

Good day Chairperson Donna Frett-Gregory, members of the Committee on Budget, Appropriations & Finance, other Senators of the 35th Legislature of the U.S. Virgin Islands, and members of the listening and viewing audience. I am Jenifer O’Neal, Director of the Office of Management and Budget (OMB) and I appear before you, pursuant to your invitation, to provide testimony on premium payments and stipend payments made from the American Rescue Plan Act funding the Territory received from the U. S. Department of Treasury.

In 2021, the Territory was awarded approximately \$547 million in Coronavirus State and Local Fiscal Recovery Funds (CSLFRF or SLFRF) through the American Rescue Plan Act (ARPA) to provide economic relief to struggling businesses and residents from the effects of the COVID-19 pandemic. Eligible uses for SLFRF include providing premium payments to eligible workers and addressing negative economic impacts of COVID-19.

Premium Payments

In early 2022, the GVI established the USVI Premium Pay Program in accordance with US Treasury guidelines and set aside up to \$40M of ARPA for this initiative. The program provided either \$2,000, \$1,500, \$1,250, or \$500 premium pay payments to eligible workers depending on volume of essential work performed and salary threshold. As a reminder, the classifications for eligibility are as follows:

PREMIUM PAY CLASSIFICATION

GENERAL ELIGIBILITY

1. Essential work – Work that is not performed while teleworking from a residence; and involves either regular in person interactions with others or the regular physical handling of items that were handled by others. **The USVI program is limited to**

employees that were required to work in person and did not have the option to telework.

2. Essential work was performed at least 80% of the time

CATEGORY 1: ELIGIBLE FOR \$1250 OR \$2000

- Worked four (4) or more months during March 2020 – March 2021
- Must have worked at least 80 hours per month (320 hours at least)
- Earnings during that period must be over \$5000
- Performed essential work at least 80 hours during the stay-at-home periods
 - March 23, 2020 – April 30, 2020
 - August 13, 2020 – September 8, 2020
- \$1250 payment for those with earnings between 50K and 70K
- \$2000 payment for those with earnings less than 50K

CATEGORY 2: ELIGIBLE FOR \$500

- Worked a minimum of 80 hours up to three months during March 2020 – March 2021. *(Hours submitted for essential work is limited to three months or total hours throughout the pandemic period falls under 320 hours).*
- Employees who worked more than 320 hours but have earnings less than \$5000
- Employees with earnings more than \$5000 but worked three months or less fall under this category.

As of May 3, 2023, OMB has disbursed \$17,544,750 to approximately 9,200 private sector employees and \$10,892,500 to approximately 6,350 government agency (central, semi-autonomous & autonomous) employees for a total disbursed amount of \$28,437,250 to 15,550 eligible workers.

OMB just concluded the review and processing of an additional batch of premium payments in the amount of \$799,000 (\$605,750 to 341 private sector employees and \$193,250 to 124 government employees) and have sent those to the Department of Finance to be processed. We have now

processed all applications and do not anticipate further large expenditures of premium payments. This brings our overall total to \$29,236,250 paid to 16,015 eligible workers.

Addressing Negative Economic Impacts of COVID-19 - Social Security Recipient Stipends

Consistent with US Treasury guidance and eligibility, and in an effort to provide support to those who needed it most, Governor Bryan identified social security recipients residing in the Territory as a population experiencing additional hardships because of the COVID-19 pandemic and established a program to provide \$500 stipend payments to these individuals to assist them. In September 2022, OMB received a working file of eligible recipients and proceeded to process, with the assistance of the Department of Finance, \$10,530,000 in \$500 payments to approximately 21,060 social security recipients residing in the Territory. We are pleased to have completed the distribution of the majority of those with the exception of approximately 1,600 of these payments due to incomplete or incorrect mailing addresses for some of the recipients. In an effort to obtain valid mailing addresses for these recipients, OMB posted the names of recipients who had a stipend check with incomplete addresses being held at the office in an extensive publication in the Daily News and on our website. Our efforts to find the recipients of these checks was fairly successful. We currently have 411 checks on hand that expired/became stale on May 5th. OMB staff is logging those stale checks so that they can be returned to the Department of Finance to be voided. Should residents whose checks were voided due to expiration present themselves to OMB within the next 90 days, we will reissue a check to them.

Additionally, we are aware of an unquantifiable population of eligible recipients who did not receive a stipend check. Some of those individuals have already reached out to us at OMB, either directly or through elected representatives, and have provided us with some of the information that

we need to process a check for them. We are contacting the individuals who we need additional information from to verify their eligibility and will begin processing payments for them expeditiously.

To promote an efficient and effective means of identifying the eligible residents who have not received a payment and who we do not have contact information for, OMB is leveraging the Bureau of Information Technology's (BIT) ServiceNow Customer Service Management solution. This service, which is currently being used by the Bureau of Motor Vehicles, is being furnished to OMB at no additional cost to the GVI. The Online Knowledge Base phase of the portal, which will provide information to common questions about the social security stipend payments, went live today. The community may visit *omb.vi.gov*, click on the Customer Contact Center, and click on Knowledge to get answers to frequently asked questions (FAQs). There are currently 15 FAQs in the Knowledge Base and we will continue to add content as additional questions come up.

On Monday, June 5, OMB will begin accepting online applications through the Case Management Portal of the ServiceNow platform from residents that did not previously receive a stipend payment. Beginning on that date, the community may visit *omb.vi.gov*, click on the Customer Contact Center, and click on the "*Request Assistance from OMB*" icon. To begin the submission process, residents will register by providing their name and email address. Residents will be required to upload documentation to support their eligibility to receive a stipend payment. Required documentation includes a valid local ID, full social security number and a social security statement or check stub showing that they were receiving social security benefits anytime during the pandemic (March 2020 to September 2022).

The ServiceNow platform is secure as it is FedRAMP certified, which means it complies with Federal Government cybersecurity requirements for securely storing residents' Personally Identifiable Information (PII). All Personally Identifiable Information will be encrypted, and role-based access controls will limit the number of OMB staff authorized to access the data.

The benefits of using the online platform include the following:

- Residents can get answers to their frequently asked questions, submit applications, and view the status of their applications at their convenience (24x7) all without coming to or calling our minimally staffed offices.
- Our team can efficiently receive, process, and track applications and payments.
- This initiative meets the Governor's goal of digitized services and will position OMB to digitize future services.
- This solution utilizes existing GVI resources and tools.

To accommodate individuals that may not have support with accessing or navigating the online process, we will conduct limited in-person sessions in mid-June – (two sessions per island) – where qualified social security recipients can bring the requisite documents to initiate the process for a stipend payment. The dates for those sessions are:

- St. Croix – June 13th and June 20th
- St. Thomas – June 14th and June 21st
- St. John – June 15th and June 22nd

We are currently working to secure adequate indoor venues so that we can assist residents with the “application” process in a safe and comfortable environment and we will be releasing details about

these opportunities to the public through various media outlets, websites, and social media platforms in due course.

Addressing Negative Economic Impacts of COVID-19 - Taxi Stipends

In yet another program funded by ARPA, the Governor also identified taxi drivers in the Territory as a population experiencing additional hardships because of the COVID-19 pandemic and created the Taxi Stipend program. This program provided \$1,000 payments to these individuals to mitigate some of the hardships they experienced due to the lockdowns. As of May 3, 2023, OMB has disbursed \$821,000 to 821 taxi drivers residing in the Territory and we do not anticipate further large disbursements under this program.

Madam Chair, this concludes my testimony. I remain available to answer any questions that the members of this Body may have.