



EMPLOYEES' RETIREMENT SYSTEM OF THE GOVERNMENT OF THE VIRGIN ISLANDS

MEMORANDUM

TO: Heads of Departments, Agencies and Instrumentalities of the Government of the U.S. Virgin Islands

FROM: 
Austin L. Nibbs, CPA, CGMA
Administrator/CEO

DATE: December 9, 2015

SUBJECT: Act No. 7802

On October 26, 2015, Act No. 7802 was enacted. This act amended Chapters 27 and 28A of Title 3 of the Virgin Islands Code by making amendments concerning eligibility for membership and receipt of service credit in the System. Herein is a brief summary of the amendments made to Title 3, Chapter 27, Section 703(f) and Chapter 28A, Section 752(f) of the Virgin Islands Code.

Section 703(f)(1) has been amended by deleting the previous language in its entirety and added the following language:

“Any employee whose services are compensated on a contractual fee [sic] or per diem basis and who works exclusively for the Government at least 40 hours per week may be included as a member and receive service credit for such period by paying contributions pursuant to section 704 of this chapter.”

Section 703(f)(2) was amended by striking the words, “or per diem.”

Section 752(f) was amended by striking the previous language in its entirety and adding the following language:

“Any employee whose services are compensated on a contractual, fee or per diem basis and works exclusively for the Government at least 40 hours per week may be included as a member and receive service credit for such periods by paying contributions pursuant to section 704(f) of this title.

Because of these amendments, members working on a contractual fee or per diem basis, provided they work exclusively for the Government at least 40 hours per week, may become members of the System and receive service credit, provided statutorily required contributions and charges are paid. Prior to the amendments, employees working on a

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per diem, contractual, or fee basis were not eligible to become members of the System and could not receive service credit. Therefore, the amendments mean that:

1. Employees who are working on a contractual, fee, or per diem basis and working exclusively for the Government at least 40 hours per week may become members of the System.
2. The Employers of employees working on a contractual, fee, or per diem basis and working exclusively for the Government at least 40 hours per week shall pay the Employer's share of contributions on behalf of such employees. The Employers shall be responsible for paying its share of contributions from the date of enactment, October 26, 2015, of Act No. 7802.
3. Employees working on a contractual, fee, or per diem basis and working exclusively for the Government at least 40 hours per week shall pay the Employee's share of contributions to the System immediately (pursuant to the amendments made to 3 V.I.C. § 703(b) and 752(b) by Act No. 7802 § 1(c)(1) and (3)(c)(1)) after becoming members of the System.
4. Employees who have worked on a contractual, fee, or per diem basis and worked exclusively for the Government at least 40 hours per week may receive service credit for their service worked prior to October 26, 2015, the date of enactment of Act No. 7802, provided they pay the Employer's and Employee's share of contributions, including the income the system would have earned had those contributions been paid to the system at the time the service was rendered or worked.

Any employee, whose services are compensated on a contractual, fee or per diem basis and works exclusively for the Government at least 40 hours per week, who desires to become a member and receive service credit shall make such election in writing to the GERS by completing a membership application and paying contributions. I trust that you will share this information with your employees. If you have any questions, please contact Ms. Shoran D.C. Sasso, Director, Member Services at (340) 776-7703 ext. 4910 or sdcasso@usvigers.com, or Cathy M. Smith, General Counsel at (340) 776-7703 or csmith@usvigers.com.

cc: The Honorable Kenneth E. Mapp, Governor of the U.S. Virgin Islands
The Honorable Neville James, President, 31st Legislature of the U.S. Virgin Islands
The Honorable Rhys Hodge, Chief Judge, Supreme Court of the U.S. Virgin Islands
The Honorable Michael C. Dunston, Presiding Judge, Superior Court of the U.S. Virgin Islands
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