

110TH CONGRESS  
1ST SESSION

# H. R. 2107

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## AN ACT

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,*

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

3 (a) APPOINTMENT OF CHIEF FINANCIAL OFFICER.—

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

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

1 for 180 consecutive days, without further action the  
2 Acting Chief Financial Officer shall become the  
3 Chief Financial Officer.

4 (b) TRANSFER OF FUNCTIONS.—

5 (1) IN GENERAL.—Upon the appointment of a  
6 Chief Financial Officer under subsection (a), the  
7 functions of the Director of the Office of Manage-  
8 ment and Budget established under the laws of the  
9 Virgin Islands shall be transferred to the Chief Fi-  
10 nancial Officer. All employees of the Office of Man-  
11 agement and Budget become employees of the Office  
12 of the Chief Financial Officer.

13 (2) DOCUMENTS PROVIDED.—The heads of  
14 each department of the Government of the Virgin Is-  
15 lands, in particular the head of the Department of  
16 Finance of the Virgin Islands and the head of the  
17 Internal Revenue Bureau of the Virgin Islands shall  
18 provide all documents and information under the ju-  
19 risdiction of that head that the Chief Financial Offi-  
20 cer considers required to carry out his or her func-  
21 tions to the Chief Financial Officer.

22 (c) DUTIES OF CHIEF FINANCIAL OFFICER.—The  
23 duties of the Chief Financial Officer shall include the fol-  
24 lowing:

1           (1) Assume the functions and authority of the  
2           office of the Office of Management and Budget es-  
3           tablished under the laws of the Virgin Islands as  
4           transferred under subsection (b).

5           (2) Develop a report on the financial status of  
6           the Government of the Virgin Islands not later than  
7           6 months after appointment and quarterly there-  
8           after. Such reports shall be available to the public  
9           and shall be submitted to—

10                   (A) the Governor of the Virgin Islands;

11                   (B) the legislature of the Virgin Islands;

12                   (C) the Committee on Natural Resources  
13           in the House of Representatives; and

14                   (D) the Committee on Energy and Natural  
15           Resources in the Senate.

16           (3) Each year certify spending limits of the an-  
17           nual budget and whether or not the annual budget  
18           is balanced.

19           (4) Monitor operations of budget for compliance  
20           with spending limits, appropriations, and laws, and,  
21           in consultation with the Governor, direct adjust-  
22           ments where necessary.

23           (5) Develop standards for financial manage-  
24           ment, including inventory and contracting, for the

1 government of the Virgin Islands in general and for  
2 each agency in conjunction with the agency head.

3 (6) Oversee all aspects of the implementation of  
4 the financial management system provided pursuant  
5 to section 3 to ensure the coordination, trans-  
6 parency, and networking of all agencies' financial,  
7 personnel, and budget functions.

8 (7) Provide technical staff to the Governor and  
9 legislature of the Virgin Islands for development of  
10 a deficit reduction and financial recovery plan.

11 (d) DEPUTY CHIEF FINANCIAL OFFICER.—Until the  
12 date that is 5 years after the date of the enactment of  
13 this Act, the position of the Director of the Office of Man-  
14 agement and Budget of the Virgin Islands shall—

15 (1) have the duties, salary (as specified in sub-  
16 section (f)(3)), and other conditions of the Deputy  
17 Chief Financial Officer in lieu of the duties, salary,  
18 and other conditions of the Director of the Office of  
19 Management and Budget of the Virgin Islands as  
20 such functions existed before the appointment of the  
21 Chief Financial Officer; and

22 (2) assist the Chief Financial Officer in car-  
23 rying out the duties of the Chief Financial Officer.

24 (e) CONDITIONS RELATED TO CHIEF FINANCIAL OF-  
25 FICER.—

1           (1) TERM.—The Chief Financial Officer shall  
2           be appointed for a term of 5 years or until the adop-  
3           tion and ratification of a Constitution by the Virgin  
4           Islands, whichever occurs first.

5           (2) REMOVAL.—The Chief Financial Officer  
6           shall not be removed except for cause. An Acting  
7           Chief Financial Officer may be removed for cause or  
8           by a Chief Financial Officer appointed with the ad-  
9           vice and consent of the Legislature of the Virgin Is-  
10          lands.

11          (3) REPLACEMENT.—If the Chief Financial Of-  
12          ficer is unable to continue acting in that capacity  
13          due to removal, illness, death, or otherwise, another  
14          Chief Financial Officer shall be selected in accord-  
15          ance with subsection (a).

16          (4) SALARY.—The Chief Financial Officer shall  
17          be paid at a salary to be determined by the Governor  
18          of the Virgin Islands, except such rate may not be  
19          less than the highest rate of pay for a cabinet officer  
20          of the Government of the Virgin Islands or a Chief  
21          Financial Officer serving in any government or semi  
22          autonomous agency.

23          (f) CONDITIONS RELATED TO DEPUTY CHIEF FI-  
24          NANCIAL OFFICER.—

1           (1) TERM; REMOVAL.—The Deputy Chief Fi-  
2           nancial Officer shall serve at the pleasure of the  
3           Chief Financial Officer.

4           (2) REPLACEMENT.—If the Deputy Chief Fi-  
5           nancial Officer is unable to continue acting in that  
6           capacity due to removal, illness, death, or otherwise,  
7           another person shall be selected by the Governor of  
8           the Virgin Islands to serve as Deputy Chief Finan-  
9           cial Officer.

10          (3) SALARY.—The Deputy Chief Financial Offi-  
11          cer shall be paid at a salary to be determined by the  
12          Chief Financial Officer, except such rate may not be  
13          less than the rate of pay of the Director of the Of-  
14          fice of Management and Budget.

15          (g) RESUMPTION OF FUNCTIONS.—On the date that  
16          is 5 years after the date of the enactment of this Act or  
17          upon the adoption and ratification of a Constitution by  
18          the Virgin Islands, whichever occurs first, the functions  
19          of the Chief Financial Officer shall be transferred to the  
20          Director of the Office of Management and Budget of the  
21          Virgin Islands.

22          (h) SUNSET.—This section shall cease to have effect  
23          after the date that is 5 years after the date of the enact-  
24          ment of this Act.

1 **SEC. 2. ESTABLISHMENT OF COMMISSION.**

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

5 (b) DUTY OF COMMISSION.—The Commission shall  
6 recommend to the Governor not less than 3 candidates for  
7 nomination as Chief Financial Officer of the Virgin Is-  
8 lands. Each candidate must have demonstrated ability in  
9 general management of, knowledge of, and extensive prac-  
10 tical experience at the highest levels of financial manage-  
11 ment in governmental or business entities and experience  
12 in the development, implementation, and operation of fi-  
13 nancial management systems. Candidates shall not have  
14 served in a policy making or unclassified position of the  
15 Government of the Virgin Islands in the 10 years imme-  
16 diately preceding appointment as Chief Financial Officer.

17 (c) MEMBERSHIP.—

18 (1) NUMBER AND APPOINTMENT.—The Com-  
19 mission shall be composed of 9 members appointed  
20 not later than 30 days after the date of the enact-  
21 ment of this Act. Persons appointed as members  
22 must have recognized business, government, or fi-  
23 nancial expertise and experience, and shall be ap-  
24 pointed as follows:

25 (A) 1 individual appointed by the Governor  
26 of the Virgin Islands.



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

3 (C) 1 individual, who is an employee of the  
4 Government of the Virgin Islands, appointed by  
5 the Central Labor Council of the Virgin Is-  
6 lands.

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

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

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

13 (G) 1 individual appointed by the Chief  
14 Judge of the Virgin Islands Supreme Court.

15 (H) 1 individual, who is a resident of St.  
16 John, jointly appointed by the At-Large Mem-  
17 ber of the Legislature of the Virgin Islands and  
18 the St. John administrator.

19 (I) 1 individual appointed by the Advocates  
20 for the Preservation of the Retirement System.

21 (2) TERMS.—

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

24 (B) VACANCIES.—A vacancy in the Com-  
25 mission shall be filled in the manner in which

1 the original appointment was made. Any mem-  
2 ber appointed to fill a vacancy shall be ap-  
3 pointed for the remainder of that term.

4 (3) BASIC PAY.—Members shall serve without  
5 pay.

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

8 (5) CHAIRPERSON.—

9 (A) IN GENERAL.—The Chairperson of the  
10 Commission shall be determined by a majority  
11 vote of the members of the Commission.

12 (B) CHAIRPERSON PRO TEM.—Until the  
13 Commission elects a Chairperson under sub-  
14 paragraph (A), the Chairperson pro tem shall  
15 be the individual appointed under paragraph  
16 (1)(G).

17 (6) MEETINGS.—

18 (A) IN GENERAL.—The Commission shall  
19 meet at the call of the Chairperson or the  
20 Chairperson pro tem.

21 (B) INITIAL MEETING.—Not later than 15  
22 days after all members have been appointed  
23 under this subsection, the Commission shall  
24 have its initial meeting at the call of the Chair-  
25 person pro tem.

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

4       (d) REPORT; RECOMMENDATIONS.—The Commission  
5       shall transmit a report to the Governor and the Natural  
6       Resources Committee of the House of Representatives and  
7       the Committee on Energy and Natural Resources of the  
8       Senate not later than 60 days after its first meeting. The  
9       report shall name the Commission’s recommendations for  
10      candidates for nomination as Chief Financial Officer of  
11      the Virgin Islands.

12      (e) TERMINATION.—The Commission shall terminate  
13      210 days after its first meeting.

14      **SEC. 3. DEFINITIONS.**

15      For the purposes of this Act, the following definitions  
16      apply:

17           (1) CHIEF FINANCIAL OFFICER.—In sections 1  
18      and 2, the term “Chief Financial Officer” means a  
19      Chief Financial Officer or Acting Chief Financial  
20      Officer, as the case may be, appointed under section  
21      1(a).

22           (2) COMMISSION.—The term “Commission”  
23      means the Virgin Islands Chief Financial Officer  
24      Search Commission established pursuant to section  
25      2.

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

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

8   **SEC. 4. NO ABROGATION OF POWERS.**

9       Nothing in this Act shall be construed to allow the  
10   Governor and Legislature of the Virgin Islands to dilute,  
11   delegate, or otherwise alter or weaken the powers and au-  
12   thority of the Office of Management and Budget estab-  
13   lished under the laws of the Virgin Islands.

      Passed the House of Representatives July 30, 2007.

      Attest:

*Clerk.*



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