

Image not found or type unknown

Bryan Confident GERS Will Reinstate Loan Program to Gov't Employees

GERS / **Published On April 12, 2022 05:17 AM /**

Ernice Gilbert **April 12, 2022**

Image not found or type unknown



G.E.R.S. headquarters on St. Croix By. V.I. CONSORTIUM

With newly replenished political capital following the historic accomplishment that has saved the territory's pension system from collapse, Governor Albert Bryan on Monday called on the Government Employees' Retirement System to reinstate a loan program that G.E.R.S. suspended in 2015.

The loan program was popular among government employees who have said the loans helped with making ends meet and taking care of emergencies, among other obligations.

The governor recalled his appeal to the pension system to restart the program a year ago, which G.E.R.S. at the time [poured cold water on](#). "At the time cash was still short," Mr. Bryan said

Monday while presenting G.E.R.S. with a ceremonial check of \$89.2 million — the first payment of what is expected to be \$3.8 billion over a 30-year period as part of the agreement that was [successfully executed](#) in the bond market last week.

Mr. Bryan explained that his idea at the time would have seen G.E.R.S. essentially serving as a guarantor of payment to participating lending firms, specifically banks and credit unions, by providing approved government employees with letters of security guaranteeing the loan payments.

"They could still do that and get a rate of interest, or they could issue the money themselves," he said.

The governor deemed the program beneficial to the pension system, citing the considerable interest rate return of up to 14 percent. He added, "I'm fully confident that they're going to be reinstating that program."

When G.E.R.S. suspended the program indefinitely in 2015, it said the reason for this action was to "[urge members of the 31st Legislature to adopt a measure aimed at saving G.E.R.S.](#)" The historic deal last week not only undergirds G.E.R.S. for 30 years, according to Governor Bryan, it has essentially fixed the insolvency problem [forever](#).