



Legislation Text

File #: Res 0634-2018, **Version:** *

Res. No. 634

Resolution calling upon the United States Congress to pass, and the President to sign, the U.S. Territorial Relief Act of 2018, to provide comprehensive debt relief for Puerto Rico and other U.S. territories affected by Hurricanes Irma and María.

By Council Members Cabrera, Ayala, Brannan and Rivera

Whereas, The Commonwealth of Puerto Rico (Puerto Rico), an unincorporated territory of the United States (U.S.), is an island located between the Caribbean Sea and the North Atlantic Ocean, east of the Dominican Republic, with an estimated 3.4 million citizens as of July 2017; and

Whereas, The Virgin Islands of the United States (U.S. Virgin Islands), an unincorporated organized U.S. territory, consists of the four larger islands of St. Croix, St. John, St. Thomas and Water Island, as well as about 50 surrounding minor islands, is located between the Caribbean Sea and the North Atlantic Ocean, and east of Puerto Rico, with an estimated 107,000 citizens as of July 2017; and

Whereas, Under U.S. law, both Puerto Rico and the U.S. Virgin Islands are unincorporated territories, meaning residents of those islands are U.S. citizens who pay federal taxes, such as Social Security and Medicare (not federal income tax), but do not enjoy the same rights as state-dwelling U.S. citizens, including the right to a voting representative in the U.S. Congress or the right to vote in presidential elections; and

Whereas, On September 5, 2017, Hurricane Irma, a category 5 storm, hit St. John and St. Thomas before passing about 60 miles north of Puerto Rico, and about two weeks after Hurricane Irma, on September 20, 2017, another category 5 storm, Hurricane María, crossed St. Croix before passing the southeast coast of Puerto Rico; and

Whereas, Hurricanes Irma and María caused catastrophic flooding, destroyed 80-90 percent of

structures in some towns, decimated power and communication grids-causing the largest blackout in U.S. history-and contaminated much of the drinking water in both the U.S. Virgin Islands and Puerto Rico; and

Whereas, In the wake of two consecutive natural disasters, hospitals on the islands struggled to function, shortages of diesel fuel prevented supermarkets from opening and generators from working, and many ran out of food and water within days; and

Whereas, Per the Robert T. Stafford Disaster Relief and Emergency Assistance Act, following a disaster, the Federal Emergency Management Agency (FEMA) is supposed to assist and support local assistance response and recovery efforts in Puerto Rico as it would a state; however, the agency delayed crucial reconstruction aid to the island for 30 days after the initial request of Puerto Rico Governor Ricardo Rosselló Nevares (i.e., 43 days after Hurricane María hit the island)-despite approving the same type of reconstruction aid for the U.S. Virgin Islands two weeks after Hurricane María and for Texas ten days following Hurricane Harvey; and

Whereas, According to U.S. Census Bureau data for 2017, New York is home to more Puerto Ricans than any other state with an estimated population of 1.1 million, of whom nearly 64 percent (an estimated 708,000) reside in one of the five boroughs; and

Whereas, An analysis of data from FEMA and school enrollment data by the Hunter College Center for Puerto Rican Studies at the City University of New York, shows migration from Puerto Rico to the U.S. mainland, and NYC in particular, has intensified as a result of aftermath of Hurricanes Irma and María; and

Whereas, According to U.S. Census Bureau data for 2017, New York City (NYC) is home to an estimated 2,455 U.S. Virgin Islanders; and

Whereas, Since Hurricanes Irma and María tore through Puerto Rico and the U.S. Virgin Islands, disaster response and reconstruction has been complicated by the territories' debt and lack of access to the benefits many federal programs, including Supplemental Security Income, the Earned Income Tax Credit, and full access to Medicaid; and

Whereas, The Puerto Rico Oversight, Management, and Economic Stability Act (PROMESA), a federal law that established an oversight board, a process for restructuring debt, and expedited procedures for approving critical infrastructure projects in order to address Puerto Rico's debt, was enacted before the hurricanes and is therefore not designed to account for the recent devastation; and

Whereas, U.S. Senators Elizabeth Warren and Bernie Sanders introduced S.3262, the U.S. Territorial Relief Act of 2018 ("the Act"), which would give U.S. territories the option to terminate their non-pension debt obligations if they meet certain stringent eligibility criteria; and

Whereas, If the Act is passed and Puerto Rico chooses to terminate its debt load within three years of enactment, \$15 billion in federal funds will be made available to Puerto Rican residents and other creditors whose holdings were terminated; and

Whereas, The Act was created to provide "an avenue to comprehensive debt relief for Puerto Rico and other disaster-ravaged U.S. territories so they can recover and rebuild with dignity"; now, therefore, be it

Resolved, That the Council of the City of New York calls upon the United States Congress to pass, and the President to sign, the U.S. Territorial Relief Act of 2018, to provide comprehensive debt relief for Puerto Rico and other U.S. territories affected by Hurricanes Irma and María.

LS #7891
10/19/2018
CGR