

Testimony of Cindy L. Richardson
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Special Session – Bill 36-0125
August 1, 2025

Good day Senate President, members of the 36th Legislature, staff, colleagues, and the viewing and listening audience. I am Cindy Richardson Director of the Division of Personnel. Thank you for the opportunity to testify in support of Bill 36-0125 an act amending title 3 Virgin Island Code, chapters 25 and 27 relating to simultaneous payment of non-legislative annuities to serving members of the Legislature of the Virgin Islands.

This legislation proposes to repeal 3 V.I.C. §§ 714(g) and 763(g), which currently permits members of the Legislature to receive both a government pension based on non-legislative service while simultaneously accruing credit toward and/or receiving a second pension for their legislative service. This dual pension arrangement is enabled under 3 V.I.C. §§ 714(g) and 763(g).

Before addressing the substance of the bill, I would like to respectfully offer clarification. The preamble to the measure states that retirees who return to government service, including those elected as Governor or Lieutenant Governor, are not allowed to collect both a salary and a pension at the same time. However, under 3 V.I.C. §§ 706 and 755, GVI retirees are, in fact, permitted to return to public service and collect both a government pension and a salary for a time certain, provided certain eligibility conditions are met. This is an important distinction, and it is essential that our discussion remains grounded in accurate representations of existing law.

It is important to acknowledge that while Legislators are allowed to accrue dual pensions, similar carve-outs exist elsewhere in the Virgin Islands Code. For example, 3 V.I.C. § 7701(h) and 733(g) permits members of the Judiciary to also receive a government pension from non-judicial service while simultaneously earning/receiving a judicial retirement annuity.

While the legislative carve-out is not unique, it is distinct in that it applies to a body of elected officials whose terms and positions are directly shaped by public election and public trust. For this reason, and because the Legislature has direct control over the structure of its own benefits, this is the appropriate and responsible place to begin reform.

By repealing these provisions, we take a meaningful step toward:

- Reducing long-term liabilities to the Government Employees Retirement System (GERS);

- Promoting equity, ensuring that legislators are not entitled to benefits unavailable to the rest of the GVI workforce; and
- Demonstrating a commitment to integrity and public service, especially at a time when pension reform and fiscal sustainability are critical public concerns.

Some may ask why the bill does not address similar carve-outs in other branches. That is a fair question. Comprehensive retirement reform is indeed long overdue. Issues like collecting both a government pension and a government salary at the same time, dual annuity accrual, the cap on annuity for non-elected government employees, and the lack of contribution flexibility all deserve attention. However, this bill is a principled starting point. It reflects a willingness by the Legislature to lead by example—by aligning its own pension structure with the standards applied to the broader GVI workforce. Retirement reform should promote fairness and sustainability for all public employees, not just elected officials.

While the repeal of §§ 714(g) and 763(g) would eliminate the legislative carve-out for dual pension accrual, the measure does not address what happens to legislators who are current retirees and continue in office after the effective date of repeal. To provide a clear transition, we also recommend that the repeal take effect following the next general election.

This bill is not about penalizing past service or revoking lawfully accrued benefits. It is a forward-looking effort to ensure that the principles of fiscal discipline, equity, and public confidence are reflected in the laws that govern those who write them. It should not affect those who have already retired or accrued benefits under existing law. It should simply ensure that, going forward, we apply a consistent standard to pension eligibility in the legislative branch.

In closing, this bill reinforces the values of fiscal stewardship, equity, and public accountability. It takes a responsible first step toward strengthening the integrity of the Government Employees Retirement System. I respectfully urge your support.

Thank you.