The Virgin Islands Consortium

Gittens Calls On GERS To Reconsider Decision To Suspend Loan Program

VIC News / **Published On November 19, 2015 09:56 PM /**

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ST. CROIX -- Chairman of the Committee on Rules and Judiciary, Senator Kenneth Gittens, has written to the chairman of the Government Employees Retirement Board (GERS), requesting correspondence supporting the Board’s decision, back in August 2015, to suspend or discontinue the pension system's loan program to its members, a press release Mr. Gittens' office issued on Thursday has made known.

In the letter dated Tuesday, November 17th, 2015, Senator Gittens also asked the board to reconsider its action.

“In my letter to the board chairman, Dr. Wilbur Callender, I requested a copy of the Board correspondences resulting in the decision to suspend and later discontinue the loan program. While their concerns could be legitimate, I see the abrupt suspension and permanent discontinuation of the program to be drastic and unfair,” Mr. Gittens, a second-term Democrat, said.

The senator pleaded with the GERS board to reconsider its decision and suggested that in the alternative, they consider a reduction of the loan amount available for members to borrow with an annual cap. Mr. Gittens said maybe even an increase in the interest rates or processing fees may be applicable, but the abrupt discontinuation of the program without an alternative is causing hardship for the members.

“It is no secret that the economic state of our territory is weak. This accessibility to funds for active government employees and retirees is of paramount importance to sustain a constant cash flow to the territory. What it also means is allowing the members a means of accomplishing their financial obligations with monies they should always have access to,” he continued.

The senator said re-instituting the loan program can be a win-win situation for all because it would mean a revenue stream for the System through interest rate collections and it would mean members would once again be able to access cash to address immediate financial needs and or unforeseen emergencies.

“This is our territory, our system and our people. We should always take the time out to consider decisions that would ultimately impact us and our economy, and matters should be worked out in the best interest of all parties involved,” Mr. Gittens concluded.