



Legislation Text

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Res. No. 1028

Resolution calling upon the United States Congress to pass and the president to sign legislation to abolish the Financial Oversight and Management Board established by the Puerto Rico Oversight, Management and Economic Stability Act to enhance the self-governance of Puerto Rico.

By Council Members Salamanca, Miller, Ayala, Rivera and Kallos

Whereas, The Puerto Rico Oversight, Management and Economic Stability Act of 2016 establishes expedited procedures for approving critical infrastructure projects, a process for restructuring debt, and the Financial Oversight and Management Board (FOMB) to oversee the development of budgets and fiscal plans for Puerto Rico's government; and

Whereas, The FOMB seeks to ensure that Puerto Rico attains fiscal solvency and regains access to capital markets to create a foundation for economic growth and to restore opportunity to the people of Puerto Rico; and

Whereas, The Governor's fiscal plans are submitted to the FOMB for approval and verification that the plan warrants fiscal recovery and solvency for Puerto Rico; and

Whereas, The FOMB may issue subpoenas, certify voluntary agreements between creditors and debtors, seek judicial enforcement of its authority, and impose penalties; and

Whereas, According to representative Luis Vega-Ramos, the at-large representative of the Puerto Rico House of Representatives, Congress has used its authority under the Territory Clause of the United States Constitution to maintain seven unelected officials that imposes their will, favor's hedge funds, and denies Puerto Ricans essential services and minimal quality of life; and

Whereas, In September 2017, Puerto Rico was devastated by Hurricane Maria that resulted in 2,975

deaths and caused \$90 billion in damages, thus making Hurricane Maria the third costliest hurricane in the history of the United States; and

Whereas, According to the New York Law Journal (NYLJ), the FOMB has failed to work collaboratively with the elected government of Puerto Rico, make authorized recommendations to changes in federal law or advocate for long-term aid to address the destruction done by Hurricane Maria; and

Whereas, Further, the NYLJ states that if Puerto Rico's economy does not improve, the Commonwealth will continue to compromise government services in order to satisfy debt repayment; and

Whereas, Successful reconstruction of the Puerto Rican economy will enable Puerto Rico to fund an equitable repayment plan for its creditors while maintaining government services and resources to improve the quality of life for the people of Puerto Rico; 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 legislation to abolish the Financial Oversight and Management Board established by the Puerto Rico Oversight, Management and Economic Stability Act to enhance the self-governance of Puerto Rico.

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