

# ACT NO. 7637

**BILL NO. 30-0439**

## **THIRTIETH LEGISLATURE OF THE VIRGIN ISLANDS**

**Special Session**

**2014**

An Act amending Act No. 7631 (Bill No. 30-0427), paragraph (1) of Section 5, to authorize the Government and the Virgin Islands Public Finance Authority to enter into loans with financial institutions or to issue bonds or notes for working capital purposes prior to the end of fiscal year 2014 for the borrowing of a maximum aggregate principal amount not to exceed \$50,000,000, secured by Gross Receipts Taxes

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

**SECTION 1.** Act No. 7631 (Bill No. 30-0427), Section 5 is amended as follows:

(a) Section 5 is amended to replace paragraph (1) with the following:

“(1) (a) The Virgin Islands Public Finance Authority (the “Authority”), on behalf of the Government of the Virgin Islands (the “Government”), is authorized to borrow for working capital purposes, from one or more banks or other financial institutions, a loan in an aggregate principal amount not to exceed \$50,000,000 (exclusive of amounts required to finance any required reserves and associated fees and charges), prior to the end of the Government’s fiscal year 2014. Such financing shall mature or be repaid no later than 270 days from the issuance thereof, provided, (i) Government funds and/or revenues are then available in an amount sufficient to satisfy in full the outstanding principal and interest due thereon, (ii) the terms of such financing permit an extension or the conversion to a term loan, which may be secured by Gross Receipts Taxes, with a maturity date not to exceed twenty (20) years from the original issuance date, or (iii) it may be refinanced with bonds, which may be secured by Gross Receipts Taxes, maturing no later than twenty (20) years from the date of the original borrowing.

If after having exhausted all options, the Authority is unable to secure the loan from a bank or other financial institution, then the Authority, on behalf of the Government, is authorized to issue bonds or notes or other evidences of indebtedness, in one or more series, in an aggregate principal amount not to exceed \$50,000,000 (exclusive of the principal amounts of bonds or

notes required to be issued to finance any required reserves and associated fees and charges), which borrowing may be secured by Gross Receipts Taxes and shall mature no later than twenty (20) years from the date of issuance.

(b) As evidence of its obligation to repay any Gross Receipts Taxes bonds or notes or other evidences of indebtedness described in paragraph (1) (a) above, the Government is hereby authorized to issue its Gross Receipts Taxes Loan Notes and to execute the Gross Receipts Taxes Loan Agreements and to further secure such general obligation bonds through a pledge of the full faith and credit of the Government.

(c) The Government, acting through the Governor or Commissioner of Finance, and the Authority, acting through the Governor as Chairman (or such other member(s) designated in the resolution of the Authority), are each hereby authorized to (i) negotiate the final terms of such bonds or notes or other evidences of indebtedness described in paragraph (1)(a) above, (ii) execute and deliver all documents and agreements necessary or advisable in connection with the issuance of the bonds or notes or other evidences of indebtedness authorized herein, (iii) loan the proceeds of the Authority's bonds or notes or other evidences of indebtedness to the Government as contemplated herein, and (iv) pay all expenses associated with the issuance of the bonds or notes authorized herein."

Thus passed by the Legislature of the Virgin Islands on July 16, 2014.

Witness our Hands and Seal of the Legislature of the Virgin Islands this 18<sup>th</sup>  
Day of July, A.D., 2014.



A handwritten signature in blue ink, appearing to read "Shawn-Michael Malone".

Shawn-Michael Malone  
President


A handwritten signature in black ink, appearing to read "Janette Millin Young".

Janette Millin Young  
Legislative Secretary



Bill No. 30-0439 is hereby approved.

Witness my hand and the Seal of the  
Government of the United States  
Virgin Islands at Charlotte Amalie,  
St. Thomas, this 22<sup>nd</sup> day of July,  
A.D., 2014.

  
John P. de Jongh, Jr.  
Governor