

112TH CONGRESS
2^D SESSION

H. R. 3706

IN THE SENATE OF THE UNITED STATES

AUGUST 2, 2012

Received; read twice and referred to the Committee on Energy and Natural
Resources

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) DUTIES OF CHIEF FINANCIAL OFFICER.—The
5 duties of the Chief Financial Officer shall include the fol-
6 lowing:

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

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

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

22 (c) DOCUMENTS PROVIDED.—The heads of each de-
23 partment of the Government of the Virgin Islands, in par-
24 ticular the head of the Department of Finance of the Vir-
25 gin Islands and the head of the Internal Revenue Bureau

1 of the Virgin Islands shall provide all documents and in-
2 formation under the jurisdiction of that head that the
3 Chief Financial Officer considers required to carry out his
4 or her functions to the Chief Financial Officer.

5 (d) CONDITIONS RELATED TO CHIEF FINANCIAL OF-
6 FICER.—

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

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

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

20 (4) SALARY.—The Chief Financial Officer shall
21 be paid at a salary to be determined by the Governor
22 of the Virgin Islands, except such rate may not be
23 less than the highest rate of pay for a cabinet officer
24 of the Government of the Virgin Islands or a Chief

1 Financial Officer serving in any government or semi-
2 autonomous agency.

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

16 **SEC. 2. ESTABLISHMENT OF COMMISSION.**

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

20 (b) DUTY OF COMMISSION.—The Commission shall
21 recommend to the Governor not less than 3 candidates for
22 nomination as Chief Financial Officer of the Virgin Is-
23 lands. Each candidate must have demonstrated ability in
24 general management of, knowledge of, and extensive prac-
25 tical experience at the highest levels of financial manage-

1 ment in governmental or business entities and must have
2 experience in the development, implementation, and oper-
3 ation of financial management systems.

4 (c) MEMBERSHIP.—

5 (1) NUMBER AND APPOINTMENT.—The Com-
6 mission shall be composed of eight members ap-
7 pointed not later than 30 days after the date of the
8 enactment of this Act. Persons appointed as mem-
9 bers must have recognized business, government, or
10 financial expertise and experience and shall be ap-
11 pointed as follows:

12 (A) One individual appointed by the Gov-
13 ernor of the Virgin Islands.

14 (B) One individual appointed by the Presi-
15 dent of the Legislature of the Virgin Islands.

16 (C) One individual, who is an employee of
17 the Government of the Virgin Islands, ap-
18 pointed by the Central Labor Council of the
19 Virgin Islands.

20 (D) One individual appointed by the
21 Chamber of Commerce of St. Thomas-St. John.

22 (E) One individual appointed by the Cham-
23 ber of Commerce of St. Croix.

24 (F) One individual appointed by the Presi-
25 dent of the University of the Virgin Islands.

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

4 (H) One individual appointed by the Presi-
5 dent of AARP Virgin islands.

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 Justice of the Su-
20 preme Court of the United States Virgin Islands or
21 the designee of the Chief Justice. The Chairperson
22 shall serve as an ex officio member of the Commis-
23 sion and shall vote only in the case of a tie.

24 (6) MEETINGS.—The Commission shall meet at
25 the call of the Chairperson. The Commission shall

1 meet for the first time not later than 15 days after
2 all members have been appointed under this sub-
3 section.

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

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

15 (e) TERMINATION.—The Commission shall terminate
16 upon the nomination and confirmation of the Chief Finan-
17 cial Officer.

18 **SEC. 3. DEFINITIONS.**

19 For the purposes of this Act, the following definitions
20 apply:

21 (1) CHIEF FINANCIAL OFFICER.—In sections 1
22 and 2, the term “Chief Financial Officer” means a
23 Chief Financial Officer or Acting Chief Financial
24 Officer, as the case may be, appointed under section
25 1(a).

1 (2) COMMISSION.—The term “Commission”
2 means the Virgin Islands Chief Financial Officer
3 Search Commission established pursuant to section
4 2.

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

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

Passed the House of Representatives August 1,
2012.

Attest:

KAREN L. HAAS,
Clerk.