

109TH CONGRESS
1ST SESSION

H. R. 62

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 4, 2005

Mrs. CHRISTENSEN (for herself and Mr. RAHALL) introduced the following bill; which was referred to the Committee on Resources

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

1 a person for Chief Financial Officer but the Legisla-
2 ture of the Virgin Islands has not confirmed a nomi-
3 nee within 90 days after receiving the list pursuant
4 to section 2(d), the Governor shall appoint from
5 such list a Chief Financial Officer on an acting basis
6 until the Legislature consents to a Chief Financial
7 Officer.

8 (2) ACTING CHIEF FINANCIAL OFFICER.—If a
9 Chief Financial Officer has not been appointed
10 under paragraph (1) within 180 days after the date
11 of the enactment of this Act, the Virgin Islands
12 Chief Financial Officer Search Commission, by ma-
13 jority vote, shall appoint from the names on the list
14 submitted under section 2(d), an Acting Chief Fi-
15 nancial Officer to serve in that capacity until a Chief
16 Financial Officer is appointed under the first sen-
17 tence of paragraph (1). In either case, if the Acting
18 Chief Financial Officer serves in an acting capacity
19 for 180 consecutive days, without further action the
20 Acting Chief Financial Officer shall become the
21 Chief Financial Officer.

22 (b) TRANSFER OF FUNCTIONS.—

23 (1) IN GENERAL.—Upon the appointment of a
24 Chief Financial Officer under subsection (a), the
25 functions of the Director of the Office of Manage-

1 ment and Budget established under the laws of the
2 Virgin Islands shall be transferred to the Chief Fi-
3 nancial Officer. All employees of the Office of Man-
4 agement and Budget become employees of the Office
5 of the Chief Financial Officer.

6 (2) DOCUMENTS PROVIDED.—The heads of
7 each department of the Government of the Virgin Is-
8 lands, in particular the head of the Department of
9 Finance of the Virgin Islands and the head of the
10 Internal Revenue Bureau of the Virgin Islands shall
11 provide all documents and information under the ju-
12 risdiction of that head that the Chief Financial Offi-
13 cer considers required to carry out his or her func-
14 tions to the Chief Financial Officer.

15 (c) DUTIES OF CHIEF FINANCIAL OFFICER.—The
16 duties of the Chief Financial Officer shall include the fol-
17 lowing:

18 (1) Assume the functions and authority of the
19 office of the Office of Management and Budget es-
20 tablished under the laws of the Virgin Islands as
21 transferred under subsection (b).

22 (2) Develop a report on the financial status of
23 the Government of the Virgin Islands not later than
24 6 months after appointment and quarterly there-
25 after. Such reports shall be available to the public

1 and shall be submitted to the Committee on Re-
2 sources in the House of Representatives and the
3 Committee on Energy and Natural Resources in the
4 Senate.

5 (3) Each year certify spending limits of the an-
6 nual budget and whether or not the annual budget
7 is balanced.

8 (4) Monitor operations of budget for compliance
9 with spending limits, appropriations, and laws, and
10 direct adjustments where necessary.

11 (5) Develop standards for financial manage-
12 ment, including inventory and contracting, for the
13 government of the Virgin islands in general and for
14 each agency in conjunction with the agency head.

15 (6) Oversee all aspects of the implementation of
16 the financial management system provided pursuant
17 to section 3 to ensure the coordination, trans-
18 parency, and networking of all agencies' financial,
19 personnel, and budget functions.

20 (7) Provide technical staff to the Governor and
21 legislature of the Virgin Islands for development of
22 a deficit reduction and financial recovery plan.

23 (d) DEPUTY CHIEF FINANCIAL OFFICER.—Until the
24 date that is 5 years after the date of the enactment of

1 this Act, the position of the Director of the Office of Man-
2 agement and Budget of the Virgin Islands shall—

3 (1) have the duties, salary (as specified in sub-
4 section (f)(3)), and other conditions of the Deputy
5 Chief Financial Officer in lieu of the duties, salary,
6 and other conditions of the Director of the Office of
7 Management and Budget of the Virgin Islands as
8 such functions existed before the appointment of the
9 Chief Financial Officer; and

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

12 (e) CONDITIONS RELATED TO CHIEF FINANCIAL OF-
13 FICER.—

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

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

22 (3) REPLACEMENT.—If the Chief Financial Of-
23 ficer is unable to continue acting in that capacity
24 due to removal, illness, death, or otherwise, another

1 Chief Financial Officer shall be selected in accord-
2 ance with subsection (a).

3 (4) SALARY.—The Chief Financial Officer shall
4 be paid at a salary to be determined by the Governor
5 of the Virgin Islands, except such rate may not be
6 less than the highest rate of pay for a cabinet officer
7 of the Government of the Virgin Islands or a Chief
8 Financial Officer serving in any government or semi
9 autonomous agency.

10 (f) CONDITIONS RELATED TO DEPUTY CHIEF FI-
11 NANCIAL OFFICER.—

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

15 (2) REPLACEMENT.—If the Deputy Chief Fi-
16 nancial Officer is unable to continue acting in that
17 capacity due to removal, illness, death, or otherwise,
18 another person shall be selected by the Governor of
19 the Virgin Islands to serve as Deputy Chief Finan-
20 cial Officer.

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

1 (g) RESUMPTION OF FUNCTIONS.—On the date that
2 is 5 years after the date of the enactment of this Act,
3 the functions of the Chief Financial Officer shall be trans-
4 ferred to the Director of the Office of Management and
5 Budget of the Virgin Islands.

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

9 **SEC. 2. ESTABLISHMENT OF COMMISSION.**

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

13 (b) DUTY OF COMMISSION.—The Commission shall
14 recommend to the Governor not less than 3 candidates for
15 nomination as Chief Financial Officer of the Virgin Is-
16 lands. Each candidate must have demonstrated ability in
17 general management of, knowledge of, and extensive prac-
18 tical experience at the highest levels of financial manage-
19 ment in governmental or business entities and must have
20 experience in the development, implementation, and oper-
21 ation of financial management systems. Candidates shall
22 not have served in a policy making or unclassified position
23 of the Government of the Virgin Islands in the 10 years
24 immediately preceding appointment as Chief Financial Of-
25 ficer.

1 (c) MEMBERSHIP.—

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

9 (A) 1 individual appointed by the Governor
10 of the Virgin Islands.

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

13 (C) 1 individual, who is an employee of the
14 Government of the Virgin Islands, appointed by
15 the Central Labor Council of the Virgin Is-
16 lands.

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

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

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

23 (G) 1 individual appointed by the Chief
24 Judge of the Virgin Islands Territorial Court.

1 (H) 1 individual, who is a resident of St.
2 John, appointed by the At-Large Member of the
3 Legislature of the Virgin Islands.

4 (I) 1 individual appointed by the Advocates
5 for the Preservation of the Retirement System.

6 (2) TERMS.—

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

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

14 (3) BASIC PAY.—Members shall serve without
15 pay.

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

18 (5) CHAIRPERSON.—The Chairperson of the
19 Commission shall be the Chief Judge of the Terri-
20 torial Court or her designee and shall serve as an ex
21 officio member of the Commission and shall vote
22 only in the case of a tie.

23 (6) MEETINGS.—The Commission shall meet at
24 the call of the Chairperson. The Commission shall
25 meet for the first time not later than 15 days after

1 all members have been appointed under this sub-
2 section.

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

7 (d) REPORT; RECOMMENDATIONS.—The Commission
8 shall transmit a report to the Governor and the Resources
9 Committee of the House of Representatives and the Com-
10 mittee on Energy and Natural Resources of the Senate
11 not later than 60 days after its first meeting. The report
12 shall name the Commission's recommendations for can-
13 didates for nomination as Chief Financial Officer of the
14 Virgin Islands.

15 (e) TERMINATION.—The Commission shall terminate
16 210 days after its first meeting.

17 **SEC. 3. FINANCIAL MANAGEMENT SYSTEM.**

18 It is hereby authorized to be appropriated such sums
19 as necessary for the installation of a Financial Manage-
20 ment System, including appropriate computer hardware
21 and software, to the Government of the Virgin Islands.
22 Upon becoming available, the financial management sys-
23 tem shall be available to the Chief Financial Officer and,
24 after the date that is 5 years after the date of the enact-
25 ment of this Act, the Director of the Office of Manage-

1 ment and Budget of the Virgin Islands, to assist the Chief
2 Financial Officer or the Director of the Office of Manage-
3 ment and Budget of the Virgin Islands, as the case may
4 be, to carry out the official duties of that office.

5 **SEC. 4. DEFINITIONS.**

6 For the purposes of this Act, the following definitions
7 apply:

8 (1) CHIEF FINANCIAL OFFICER.—In sections 1
9 and 2, the term “Chief Financial Officer” means a
10 Chief Financial Officer or Acting Chief Financial
11 Officer, as the case may be, appointed under section
12 1(a).

13 (2) COMMISSION.—The term “Commission”
14 means the Virgin Islands Chief Financial Officer
15 Search Commission established pursuant to section
16 2.

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

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

1 **SEC. 5. NO ABROGATION OF POWERS.**

2 Nothing in this Act shall be construed to permit the
3 Governor and Legislature of the Virgin Islands to dilute,
4 delegate, or otherwise alter or weaken the powers and au-
5 thority of the Office of Management and Budget estab-
6 lished under the laws of the Virgin Islands.

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