

BILL NO. 35-0196

Thirty-Fifth Legislature of the Virgin Islands

November 13, 2023

An Act to amend title 3, Virgin Islands Code, sections 717(c) and 766(c) to establish a deadline for the GERS to resume the personal loan program, remove the \$10,000,000 annual aggregate amount and the 8% interest rate cap, limit the system’s liability to \$75,000, and set a parameter in section 717 that all loans must be structured such that the payoff date occurs before the retiree reaches age 70

PROPOSED BY: Senator Milton E. Potter

Be it enacted by the Legislature of the Virgin Islands:

SECTION 1. Title 3, Virgin Islands Code, section 717(c) is amended as follows:

(a) “at 8% interest rate” in the third sentence is stricken and replaced with “at an interest rate set by the Board.”

(b) “the retirement age.” is stricken in the sixth sentence and replaced with “age 70.”

(c) All of the language after “shall be made payable as set by the Board.” in the ninth sentence is stricken.

SECTION 2. Title 3, Virgin Islands Code, section 701(f) is amended by adding a sentence to read as follows:

1 “No judgment may be rendered against the System in excess of \$75,000 in any suit or
2 action against the System with respect to any injury to or loss of property or personal injury or
3 death that:

4 (1) is caused by the negligent or wrongful act or omission of an employee of the
5 System while acting within the scope of the employee’s employment under circumstances
6 where the System, if a private person, would be liable to the claimant in accordance with
7 the law of the place where the act or omission occurred; or

8 (2) occurs in connection with the use of the System’s facilities.”

9 **SECTION 3.** Title 3, Virgin Islands Code, section 766(c) is amended as follows:

10 (a) “at 8% interest rate” is stricken and replaced with “at an interest rate set by
11 the Board.”

12 **SECTION 4.** Title 3, Virgin Islands Code, section 750 is amended by adding subsection
13 (f) to read as follows:

14 “(f) No judgment may be rendered against the System in excess of \$75,000 in any
15 suit or action against the System with respect to any injury to or loss of property or
16 personal injury or death that:

17 (1) is caused by the negligent or wrongful act or omission of an employee
18 of the System while acting within the scope of the employee’s employment under
19 circumstances where the System, if a private person, would be liable to the claimant
20 in accordance with the law of the place where the act or omission occurred; or

21 (2) occurs in connection with the use of the System’s facilities.”

22 **SECTION 5.** The Board shall resume the personal loan program, in title 3-Virgin Islands
23 Code sections 717(c) and 766(c) no later than September 30, 2024.

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BILL SUMMARY

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Section 1 amends title 3 Virgin Islands Code section 717 (c) and Section 3 amends title

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3 Virgin Islands Code section 766 (c) to empower the Board to establish the interest rate for

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personal loans. Section 2 amends title 3 Virgin Islands Code section 701 (f) and Section 4

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amends title 3 Virgin Islands Code section 750 by adding subsection (f) to limit the System's

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liability. Section 5 establishes a deadline for GERS to resume the personal loan program.

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BR23-0522/June 6, 2023/HLF/REVISED/October 18, 2023/HLF