

# The Virgin Islands Consortium

## Bryan Pens Letter to Biden Asking President to Free Up \$5 Billion in Funding By Eliminating Local Match For Hurricane Appropriations

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Home in St. John damaged by Hurricane Irma in 2017. By. ERNICE GILBERT FOR VI CONSORTIUM

The territory could realize up to \$5 billion in already-appropriated federal funding for Hurricanes Irma and Maria disaster recovery, if President Joe Biden eliminates the U.S. Virgin Islands' 10 percent match requirement to access the funds, said Governor Albert Bryan Tuesday. To that end, Mr. Bryan wrote a letter to Mr. Biden, a Democrat, hoping to see some positive movement on the request.

In his request, the governor said freeing up CDBG-Disaster (Community Development Block Grant-Disaster) funding set aside to pay the territory's local match requirements is sorely needed as the USVI continues to mitigate the economic impact of the Covid-19 pandemic. The worldwide health emergency struck while the territory was still in the recovery of the economy and infrastructure devastation from Hurricanes Irma and Maria, said Government House.

According to the release, Congress appropriated more than \$8 billion in disaster aid to fund the territory's disaster recovery after Hurricanes Irma and Maria in 2017. Much of that funding was appropriated through FEMA's Public Assistance Program.

Currently, the Virgin Islands Government has to pay a 10 percent local match on FEMA public assistance funding. In his letter, the governor explained the unavailability of hundreds of millions in local funds is impeding the territory's ability to access an estimated \$4 billion to \$5 billion in funding for approved recovery projects.

The GVI was approved to utilize CDBG-Disaster funding to satisfy the 10 percent cost-share. However, using those funds to match cost-share requirements would take away more than \$600 million, or approximately one-third, of the CDBG-Disaster funding appropriated to the territory from other approved critical disaster-recovery projects, explained Government House.

The administration said freeing up those CDBG-Disaster funds to redirect them into hurricane-related economic revitalization programs would immediately benefit local businesses that are now suffering even more from the hurricanes and the pandemic.

"The resulting infusion of money and development into the Territory would materially improve our difficult financial situation and the health, safety and welfare of our people and permit us to immediately redirect the HUD funds to more than a half-billion dollars of other desperately needed economic revitalization, infrastructure resilience, and affordable housing projects," wrote Mr Bryan. "And because the dollars that would be released by the cost-share waiver have already been appropriated, this massive economic stimulus would have a federal budgetary cost of zero."

Among his actions last week, President Biden signed an executive order that removed the requirement for local matching monies associated with National Guard resources to combat the pandemic and instructing FEMA (Federal Emergency Management Agency) to fully fund National Guard activity and FEMA public assistance without a local funding obligation.

Mr. Bryan had previously written to the federal government seeking relief from the match to no avail. But with a Democrat in the White House, the governor's chances of receiving a reduction, if not total waiver, have improved.