

s/AWCJR

**AMENDMENT IN THE NATURE OF A SUBSTITUTE TO BILL NO. 36-0250
Offered by Senator Marise C. James**

Bill No. 36-0250 is amended by striking all the language after the short title and inserting the following:

“SECTION 1. Title 3 Virgin Islands Code, chapter 27, section 717, subsection (c) is amended by inserting the following new paragraph after the existing second paragraph:

Notwithstanding any other law, the System shall not reduce, revoke, or otherwise alter a member’s credited service resulting from a default or delinquency on any loan or financial obligation made through or administered by the System. Nothing in this subsection shall prohibit the System from applying appropriate offsets to future benefit distributions or pursuing collection of outstanding debts through other lawful means, provided such actions do not alter the member's earned credited service. Credited service shall reflect the actual duration of government employment and contributions made in accordance with applicable statutes and shall not be affected by any financial penalties, offsets, or administrative remedies related to loan defaults.

SECTION 2. Any past reduction of a member’s credited service by the System because of a default or delinquency on a personal loan shall be reversed within 90 days of the effective date of this act. The System shall notify affected members of the corrective action in writing.”

Amendment No. 36-770/March 26, 2026/AA