

The Virgin Islands Consortium

Bernie Sanders Introduces \$146 Billion Bill To Rebuild And Modernize Infrastructure Of U.S. Virgin Islands And Puerto Rico

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Former presidential candidate and longtime Senator Bernie Sanders (Independent-Vermont), on Tuesday introduced a massive bill in the U.S. Senate that would rebuild and modernize the infrastructures of the U.S. Virgin Islands and Puerto Rico, a measure costing \$146 billion.

The bill, which enjoys some Democratic support, would transform the territories' energy, housing, education, agriculture, transportation and health care systems. It's titled "The Puerto Rico and U.S. Virgin Islands Equitable Rebuild Act of 2017", and its enactment

would alleviate some of the most pressing issues that have long beset the islands.

The bill's total sum of \$146 billion would be segmented into three main categories: \$62 billion would be granted to the governments of Puerto Rico and the U.S. Virgin Islands to address their fiscal challenges; \$51 billion for economic development and \$27 billion for infrastructure projects, according to a summary of the bill, seen [here](#).

A companion bill was expected to be introduced in the House of Representatives by Democratic Reps. Nydia Velazquez (N.Y.) and Darren Soto (Fla.) and USVI Delegate to Congress Stacey Plaskett. Mr. Sanders's bill enjoys the support of some of his colleagues in the Senate, including Sens. Elizabeth Warren (Mass.), Kirsten Gillibrand (N.Y.), Ed Markey (Mass.), Kamala Harris (Calif.) and Richard Blumenthal (Conn.), according to the [Huffington Post](#).

But the measure and the similar one being introduced in the House face almost certain death in the Republican-controlled Congress, whose Republican lawmakers -- already spending \$1.5 trillion on a landmark tax cut plan -- are becoming wary of additional spending. As The Huffington Post pointed out, 17 Republican senators voted against a \$36.5 billion bipartisan disaster recovery bill in October that set aside \$4.9 billion in loans for Puerto Rico and the U.S. Virgin Islands (the U.S.V.I. received \$500 million from that sum), contending that the U.S. territories have demonstrated fiscal irresponsibility. The measure passed nonetheless, but Mr. Sanders's more ambitious \$146 billion bill exclusively for the territories would most likely see a sharp drop-off in Republican support.

The well-detailed bill includes funding in a myriad of areas, including \$8.55 billion over ten years to address underlying deficiencies in Puerto Rico's and the U.S. Virgin Islands' infrastructure, which the measure says would create jobs the islands' economies desperately need, and offer incentives to shift away from reliance on imported fossil fuels and toward local renewable energy.

Speaking of diminishing the territories' reliance on imported fossil fuels, the measure would make available \$13 billion in additional Federal Emergency Management Agency (FEMA) funding for the rebuilding of the territories' electric grids with "more modern, resilient technologies," according to the bill's summary, which was provided by Mr. Sanders's office.

And it speaks to the inadequacy of the Stafford Act, which was created to help U.S. disaster areas with immediate relief from disasters (power restoration, removal of debris, installation of blue roofs, among other priorities), but not the long-term, more costly needs of the disaster areas. For example, while Mr. Sanders's bill calls for a total reimagining of the power grids, the Stafford Act requires that damaged or destroyed grids be rebuilt as they were before the disaster.

Importantly, the bill would eliminate general Medicaid funding limitations for territories. It would sunset the statutory cap on overall funding for Medicaid in the territories beginning with fiscal year 2019, according to the summary. Governor Kenneth Mapp over the years has called for the cap -- which sees the territory paying much higher Medicaid reimbursements compared to the states -- to be eliminated, calling it "arbitrary."

The measure would also provide \$34 million to restore clean drinking water and proper sewage disposal in Puerto Rico and the U.S. Virgin Islands; \$200 million for the Department of Veterans Affairs to address effects of damages on Hurricanes Irma Maria; \$3.157 billion to improve public schools, colleges, childcare facilities and mental health services to children and families; and would direct FEMA to develop a long-term disaster relief response plan for the territories for a situation when one or both are hit again by two or more Category 4 or higher hurricanes, to help ensure a better response in the future, completed within 8 months in consultation with territorial- and municipal-level elected officials and in coordination with other relevant agencies within Department of Homeland Security, the Environmental Protection Agency, the Department of Housing and Urban Development, the Department of the Interior, the Department of Health and Human Services, the Department of Transportation, and the Department of Commerce.

Hurricanes Irma and Maria, which devastated the U.S. Virgin Islands, have left the local government heavily dependent on the federal government, which has become a lifeline that, in many ways, is preventing a collapse of the local government. FEMA has provided hundreds of million of dollars in disaster relief through provisions under the Stafford Act to help the local government and residents recover. And while the approved \$500 million in low-interest federal loans to be released over the course of three fiscal years (first drawdown of \$300 million has been approved, according to Mr. Mapp), will help the USVI remain afloat, the territory will need more much to rebuild its damaged and destroyed infrastructure, which the Mapp administration has said will cost 7.5 billion.