

BILL NO. 30-0447

Thirtieth Legislature of the Virgin Islands

July 21, 2014

An Act authorizing the Virgin Islands Port Authority to issue bonds to refund the Marine Revenue Series 2003A and Series 2003C Bonds pursuant to Act No.5089, section 12

PROPOSED BY: Senator Donald G. Cole

Be it enacted by the Legislature of the Virgin Islands:

WHEREAS, title 29, section 551 (a) of the Virgin Islands Code requires that before any facility of the Virgin Islands Port Authority is financed by the issuance of bonds, the facility must be authorized by act of the Legislature; and

WHEREAS, pursuant to title 29, section 551 (a) of the Virgin Islands Code, the Sixteenth Legislature of the Virgin Islands in section 3 of Act No. 5089 authorized the Virgin Islands Port Authority to issue bonds for the purpose of financing the cost of a marine terminal and development at Crown Bay, St. Thomas, consisting of berthing piers capable of accommodating cruise ships, an access channel and turning basin, and landfill resulting from the dredging of the access channel and turning basin, an expansion of cargo, and marina; and

1 **WHEREAS**, although title 29, section 543 of the Virgin Islands Code, paragraph (9)
2 authorizes the Virgin Islands Port Authority to make and issue bonds for the purpose of funding,
3 refunding, purchasing, paying, or discharging any of the outstanding bonds or obligations issued
4 or assumed by it, section 12 of Act No. 5089 requires legislative approval of issuance of bonds
5 for the purpose of refunding bonds issued pursuant to that act; and

6 **WHEREAS**, on January 16, 2003, the Virgin Islands Port Authority issued the Marine
7 Revenue Series 2003A Bonds and Series 2003B Bonds to finance the dredging, rehabilitation
8 and construction of berthing piers for cruise and seagoing vessels at Crown Bay and the
9 construction of a mixed used commercial facility, and on October 20, 2003, the Authority issued
10 2003C Bonds, to finance the completion of several projects, including the rehabilitation and
11 construction of berthing piers for cruise and seagoing vessels at Crown Bay approved by section
12 3 of Act No. 5089; and

13 **WHEREAS**, the Virgin Islands Port Authority desires to refund the Marine Revenue
14 Series 2003A and Series C Bonds, but inasmuch as these bonds were issued pursuant to Act No.
15 5089, the Authority through the Governor's Call for the Special Session has proposed amending
16 section 12 of Act No.5089 to repeal the requirement of legislative approval for refunding the
17 subject Bonds; and

18 **WHEREAS**, the Legislature finds that the refunding of the 2003 Series A and Series C
19 Bonds and the Port Authority's completion of critical capital projects before the next tourism
20 season are in the best interest of the public welfare; but may be accomplished although section
21 12 of Act No, 5089 is retained as originally enacted; Now, Therefore,

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

23 **SECTION 1.** Pursuant to Act No. 5089, section 12, the Virgin Islands Port Authority
24 may issue bonds for the purpose of refunding the Marine Revenue Series 2003A and Series

2003C Bonds subject to and pursuant to section 8 (b) of the Revised Organic Act of the Virgin Islands 48 U.S.C. §1574(a) and title 29 Virgin Islands Code, chapter 10, subchapter III.

BILL SUMMARY

This bill authorizes the Virgin Islands Port Authority to issue bonds for the refunding of the Marine Revenue Series 2003A and Series 2003C Bonds. Section 12 of Act 5089 provides that the issue of bonds for refunding bonds issued under Act 5089 require additional approval by the Legislature or the Committee on Finance, if the Legislature is not in session.

The 2003 Series A and Series C Bonds were issued pursuant to the Legislature's approval of the Crown Bay Facility for financing through bond issuance under section e of Act No. 5089. Pursuant to 29 V.I.C. §551 (a) before a facility of the Port Authority may be financed through bond issues, the facility must be authorized by an act of the Legislature. Act No. 5089, section 3, was the act of the Legislature which authorized the Port Authority's marine terminal and development at Crown Bay. It was pursuant to that facility's approval for bond financing under section 3 of Act No. 5089 that the 2003 Series A and Series C were issued.

BR14-1576/July 17, 2014/AACORRECTED JULY 23, 2014