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# **\$110 Million in Tax Refunds, 1,200 New Jobs and \$38 Million to Repay Salary Cut Included in Bryan's First Ever Two-Year \$2.9 Billion Budget Proposal**

Government / **Published On May 31, 2021 08:51 AM /**

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**Cover of Governor Albert Bryan's Two-Year budget for fiscal years 2022-2023. By. THE V.I. OFFICE OF MANAGEMENT AND BUDGET**

Government House on Monday announced that Governor Albert Bryan has submitted to the 34th Legislature the first ever two-year executive budget and said revenue projections will continue to increase during those two years, in what Gov't House described as a "very impressive outlook for Fiscal Years 2022 and 2023."

Included in the budget, according to the administration, are a number of items aimed at fulfilling some of Mr. Bryan's promises, including \$110 million in two years for tax refunds and \$38

million to reimburse employees whose salaries were cut during the de Jongh administration, among other priorities.

Some highlights are:

- Wage increases for government employees of 4% in FY 2022 and 3% in FY 2023
- \$110 million over both fiscal years for tax refunds
- \$38 million for repayment of the 8% salary cut
- Funding for over 1,200 vacant government positions in FY 2022
- Up to \$10 million in FY 2023 for unfunded obligations as deemed by the GERS judgement
- \$2 million for ongoing payments to medical providers for Worker's Compensation
- Over \$15 million to be placed in the Rainy-Day Fund across both years

According to Gov't House, the Office of Management and Budget is proposing a General Fund budget of \$963,020,472 and Total Budget of \$1,485,472,985 for FY 2022 and a General Fund budget of \$976,372,193 and Total Budget of \$1,513,302,379 for FY 2023. This totals roughly \$2.9 billion for fiscal years 2022 and 2023.

"We are at an unprecedented time in our history as we pour millions of dollars into not only our infrastructure but most importantly our people," said Mr. Bryan in a message accompanying the budget. "The American Rescue plan of \$515 million for budget stabilization is rife with promise for impoverished Virgin Islanders and business people alike. Over the course of the next two years, we will make massive investments and take the necessary steps in bringing our people out of poverty. The Bryan Roach administration's commitment to paying the people first and becoming current in tax returns, is bolstered by a pledge of up to \$100 million in returns this year alone. These commitments are supported by the refunding of the Earned Income Credit by the federal government. This means that over \$25 million of these dollars will be funded for the first time by the federal government."

According to Gov't House, regarding the FY 2022 budget, it has increased an average of 20 percent over FY 2021, and a number of departments, including the Department of Justice, the Bureau of Corrections, the Motor Vehicles Bureau, Department of Human Services, and the Department of Agriculture have received increases over 30 percent from FY 2021. Schneider Regional Medical Center, Juan F. Luis Hospital and the Waste Management Authority also received increased budgets of 7 percent or higher than FY 2021.

The governor said while there has been some impact to the territory's main economic driver, tourism, "I am happy to present a budget that is undeniably increased and able to serve the needs of the people of the Virgin Islands. In the midst of the pandemic, my administration has been agile and resourceful as we made real-time changes to our operations including the utilization of technology and remote work while maintaining our services to the community."

He added that the budget projections "speak to positive investments being made in our economy, and that has stabilized our collections even throughout the pandemic. With continued disaster recovery funding and additional pandemic relief support being made available to the Territory through legislative acts such as the CARES Act and the American Rescue Plan, my administration is committed to 'Building a Better Tomorrow.'"

Mr. Bryan added, “Capitalizing on these opportunities, we are making investments that will keep us on a long-term path of prosperity and stability.”

Other key initiatives presented in the budget include:

- Creation of the Office of Gun Violence Prevention and the Office of Health Information Exchange within the Office of the Governor
- Development of the Virgin Islands Territorial Park System through a collaboration with the Office of the Governor and the Department of Planning & Natural Resources
- \$12 million over 2 years for the expanded Workforce Development Program at the Department of Labor.

Gov't House said the administration also has budgeted to continue reinvesting in the territory's infrastructure, street paving and maintenance "and is prepared to expend in excess of \$1 billion over the next two years inclusive of disaster recovery projects," meaning a large swath of the projects are already in play through federally-approved obligations being managed through the Office of Disaster Recovery.

Gov't House said the territory has almost \$3 billion currently available in federal grant funds to expend, with additional funds also already obligated but not yet received. "The Bryan-Roach Administration is committed to ensuring that as many projects as possible are started and completed by fiscal year 2023 to continue the strong economic growth," stated the release.

On the process of submitting the two-year budget, Office of Management and Budget Director, Jenifer O'Neal, said, “This two-year budget was built utilizing our new budgeting software, OpenGov, and is the result of significant collaboration with departments and agencies and other stakeholders to address their needs and the needs of the territory. The result provides a strong blueprint for fiscal years 2022 and 2023 amid ever changing demands brought to the forefront by the ongoing Covid-19 pandemic.”

The governor said the benefits of presenting the two-year budget include more time being spent on the management, oversight and implementation of the spending programs, according to Gov't House. The administration anticipates making necessary adjustments prior to the start of FY 2023 as projections are updated and additional needs are determined, Mr. Bryan stated, according to the release.

See the full budget on OMB's website [here](#).

