COMMITTEE ON FINANCE

BILL NO. 31-0223

Thirty-first Legislature of the Virgin Islands

September 9, 2015

An Act amending Title 33 Virgin Islands Code, chapter 117, section 3304 providing for additional collateral that a depository banking institution may pledge in lieu of a corporate surety bond

PROPOSED BY: Senator Neville A. James by Request of the Governor

Be it enacted by the Legislature of the Virgin Islands:

SECTION 1. Title 33 Virgin Islands Code, subtitle 3, chapter 117, section 3304 is amended by adding paragraph (6) to read as follows:

"(6) irrevocable letters of credit issued by entities sponsored or established by the United States Government, or its agencies and instrumentalities, including irrevocable letters of credit issued by the Federal Home Loan Bank of New York."

BILL SUMMARY

This bill amend title 33 V.I.C., §3304 providing authorization for the Government of the Virgin Islands to allow banking institutions to pledge irrevocable letters of credit issued by the U.S. Government agencies, including the federal Home Loan Bank of New York, as collateral to secure Governmental funds deposited in the depository banking institutions.

BR15-0939/August 17, 2015/Reviewed by YLT
G31-0005