

Union Calendar No. 78

113TH CONGRESS
1ST SESSION

H. R. 85

[Report No. 113-110]

To create the Office of Chief Financial Officer of the Government of the Virgin Islands, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 3, 2013

Mrs. CHRISTENSEN introduced the following bill; which was referred to the Committee on Natural Resources

JUNE 17, 2013

Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

A BILL

To create the Office of Chief Financial Officer of the Government of the Virgin Islands, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. CHIEF FINANCIAL OFFICER OF THE VIRGIN IS-**
4 **LANDS.**

5 (a) APPOINTMENT OF CHIEF FINANCIAL OFFICER.—

6 (1) IN GENERAL.—The Governor of the Virgin
7 Islands shall appoint a Chief Financial Officer, with
8 the advice and consent of the Legislature of the Vir-
9 gin Islands, from the names on the list required
10 under section 2(d). If the Governor has nominated
11 a person for Chief Financial Officer but the Legisla-
12 ture of the Virgin Islands has not confirmed a nomi-
13 nee within 90 days after receiving the list pursuant
14 to section 2(d), the Governor shall appoint from
15 such list a Chief Financial Officer on an acting basis
16 until the Legislature consents to a Chief Financial
17 Officer.

18 (2) ACTING CHIEF FINANCIAL OFFICER.—If a
19 Chief Financial Officer has not been appointed
20 under paragraph (1) within 180 days after the date
21 of the enactment of this Act, the Virgin Islands
22 Chief Financial Officer Search Commission, by ma-
23 jority vote, shall appoint from the names on the list
24 submitted under section 2(d), an Acting Chief Fi-
25 nancial Officer to serve in that capacity until a Chief

1 Financial Officer is appointed under the first sen-
2 tence of paragraph (1). In either case, if the Acting
3 Chief Financial Officer serves in an acting capacity
4 for 180 consecutive days, without further action the
5 Acting Chief Financial Officer shall become the
6 Chief Financial Officer.

7 (b) DUTIES OF CHIEF FINANCIAL OFFICER.—The
8 duties of the Chief Financial Officer shall include the fol-
9 lowing:

10 (1) Develop and report on the financial status
11 of the Government of the Virgin Islands not later
12 than 6 months after appointment and quarterly
13 thereafter. Such reports shall be available to the
14 public.

15 (2) Each year prepare and certify spending lim-
16 its of the annual budget, including annual estimates
17 of all revenues of the territory without regard to
18 sources, and whether or not the annual budget is
19 balanced.

20 (3) Revise and update standards for financial
21 management, including inventory and contracting,
22 for the Government of the Virgin Islands in general
23 and for each agency in conjunction with the agency
24 head.

1 (c) DOCUMENTS PROVIDED.—The heads of each de-
2 partment of the Government of the Virgin Islands, in par-
3 ticular the head of the Department of Finance of the Vir-
4 gin Islands and the head of the Internal Revenue Bureau
5 of the Virgin Islands shall provide all documents and in-
6 formation under the jurisdiction of that head that the
7 Chief Financial Officer considers required to carry out his
8 or her functions to the Chief Financial Officer.

9 (d) CONDITIONS RELATED TO CHIEF FINANCIAL OF-
10 FICER.—

11 (1) TERM.—The Chief Financial Officer shall
12 be appointed for a term of 5 years.

13 (2) REMOVAL.—The Chief Financial Officer
14 shall not be removed except for cause. An Acting
15 Chief Financial Officer may be removed for cause or
16 by a Chief Financial Officer appointed with the ad-
17 vice and consent of the Legislature of the Virgin Is-
18 lands.

19 (3) REPLACEMENT.—If the Chief Financial Of-
20 ficer is unable to continue acting in that capacity
21 due to removal, illness, death, or otherwise, another
22 Chief Financial Officer shall be selected in accord-
23 ance with subsection (a).

24 (4) SALARY.—The Chief Financial Officer shall
25 be paid at a salary to be determined by the Governor

1 of the Virgin Islands, except such rate may not be
2 less than the highest rate of pay for a cabinet officer
3 of the Government of the Virgin Islands or a Chief
4 Financial Officer serving in any government or semi-
5 autonomous agency.

6 (e) REFERENDUM.—As part of the closest regularly
7 scheduled, islands-wide election in the Virgin Islands to
8 the expiration of the fourth year of the five-year term of
9 the Chief Financial Officer, the Board of Elections of the
10 Virgin Islands shall hold a referendum to seek the ap-
11 proval of the people of the Virgin Islands regarding wheth-
12 er the position of Chief Financial Officer of the Govern-
13 ment of the Virgin Islands shall be made a permanent part
14 of the executive branch of the Government of the Virgin
15 Islands. The referendum shall be binding and conducted
16 according to the laws of the Virgin Islands, except that
17 the results shall be determined by a majority of the ballots
18 cast.

19 **SEC. 2. ESTABLISHMENT OF COMMISSION.**

20 (a) ESTABLISHMENT.—There is established a com-
21 mission to be known as the “Virgin Islands Chief Finan-
22 cial Officer Search Commission”.

23 (b) DUTY OF COMMISSION.—The Commission shall
24 recommend to the Governor not less than 3 candidates for
25 nomination as Chief Financial Officer of the Virgin Is-

1 lands. Each candidate must have demonstrated ability in
2 general management of, knowledge of, and extensive prac-
3 tical experience at the highest levels of financial manage-
4 ment in governmental or business entities and must have
5 experience in the development, implementation, and oper-
6 ation of financial management systems.

7 (c) MEMBERSHIP.—

8 (1) NUMBER AND APPOINTMENT.—The Com-
9 mission shall be composed of 8 members appointed
10 not later than 30 days after the date of the enact-
11 ment of this Act. Persons appointed as members
12 must have recognized business, government, or fi-
13 nancial expertise and experience and shall be ap-
14 pointed as follows:

15 (A) 1 individual appointed by the Governor
16 of the Virgin Islands.

17 (B) 1 individual appointed by the Presi-
18 dent of the Legislature of the Virgin Islands.

19 (C) 1 individual, who is an employee of the
20 Government of the Virgin Islands, appointed by
21 the Central Labor Council of the Virgin Is-
22 lands.

23 (D) 1 individual appointed by the Chamber
24 of Commerce of St. Thomas-St. John.

1 (E) 1 individual appointed by the Chamber
2 of Commerce of St. Croix.

3 (F) 1 individual appointed by the Presi-
4 dent of the University of the Virgin Islands.

5 (G) 1 individual, who is a resident of St.
6 John, appointed by the At-Large Member of the
7 Legislature of the Virgin Islands.

8 (H) 1 individual appointed by the Presi-
9 dent of AARP Virgin islands.

10 (2) TERMS.—

11 (A) IN GENERAL.—Each member shall be
12 appointed for the life of the Commission.

13 (B) VACANCIES.—A vacancy in the Com-
14 mission shall be filled in the manner in which
15 the original appointment was made. Any mem-
16 ber appointed to fill a vacancy shall be ap-
17 pointed for the remainder of that term.

18 (3) BASIC PAY.—Members shall serve without
19 pay.

20 (4) QUORUM.—Five members of the Commis-
21 sion shall constitute a quorum.

22 (5) CHAIRPERSON.—The Chairperson of the
23 Commission shall be the Chief Justice of the Su-
24 preme Court of the United States Virgin Islands or
25 the designee of the Chief Justice. The Chairperson

1 shall serve as an ex officio member of the Commis-
2 sion and shall vote only in the case of a tie.

3 (6) MEETINGS.—The Commission shall meet at
4 the call of the Chairperson. The Commission shall
5 meet for the first time not later than 15 days after
6 all members have been appointed under this sub-
7 section.

8 (7) GOVERNMENT EMPLOYMENT.—Members
9 may not be current government employees, except
10 for the member appointed under paragraph (1)(C).

11 (d) REPORT; RECOMMENDATIONS.—The Commission
12 shall transmit a report to the Governor, the Committee
13 on Natural Resources of the House of Representatives and
14 the Committee on Energy and Natural Resources of the
15 Senate not later than 60 days after its first meeting. The
16 report shall name the Commission's recommendations for
17 candidates for nomination as Chief Financial Officer of
18 the Virgin Islands.

19 (e) TERMINATION.—The Commission shall terminate
20 upon the nomination and confirmation of the Chief Finan-
21 cial Officer.

22 **SEC. 3. DEFINITIONS.**

23 For the purposes of this Act, the following definitions
24 apply:

1 (1) CHIEF FINANCIAL OFFICER.—In sections 1
2 and 2, the term “Chief Financial Officer” means a
3 Chief Financial Officer or Acting Chief Financial
4 Officer, as the case may be, appointed under section
5 1(a).

6 (2) COMMISSION.—The term “Commission”
7 means the Virgin Islands Chief Financial Officer
8 Search Commission established pursuant to section
9 2.

10 (3) GOVERNOR.—The term “Governor” means
11 the Governor of the Virgin Islands.

12 (4) REMOVAL FOR CAUSE.—The term “removal
13 for cause” means removal based upon misconduct,
14 failure to meet job requirements, or any grounds
15 that a reasonable person would find grounds for dis-
16 charge.

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