

USVI ARPA SLFRF

Premium Pay Program Overview & Updates

In alignment with the guidelines prescribed by the American Rescue Plan Act (ARPA) State and Local Fiscal Recovery Funds (SLFRF), funding has been set aside to provide Premium Pay payments to eligible public and private sector workers. These funds are intended to respond to workers performing essential work during the COVID-19 public health emergency by providing Premium Pay to those workers who were both needed to maintain continuity of operations of essential services and unable to perform their duties remotely. Premium pay is a direct response to eligible workers performing essential work if it prioritizes low- and moderate-income persons, given the significant share of essential workers who have low and moderate-income and may be least able to bear added costs associated with illness. (Final Rule p 227). Premium Pay is designed to compensate workers that, by virtue of their employment, were forced to take on additional burdens and faced higher risk of exposure as a result. Premium Pay may be thought of as hazard pay by another name.

Program Eligibility Criteria

Certain criteria must be met in order for the employee and payment to be eligible under Premium Pay:

1. Eligible worker – Per Treasury, certain industries and critical infrastructure sectors are eligible:
 - ✓ Health care
 - ✓ Emergency response
 - ✓ Sanitation, disinfection & cleaning
 - ✓ Maintenance
 - ✓ Grocery stores, restaurants, food production, and food delivery
 - ✓ Pharmacy
 - ✓ Biomedical research
 - ✓ Behavioral health
 - ✓ Medical testing and diagnostics
 - ✓ Home and community-based health care
 - or assistance with activities of daily living
 - ✓ Family or childcare
 - ✓ Social services
 - ✓ Public health
 - ✓ Mortuary
 - ✓ Critical clinical research, development, and testing necessary for COVID-19 response
 - ✓ State, local, or Tribal government workforce

✓ Workers providing vital services to Tribes
✓ Educational, school nutrition, and other work required to operate a school facility
✓ Laundry
✓ Elections
✓ Solid waste or hazardous materials management, response, and cleanup

✓ Work requiring physical interaction with patients
✓ Dental care
✓ Transportation and warehousing
✓ Hotel and commercial lodging facilities
that are used for COVID-19 mitigation and containment

2. 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 others¹. The USVI program is limited to employees that were required to work in person and did not have the option to telework.
3. Responsive / Payment Criteria – The USVI’s program provides either \$2,000, \$1,500, or \$500 premium payment to eligible workers depending on volume of essential work performed and salary threshold:
 - Category A: If essential work is performed for more than 3 months between March 23, 2020 and March 31, 2021, worker is eligible for full payment (\$2,000 or \$1,250 dependent on wage threshold)
 - Category B: If any essential work performed for the minimum of two weeks (80 hours or full time equivalent) during stay-at-home periods (March 23, 2020 through April 30, 2020; August 13, 2020 through September 8, 2020) worker is eligible for full payment (\$2,000 or \$1,250 dependent on wage threshold)
 - Category C: If any essential work is performed for two weeks (80 hours or full time equivalent) to 3 months during May 1, 2020 through August 12, 2020; or September 9, 2020 through March 31, 2021 and not during stay-at-home periods, worker is eligible for reduced payment (\$500)

¹ Employees deemed essential were required to work in person to perform their role. Their role involved regular interactions with others or items handled by others. Employees who performed both essential and non-essential work shall be deemed essential if at least 80% of their work was essential. *80% is intended to be a benchmark for a qualitative evaluation by agency heads and employers. 80% means it is clear that the essential work was significantly more than 50% of the time but may not have been 100% of the time.*

For Category A & B, if the employee is earning \$50,000 or less, the employee is eligible for \$2,000 premium payment. If the employee is earning between \$50,001 and \$70,000, the employee is eligible for \$1,250 premium payment. For Category C, if the employee is earning less than \$70,000, the employee is eligible for \$500 premium payment.

Program Implementation

- In early 2022 OMB established the US VI Premium Pay program guidelines consistent with US Treasury legislation and set aside up to \$40,000,000 of ARPA SLFRF for this initiative.
- In order for OMB to understand the magnitude of eligible employees, initial information was requested from public and private sector employers. Preliminary information was due by 03/31/22 from the private sector. Following the collection of preliminary information, a detailed information package will be requested from eligible private sector employers and is required to be submitted which contains the employer's business license, authorized agent documentation, signed attestation, and detailed employee data (employee salary, employee hours, employee mailing address, employee SSN, employee W9s). OMB is coordinating directly with public sector employers to collect detailed information packages.

Program Status

- OMB is currently in the process of implementing a phased approach due to the volume of data that must be collected and validated prior to issuing payments.
- As of August 2022, OMB is working on completing payments for healthcare workers, funeral homes, first responders, food services, gas stations, and banks. OMB is ramping up efforts to complete reviews and payments to eligible workers which are fully documented by fiscal year end.