

**BILL NO. 30-0154**

**Thirtieth Legislature of the Virgin Islands**

**June 11, 2013**

An Act amending title 33, chapter 111, section 3019, Virgin Islands Code to add a new section to authorize the Government of the United States Virgin Islands, acting through the Commissioner of Finance and/or the Virgin Islands Public Finance Authority to issue revenue anticipation notes, in any fiscal year, for working capital purposes; to appropriate additional funding for Health Insurance cost; to reprogram from Act No. 7414 OMB-Workmen's Compensation Increase to make payment on the Unemployment Trust Fund Loan in the Fiscal Year 2013; to increase the Bureau of Corrections' appropriation to meet its obligations; and to assess 2012 property tax bills at the 1998 rate and level of assessment; and setting January 1<sup>st</sup> as the official assessment date

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**PROPOSED BY:** Request of the Governor

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

**SECTION 1.** Title 33, chapter 111, section 3019, is amended by adding a new section

3019a to read as follows:

**“§3019a.** The Government of the United States Virgin Islands, acting through the Commissioner of Finance and/or the Virgin Islands Public Finance Authority, is authorized, in any fiscal year, commencing with fiscal year 2013, to issue revenue anticipation notes in anticipation of the receipt of taxes, rates, charges and other revenues to be received within such fiscal year, not inconsistent with section 8 of the Revised Organic Act of the Virgin Islands. The proceeds of such notes issued pursuant to this section shall be applied (a) to provide funds for any purpose for which

1 the Government is authorized to use and expend moneys, including but not limited to, current  
 2 expenses, capital expenditures and the discharge of any obligations of the Government, and (b)  
 3 shall be repayable within such fiscal year. Any revenue anticipation authorized pursuant to this  
 4 section (a) may be secured by and payable from either (i) the General Fund as a general obligation  
 5 of the Government, (ii) gross receipts taxes collected by the Government pursuant to title 33,  
 6 section 43 of the Virgin Islands Code, further secured by the general obligation of the Government,  
 7 or (iii) matching fund revenues to be collected by the Government of the United States Virgin  
 8 Islands pursuant to section 28(b) of the Revised Organic Act of the Virgin Islands and (b) shall  
 9 have a maximum interest rate of 9%, and maximum principal amount in any fiscal year not to  
 10 exceed \$40,000,000, plus the associated fees, charges and carrying costs associated with the  
 11 issuance of any such debt or required reserves, and shall mature by no later than the end of any  
 12 fiscal year in which such borrowing occurs.

13 The Government of the United States Virgin Islands, acting through the Commissioner of  
 14 Finance and/or the Virgin Islands Public Finance Authority are hereby authorized to (i) negotiate  
 15 the final terms of any borrowing authorized pursuant to this section, which may be procured  
 16 pursuant to the terms of a multi-year credit facility, (ii) execute and deliver all documents and  
 17 agreements necessary or advisable in connection with any borrowing authorized herein, and (iii)  
 18 pay all expenses associated with the issuance of any note authorized herein.”

19 **SECTION 2.** Act No. 7414, section 2, Miscellaneous, “M0081 DOP Health Insurance  
 20 Retirees” is amended by deleting the amount “23,963,000” and substituting in lieu thereof the  
 21 amount “\$35,963,000”.

22 **SECTION 3.** Act No. 7414, section 1, (B) the General Fund appropriation for the Bureau  
 23 of Correction in Fiscal Year ending September 30, 2013, is amended as follows:

24 **DELETE**

25 ~~15100 Personnel Services~~ ~~—————~~ ~~\$12,441,298~~

1	<del>    Fringe Benefits</del>	<del>    \$ 4,958,993</del>
2	<del>25600 Capital</del>	<del>    \$ 500,000</del>
3	<del>45,400 Supplies</del>	<del>    \$ 1,475,656</del>
4	<del>95000 Other Services and Charges</del>	<del>    \$ 5,120,283</del>
5	<del>96000 Public Utility Services</del>	<del>    \$ 1,300,000</del>
6	<b><del>Total Org 150 Bureau of Corrections</del></b>	<b><del>\$25,796,230</del></b>

7       **INSERT:**

8	59999 Lump Sum	<u>    \$28,796,230</u>
9	<b>Total Org 150 Bureau of Corrections</b>	<b>    \$28,796,230</b>

10       **SECTION 4.** The sum of \$1,190,848 in Act 7414, section 2 (Miscellaneous) is  
11 reprogrammed from OMB-Workmen's Compensation Increase to Department of Labor to pay  
12 interest [earned] [payable] on unemployment Trust Fund Loan.

13       **SECTION 5.** Section 4 of Act No. 7342 (Bill No. 29-0266) is deleted in its entirety and  
14 replaced with the following language:

15           “Notwithstanding any law to the contrary, The Tax Assessor of the Virgin Islands shall  
16 issue real property tax bills for all classes of real property, including residential and commercial,  
17 and collect such real property tax payments at the 1998 rate and assessment level for tax years  
18 2009 to 2012.”

19       **SECTION 6.** Title 33, chapter 85, section 2410, is amended by deleting the first sentence  
20 in its entirety and replacing with the following language:

21           “All real property shall be assessed to the person who is either the owner or in possession  
22 thereof as of January 1, and the person appearing of record as of January 1, shall be held to be the  
23 true owner thereof, starting with the Y 2013 bills, and similarly following each year thereafter.  
24 Except as otherwise provided, all taxes shall be assessed as of January 1 of the calendar year with

1 respect to which the taxes are assessed. Property characteristics and assessments are as of January  
2 1 for the Calendar Year of which tax bills are issued.”

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#### **BILL SUMMARY**

5 Section 1 grants the Government of the United states Virgin Islands, in any fiscal year of  
6 projected revenue shortfalls, borrowing authorization for issuance of revenue anticipation notes to  
7 fund fixed, mandatory operating costs, including payroll, utilities, rents, ongoing essential  
8 contractual obligations, for the continuing operations of the government.

9 Section 2 appropriates \$12,000,000 from the General Fund to the Division of Personnel to  
10 pay additional employer share of Health Insurance coverage for retirees. In late September 2012  
11 after the Board and CIGNA concluded negotiations, the insurance increase was 15.9%. Without  
12 this appropriation, all retirees, employees and their dependents health insurance coverage will be in  
13 jeopardy by July 2013.

14 Section 3 increases the Bureau of Corrections appropriation in Fiscal Year 2013 by  
15 \$3,000,000 and makes it a lump sum budget instead of a line item budget, so that the Bureau can  
16 utilize its budget more efficiently.

17 Section 4 reprogram funds from OMB-Workers Compensation increase to appropriate  
18 \$1,190,848 to the Department of Labor to pay the interest that is earned on the Unemployment  
19 Trust Fund loan that was utilized to pay employees who were unemployed.

20 Section 5 extend the issuance of bills at the 1998 rate and level of assessment to Calendar  
21 Year 2012 in order to avoid foregoing the collections of real property tax bills in what would  
22 otherwise be a revaluation year.

23 Section 6 changes the assessment date of record to January 1 from January 15 annually. It  
24 also clarifies the year in which assessments are applicable to bills, and explicitly makes January 1,

1 2013 as the effective date of assessments for the 2013 CY bills, and similarly following each year  
2 thereafter.

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4 **BR13-0732/June 10, 2013/**  
5 **G30-0005**

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