



THE UNITED STATES VIRGIN ISLANDS  
DEPARTMENT OF JUSTICE  
OFFICE OF THE ATTORNEY GENERAL

July 8, 2015

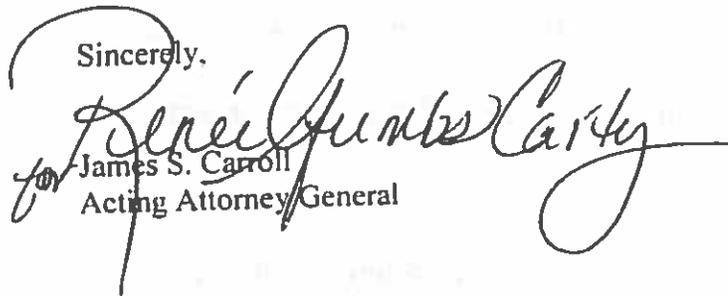
The Honorable Neville James  
Senate President  
Legislature of the Virgin Islands  
Capitol Building  
St. Thomas, VI 00802

Re: Committee of the Whole  
July 9, 2015

Dear Senate President James:

Thank for your invitation to appear and testify before the Committee of the Whole regarding the items listed in your letter dated June 23, 2015. Attached hereto is my prepared statement for the Committee's review.

Sincerely,

  
for James S. Carroll  
Acting Attorney General

Encl.

STATEMENT BY THE ACTING ATTORNEY GENERAL  
OF THE DEPARTMENT OF JUSTICE  
BEFORE THE THIRTY-FIRST LEGISLATURE  
COMMITTEE OF THE WHOLE  
JULY 9, 2015

Good morning Senate President Neville James, Vice President Senator Janette Millin Young, Senators of the 31<sup>st</sup> Legislature, legislative staff, and the attending and listening audience.

Thank you, Senator James, for your invitation to appear and testify before the Committee of the Whole regarding the items listed in your letter dated June 23, 2015. I am, James S. Carroll, Acting Attorney General of the Virgin Islands Department of Justice. Deputy Attorney General, Renee Gumbs-Carty joins me here today. Your letter dated June 23, 2015 sets forth six items for the Committee of the Whole's consideration today. I will address each item in the same order as listed in your letter.

The first item concerns, and I quote, the "Board Resolution and Lease Agreement between WICO and GVI for Villa Fratelli Cresta rental." Please note that the Department of Justice had no involvement in the drafting or review of the Resolution and Lease. As you know, the West Indian Co., Ltd. ("WICO") operates as a private corporation as authorized by Act No. 5826 §4, and is a wholly owned subsidiary of the Public Finance Authority ("PFA"). Therefore, the Department of Justice does not provide legal advice or services to WICO, and does not have first-

hand information concerning the rental of the villa and the actions taken by WICO's Board of Directors. In addition, the Department of Justice does not have any information concerning any costs associated with the rental which is the focus of the second item on your list.

The third and fourth items concern the statutory requirements that speak to the official residence of the Governor and Lieutenant Governor of the Virgin Islands. These items specifically refer to the Revised Organic Act of 1954. This Act speaks for itself though I will recite the applicable section addressing the official residence of the Governor of the Virgin Islands. Section 11 of the Revised Organic Act of 1954, as amended, provides that "[t]he Governor shall maintain his official residence in the Government House on Saint Thomas during his incumbency, which house, together with land appurtenant thereto, is hereby transferred to the government of the Virgin Islands. While in Saint Croix the Governor may reside in Government House in Saint Croix, which house, together with land appurtenant thereto is also transferred to the government of the Virgin Islands." This section effectively ensured a residence for the Governor in St. Thomas, the capitol of the U.S. Virgin Islands, and transferred both Government Houses located on St. Thomas and St. Croix to the Government of the Virgin Islands. Apart from requiring that both the Governor and the Lieutenant Governor be Virgin Islands residents, and that the

Governor make St. Thomas his official residence, the Revised Organic Act of 1954 does not secure an official residence for the Lieutenant Governor.

In response to the fifth and final item, the Department of Justice cannot provide any financial information regarding WICO's debt to the Government as it is not the custodian of such financial data from WICO. Although we do not know the current balance owed to the Government by WICO, we are aware that Act 5826, Section 8(b), as amended (*by Act Nos. 6984, 6585, 6333, and 6224*), requires that WICO "pay ten percent of its annual, net revenues, or \$700,000, whichever is greater to the Government of the Virgin Islands as a contribution to the General Fund." Additionally, as Estate Catherineberg is an asset of WICO, the Department of Justice is unaware of its current physical condition and respectfully defers any questions regarding its condition to WICO.

This concludes my statement on these matters. Thank you.