COMMITTEE ON HOUSING, TRANSPORTATION AND TELECOMMUNICATIONS

BILL NO. 36-0316

Thirty-Sixth Legislature of the Virgin Islands

July 21, 2026

An act amending title 30 Virgin Islands Code, chapter 1, subchapter I to exempt the Virgin Islands Water and Power Authority, the Virgin Islands Port Authority, and the Virgin Islands Waste Management Authority from future assessments by the Public Services Commission

PROPOSED BY: Senator Hubert L. Frederick

WHEREAS, the Legislature finds that the Virgin Islands Public Services Commission (PSC) assesses regulatory fees against utilities and other regulated entities to support its oversight functions;

WHEREAS, the Virgin Islands Water and Power Authority (WAPA), the Virgin Islands Port Authority (VIPA), and the Virgin Islands Waste Management Authority (WMA) are autonomous and semi-autonomous government entities whose operational costs ultimately impact the financial stability of the Government of the Virgin Islands and the people it serves; and

WHEREAS, imposing recurring PSC assessments on WAPA, VIPA, and WMA effectively transfers costs within the same governmental framework and does not advance fiscal efficiency; Now, Therefore,

Be it enacted by the Legislature of the Virgin Islands:

SECTION 1. Title 30 Virgin Islands Code, chapter 1, subchapter I, section 25a, subsection (a) is amended by inserting the following language after "cable television companies": "but does not include the Virgin Islands Water and Power Authority, or the Virgin Islands Port Authority. However, the Public Services Commission shall retain full regulatory and supervisory authority over these entities consistent with this title, including the power to investigate, audit, and review rates, operations, and management practices."

SECTION 2. (a) Any assessment, surcharge, or fee previously imposed upon the entities listed in section 1 that remains unpaid as of the effective date of this act shall be deemed satisfied to the extent of appropriations from the General Fund allotted to the Public Services Commission.

Assessment, surcharge, or fees shall be limited to regulatory assessments lawfully invoiced by the Public Services Commission to WAPA, VIPA, and VIWMA for PSC operating costs under title 30 V.I.C. § 25a and related provisions, including any accumulated balances, penalties, or interest that remain unpaid as of the effective date of this act.

(b) The following process shall govern the certification and reconciliation of the offsets listed in subsection (a):

(1) **Identification of Outstanding Balances.** Within 60 days of the effective date of this act, the Public Services Commission shall prepare and transmit to the Office of Management and Budget ("OMB") and the Department of Finance a certified statement itemizing all outstanding PSC assessments, surcharges, fees, penalties, and interest owed by WAPA, VIPA, and VIWMA as of the effective date.

(2) **Verification.** The Department of Finance shall verify the amounts against its accounts receivable records, while OMB shall confirm the total appropriations made to the PSC from the General Fund for the corresponding fiscal years.

(3) **Offset Calculation.** The amount of unpaid PSC assessments, surcharges, or fees shall be deemed satisfied only to the extent of General Fund appropriations provided to the PSC for those same fiscal periods. Any balance more than the verified appropriations shall remain subject to reconciliation through a payment plan negotiated between the PSC and the affected entity.

(4) **Certification of Satisfaction.** Upon completion of the reconciliation, OMB shall issue a written certification of the offset amounts, and the Department of Finance shall record the satisfied obligations in the Government's financial system as a non-cash intergovernmental transfer.

(5) **Documentation and Reporting.** The PSC shall maintain detailed records of all offsets and, within 30 days of certification, submit a report to the Legislature and the Governor documenting:

(A) the original amount owed by each entity;

(B) the amount satisfied through General Fund appropriations; and

(C) any remaining balance, if applicable.

The Department of Finance, OMB and the PSC shall coordinate to certify and reconcile any such offsets.

(c) **Reinstatement of Assessments.** The exemption from assessments, surcharges, fees, or other charges imposed by the Public Services Commission under this act shall remain in effect until WAPA, VIPA, and VIWMA receive direct or indirect financial support, appropriations, subsidies, guarantees, debt service assistance, or other fiscal assistance from the Government of the Virgin Islands.

Upon a determination by OMB that an exempt entity has received no appropriations, subsidies, transfers, debt relief, or other financial assistance from the General Fund of the Treasury of the Government of the Virgin Islands for three consecutive fiscal years, the exemption established by this act shall cease, and all assessments and fees authorized under Title 30 V.I.C. §25a shall resume.

The Office of Management and Budget shall provide written notice of such certification to the Governor, the President of the Legislature, the PSC, and the affected entity no later than 60 days after making such determination and all appropriations must cease in the next fiscal year.

SECTION 3. The PSC, in collaboration with OMB and the Department of Finance, shall establish procedures for verifying outstanding balances, documenting offset amounts, and maintaining financial records consistent with this act.

BILL SUMMARY

This bill amends title 30 Virgin Islands Code, chapter 1, subchapter I, section 25a, subsection (a), exempting the Virgin Islands Water and Power Authority, the Virgin Islands Port Authority, and the Virgin Islands Waste Management Authority from future assessments by the Public Services Commission and providing for the satisfaction of past-due assessments through appropriations from the General Fund.

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