

The Virgin Islands Consortium

Federal Oversight Of Virgin Islands Public Funds Possible If Republican Bill Becomes Law

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ST. CROIX -- Delegate to Congress Stacey Plaskett on Monday expressed concern about a [bill](#) moving through the halls of Congress aimed at relieving Puerto Rico of the [debt crisis](#) that the commonwealth has found itself in. The measure, being sponsored by Republican Senator Rob Bishop, chair of the House Committee on Natural Resources -- which has jurisdiction over the territories -- would see the creation of a federally regulated oversight board that would control how Puerto Rico spends its funds. Mr. Bishop has said the draft bill provides Puerto Rico "with tools to impose discipline over its finances, meet its obligations and restore confidence in its institutions".

But Ms. Plaskett said because Puerto Rico's only remaining lifeline is the federal government, its leaders have agreed to what she says are broad powers given to the oversight board to control the funds -- and by doing so the internal affairs of Puerto Rico.

Of greater concern to the delegate, though, is language that ties all U.S. territories in the measure -- though the oversight board's authority would have to be agreed upon by the territories' legislative and executive branches of government.

"I was asked to support this bill in its current form, and I made it clear that I could not," Ms. Plaskett said at an urgent press conference held this afternoon at her Frederiksted office. "Over this past weekend, I have been in deep discussion, debate, even arguments with my fellow colleagues, House leadership, other federal agencies, and I've made it clear that any language that implies federal oversight of how we in the Virgin Islands govern ourselves, even if it implies that local support is required, is not acceptable."

The freshman congresswoman said she's been working tirelessly in Congress to have the language removed, and chided the federal government for not living up to what she says is its constitutional duty to adequately provide funding for the territory to improve the lives of Virgin Islanders.

Ms. Plaskett said she has communicated the new developments to Governor Kenneth Mapp during a meeting held this morning, and to Senate President Neville James. She described the Government of the Virgin Islands as "mature," and being able to sustain itself not without federal aid; but without added federal oversight. Asked if additional control was warranted in light of the new funding that would become available through the measure; and considering Puerto Rico's admittance that its government had badly expended funds, Ms. Plaskett told The Consortium that regulations already in place were adequate.

The congresswoman said her office would continue its fight to remove from the measure language that stands to affect the territory, but she could not say for sure whether her efforts -- and that of the governor's -- would be successful, as the Virgin Islands was the only U.S. territory in opposition to the language in the bill.

"The other territories are going along with it; and we've tried to figure out why would they go along with something like this and it doesn't even include support for territories," Ms. Plaskett said.

The bill, if enacted into law, would not automatically cause the U.S. Virgin Islands to lose control of its funds to the oversight board, which would include members appointed by the House, Senate and the U.S. President. Both the legislative and executive branches of the local government would have to agree before the oversight mechanisms could come online. But the measure sets a dangerous precedent, Ms. Plaskett contends, and it would be "detrimental to the advancement of a mature Government of the Virgin Islands, and also puts our own bonds and our ability to go back to the market at risk."

She added: "I believe it's bad for our territories, and I will continue to oppose it in its current form."

Ms. Plaskett expects the measure to easily pass Congress as Republicans currently control the House and Senate.

