

**BILL NO. 28-0227**

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Twenty-Eighth Legislature of the Virgin Islands

**March 26, 2010**

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An Act amending Act No. 7064, as amended by Act 7096, increasing the maximum authorized principal amount of borrowing for working capital and the maturity for such working capital borrowing, removing the requirement that the Government borrow from Government funds and accounts prior to borrowing from banks or other financial institutions and authorizing the sale of the 2007 Fiscal Year real property tax receipts and for other purposes

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PROPOSED BY: Senator Louis Patrick Hill by request of the Governor

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1 *Be it enacted by the Legislature of the Virgin Islands:*

2       **SECTION 1.** Act No. 7064, as amended by Act No. 7096 is amended in the first  
3 sentence of the eleventh whereas clause of the preamble by striking “must” and inserting “may”,  
4 and in the second sentence by striking “this limitation” and inserting “such inter-fund  
5 borrowing.”

6       **SECTION 2.** Act No. 7064, as amended by Act No. 7096, Section 1, Subsection (b) the  
7 language is stricken in its entirety and replaced with the following: “If the Governor determines  
8 the need to borrow pursuant to subsection (a) of this section, the Governor may (1) seek to  
9 borrow the monies from public funds and accounts of the Government of the Virgin Islands. If

1 funds are not available from these accounts in an amount sufficient to meet the purposes of  
2 subsection (a) or the Governor determines such borrowing is counterproductive, the Virgin  
3 Islands Public Finance Authority and the Governor, on behalf of the Government of the Virgin  
4 Islands, may borrow from a bank or other financial institution or issue bonds, notes or other  
5 evidence of indebtedness, not inconsistent with section 8 of the Revised Organic Act of the  
6 Virgin Islands, to carry out the purpose of subsection (a); and (2) the Governor may offer, by  
7 public or private sale, the Government's real property tax receipts collected for Fiscal Year 2007,  
8 and may secure such transaction with surplus matching fund revenues available to the  
9 Government, after satisfaction of its obligations under the outstanding Matching Fund Revenue  
10 Bonds, the Diageo Agreement and the Cruzan Agreement and Gross Receipts Taxes."

11 **SECTION 3.** Act No. 7064, as amended by Act No. 7096 is amended in the first  
12 sentence of Section 1, subsection (g), paragraph (1), subparagraph (A) by striking "250,000,000"  
13 and inserting "400,000,000".

14 **SECTION 4.** Act No. 7064, as amended by Act No. 7096 is amended in the beginning  
15 of the first sentence of Section 1, subsection (g), paragraph (1), subparagraph (C) to add the  
16 following "(i) with respect to the original \$250,000,000 of authorized borrowing and/or  
17 indebtedness, such indebtedness". Section 1, subsection (g), paragraph (1), subparagraph (C) is  
18 amended to add at the end of such paragraph, the following: ", (ii) with respect to the additional  
19 \$150,000,000 of indebtedness authorized herein, not more than twenty years from the date of the  
20 issuance and delivery of such evidence of indebtedness".

21 **BR10-1238/March 4, 2010**

22 **G28-0025**

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