

Letter requesting Congress direct the FOMB to release 9 billion dollars in reserve account for recovery COVID-19 efforts in Puerto Rico

Dear Member of Congress:

We write to you as organizations in Puerto Rico and stateside that are deeply concerned about the impact of COVID-19 on the island. Given Puerto Rico's crumbling healthcare infrastructure and aging population at greater risk of complications, the spread of this virus could result in an unprecedented human catastrophe. Congress should therefore direct the Financial Oversight and Management Board (FOMB) to allow the Government of Puerto Rico to use the more than \$9 billion in funds destined for debt payments to instead be used to support Puerto Rican families in this moment of crisis.

Congress, through the Puerto Rico Oversight, Management, and Economic Stability Act (PROMESA), made the FOMB the trustee of the Government of Puerto Rico. Over the last three years, Puerto Rico has been hit by a series of natural disasters--hurricanes Maria and Irma, ongoing earthquakes, and now, the COVID-19 pandemic. These disasters have exacerbated an economic crisis, created by decades of budget cuts and neglect, that had left the island with \$129 billion in debt and a crumbling infrastructure.

Over the last three years, the FOMB has forced brutal austerity measures that have further crippled health, educational, and other public infrastructures. These severe cuts created a budget surplus that has ballooned to a staggering \$9 billion cash reserve as of February 28, 2020 -- the same size as Puerto Rico's entire operating budget in 2017 -- up from \$1.8 billion in December 2018.

The federal government has failed to disburse billions of dollars allocated toward a just recovery to Puerto Rico in the aftermath of Hurricane Maria. Recent earthquakes have compounded Puerto Rico's distress. Estimated damages reported by hardest-hit local governments on the island exceed \$1.4 billion, and the power authority needs significant investment to rebuild one of its main power plants by this summer in order to stabilize service for millions.

Only two months after the earthquakes, with hundreds still living in tents in the south, the island faces yet another disaster. Today, hundreds of thousands are in their homes, struggling to put food on the table for their families and not knowing when their next paycheck will come. To make matters worse, 20.7% of Puerto Rico's population is over the age of 65, which means that any response that does not provide the necessary support to the island could result in thousands of deaths.

In accordance with §§ 201(b)(1)(B) and 201(b)(1)(J) of PROMESA, it is the responsibility of the FOMB to account for all government services and capital expenditures that must be provided in order to adequately respond to COVID-19. This includes providing community driven investments in: (1) ensuring free testing and healthcare services; (2) instituting a moratorium on

evictions, foreclosures, and utility shutoffs; (3) making sure everyone has access to food; (4) providing school children with the tools necessary to continue their education from home and; (5) significant investments in clean, local, sustainable energy sources to stabilize service for millions.

The fiscal plan should be revised to reflect these expenditures instead of ever-increasing austerity measures. We must prioritize these critical investments in the public health and safety of Puerto Ricans over debt repayments. Continuing to prioritize austerity measures for the sake of debt repayment will undoubtedly result in preventable deaths. Upon certification of a revised fiscal plan, these funds must be made readily available through any necessary legal and budgetary actions.

For all of these reasons, we believe that Congress should direct the Fiscal Management Oversight Board to allow the Government of Puerto Rico to use more than \$9 billion in funds destined for debt payments to be used to support Puerto Rican families in this moment of crisis. Not doing so could spell disaster for hundreds of thousands.

Thank you in advance for your support.

Sincerely,

1. 32BJ SEIU
2. Action NC
3. Alianza Por Puerto Rico - Massachusetts
4. Alianza Americas
5. Alianza for Progress
6. Asociación Nacional de Escuelas de Trabajo Social de Puerto Rico
7. Asociación Puertorriqueña de Profesores Universitarios (APPU)
8. Ayuda Legal
9. Boricuas de Corazón Inc
10. Boricuas Unidos en la Diáspora
11. Borisquad
12. Cancel the Debt
13. CASA
14. Central American Resource Center
15. Centro Para Una Nueva Gobernanza
16. Central State Latino Caucus
17. Center for Popular Democracy Action
18. Chelsea Rising/ LEAPS
19. Chicago Puerto Rican Agenda
20. Churches United For Fair Housing
21. Code Pink
22. Construyamos Otro Acuerdo

23. Colectiva Feminista en Construcción
24. Colectivo Ilé
25. Colegio de Profesionales del Trabajo Social de Puerto Rico
26. Comuna Caribe
27. Concilio de Iglesias de Puerto Rico (CIPR)
28. Defend Puerto Rico
29. Democratic Socialist of America
30. Democratic Socialist of America Palm Beach County
31. Diáspora en Acción
32. Diaspora en Resistencia
33. DSA Boricua Socialist Diaspora Caucus
34. Hedge Clippers
35. Instituto para el Desarrollo de las Comunidades y SIEMPREVIVAS.
36. El Puente-ELAC
37. Espacios Abiertos
38. Federación de Maestros de Puerto Rico
39. Fideicomiso para el Desarrollo de Río Piedras
40. Frente Ciudadano para la Auditoría de la Deuda
41. JUNTE GENTE
42. La Clara
43. LatinoJustice PRLDEF
44. Make the Road CT
45. Make the Road NJ
46. Make the Road NV
47. Make the Road NY
48. Make the Road PA
49. Massachusetts Jobs with Justice
50. Movimiento Victoria Ciudadana
51. Movimiento Amplio de Mujeres
52. Mujeres de Islas
53. National Boricua Human Rights Network (NBHRN)
54. National Puerto Rican Agenda
55. New York Communities for Change
56. Northwest Boricua Resistance
57. Organize Florida & Pa'lante por Mas
58. Organización Puertorriqueña de la Mujer Trabajadora (OPMT)
59. Our Revolution Puerto Rico
60. Philly Boricuas
61. Philadelphia Chapter of the National Puerto Rican Agenda
62. Power 4 Puerto Rico
63. Proyecto Matria
64. Public Accountability Initiative
65. Puerto Ricans In Action

66. Puerto Rico Me Llama
67. QLatinx
68. Sembrando Sentido
69. SEIU
70. SEIU Local 1
71. SPT SEIU Local 1996
72. UGT SEIU L 1199
73. Strong Economy For All Coalition
74. Taller Salud
75. Taller Puertorriqueño
76. UGT SEIU L 1199
77. UNETE
78. Urbe Apie
79. UTIER
80. VAMOS y VAMOS en la Diáspora
81. Vamos4PR
82. Women's March Florida