Health Care Financing Administration, which are referred to in section 502(a)(1) (except for the reference to the Micronesian Claims Act of 1971 (85 Stat. 96)) of the Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union With the United States of America, approved by joint resolution approved on March 24, 1976 (90 Stat. 263), and 502(a)(2) of said Covenant shall be applicable to the territories of Guam and the Virgin Islands on the same terms and conditions as such laws are applied to the Commonwealth of the Northern Mariana Islands.''

EFFECTIVE DATE OF 1977 AMENDMENT

Amendment by Pub. L. 95–135 effective as of Oct. 15, 1977, see section 2 of Pub. L. 95–135, set out as a note under section 1421q–1 of this title.

§ 1574a. Revenue bonds or other obligations

(a) Authorization for issuance; use of proceeds; legislative initiative and binding referendum vote

In addition to the authority conferred by section 1574(b) of this title, the legislature of the government of the Virgin Islands is authorized to cause to be issued bonds or other obligations of such government in anticipation of revenues to be received under section 7652(b)(3) of title 26. The proceeds of such bonds or other obligations may be used for any purpose authorized by an act of the legislature. The legislature of the government of the Virgin Islands may initiate, by majority vote of the members, a binding referendum vote to approve or disapprove the amount of any such bond or other obligation and/or any purpose for which such bond or other obligation is authorized.

(b) Federal guarantee

The legislature of the government of the Virgin Islands may provide, in connection with any issue of bonds or other obligations authorized to be issued under subsection (a) of this section the proceeds of which are to be used for public works or other capital projects, that a guarantee of such bonds or obligations by the United States should be applied for under section 1574b of this title.

(c) Limitations on issuance

Except to the extent inconsistent with the provisions of this Act, the provisions of section 1574(b)(ii) of this title (other than the limitation contained in the proviso to the first sentence of subparagraph (A)) shall apply to bonds and other obligations authorized to be issued under subsection (a) of this section.

(Pub. L. 94–392, § 1, Aug. 19, 1976, 90 Stat. 1193; Pub. L. 105–83, title I, § 124(c), Nov. 14, 1997, 111 Stat. 1567; Pub. L. 106–84, § 1(b)(3), Oct. 28, 1999, 113 Stat. 1295.)

REFERENCES IN TEXT

This Act, referred to in subsec. (c), is Pub. L. 94–392, Aug. 19, 1976, 90 Stat. 1193, as amended, which enacted sections 1574a to 1574d of this title, amended section 1397 of this title, and enacted a provision set out as a note below. For complete classification of this Act to the Code, see Tables.

CODIFICATION

In subsec. (a), ''section 7652(b)(3) of title 26'' substituted for ''section 28(b) of such Act (26 U.S.C. 7652)'', meaning section 28(b) of the Revised Organic Act of the Virgin Islands (68 Stat. 508), which was classified to section 3350(c) of former Title 26, Internal Revenue Code, on authority of section 7852(b) of Title 26, Internal Revenue Code, which provided that any reference in any other law to a provision of the Internal Revenue Code of 1939 shall be deemed a reference to the corresponding provision of the Internal Revenue Code of 1986.

Section was not enacted as part of the Revised Organic Act of the Virgin Islands which comprises this chapter.

AMENDMENTS

1999—Subsec. (d). Pub. L. 106–84 struck out subsec. (d) which read as follows: ''The legislature of the Government of the Virgin Islands may cause to be issued notes in anticipation of the collection of the taxes and revenues for the current fiscal year. Such notes shall mature and be paid within one year from the date they are issued. No extension of such notes shall be valid and no additional notes shall be issued under this section until all notes issued during a preceding year shall have been paid.''

1997—Subsec. (d). Pub. L. 105–83 added subsec. (d).

AUTHORIZATION OF APPROPRIATIONS

Section 6 of Pub. L. 94–392 provided that: ''There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act [enacting this section and sections 1574b to 1574d of this title and amending section 1397 of this title].''

§ 1574b. Federal guarantee for issuance of revenue bonds or other obligations

(a) Application to Secretary of the Interior; contents

When authorized under subsection (b) of section 1574a of this title, the government of the Virgin Islands may apply to the Secretary of the Interior (hereinafter referred to as the ''Secretary'') for a guarantee of any issue of bonds or other obligations authorized to be issued under subsection (a) of section 1574a of this title. Any such application shall contain such information as the Secretary may prescribe.

(b) Terms and conditions of guarantee or commitment to guarantee; determination by Secretary of approval

The Secretary is authorized, with the approval of the Secretary of the Treasury, to guarantee and to enter into commitments to guarantee, upon such terms and conditions as he may prescribe, payment of principal and interest on bonds and other obligations issued by the government of the Virgin Islands under subsection (a) of section 1574a of this title. No guarantee or commitment to guarantee shall be made unless the Secretary determines—

(1) that the proceeds of such issue will be used only for public works or other capital projects, except that $28,000,000 of the guaranteed bonding authority will be used for water producing and power projects, including maintenance and overhaul of electrical generating and distribution mechanisms, and $12,000,000 of the guaranteed bonding authority will be used for repair and improvements of the water distribution and storage systems;

(2) taking into account anticipated expenditures by the government of the Virgin Islands while the bonds or other obligations forming a part of such issue will be outstanding, all outstanding obligations of the government of the Virgin Islands which will mature while the

bonds or other obligations forming a part of such issue will be outstanding, and such other factors as he deems pertinent, that the revenues expected to be received under section 7652(b)(3) of title 26 will be sufficient to pay the principal of, and interest on, the bonds or other obligations forming a part of such issue;

(3) that credit is not otherwise available on reasonable terms and conditions and that there is reasonable assurance of repayment, and

(4) that the maturity of any obligations to be guaranteed does not exceed thirty years or 90 per centum of the useful life of the physical assets to be financed by the obligation, whichever is less as determined by the Secretary.

(c) Administrative costs; deposit of fees

The Secretary shall charge and collect fees in amounts sufficient in his judgment to cover the costs of administering this section. Fees collected under this subsection shall be deposited in the revolving fund created under subsection (g) of this section.

(d) Conclusiveness and incontestability; pledge of full faith and credit

Any guarantee made by the Secretary shall be conclusive evidence of the eligibility of the obligation for such guarantee, and the validity of any guarantee so made shall be incontestable, except for fraud or material misrepresentation, in the hands of the holder of the guaranteed obligation. Such guarantee shall constitute a pledge of the full faith and credit of the United States for such obligation.

(e) Interest on guaranteed obligations taxable

The interest on any obligation guaranteed under this section shall be included in gross income for purposes of chapter 1 of the Internal Revenue Code of 1986 [26 U.S.C. 1 et seq.].

(f) Maximum amount guaranteed; time limitations on commitments to guarantee, obligation of guaranteed but unobligated funds, and repayment of unobligated proceeds of bonds or other obligations

The aggregate principal amount of obligations which may be guaranteed under this Act shall not exceed $101,000,000. No commitment to guarantee may be issued by the Secretary, and no guaranteed but unobligated funds may be obligated by the government of the Virgin Islands after October 1, 1990. After October 1, 1990, any unobligated proceeds of bonds or other obligations issued by the government of the Virgin Islands pursuant to this section shall be repaid immediately by the government of the Virgin Islands to the lenders with the agreed upon interest. Should there be any delay in the government of the Virgin Islands' making such repayment, the Secretary shall deduct the requisite amounts from moneys under his control that would otherwise be paid to the government of the Virgin Islands under section 7652(b)(3) of title 26.

(g) Revolving fund; establishment; submission of budget to Congress; payments; transfers from fund to general fund of Treasury; issuance and sale of notes or other obligations for guarantees

(1) There is hereby created within the Treasury a separate fund (hereinafter referred to as ''the fund'') which shall be available to the Secretary without fiscal year limitation as revolving fund for the purpose of this Act. A business-type budget for the fund shall be prepared, transmitted to the Congress, considered, and enacted in the manner prescribed by law (sections 9103 and 9104 of title 31) for wholly owned Government corporations.

(2) All expenses, including reimbursements to other government accounts, and payments pursuant to operations of the Secretary under this Act shall be paid from the fund. If at any time the Secretary determines that moneys in the fund exceed the present and any reasonably prospective future requirements of the fund, such excess may be transferred to the general fund of the Treasury.

(3) If at any time the moneys available in the fund are insufficient to enable the Secretary to discharge his responsibilities under guarantees under this Act, he shall issue to the Secretary of the Treasury notes or other obligations in such forms and denominations, bearing such maturities, and subject to such terms and conditions, as may be prescribed by the Secretary of the Treasury. Redemption of such notes or obligations shall be made by the Secretary from appropriations which are hereby authorized for this purpose. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, which shall not be less than a rate determined by taking into consideration the average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of the notes or other obligations. The Secretary of the Treasury shall purchase any notes or other obligations issued hereunder and for that purpose he is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under chapter 31 of title 31 and the purposes for which securities may be issued under that chapter are extended to include any purchase of such notes or obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this subsection. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public debt transactions of the United States.

(Pub. L. 94–392, § 2, Aug. 19, 1976, 90 Stat. 1193; Pub. L. 96–205, title IV, § 407, Mar. 12, 1980, 94 Stat. 89; Pub. L. 98–146, title I, Nov. 4, 1983, 97 Stat. 931, 932; Pub. L. 98–213, § 4(b), Dec. 8, 1983, 97 Stat. 1460; Pub. L. 99–514, § 2, Oct. 22, 1986, 100 Stat. 2095.)

REFERENCES IN TEXT

Chapter 1 of the Internal Revenue Code of 1986, referred to in subsec. (e), means chapter 1 (§ 1 et seq.) of Title 26, Internal Revenue Code.

This Act, referred to in subsecs. (f) and (g), is Pub. L. 94–392, Aug. 19, 1976, 90 Stat. 1193, as amended, which enacted sections 1574a to 1574d of this title, amended section 1397 of this title, and enacted a provision set out as a note under section 1574a of this title. For complete classification of this Act to the Code, see Tables.

CODIFICATION

In subsecs. (b)(2) and (f), ''section 7652(b)(3) of title 26'' substituted for ''section 28(b) of the Revised Or-

ganic Act of the Virgin Islands [68 Stat. 508]'', which was classified to section 3350(c) of former Title 26, Internal Revenue Code, on authority of section 7852(b) of Title 26, Internal Revenue Code, which provided that any reference in any other law to a provision of the Internal Revenue Code of 1939 be deemed a reference to the corresponding provision of the Internal Revenue Code of 1986.

In subsec. (g)(1) and (3), ''sections 9103 and 9104 of title 31'' substituted for ''sections 102, 103, and 104 of the Government Corporation Control Act (31 U.S.C. 847–849)'', and ''chapter 31 of title 31'' and ''that chapter'' were substituted for ''the Second Liberty Bond Act'' and ''that Act'', respectively, on authority of Pub. L. 97–258, § 4(b), Sept. 13, 1982, 96 Stat. 1067, the first section of which enacted Title 31, Money and Finance.

Section was not enacted as part of the Revised Organic Act of the Virgin Islands which comprises this chapter.

AMENDMENTS

1986—Subsec. (e). Pub. L. 99–514 substituted ''Internal Revenue Code of 1986'' for ''Internal Revenue Code of 1954''.

1983—Subsec. (b)(1). Pub. L. 98–213, § 4(b)(1), and Pub. L. 98–146, § 100(1), made nearly identical amendments relating to the use of the amounts of $28,000,000 and $12,000,000 of the guaranteed bonding authority. The text reflects the amendment by Pub. L. 98–213.

Subsec. (f). Pub. L. 98–213, § 4(b)(2), and Pub. L. 98–146, § 100(2), amended subsec. (f) identically, substituting ''$101,000,000'' for ''$61,000,000'' and ''1990'' for ''1984'' in two places.

1980—Subsec. (f). Pub. L. 96–205 substituted provisions relating to prohibitions on commitments to guarantee by the Secretary and obligation by the Virgin Islands government of guaranteed but unobligated funds, and repayment by the government of unobligated proceeds of bonds or other obligations after Oct. 1, 1984, for provisions relating to entering into under Pub. L. 94–392, after Oct. 1, 1979, of commitments to guarantee.

§ 1574c. Priority for payment of principal and interest of revenue bonds or other obligations

Each issue of bonds or other obligations issued under subsection (a) of section 1574a of this title shall have a parity lien with every other issue of bonds or other obligations issued for payment of principal and interest out of revenues received under section 7652(b)(3) of title 26, except that issues guaranteed under section 1574b of this title shall have priority, according to the date of issue, over issues not so guaranteed and the revenues received under section 7652(b)(3) of title 26 shall be pledged for the payment of such bonds or other obligations.

(Pub. L. 94–392, § 3, Aug. 19, 1976, 90 Stat. 1195; Pub. L. 105–83, title I, § 124(a), Nov. 14, 1997, 111 Stat. 1567.)

CODIFICATION

''Section 7652(b)(3) of title 26'' substituted in text for ''section 28(b) of the Revised Organic Act of the Virgin Islands [68 Stat. 508]'', which was classified to section 3350(c) of former Title 26, Internal Revenue Code, on authority of section 7852(b) of Title 26, Internal Revenue Code, which provided that any reference in any other law to a provision of the Internal Revenue Code of 1939 be deemed a reference to the corresponding provision of the Internal Revenue Code of 1986.

Section was not enacted as part of the Revised Organic Act of the Virgin Islands which comprises this chapter.

AMENDMENTS

1997—Pub. L. 105–83 substituted ''a parity lien with every other issue of bonds or other obligations issued for payment'' for ''priority for payment'' and struck out ''in the order of the date of issue'' before '', except that''.

EFFECTIVE DATE OF 1997 AMENDMENT

Section 124(b) of Pub. L. 105–83 provided that: ''The amendments made by subsection (a) [amending this section] shall apply to obligations issued on or after the date of enactment of this section [Nov. 14, 1997].''

§ 1574d. Repealed. Pub. L. 97–357, title III, § 308(g), Oct. 19, 1982, 96 Stat. 1710

Section, Pub. L. 94–392, § 4, Aug. 19, 1976, 90 Stat. 1195, related to grants to government of Virgin Islands for operation of such government and limitation on amount of such grants.

§ 1575. Legislative procedure

(a) Quorum and method of voting on bills

The number of members of the legislature needed to constitute a quorum shall be determined by the laws of the Virgin Islands. No bill shall become a law unless it shall have been passed at a meeting, at which a quorum was present, by the affirmative vote of a majority of the members present and voting, which vote shall be by yeas and nays.

(b) Enacting clause of acts

The enacting clause of all acts shall be as follows: ''Be it enacted by the Legislature of the Virgin Islands''.

(c) Governor's message and budget

The Governor shall submit at the opening of each regular session of the legislature a message on the state of the Virgin Islands and a budget of estimated receipts and expenditures, which shall be the basis of the appropriation bills for the ensuing fiscal year, which shall commence on the first day of July or such other date as the Legislature of the Virgin Islands may determine.

(d) Approval and disapproval of bills

Every bill passed by the legislature shall, before it becomes a law, be presented to the Governor. If the Governor approves the bill, he shall sign it. If the Governor disapproves the bill, he shall, except as hereinafter provided, return it, with his objections, to the legislature within ten days (Sundays excepted) after it shall have been presented to him. If the Governor does not return the bill within such period, it shall be a law in like manner as if he had signed it, unless the legislature by adjournment prevents its return, in which case it shall be a law if signed by the Governor within thirty days after it shall have been presented to him; otherwise it shall not be a law. When a bill is returned by the Governor to the legislature with his objections, the legislature shall enter his objections at large on its journal and, upon motion of a member of the legislature, proceed to reconsider the bill. If, after such reconsideration, two-thirds of all the members of the legislature pass the bill, it shall be a law. If any bill presented to the Governor contains several items of appropriation of money, he may object to one or more of such items, or any part or parts, portion or portions thereof, while approving the other items, parts, or portions of the bill. In such a case he shall ap-