



CONGRESSIONAL BUDGET OFFICE  
COST ESTIMATE

May 2, 2013

**H.R. 85**  
**A bill to create the Office of Chief Financial Officer  
of the Government of the Virgin Islands, and for other purposes**

*As ordered reported by the House Committee on Natural Resources  
on April 24, 2013*

CBO estimates that enacting H.R. 85 would have no significant effect on the federal budget. H.R. 85 would require the Governor of the Virgin Islands to appoint, with the advice and consent of the legislature of the Virgin Islands, a Chief Financial Officer (CFO) who would serve for a five-year period. The legislation also would require the territory to hold a referendum during a scheduled election on making the CFO position a permanent part of the Virgin Islands executive branch. Finally, H.R. 85 would establish a commission to recommend candidates for the CFO position. Enacting H.R. 85 would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply.

Requirements on the Governor of the Virgin Islands and the Board of Elections of the Virgin Islands are intergovernmental mandates as defined in the Unfunded Mandates Reform Act (UMRA). Based on information from representatives of the Virgin Islands, CBO estimates that the costs would be small and well below the annual threshold established in UMRA (\$75 million in 2013, adjusted annually for inflation). The legislation contains no private-sector mandates as defined in UMRA.

The CBO staff contacts for this estimate are Matthew Pickford (for federal costs) and Melissa Merrell (for the impact on state and local governments). The estimate was approved by Theresa Gullo, Deputy Assistant Director for Budget Analysis.