

BILL NO. 30-0157

Thirtieth Legislature Of The Virgin Islands

July 16, 2013

An Act to require the Virgin Islands Office of Management and Budget to submit a Fiscal Management Plan to the Legislature of the Virgin Islands

PROPOSED BY: Senator Nereida “Nellie” Rivera-O’Reilly

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

2 **SECTION 1.** In order to maintain fiscal integrity, the Virgin Islands Office of Management and
3 Budget is directed to submit to the Legislature of the Virgin Islands no later than December 31, 2013, a
4 Fiscal Management Plan for consideration and codification. The plan shall at a minimum:

5 (1) Include an analysis of all outstanding debt to include current debt, capacity to pay, and
6 remaining borrowing capacity;

7 (2) Include an analysis of all government financial balances in order to determine the
8 government’s ability to meet its financial obligations;

9 (3) Include anticipated forecasted revenues and expenditures for the next five years;

10 (4) Include recommendations to address anticipated shortfall;

1 (5) Include short and long term financial strategies that address any budget imbalances
2 and prevent the reoccurrence of budget shortfalls;

3 (6) Include financial strategies for responding to local, national, and global recessions;

4 (7) Include a strategy to improve bond rating;

5 (8) Establish a limit on the amount of long-term borrowing secured by general obligation
6 bonds;

7 (9) Establish alternative financing activities for capital improvements and revenue
8 enhancement projects;

9 (10) Require periodic review of zoning and planning maps to ensure development and
10 economic diversification;

11 (11) Establish a limit on the percentage of government expenditures for leasing property
12 and equipment;

13 (12) Require a budget reserve of two percent (2%) of general fund revenues;

14 (13) Require that debt service not exceed ten percent (10%) of government expenditures;

15 (14) Develop internal controls for regular monitoring of government revenues and
16 expenditures;

17 (15) Require the publication of a quarterly audit of government revenues and
18 expenditures; and

19 (16) Require that the reconciliation of all government bank accounts be completed and
20 published within thirty (30) days of receipt of month end bank statements.

21 **BILL SUMMARY**

22 This bill requires that the Virgin Islands Office of Management and Budget submit a Fiscal
23 Management Plan to the Legislature of the Virgin Islands no later than September 30, 2013.

24 **BR13-0135/June 7, 2013/EEM/Reviewed by MH**