;

17 (6) provide for a schedule of distribution based on a formula  
18 established by the Commission and approved by the Governor;

19 (7) assist with the document preparation by the various departments  
20 for payment;

21 (8) submit a quarterly status report to the Legislature; and

22 (9) do all those things necessary to carry out the mandates of the  
23 office.  
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