

How Policies Enacted by Congressional Democrats and President Biden Are Benefitting U.S. Virgin Islands Residents

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In the 117th Congress, Congressional Democrats and President Biden have enacted a number of laws and policies—including the American Rescue Plan, Infrastructure Investment and Jobs Act, Inflation Reduction Act, CHIPS and Science Act and student loan relief—that will lower costs for residents in the U.S. Virgin Islands, support businesses and promote economic growth. This fact sheet provides data on the effects of these policies in the U.S. Virgin Islands.¹

Spurring job growth

- As of August 2022, **700 jobs** have been created in the U.S. Virgin Islands since President Biden came into office.
- The United States has regained more than all the jobs that were lost during the pandemic recession thanks to policies like the American Rescue Plan, which jumpstarted the economic recovery and laid the groundwork for this expansion.
- Investments from the Infrastructure Investment and Jobs Act, Inflation Reduction Act and CHIPS and Science Act will support continued job growth in clean and secure energy, construction and manufacturing, among other sectors.

Growing manufacturing jobs and improving supply chains

- The CHIPS and Science Act made a historic investment in American manufacturing, innovation and supply chains. In particular, the Semiconductor Industry Association projects that investments in domestic semiconductor manufacturing will [create](#) around **1.1 million jobs** nationwide as new semiconductor plants are built, including about **247,200 manufacturing jobs**. These investments are projected to create **280,000 permanent jobs**.

¹ JEC estimates have been rounded.

- By boosting [domestic manufacturing](#), especially of essential goods such as semiconductors, the CHIPS and Science Act reduces how much businesses in the U.S. Virgin Islands have to rely on fragile global supply chains. The Infrastructure Investment and Jobs Act further strengthens supply chains over the long term, boosting the U.S. Virgin Islands' economy and the U.S. economy overall.

Boosting clean energy jobs

- In 2021, **900 workers** in the U.S. Virgin Islands were employed in clean energy and emerging sectors of the economy, and an **additional 1,500** worked in occupations that will be increasingly in demand as the United States transitions to cleaner, more secure energy.
- The Inflation Reduction Act will support more clean energy jobs and expand workforce training for these industries in the U.S. Virgin Islands and around the country. The law also made **\$15 million** in funding for climate technical assistance available to the U.S. Virgin Islands and other U.S. territories. This is in addition to the **\$220 million** that will be invested in the U.S. Virgin Islands by the bipartisan Infrastructure Innovation and Jobs Act.

Supporting business growth

- In total, **800 new businesses** were established in the U.S. Virgin Islands in 2021. Policies included in the American Rescue Plan and other legislation have helped the U.S. Virgin Islands' economy—and the U.S. economy as whole—recover from the depths of the pandemic recession and laid the groundwork for an expansion that continues to support workers and businesses alike.

Lowering prescription drug costs

- Thanks to the Inflation Reduction Act, many of the **12,000 seniors** in the U.S. Virgin Islands with Medicare prescription drug coverage will soon pay less for their medications.
- Among other provisions that will help U.S. Virgin Islands seniors, the Inflation Reduction Act puts an annual **\$2,000 cap** on seniors' out-of-pocket drug costs and ensures that Medicare beneficiaries do not pay more than **\$35 per month** for insulin. Additionally, the law lets Medicare negotiate with drug companies to [keep down prices](#) on some of the most expensive prescription drugs and forces pharmaceutical companies to pay a penalty when the prices they charge Medicare rise faster than inflation.

Providing relief to student borrowers

- The Biden administration is providing up to **\$20,000** in [debt cancellation](#) to Pell Grant recipients and up to **\$10,000** for all other student loan borrowers with incomes below \$125,000 (\$250,000 for married couples). Based on data from the Department of Education,

7,800 borrowers in the U.S. Virgin Islands will be eligible for immediate student loan relief, with **4,700, or 60%**, of these borrowers qualifying for \$20,000 in relief because they received Pell Grants when they were students.

- Many borrowers will also pay less going forward thanks to the administration's changes to income-based repayment plans, which will cap monthly payments for many low- to middle-income borrowers and increase the number of people who will pay \$0 per month. This relief will benefit many U.S. Virgin Islands residents with student loan debt, including those who did not complete their degree.
- This relief will also help narrow the racial wealth gap nationwide. People of color, especially Black Americans, hold disproportionately more debt than their white peers. Black and Indigenous borrowers also have the highest monthly payments of any racial group, and so will especially benefit from lower monthly payments.