



THE UNITED STATES VIRGIN ISLANDS

OFFICE OF THE GOVERNOR
GOVERNMENT HOUSE

Charlotte Amalie, V.I. 00802
340-774-0001

June 9, 2017

VIA MESSENGER

The Honorable Myron D. Jackson
Senate President
Thirty Second Legislature of the Virgin Islands
Capitol Building
St. Thomas, VI 00802

Re: Governor's Action on Bill numbered 32-0002

Dear Mr. President:

I write to advise you that, pursuant to Section 9(d) of the Revised Organic Act of the Virgin Islands of 1954 as amended, I have acted on Bill No. 32-0002. I have vetoed Bill No. 32-0002, a bill to authorize the Government of the Virgin Islands to purchase the Estate Catherineberg property from the West Indian Company, Limited ("WICO"). This measure presented to me raises serious concerns implicating the doctrine of separation of powers applicable to the Territory through the Revised Organic Act of 1954, as amended.

Through Bill 32-0002 comes the Legislature of the Virgin Islands to implement a measure to collect the tax or fee it imposed and made applicable to WICO and other instrumentalities of the Government. This Payment In Lieu Of Taxes ("PILOT") program obligation has gone unpaid by WICO. By the instant measure, the Legislature is encroaching on the role and responsibility of the Executive Branch to enforce and determine and enforce the collection of taxes and fees due and owing to the Government. I am convinced that this measure was not given the consideration and thoughtfulness it required. Not only does this bill fail to resolve the issue of WICO's outstanding PILOT debt owed to the Government of the Virgin Islands, but it also heaves upon the central government a historic treasure for which the central government has no adequate resources to maintain.

In addition, how did the Legislature determine that the appraised value of the property at Catherineberg is equal to \$6,650,000.00, which is the amount of the unpaid PILOT? What recourse does WICO have if the property is valued more than or less than this amount?

In addition, the measure before me increases the annual amount of the PILOT for WICO to \$1 million without providing a credit for the unpaid PILOT by WICO for the transfer of the assets as provided for in this Bill.

In repealing section 5 of Act No. 6984, the Legislature has returned WICO's PILOT payment to One Million Dollars (\$1,000,000.00) annually. If WICO couldn't pay \$700,000 annually, how would it make a \$1,000,000.00 annual payment? I cannot approve this measure as drafted nor would I implement this measure if the Senate chooses to override my veto. What I will do is submit proposed legislation which will convert the original structure at Catherineberg to a museum as well as settle the issue of a Governor's residence on the island of St. Thomas.

As always, thank you for your continued work on behalf of the people of the Virgin Islands.

Sincerely,



Kenneth E. Mapp
Governor

Enclosure