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Premium Pay Payouts Reach Completion: \$29 Million in Pandemic Relief Delivered

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The Office of Management and Budget Director, Jenifer O'Neal, testified before the Senate Committee on Budget, Appropriations, and Finance on Tuesday, announcing that all applications for pandemic-era stimulus funds have now been processed.

Ms. O'Neal reported that the latest batch of Premium Payments, totaling \$799,000, had been distributed to 341 private sector employees and 124 government employees. With this disbursement, the overall total reaches \$29,236,250 paid to 16,015 eligible workers, and no further payments under the program are expected.

The stimulus funds were part of the American Rescue Plan Act, which allocated nearly half a billion dollars to provide economic relief for struggling businesses and residents in the territory.

The USVI Premium Pay Program was established in 2022, setting aside \$40 million of the \$547 million awarded to the territory. Payments ranged from \$500 to \$2,000 for eligible workers based on their salary threshold and the volume of essential work performed during the pandemic.

In addition to the Premium Pay Program, Ms. O'Neal highlighted that Social Security recipients and taxi operators had been identified as populations experiencing additional hardships due to the pandemic. As a result, Governor Albert Bryan established a program to provide \$500 stipend payments to Social Security recipients and \$1,000 grants to eligible taxi operators, both funded by the ARPA. With the assistance of the Department of Finance, OMB has disbursed \$10,530,000 to approximately 21,060 Social Security recipients and \$821,000 to 821 taxi drivers.

During the testimony, senators inquired about the half a billion ARPA dollars and how the funds were allocated. Ms. O'Neal clarified that apart from stimulus payments, funding for approved recovery projects was included in that sum, with \$374,477,746 in total approved projects, of which \$271,629,119 had been spent.

Addressing concerns about support for struggling businesses, Ms. O'Neal mentioned \$3 million in funding disbursed through the Small Business Development Center. While some businesses felt left out, the OMB director reassured senators about the existence of other programs, such as the State Small Business Credit Initiative, run through the Economic Development Authority.

In response to a query from committee chair Senator Donna Frett-Gregory, Ms. O'Neal clarified that Premium Payments and the \$500 Social Security stipends are not taxable, as the federal government recently made a decision not to tax payments made due to the pandemic.