



**Honorable Usie R. Richards**  
**Senator**  
**MINORITY LEADER**

# Legislature of the Virgin Islands

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**Chair:**  
• Committee on Labor and Agriculture

**Member:**  
• Committee on Health  
• Committee on Housing, Sports and Veterans Affairs  
• Committee on Rules and Judiciary

February 8, 2010

Honorable John P. de Jongh, Jr.  
Governor of the Virgin Islands  
Government House  
21-22 Kongens Gade  
St. Thomas, U.S. Virgin Islands 00802

**Via Hand Delivery and Facsimile: (340) 714-1361**

Dear Governor de Jongh:

I wish you and your family a blessed and prosperous New Year. I take this opportunity to write you in regards to the tenets of Act No. 7064, of which I voted for, specifically since the legislation was amended to include measures that were regarded as checks and balances. While my concerns relating to the authorization given in the Act, to borrow up to \$250 million, are well documented in our archives and were addressed in Section 1 of the act, it appears that the mandates required to borrow have not been met. Specifically, Section 1(c) states:

**“The Governor may not take any action under subsection (a) of this section without first providing:**

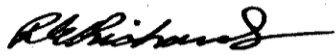
- (1) Written notification to the Legislature of the Virgin Islands that the shortfall in projected revenues requires the Governor to undertake short-term borrowing to meet the operating expenses identified in subsection (a), and**
- (2) A written financial plan concerning monies to be borrowed from public funds or the issuance of notes, bonds, loans or other evidences of indebtedness, or both which must include:**
  - (A) A detailed statement of revenues collected and expenditures made;**
  - (B) A statement of the current cash flow and liabilities;**
  - (C) A statement of all outstanding bond and debt service obligations;**
  - (D) A statement of the balances of all government funds;**
  - (E) An estimated schedule for collection of anticipated revenues;**
  - (F) A detailed explanation of the reasons for the borrowing;**
  - (G) A detailed description of the proposed borrowing and financial transactions;**
  - (H) A complete list of the expenses to be paid from the loan or other indebtedness;**
  - (I) A detailed schedule of repayment of any loan, note or other indebtedness or of the retirement of any bond issue;**
  - (J) Recommendations for reduction of budgeted programs or increases in appropriations;**
  - (K) Recommendations for any legislation for corrective measures to restore fiscal soundness, and**
  - (L) Such other information as necessary to determine the need for short-term loan or other indebtedness.”**

**“Putting Purpose Back in Government”**

Governor de Jongh on Act 7064  
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I've inquired of the Office of the Senate President and our Post Audit Division to ascertain the existence of the above mentioned and required documentation that should have preceded any borrowing under the authorization of Act No. 7064. To date I have not seen any such documentation and none of the entities in the Legislative Branch seem to have any knowledge as to whether or not it exists. Since your recent public presentations and statement suggest your intent to seek additional authorization to borrow more money, it would be greatly appreciated that your Administration seeks to meet the mandates of Act No. 7064. I look forward to your response in my effort to act responsibly as a member of a co-equal branch of Government.

Sincerely,



Usie R. Richards  
Minority Leader, 28<sup>th</sup> Legislature of the Virgin Islands

C: All Senators, 28<sup>th</sup> Legislature of the Virgin Islands  
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