

The Virgin Islands Consortium

Senators Resend GERS Bill To Mapp

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ST. THOMAS -- Gathered at the Earl B. Ottley Legislative Hall on Monday night, senators of the 31st Legislature took on the task of approving the Government Employees' Retirement System bill that Governor Kenneth Mapp said he could not support because [the errors were so many](#), and one he hoped his administration had more input in shaping, especially since Finance Commissioner Vladimir Collins asked, in a recent hearing, that the Senate put a pause on the measure until a more comprehensive approach could be employed.

But most members of the body supported last night's revised version of bill No. 31-0146, with those in support making the same arguments made during past deliberations: immediate action is needed to save the ailing system. And those who opposed it in the

past remained resolute as well, including Sen. Tregenza Roach, who has expressed frustration in the manner in which the measure was being hustled through the body, and decried options that he contends put GERS in a worse position.

Roach said he could not support the measure for many reasons, the chief of them being the fact that the bill did not include the \$600 million that GERS officials said was needed to salvage the broken pension system, and that the measure attempts to save GERS on the backs of Tier II participants — or government employees who have recently served ten years or more in government.

Sen. Kenneth Gittens, also a dissenter, said GERS should sell some of its assets to remain solvent. He said the cash flow problems the entity says it's currently experiencing could be solved if it chooses to reopen the loan program that was indefinitely shuttered so that government employees could borrow money again.

"You have a cash flow problem, GERS? Sell the property that you have sitting out East End with no taxes coming in," Gittens said. The second-term Democrat also suggested that GERS should sell Carambola Beach Resort & Spa.

"What are we sitting on it for? What do we know about running a hotel?"

He continued: "I didn't vote for [the bill] before and I don't intend to vote for it tonight," Gittens went on. "And I too don't believe in moving the goalpost after the game has begun. Employees have already signed what I consider a contract with the Government of the Virgin Islands; why [change] midstream?" he asked. "What is the rush? October 1 [is] long gone."

Those in support, however, echoed the same lines in past hearing on the current GERS bill, contending that time is running out.

"The easy thing is to stay up here and say we're not going to do anything against the retirement system, leave it alone. But the same Tier II employees and the others that are begging you not to touch it, they will be screaming at your feet when the system collapses," Sen. Kurt Vialet said. "And then they're going to tell you that you did nothing to save it, because everybody's just thinking about today."

Vialet's frustration was visible. He stated that the bill had seen no changes from the time it was first sent to the governor's desk to its current language today. "It's the same bill you had from mid-summer to review," he said, referring to senators -- among them Sen. Nelson -- who contended last night that the measure was being rushed.

"If you didn't read it, don't blame tonight," he concluded.

Senator Clifford Graham, chairman of the powerful Committee on Finance who supported waving the Senate's rule to bring the measure before the body, said, "When you look at where we are with GERS, we've been kicking the can down the road to the point where we have to act," he said, supporting the notion that the system is running out of time and needed immediate reform.

But the senators agreed that GERS won't go bankrupt until 2024 -- eight years from now -- and dissenting lawmakers used that knowledge as reason to wait and prepare a

measure that would take a holistic approach at the struggling retirement program. The current bill also fails to provide the \$600 million infusion of cash that GERS officials say is needed to stabilize the system for the next 30 years.

What it does, however, is reduce benefits and raise retirement ages to help salvage the ailing program.

In a [recent interview](#) with The Consortium, Sen. Violet said the current GERS benefits were simply too generous. For example, someone who entered a government department at age 20 can retire at 40 and start receiving benefits immediately for the rest of his/her life. The current measure, sponsored by Sen. Neville James, carries the years required to 25, and adds language that says one must arrive at age 58 to be eligible to receive benefits. Tough changes, Violet agreed, but they were needed, he said, to safeguard the deteriorating program.

In the end, the measure was approved with the support of all senators except Sen. Nereida-Rivera O'Reilly, who abstained, and Nelson, Roach, Gittens and Janette Millin Young, who voted no.

In other action, senators unanimously overrode the governor's veto of bill No. 31-0216—an act appropriating funds to the Virgin Islands Taxi Cab Commission for the Fiscal Year October 1, 2015 to September 30, 2016 for operating expenses.

Giving his reason for the veto, Mr. Mapp [said](#): “For too long, the Taxi Cab Commission has operated on the backs of hardworking and struggling taxi and tour operators through the issuance of fines, levies, and fees. Taxi drivers and tour operators have been assessed penalties as high as \$1000.00 for first offense infractions that a non-taxi driver would be assessed a fine in traffic court of \$75.00. We cannot statutorily mandate that an agency regulate an industry and then that agency target the citizens it is regulating to collect sufficient revenues so the regulators can be paid.”

The lawmakers also overrode the governor's veto of Bill No. 31-0238, which provides funds for payment to members of the United Industrial Workers of North America, Seafarers International Union, AFL-CIO, and for the costs and fees for the disposition of the lawsuit, Harley, et al v. Government of the Virgin Islands, et al.

Mapp said in a statement accompanying the veto that, “The Legislature’s appropriation of funds mandating the payment of such funds to settle a case which is still pending, is a horrible precedent to set and not in the best interest of the people of the Virgin Islands.”