| Committee on Budget, Appropriations and Finance

Legislature USVI

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0:00:00	Music Thank you. Thank you. Thank you. Thank you.
0:02:30	Thank you. Oh, my God. Let's go. Oh, my God.
0:04:30	Thank you. ¶¶ [2 such phrases repeated 10 times · standby audio before the proceeding, transcribed by the recogniser as speech]
0:09:30	Thank you. ¶¶ La, la, la, la, la, la, la, la.
0:10:59	Thank you. Thank you. Li-lo-la-la, li-lo-le-lo-la, li-lo-la-la, li-lo-la-la-le-lo-la, oyame.
0:12:29	Thank you. Thank you. so so so
0:14:59	so so so Oh, my God. Oh Thank you. Thank you. Thank you. Thank you. so Thank you. Thank you. Thank you. Thank you. Thank you.
0:22:29	Thank you. so Thank you. All right. [3 such phrases repeated 8 times · standby audio before the proceeding, transcribed by the recogniser as speech]
0:27:29	Thank you. Thank you. Thank you.
0:28:59	Thank you. Thank you.
0:29:59	Thank you. Thank you. Thank you.
0:31:29	Thank you. Thank you.
0:32:29	Thank you. Thank you. ? ? ?

0:33:47 ? ? ? Thank you. do so Thank you. a pleasant good afternoon to everyone the committee of budget appropriations and finance

0:36:20 is called to order. I want to say good afternoon to all present, listening, and viewing. Welcome to today's meeting of the Committee on Budget, Appropriations, and Finance. I'd like to begin by congratulating the graduates of the University of the Virgin Islands and those students graduating from the territorial public, private, and parochial schools. I attended the University of the Virgin Islands commencement at the St. Croix campus and was proud to cheer on our retired Brigadier General Deborah Francis Howell, the first female Adjutant General of the Virgin Islands National Guard, as she received her honorary doctorate degree. Congratulations as well to Brigadier General Sally Petty, Assistant Adjutant General of the Virgin Islands National Guard, who was similarly honored with an honorary doctorate at the ceremony held on the St. Thomas campus. In addition to the graduates, during the month of May we also recognize National Police Week and on Monday we'll honor the sacrifices of those Virgin Islands who have died in service to honor the nation. We continue to commemorate National Mental Health Month and Older Americans Month and are reminded that as a community we must continue to move the needle in our care and support of our mental ill and our senior citizens.

0:37:47 As a matter of fact, we also celebrate our senior citizens' month this year and next week we'll be able to honour them here at the legislature where we'll have the mock election, which we always look forward to. Now to the business of the committee. Today the committee will consider four leases and one bill. If voted unfavourably, these items will advance to the Committee of Rules and Judiciary for further vetting. And at this time, I'd like to advise everyone to either turn your phone off or on silent, as to not interrupt today's proceedings, and actually, Madam Clerk, to please call the roll.

0:38:23 Senator Marvin A. Blyden. Mike. Senator Marvin A. Blyden. Present. Senator Blyden present. Senator Dwayne M. DeGraff. Senator DeGraff absent. Senator Ray Fonseca. Senator Fonseca absent. Senator Noveli Francis Jr. I'm here. Senator Francis present. Senator Hubert L. Frederick.

0:38:59 Present. Senator Frederick, present. Senator Maurice C. James. Senator James, present. Senator Kurt Viale. Senator Viale, present. Mr. Chair, five present, two absent. Thank you very much. Any correspondence to be read into the record at this time? Yes, Senator. You may proceed with reading of the correspondence. May 23rd, 2025, to the Honorable Novel Lee Francis, Jr., Chairman, Committee on Budget Appropriations and Finance, Legislature of the Virgin Islands, 3022 Estate, Golden Rock, Christenstead, VI00820. Dear Chairman Francis, please accept my apologies for being late to today's meeting for the Committee on Budget, Appropriation, and Finance, scheduled for Friday, May 23rd, 2025. I have a previously scheduled engagement to attend. Thank you for your appreciation.

0:40:10 Cordially, Senator Ray Fonseca, 36th Legislature of the Virgin Islands. Mr. Chair, that ends the correspondence. Very well. I know that we do have the graduation going on right now for the cehs and um you know certainly those individuals will be joining us momentarily and they'll be senator ray fonseca and senator duane de graf at this time madam clerk please read today's agenda into the record the committee on budget appropriations and finance will meet on friday may 23rd 2025 12 p.m. in the Earl B. Utley Legislative Hall on St. Thomas to receive testimony on the following bills block one bill number 360032 an act amending title 33 virgin islands code subtitle three chapter 111 section 3080 by limiting the salary amount used to compute the service retirement annuity for the Governor and the Lieutenant Governor of the Virgin Islands, sponsored by Senator K. T. Kurt A. Bailey. Invited testifiers are Honorable Kevin McCurdy, Commissioner, VA Department of Finance, Mr. Angel E. Dawson, Jr., Administrator, Government Employees Retirement System, and Mr. Cindy L. Richardson, Director, Division of Personnel. Block 2, the Committee on Budget Appropriations and Finance will receive testimony on the following lease agreements. Bill number 36-0062, an act approving the lease agreement between the government of the Virgin Islands, acting through the Commissioner of the Department of Property and Procurement and the United States Department of Commerce, National Oceanic and Atmospheric Administration, for a portion of the telecommunications tower located on parcel R-22 of tract 1, Estate Nazareth, number 1, Red Hook Quarter, St. Thomas, sponsored by St. Milton E. Potter by request of the governor. Invited testifier, Mr. Vincent Richards, Assistant Commissioner via Department of Property and Procurement. Bill number 36-0089, an act approving the lease agreement between the government of the Virgin Islands and PO Productions, LLC, doing business as WSTA Radio for parcel number 121, Submarine Base, number 6, Southside Quarter, St. Thomas, Virgin Islands, parcel number 167, Subbase, No. 6 Southside Quarter, St. Thomas, and Parcel No. 171 Subbase, No. 6 Southside Quarter, St. Thomas, sponsored by Senator Milton E. Potter by request of the Governor. Invited testifiers are Mr. Vincent Richards, Assistant Commissioner, VI Department of Property and Procurement, and Mr. Peter Utley, President, WSTA Radio.

0:43:30 Bill number 36-0092, an act approving the lease agreement between the government of the Virgin Islands and St. John Taxi Services Corporation for parcel number D2, Estate Cruzby Town, Cruzby Quarter, St. John, Virgin Islands, sponsored by Senator Angel L. Bolquez, Jr., by request of the governor. Invited testifiers, Mr. Vincent Richards, Assistant Commissioner via Department of Property and Procurement, and Mr. Sean L. Claxton, President, St. John Taxi Services Corporation. Bill number 36-0098, an act approving the lease agreement between the government of the Virgin Islands, acting through the Commissioner of the Department of Property and Procurement and Caribbean Buzz, LLC, for a portion of remainder parcel number 3B Estate Susanneburg, 17A Cruz Bay Quarter, St. John, Virgin Islands, for the purpose of operating and managing a helicopter transportation service at the existing helipad and for other permitted purposes, sponsored by Senator Milton E. Potter by request of the governor. Invited testifiers, Mr. Vincent Richards, Assistant Commissioner, VI Department of Property and Procurement, and Ms. Charlotte Van Heerick, Operations Manager, Caribbean Buzz, LLC.

0:45:08 This ends the reading of today's agenda, Mr. Chair. Thank you very much, Madam Clerk, again. For those of you in our listening, we do have two blocks today. First, Bill number 36.0032, and then in Block 2, we have four items which is leases that will be considered. At this time the committee will stand at recess for two minutes. Thank you. Thank you. Thank you. Thank you. Thank you.

0:48:20 Thank you. Thank you.

0:49:20 and we are out of recess at this time again we're in block number one who speaks to bill number 36 that zero zero three two Senator Kurt VLA you recognize for presentation of bill number thirty six dash zero zero three two thank you mr. cheer good afternoon to the people out of Virgin Islands good afternoon to all the proud graduates that are graduated this week good afternoon colleagues and good afternoon to the testifiers. Bill number 36, that's 0032, and I commend entitled 33 Virgin Islands Code, Subtitle 3, Chapter 111, Section 3080, by limiting the salary amount used to compute the service retirement annuity for the governor and the lieutenant governor of the Virgin Islands. What this bill seeks to do is to set a cap that will be utilized so computing what salary the governor lieutenant governor will be able to retire to now and in the future and retroactively presently as a code is written written if a governor lieutenant governor serve one term in office they're entitled to 40 percent of the pay if they serve two terms of the office in the office they're entitled to 80 percent of the pay. If they serve three terms, and that might be strange to hear three terms, but we did have one governor, Governor Louie, that was

0:51:12 actually in their three terms, ten years as governor and two years as lieutenant governor, they would receive 100 percent of the pay. So presently the way that the law is structured right now and the salary that is being received by the governor of the virgin islands and i'm not sure if the increase was taken but right now at 150 000 any governor that served two terms is eligible for 120 000 retirement for the rest of their life the same for the lieutenant governor it would be 80 of the 125 000 for the rest of their life There was never any language that had a cap as to what you could use to be able to apply that 80% to.

0:52:02 So if the salary increased to $192,000, like proposed in a compensation commission study, the retirement package that the governor would raise to $153,000 per year for the rest of their natural life. So what this bill seeks to do is to control that amount because the monies that are utilized for the governor and lieutenant governor annuity comes from the general fund. It's a line item in the budget and funds are appropriated not from GRS but from the general fund to pay this particular obligation. So by capping it at $150,000, and that is what this bill does, it caps the amount at $150,000, it caps the amount at $125,000 for the lieutenant governor. It's not going to change the current retirement annuity of any living governor right now, but it's just going to set a specific amount moving forward. So it would set whether or not the governor make $200,000, $300,000, the retirement would be set at 80% of $150,000. Now I want you to keep in mind that a government employee, the good commissioner sitting there, he could make a hundred and something thousand dollars per year, but he can only retire at five years average of $65,000, which is 65. So it doesn't make a difference that he's making 125 or whatever. there's a cap and the cap is 65,000 the chairman was making way more than 65 before he came into this profession I was making more than 65 as a high school administrator I was making a salary making now 85 but retirement is capped at $65,000 no matter how many years you put in as a regular government employee as a commissioner, assistant or director, is capped at 65,000. We're going through frugal times. We're looking for austerity measures.

0:54:09 The government is not now one of plenty, and while many might say this is minuscule, every little bit adds up. Every little bit adds up, and there's no reason that this cannot go into effect. And I'm going to go more into the details after all of the testimony. But this is not to take away any benefits to anyone, okay? This is just capping it. And I think that any of us would agree that you could live on $120,000 per year for the rest of your life. Thank you so much, Mr. Chair. Thank you very much, Senator Velea, for presentation on Bill 36-0032.

0:54:50 Before we go to the testifiers' table, I would just like to recognize the presence of a non-committee member senator angel balkers a junior good afternoon senator welcome at this time I will go to the testifiers table to certainly introduce the testifiers and then we'll hear from miss in the Richardson who will be doing the presentation on the behalf of the government we'll start with you Commissioner McCurdy good afternoon Kevin McCurdy commissioner of the Department of Finance good afternoon Cindy Richardson director division of personnel good afternoon good afternoon Aaliyah Felix Blyden legal counsel division of personnel good afternoon those blightings avoid it let's multiply they're all over director Richardson you recognize we don't have anyone online correct no oh you recognize good afternoon honorable senator Noelle Francis, Chairman of the Committee on Budget, Appropriations and Finance, Committee members, non-committee members, ladies and gentlemen in our viewing and listening audience. My name is Cindy L. Richardson and I serve as a director of Division of Personnel. Accompanying me here today is Kevin McCurdy, Commissioner of Finance and Attorney Aliyah Felix Blyden, Legal Counsel for the Division of Personnel. In response to your invitation we are here today to provide testimony on bill number 360032 proposed by Senator Kurt Vealy.

0:56:32 Bill number 36-0032 is an act amending title 33 Virgin Islands Code Subtitle 3 Chapter 111 Section 3080 by limiting the salary amount used to compute the retirement service annuity for the governor and the lieutenant governor of the Virgin Islands. I express strong opposition to the inclusion of such a provision in this section of the law because it lacks a A clear, data-supported purpose, bypasses the use of appropriate methodologies to manage compensation slash retirement review, and creates inequity by singling out two positions for reform. Statutory purpose, 33 VI code, section 3080, as currently codified, is narrowly tailored to govern retirement benefits. The title, structure, and the legislative history of this section make clear that its purpose is to outline eligibility and benefits for former governors and lieutenant governors after they leave office. Legislative authority and intent. Good public policy should be rooted in evidence designed to solve specific challenges and develop through structured processes. In this case, it has not been clearly communicated what urgent or systemic issue this bill addresses. If the issue before us is retirement reform or long-term fiscal responsibility, then those are valid and important goals. However, such reform must be approached holistically and equitably, not through legislation targeting a single class of individuals.

0:58:32 governance and policy implications. From a public policy perspective, all compensation for elected officials should be established through mechanisms that promote transparency, consistency, and fairness. Many jurisdictions rely on independent salary commissions or incorporate compensation into the standard budget and appropriations process. retirement system actuaries, comparative data from other U.S. jurisdictions, or some tied to an established mechanism. For example, this body established a compensation commission by which the government of the Virgin Islands recently completed a comprehensive compensation study focused on the compensation of the Virgin Islands public officials, comparing their compensation with public officers in other national and regional jurisdictions, and the private sector, making recommendations for adjustments where applicable, and proposing a model to address compensation of public officials in the future. Similarly, efforts to reform public retirement compensation should also proceed via practices that ensure public input, transparency, fiscal oversight this type of vehicle considers economic conditions comparative analysis across jurisdictions cost of living and inflation and government workforce competitiveness it is unclear the methodology used to determine why the particular figures mentioned should be used to limit the retirement annuity calculation here this bill offers no rationale or methodology for selecting these numbers we support managing long-term liability holistically however bypassing a structured methodology through a standalone legislation weakens the credibility and intent

1:00:38 of retirement reform overall perceived inequity and lack of uniformity this legislation as drafted isolates two specific offices without applying similar reform to any other high cost pension categories such as judges or senators. It is inequitable to address fiscal concerns by capping retirement for only two positions without a standard or plan to address a broader retirement reform and raises legal and ethical concerns with respect to fairness in governance. moreover the proposed caps failed to account for fundamental economic considerations such as inflation time value of money cola etc freezing annuity calculations at fixed values without adjustment over time distorts the actual value of the benefit and fails to uphold standards of fairness and and reasonableness that are tantamount to the compensation or retirement policy recommendations while we strongly oppose this bill in its current form we respectfully recommend the following to ensure greater equity legal defensibility and alignment with sound policy principles one initiate a comprehensive review of retirement policy although the compensation commission was established to evaluate salary structures, not retirement benefits, retirement policy warrants its own structured review. The legislature should consider directing an independent actuarial body to conduct a system wide evaluation of retirement calculations for elected and appointed officials with the goal of developing a consistent data driven framework for reform.

1:02:33 Two, ensure uniformity across comparable public officials public offices if the intent of its if the intent is fiscal responsibility or retirement reform this legislation should be broadened to include other high-cost pension recipients such as judges or senators whose retirement packages may present equal or greater costs to the system singling out one class of public officers undermines credibility and and invites legal challenges. Three, avoid fixed caps without economic adjustments.

1:03:13 A static salary cap that does not adjust over time ignores economic conditions and could unfairly erode the value of the retirement benefit over decades. If a cap is imposed, it should be tied to an index, such as CPI, Four, subject to regular review to maintain fairness over time. Indeed, the current method of a percentage of the average salary ensures that the retirement benefits adjust with time value of money.

1:03:45 Four, grandfather, current, or former office holders. To avoid legal disputes or retroactive impairment of earned benefits, this legislation should clearly state that it applies prospectively only, either to individuals elected after a certain date or after the next gubernatorial election. Conclusion, this bill, while well intended as a concern for fiscal prudence, presents significant issues on both scope and approach. It fails to define a clear problem, applies reform inconsistently to only two offices, and uses a policy tool that bypasses the structured, standardized methods this body has already acknowledged to be necessary for this type of review. Further, it imposes fixed caps without economic adjustment.

1:04:39 Disregards broader systematic consideration and offers no measurable fiscal benefit. Finally, a financial analysis will show that this falls short of any substantial financial impact, the overall budget and fiscal condition of the territory. If the legislature is serious about retirement reform, the solution must be comprehensive, equitable, and guided by data, not symbolic or politically narrow. While the compensation commission does not have authority over retirement benefits, its existence affirms the legislature's belief in structured, non-politicized, and periodic evaluation of compensation. It's principle that should also apply to retirement policy. Should the bill move forward despite these concerns, I have offered recommendations to reduce inequity, ensure legal defensibility, and promote transparency. Based on the elected government retirement fund, current balance, and historical spending trends, there are sufficient resources to ensure the fund's continued support. Respectfully, I urge this body to oppose the bill its current form and instead pursue a broader system-wide review of retirement benefits through a formal deliberative process. I thank you for the opportunity to provide this testimony. My team and I are ready to answer your questions. Thank you. Thank you very much Director Richardson. Before I go to the reading of the Government Employees Retirement Systems letter I wanted to recognize the the presence of committee member, Senator Duane de Graff, as well as non-committee member, Senator Kenneth L. Gittins. At this time, Madam Clerk, please read the correspondence from invited testifier from the government Employees Retirement System,

1:06:39 where their respectfully declined invitation because the letter speaks to itself. You may proceed. Please recognize the mic of the Madam Clerk. Government Employees Retirement System of the Virgin Islands, contributing today for a better tomorrow. May 19, 2025. Honorable Noveli Francis Jr., Chairman, Committee on Budget Appropriations and Finance, 36th Legislature of the Virgin Islands, 3022 Estate, Golden Rock, Kristen Stetson-Croy, VI 00820. Dear Senator Francis, thank you for your letter of invitation dated May 6th, 2025, to testify on Bill Number 36-0032, an act amending Title 33, Virgin Islands Code, Subtitle 3, Chapter 111, Section 3080 by limiting the salary amount used to compute the service retirement annuity for the governor and lieutenant governor of the Virgin Islands. Please be advised that, per this reference section of the Virgin Islands Code, the Commissioner of Finance shall maintain and provide for the administration of the elected governor's and lieutenant governor's retirement fund. It further states, monies shall be dispersed from the fund by the Commissioner of Finance to retired elected governors and lieutenant governors. Considering the above, we defer to the Commissioner of Finance regarding bill number 36-0032 and respectfully decline your invitation to testify on it. Best regards, Angel E. Dawson Jr., Administrator and CEO.

1:08:52 Thank you very much Madam Clerk for reading of that correspondence and of course it makes sense again the government employees retirement system really don't have anything to do with this particular measure at this time. Before I open up the floor for questions, Ms. Director Richardson, real quickly, I know that you're not here for this today, but by popular requests, I wanted for you to give us a status update on the retroactive payment to active and retired government employees. Good afternoon, Senator. Yes, I can give you a brief update on that. As you know, first of all, let me just thank you for being one of the sponsors for that bill and allowing us to be able to pay out those retroactive wages I want to thank you for that the team with OMB Department of Finance and division of personnel have met so we have started the process we definitely will be having checks out to the public by the end of the month and a small batch of those checks should be going out today as we speak talk about perfect timing great thank you I'm sure that they'll be happy to hear that so the rules of engagement or at least this afternoon the format as you appeared we have Senator Maurice James yeah I already acknowledged you sir yeah you were talking about the time but I acknowledge no worries I got your back man and be you're my deputy chief right at one time I got your box we asked that Senator Maurice James she'd be up first as well as Senator Blyden then a senator oh Senator Gittins have asked to jump the line a little bit because he has some stuff he gotta get back to so it would be next and then we come with to Senator Frederick Senator Bulka Senator the graph and then we round out with Senator Violi and myself and it'll be a

1:10:51 five-minute round and on this this first round. Point of Inquiry, Senator Gittins. Please recognize the mic of Senator Gittins. Thank you, Mr. Chair, and good afternoon to all. I just wanted to ask first, based on the statement that was read into the record by our clerk from the GRS, I wanted to ask one of the executive branch representatives, so does this mean that the governor and lieutenant governor, unlike senators and judges, does not pay that 15% into the system? If they pay currently into the GRS system? Yeah, governors, lieutenant governors, do they pay into the system like the senators and judges? Can I get that information for you?

1:11:59 I don't want to say yes and then it's not, but what I do know, what I can speak to is we do pay those who have been or served in those capacity, those payments are processed through finance. If you could find that out for us, please. Absolutely. Thank you. Thank you, Mr. Chair. But the question, Commissioner McCurdy, was whether or not they pay into the GRS system and that obviously would be no, correct? Correct? Let me confirm that. We do know, but I don't want to tell you what I think. Well, they don't pay into the GRS system. Right.

1:12:32 So that's the question that was posed to you, whether or not they pay into the GRS system. And we know clearly they don't pay into the government employee's retirement system. Sorry, correct. You're absolutely correct, yes. Point of inquiry, Senator Biele, and then Senator Blytham. Thank you so much, Mr. Chiria. Just two quick questions. One, do they pay into the elected government retirement fund, any percentage? That's the first question. second has the reason a governor been enacted the raises for the lieutenant governor and the governor have been enacted yes the course follow-up question is effective what date the effective date would be 12-1-2024. Sorry, 12-2-2024.

1:13:32 Senator Blyden, you recognize your point of information. Thank you so much Mr. Chair and good afternoon to the testifiers. Through the chair to post-added, the post-added chair, let me ask in respect to the question that was asked earlier in respect to how much the governor and the tenant the governor pays and where do those payments go? That's my question. Through the post auditor, if she has any record or information to order them. Through the chair, Madam Paul Saturday, you may respond. To my knowledge...

1:14:11 Please give your name. Dr. Theodora Phillip, responding to senator blyton through the chair uh to my knowledge the payment does not um does not it does not go to the government employee retirement system it uh should go directly to the department of finance and is there any record um to your knowledge that you have that you have seen any type of any type of payment sent to the development of finance? No. To my knowledge, no. Thank you so much. Okay. Thank you so much, Mr. Chair. Okay. Senator Gittins, you're recognized for a follow-up?

1:14:59 Thank you. Thank you, Mr. Chair. So, I'm not sure if you all are under oath. I came in a bit late. But Director Richardson, to your statement, you stated that these raises took effect, effective December 2nd, 2024, correct? Correct.

1:15:26 Speaking to the mic? Correct. So when the governor's final, so this was done effective 12 to 24. When were these NOPAs completed? They were completed this week. This week? Correct. And so they're taking retroactive back to 12-24. Correct. Correct. Thank you. Thank you, Mr. Chair. Thank you very much, Senator Gittin. At this time, I'll recognize Senator Maurice. James, you're recognized for your five minutes. Well, I was asking, thank you, Mr. Chair.

1:16:05 I was asking for a point of information relative to all those questions that were being asked right now, but I guess I will just move along. Good afternoon Virgin Islands, good afternoon colleagues, good afternoon testifiers. I just want to point out that section 3080B, B, and this is our law, where all legislators says the fund shall consist of all sums appropriated there to from time to time by the legislature of the Virgin Islands, contributions made by elected governors and lieutenant governors to the employees' retirement system pursuant to Title III, Section 701, Virgin Islands Code.

1:16:58 I just want to point that out so obviously we're not we're not following the law when it comes to what's the what what is supposed to happen when I saw this piece of legislation I was totally confused perhaps because I am not a longtime government employee And so I started to do a little research and I gave my summer student a spuia to look at.

1:17:40 And it was kind of interesting because the same points that were raised by the director for the Division of Personnel, Cindy Richardson, were some of the same questions that this young student had. There are just right now too many questions that I have with regard to even the implementation of the current statute and I do want to ask this question though that Ace and I were trying to figure out because it speaks to average salary and because you just testified that the governor is receiving the income. salary based on the Commission's recommendations how do you determine the average salary now that the governor's salary has raised from 150 to one one ninety two and eighty eight dollars how how is that done under the present statute can you repeat the question as it pertains when you say average salary are you talking for the entire GBI no if you look at 3080 because that's title 33 section 3080 which is what what is the subject of the amendment it it speaks that the governor and lieutenant governor um and in this case because we're talking about governor brian and lieutenant governor roach which this amendment is clearly targeted because it doesn't apply to anyone else when i look at it because governor de young is receiving 150 um 80 120 lieutenant governor francis is receiving 80 which is a hundred thousand and those are the only two people so far in our history who are receiving a fixed amount in terms of current salary it was change to average salary and it says after two terms in office 80 of the governor's and lieutenant governor's average salary of last term in office and like I said my summer student and I myself I told him it was a very um very very salient question how is average salary going to be determined now that the governor is receiving a salary that's different from when he started.

1:20:28 Good afternoon, Alia Felix Blyden, Division of Personnel, Legal Counsel. Based on the statute that you referenced, what is supposed to happen is that the percentage is taken on the average salary of the last term in office. So for example, if in the individuals who currently hold those positions last term of office there's more than one salary in in the last term then the average will be takes is supposed to be taken in accordance with the statute I cannot speak to what actually happens just because I don't actually process those okay I am going to say this again and and you know I'm going to even put it in the terms of the of the young student are you going to save his first year his second year his third year his fourth year or are you going to go by months his first year was 150 his second year and we're talking last term would be this term currently so would it be 150 150 150 but then and then I mean how are we going to do it and then one one 192 192 for the next two years that's what that's what I'm asking straight Matt is that what's going to happen one minute divided by divided by four is does anybody know so I don't have that information in front of me but it would go based on his terms first and second so you would you would then you know I just I'm just pointing this out because this particular statute is so confusing I wanted to even ask about lieutenant governor map is is he

1:22:37 collecting the lieutenant governor's retirement plus the the gubernatorial retirement if we're talking about saving money and we really get into this we really we really need to take a deep dive and not do a simple amendment like this um and and that's my frustration with this particular amendment because average salary would only apply to these two individuals and so it's it's very targeted um and i have a problem with that even though i think we need to save money um you know it so when you said grandfather current or former office holders the only office holders this would apply to would be governor Bryan and Lieutenant Governor Roach it wouldn't apply to anybody before because Governor DeYoung former Governor DeYoung and Lieutenant Governor Francis both are capped at the 150 so it doesn't apply to them so I mean this is a waste of time right now I am not joking because we need to do a deeper analysis than is being done. In addition to that, the Compensation Commission no longer exists. The minute it submitted its report, it ended. Read the code. So unless the governor, the Senate president, and the Supreme Court justice, I also don't know why the Supreme Court, the judges are being included because if you look at the Organic Act, the legislature has nothing to do with the executive, I mean with the judicial branch of government's salaries.

1:24:20 So I'm going to try to figure this out, hopefully we have another round, but for me right now this particular amendment is a complete waste of time. Thank you. Thank you very much, Senator James. Before I go to your point, Senator, let me recognize the presence of Senator Ray Fonseca. Good afternoon, Senator. Thank you for joining us. committee member. Senator Viale, you recognize for your point of information. Senator Viale Thank you so much, Mr. Chair. Title 33, subsection 3080, speak to the elected governors and elected lieutenant governors retirement fund. The language is clear, so I don't know where the confusion lies in reference to how it's calculated. In that particular section it says after two terms in office 80 percent of the governor's and lieutenant governor the average salary of the last term in office so if you make a hundred and ninety two thousand for two years and a hundred and fifty thousand for two you add the four together you divide by four it's simple so there's nothing confusing what this does is that it caps the amount that is used in the calculation in the 80 percent and in 40%. It caps it at $150,000. It does not change the retirement for any of the existing retired governors or lieutenant governor. Nor does any part of this bill say Governor Albert Brand or Lieutenant Governor Tregenza Roach. It is capped moving forward. It is for that particular elected positions. Do you believe that the cap of $65,000 for regular employees have regular employees name on it or the 85 000 that's utilized so senators have a senator name on it it's language and if there's a need and anybody want to clarify then go ahead and clarify but it's nothing about this bill that is foolish it's a clear and easy read and interpretation

1:26:21 so just read it thank you mr chair thank you very much senator viale in reference to the um The discussion about Senator, former governor and former lieutenant governor Kenneth Mapp, I would suspect, and maybe you could respond to this, Ms. Richardson, that in fact he served one term as a lieutenant governor, which would allow him to get 40% of that salary, as well as one term as governor, which will give him another 40% of that salary. Correct? Correct. Okay.

1:26:52 And is there... So if I could also add to or just clarify some points or questions that was asked before. So the governor does contribute to that fund. If you want to put a dollar amount, it's just a little over $500 every payday. It's approximately, I do believe, just over, I want to say 9%, and to date he has contributed over $5,000 to that fund. for so just I just wanted to just provide some of that information that he does in fact contribute to that fund very well thank you and for clarity purposes of discussion purposes there was some concern whether or not there was a trigger that would allow for even with the fact that the governor salary was increased would that also allow for former governors and lieutenant governor salary to move lockstep with those increases in terms of their retirement? No, it should not. It should not.

1:27:59 So in the discussion here where Senator Vargrave Richards and Senator G. Luz James II served prior to, well, they served prior to the increase in the salary. When the governor, the incoming governor received a salary increase under Act 6905, were those two former lieutenant governors also moved, did their salary increase, their retirement salary increase? Do you know?

1:28:36 Not that I'm aware of. So is there any, because of the fact that this current governor's salary have moved, did this trigger any movement for those other individuals that are serving in that capacity before? No, not that I'm aware of. Okay, very well, thank you. So, Nabokas, you recognize your point of information? Thank you, Mr. Chair. our question is the annuity cap tied to inflation for the governor lieutenant governor currently currently no no it's a percentage at this time yeah a percentage okay all right thank you mr chair uh thank you very much uh senator bolquez next we'll recognize senator marvin blighty you recognize for your five minutes thank thank you so much mr chair good afternoon to my colleagues Thanks, listening to UN audiences, staff, central staff, good afternoon testifiers, and thank you so much for your testimonies. Before I begin, I want to also send all the shout-out and congratulations to all the graduates that have been graduating from the different schools in the territory, and I wish you more success moving forward.

1:29:53 Commissioner Richards, let me ask in respect to percentage, I know you say it's paid five and change do you know the percentage because i know we pay 15 percent do you know do you have a percentage i don't have an official percentage um but that was just a quick approximation through the chair i do i do know it's it's a little over for the for the governor it's a little over 500 per payday appreciate through the chair can you submit that information to the chair please thank you so much um let me ask um in respect to the bill and um i do understand it's a cap of 150 moving forward no matter what or who the governor and lieutenant governor is moving forward in terms of the bill in terms of your testimony right you spoke to in your testimony spoke to ensure uniformity across comparable public offices but he spoke to reform, and it should be broadened to include high-cost pension recipients, such as judges and senators, who, with their main packages, may present equal or greater cost to the system. I know our packaging really much really makes $85,000 a year, and I don't think we need to be included in that so-called higher-cost pension recipients, and also, as a matter As I stated, that's where I want a percentage because I know we pay 15 percent. So we are paying in to the system at a higher rate.

1:31:30 That's why I would like to know that number, because that's important for us to know. That's very important. And also, if we do one term, we don't get retirement. If we do two term, we don't get retirement. So I don't think that's an accurate statement. Retirement one term, retirement, two term, 80 percent, 40 and 80 percent. There is no comparison with senators, so I want to put it on the record for the public to know. That's very important. Very important for folks to know. All right? I want to make that clear for the record. Now, in respect to the legislation, and I want to ask a question through the chair to Post-Auditor, can you let us know what the fund balance in the Governor and Lieutenant Governor Retirement Fund and how much goes into the fund on an annual basis?

1:32:28 Please recognize the mic of the Pulse Auditor. Okay. So as of May 20th, 2025, the fund balance in the elected Governor Retirement Fund is available for budget is $669,708.32. Looking at the budget for the last 10 years, from fiscal year 2015 to present fiscal year 2025 the legislature has appropriated approximately six million four hundred thirty thousand and sixty eight dollars into the fund thank you so much no we speaking arm in respect to the phone with some six point plus million dollars and we're speaking to compensation, we're speaking to economic conditions, we're speaking to many different instances when it comes to the bill. As for me personally, honestly, as of right now, I don't see a problem with the bill, as proposed.

1:34:05 I know when it comes to regular government employees, $65,000 in the cap for regular government employees. Many who makes $125,000 plus, many who makes way more than the senators, but at the end of the day, they cannot make no more than $65,000. Because if they did, it would assist in terms of making a system insolvent. Governors and Lieutenant Governors are the highest ranking members in the territory, and territory, and I do understand and recognize that, yes, we must compensate them, and it comes with a job, it comes with a responsibility, it comes with a stress, and everything else in between.

1:34:50 But at the end of the day, as a territory, as a people, we must be, in my opinion, have parity in respect to how we compensate our people. And if the bill assists us in assuring we can use some of those funds for the general fund at this point, 150, 190, I'm sorry, 192 right now because I just found out that the salary increase went into effect as of December of last year.

1:35:30 192 and 168 respectively with those individuals being kept at 150 at this point I do not see a problem with it in my opinion or just Marvin Blyden opinion I don't see a problem with it and I will be supporting the piece of legislation at this point thank you so much Mr. Chair for the time thank you very much Senator Blyden and next point of information Senator Boulkas Thank you, Mr. Chair. Question is, how many active recipients do we have pulling from that fund currently? Because I'm trying to figure out how many cap versus uncap, assuming if it does go forward, uncap and the bill doesn't pass, how many annuity payments can that fund sustain without additional appropriation? Good afternoon, Kevin McCurdy, Commissioner of Finance.

1:36:27 Currently we have about nine individuals, sorry, seven individuals receiving payment from that fund. It's an average, the average payout at least for the past three years is about $603,000. Mr. Chat, your leisure. I would also include the widows of the governor? Yes. Okay. Very well. Thank you for the time, Mr. Chair. Very well. So in response to that, I guess it will be the six former governor, lieutenant governor and the one widow. Yes. That makes the seven, correct? Yes.

1:37:07 Commissioner McCurdy, in respect to the replenishment of this fund that we're referencing, of course, the elected governor and lieutenant governor's fund there is two in incoming revenue that comes into that fund there is an interest revenue fund as well as the is there's the interest revenue fund going into that currently to read but do I need to put my name in again no okay to replenish that fund the The contributions from the current governor, lieutenant governor, goes into the fund and the appropriations from this body. Okay. We don't put in the, no, there is no interest revenue fund that goes into account as per the statute under 3026A. Not to my knowledge, but the team will let me know and I can correct on the record. Okay. Very well. At this time, Senator Gittins, you're recognized for your five minutes, and we'd also like to recognize the presence of Senator Alma Francis Heidegger as well. Senator, I'll get to it real quickly before we go to the point of information, Senator Viale.

1:38:18 Thank you, Mr. Chair. In reference to your question, there is here where appropriated for the interest revenue fund of the treasury of the Virgin Islands to the elected governors and lieutenant governors retirement fund. So it's directly able to cover whatever is the cost for those individuals that retire. It comes from that particular fund. So you were right. It does come from that fund. Yeah, the statute requires that that also be a part of it. So get things you recognize for your five minutes. Thank you, Mr. Chair. Disappointed I am. And it's even worse than disappointment.

1:39:02 this body not once not twice but three times appropriated 25 million dollars each time for retroactive wages to be paid to government employees and retirees to date they have yet to to get a dime. Yet still, with all that's going on, we found it fitting to grant the governor of the Virgin Islands $42,000 raise. And I am finding this to just be shameful and unjust. how do we justify that especially knowing too i mean it might be less monies and whatnot but i want you to uh commissioner mccurdy to tell me about the act 89 85 which we just appropriated funding again to our hospitals and they have yet to get it but again we have found to increase the salaries of the governor and lieutenant governor and i don't care who the governor lieutenant governor is ain't about uh alba brian or tregenza roach they happen to be the governor lieutenant governor now but again it's shameful and unjust so what's the status of the monies for the hospitals through act 8985 why haven't they received those funding yet the hospitals will be

1:40:51 paid either today are definite indefinitely before the before may 30th they should have been paid already this was signed into law how long ago we already had the discussion about the the compensation report and all kind of things and whatnot. We told you all that we're going to have to position ourselves to take you to court, you know. And colleagues, I'm calling on you all, we're going to have to take them to court because this can't go through. It can't. Now, once again, just for the record, what's the current salaries? or I can't even ask the current because you said it already went through. What was the salary of the governor and lieutenant governor?

1:41:48 Prior to? Yes. The lieutenant governor's salary was $125,000. Governor's salary at $150,000. And what are they now currently that you've moved it to this week, effective December 2nd, 2024? it would be the 192 plus the retroactive amount plus retro and government employees waiting for retro how long i bet you this one ain't gonna take a long time what about the lieutenant governor the retro checks are some are going out today and per the bill they will be out by the end of the I'm happy to hear. I want to hear them in people's bank account. The 192 plus retro is for whom?

1:42:38 For the governor. The lieutenant governor. It would be the 125 plus the retro. Sorry, sorry. 168. Sorry, the 168. 168 plus retro. So, Commissioner McCurdy, it is your testimony today that the hospitals will receive those funds through Act 89-85 this week?

1:43:12 Starting this week, yes. No later than May 30th. This is a process. Today and Friday? Yeah. So how will it be this week? You're printing it today? That is the plan. I'm just disappointed. Thank you, Mr. Chair. Thank you very much, Senator Gittins. Next, the Chair will recognize Senator Hubert Fredericks. He recognized for your five minutes. Thank you very much, Mr. Chair. Good afternoon. A pleasant good afternoon, colleagues. A pleasant good afternoon, testifiers.

1:43:52 my staff and listening and viewing audience good afternoon I am a little setback at the news that I'm getting I didn't expect to hear what I'm hearing today this is quite shocking nonetheless I think the annuity which is what this bill speaks to I think this is a good time for us to really establish caps of some type if we can't control because of the mic senator as the legislature if we cannot control salaries for the governor lieutenant governor as per statute then at least we could control the annuity and we could put in caps and I think this is what this amendment does to make sure that we irrespective of how much the governor lieutenant governor makes they will be an annuity cap and if If there's any future adjustments that needs to be made, then that's fine.

1:44:50 Let it be legislative. But right now, it seems like we've lost control as a body, the first branch of government to limit or to control the compensation for the governor and lieutenant governor. That was our task. And now I see this compensation commission that's now defunct and that the former head of it who is Dr. Davies is that correct Ms. Director Richardson? Correct. He's now part of the cabinet. It just makes people wonder. No wonder the public is so upset with us because everything we do makes people question the legitimacy of us professionals and this does not look good I am very very very disappointed that it came out looking like this dr. Davies turned in his report we found out about it I just got sworn in on the 13th of January I heard about it in the news in early January that the governor accepts the raise based on the compensation Commission the last time director Richardson you came in here we asked you about it you said you have not seen anopa and now you're processing anopa with retro dates back to last year can you please tell us how we came up with december 2nd to 2024 um sure first of all let me i there's a few things i'd like to respond to that came up that i didn't get to provide clarification on so that percentage that was asked about for the governor lieutenant governor paying into the fund it's at nine percent so i want to clear that up and i really want to go back to why we're here today and is to to talk about bill zero zero thirty six zero zero three two and i want to clarify and if somebody um based on what senator blyden said in regards to that retirement for senators it is my understanding that in their first term and second term there is a percentage that's paid you can stop her if she's not responding to your question but your time is running okay so

1:47:12 it was brought up on the floor so i wanted to clarify but to your point to your point to your point so in accordance to the compensation commission once that report is submitted those members are null and void so the hiring of haldeen davies that was definitely done within the governor's purview to to hire haldeen davies um i don't see any relation in regards to the compensation study versus his qualifications for that position absolutely so but so i would like to say that but in accordance to act 83 84 you know this body the legislature they are the ones that changed the date from 180 to 90 days in the within that act also included insertion of the language that talks about the non-action of those recommendations and in fact it becoming law so here we are today based on that interpretation is how we came up with the calculation and the effective date of those increases and when i got in office the discussion was whether or not it was a legitimate notification whether or not it came in via email whether or not it was actually hand-delivered to the Senate president at the time so it was a question whether or not there was a trigger of whether or not this act could be this this compensation Commission and that was clarified well it wasn't clarified by us it was clarified by one party the executive branch made a a statement saying yes it's the law so this is why we're here there's an impasse that this branch clearly stated that it was not recognized it was not formally noticed notified and so there's there's

1:49:00 something here that we're still missing so according to my recollection it was submitted before the 36 legislature took office on january 13th so the calculation of those days started upon a submission to the three branches of government, and it was submitted via email to all three heads. And that is how Act 8384 indicated that it should have been submitted. Mr. Chair, I relinquish the rest of my time. Thank you very much, Senator Frederick. Next we'll work on a point of information, Senator Blyton. Mike. Thank you so much, Mr. Chair. I just want to put on the record that know that the director for personnel said that 9% did contribute. I call my staff already have an amendment coming to change it to 15 like us because there is no way they should be paying in 9% which is way less than what we're paying and they make way more and the package is the most generous in the territory. So I did put an amendment to change it to 15%. Thank you so much, Mr. Chair. Thank you very much, Senator Bluiden. Point of information, Senator Maurice James, I see you waving there. You recognize it. Thank you. Thank you, Mr. Chair. I just want to point out that if there is if this amendment in particular goes through then the entire section F 1 2 3 the and that's why I asked about the average salary wouldn't have one would not be necessary it would completely be

1:50:52 useless it would simply be 40% of 125 80% of 125 I just want to point that out and that and so that amendment needs work but I do want to say that any disagreement when it comes to the Virgin Islands Compensation Commission that's no longer in existence because it's submitted its report its final report if there's a disagreement between the executive and the legislative branch well we have a third branch of government thank you thank you very much senator james senator book as you recognize for your five minutes mr chair good afternoon mr chair good afternoon colleagues good afternoon to the listening and viewing audience and of course the testifying panel on this measure um commissioner mccurdy um in your expert view is it better to to implement preventative financial policies like this cap, for instance, rather than wait until a fiscal crisis arouses and forces extreme measures to be implemented later?

1:51:58 Good afternoon again. In short. In short, I support us looking at our costs and trying to control that as best we can. Because I ask the question because we've seen the numbers. We see $669,000 in the fund currently, and the retirement fund liability is $603,000 per year, if my memory serves me correct. So we're almost operating on a very thin line, if you look at it that way. And then, of course, if this increase goes through, that chops away at that $603,000.

1:52:36 So, you know, we're putting ourselves more and more into liability. Now, we know that the Compensation Commission had a job. They completed their job. these are the recommendations of the Compensation Commission no one's arguing against that but the Compensation Commission reviewed salaries but not retirement as mentioned by the director of personnel so why hasn't for instance the GERS who was invited should have been here to be able to try to provide additional information to us concerning what's thought sort of structured review we could um have instilled or instituted um in order for us to find that reform that we're looking for um the issue that we have is that the raise at this time doesn't seem to be feasible that's that's what i understand and how i feel about it as well um so the question is to you You, Commissioner, the annuity is based on an average salary over the last term, right? Yeah. How does this cap prevent strategic salary increases late in the office from inflating pensions?

1:53:49 I couldn't answer that question, how it prevents that from happening. What I can say is the salary increase, as we mentioned, by the way, there hasn't been a difference. as the director mentioned the NOPA came down this week so there's been no payment made that is different to either governor or lieutenant governor but what I wanted to put on the record is the increase if we look at the 192 compared to the 150 we're speaking to about $33,000 annually that's the increase if And that, if I may ask, is that both positions? $68,000 to combine. Combine? To include the governor and lieutenant governor. Okay.

1:54:39 Now, $68,000 is 0.00014% of our personnel costs. Not that it doesn't matter, but I just want to put it into perspective. Okay. Very well. but we're working with 669 with a liability of 603 603 right now yes can you confirm any of you if I might ask are there any other jurisdictions that have implemented or enacted any similar caps on pension pension eligible salaries such as this or maybe that may be for the bill sponsor but I'm curious us to know I'm not sure at this time we'd have to research that okay very well concerning the if the bill advances how will we defend this policy a decade from now is my question with inflation the real value of what a salary is today may not equate or be as pragmatic as it would be 10 20 years from now and it may be significantly less and roles may have grown in complexity based on population etc so that is also a question i respectfully ask as well And thank you for that question, Senator, and I think that takes us right back to our

1:56:25 testimony and what we're trying to say. When you look at that cap of that 65, that was done in 1991, Act 5763, and look at where we are now, hence why we're asking you to take a look at the methodology and the way you're putting this approach together and this bill. That's the basis of why we're here today, and we're going into talking about a whole lot of other things but this is why we're here and you know there's a difference between yes the way that senators are paid the way that the judges are paid the employees are paid and that's why we want to make sure that it's approached in the right way and not taken because of um who is there as indicated but because we're looking at the positions and the long-term effects of this and mr chair if i may um close um and i think you know the timing is is has a huge part to do with what we're discussing here today and the economic complexities that we're experiencing things that are going on on the national level uh the fact that we appropriated funding that was not used as intended or on time etc so all of these things sort of build this framework that we're trying to operate in and trying to see where we can find the happy medium i understand the bill sponsor's intent it's a honorable intent because we don't want it to be unfair but the complexities and and the timing seems to be off. Thank you for the time, Mr. Chair.

1:57:48 Thank you very much, Senator Volquez. Point of information, Senator Frances Heidegger, you recognize your point of information? Thank you. There were several statements made earlier in regards to potentially erasing certain sections of the code. I have a piece of legislation coming that would reduce the percentage given to governors while my colleague over here wants to cap it. So those sections ain't going anywhere Because unlike some of us here that just talk, I actually do a lot of research. And California is on par of how we pay out our governors here in the territory. The governor of California makes $234,000 to manage 39 million people. And we're talking about under 90,000 people and want to pay out $192,000. For what? Has the Virgin Islands grown and gotten any better? And this is where my concern comes in. People want to make statements that we're doing things because of who's in office. I don't make those types of decisions.

1:58:48 I make decisions strictly based on what is the economic impact on the people of this territory. Senator, do you have a question? So my question is, who did any type of research in regards to, the young lady said earlier that the decision was made based on the analysis that came out. And clearly, there was a conflict between the legislature and the executive branch that was widely known. Who ultimately made the decision that one side was correct and the other side was wrong?

1:59:20 Thank you. Thank you for the question. Can you clarify what you mean one side, who you're referring to? The compensation commission sent out... Please recognize the mic of Senator Francis Heidegger. The Compensation Commission sent out the reports to the three branches. There was a dispute from the legislative branch who was charged with coming together and making a decision whether to accept it or not within a time frame. The then president stated he did not feel that it was acknowledged because he did not get it in proper form, so he just thought it was a simple email. there has been an ongoing dispute as to whether it's a legitimate document that came to this institution because I have never seen it nor have ever voted whether to put it up or down so who ultimately made the decision if one branch is saying it's not accepted and the other branch is saying that it is well I think that's where the gray area lies the you know the One at a time, please. The law is clear as to the way it was supposed to be submitted. Would you hold on?

2:00:35 Director of Yields or the Senator, what's the question? If a gray area exists, wouldn't it have been prudent that conversations would have been had to try to hash out this gray area as opposed to one making a decision while the other one is saying, no, this is not the case? So let me just clarify. I think the gray area was on the side of the legislature because it was clear based on the act how it was to be submitted it was to be submitted to the legislature the governor and the judiciary and that is how it was submitted it did not clarify on the way it was to be submitted once it got to the head of those agency was up to the head to this disseminated accordingly so if it's about dissemination that I think was pretty clear and according to Act 83-84 where it was changed again by this body the dates 180 to 90 days and the language that was added non-action by the legislature would then the recommendations would then take place thank you thank you the chair will now recognize Senator Duane DeGraff minority leader you recognize for your five minutes Thank you, Mr. Chair. Good afternoon colleagues, good afternoon testifiers, all of you and listeners present. Commissioner, director, inside, turn my mic up. I can't hear myself to go. Turn it up some more. Commissioner, director, you're doing your job. Thank you. Job well done. I vote yes. Are you all this stupidness going on back and forth? Are you being so nicey-nicey? When that came out, I go first blame my colleagues in the 35th legislature, because when I brought out a petition to be signed to remove, recall, refurbish, do away with the commission and their findings, we didn't have that meeting. So hence, where you get your take. The governor, how are we going to get paid? We don't put the money for the increase into the budget, you can't get paid.

2:02:38 It's number one. Number two, first responders, I passed a bill for first responders police bill to walk till they make 65 years old just so we could have personnel on the street so they could be out there and you know they gonna go home with with 60% of $65,000 if they don't stay for 40 years my god you know I hear everybody mincing mincing put it on the record right now I vote yes who else gonna vote yes besides the bill sponsor say it now the foolishness that's going on in the territory you have to stop when when when when we hear sitting down we being all nice nice the 150,000 dollars I heard the governor said the majority of the budget every year is for personnel and fringe the average starting salary in the not average the starting salary in running government twenty seven thousand forty dollars a year a year i i can't hear myself turn this mic up so i could hear myself louder a year 27 40 and we hear fussing over locking in 150 000 for governor i worked 34 years in the government took me 14 months to get paid it took people longer than that to get a retirement and we here going over this my god carly we should done this go straight to the vote one time voted through and when the governor vetoed the bill i vote yes to override it i tell you from now are you put high money my colleagues put your money where your mouth is let's stand up we have issues now we have a president we're cutting our

2:04:29 kind of federal money we got to find local monies and we were in about 150 thousand dollars for governor cap eight years it's 43 years again the government i could go home and retire and make more money than make as a senator i had to solve the people that's why i'm here if we're going to solve the people and and a hundred ago go from 150 to 192 when we don't want to give the the unions and stop the raises. Don't want to give them the retro. Any one of my colleagues who vote against it, you vote your conscience. But I know from now, Dwayne Maurice DeGrasse vote yes. And I ain't mincing what he's saying because I'm saying don't make it out to be about Governor Albert Bryan and Lieutenant Governor Rose, because it's not. It's about going forward, any governor.

2:05:21 going forward, cap $150,000, $65,000 is what anyone either said they're not going to go home with, and it's a percentage of it. The first responders have the higher part of the percentage. But a police got to work 40 years to go home with $65,000. And in closing, when I joined the police department, I was making $14,100. And I committed from that day to do over 20 years.

2:05:58 Because 20 years was determined for me. And I went six years past it. Dedicated. So, colleagues, I don't extend this too long. We wasting no time. We're going to vote for this, eh? But this is foolishness. Over $150,000? My God. My God. $2740,000, the average. Unions getting awards and can't collect the money. We put $25,000, and the first branch of government better stand up now. We can't have the executive branch come in here and tell us we can't pass a lot to do this and we can't pass a lot to do that. And I ain't a minority.

2:06:41 I'm going to keep my majority senators honest and straightforward. They know we're the battler all the time. But for this one, this is a no-brainer for me. This is a no-brainer for me. And by God, so far you're here, yes, Dwayne DeGraff, vote yes for this bill. Let's make it happen. Thank you for the time, Mr. Chair. Thank you very much, Senator DeGraff. Next, the Chair will recognize Senator Ray Fonseca. You're recognized for your five minutes. Thank you. Thank you. So kindly, Mr. Chair, and a pleasant good afternoon to all the viewing and listening audiences and the testifiers, welcome. Okay, Commissioner McGurdy, quick question. So the Southern Trust Settlement Fund, you familiar with that? I am. Okay, who manages that money?

2:07:33 Who manages it? Yeah. I would say that the Bobber of Finance does. And you're the Commissioner of Finance? That is correct. Okay, good. What's the balance in that account now? I don't have that number with me. I can get it for you, though. Okay, at any time, was $105,450,000 in that account? I will know at any time. I just won't know that. I haven't been there since the inception. You know, this is what I'm upset about with you, right? You are managing this account. It's about $105 million, and you're telling me you don't know? how much is in that. Let me ask you, what is the interest? Is it in an interest-bearing account, a money market? It is in an interest-bearing account. And what interest rate is being paid? The last interest rate, I believe, is between 5% and 6%. Okay, so $105 million at 5% means that it's $5,272,000, and it was established in 2024, right? The sudden interest, I believe it was before that, before I even came on board, and I came in.

2:08:39 Okay, let me go to another round of question, because you believe you don't have anything. So, through the chair, can I request that the Commission of Finance provide an accounting of the Southern Trust Settlement Fund, the balance first deposited, and the current balance and the interest rate? Okay, thank you, so I want to go, are you familiar with Act number 8920? Is that question for me? No, I don't know. No.

2:09:10 Okay. The 25 million dollars that the governor signed, this is the act, um, taking 25 million from that and they were supposed to have, uh, 22.5 to retroactive government, retired government employees, that you say going to be paid by May 30th? Correct. Okay, good. So the six million was to pay Parford Medical Services. Has Parford been paid? Not as yet, no. When are they going to be paid?

2:09:36 We're working to get all those payments out by the end of the month. End of the month. Yes. And $5 million was to go to the Waste Management Authority, was that done? Not as yet, no. And when is that going to be paid? Same deadline. By the end of the month. Okay, and also $13 million was to go for equipment and upgrades to Wang Louie and Snyder Regional. That's going to be done when? As I was explaining to Senator Gittins earlier, those payments are currently being processed, being processed should be between today and early next week okay colleagues we're discussing bill number 36-0032 and i'm urging my colleagues to vote in favor of that bill because you know we've we've we've just discovered here that the governor's salary went from 150 to 192 000 dollars. That's a 28 percent increase. Okay, the lieutenant governor went from 125 to 168,000.

2:10:39 That's a 34 percent increase. The governor does not deserve a 28 percent increase and the lieutenant governor doesn't deserve a 34% increase. So I want to go now to Miss Richardson. You're saying that you strongly oppose the bill in its current form. How would you like to see the bill reworked? Director Richardson. Thank you for that that question, Senator, but I did provide my recommendations within my testimony. I provided four different recommendations within my testimony that I do think that you can review. But again, I really want us to go back to why we're here today, and for us to take a look at the way we're approaching this. You know, it wasn't until the Compensation Commission, it wasn't until you mentioned Governor Bryan that we are here actually throwing· Excuse me, excuse me. I have to cut you off. Excuse me, excuse me. That's not my question.

2:11:42 can answer that on the chair's time. So you're saying here that based on the elected government retired fund, which I have a balance of 669, that we can carry it. That's what you're saying, right? Director Richardson? Yes. Okay, good. You see, so that's the problem that I have, right? We have not paid the retirees, you know, the retros. We haven't paid the retros. But we can give the governor a 28% raise and we can give the lieutenant governor a 34% raise. But here's what's so unfair about it.

2:12:21 They're only paying 9% of their salaries and they're getting this. This benefit is unconscionable. This has to change. You know, this is wrong. This is really wrong. wrong. So, you know, I'm urging my colleagues to support bill number 36-0032 and act amending title 33 by limiting the governor's cap. Limiting to 150, that's what we're going to use to complete it, and the lieutenant governor is going to be limited by a cap of a hundred and twenty five thousand. 150,000 for the Governor and thank you Mr. Chair for the time. Thank you very much Senator Fonseca Senator Alma-Francis Heidegger you recognize for your five minutes. Before we go there you had something you wanted to say Director? You good? You good? No I you know I just want to to again go back to why we're here today because we're talking about all the everything else but the bill before us. So I would like for us to· It's all relative, it's all relative, there it goes, it's all relative.

2:13:33 You know, I want to go back to the, we're talking about a methodology, when I'm talking about Act 5763, which sets that $65,000 cap, you know, we're talking about what you talked about with the Senator's retirement. Yes, there is a percentage, yes, you can get two annuities at the same time, plus your salary, you know. So all of that I'm saying is that we should come back and have this discussion and approach it met in a formal methodology yes the lieutenant governor should get a raise because he's making less than some of our agency heads you know to the point about what the governor is making in our research you know the state of Connecticut this governor salaries tied to the highest paid judge so my point is take the time and approach it in the right way don't attack this because now it's the BIPOCC or Governor Bryan sitting in the chair let's look at it holistically and come up with an approach that makes sense for everybody not just the lieutenant governor and the governor oh thank you senator francis heiliga you're recognized for your five minutes good afternoon to my colleagues to the people of the territory to the testifiers i'm happy she brought up connecticut because what she didn't specifically say is that the retirement since we want to stick to the discussion the retirement for governors and lieutenant governors is tied to a number and that number is five thousand dollars for every year that they are in office and if they go past a do a second term it's ten thousand dollars so calculated it'll actually be less since you want to talk about connecticut but um my concern with what's happening here today is the narrative that's being put out to the public is that the actions of this institution is specifically targeting a governor and that is a hundred percent false. I also put in a legislation

2:15:30 to reduce the percentage and it was done long before this issue came up from the term before the last one. It's only coming out now because I have over a hundred bills I pushing through. So please, I don't like when y'all are coming on this floor and putting this narrative that we're trying to attack the governor. As a responsible representative of the people, I have to make economic decisions. And when I did my research and I looked at all the other states, the Virgin Islands has the most lucrative package ever given to a governor. We cannot afford it. We cannot afford it. That is it. There's no other reason for me. Whether it's the past, whether it's now, we as a people did a lot of things in the past we can't afford right now. And if the people that are sitting in this institution is trying their best to be responsible, don't label us as trying to attack nobody.

2:16:31 Because Alma, I don't care who in the seat. Man, woman, a child. The point is I was elected to be responsible that's it my concern here I don't have a problem I think we need a tap at a maximum because for me I personally trying to drop it lower because I went through all of the rates for several states

People named in this transcript

SUSPECTED, and a finding aid only. Names were matched by machine against the spellings used across all 426 of our transcripts, and the title is the one used in the room. Being named here is NOT evidence that a person attended or spoke · only that the name was said. Speech recognition mishears names, so a spelling may be wrong even where no alternative is offered.

10x **Senator Kenneth L. Gittens**
heard in this transcript as: Gittin, Gittins, Kenneth L. Gittins

8x **Senator Marvin Blyden**
heard in this transcript as: Blyden, Blyton, Marvin A. Blyden

7x **Senator Marise C. James**
the surname alone also matches: Javan James; Giovanni James Sr
heard in this transcript as: James, Maurice C. James, Maurice James

7x **Senator Ray Fonseca**
heard in this transcript as: Fonseca

6x **Senator Dwayne DeGraff**
heard in this transcript as: DeGraff, Duane DeGraff, Duane de Graff, Dwayne M. DeGraff

6x **Senator Hubert Frederick**
heard in this transcript as: Frederick, Hubert Fredericks, Hubert L. Frederick

5x **Senator Kurt Vialet**
heard in this transcript as: Kurt Viale, Viale

5x **Senator Novelle Francis**
the surname alone also matches: Novel E. Francis Jr.; Navelle Francis Jr.
heard in this transcript as: Francis, Noveli Francis Jr

4x **Governor Albert Bryan Jr**
heard in this transcript as: Albert Bryan, Bryan

3x **Senator Alma Francis Heidegger**
heard in this transcript as: Alma-Francis Heidegger

3x **Senator Angel L. Bolques, Jr.**
heard in this transcript as: Angel L. Bolques Jr., Angel L. Bolquez Jr., Volquez

3x **Senator Francis Heidegger**
heard in this transcript as: Frances Heidegger

3x **Senator Milton E. Potter**

3x **Lieutenant Governor Tregenza Roach**
heard in this transcript as: Roach

2x **Senator Giovanni James Sr**
the surname alone also matches: Javan James; Marise C. James; Neville James
heard in this transcript as: G. Luz James II

2x **Dr. Haldane Davies**
heard in this transcript as: Davies

2x **Senator Kurt A.**
heard in this transcript as: K. T. Kurt A.

2x **Senator Kurt A. Vele**
heard in this transcript as: Velea

2x **Senator Kurt VLA**

2x **Senator Kurt Viola**
heard in this transcript as: Violi

Bills and acts referred to

Matched by number against our own acts corpus. The number is what the recognition heard, so it may be wrong; where it resolved, the title is the one the Legislature gave the act.

Bill 36-0062	Act 9004 · An act approving the lease agreement between the Government of the Virgin Islands, acting through its Commissioner of the Department of Property and Procurement, and the United States Department of Commerce, National Oceanic and Atmospheric Administration for a portion of the telecommunications tower located on Parcel R-22 of Tract 1 Estate Nazareth, No. 1 Red Hook Quarter, St. Thomas ---0
Act 6905	Act 6905 · An Act authorizing the issuance of Pension Obligations Bonds; amending the Retirement System Reform Act, 3 V.I.C., chapter 27 by establishing a new retirement program for members of the Legislature and establishing a Supplemental Contribution Program; amending 3 V.I.C., sections 1 and 31 to increase the governor·s salary to $150,000 and the Lt. Governor·s salary to $125,000; amending 2 V-I.C., section 71 to increase the salaries of the members of the Legislature; authorizing the issuance of a guaranty to Golden Gaming LLLP, ratifying illegal contracts, making appropriations and for other purposes ---0
Act 8985	Act 8985 · April 14, 2025 · An act amending Act No. 8920 to appropriate $22,500,000 from the Southern Trust Company Settlement Fund to pay retroactive wages for retired and active government employees; to appropriate $13,000,000 to the territory·s hospitals and for other purposes ·0
Act 8384	Act 8384 · October 6, 2020 · An Act amending the Virgin Islands Code title 3, chapter 25, subchapter IVa: relating to the Virgin Islands Compensation Commission to change the beginning date for Commission members· service and the beginning dare for convening the Commission, to prescribe qualifications for membership on the Compensation Commission, to restrict the Compensation Commission from reducing salaries and other expenses below the level existing at the time of the determination, and providing for approval of the Compensation Commission·s recommendations by default for the Legislature·s nonaction; amending title 2, section 71 relating to the annual salary of members of the Legislature to sever senators· salary fro
Act 8920	Act 8920 · September 27, 2024 · An Act appropriating funds received from the settlement of The Government of the United States Virgin Islands v. Estate of Jeffrey E. Epstein, et al., Civil No. ST-2020-CV-00014 and the settlement agreement with Leon Black for various projects and initiatives to enhance community services, mental health resources, infrastructure, and economic development in the Virgin Islands, including the establishment of the Southern Trust Company Settlement Fund and the Survivors and Mental Health Healing Trust Fund

Act 9004	Act 9004 · An act approving the lease agreement between the Government of the Virgin Islands, acting through its Commissioner of the Department of Property and Procurement, and the United States Department of Commerce, National Oceanic and Atmospheric Administration for a portion of the telecommunications tower located on Parcel R-22 of Tract 1 Estate Nazareth, No. 1 Red Hook Quarter, St. Thomas ---0

Referred to but not found in our acts corpus: Bill 36-0032, Bill 36-0089, Bill 36-0092, Bill 36-0098, Act 5763