Committee on Cultural Affairs, Libraries, and

International Intergroup Relations

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## THE COUNCIL OF THE CITY OF NEW YORK

# COMMITTEE REPORT OF THE LegisLative Division

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**COMMITTEE ON CULTURAL AFFAIRS, LIBRARIES, AND**

**INTERNATIONAL INTERGROUP RELATIONS**

*Hon. Chi Ossé, Chair*

#### January 19, 2023

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| **Proposed Res. No. 57-A** | By Council Members Ayala, Rivera, Farías, Hanif, Cabán, Restler, Avilés and Louis |
| **Title:** | A Resolution calling on Congress to pass, and the President to sign, a bill in support of self-determination for Puerto Rico. |

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| **Res. No. 387** | By Council Members Ayala, Salamanca, Joseph, Farías, Louis, De La Rosa, Hanif, Cabán, Avilés and the Public Advocate (Mr. Williams) |
| **Title:** | A Resolution calling on the U.S. Congress to repeal the Merchant Marine Act of 1920, commonly known as the "Jones Act". |
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| **Res. No. 392-A** | By Council Members Cabán, Avilés, Rivera, Farías, Velázquez, Ayala, Stevens, Hanif, Restler, Hudson, Gutiérrez, Krishnan, Won, Nurse, Abreu, Brewer, Marte, Sanchez, Brooks-Powers, Schulman, Louis, Menin, De La Rosa and Ossé |
| **Title:** | A Resolution supporting a democratically governed public entity that will provide reliable and affordable electrical power to the people of Puerto Rico and supporting the immediate cancellation of the contract with LUMA Energy. |

1. **Introduction**

On January 19, 2023, the Committee on Cultural Affairs, Libraries, and International Intergroup Relations, chaired by Council Member Chi Ossé, will consider three resolutions covering a range of issues related to Puerto Rico, including:

* Proposed Resolution Number (Res. No.) 57-A, co-sponsored by Council Members Ayala, Rivera and Farías, a Resolution calling on Congress to pass, and the President to sign, a bill in support of self-determination for Puerto Rico;
* Res. No. 387, sponsored by Council Members Ayala and Salamanca, a Resolution calling on the U.S. Congress to repeal the Merchant Marine Act of 1920, commonly known as the "Jones Act"; and
* Res. No. 392-A, co-sponsored by Council Members Cabán, Avilés, Rivera, Farías, Velázquez, Ayala, Stevens, Hanif, Restler, Hudson, Gutiérrez, Krishnan, Won, Nurse, Abreu, Brewer, Marte, Sanchez, Brooks-Powers, Schulman, Louis, Menin, De La Rosa and Ossé, a Resolution supporting a democratically governed public entity that will provide reliable and affordable electrical power to the people of Puerto Rico and supporting the immediate cancellation of the contract with LUMA Energy.

Proposed Res. No. 57-A was originally heard by the Committee on April 27, 2022, at a hearing related to *Using NYC Libraries to Help Overcome BIPOC Youth Learning Losses Due to COVID-19*. Res. No. 387 and Res. No. 392-A were originally heard by the Committee on December 8, 2022, at a hearing related to *Equity, Civic Engagement, and the Role of Libraries*. At both hearings, the Committee heard testimony from representatives of the New York City library systems as well as advocacy group members, community members, and other interested stakeholders.

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| Proposed Res. No. 57-A Resolution calling on Congress to pass, and the President to sign, a bill in support of self-determination for Puerto Rico. By Council Members Ayala, Rivera, Farías, Hanif, Cabán, Restler, Avilés and Louis Whereas, According to the United States (U.S.) Census Bureau’s 2017 American Community Survey, nearly one million New York City (NYC) residents are of Puerto Rican descent; andWhereas, Because Puerto Rico is an insular U.S. territory and not a state, Puerto Ricans lack the right to have voting representation in Congress and to participate fully in federal elections; andWhereas, The United Nations has recognized Puerto Rico as a self-governing political entity under General Assembly Resolution 748; andWhereas, According to the Council on Foreign Relations, “Puerto Rico is a political paradox,” facing a multi-layered economic and social crisis that is rooted in its long-standing status as a U.S. territory and has been compounded by government mismanagement over the years; andWhereas, According to the Harvard Political Review, recent economic and social issues stemming from repeated natural disasters, mishandled federal assistance, and rising debt have underscored the urgency of re-evaluating Puerto Rico’s status as a territory, prompting discussion of a democratic referendum on the issue; andWhereas, Article 1 of the International Covenant on Civil and Political Rights, to which the United States is a signatory and which it is required to recognize, establishes that all peoples have the right to self-determination and “by virtue of that right they freely determine their political status and freely pursue their economic, social and cultural development”; andWhereas, According to a press release by Congresswoman Ayanna Pressley on October 9, 2020, “Puerto Rico’s status as a U.S. territory has served as a roadblock to the Island’s progress, inflicting over a century of hurt and harm on the Island’s residents and depriving them of their fundamental right to determine their own future.”; andWhereas, Representative Nydia M. Velázquez of New York had introduced legislation in the U.S. House of Representatives on March 18, 2021, to recognize the right of the people of Puerto Rico to call a status convention through which they would exercise their right to self-determination; andWhereas, In accordance with fundamental principles of human rights, Puerto Rico, rather than Congress, must determine its own future by having the authority to support its enfranchisement and democratic self-governance; now, therefore, be itResolved, That the Council of the City of New York calls on Congress to pass, and the President to sign, a bill in support of self-determination for Puerto Rico.  Session 12RHPRes. 0057-20221/6/23 CDLS #55953/3/22 Session 11AHLS #16820Reso.#1543-2021   |

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| Res. No. 387 Resolution calling on the U.S. Congress to repeal the Merchant Marine Act of 1920, commonly known as the “Jones Act”. By Council Members Ayala, Salamanca, Joseph, Farías, Louis, De La Rosa, Hanif, Cabán, Avilés and the Public Advocate (Mr. Williams) Whereas,  The Merchant Marine Act of 1920, commonly known as the “Jones Act,” requires that all shipping between United States (U.S.) ports be conducted by U.S. built, flagged, crewed and owned vessels; andWhereas, The Jones Act was originally intended to promote and maintain a merchant marine industry for the sake of domestic commerce, and provide appropriate vessels and trained crews ready to assist the U.S. Navy and military in time of war or national emergency; andWhereas, Puerto Rico, a U.S. territory and island in the Caribbean, is almost entirely reliant on shipping for the receipt of goods; andWhereas, Therefore, the requirements of the Jones Act affect the cost of nearly every product Puerto Ricans consume; andWhereas, a 2019 analysis conducted by consulting firm John Dunham & Associates estimated the Act increased the cost of shipping to Puerto Rico by $568.9 million and overall consumer prices by $1.1 billion, prevented the creation of 13,250 jobs paying $337 million in wages, and reduced tax revenues by $106.4 million; andWhereas, Puerto Rico’s recovery from Hurricane Maria in 2017 has been hindered by longtime impediments to economic growth and resiliency, including the Jones Act; andWhereas, Hurricane Fiona’s impact on Puerto Rico in 2022 was exacerbated by fact that the island had not fully recovered from Maria five years earlier; andWhereas, The federal government has regularly granted Puerto Rico waivers from the Jones Act following hurricanes including Fiona and Maria, and has permanently exempted other United States overseas territories from the Act; andWhereas, Economists across the ideological spectrum have condemned the Jones Act; andWhereas, The United States’ shipping industry has radically shrunk in the century since the Jones Act passed, demonstrating that it failed in its protectionist purpose; now, therefore, be itResolved, That the Council of the City of New York calls on the U.S. Congress to repeal the Merchant Marine Act of 1920, commonly known as the “Jones Act.”  LS # 10782AY11/9/2022   |

Res. No. 392-A

Resolution supporting a democratically governed public entity that will provide reliable and affordable electrical power to the people of Puerto Rico and supporting the immediate cancellation of the contract with LUMA Energy.

By Council Members Cabán, Avilés, Rivera, Farías, Velázquez, Ayala, Stevens, Hanif, Restler, Hudson, Gutiérrez, Krishnan, Won, Nurse, Abreu, Brewer, Marte, Sanchez, Brooks-Powers, Schulman, Louis, Menin, De La Rosa and Ossé

Whereas, According to United States (US) Census estimates for 2019, New York City (NYC) has a population of more than 650,000 people of Puerto Rican origin, or about 8 percent of NYC’s total population; and

Whereas, Mayor Eric Adams emphasized NYC’s strong connection to Puerto Rico, referring to it as NYC’s “sixth borough” when responding to the devastation in Puerto Rico caused by Hurricane Fiona in September, 2022, which left the entire island without power and further compromised its already severely damaged electrical grid; and

Whereas, Access to affordable and reliable electricity is a basic human need and right; and

Whereas, Climate change will result in increasing frequency and intensity of the kinds of hurricanes that have wreaked havoc on Puerto Rico in recent years-Irma and Maria in 2017 and Fiona in 2022-and have virtually destroyed the power grid that is essential to the well-being of all Puerto Ricans; and

Whereas, Following Irma and Maria, families were displaced and left without power, water, food, medical care, communications, and transportation for months as thousands of Puerto Ricans died; and

Whereas, The Puerto Rico Electric Power Authority (PREPA), a public corporation and the sole electricity utility in Puerto Rico, owns and operates the generation, transmission, and distribution facilities that provide electricity to about 1.5 million customers; and

Whereas, On June 22, 2020, PREPA and the Puerto Rico Public-Private Partnership Authority chose LUMA Energy-a private US-Canadian consortium of Houston-based Quanta Services and Alberta-based ATCO-to operate, maintain, and modernize PREPA’s badly damaged electricity transmission and distribution system over the next 15 years through a public-private partnership; and

Whereas, Concerned Puerto Rican residents and union workers have criticized the services provided by LUMA Energy as being both too expensive, due to a total of seven rate hikes since June, 2021, and too unreliable, with frequent and lengthy power outages; and

Whereas, Members of the Unión de Trabajadores de la Industria Eléctrica y Riego (UTIER), the union that represents PREPA workers, were offered jobs with LUMA, but those offers included working conditions that were worse than those they had won through a collective bargaining agreement and would cause loss of seniority, pensions, and preferred health care plans; and

Whereas, Experienced, skilled linemen who did not transition to work for LUMA were, under Puerto Rican law, reassigned to other government jobs, which did not utilize their training and in which they were not interested; and

Whereas, Concerned Puerto Ricans and union workers have expressed their disapproval of the temporary contract with LUMA Energy, including through protests in Aguadilla and San Juan and, in solidarity, through protests by Puerto Ricans and New Yorkers of Puerto Rican heritage in NYC’s Union Square; and

Whereas, Puerto Rico’s House of Representatives passed a resolution calling for the termination of LUMA Energy’s temporary contract, which expired on November 30, 2022; and

Whereas, That temporary LUMA Energy contract was extended by a 4-to-1 vote of PREPA’s board, with the support of Puerto Rico Governor Pedro Pierluisi; and

Whereas, LUMA Energy’s current contract will become permanent for a term of 15 years once a federal judge approves the restructuring of PREPA’s debt, which is now being negotiated; and

Whereas, LUMA Energy has faced hearings before the Natural Resources Committee of the US House of Representatives and a call from New York State Attorney General Letitia James for a federal investigation into the consortium; and

Whereas, Many concerned citizens believe that PREPA could better serve the people of Puerto Rico by providing electricity efficiently and effectively if it were governed by a board democratically elected by the public; and

Whereas, Puerto Rico’s status as one of the world’s oldest colonies, with a history of military occupation and protectorate status since 1508, makes it even more important for its public electrical utility to be governed by a board that is democratically elected by Puerto Ricans themselves; now, therefore, be it

Resolved, That the Council of the City of New York supports a democratically governed public entity that will provide reliable and affordable electrical power to the people of Puerto Rico and supports the immediate cancellation of the contract with LUMA Energy.

LS #10968 and #10969

12/7/2022

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