



# Legislative Proposals for the U.S.V.I from the Office of Congresswoman Donna M. Christensen



1. H.R.2220 – The Virgin Islands Improvement Act which would create a new retirement fund and result in at least \$50 million a year for the Virgin Islands over 20 years, and at least ten times that for the Federal Treasury. We need Committee on Joint Taxation to re-score this legislation because we believe the original \$500 million would be even higher. For me this is a must pass, in light of our structural deficit and the HOVENSA closing.
2. My St. Croix National Heritage Area bill, H.R. 2448, has always been a priority, but with St. Croix so hard hit, this would provide a stimulus specifically to that Island and assist in developing our unique tourism product as well as small businesses and jobs.
3. This may require a legislative fix, but we hope it can be done administratively under the circumstances. The Governor has been working with Treasury for a few years to fix some of the damage done to our Economic Development Administration program. We have three areas that we are working with Congressman Charlie Rangel and others to address, but want to let you know about:
  - a. We need language inserted into relevant legislation that would *“remove the U.S. income limitations in Section 937.”*
  - b. Re-establish the “substantial presence test” which would use the 122 days or provide a travel exception within the 183 days.
  - c. Require IRS to recognize the ‘Statute of Limitations’ for the V.I. for past filings with the VI Bureau of Internal Revenue as they are doing prospectively and as recommended by the National Taxpayer Advocate.
4. We need to have our rum over-over protected in the extenders at the \$13.25 per proof gallon.
5. I will be introducing a bill to authorize the Secretary to change our FMAP using the same language as in the House Health Care Reform bill. The Senate had agreed to the language, but it could not get into Patient Protection Affordable Care Act for technical reasons or into the Reconciliation bill because it had no budget impact. This is critical to ensuring that the residents who qualify are able to get the services they need and deserve, to ensure that our hospitals are able to receive fair reimbursement for the services they provide and to be able to access tertiary levels of care for our residents when needed. A 50/50 match has always been untenable and unfair and 55/45 is only minimally better.

6. I am exploring the introduction of legislation that would allow Territorial hospitals to become Critical Access Hospitals as was suggested by Department of Health and Human Services a few years ago. If proposed changes to the program don't alter it dramatically our hospitals would be able to benefit from several programs they now are not eligible for and have greater access to funding.

7. The House Highway bill as it is now proposed would take the Territories out of the Highway Trust fund. We need the Department of Interior and the White House to insist with us that we need to be kept in and funded at least at the same set aside.

8. I would like to reauthorize the Harmonized Tariff Schedule early and extend the production certificate program to 2025. This program allows refunds of duties on certain articles produced in the US insular possessions. I have introduced the early reauthorization in H.R. 3979. This would give certainty needed to the employers that continue to utilize this benefit so that the jobs they provide would be protected.

9. I will soon reintroduce a bill that would allow the Virgin Islands and other territorial pharmacies to return oversupplied, expired and damaged medication to their US supplier. This is now seen as "re-importation" because the VI is outside of the U.S. Customs zone. This causes an undue financial burden on hospitals as well as private pharmacies and restricts access of my constituents to some medicines. I would need the support of FDA, the White House and Interior to ensure its passage or to have the language included in related legislation.

#### ADDITIONAL ISSUES

- This is not a legislative issue, but the USVI was already experiencing a crisis in terms of the cost of electricity. The loss of more favorable rates at the end of June will deal a devastating blow to everyone. Already the cost of electricity has caused businesses to close, and I understand that there are families that are going without electricity. Any higher increase in our utility bills will be unsustainable and is likely to trigger civic unrest. Addressing our energy needs is an emergency of the highest order. I believe we need to use the EDIN process to convene an immediate energy summit which would work to build community consensus on what can and will be done in the short term to lower costs and what our longer term energy solution/solutions will be.
- We cannot afford to lose the Hurricane Hunters which use St. Croix as their home base. This is tied to the issue of jet fuel the low cost of which has made St. Croix a Department Of Defense fueling point.
- Our homeowners who have mortgages and who may be facing foreclosure in the near future need to gain access to one of the many programs created at Treasury, HUD, or USDA to address the foreclosure crisis.
- We need to create an Opportunities Industrialization Center to assist with the retraining of our older workers and training of our young to fill the jobs for the industries that we hope to attract and develop.

- We need access to USDA Rural Utilities funding to help reduce the cost of energy which was already almost four times the national average before the HOVENSA closing, but is sure to go even higher with the closing of the plant which provided fuel to our utility and service stations at a lower cost. This has to be addressed if we are to attract businesses to operate in the territory.
- We need access to small business funding both for capital and for planning so that our entrepreneurs can more clearly identify what jobs can be created in our new economic environment. I have asked my office to put together a meeting of all agencies in the VI that have a small business portfolio so that we can develop a plan and coordinate our activities, but I think it would be helpful to include a representative of the national Minority Business Development Agency and Small Business Administration.