

January 20, 2022 Hearing: "A View from the States, Territories, and District: Governors Respond to the Omicron Variant"

Questions from Rep. Nydia Velázquez (NY-07)

1. In your opening statement, you said that your "administration has been very proactive and creative with mandates throughout this pandemic" and that, since the summer of 2021, Puerto Rico has "required most of our workforce to be fully vaccinated." How have Puerto Rico's vaccination and other public health requirements been successful in enabling Puerto Ricans to minimize risk and disruption from the Omicron variant?

As of February 8, 2022, Puerto Rico has administered over 6.6 million doses of COVID-19 vaccines, and the Commonwealth had administered over 208,000 doses per 100,000 people in Puerto Rico, ranking it third among U.S. states and territories¹. Because of this great accomplishment, Puerto Rico is experiencing 0.71 new hospital admissions per 100,000 people at a time where the United States, as a whole, is experiencing 3.94 new hospital admissions per 100,000 people. Even during the Omicron variant's recent peak, on January 17, 2022, Puerto Rico experienced only 4.10 new hospital admissions per 100,000 people at a time where the United States, as a whole, was experiencing 6.42 new hospital admissions per 100,000 people². Our collective effort to vaccinate such a high percentage of the population was a critical step to help mitigate the pandemic's impact on our already fragile public health system.

As a result of these efforts, Puerto Rico's tourism industry flourished and by the end of 2021, the leisure and hospitality sector employment figures were only 500 jobs less than pre-COVID-19 levels. Furthermore, the increased tourism demand provided the Commonwealth with a 48% greater tax revenue than in any of the previous ten years³. This was all made possible by Puerto Rico's strong public health response which has instilled confidence in travel. However, Puerto Rico was not immune to the effects of the Omicron variant. Despite the upward occupancy trends, according to Discover Puerto Rico, January 2022's occupancy was down 23% from January 2020 and February is currently running 4% below February 2020⁴.

My Administration has been working hand in hand with the scientific community to inform the creative policies that have allowed our hospitals, schools, restaurants, and tourism industry to remain open throughout the pandemic. By avoiding unnecessary lockdowns, we have been able to keep unemployment across the island at relatively low levels. Soon after the Omicron variant reached our island, we acted quickly by reviving and strengthening COVID-19

¹ Centers for Disease Control and Prevention: COVID-19 Vaccinations in the United States, as of February 8, 2022

² Centers for Disease Control and Prevention: New Admissions of Patients with Confirmed COVID-19 per 100,000 Population, as of February 6, 2022

³ Discover Puerto Rico, Discover Puerto Rico Announces Record Year for Tourism, February 2, 2022

⁴ Discover Puerto Rico, Research Update – February 9, 2022



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restrictions that we had previously put in place. The new quarantine measures, most of which were in effect until February 2, included:

- Delaying the start of public schools for the Spring semester by 2 weeks
- Mandating booster shots for employees of the health and education sectors
- Mandating all schoolchildren age 5+ have their first vaccination dose by January 10, 2022
- At mass gatherings, requiring proof of vaccination *and* a negative COVID-19 test taken 48 prior to the gathering
- Requiring that all food and beverage establishments require patrons show proof of vaccination or a negative COVID-19 test for entry, and limiting patron capacity to either 50% or 250 people maximum
- Requiring all individuals flying into Puerto Rico show proof of a negative COVID-19 test regardless of vaccination status
- Require all business to close between midnight and 5am, and to prohibit the selling of alcohol during this time frame
- Requiring individuals who live with a confirmed case of COVID-19 begin their respective quarantine period, depending on their vaccination status, after the isolation period ends for the individual with COVID-19

We continue to carefully monitor our COVID-19 metrics and used them to inform our decisions as we slowly move forward to ease some of the restrictions.

2. You testified that the American Rescue Plan has been "a blessing" for Puerto Rico. Can you elaborate on how the American Rescue Plan has impacted Puerto Rico's pandemic response efforts, and whether it has contributed to Puerto Rico's long-term economic development? Can you provide specific examples of how your office allocated and prioritized the disbursement of these funds?

The American Rescue Plan provided Puerto Rico with immediate funding to directly respond to the current public health emergency as well as build for the future. My administration has identified four strategic priorities for these funds, each of which will contribute to a better, stronger recovery in Puerto Rico. These include:

- **Economic Development:** Ensure that necessary economic stimulus is delivered to persevere through these difficult times, while investing in future economic prosperity, especially in economically disadvantaged communities.
- **Quality of Life:** Ensure an equitable and strong public health recovery from the COVID-19 pandemic by improving the health and quality of life of its citizens,



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especially those with low incomes and those who have sacrificed so much to serve our community in this time of great need.

- **Future Projects:** Make necessary investments for future growth and prosperity by allocating targeted funding for strategic infrastructure and related long-term projects.
- **Government of Excellence:** Provide valuable services to residents with many of these services impacting economically disadvantaged individuals and protect government services to build a sustainable future.

Specifically related to pandemic response, my administration recognizes the fact that while we are trending in a positive direction, our response is not over. To address this, my administration continued to leverage the remaining Coronavirus Relief Fund ("CRF") allocation as well as identify ways to use the Coronavirus State Fiscal Recovery Fund ("CSFRF") to combat the pandemic beyond the CRF's lifespan. Several examples of initiatives include:

- **Genomic Surveillance (\$35M):** strengthens detection efforts to identify and limit the spread of new variants of COVID-19. Genetic variations can lead to the emergence of new variants which have significant implications. Protecting and preventing our people from future COVID-19 outbreaks are a fundamental part of the pandemic recovery.
- Well-being and Mental Health Program (\$15M): ensures accessibility to mental health services through coordinated efforts with Puerto Rico's Mental Health and Anti-Addiction Services Administration ("ASSMCA", for its Spanish acronym). The rapid and unexpected onset of Covid-19 led to an increase in a variety of mental health issues among all ages, and the pandemic brought mental and behavioral health into greater focus.
- Vaccination Incentives (\$10M): provided the Department of Health funds to implement lotteries for those receiving COVID-19 vaccines. According to the Department of Health, during the lottery period, over 29,000 vaccine doses were administered.
- Vaccine Passport (\$1.5M): created a digital application ("VACU ID") for users to confirm their vaccination status. This application is a secure digital copy of a COVID-19 vaccination record using the VCI / SMART Health Card standard. This version of the VACU ID is compatible with other jurisdictions or entities that use this electronic validation method for their vaccination record, such as the State of New York. As of February 9, 2022, over 1,100,270 VACU IDs had been issued.



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These pandemic initiatives are necessary to combat the COVID-19 public health emergency, but the true benefit of CSFRF funds is that they allow for long-term growth and recovery. Several programs that leverage this flexibility include:

- Improvements to Educational Institutions (\$277M): makes necessary repairs to approximately 684 schools that were structurally damaged due to seismic activity and Hurricanes Irma and Maria. The structural damage to these schools rendered them completely unusable for education due to danger of collapse and severe bodily harm to teachers and students. This meant that since even before the COVID-19 public health emergency, students in these affected School Districts have been unable to attend in person schooling and have utilized distance learning programs. This program is imperative to the future of Puerto Rico's children.
- Caño Martín Peña (\$130M)⁵: funds necessary investments in the Caño Martín Peña district in a manner that promotes self-management and socio-economic development. This Program invests in just one phase of a larger project which includes implementation of a comprehensive development and land use plan for the Special District of Caño Martín Peña. This comprehensive development includes investments in housing, urban development, infrastructure, and socio-economic development, as well as the development of community initiatives that promote social, economic, and cultural development. Partial estimates indicate that the restoration of the Caño ecosystem will inject \$587 million to the economy of Puerto Rico. Failure to do the project can amount to \$773 million in costs associated with property loss and health impacts during a 100-year recurrence rain event⁶. These benefits and costs are not total since they only consider the infrastructure projects that make dredging feasible, which is estimated to have exponential benefits associated with protecting property and public health benefits.
- Promote Puerto Rico (\$120M): accelerates Puerto Rico's economic recovery by promoting Puerto Rico as a tourist destination to locals, residents of the mainland United States, and other countries. Puerto Rico's tourism industry was devasted as a result of the COVID-19 pandemic and subsequent lockdowns. Between March and December 2020, the average hotel and "paradores" occupancy rate was 27.8% compared to a 66.3% average occupancy rate between March and December 2019⁷. This dramatic decline in tourism led to

⁵ On January 20, 2022, the White House announced a \$163 million allocation to restore the Caño Martin Peña, the urban tidal channel and surrounding areas of the San Juan Bay National Estuary. These funds were allocated as part of the Infrastructure Investment and Jobs Act (IIJA).

⁶ Puerto Rico National Disaster Resilience Competition, Phase II Final Narrative, October 27, 2015

⁷ Economic Development Bank of Puerto Rico, Puerto Rico Economic Data: Tourism



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unprecedented unemployment and economic hardships for many citizens of Puerto Rico.

- University of Puerto Rico (\$94M): provides Puerto Rico's premiere public institutions of higher education with financial assistance to ensure safe reopening of the University of Puerto Rico's campuses to students and educators who return to in-person instruction
- Low Income Housing Repairs (\$50M): partners with Puerto Rico's Office of Socioeconomic and Community Development ("ODSEC", for its Spanish acronym) to make necessary repairs to homes in disproportionately impacted communities. These homes have damage from natural disasters, including roofs mended with blue tarps, that homeowners have been unable to repair due to being economically disadvantaged.
- Energy Incentive Program (\$20M): promotes environmental conservation through providing grants to small and medium businesses for the installation of green energy systems at their businesses. In the long-term, this program will help businesses stabilize their operations through reducing costs and energy consumption.