

BILL NO. 36-0353

Thirty-Sixth Legislature of the Virgin Islands

September 17, 2026

An act to establish uniform governance, accountability, transparency, strategic planning, performance management, and community reinvestment requirements for public corporations, autonomous entities, and instrumentalities of the Government of the Virgin Islands

PROPOSED BY: Senator Hubert L. Frederick

Be it enacted by the Legislature of the Virgin Islands:

SECTION 1. This Act shall be known and may be cited as the “Quasi-Public Enterprise Governance Reform Act of 2026.”

SECTION 2. Legislative findings and purpose. The Legislature finds that public corporations, authorities, commissions, and instrumentalities of the Government of the Virgin Islands perform essential governmental and public service functions and manage significant public assets and financial resources.

The Legislature further finds that strong governance practices, strategic planning, performance measurement, executive accountability, and community engagement contribute to organizational effectiveness, financial sustainability, public trust, and operational transparency.

SECTION 3. Definitions. For purposes of this Act:

(a) “covered entity” means any public corporation, authority, autonomous agency, public instrumentality, or independent governmental entity established by Virgin Islands law, including:

- (1) the Virgin Islands Lottery;
- (2) the Virgin Islands Water and Power Authority;
- (3) the Virgin Islands Port Authority;
- (4) the West Indian Company Limited;
- (5) the Public Finance Authority;
- (6) the Virgin Islands Waste Management Authority;
- (7) the Economic Development Authority; and
- (8) any successor entity or instrumentality designated by law.

(b) “chief executive officer” includes any executive director, president, chief executive officer, executive administrator, or equivalent executive officer responsible for the management of a covered entity.

(c) “board” means the governing body authorized by law to oversee a covered entity.

SECTION 4. Annual board self-assessment.

(a) Each board shall conduct an annual self-assessment of its performance. The assessment must evaluate:

- (1) compliance with statutory responsibilities;
- (2) oversight of financial performance;
- (3) strategic leadership effectiveness;
- (4) governance practices;
- (5) committee effectiveness;
- (6) board engagement and participation;
- (7) ethical conduct and accountability; and
- (8) risk management oversight.

(b) The board shall adopt an annual improvement plan addressing identified weaknesses.

(c) A summary of the assessment must be included within the entity’s annual report.

SECTION 5. Chief executive officer performance evaluation.

(a) Each board shall conduct an annual performance evaluation of the chief executive officer.

(b) The evaluation must be based upon:

- (1) achievement of strategic goals;
- (2) financial performance;
- (3) operational performance;
- (4) key performance indicators;
- (5) workforce development objectives;
- (6) compliance and risk management;
- (7) community engagement initiatives; and
- (8) other performance measures established by the board.

(c) the board shall establish written performance objectives for the chief executive officer no later than 90 days following the beginning of each fiscal year.

(d) Evaluation results must be maintained as official records of the entity.

SECTION 6. Strategic planning requirements.

(a) Each covered entity shall adopt a comprehensive strategic plan.

(b) Strategic plans must be updated at least every three years.

(c) Strategic plans must include:

- (1) mission statement;
- (2) vision statement;
- (3) organizational values;
- (4) strategic priorities;
- (5) performance goals;
- (6) financial sustainability objectives;
- (7) workforce development goals;
- (8) technology modernization initiatives;
- (9) community reinvestment goals; and
- (10) risk management strategies.

(d) Strategic plans must be approved by the governing board and published on the entity's website.

SECTION 7. Key performance indicator reporting.

(a) Each covered entity shall establish measurable key performance indicators.

(b) Key performance indicators must include metrics related to:

- (1) board effectiveness;
- (2) strategic planning processes;
- (3) executive oversight practices;
- (4) internal controls;
- (5) risk management;
- (6) compliance with this act;
- (7) transparency practices; and
- (8) community engagement efforts.

(c) Governance Audits may be conducted by:

- (1) the Office of the Inspector General;
- (2) independent governance consultants;
- (3) certified public accounting firms with governance expertise; or
- (4) other qualified entities approved by the board.

(d) Audit reports must be made publicly available.

SECTION 8. Community reinvestment programs.

(a) Each covered entity shall establish and maintain a community reinvestment program.

(b) Community reinvestment programs must support activities that advance educational, workforce development, environmental, cultural, health, economic development, youth leadership, public safety, or community improvement initiatives within the Virgin Islands.

(c) Each covered entity shall annually adopt a community reinvestment plan approved by its governing board.

(d) Community reinvestment activities may include:

- (1) scholarships;
- (2) workforce training programs;
- (3) youth development initiatives;
- (4) educational partnerships;
- (5) community grants;
- (6) environmental sustainability projects;
- (7) public safety initiatives; and
- (8) cultural preservation programs.

(e) Covered entities shall annually report all community reinvestment expenditures, partnerships, and outcomes.

SECTION 9. Annual governance report.

(a) Each covered entity shall submit an annual governance report to:

- (1) the Governor of the Virgin Islands;
- (2) the President of the Legislature; and
- (3) the appropriate legislative committee of jurisdiction.

(b) The report must include:

- (1) strategic plan progress;
- (2) key performance indicators performance results;
- (3) chief executive officer's certification of completed evaluation;
- (4) board self-assessment completion certification;
- (5) community reinvestment program outcomes;
- (6) governance improvement initiatives undertaken during the preceding fiscal year; and
- (7) governance audit findings, if applicable.

SECTION 10. This act takes effect 180 days after enactment.

BILL SUMMARY

1 This bill establishes a framework for uniform governance, accountability, transparency,
2 strategic planning, performance management, and community reinvestment requirements for
3 public corporations, autonomous entities, public and instrumentalities of the Government of
4 the Virgin Islands.

5 **BR26-1177/September 4, 2026/PFA**