

**LEGISLATION ESTABLISHING  
SELECT COMMITTEE ON  
STATUS AND FEDERAL RELATIONS  
1984**

**SOURCE:** Resolution No. 1132 (Bill 15-0388), Virgin Islands Session Laws, 477-480 (1984).

(Bill 15-0388)  
No. 1132

*(Passed February 7, 1984)*

To Determine the Status of the Virgin Islands, To Create Within the Legislature of the Virgin Islands a Select Committee on Status and Federal Relations and to Propose a Compact of Federal Relations Between the Virgin Islands and the United States of America.

WHEREAS the Virgin Islands by the terms of the Revised Organic Act of 1954, as amended, has been an unincorporated territory of the United States of America; and

WHEREAS Public Law 94-584, enacted October 21, 1976, authorized the people of the Virgin Islands to adopt their own constitution for local self-government and specified that the constitution must be drafted "within the existing territorial-federal relationship"; and

WHEREAS the Virgin Islands Status Commission was created by Bill No. 13-0570 (Act No. 4462), enacted August 5, 1980, to negotiate the relationship of the Virgin Islands of the United States of America and to provide for popular ratification of a Territorial Relationship; and

WHEREAS the Status Commission is presently defunct and recommendations have been made by members of the Commission that it be abolished; and

WHEREAS two constitutions drafted in accordance with the Congressional legislation were rejected by the people of the Virgin Islands in March 1979, and November 1981; and

WHEREAS on November 2, 1982, the following questions were put to the Virgin Islands electorate in a referendum: (a) Should the Virgin Islands have a Constitution? and (b) Should the status of the Virgin Islands be decided before a constitution is drafted?; and

WHEREAS a majority of the voters who participated in the November 2, 1982, referendum voted "yes" on both questions; and

WHEREAS the United States, as a charter member of the United Nations, is required to foster greater self-government and self-determination for the people of the Virgin Islands; and

WHEREAS under the Constitution of the United States, the only real status choices are statehood, independence and territory (incorporated and unincorporated with varying degrees of internal self-government and economic benefits); and

WHEREAS unless the Virgin Islands becomes a state of the United States or an independent nation, it will continue to be a territory of the United States; and

WHEREAS the people of the Northern Marianas are not U.S. citizens, but nevertheless negotiated a "Covenant" with the United States which was subsequently approved by Congress; and

WHEREAS there are many problem areas with the present Virgin Islands-federal relationship; and

WHEREAS the Executive and Judicial branches of the Federal Government have denied the Virgin Islands Government access to the excise taxes collected on petroleum products imported into the United States from the Virgin Islands, a source of revenue that is urgently needed to relieve the critical budgetary pressures that exist within the Territory; and

WHEREAS representatives of the Administration of former President Jimmy Carter and the Administration of President Ronald Reagan have threatened to effect federal control and administration of the Virgin Islands Income Tax System, a move which would be inconsistent with the objectives of the people of the Virgin Islands to achieve a full measure of internal self-government; and

WHEREAS the People of the Virgin Islands have no voting representation in Congress, therefore, federalization of the Virgin Islands Income Tax System would amount to taxation without representation and is repugnant to the American system of democratic government; and

WHEREAS no attempt should be made to enter into Virgin Islands-United States status talks or negotiations of federal relations issues until the people of the Virgin Islands determine by secret ballot their desired future political status or federal relations changes; Now, Therefore,

*Be it resolved by the Legislature of the Virgin Islands:*

**Section 1. (a)** There is hereby created a Select Committee on Status and Federal Relations between the United States Virgin Islands and the United States of America consisting of nine Senators to be appointed by the President of the Legislature.

**(b)** Within 15 days after the approval of this resolution, the President shall appoint the members of the Select Committee and designate a chairman and vice-chairman.

**(c)** The Select Committee shall conduct extensive public information programs, forums, panel discussions and consultations throughout the Virgin Islands to enable the people of the Virgin Islands to express their views regarding the ultimate political

status of the Virgin Islands or desired changes in the Virgin Islands-federal relations.

(d) The Select Committee shall invite representatives of business, labor, civic and professional organizations, and interested residents to submit position papers, analyses, letters and other written statements outlining their positions on the various issues.

(e) The Select Committee, within one year after the appointment of its members, shall submit its report to the Legislature, which report shall include:

(1) A proposed "Compact of Federal Relations between the United States Virgin Islands and the United States of America" which shall be comprehensive in nature and cover the entire range of the relationship, including application of federal constitutional provisions, treaties and laws in the Virgin Islands, jurisdiction of federal courts in the Virgin Islands and their relationship to the courts of the Virgin Islands, administration of the Virgin Islands income tax system, return of the gasoline excise taxes, disposition of the Internal Revenue Matching Funds received by the Government of the Virgin Islands without prior approval of the President of the United States or his designee, extension of the three-mile off shore territorial limit under the jurisdiction of the Virgin Islands government, participation of the Virgin Islands in various federal economic development, health, education, welfare, and other social programs, and matters relating to customs, immigration, regional cooperation, granting by Congress to the Virgin Islands Legislature all powers exercised by Congress with respect to the Virgin Islands which are normally exercised by Legislatures of the several states of the United States relative to state, county, and municipal matters, representation of the people of the Virgin Islands in Congress, and removal of the Interior Department's oversight responsibilities with respect to the Virgin Islands;

(2) A recommendation that a referendum election be held on a given date, which date shall not be less than one year from the date on which the report is submitted, to enable the voters of the Virgin Islands to choose between the proposed "Compact of Federal Relations," statehood, independence, status quo or "other". The referendum ballot shall be drafted in such manner that individual voters will be allowed to reject specific section(s) of the proposed Compact while approving the basic document; and

(3) An outline of a program of public information and education to be undertaken by the Select Committee should its recommendations be approved by the Legislature.

**Section 2.** The President, subject to the approval of the Committee on Rules and Nominations, is authorized to allocate necessary funds out of the operating budget of the Legislature and to assign legal, professional, technical and secretarial staff personnel from the Central Staff of the Legislature to facilitate the work of the Select Committee.

*Passed February 7, 1984.*