

Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate an annual report on all land sales made under this section.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from North Carolina (Mr. JONES) and the gentlewoman from the Virgin Islands (Mrs. CHRISTENSEN) each will control 20 minutes.

The Chair recognizes the gentleman from North Carolina (Mr. JONES).

GENERAL LEAVE

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 816.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. JONES of North Carolina. Mr. Speaker, I yield such time as he may consume to the gentleman from Nevada (Mr. GIBBONS), the author of this bill.

Mr. GIBBONS. Mr. Speaker, to my friend and colleague, the gentleman from North Carolina (Mr. JONES), I want to thank him for his courtesy in granting me time to rise today in support of the legislation I introduced, H.R. 816, the Nevada National Forest Disposal Act.

Mr. Speaker, Nevada has a unique relationship with the Federal Government, because 91.9 percent of the land within that State is either federally owned or federally controlled. As a native and a public servant of this great State, I am committed to promoting sensible land management policies that allow for responsible economic development, while protecting our precious natural resources and scenic vistas. My bill, the Nevada National Forest Disposal Act, is a model for such development.

The bill provides for the sale of six small tracts of land at public auction for fair market value. The sale of this land will allow responsible planning and economic development in Carson City and Douglas County.

These parcels of land, Mr. Speaker, are land that are not pristine forest lands. In fact, there is barely any vegetation at all that can be found on these lots. The parcels are small tracts of land, each bordered by private lands on at least two sides, either within residential areas or next to a highway.

The Forest Service faces many challenges when it comes to managing these lots, and because of the nature of their location they are simply magnets for trash. I think we can all agree that the Forest Service should not have to divert resources away from their mission to deal with small tracts of land that often become an unfortunate dumping ground for a community.

Developing these lands, Mr. Speaker, would benefit the community by providing more economic opportunity and removing what some find to be an eye-

sore amidst commercial and residential areas, certainly not pristine forest land.

The proceeds of this land sale benefit the community, the State of Nevada and the Forest Service. Sixty-five percent of the proceeds from the land being sold will go to fund an inter-agency wildland fire suppression center. This center will help to protect the wildland-urban interface that surrounds the community. Twenty-five percent of the proceeds goes to the Forest Service to be used for development and maintenance of parks, trails and natural areas in the Carson City, Douglas County and Washoe County areas. Of the remaining 10 percent of the revenue, 5 percent will go to Nevada's general education fund and 5 percent will go to the Carson Water Subconservancy District.

Mr. Speaker, this is sound public policy. It is sound public land management policy for the Federal Government to dispose of tracts of land such as these that do not warrant Federal protection and use the revenue to manage vital areas of Federal ownership. This particular land disposal is important to the State of Nevada. It is supported by the community, and I urge my colleagues to support it.

Mrs. CHRISTENSEN. Mr. Speaker, I yield myself such time as I may consume.

(Mrs. CHRISTENSEN asked and was given permission to revise and extend her remarks.)

Mrs. CHRISTENSEN. Mr. Speaker, as my distinguished colleague the gentleman from Nevada (Mr. GIBBONS) has explained, this legislation provides for the disposal of specific forest lands in Nevada and specifies the uses of those funds from the sale of these lands.

The gentleman from California (Chairman POMBO) succeeded in moving this legislation through the House during the last Congress. We do not object to the passage of this legislation at this time.

Mr. Speaker, I yield back the balance of my time.

Mr. JONES of North Carolina. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from North Carolina (Mr. JONES) that the House suspend the rules and pass the bill, H.R. 816.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

CREATING OFFICE OF CHIEF FINANCIAL OFFICER OF GOVERNMENT OF VIRGIN ISLANDS

Mr. JONES of North Carolina. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 62) to create the Office of Chief Financial Officer of the Government of the Virgin Islands, and for other purposes.

The Clerk read as follows:

H.R. 62

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CHIEF FINANCIAL OFFICER OF THE VIRGIN ISLANDS.

(a) APPOINTMENT OF CHIEF FINANCIAL OFFICER.—

(1) IN GENERAL.—The Governor of the Virgin Islands shall appoint a Chief Financial Officer, with the advice and consent of the Legislature of the Virgin Islands, from the names on the list required under section 2(d). If the Governor has nominated a person for Chief Financial Officer but the Legislature of the Virgin Islands has not confirmed a nominee within 90 days after receiving the list pursuant to section 2(d), the Governor shall appoint from such list a Chief Financial Officer on an acting basis until the Legislature consents to a Chief Financial Officer.

(2) ACTING CHIEF FINANCIAL OFFICER.—If a Chief Financial Officer has not been appointed under paragraph (1) within 180 days after the date of the enactment of this Act, the Virgin Islands Chief Financial Officer Search Commission, by majority vote, shall appoint from the names on the list submitted under section 2(d), an Acting Chief Financial Officer to serve in that capacity until a Chief Financial Officer is appointed under the first sentence of paragraph (1). In either case, if the Acting Chief Financial Officer serves in an acting capacity for 180 consecutive days, without further action the Acting Chief Financial Officer shall become the Chief Financial Officer.

(b) TRANSFER OF FUNCTIONS.—

(1) IN GENERAL.—Upon the appointment of a Chief Financial Officer under subsection (a), the functions of the Director of the Office of Management and Budget established under the laws of the Virgin Islands shall be transferred to the Chief Financial Officer. All employees of the Office of Management and Budget become employees of the Office of the Chief Financial Officer.

(2) DOCUMENTS PROVIDED.—The heads of each department of the Government of the Virgin Islands, in particular the head of the Department of Finance of the Virgin Islands and the head of the Internal Revenue Bureau of the Virgin Islands shall provide all documents and information under the jurisdiction of that head that the Chief Financial Officer considers required to carry out his or her functions to the Chief Financial Officer.

(c) DUTIES OF CHIEF FINANCIAL OFFICER.—The duties of the Chief Financial Officer shall include the following:

(1) Assume the functions and authority of the office of the Office of Management and Budget established under the laws of the Virgin Islands as transferred under subsection (b).

(2) Develop a report on the financial status of the Government of the Virgin Islands not later than 6 months after appointment and quarterly thereafter. Such reports shall be available to the public and shall be submitted to the Committee on Resources in the House of Representatives and the Committee on Energy and Natural Resources in the Senate.

(3) Each year certify spending limits of the annual budget and whether or not the annual budget is balanced.

(4) Monitor operations of budget for compliance with spending limits, appropriations, and laws, and direct adjustments where necessary.

(5) Develop standards for financial management, including inventory and contracting, for the government of the Virgin Islands in

general and for each agency in conjunction with the agency head.

(6) Oversee all aspects of the implementation of the financial management system provided pursuant to section 3 to ensure the coordination, transparency, and networking of all agencies' financial, personnel, and budget functions.

(7) Provide technical staff to the Governor and legislature of the Virgin Islands for development of a deficit reduction and financial recovery plan.

(d) DEPUTY CHIEF FINANCIAL OFFICER.—Until the date that is 5 years after the date of the enactment of this Act, the position of the Director of the Office of Management and Budget of the Virgin Islands shall—

(1) have the duties, salary (as specified in subsection (f)(3)), and other conditions of the Deputy Chief Financial Officer in lieu of the duties, salary, and other conditions of the Director of the Office of Management and Budget of the Virgin Islands as such functions existed before the appointment of the Chief Financial Officer; and

(2) assist the Chief Financial Officer in carrying out the duties of the Chief Financial Officer.

(e) CONDITIONS RELATED TO CHIEF FINANCIAL OFFICER.—

(1) TERM.—The Chief Financial Officer shall be appointed for a term of 5 years.

(2) REMOVAL.—The Chief Financial Officer shall not be removed except for cause. An Acting Chief Financial Officer may be removed for cause or by a Chief Financial Officer appointed with the advice and consent of the Legislature of the Virgin Islands.

(3) REPLACEMENT.—If the Chief Financial Officer is unable to continue acting in that capacity due to removal, illness, death, or otherwise, another Chief Financial Officer shall be selected in accordance with subsection (a).

(4) SALARY.—The Chief Financial Officer shall be paid at a salary to be determined by the Governor of the Virgin Islands, except such rate may not be less than the highest rate of pay for a cabinet officer of the Government of the Virgin Islands or a Chief Financial Officer serving in any government or semi autonomous agency.

(f) CONDITIONS RELATED TO DEPUTY CHIEF FINANCIAL OFFICER.—

(1) TERM; REMOVAL.—The Deputy Chief Financial Officer shall serve at the pleasure of the Chief Financial Officer.

(2) REPLACEMENT.—If the Deputy Chief Financial Officer is unable to continue acting in that capacity due to removal, illness, death, or otherwise, another person shall be selected by the Governor of the Virgin Islands to serve as Deputy Chief Financial Officer.

(3) SALARY.—The Deputy Chief Financial Officer shall be paid at a salary to be determined by the Chief Financial Officer, except such rate may not be less than the rate of pay of the Director of the Office of Management and Budget.

(g) RESUMPTION OF FUNCTIONS.—On the date that is 5 years after the date of the enactment of this Act, the functions of the Chief Financial Officer shall be transferred to the Director of the Office of Management and Budget of the Virgin Islands.

(h) SUNSET.—This section shall cease to have effect after the date that is 5 years after the date of the enactment of this Act.

SEC. 2. ESTABLISHMENT OF COMMISSION.

(a) ESTABLISHMENT.—There is established a commission to be known as the "Virgin Islands Chief Financial Officer Search Commission".

(b) DUTY OF COMMISSION.—The Commission shall recommend to the Governor not less than 3 candidates for nomination as Chief Fi-

ancial Officer of the Virgin Islands. Each candidate must have demonstrated ability in general management of, knowledge of, and extensive practical experience at the highest levels of financial management in governmental or business entities and must have experience in the development, implementation, and operation of financial management systems. Candidates shall not have served in a policy making or unclassified position of the Government of the Virgin Islands in the 10 years immediately preceding appointment as Chief Financial Officer.

(c) MEMBERSHIP.—

(1) NUMBER AND APPOINTMENT.—The Commission shall be composed of 9 members appointed not later than 30 days after the date of the enactment of this Act. Persons appointed as members must have recognized business, government, or financial expertise and experience and shall be appointed as follows:

(A) 1 individual appointed by the Governor of the Virgin Islands.

(B) 1 individual appointed by the President of the Legislature of the Virgin Islands.

(C) 1 individual, who is an employee of the Government of the Virgin Islands, appointed by the Central Labor Council of the Virgin Islands.

(D) 1 individual appointed by the Chamber of Commerce of St. Thomas-St. John.

(E) 1 individual appointed by the Chamber of Commerce of St. Croix.

(F) 1 individual appointed by the President of the University of the Virgin Islands.

(G) 1 individual appointed by the Chief Judge of the Virgin Islands Territorial Court.

(H) 1 individual, who is a resident of St. John, appointed by the At-Large Member of the Legislature of the Virgin Islands.

(I) 1 individual appointed by the Advocates for the Preservation of the Retirement System.

(2) TERMS.—

(A) IN GENERAL.—Each member shall be appointed for the life of the Commission.

(B) VACANCIES.—A vacancy in the Commission shall be filled in the manner in which the original appointment was made. Any member appointed to fill a vacancy shall be appointed for the remainder of that term.

(3) BASIC PAY.—Members shall serve without pay.

(4) QUORUM.—Five members of the Commission shall constitute a quorum.

(5) CHAIRPERSON.—The Chairperson of the Commission shall be the Chief Judge of the Territorial Court or her designee and shall serve as an ex officio member of the Commission and shall vote only in the case of a tie.

(6) MEETINGS.—The Commission shall meet at the call of the Chairperson. The Commission shall meet for the first time not later than 15 days after all members have been appointed under this subsection.

(7) GOVERNMENT EMPLOYMENT.—Members may not be current government employees, except for the member appointed under paragraph (1)(C); and

(d) REPORT; RECOMMENDATIONS.—The Commission shall transmit a report to the Governor and the Resources Committee of the House of Representatives and the Committee on Energy and Natural Resources of the Senate not later than 60 days after its first meeting. The report shall name the Commission's recommendations for candidates for nomination as Chief Financial Officer of the Virgin Islands.

(e) TERMINATION.—The Commission shall terminate 210 days after its first meeting.

SEC. 3. FINANCIAL MANAGEMENT SYSTEM.

It is hereby authorized to be appropriated such sums as necessary for the installation of a Financial Management System, includ-

ing appropriate computer hardware and software, to the Government of the Virgin Islands. Upon becoming available, the financial management system shall be available to the Chief Financial Officer and, after the date that is 5 years after the date of the enactment of this Act, the Director of the Office of Management and Budget of the Virgin Islands, to assist the Chief Financial Officer or the Director of the Office of Management and Budget of the Virgin Islands, as the case may be, to carry out the official duties of that office.

SEC. 4. DEFINITIONS.

For the purposes of this Act, the following definitions apply:

(1) CHIEF FINANCIAL OFFICER.—In sections 1 and 2, the term "Chief Financial Officer" means a Chief Financial Officer or Acting Chief Financial Officer, as the case may be, appointed under section 1(a).

(2) COMMISSION.—The term "Commission" means the Virgin Islands Chief Financial Officer Search Commission established pursuant to section 2.

(3) GOVERNOR.—The term "Governor" means the Governor of the Virgin Islands.

(4) REMOVAL FOR CAUSE.—The term "removal for cause" means removal based upon misconduct, failure to meet job requirements, or any grounds that a reasonable person would find grounds for discharge.

SEC. 5. NO ABROGATION OF POWERS.

Nothing in this Act shall be construed to permit the Governor and Legislature of the Virgin Islands to dilute, delegate, or otherwise alter or weaken the powers and authority of the Office of Management and Budget established under the laws of the Virgin Islands.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from North Carolina (Mr. JONES) and the gentlewoman from the Virgin Islands (Mrs. CHRISTENSEN) each will control 20 minutes.

The Chair recognizes the gentleman from North Carolina (Mr. JONES).

GENERAL LEAVE

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 62.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. JONES of North Carolina. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, our colleague, the gentlewoman from the Virgin Islands (Mrs. CHRISTENSEN), has introduced legislation to address a potentially serious problem relating to her territory's financial future. Her legislation, H.R. 62, would create an Office of Chief Financial Officer for the United States Virgin Islands.

For over a decade now, multiple factors have led to a worsening financial outlook in this territory. Natural disasters, a gradually declining tourism industry and resulting spending decisions by the local government have left the U.S. Virgin Islands with significant annual deficits. Further, this territory now faces a debt totaling \$1 billion.

This legislation uses local and Federal input to select a Chief Financial

Officer. The CFO will tackle the difficult fiscal and related political decisions with regard to spending on these islands. This position will be temporary and will be empowered to stop wasteful spending and put this territory on the track to more sound economic footing.

The financial practices of the United States Virgin Islands have taken a primary position in the minds of its citizens and thus remain of great importance to my colleague, the gentlewoman from the Virgin Islands (Mrs. CHRISTENSEN). Without this legislation, one must worry that the Federal Government may have to take even more direct action if this debt continues to increase.

Finally, I would like to also point out that identical legislation, H.R. 3589, was passed by the Committee on Resources in the 108th Congress and by the whole House on September 22, 2004. We are hopeful that early action on this legislation during the Congressional session will translate into more momentum for the enactment of H.R. 62.

□ 1430

I hope bipartisan support of this legislation will continue, and I urge adoption of the bill.

Mr. Speaker, I reserve the balance of my time.

Mrs. CHRISTENSEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, today we are poised to pass this bill for the second time. I thank the gentleman from North Carolina (Mr. JONES) for his kind and supportive remarks. I also want to take this opportunity to thank the gentleman from California (Mr. POMBO) and the gentleman from West Virginia (Mr. RAHALL), particularly, but all of the members of the House Committee on Resources and the staff on both sides for their unwavering support in getting this bill to the floor again today.

Mr. Speaker, most people in my district agree that with the passage of this bill, H.R. 62, which would create a Chief Financial Officer for the U.S. Virgin Islands, we will make an important step forward and lay a stronger foundation for our children's future. We also would restore the confidence of the public in our government.

While it has not been an easy journey, it has become very clear that the people of the Virgin Islands recognize the need for more accountability, transparency, and efficiency in the management of Federal and local funding. The implementation of an independent CFO is clearly not the only way to achieve this, but it is the only viable proposal that has come forward over the last 8 years or more of increasing deficits and narrowly averted fiscal crises, crises which have only been delayed through repeated borrowing.

Included in H.R. 62 is also funding for the planning and implementation of a

financial management system. This is a critical part of the bill and the responsibility of the Chief Financial Officer this bill would create. While the groundwork has already begun under the current administration, it is my belief, given the millions of dollars that have been spent in the past on financial systems, that the only way to ensure that it is fully transparent, networked, and integrated is if it is overseen by someone who is independent and has no official territory to protect.

This is not to cast any aspersions on the hardworking public servants who currently head or work at any of our departments, including our Office of Management and Budget. Protecting one's turf is simply human nature. On the other hand, the system under which they labor is outdated, cumbersome, ineffective and cannot support the missions of their offices or the optimal functioning of our government.

I would be remiss, however, if I did not commend the Governor and his staff for the recent steps they have taken to restore our government to fiscal health. Yet our public services, our salaries, our contracting process with compliance with contracts, our infrastructure, and our accounting is not where it needs to be. And the fiscal information needed for effective planning is simply unavailable in a reliable form.

While the support for my bill is not unanimous, especially in the higher echelons of local leadership at home, it is broad. It exists at all levels of our society, and it spans all three islands.

I do not want to belabor the reasons which made it necessary for this bill to be here before this body today, except to say that major hurricanes, changes in Federal tax policy, as well as a systemic dysfunction in central government operations, have played a role.

There is no need or reason to point blame, but shame on us if we do not provide the leadership for which we were elected, and fix the problem. Pushing for passage of this bill has neither been easy nor have I taken it lightly. I understand the consequences of stepping beyond the political status quo, as I have done with this legislation; but I have also seen in other jurisdictions the consequences of acting as though everything was fine and doing nothing. And I have pursued it on behalf of and because of the strong and unwaiving support of the people of the U.S. Virgin Islands.

I want to thank my colleagues again for their support and ask for a "yea" vote.

Mr. RAHALL. Mr. Speaker, in my capacity as the ranking Democratic member of the Resources Committee, I would like to register my strong support of H.R. 62, to create the office of chief financial officer for the territory of the U.S. Virgin Islands.

This Chamber passed similar legislation in the 108th Congress because of the tireless and tenacious efforts of Mrs. CHRISTENSEN.

Today, we are bringing up this legislation early in the Congress hoping the Senate will act on it expeditiously.

The financial condition of the Virgin Islands remains in trouble. Skyrocketing deficits coupled with inadequate fiscal controls have left the local government struggling to provide basic services to the people of the Virgin Islands.

Just last week, the U.S. Department of Education issued an order to the Virgin Islands Government to hire an independent contractor to manage approximately \$35 million in annual grants because the local government did not have a financial system in place to adequately account for the grants. Regrettably, this recent order was not the first of its kind by one of our Federal agencies levied against the local Virgin Islands Government.

Clearly, the lack of financial accountability and the potential for financial insolvency of the territory did not occur overnight. Nevertheless the introduction of this measure, by the distinguished representative of the Virgin Islands, DONNA CHRISTENSEN, continues to be met with controversy and opposition from many local political leaders.

DONNA CHRISTENSEN has made it clear that this legislation is something that she would rather not have to do, but the circumstances of her territory have made the choices for her. She is a brave woman for fighting for what she believes is in the best interest of her constituents and for her island and she should be commended.

Virgin Islands history will tout this legislation as a turning point in the fundamental approach that the territory handles its financial affairs.

I have said it before, and I will say it again today: When the next chapter in Profiles in Courage is written, it will be about the gentlelady from the Virgin Islands, DONNA CHRISTENSEN.

I urge my colleagues to support favorable passage by this body of H.R. 62.

Ms. CHRISTENSEN. Mr. Speaker, I yield back the balance of my time.

Mr. JONES of North Carolina. Mr. Speaker, I have no additional speakers, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. PETRI). The question is on the motion offered by the gentleman from North Carolina (Mr. JONES) that the House suspend the rules and pass the bill, H.R. 62.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

WESTERN RESERVE HERITAGE AREAS STUDY ACT

Mr. JONES of North Carolina. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 412) to authorize the Secretary of the Interior to conduct a study to determine the suitability and feasibility of establishing the Western Reserve Heritage Area.

The Clerk read as follows:

H.R. 412

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,