



THE UNITED STATES VIRGIN ISLANDS

OFFICE OF THE GOVERNOR
GOVERNMENT HOUSE

**Charlotte Amalie, V.I. 00802
340-774-0001**

September 25, 2018

VIA MESSENGER

The Honorable Myron D. Jackson
Senate President
Thirty Second Legislature of the Virgin Islands
Capitol Building
St. Thomas, VI 00802

Re: Governor's Action on Bills numbered 32-0119, 32-0185, 32-0232, 32-0233, 32-0234, 32-0237, 32-0242, 32-0244, 32-0245, 32-0249, 32-0250, 32-0251, 32-0253, 32-0254, 32-0257 and Resolution No. 1846 (32-0173)

Dear Mr. President:

I write to advise you that, pursuant to Section 9(d) of the Revised Organic Act of the Virgin Islands of 1954 as amended, I have today acted on the following legislative bills:

I approve Bill No. 32-0119, an Act amending title 33 Virgin Islands Code, chapter 81, section 2301(e) relating to the limit of exemptions and credits on real property tax obligations. While I am approving this measure, which reduces the limitation on applying credits or exemptions given the damages some properties sustained by the two hurricanes, I urge the Legislature to amend the Act to make the reduction applicable for real property tax years 2018 and 2019. In addition, I ask the Senate to adopt language that provides that tax bills paid prior to this reduction are subject to a credit that taxpayers can use against future property tax obligations as opposed to taxpayers receiving a refund generated by reducing the limitation imposed by Bill No. 32-0119. Not providing a cut-off date of the reduction will result on a perpetual loss of revenues approximating \$1.7 million annually. I concur that seniors, veterans and those with disabilities should be excluded from the limitation of applying exemptions.

I approve Bill No. 32-0232, an Act amending Title 22, Virgin Islands Code, chapter 21, section 514 and adding chapter 55A relating to life and health reinsurance agreements.

I approve Bill No. 32-0233, an Act amending Title 22 of the Virgin Islands Code, by adding chapter 26 entitled Annual Audit and Financial Reporting, to meet the accreditation standards established by the National Association of Insurance Commissioners and to update the insurance laws of the Territory, providing greater and more effective protection to policyholders in the Territory. This bill also repeals Title 22, Virgin Islands Code, section 222a.

I approve Bill No. 32-0234, an Act amending Title 22 of the Virgin Islands Code, chapter 43 by adding a subchapter II enacting the Property and Casualty Actuarial Opinion Act to meet the accreditation standards established by the National Association of Insurance Commissioners in its model laws and update the insurance laws of the Territory.

I approve Bill No. 32-0237, an Act amending Title 3, Virgin Islands Code, chapter 25, subchapter V, section 555b to provide a living wage for employees of the Government of the Virgin Islands and its semi-autonomous agencies and independent instrumentalities. I commend the Members of the Legislature who voted on this measure to provide living wages for Government employees, its semi-autonomous agencies and independent instrumentalities who could not be included in Executive Order No. 483-2018.

I approve Bill No. 32-0242, an Act to amend Official Zoning District Map STZ-7 to allow for the rezoning of Parcel No. 48 Estate Thomas, No. 6A New Quarter, St. Thomas, Virgin Islands from R-2 (Residential-Low Density-One and Two Family) to B-1 (Business-Central Business District).

I approve Bill No. 32-0249, an Act ratifying the Governor's approval of Minor Coastal Zone Permit No. CZJ-29-16(W) issued to Low Key Watersports, Inc.

I approve Bill No. 32-0250, an Act ratifying the Governor's approval of Minor Coastal Zone Permit No. CZJ-14-16(W) to the Brent Squires Revocable Trust c/o Brent Squires, Trustee.

I approve Bill No. 32-0251, an Act ratifying the Governor's approval of Minor Coastal Zone Permit No. CMJ-2-14(W) issued by the St. John Committee of the Virgin Islands Coastal Zone Management Commission to the Joseph John Marcus Trust.

I approve Bill No. 32-0253, an Act granting use variance to Parcel No. 105 Remainder Estate Bolongo Bay, No. 3 Frenchman Bay Quarter, St. Thomas, U.S. Virgin Islands, to convert the variance granted for the bowling alley to a use variance for office and incidental storage use.

I approve Bill No. 32-0254, and Act ratifying the Governor's approval of Minor Coastal Zone Permit No. CMJ-24-17(W) issued to Pillsbury Sound Land Company, Inc.

I approve Bill No. 32-0257, an Act approving the proposed sale of Parcel No. 11-B Estate

Dorothea, No. 6 Little Northside Quarter, St. Thomas, U.S. Virgin Islands, consisting of approximately 230 U.S. square feet, which presently encroaches the Government's property to The Cyril La Place Trust.

I veto Bill No. 32-0185, an Act amending Title 23, Virgin Islands Code, chapter 10, section 1005 relating to the Governor State of Emergencies and managing the after effects of natural disasters in the Virgin Islands. This measure is irresponsible; it reeks of politics. The Virgin Islands of the United States remain under a Presidential State of Emergency. The Presidential State of Emergency exists so federal agencies can respond and assist the people of the Virgin Islands in a more responsive and timely manner. The Virgin Islands' State of Emergency exists so that we can expedite the procurement process and response to federal imposed cost share deadlines.

While I understand the need of some Members of the Legislature to ask for a "go slow" process, this adds no benefit to the recovery of the Territory. The Virgin Islands has been devastated by not one, but two Category 5 hurricanes over a twelve (12) day period. Those storms severely damaged our infrastructure, roads, schools, hospitals and many government offices and agencies. Cost sharing for the rebuild of these facilities range from 100% federal to a low of 25% federal, all subject to the time by which the project rebuild commences. It is unclear to me, as it should be to the people of the U.S. Virgin Islands, why some Members of the Legislature would think that the declarations and extensions of the state of emergency are improper under the circumstances. Nothing in the Governor's exercising of his duties, pursuant to the Revised Organic Act of 1954, as amended or the Virgin Islands Code prevents or hampers the Members of the Legislature from exercising their duties and responsibilities pursuant law. This measure will only result in delaying the Executive Branch's immediate response to disasters and increase the territorial cost as we rebuild the Territory. Accordingly, I veto this measure.

I veto Bill No. 32-0244, an Act amending Title 27, Virgin Islands Code, chapter 1, subchapter VII, section 161 relating to the practice of optometry. While I have no objection to Section 1 of this bill, the remaining sections are problematic.

Section 2 creates language that is confusing as written as it appears that the language requires the licensed telemedicine healthcare professional to ensure that two licensed Virgin Islands healthcare professionals be present at any time the telemedicine practitioner is providing healthcare services to a patient. That cannot be the intent of the Legislature or of the proposed amendment.

Section 3 provides an additional deferment of the payment of gross receipt taxes paid by physicians and healthcare facilities who receive Medicare and Medicaid reimbursements. On May 1, 2018, I vetoed Bill No. 32-0147 which reduced the gross receipt taxes for physicians and healthcare facilities from 5% to 2.5% who receive Medicare and Medicaid reimbursements. The Legislature overrode my veto and by the reduction, the Territory's loss of revenue was \$3.5 million dollars. Less than six months after that override, once again the Legislature is reducing that tax, but this time to zero, which would not result in a total loss of revenue of \$7 million dollars. I am baffled by the fact that a majority of the Members of the Legislature would think it prudent to once

again decrease the revenues of the Government on one hand and then send to me a Bill to codify living wages to public employees on the other. The loss of these revenues, for any period of time, negatively affects the revenues needed by this Territory and it affects continued access to the Federal Community Disaster Loan as we are reducing revenue streams and asking the federal government to loan us funds to bridge the gap.

Section 4 reduces the appropriation made to the Department of Human Services for additional staffing for the Herbert Grigg Home for the Aged from \$500,000 to \$350,000. As you are aware, the care given to residents of the Herbert Grigg Home is critical and would be jeopardized by this reduction. The Department of Human Services has relied on these funds and is currently increasing staffing to accommodate twelve (12) additional patients. Why pull the rug from under the Department now and force it to deny families the help they need?

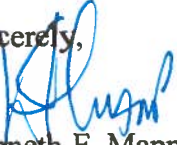
I veto Bill No. 32-0245, an Act amending Title 19, Virgin Islands Code, part II, chapter 15, section 221 to define urgent care facilities and stand-alone facilities and section 223 to exempt urgent care facilities from the requirement of getting a certificate of need. This measure would allow the opening or expansion of healthcare facilities without going through the local regulatory process of the Department of Health. Establishing a healthcare facility and requiring applicants to go through the health regulatory process is for the exclusive benefit of our residents. This measure seeks to provide special legislative treatment to two types of healthcare facilities. These facilities do not require oversight or clearance by the regulatory process. All other medical related businesses, however, must comply with the certificate of need statute and regulations. Why the difference?

Section 2 of the bill requires that these urgent care facilities “be accredited by the Joint Commission or other national accreditation organization approved by the Centers for Medicine and Medical Services (CMS) [sic].” Section 2 further requires that urgent care facilities “comply with all other applicable laws of the Territory and regulations of the Commissioner.” Despite this requirement in Section 2, the Legislature has further complicated this issue by passing Section 3 which provides that “Section 2 expires on March 31, 2019.” If Section 2 expires on March 31, 2019, then, wouldn’t that mean that on April 1, 2019 and beyond, the urgent care facilities would be required to have a certificate of need to continue operations?

I hereby acknowledge Resolution No. 1846 (Bill No. 32-0173) honoring and commending The Family Resource Center for its services to victims and families in the U.S. Virgin Islands over the last thirty-two (32) years. Since opening its doors in 1986, as an emergency shelter for women and children, the Family Resource Center (formally the Women’s Resource Center) has grown into a center providing a safe house for adults and children, a crisis intervention facility assisting troubled adolescents and their parents, counseling centers, and numerous services for domestic violence and sexual assault victims and their families. Accordingly, on behalf of a grateful Territory, it is fitting that the Family Resource Center, Inc. be commended for its contributions to the People of the U.S. Virgin Islands.

As always, thank you for your continued work on behalf of the people of the Virgin Islands.

Sincerely,



Kenneth E. Mapp
Governor

Enclosure