

The rules of the Legislative Assembly of the Virgin Islands existing on July 22, 1954 shall continue in force and effect for sessions of the legislature, except as inconsistent with this chapter, until altered, amended, or repealed by the legislature.

(h) Vacancies

The Legislature of the Virgin Islands shall by law provide the procedure for filling any vacancy in the office of member of the legislature.

(July 22, 1954, ch. 558, §6, 68 Stat. 499; Pub. L. 86-289, §2(a), (b), Sept. 16, 1959, 73 Stat. 568; Pub. L. 89-98, July 30, 1965, 79 Stat. 423; Pub. L. 90-496, §8(b), Aug. 23, 1968, 82 Stat. 839; Pub. L. 92-389, Aug. 17, 1972, 86 Stat. 563; Pub. L. 93-130, §1, Oct. 19, 1973, 87 Stat. 460.)

REFERENCES IN TEXT

This chapter, referred to in subsec. (g), was in the original "this Act", meaning act July 22, 1954, ch. 558, 68 Stat. 497, as amended, known as the Revised Organic Act of the Virgin Islands, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 1541 of this title and Tables.

AMENDMENTS

1973—Subsec. (h). Pub. L. 93-130 substituted provision authorizing the Legislature of Virgin Islands to provide by law the procedure for filling vacancies in the membership of the Legislature, for provisions authorizing the Governor of the Virgin Islands to fill any such vacancy by appointment of resident of the district from which the member whose office became vacant was elected if the vacancy is that of a Senator and of resident of any part of Virgin Islands if the vacancy is that of a Senator at large, and that such appointee shall serve for the remainder of the unexpired term.

1972—Subsec. (b). Pub. L. 92-389 reduced the age qualification for membership of legislature from twenty-five years to twenty-one years.

1968—Subsec. (c). Pub. L. 90-496 inserted proviso requiring members of boards of elections, duly organized by the government, to be popularly elected.

1965—Subsec. (e). Pub. L. 89-98 substituted provisions empowering the government of the Virgin Islands to fix and pay legislative salaries and expenses for provisions which specifically fixed these salaries and expenses and which required the United States Government to pay them.

1959—Subsec. (a). Pub. L. 86-289, §2(a), substituted, in second sentence, "January" for "April", before "following his election", and substituted, in proviso, "1958" for "1954", "April 1959" for "January 1955", and "1961, and the term of office of each member elected in November 1960 shall commence on the second Monday in April 1961 and continue until the second Monday in January 1963" for "1957".

Subsec. (e). Pub. L. 86-289, §2(b), changed the date of payment of salaries, increased the per diem from \$10 to \$20, and provided that the per diem paid to members of the legislature for official travel outside the Virgin Islands should not be at rates in excess of those paid Federal Government employees.

EFFECTIVE DATE OF 1973 AMENDMENT

Pub. L. 93-130, §2, Oct. 19, 1973, 87 Stat. 460, provided that: "The amendment made by the first section of this Act [amending this section] shall apply with respect to vacancies occurring on or after the date of enactment of this Act [Oct. 19, 1973]."

EFFECTIVE DATE OF 1968 AMENDMENT

Amendment of provisions of section necessary to authorize the holding of an election for Governor and Lieutenant Governor on Nov. 3, 1970, effective Jan. 1,

1970, and all other amendments of provisions of section, unless otherwise expressly provided by Pub. L. 90-496, effective Jan. 4, 1971, see section 16 of Pub. L. 90-496, set out as a note under section 1591 of this title.

§ 1573. Time, frequency, and duration of regular sessions; special sessions; place of holding

(a) Regular sessions of the legislature shall be held annually, commencing on the second Monday in January (unless the legislature shall by law fix a different date), and shall continue for such term as the legislature may provide. The Governor may call special sessions of the legislature at any time when in his opinion the public interest may require it. No legislation shall be considered at any special session other than that specified in the call therefor or in any special message by the Governor to the legislature while in such session. All sessions of the legislature shall be open to the public.

(b) Sessions of the legislature shall be held in the capital of the Virgin Islands at Charlotte Amalie, Saint Thomas.

(July 22, 1954, ch. 558, §7, 68 Stat. 500; Pub. L. 86-289, §2(c), Sept. 16, 1959, 73 Stat. 569; Pub. L. 90-496, §1, Aug. 23, 1968, 82 Stat. 837.)

AMENDMENTS

1968—Subsec. (a). Pub. L. 90-496 substituted provisions that regular sessions of the legislature shall continue for such term as the legislature may provide for provisions that regular sessions shall continue for not more than sixty consecutive calendar days in any calendar year, with the proviso that the regular annual session for 1959, 1960, and 1961 shall commence on the second Monday in April and shall continue for not more than sixty consecutive calendar days, struck out provisions that any special session called by the Governor shall continue for not more than fifteen calendar days, with the aggregate of any such special sessions during any calendar year not to exceed thirty calendar days, and inserted provision opening to the public all sessions of the legislature.

1959—Subsec. (a). Pub. L. 86-289 substituted "January (unless the legislature shall by law fix a different date)" for "April" and "regular annual session for each of the years 1959, 1960, and 1961, respectively, shall commence on the second Monday in April" for "annual session for 1955 shall commence on the second Monday in January 1955".

EFFECTIVE DATE OF 1968 AMENDMENT

Pub. L. 90-496, §1, Aug. 23, 1968, 82 Stat. 837, provided that the amendment made by that section is effective on date of enactment of Pub. L. 90-496, which was approved Aug. 23, 1968.

§ 1574. Legislative powers and activities

(a) Scope of authority; limitation on enactments and taxation

The legislative authority and power of the Virgin Islands shall extend to all rightful subjects of legislation not inconsistent with this chapter or the laws of the United States made applicable to the Virgin Islands, but no law shall be enacted which would impair rights existing or arising by virtue of any treaty or international agreement entered into by the United States, nor shall the lands or other property of nonresidents be taxed at a higher rate than the lands or other property of residents.

(b) Government bonds; maximum amount; sale, interest, etc.

(i) The legislature of the government of the Virgin Islands may cause to be issued on behalf of said government bonds or other obligations for a public improvement or public undertaking authorized by an act of the legislature. Such bonds or obligations shall be payable solely from the revenues directly derived from and attributable to such public improvement, public undertaking, or other project. Bonds issued pursuant to paragraph (i) may bear such date or dates, may be in such denominations, may mature in such amounts and at such time or times, not exceeding thirty years from the date thereof, may be payable at such place or places, may carry such registration privileges as to either principal and interest, or principal only, and may be executed by such officers and in such manner as shall be prescribed by the government of the Virgin Islands. Said bonds may be redeemable (either with or without premium) or nonredeemable. In case any of the officers whose signatures appear on the bonds or coupons shall cease to be such officers before delivery of such bonds, such signature, whether manual or facsimile shall, nevertheless, be valid and sufficient for all purposes, the same as if such officers had remained in office until such delivery. The bonds so issued shall bear interest at a rate not to exceed that specified by the legislature, payable semiannually. All such bonds issued by the government of the Virgin Islands or by its authority shall be exempt as to principal and interest from taxation by the Government of the United States, or by the government of the Virgin Islands, or by any State, Territory, or possession or by any political subdivision of any State, Territory or possession, or by the District of Columbia. Such bonds shall under no circumstances constitute a general obligation of the Virgin Islands or of the United States.

(ii)(A) Subject to the provisions of this paragraph (ii), the legislature of the government of the Virgin Islands may cause to be issued such negotiable general obligation bonds or other evidence of indebtedness, including but not limited to notes in anticipation of the collection of taxes or revenues, as it may deem necessary and advisable for any public purpose authorized by the legislature: *Provided*, That no such indebtedness of the Virgin Islands shall be incurred in excess of 10 per centum of the aggregate assessed valuation of the taxable real property in the Virgin Islands. Bonds issued pursuant to this paragraph (ii) shall bear such date or dates, may be in such denominations, may mature in such amounts and at such time or times, not exceeding thirty years from the date thereof, may be payable at such place or places, may be sold at either public or private sale, may be redeemable (either with or without premium) or nonredeemable, may carry such registration privileges as to either principal and interest, or principal only, and may be executed by such officers and in such manner, as shall be prescribed by the legislature of the government of the Virgin Islands. In case any of the officers whose signatures appear on the bonds or coupons shall cease to be such officers before delivery of such bonds, such signature, whether manual or facsimile,

shall nevertheless be valid and sufficient for all purposes, the same as if such officers had remained in office until such delivery. The bonds so issued shall bear interest at a rate not to exceed that specified by the legislature. All bonds issued by the government of the Virgin Islands, including specifically interest thereon, shall be exempt from taxation by the Government of the United States, or by the government of the Virgin Islands or any political subdivision thereof, or by any State, territory, or possession or by any political subdivision of any State, territory, or possession, or by the District of Columbia.

(B) Bonds or other obligations issued pursuant to this paragraph (ii) shall not be a debt of the United States, nor shall the United States be liable thereon.

(iii)(A) The legislature of the government of the Virgin Islands may cause to be issued after September 30, 1984, industrial development bonds (within the meaning of section 103(b)(2)¹ of title 26).

(B) Except as provided in subparagraph (C), any obligation issued under subparagraph (A) and the income from such obligation shall be exempt from all State and local taxation in effect on or after October 1, 1984.

(C) Any obligation issued under subparagraph (A) shall not be exempt from State or local gift, estate, inheritance, legacy, succession, or other wealth transfer taxes.

(D) For purposes of this paragraph—

(I) The term “State” includes the District of Columbia.

(II) The taxes imposed by counties, municipalities, or any territory, dependency, or possession of the United States shall be treated as local taxes.

(E) For exclusion of interest for purposes of Federal income taxation, see section 103 of title 26.

(c) Applicability of laws and ordinances; amendment or repeal

The laws of the United States applicable to the Virgin Islands on July 22, 1954, including laws made applicable to the Virgin Islands by or pursuant to the provisions of the Act of June 22, 1936 (49 Stat. 1807), and all local laws and ordinances in force in the Virgin Islands, or any part thereof, on July 22, 1954 shall, to the extent they are not inconsistent with this chapter, continue in force and effect until otherwise provided by the Congress: *Provided*, That the legislature shall have power, when within its jurisdiction and not inconsistent with the other provisions of this chapter, to amend, alter, modify, or repeal any local law or ordinance, public or private, civil or criminal, continued in force and effect by this chapter, except as herein otherwise provided, and to enact new laws not inconsistent with any law of the United States applicable to the Virgin Islands, subject to the power of Congress to annul any such Act of the legislature.

¹ See References in Text note below.

(d), (e) Repealed. Pub. L. 97-357, title III, § 305, Oct. 19, 1982, 96 Stat. 1709**(f) Customs duty; duty-free importation; effect on other customs laws**

(1) The Legislature of the Virgin Islands may impose on the importation of any article into the Virgin Islands for consumption therein a customs duty. The rate of any customs duty imposed on any article under this subsection may not exceed—

(A) if an ad valorem rate, 6 per centum ad valorem; or

(B) if a specific rate or a combination ad valorem and specific rate, the equivalent or 6 per centum ad valorem.

(2) Nothing in this subsection shall prohibit the Legislature of the Virgin Islands from permitting the duty-free importation of any article.

(3) Nothing in this subsection shall be construed as empowering the Legislature of the Virgin Islands to repeal or amend any provision in law in effect on the day before October 15, 1977, which pertains to the customs valuation or customs classification of articles imported into the Virgin Islands.

(July 22, 1954, ch. 558, § 8, 68 Stat. 500; Pub. L. 85-851, § 2, 3, 10, Aug. 28, 1958, 72 Stat. 1094, 1095; Pub. L. 88-180, Nov. 19, 1963, 77 Stat. 335; Pub. L. 89-643, Oct. 13, 1966, 80 Stat. 890; Pub. L. 90-496, § 15, Aug. 23, 1968, 82 Stat. 842; Pub. L. 95-134, title III, § 301(c), Oct. 15, 1977, 91 Stat. 1163; Pub. L. 97-357, title III, § 305, Oct. 19, 1982, 96 Stat. 1709; Pub. L. 98-454, title II, § 201, Oct. 5, 1984, 98 Stat. 1732; Pub. L. 99-514, § 2, Oct. 22, 1986, 100 Stat. 2095; Pub. L. 106-84, § 1(a), (b)(1), (2), Oct. 28, 1999, 113 Stat. 1295.)

REFERENCES IN TEXT

Section 103, referred to in subsec. (b)(iii)(A), which related to interest on certain governmental obligations was amended generally by Pub. L. 99-514, title XIII, § 1301(a), Oct. 22, 1986, 100 Stat. 2602, and as so amended relates to interest on State and local bonds. Section 103(b)(2), which prior to the general amendment defined industrial development bond, relates to the applicability of the interest exclusion to arbitrage bonds.

Act of June 22, 1936 (49 Stat. 1807), referred to in subsec. (c), is act June 22, 1936, ch. 699, 49 Stat. 1807, as amended, known as the Organic Act of the Virgin Islands of the United States, which is classified generally to subchapter II (§1405 et seq.) of chapter 7 of this title. For complete classification of this Act to the Code, see section 1406m of this title and Tables.

AMENDMENTS

1999—Subsec. (b)(ii)(A). Pub. L. 106-84, § 1(a), inserted “, including but not limited to notes in anticipation of the collection of taxes or revenues,” after “other evidence of indebtedness”, substituted “for any public purpose authorized by the legislature: *Provided*, That no such” for “to construct, improve, extend, better, repair, reconstruct, acquire, and equip hospitals, schools, libraries, gymnasias, athletic fields, sewers, sewage-disposal plants, and water systems: *Provided*, That no public”, and struck out “and payable semiannually. All such bonds shall be sold for not less than the principal amount thereof plus accrued interest” after “specified by the legislature”.

Subsec. (b)(ii)(B), (C). Pub. L. 106-84, § 1(b)(1), (2), redesignated subpar. (C) as (B) and struck out former subpar. (B) which read as follows: “The proceeds of the

bond issues or other obligations herein authorized shall be expended only for the public improvements set forth in the preceding subparagraph, or for the reduction of the debt created by such bond issue or obligation, unless otherwise authorized by the Congress.”

1986—Subsec. (b)(iii)(E). Pub. L. 99-514 substituted “Internal Revenue Code of 1986” for “Internal Revenue Code of 1954”, which for purposes of codification was translated as “title 26” thus requiring no change in text.

1984—Subsec. (b)(i), (iii). Pub. L. 98-454 struck out “shall be sold at public sale and” before “may be redeemable” in fourth sentence of par. (i) and added par. (iii).

1982—Subsec. (d). Pub. L. 97-357 struck out subsec. (d) which authorized the President of the United States to appoint a commission of seven persons, at least three of whom were residents of the Virgin Islands, to survey the field of Federal statutes and to make recommendations to Congress within twelve months after July 22, 1954, as to which statutes of the United States not applicable to the Virgin Islands on that date should be made applicable to the Virgin Islands and which statutes of the United States applicable to the Virgin Islands on that date should be declared inapplicable, and provided compensation of this commission.

Subsec. (e). Pub. L. 97-357 struck out subsec. (e) which related to arrangements by the Secretary of the Interior for the preparation of a code of laws of the Virgin Islands.

1977—Subsec. (f). Pub. L. 95-134 added subsec. (f).

1968—Subsec. (b)(i). Pub. L. 90-496 struck out the provisions that the total amount of revenue bonds which may be issued and outstanding for all improvements and undertakings at any one time shall not be in excess of \$30,000,000, exclusive of all bonds and undertakings held by the United States as a result of a sale of real or personal property to the government of the Virgin Islands, and with not more than \$10,000,000 of such bonds or obligations to be outstanding at any one time for public improvements or public undertakings other than water or power projects, and substituted provisions that the bonds so issued shall bear interest at a rate not to exceed that specified by the legislature, payable semiannually, for provisions that the bonds so issued shall bear interest at a rate not to exceed 5% per annum, payable semiannually, and that all such bonds shall be sold for not less than the principal amount thereof plus accrued interest.

1966—Subsec. (b)(i). Pub. L. 89-643 increased the borrowing authority of the Virgin Islands by striking out limiting provisions so as to require only that the object of a bond issue be a public improvement or undertaking authorized by the legislature as opposed to previous requirement of a legislative authorization for specific improvements and legislative findings of need, substituted provisions authorizing the issuance of bonds that are nonredeemable or redeemable (either with or without premium) for provisions requiring that bonds be redeemable after five years without premium, raised the limitation on total amount of outstanding bonds from a flat limitation of \$10,000,000 to \$30,000,000 exclusive of all bonds or obligations which are held by the Government of the United States as a result of a sale of real or personal property to the government of the Virgin Islands, and inserted requirement that not to exceed \$10,000,000 of the bonds or obligations may be outstanding at any one time for public improvement or public undertakings other than water or power projects.

1963—Subsec. (b). Pub. L. 88-180 redesignated existing provisions as par. (i), struck out “The legislature shall have no power to incur any indebtedness which may be a general obligation of said government”, and added par. (ii).

1958—Subsec. (a). Pub. L. 85-851, § 2, substituted “rightful subjects of legislation” for “subjects of local application”.

Subsec. (b). Pub. L. 85-851, § 10, authorized issuance of bonds for establishment, construction, operation, main-

tenance, reconstruction, improvement, or enlargement of other projects and payment of the bonds from revenues derived from the projects.

Subsec. (e). Pub. L. 85-851, §3, struck out “and any supplements to it” after “Upon the enactment of the Virgin Islands Code it”.

EFFECTIVE DATE OF 1999 AMENDMENT

Pub. L. 106-84, §3, Oct. 28, 1999, 113 Stat. 1295, provided that:

“(a) IN GENERAL.—Except as provided by subsection (b), the amendments made by section 1 [amending this section and section 1574a of this title] shall apply to those instruments of indebtedness issued by the Government of the Virgin Islands after the date of the enactment of this Act [Oct. 28, 1999].

“(b) EFFECT OF FAILURE TO REACH AGREEMENT.—If the agreement authorized in section 2(a) [set out as a note under section 1631 of this title] is not ratified by both parties on or before December 31, 1999, the amendments made by section 1—

“(A) shall not apply to instruments of indebtedness issued by the Government of the Virgin Islands on or after December 31, 1999; and

“(B) shall continue to apply to those instruments of indebtedness issued by the Government of the Virgin Islands after the date of the enactment of this Act and before December 31, 1999.”

EFFECTIVE DATE OF 1968 AMENDMENT

Pub. L. 90-496, §15, Aug. 23, 1968, 82 Stat. 842, provided that the amendment made by section 15 is effective on the date of enactment of Pub. L. 90-496, which was approved Aug. 23, 1968.

CONSTRUCTION

Pub. L. 106-84, §4, Oct. 28, 1999, 113 Stat. 1296, provided that: “These amendments to the Revised Organic Act of the Virgin Islands [amending this section] are not intended to modify the internal revenue laws. Thus, the bonds authorized by this bill must comply with subsection (c) of section 149 of the Internal Revenue Code of 1986 [26 U.S.C. 149(c)] (which requires the new bonds comply with the appropriate requirements of the Internal Revenue Code).”

LEVYING AND COLLECTION OF EXCISE TAXES BY LEGISLATURE OF THE VIRGIN ISLANDS

Pub. L. 96-205, title IV, §405, Mar. 12, 1980, 94 Stat. 89, as amended by Pub. L. 97-357, title III, §302, Oct. 19, 1982, 96 Stat. 1709, provided that: “Any excise taxes levied by the Legislature of the Virgin Islands may be levied and collected as the Legislature of the Virgin Islands may direct as soon as the articles, goods, merchandise, and commodities subject to said tax are brought into the Virgin Islands. The officials of the Customs and Postal Services of the United States are directed to assist the appropriate officials of the United States Virgin Islands in the collection of these taxes.”

§ 1574-1. Applicability of laws referred to in section 502(a)(1) of Covenant to Establish a Commonwealth of the Northern Mariana Islands

Effective on the date when section 502 of the Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union With the United States of America, approved by joint resolution approved on March 24, 1976 (90 Stat. 263) goes into force those laws which are referred to in section 502(a)(1) of said Covenant, except for any laws administered by the Social Security Administration, except for medicare which is now administered by the Centers for Medicare & Medicaid Services, and except the Micronesian Claims Act of 1971 (85 Stat. 96) shall

be applicable to the territories of Guam and the Virgin Islands on the same terms and conditions as such laws are applied to the Northern Mariana Islands.

(Pub. L. 95-134, title IV, §403, Oct. 15, 1977, 91 Stat. 1163; Pub. L. 95-135, §1, Oct. 15, 1977, 91 Stat. 1166; Pub. L. 108-173, title IX, §900(e)(7), Dec. 8, 2003, 117 Stat. 2374.)

REFERENCES IN TEXT

The Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union With the United States of America, referred to in text, is contained in section 1 of Pub. L. 94-241, set out as a note under section 1801 of this title. For Jan. 9, 1978, as the date section 502 of the Covenant came into force, see Proc. No. 4534, §2, set out as a note under section 1801 of this title.

The joint resolution approved on March 24, 1976, referred to in text, is Pub. L. 94-241, Mar. 24, 1976, 90 Stat. 263, as amended, which is classified generally to subchapter I (§1801 et seq.) of chapter 17 of this title. For complete classification of this Act to the Code, see Tables.

The Micronesian Claims Act of 1971, referred to in text, is Pub. L. 92-39, July 1, 1971, 85 Stat. 92, as amended, which was classified generally to section 2018 et seq. of the former Appendix to Title 50, War and National Defense, and which was omitted from the Code as terminated Aug. 3, 1976.

CODIFICATION

Section is also classified to section 1421q-1 of this title.

Section was formerly set out as a note under section 1681 of this title.

Section was not enacted as part of the Revised Organic Act of the Virgin Islands which comprises this chapter.

AMENDMENTS

2003—Pub. L. 108-173 substituted “Centers for Medicare & Medicaid Services” for “Health Care Financing Administration”.

1977—Pub. L. 95-135 amended section generally. Prior to amendment, section read as follows: “Effective on October 15, 1977, those laws, except for any laws administered by the Social Security Administration and except for medicare which is now administered by the Health Care Financing Administration, which are referred to in section 502(a)(1) (except for the reference to the Micronesian Claims Act of 1971 (85 Stat. 96)) of the Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union With the United States of America, approved by joint resolution approved on March 24, 1976 (90 Stat. 263), and 502(a)(2) of said Covenant shall be applicable to the territories of Guam and the Virgin Islands on the same terms and conditions as such laws are applied to the Commonwealth of the Northern Mariana Islands.”

EFFECTIVE DATE OF 1977 AMENDMENT

Amendment by Pub. L. 95-135 effective as of Oct. 15, 1977, see section 2 of Pub. L. 95-135, set out as a note under section 1421q-1 of this title.

§ 1574a. Revenue bonds or other obligations

(a) Authorization for issuance; use of proceeds; legislative initiative and binding referendum vote

In addition to the authority conferred by section 1574(b) of this title, the legislature of the government of the Virgin Islands is authorized to cause to be issued bonds or other obligations of such government in anticipation of revenues