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Governor Bryan Sends Letter to Congress Requesting Additional Federal COVID-19 Relief

U.S. VIRGIN ISLANDS — Governor Albert Bryan Jr. has written to the leadership of the U.S. Congress asking for additional federal COVID-19 relief for the Territory as the USVI struggles with the dormant Tourism industry and the continuing financial drain on the economy and local business community.

In his letter to U.S. House Speaker Nancy Pelosi, House Minority Leader Kevin McCarthy, Senate Majority Leader Mitch McConnell and Senate Minority Leader Charles Schumer, Governor Bryan issued an urgent request for further COVID-19 Relief Fund Aid.

"This correspondence presents three urgent requests for immediate relief: 1) a fresh infusion of direct Coronavirus Relief Fund aid; 2) waiver of the local cost-share requirement for both already-appropriated and forthcoming FEMA disaster relief payments; and 3) cancellation of the Territory's $300 million in Community Disaster Loans," Governor Bryan wrote.

The Governor said that the ongoing negative impact on the tourism sector from the COVID-19 pandemic has resulted in a loss of tax revenues and has forced the Territory to implement severe budget cuts to maintain operations.

Of the $150 billion appropriated for direct relief to the states, territories and tribal governments under the CARES Act's Coronavirus Relief Fund, the Government of the Virgin Islands received approximately $75 million – about one-sixteenth of the grants provided to even the smallest states.

In requesting that the local cost-share for FEMA public assistance be waived, Governor Bryan pointed out that the $5 billion in FEMA funding available to the USVI from Hurricanes Irma and Maria, at a 10% local match, and the COVID-19 relief, with a 25% match, would require the Territory to provide $500 million in local matching funds.

"There are no finds to pay the necessary local match for federal grants," Governor Bryan wrote. "Because of the COVID-19 pandemic, the Territory has had to dramatically reduce its budget by as much as $60 million for fiscal 2021. This reduction results in limited capacity to even hire and train much-needed personnel and leaves no money to pay even a fraction of the required local match."

Governor Bryan also is requesting that $300 million in Community Disaster Loans given to the Territory's two hospitals and the Virgin Islands Water and Power Authority as a result of the 2017 hurricanes be forgiven.

“Even before the COVID-19 outbreak, the Territory was likely to qualify for loan cancellation under the terms of the CDL promissory notes, as well as under applicable regulations,” the Governor wrote. “The fiscal crisis resulting from the pandemic makes the need for cancellation even more urgent. The Government cannot afford to take revenue desperately needed for the current crisis and use it to fund debt service from the previous one.”

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