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Governor Bryan Requests Disaster Declaration From U.S. Small Business Administration

U.S. VIRGIN ISLANDS—Governor Albert Bryan Jr. sent a letter to U.S. Small Business Administration Director Kem Fleming requesting a disaster declaration to help Virgin Islands businesses mitigate the crippling financial losses they are experiencing because of the spread of the COVID-19 virus in the Territory.

The Governor has requested that the Small Business Administration (SBA) make the declaration so that local businesses will be eligible to apply for SBA Economic Injury Disaster Loans.

Many local businesses are struggling because of the extraordinary and necessary measures residents are taking, such as social distancing and avoiding groups of more than 10 people. In accord with those and other efforts aimed at minimizing the spread of the virus, local businesses have shortened their hours and are limiting the number of people allowed into their establishments.

Additionally, because of the temporary suspension of cruise ship calls to the Territory and the drastic reduction in air travel, the Tourism, Hospitality and Leisure sector has been particularly hard hit.

On Friday, Governor Bryan put in place additional measures to try to slow the spread of the COVID-19 virus – such as limiting gatherings to 10 or fewer people, restricting restaurants to take-out or pick-up orders and prohibiting inside dining service and limiting the workforce to essential employees only.

“Because our Territory is reachable only by air and sea, the sudden, dramatic and accelerating drops in air traffic, cruise ship arrivals and hotel bookings in recent days threaten to devastate, if not eliminate, economic activity and dramatically depress government revenues generated by this critical sector of our economy,” Governor Bryan wrote in his letter to Director Fleming.

The Governor said a first wave of employees affected by workforce reductions as a result of the COVID-19 virus is expected to be about 11,200 people, which will result in job losses, increased unemployment claims, reduced spending and drastically shrinking government revenues.

In support of the Governor’s request for an SBA disaster declaration, Government of the Virgin Islands surveyed businesses in the Territory and provided examples of local businesses and the losses they have suffered to date since the COVID-19 virus began affecting the U.S. Virgin Islands.

The surveys of affected businesses was conducted to determine the general nature of the economic impact to the Territory.

“Based upon these surveys, I certify that at least five (5) small businesses in the disaster area have suffered substantial economic injury as a result of the COVID-19 disaster and are in need of financial assistance not otherwise available on reasonable terms,” Governor Bryan wrote in the letter. “It is strongly urged that the Administrator declare an emergency disaster declaration to provide small business assistance to businesses in the USVI on the most favorable terms possible.”

For more information on COVID-19, please visit the USVI Department of Health's website, doh.vi.gov/coronavirus or text COVID19USVI to 888777.

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