

Testimony on Bill 34-0080

August 6, 2021

Good afternoon Senator Carla Joseph, Chairperson of the Committee on Government Operations and Consumer Protection, other senators of the 34th Legislature, ladies and gentlemen present, and in the viewing and listening audience. I am Steven van Beverhoudt, Virgin Islands Inspector General. I am here at your request to testify on Bill 34-0080, an act providing for the Legislature to hire a special investigator to conduct an investigation of the Virgin Islands Water and Power Authority (WAPA) and making an appropriation of \$250,000 to pay for the investigation.

I would first like to compliment the sponsor of the bill in his attempt to bring some type of closure to the many years of alleged wrongdoing at WAPA. I do, however, have some concerns with the legislation as proposed, which I will outline as follows:

Section 1:

- There is no indication on how the special investigator will be selected.
- The 2000 – 2021 (22 years) period of investigation is too long, especially with the limited time period (1 year) to conduct the investigation.
- The scope is too broad, covering 8 areas to investigate, again with the limited time period allowed.

Section 3:

- The \$250,000 appropriated in Section 2 is insufficient to cover the large scope and period identified in Section 1.
- Out of this appropriation, the special investigator would have to be paid, as well as a staff along with the necessary fringe benefits.
- There will also need to be an administrative person to manage the large volume of documents that will be received and to deal with the payroll requirements.
- Office space would have to be identified along with equipment and office supplies.
- Allowing the special investigator to use staff from any existing Government agency, may deplete the agency of its staff and prohibit the continuation of the agency's ongoing projects. Also, who pays the employees assigned to the special investigator? It would be unreasonable for the employees' agency to continue paying the employees when the agency is not receiving services from them, thereby creating a deficiency in the agency.
- There is also a question on the separation of powers. Can an Executive Branch employee be required to work for and be answerable to a Legislative Branch employee?

- Requiring a Government agency to provide documents may compromise a possible ongoing investigation that the agency may be doing in the same area of concern.
- Regarding the subpoena powers, who enforces the subpoena for compliance?
- What happens if the investigation is not completed within the 12-month timeframe?
- Finally, what happens if the special investigator uncovers criminal activity and charges are filed? Will the special investigator be retained to continue with aiding in the prosecution, which can take years?

In conclusion, I understand the senator's and public's frustration and concern with the allegations voiced for many years. As a WAPA ratepayer, I too share the same concerns, however, maybe a better approach would be to work with the Virgin Islands Attorney General to fund the special project through that office. The Virgin Islands Attorney General and the Virgin Islands Inspector General can then work together, as has been done in the past, to address many of the allegations and concerns regarding the operations of WAPA.

I thank you for the opportunity to present my concerns regarding Bill 34-0080.