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Legislature Casts Aside Bryan Plan to Pay 8 Percent Salary Cut, Decides to Do it Themselves in Current Fiscal Year

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A piece of legislation forwarded to the Senate this week by Governor Albert Bryan [whose purpose is to make retro payments](#) over the course of two fiscal years to employees whose salaries were cut by 8 percent through the Virgin Islands Economic Stability Act of 2011 (VIESA), has been cast aside by members of the 34th Legislature for another measure that seeks to get the job done in a single year.

That's according to a release the 34th Legislature issued Friday. Senate President Donna Frett-Gregory provided further details during an interview with the Consortium. The release states that the Senate's measure, sponsored by Sens. Kurt Vialet, Ms. Frett-Gregory, Novelle Francis and Janelle Sarauw, will repay the affected employees by Dec. 31, 2021. "As the entity that is

responsible for identifying and appropriating funds, the 34th Legislature has been diligently working since January through its committee and subcommittee process on reviewing and verifying the government's collections and expenditures so that legislation can be crafted to address critical bread and butter issues facing the community," the release stated.

The lawmakers also chided the administration for what they said was its lack of a plan to utilize excess revenue realized in 2020. "It is clear that the executive branch does not have a plan in place to utilize the excess revenue collections," Ms. Frett-Gregory said. "The repayment to VIESA affected employees is a liability that can be addressed in the current fiscal year with a supplemental appropriation."

The Legislature will be convening a Committee of the Whole on June 23 to discuss the expenditure of Covid-19 related federal funds and the status of Cares Act funds, along with proposed legislation that will require Legislative approval for the expenditure of federal stimulus funding.

"We have to address these one-time obligations, so we can focus on addressing the long-term deficiencies," Ms. Frett-Gregory said. "The Legislature is responsible for appropriating funds, and we have to ensure that when it is all said and done, we are better for it."

It is expected that the measure to make whole government employees affected by the pay cut will be taken up during the Committee of the Whole as well.

On the Gov't Employees' Retirement System, the senators said that despite the influx of federal dollars and the increase in revenue collections, the Virgin Islands government continues to have a structural deficit due in large part to G.E.R.S. To that end, lawmakers said the Senate created subcommittees to focus on critical issues, with one subcommittee focusing on the pension system. The subcommittee has been working on measures to address G.E.R.S. with some measures to be put in place in the FY 2022 budget, according to the release.

"We have been focused on drafting legislation to address G.E.R.S. since the 33rd and have draft legislation to support utilizing the revenues generated from the collection of excise taxes to stabilize the system," stated Mr. Violet. "We are committed to making incremental steps during this year's budget process to begin addressing the system's challenges. The Legislature has determined that it is prudent to pay the VIESA debt this year and not continue to carry this liability forward. "Now is the time to repay and make government employees whole.

"We will have the funds available in FY 2021 to repay the 8% to all affected government employees, it is the right thing to do."