

**TESTIMONY**  
**PROVIDED BY THE**  
**OFFICE OF THE LIEUTENANT GOVERNOR**  
**DIVISION OF BANKING, INSURANCE AND FINANCIAL REGULATION**  
**BEFORE THE**  
**THIRTY-FIFTH LEGISLATURE OF THE VIRGIN ISLANDS**  
**COMMITTEE ON HOMELAND SECURITY, JUSTICE & PUBLIC SAFETY**  
**Wednesday, March 15, 2023**

Good day, Committee Chairman Honorable Kenneth L. Gittens and Honorable Members of the Thirty-Fifth Legislature of the Virgin Islands, Committee on Homeland Security, Justice and Public Safety, other Senators present today, as well as the viewing and listening audience. I am Attorney Glendina P. Matthew, Interim Director of the Division of Banking, Insurance and Financial Regulation (hereinafter “Division”) within the Office of the Lieutenant Governor, the Honorable Tregenza A. Roach, Esq. in his capacity as Lieutenant Governor serves as Commissioner of Insurance.

I most respectfully appear before you today in response to your invitation to provide testimony on Bill No. 35-0013, the Drivers’ Safety Act (An Act amending title 20 Virgin Islands Code, part II, chapter 35, relating to the issuance of operators’ licenses and identification cards to allow applicants to obtain limited local-purpose identification cards and operators’ licenses without providing certain federally required documentation). Accompanying me today are Ms. Cheryl Charleswell (Acting Assistant Director and Chief Examiner Insurance) and Attorney Suzette Richards (Division’s Legal Counsel).

We most respectfully inform you that the Division fully supports Bill No. 35-0013, “the Drivers’ Safety Act”, which makes limited purpose operators’ licenses and limited purpose identification cards available to persons living in the territory for at least 90 days without

requiring proof of lawful presence. Based on statistical data from states where similar legislations has been passed, this Bill can potentially improve public safety on roads and highways and ensure more drivers are covered by motor vehicle liability insurance. If this Bill is enacted, the Virgin Islands will join 21 states and territories, which include District of Columbia and Puerto Rico, that have adopted similar measures. Most recently, Minnesota passed similar legislation on March 7, 2023.

I will now provide an Overview of the Bill and why the Division believes it should be enacted. The Drivers' Safety Act amends Title 20, Virgin Islands Code, Part II, Chapter 35, Sections 372a, 372c, 372d, and 375, and also adds two new sections, namely Sections 372g and 375a. Summarily, the Bill amends Chapter 35 in the following instances:

- Creates a “Limited Purpose Virgin Islands Identification Card “(thereinafter “Limited Purpose Identification Card”) and “Limited Purpose Operator’s License” that is not required to meet federal standards.
- Deletes the lawful presence requirement to obtain a Limited Purpose Identification Card or operator’s license;
- Requires proof of identity and proof of residency in the Virgin Islands for at least 90 days;
- Prohibits the disclosure of personal information or information in Bureau of Motor Vehicle records as to the type of operator’s license on file to any federal, state or local law information agency without consent of applicant, signed warrant, court order or subpoena;
- Restricts the usage of Limited Purpose Identification Card and Limited Purpose Operator’s License to prove identity in an arrest, detention, and immigration enforcement action;

- Restricts the usage of Limited Purpose Identification Card and Limited Purpose Operator's License as a voter's identification or for federal identification purposes; and
- Provides issuance of licenses subject to a "knowledge test."

As the regulatory body supervising the business of insurance, and in particular, the administration and enforcement of Title 20, Chapter 47, VI Code, regarding Compulsory Automobile Liability Insurance, the Division believes unlicensed and uninsured drivers place a financial burden on innocent third-party drivers and the Government of the Virgin Islands when they are involved in an accident. The reason the community has been impacted is because the Virgin Islands Compulsory Automobile Liability law does not extend motor vehicle liability insurance to unlicensed drivers. Unlicensed drivers are comprised of:

- persons who lost their license because of a conviction for Driving Under the Influence.
- persons who failed to maintain adequate motor vehicle insurance.
- Immigrants who are unable to obtain a driver's license.
- persons convicted of criminal offenses that resulted in the suspension of driver's license indefinitely.
- Persons who choose not to apply for a driver's license.

The Compulsory Automobile Liability Insurance law provides that all owners of motor vehicles registered in this Territory, who operate or cause to be operated, a motor vehicle upon any public road or highway in this Territory must maintain motor vehicle liability insurance, except for motor vehicles owned by the Government of the Virgin Islands and its instrumentalities, or the United States Government. Further, in accordance with Section 703 of this chapter, an owner's policy of liability insurance is extended to persons using an insured

vehicle or vehicles with the express or implied permission of such named insured. However, extension of liability insurance does not extend to drivers on public roadways or highways without a valid driver's license or driver's permit.

Thus, absent the passage of this Bill, undocumented persons will remain in an uninsurable class of drivers in the Virgin Islands. Without motor vehicle liability insurance, undocumented drivers, if involved in an accident and determined to be at fault, would be required to absorb out-of-pocket the costs of any damages incurred by innocent third-parties, in addition to paying for any traffic citations. Realistically, these individuals may lack the required resources to pay the costs of damages incurred by an innocent third-party as a result of an accident. While a simple fender bender may not be an issue, an undocumented uninsured driver may not be able to pay the costs associated with accidents involving a total loss of a vehicle and/or bodily injury. Thus, an innocent third-party driver may need to utilize their own funds or their own insurance policy to make necessary repairs or replace a vehicle. Likewise, uncompensated emergency care will also be an issue if either or both drivers, or any passengers, require medical care, and none of them have private health insurance.

Notwithstanding, for many Virgin Islanders, the overarching question will be what is the potential benefits to the Territory? Based on research from other states that have enacted similar legislation, this Bill will positively impact public safety and, at the same time, generate additional revenues. Virgin Islanders should see: (1) a decrease in the number of unlicensed and uninsured undocumented drivers on the Territory's roadways, thereby improving road safety, and (2) an increase in the revenues for the Government of the Virgin Islands, because of undocumented person(s) applying for Limited Purpose Operators' licenses.

We must acknowledge that Section 371 of Title 20, VI Code provides, “[e]xcept as provided in [Chapter 35], no person shall operate a motor vehicle upon the public highways

without an operator's license issued by the Director of Motor Vehicle." However, the reality is there is a number of persons driving on the Territory's roadways without a driver's license and motor vehicle insurance. This Bill allows undocumented persons the opportunity to legally drive on Virgin Islands roadways with the required automobile liability insurance. In addition to the above, this Bill will also extend the following benefits:

- Except as specifically provided in the Bill, undocumented persons could utilize the identification as proof of identity in the Territory, and use it for cashing checks.
- Undocumented persons will be tested on driving rules of the road and become better drivers.

Chairman Honorable Kenneth L. Gittens and Members of this Committee, and other Senators present, this concludes my testimony on **Bill No. 35-0013**. We thank you and the Members of the Committee on Homeland Security, Justice and Public Safety for the opportunity to appear before you. We are prepared to respond to your questions on this Bill.