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SENATE }

REPORT
No. 465

AMENDING THE REVISED ORGANIC ACT OF THE VIRGIN ISLANDS
TO PROVIDE FOR THE PAYMENT OF LEGISLATIVE SALARIES
AND EXPENSES BY THE GOVERNMENT OF THE VIRGIN ISLANDS

JULY 19, 1965.—Ordered to be printed

Mr. JACKSON, from the Committee on Interior and Insular Affairs,
submitted the following

REPORT

[To accompany H.R. 8721]

The Committee on Interior and Insular Affairs, to whom was referred the bill (H.R. 8721) to amend the Revised Organic Act of the Virgin Islands to provide for the payment of legislative salaries and expenses by the government of the Virgin Islands, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

PURPOSE

The purpose of H.R. 8721 is to vest in the government of the Virgin Islands the power to fix the salaries and allowances of members of its legislature and to provide for the payment of the same from local revenues rather than from Federal appropriations.

A companion bill, S. 2066, was also considered by the committee.

NEED

Subsection (e) of section 6 of the Revised Organic Act of the Virgin Islands (68 Stat. 487, 499), as amended (14 U.S.C. 1572(e)), fixes the basic compensation of each of the 11 members of the Virgin Islands Legislature at \$600 per annum and provides for payment thereof by the United States. In addition, each legislator who is away from the island of his residence receives \$20 per diem while the legislature is actually in session and is reimbursed for actual travel expenses for eight round trips per calendar year between his home island and Charlotte Amalie, the territorial capital. These allowances are

also paid by the United States. Additional travel expenses and per diem, if any, are paid by the Virgin Islands government.

The Legislature of the Virgin Islands is charged with responsibility for enacting all local laws. Its regular sessions may continue for 60 days per year. Special sessions not in excess of 30 days a year may be convened by the Governor.

Enactment of H.R. 8721 will permit the Virgin Islands Legislature to determine its own salaries and allowances subject, of course, to the usual veto power of the Governor. This will result in a modest savings to the Federal Government of about \$14,000 a year. More important than this, however, will be the implicit recognition by Congress that the Virgin Islands Legislature is a body of responsible men and that the electorate can be depended upon to check its membership if, by any chance, it is tempted to abuse its powers. Enactment of H.R. 8721 will thus be an expression of faith in local democratic processes.

COST

No expenditure of Federal funds is involved in H.R. 8721.

EXECUTIVE COMMUNICATION

The executive communication from the Secretary of the Interior, dated May 26, 1965, requesting introduction of this legislation is as follows:

DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., May 26, 1965.

HON. HUBERT H. HUMPHREY,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: Enclosed is the draft of a proposed bill to amend the Organic Act of Guam to provide for the payment of legislative salaries and expenses by the government of Guam, together with the draft of a proposed bill, intended as a companion proposal to the first, to amend the Revised Organic Act of the Virgin Islands to provide for the payment of legislative salaries and expenses by the government of the Virgin Islands.

This Department has urged in the past, and continues to urge, the enactment of legislation intended to grant to the territories of Guam and the Virgin Islands the degree of autonomy and self-government which we believe is warranted by the demonstrated development and political maturity of these territories. The enclosed proposals are in furtherance of that policy. The proposals authorize the government of Guam and the government of the Virgin Islands to pay such legislative salaries and expenses as may be fixed by the laws of the respective territories. The federally imposed limitation on such salaries and expenses is eliminated, and the United States is relieved of its obligation to pay those salaries and certain of the expenses, an obligation which has necessitated the Federal expenditure of approximately \$37,000 per year. In our judgment, the enactment of these proposals would be a useful step toward the ultimate achievement of territorial home rule, which we know is the common goal of all of those in the Federal Establishment who share the obligation and responsibility

for the welfare and development of these territories of the United States.

Apart from the matter of home rule and the substantial question of policy which that matter involves, we believe that a persuasive argument for the enactment of this legislation can be made premised on a recognition of the substantial local responsibilities of the territorial legislatures, and, simultaneously, of the prerogatives and privileges which they should, but do not, possess.

Under existing provisions of Federal law, specifically 48 U.S.C. 1421d(e) in the case of Guam, and 48 U.S.C. 1572(e) in the case of the Virgin Islands, the basic compensation of members of the territorial legislatures is fixed by statute and provision is made for the payment of that compensation by the United States. In the case of Guam all other legislative expenses, whatever they may be, are appropriated by, and paid out of, funds of the government of Guam. In the case of the Virgin Islands, additional provision is made for per diem and travel expenses, both to be paid by the United States, and for the legislature to provide for the payment of travel expenses and per diem for its members traveling on official business outside the Virgin Islands, subject to the limitation that the latter payments shall not be in excess of those that would be allowed Federal employees similarly situated.

In each of the two territories of Guam and the Virgin Islands the Congress has provided for a legislative body independent of the executive and judicial branches with true legislative authority extending to all subjects of local application and subject only to those limitations made necessary by, and consistent with, the relationship between the territories and the United States. The exercise of this legislative authority has extended to, among a multitude of other subjects, the consideration of the territorial budgets and to the appropriation of the funds necessary for the operation of the local government. Thus, with the exception of the few Federal employees in each of the territories whose salaries are fixed by Federal law, the territorial legislatures find themselves able to fix the salaries of the officers and employees of the local governments, and to appropriate from the funds of the territories the amounts necessary to pay those salaries, but, because of the Federal law noted above, are unable to act with respect to their own salaries and expenses. Here we believe it is significant to note, without denying or attempting to minimize certain substantial Federal assistance, that neither Guam nor the Virgin Islands come before the Congress with requests for direct appropriations to support the administration of the territories except in the most extraordinary of circumstances, as, for example, the Guam Rehabilitation Act, and the appropriations requested pursuant thereto. Therefore, the expression "funds of the government of the Virgin Islands" or "funds of the government of Guam" have a significance which should not be overlooked.

When it is remembered that the members of the territorial legislatures are the popularly elected representatives of the people of the territory and are not in any way Federal officers or employees, we submit that the limitation upon the legislatures with which we are concerned is wholly unnecessary and, further, is demeaning to the extent that such limitation can and has been construed as evidencing Federal mistrust as well as the precautionary retention by the Federal Government of a substantial degree of potential leverage should the need arise in connection with the activities of the legislatures. We

know that while initially the existing provisions of law may have been the product of considerable paternalism, the foregoing construction could not be more untrue today. Nevertheless, it is an allegation which we are called upon to rebut from time to time and which is of real concern to the territorial government as well as to the people of the territories and to this Department. In view of this situation, and the state of the law, the solution we suggest seems most appropriate. Considering the very substantial responsibilities of the territorial legislatures of both Guam and the Virgin Islands and what we consider to be the mature and responsible way in which those responsibilities are discharged, it seems a small thing indeed to suggest that these legislative bodies, which have been given the legislative responsibility for so much, could and should be empowered to fix their own salaries and expenses and to provide for the payment thereof, subject of course to the normal legislative procedures and the concurrence of the Governor.

The enactment of the enclosed proposals is urged by this Department upon the basis of our independent and carefully considered opinion that such enactment would be appropriate and just. At the same time, however, these proposals are urged for enactment by the Honorable Manuel F. L. Guerrero, Governor of Guam, the Honorable Ralph M. Paiewonsky, Governor of the Virgin Islands, the Legislature of Guam, the Legislature of the Virgin Islands, and the ad hoc constitutional convention which was convened in the Virgin Islands to consider the Revised Organic Act of the Virgin Islands and to recommend, in connection therewith, changes, amendments, or deletions which the convention believed to be in the best interests of the territory and necessary to the welfare and development thereof, yet consistent with the relationship which exists between the territory and the United States.

When Governor Guerrero was asked for his views concerning this proposal, he responded in a radiogram as follows: "I support such legislation on grounds that present stipend is unrealistic and that those who enact local laws should be financially supported by local government. The Governor's organic powers would be sufficient to avoid any abuse as to level of salaries set * * *."

Governor Paiewonsky, with whom the matter frequently has been discussed, has in every instance argued the need for this legislation and urged its introduction and enactment.

The constitutional convention also turned to that section of the Revised Organic Act of the Virgin Islands which provides for the payment of compensation of the members of the legislature. While the proposed amendment is perhaps unnecessarily detailed, for which reason we have suggested the somewhat different language in the enclosed bill, it clearly evidences the wishes of the delegates to the convention. The convention's suggested amendment is as follows:

"Compensation and allowances: Each member of the legislature shall be paid such compensation as shall be fixed by enactment of the legislature and approved by the Governor: *Provided*, That such compensation after it has first been fixed shall not be changed except by legislative enactment for the next legislature. Each member of the legislature who is away from the island of his residence shall also receive a per diem, fixed by the legislature, for each day's attendance while the legislature is actually in session, in lieu of his expenses for subsistence, and shall be reimbursed for his actual travel expenses in

going to and returning from each session, or period thereof. The salaries, per diem, and travel allowances of the members of the legislature shall be paid by the government of the Virgin Islands."

The Bureau of the Budget has advised that this legislative proposal is in accord with the President's program.

Sincerely yours,

JOHN A. CARVER, Jr.,
Under Secretary of the Interior.

A BILL To amend the Revised Organic Act of the Virgin Islands to provide for the payment of legislative salaries and expenses by the government of the Virgin Islands

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (e) of section 6 of the Revised Organic Act of the Virgin Islands (68 Stat. 497, 499), as amended (73 Stat. 568; 48 U.S.C. 1572(e)), is further amended to read as follows:

"(e) Each member of the legislature shall be paid such compensation and shall receive such additional allowances or benefits as may be fixed under the laws of the Virgin Islands. Such compensation, allowances or benefits, together with all other legislative expenses shall be appropriated by, and paid out of funds of, the government of the Virgin Islands."

CHANGES IN EXISTING LAW

In compliance with subsection (4) of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill, H. R. 8721, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

SECTION 6 OF THE REVISED ORGANIC ACT OF THE VIRGIN ISLANDS
(68 STAT. 497, 499), AS AMENDED (73 STAT. 568; 48 U.S.C. 1572(e))

* * * * *

[(e) Each member of the legislature shall be paid the sum of \$600 annually, one-third on the first day of the regular session of the legislature, one-third one month after the beginning of such regular session, and one-third at the close of such regular session. Each member of the legislature who is away from the island of his residence shall also receive the sum of \$20 per day for each day's attendance while the legislature is actually in session, in lieu of his expenses for subsistence, and shall be reimbursed for his actual travel expenses in going to and returning from each session, or period thereof, for not to exceed a total of eight round trips during any calendar year. The salaries, per diem, and travel allowances of the members of the legislature shall be paid by the Government of the United States: *Provided, however,* That nothing herein shall prohibit the Virgin Islands Legislature from providing for payment of travel expenses and per diem in lieu of subsistence, at rates not in excess of those permitted by the Federal Government for its employees, for members of the legislature traveling on official business outside of the Virgin Islands.]

(e) *Each member of the legislature shall be paid such compensation and shall receive such additional allowances or benefits as may be fixed under the laws of the Virgin Islands. Such compensation, allowances, or benefits, together with all other legislative expenses, shall be appropriated by, and paid out of funds of, the government of the Virgin Islands.*





