

## **NOMINEE ANNIE DAY HENRY GETS COMMITTEE NOD TO SERVE ON PUBLIC EMPLOYEES RELATION BOARD**

**Date :** July 13, 2017

St. Croix--The Committee on Rules and Judiciary, chaired by Senator Novelle Francis, Jr., met on Thursday in the Frits E. Lawaetz Conference Room, St. Croix where the nomination of Annie Day Henry to serve as a member of the Public Employees Relation Board (PERB) for the District of St. Croix was debated. The Committee also considered several proposed legislations.

Henry, a Registered Nurse received a B.S. Degree in Nursing and served in the United States Air Force Nursing Corp in the 1990's. She said she was trained to be a mediator and from 2016 to 2017 she underwent training in the administrative process, introduction to mediation, introduction to arbitration and resolving grievances through arbitration and mediation.

According to Henry, she has served the Virgin Islands Nurses Association as Chief Negotiator and engaged in collective bargaining, unfair labor practice, contract and stipulation writing and in 2013 assisted the certification of the Registered Nurses Leadership Union to become a legitimate union.

Henry who negotiated six collective bargaining agreements with six different Government Chief Negotiators said that her experience, background, willingness, dedication and commitment to serve the community has prepared her to be an asset to the PERB. After Committee members and other non-committee members questioning of the PERB's nominee, her nomination was voted on with a favorable recommendation to the Full Body for further consideration.

The Committee took up the issue on Bill No.32-0010, proposed by Senator Francis, Jr., the Bill seeks to amend the Virgin Islands Code which governs the rate and computation of franchise taxes. The Bill increases the franchise taxes for corporations incorporated under the laws of the Virgin Islands from \$150 to \$300 and V.I. Foreign Sales Corporation from \$300 to \$500. The Bill also defines, "paid in capital" for the purposes of computing franchise tax.

Chairman Francis, Jr., said the bill is being sponsored on behalf of the Office of the Lieutenant Governor and seeks to close a loophole that has kept the Government from collecting its fair share of franchise taxes. He added that what was in front of the committee today represented the hard work of the Lt. Governor's Office to move the Territory beyond the status quo, while finding balance between the concerns of the private sector and the realities of the Government to collect what is rightfully owed by way of taxes.

The Chairman pointed out the proposed changes to how the franchise taxes are computed, the legislation will not affect the average small businesses or mom and pop stores, which are the lifeblood of the Territory's economy. Instead, the companies that will be affected are the larger

corporations that are multijurisdictional, and that comprise a very small percentage of the more than 42,000 business entities on file in the Division of Corporations and Trademarks.

Denise Johannes, Director, Division of Corporation and Trademarks said with additional time granted by the Committee, the parties were able to meet and engage in robust discussions about Bill No.32-0010, which has been amended pursuant to those discussions. Director Johannes added that Bill No.32-0010 as currently amended does much good by increasing tax liability for small business, and increasing the revenue generating capability of the Division of Corporation and Trademarks, and by extension, the Government of the Virgin Islands.

In his testimony to the Committee, George Dudley, a partner in the law firm of Dudley, Topper and Feuerzeig, LLP and Co-Chairman of Lockhart Companies Incorporated on St. Thomas said he is not opposed to an increase in the minimum franchise tax that Virgin Islands Corporation should be required to pay. However, the definition of "paid in capital" proposed in the revised bill submitted is very troubling in many respects.

One of those aspect, said Dudley, is that, the revised definition amounts to a de facto tax on assets and a significant new annual fixed cost to a corporation without regard to whether the corporation is making money or losing money. He pointed out that if the government is truly committed to economic growth and diversification and really is interested in finding ways to reduce Virgin Islands unemployment, the government should attract new industries willing and able to invest the capital.

According to Dudley, he agreed to a doubling of the minimum tax paid under the current statute. What he objected to is the redefinition of the "paid in capital" to make it a de facto tax on the assets and invested capital of a corporation. He urged the removal of the phrase "plus any cash or other consideration contributed to the corporation by or behalf of its shareholders" from the proposed definition of "paid in capital" contained in Bill No. 32-0010.

The Bill was amended and voted out of the committee with a favorable recommendation and sent to the Fully Body for further consideration.

Also testifying on the measure was Attorney Dolace McLean, General Counsel, Office of the Lieutenant Governor.

The committee voted in favor of Bill No.32-0099, sponsored by Senator Janette Millin Young, a resolution honoring and commending Nels Hawkinson for founding the Paradise Jam in the Virgin Islands and exposing the territory to millions of Americans throughout the United States and the Caribbean. It was sent to the Full Body for further consideration.

The committee took up the issues concerning two important horse racing proposed legislations. The first was Bill No.32-0092-an act amending the Virgin Islands Code relating to the establishing of a single horse racing commission. The second was Bill No.32-0093 which also amends the Virgin Islands Code relating to horse racing by adding a section to provide for anti-doping in the Horse Racing Industry in the Virgin Islands, and to amend certain sections regarding the allocation

of funds received from the Racino Tax.

Both bills were sponsored by Senator Myron D. Jackson at the request of the Governor. Testifying on the bills were Wayne Biggs, Chairman, St. Croix Horse Racing Commission who said he supports both pieces of legislations; Gary Nicholas, Vice-President, Horse Owner Association, said he could not support the creation of a single horse racing commission.

Both bills were amended and voted out of the committee with favorable recommendations and sent to the Full Body for further consideration.

Other testifiers were Jay Watson, Horse Owner, Bernard Jude, St. Thomas Horse Racing Commission., and Attorney Ronald E. Russell.

Committee members at Thursday's meeting were Chairman Senator Novelle E. Francis, Jr., Jean A. Forde, Myron D. Jackson, Sammuel Sanes, Janette Millin Young, Positive T.A. Nelson, and Marvin A. Blyden. Non-Committee member were Senators Brian Smith and Neville A. James.