

WHAT'S INSIDE THE TOOLKIT 2021





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INTRODUCTION

our years ago, we could not have imagined the devastation and marginalization that our beloved Puerto Rico would endure. Hurricanes in the Caribbean are nothing new, but Hurricane Maria's ferocity—super-powered by the realities of climate change—exposed the vulnerability of an island with a decaying energy infrastructure, a weak social safety-net, an unfair relationship with the United States, and a profound financial crisis.

Take Action for Puerto Rico! continues to bring together people and organizations to raise awareness, stimulate collaboration, and take action around critical issues for Puerto Rico's recovery: empowered citizenship, ending disparities in social safety net programs, ensuring federal aid under the Biden Administration continues to flow, and economic redevelopment. So many of us want to help, and the goal of the *Take Action for Puerto Rico!* campaign is to productively channel our energy to achieve maximum impact for Puerto Ricans living on the island and for those displaced by natural and human-caused disasters.

Take Action for Puerto Rico! kicks-off as we reach the four-year mark of Hurricane Maria on September 20th and continues until significant parity for Puerto Rico is achieved. The *Take Action for Puerto Rico!* Toolkit has the information and materials that you need to be an effective agent of change for Puerto Rico.

Choose the areas that speak to you, about which you are the most passionate, and deliver the message that Puerto Rico deserves better:

- Health Care Equity: Puerto Rico receives far less funding for federal health care programs than other U.S. jurisdictions. Specifically, the federal share for Medicaid is artificially capped at a much lower rate than states, and Puerto Rican Medicare patients are excluded from the low-income prescription drug subsidy for seniors. Puerto Rico faces a drop in federal Medicaid funding this year when a temporary federal funding boost is set to expire. In addition, the people of Puerto Rico are excluded from receiving Social Supplemental Income benefits (SSI) available to elderly, disabled, and blind Americans in all 50 states and the District of Columbia due to years of discrimination against U.S. citizens who live in Puerto Rico. In 2020, the First Circuit in Boston ruled in the case of Vaello-Madero that it was unconstitutional to discriminate against residents of Puerto Rico by denying SSI benefits. In 2021, the Biden administration decided not to withdraw the government appeal submitted by the Trump administration. As a result, the case is going to be reviewed by the Supreme Court.
- Ensure federal aid under the Biden Administration continues to flow: The Take Action for Puerto Rico! Toolkit provides useful background information about how the federal government responded differently to the natural disasters in Puerto Rico compared with its response to other natural disasters, how the Trump administration intentionally withheld money appropriated by Congress for recovery, updated information about how federal funds have been allocated, obligated, and spent by the government of Puerto Rico, and what actions the Biden administration has taken to date. You will also find an overview of legislative and executive actions important to moving Puerto Rico forward including in the President's Build Back Better agenda.
- Investing federal dollars to build back better and save lives

 The widespread destruction of the energy grid has created an opportunity to rebuild Puerto Rico in a more durable, resilient, and decentralized way based on renewable energy sources prioritizing rooftop solar energy. Everything possible should be done to help the island meet its goal of 100% renewable energy by 2050. The Take Action for Puerto Rico! Toolkit provides policy recommendations to ensure this happens.

INTRODUCTION

- Empowered Community: Puerto Ricans have been U.S. citizens since 1917, yet the aftermath of Hurricane Maria exposed the disparate treatment of the island's citizens by their federal government on several fronts. In addition, the need for strong community oversight and transparency has never been greater, especially after the historic people-power protests that galvanized Puerto Rico over the Summer of 2019. Our Take Action for Puerto Rico! Toolkit provides all the information and materials you need to empower you, your fellow advocates, and organizations to take action on behalf of Puerto Rico.
- **Economic Redevelopment:** Puerto Rico is under historic financial distress, which has severely hampered the island's ability to restart its own economy. The debt cannot be prioritized or come before basic needs such as housing, energy, healthcare, lifesaving infrastructure, and education. The *Take Action for Puerto Rico!* Toolkit explains why helping the island and its already impoverished people should take precedence over debt repayments and argues that Puerto Rico should be allowed to discharge any illegal or unconstitutional debt

The TA4PR! Advocacy Toolkit provides more information on how to amplify your groups' message to reach wider audiences on this topic.

We are so grateful for your participation! *Take Action for Puerto Rico!* coalition partners are deeply invested in your efforts and success and are here to assist you with any request or information that you need for successful participation in this national campaign.

For more information or questions regarding *Take Action for Puerto Rico!* please contact <u>info@takeaction4pr.org</u>.

Hispanic Federation: 15 Principles For a Just Recovery and Resilient Future for Puerto Rico

JUST RECOVERY

A just recovery must be in the hands of the people of Puerto Rico, led by the people, and for the people of Puerto Rico.

REBUILD SMARTER: USE DISASTER FUNDING TO LAY THE GROUNDWORK FOR A RENEWABLE ENERGY GRID

The widespread destruction of the energy grid has created an opportunity to rebuild Puerto Rico in a more durable, resilient, and decentralized way based on renewable energy sources prioritizing rooftop solar energy. Everything possible should be done to help the island meet its goal of 100% renewable energy by 2050.

PROVIDE EQUITABLE ACCESS TO PROGRAMS THAT LIFT CHILDREN AND FAMILIES OUT OF POVERTY

Low-income Puerto Ricans living on the island should not be treated differently from Puerto Ricans living in US states. Measures to lower child poverty in Puerto Rico by providing the same access to anti-poverty programs such as expanding the Child Tax Credit (CTC) and enabling low-income households to claim the Earned Income Tax Credit (EITC) should be available to all Puerto Ricans regardless of where they choose to live. Under the CTC and EITC, individuals living in US states can receive refund checks from the IRS even if they do not owe any federal income taxes. All Puerto Ricans should have access to the same programs.

PROVIDE PARITY IN FEDERAL BENEFITS THAT PROVIDE BASIC HEALTH SERVICES

Puerto Rico is facing a dire health care crisis. Inequities in federal health care funding are a major driver of this crisis. Approximately 60% of the island's population is enrolled in Medicaid or Medicare, both of which face a tenuous future due in part to an archaic and unfair capping of federal contributions imposed upon Puerto Rico, because of its status as a territory. To ensure the health of people in Puerto Rico, it is essential that we eliminate federal funding health care disparities and make large-scale investments to revitalize the infrastructure and operations in hospitals and community health centers, and retain medical professionals on the island.

INVEST IN A SUSTAINABLE, LOCAL ECONOMY

Greater efforts should be made to ensure that disaster funding has a multiplier effect by prioritizing local businesses and non-profit organizations to additionally strengthen local economies and communities. There should be every effort made to support retention of current jobs, invest in the growth and capacity of the small business sector, and prioritize local workforce development.

EFFECTIVE OVERSIGHT THROUGH TRANSPARENCY AND PUBLIC PARTICIPATION

Democratization of the recovery process is the best way to minimize corruption, fraud, and waste. Statutorily-required public participation that includes robust stakeholder analyses, and collaborative and mandatory public participation mechanisms during all phases of decision-making processes (i.e. needs assessment, planning, implementation, and monitoring), and radical transparency are a democratic check on all actors - both local and federal - and a prerequisite to ensure federal dollars effectively reach impacted communities, and achieve the goals intended by federal funders. Good governance requires that federal and local contracts not be awarded to companies that have been convicted or fined for breaking any labor, environmental, or other federal or local laws.

STRENGTHEN SUSTAINABLE AGRICULTURE AND FOOD SECURITY

Hurricane Maria destroyed an estimated 80% of existing crops in Puerto Rico, which exacerbated the island's extreme and risky dependence on imported foods. Bolstering the island's agriculture sector and promoting resilient and sustainable local food production, and access to safe, potable water, is essential as communities in Puerto Rico recover. Adequate funding for nutrition assistance programs is also needed to ensure access to nutritious food and better health outcomes.

PREVENT FORCED DISPLACEMENT

The recovery and rebuilding process should prioritize mitigation before displacement. People should be allowed to elect to stay, choose where to relocate, and have a say in decisions that impact their communities. All communities should receive equitable and just access to resources and treatment, regardless of income, property value, location, or other qualifiers.

HF PRINCIPLES FOR A JUST RECOVERY AND FUTURE FOR PUERTO RICO

PROTECT HUMAN AND ENVIRONMENTAL RIGHTS

Rebuilding should not be an excuse for exploitation or for waiving any civil, human, or environmental rights in the name of speed – or greed.

REBUILD A STRONGER, SUSTAINABLE PUERTO RICO

A sustainable and just recovery must focus on future-oriented solutions, these must include internet access, clean drinking water, roads, among others, this will be critical to minimize future devastation, facilitate recovery and prepare the island for success. Recovery efforts should not only meet the needs of today's community, but should be led by the communities who know their needs best. Recovery efforts must meet the needs of the present community without compromising future generations by achieving a balance between economic, social, and environmental development.

DEBT RELIEF

Ajust recovery is not possible when the priority is paying creditors instead of investing in the recovery and the future of Puerto Rico. The debt cannot be prioritized or come before basic needs and essential services. Without relief, Puerto Rico's \$73 billion debt will make it impossible to rebuild the island's infrastructure and economy effectively (projected to cost upwards of \$100 billion). Puerto Rico and other disaster-ravaged U.S. territories must have a pathway to comprehensive debt relief and the ability to terminate debt obligations so they can recover and rebuild with dignity. Any benefits of projected federal disaster dollars should only be used for the benefit of the people of Puerto Rico – not the vulture funds and other creditors.

PROTECT THE RIGHTS OF CHILDREN AND YOUTH TO PROSPER VIA ACCESS TO QUALITY PUBLIC EDUCATION

Children and youth in Puerto Rico have the right to a quality public education that will ensure equal access to personal, professional, and labor opportunities. Quality public education is a key element in achieving an effective recovery, lowering poverty levels, and overcoming the economic crisis of the island.

INDEPENDENT AUDIT

The future of Puerto Rico must not be compromised by repaying debt that was illegally or unconstitutionally obligated. There must be a moratorium on negotiations or repayment of existing debt until the federal government has ensured an independent audit is performed and certified by non-governmental experts and allowed the discharge of any illegal or unconstitutional debt. No funds provided for disaster recovery should be used to repay creditors, directly or indirectly, or to make economic projections for debt repayment.

SUPPORT PUERTO RICANS DISPLACED BY ECONOMIC AND NATURAL DISASTER

Our concerns extend to Puerto Ricans who have been forced to leave the island to the states because of ineffective emergency relief, a slow recovery, and lack of employment. They are disaster victims and need ongoing support from national and local governments, and from philanthropic sources, to ensure a successful transition to the US or promote a safe return to the island.

FACILITATE SAFE RETURN TO THE ISLAND

To recover long-term, Puerto Rico needs to retain and rebuild its social capital. As houses are rebuilt and businesses reopen, the federal government should work with Puerto Rico's government and community leadership to develop economic and social support plans that promote the return of evacuees and which are informed by the lessons learned from the post-Katrina process.

MARSHALL PLAN

Our federal government has a moral and legal responsibility to help Puerto Rico recover. The only way the island can do so is if our federal government enacts a "Marshall Plan" and systematically invests tens of billions of dollars to rebuild, revitalize and revive Puerto Rico's health care system, economy, housing, public social services, and infrastructure, including its energy grid, utilities, and telecommunications system.



Don't Forget Social Media!

n September 20, 2017, Hurricane Maria - a Category 5 hurricane - hit the island of Puerto Rico causing thousands of deaths and billions of dollars in damage. 1.1 million people lost electricity in the longest blackout in U.S. history. Some communities lacked electricity for up to eleven months creating a situation that devastated the economy, resulted in thousands of deaths, and left many people homeless, jobless, without access to life-saving medical care, clean water to drink, and living under plastic sheeting. Four years later, many of the conditions continue - including 18,000 families *still* living under blue tarps. One <u>death toll</u> calculates the number of deaths related to the aftermath of the hurricanes to be at least 3,000. Hurricane Maria is the <u>deadliest hurricane</u> in modern American history.

Our federal government has a moral and legal responsibility to help the people in Puerto Rico recover from this tragedy just as it would help any other group of American citizens. The U.S. government has discriminated against Puerto Rico with respect to federal benefits and programs, such as Medicaid, SNAP (food stamps), SSI for the blind, disabled, and elderly, the Child Tax Credit (until 2021, only available to Puerto Rican families with at least three children), among others, since it forcibly acquired the island as a "territory" in 1898. (For a basic history of Puerto Rico go here.)

The lack of parity and discrimination in funding for federal benefit programs, especially those designed to alleviate poverty, have worsened the economic, social, and environmental vulnerabilities in the island. This <u>unconstitutional treatment</u> is one of the main causes of Puerto Rico's current economic crisis and contributed to the island's high poverty levels.

Four years later, there is still much work to do for the island to recover and rebuild. Billions of dollars in federal funds have been allocated to the island although it has taken years for the money to start reaching the island. Thanks to President Biden, that has started to happen. Now our job is to ensure that those funds are used to help the most vulnerable and to create a resilient future that meets the island's climate goals, creates a stronger Puerto Rico, and saves lives.

The TA4PR campaign is composed of grassroots advocates, faith-based leaders, labor unions, community-based organizations, public officials, and educators to raise awareness and elevate discussion about how we can all help Puerto Rico rebuild. Among other issues, *Take Action for Puerto Rico!* aims to call

attention to and outline solutions for the current needs of the island four years after Hurricane Maria left it devastated.

The TA4PR campaign is relaunching this year to commemorate the 4th anniversary of Hurricane Maria battering the island. A press conference will take place Monday, September 20 at 11 a.m. on the steps of the U.S. Congress building (pending)

We are asking allies to help spread the word. A delegation of our members and allies, along with other policymakers, will join us to address the following:

- Call on Congress and the Biden administration to deliver equitable and permanent federal benefits for U.S. citizens living in Puerto Rico
- Call on Congress and the Biden Administration to ensure that Puerto Rico is adequately included in the Build Back Better agenda so that it receives the resources needed to rebuild its physical and human infrastructure

Topline

We're asking that U.S. citizens in Puerto Rico receive the same kind of treatment as those citizens who live on the mainland. The *Take Action for Puerto Rico!* campaign goal is to remind policymakers of their obligation to the U.S. citizens in the territories and outline solutions for the current needs of the island four years after Hurricane Maria left it devastated. We urge Congress to provide the funding and technical assistance needed to continue the recovery from the lingering impacts of Hurricane Maria, such as continuing energy insecurity, compounded by ongoing severe weather events, earthquakes, droughts, repeated flooding, austerity measures in response to crippling debt, plus unemployment, food insecurity, and a severe public health care burden as a result of the pandemic. The federal government has an obligation to assess what harms were caused by the federal response and work to mitigate them.

Social media

We ask partners to use this toolkit and **Social Media Messaging and Graphics** that we are including in this document, following the September 20th Press Conference, during upcoming Weeks of Action and days ahead.

- Post 2 messages/day on Facebook, Twitter and other relevant social media platforms regarding these events.
- Post 1 of 3 videos on Instagram or other social media platforms
- Adapt messaging to your audience by using your own handles and hashtags.
- Tag @HispanicFed when posting

Press conference participants

@SenSchumer

@SenGillibrand

@NydiaVelazquez

@DarrenSoto

@RepChuyGarcia

Facebook:

@hispanicfederation
www.takeaction4pr.org

Twitter:

@HispanicFed

Instagram:

@Hispanic Federation

Hashtags:

#TakeAction4PR

#PuertoRico

#HurricaneMaria

#NAPtoSNAP

#BuildBackBetter

Other useful/topic hashtags:

#JustRecovery #SolarSavesLives

Graphics can be found and downloaded HERE.

Messaging for Facebook/Instagram:

BOTH PARITY AND RECOVERY MESSAGE

13 1992

We urge Congress and the Biden administration to deliver equitable and permanent federal benefits for U.S. citizens living in Puerto Rico + ensure that Puerto Rico is adequately included in the #BuildBackBetter agenda. As we remember the disaster left by #HurricaneMaria, we must ensure the island is able to both continue to recover and prepare for the future. takeaction4pr.org

EOUITY IN BENEFITS MESSAGING

Congress must give low-income Puerto Ricans the same healthcare as the rest of the U.S. by closing the Medicaid disparities by updating hospital reimbursements and increasing funding for U.S. territories to provide prescription drug coverage to low-income seniors. #TakeAction4PR.

Dear Congress: Puerto Rican children deserve good nutrition too. We need to move from NAP to SNAP for a just recovery in Puerto Rico. On the fourth anniversary` of Hurricane Maria, it's time to Take Action For Puerto Rico. #ClosetheMealGap takeaction4pr.org #NAPtoSNAP

Congress must pass legislation that brings Puerto Rico into line with federal safety-net programs equitably, including Medicaid, EITC, CTC, Food Stamps, Supplemental Security Income (SSI), among others. Tell Congress pass the <u>Territorial Equity Act of 2021 LINK to take action piece of toolkit?</u>

The Biden administration must stop arguing the Vaello-Madero case at the US Supreme Court: *In U.S. v. Vaello-Madero*, the 1st U.S. Circuit Court of Appeals <u>affirmed a district court ruling</u> that held the exclusion of otherwise eligible Puerto Ricans from SSI, only because of their status as Puerto Rican residents, violated the Fifth Amendment's Due Process Clause. SSI benefits are available to any U.S. citizen living in any of the 50 states, Washington, D.C., and the Northern Mariana Islands, but not the territories of Puerto Rico, the U.S. Virgin Islands, and Guam.

REBUILDING MESSAGING

Today marks four years since Hurricane Maria devastated Puerto Rico. The effects of that devastation are still seen today, and we are calling on the Biden admin and Congress to #TakeActionforPR. We need Puerto Rico to be treated equitably, with adequate funding provided to help the nation recover and protect itself from future disasters. Learn more: takeaction4pr.org.

We ask Congress to address the severe health care crisis, worsened by Hurricane Maria, earthquakes and the pandemic, by removing inequities in federal health funding, and immediately fund #Medicaid and medicare at the same funding levels provided to other US citizens. Takeaction4pr.org #BuildBackBetter



We stand with #PuertoRico in its continued efforts to recover from Hurricane Maria, which hit four years ago today. There is still more work to be done to help the island recover. Find out how you can join our efforts and help #BuildBackBetter: www.takeaction4pr.org.

[NAME OF YOUR ORGANIZATION] is proud to be part of the Take Action For #PuertoRico campaign, reminding Congress about the work still needed for Puerto Rico's recovery and rebuilding, 4 years after Hurricane Maria battered the island. Find out how you can join our efforts and help: takeaction4pr.org

Four years after Hurricane Maria, Puerto Rico still struggles to recuperate from the devastation by calling Congress and the Biden administration to deliver equitable and permanent federal benefits for U.S. citizens living in Puerto Rico ensure that Puerto Rico is adequately included in the #BuildBackBetter agenda. Find out what you can do to #TakeAction4PR by going to takeaction4pr.org

The only way #PuertoRico can build a sustainable future is by ending nearly 125 years of systemic discrimination by the federal government against #PuertoRico and its residents. Join us in seeking a better future by going to takeaction4pr.org and take action today.

#PuertoRico needs an #energy grid based on #renewable solar - not fossil fuels. #SolarSavesLives #TakeAction4PR #ActNow #BuildBackBetter

Our federal government has a moral and legal responsibility to help the U.S. citizens of #PuertoRico recover from this tragedy just as it would help any other group of #American citizens. #JustRecovery

Messaging For Twitter

EQUITY IN BENEFITS MESSAGING

Thanks to @Sen.Schumer @Sen.Gillibrand @NydiaVelazquez @DarrenSoto @RepChuyGarcia for supporting Puerto Rican children by fighting for equitable and permanent federal benefits for U.S. children living in #PuertoRico. #BuildBackBetter

Congress must give low-income Puerto Ricans the same healthcare as the rest of the U.S. by closing the Medicaid gap. #Medicaid #TakeAction4PR #BuildBackBetter

Dear Congress: Puerto Rican children deserve good nutrition too. #NAPtoSNAP #JustRecovery #PuertoRico #HurricaneMaria #TakeAction4PR #BuildBackBetter

We are part of the #TakeAction4PR campaign, reminding Congress to deliver equitable and permanent federal benefits for U.S. citizens living in Puerto Rico

REBUILDING MESSAGING

The federal government needs to ensure adequate investment to build a more resilient electrical grid in Puerto Rico. Creating a resilient, decentralized energy system in Puerto Rico is not just about reaching climate goals – it is literally a matter of life and death.

[NAME OF YOUR ORGANIZATION] is proud to be part of the #TakeAction4PR campaign, reminding Congress about the work still needed for Puerto Rico's recovery and rebuild, #4YearsAfterMaria #PuertoRico. Find out how you can join our efforts and help: takeaction4pr.org

#PuertoRico needs an #energy grid based on #renewable solarnot fossil fuels. #SolarSavesLives #TakeAction4PR

The only way #PuertoRico can build a sustainable future is by ending nearly 125 years of systemic discrimination by the federal government against #PuertoRico and its residents. Find out how you can help by going to takeaction4pr.org

Join us in calling on Congress to stop discriminating against Puerto Ricans + provide equitable support and prepare for future storms. takeaction4pr.org #TakeAction4PR

Policy Asks: How the Federal Government and Congress Can and Must Help Puerto Rico

WHAT YOU NEED TO KNOW

n September 20, 2017, Hurricane Maria - a Category 5 hurricane - hit the island of Puerto Rico causing thousands of deaths and billions of dollars in damage. 1.1 million people lost electricity in the longest blackout in U.S. history. Some communities lacked electricity for up to eleven months creating a situation that devastated the economy, resulted in thousands of deaths, and left many people homeless, jobless, without access to life-saving medical care, clean water to drink, and living under plastic sheeting. Four years later, many of the conditions continue - including 18,000 families still living under blue tarps. One death toll calculates the number of deaths related to the aftermath of the hurricanes to be at least 3,000, Hurricane Maria is the deadliest hurricane in modern American history.

Our federal government has a moral and legal responsibility to help the people in Puerto Rico recover from this tragedy just as it would help any other group of American citizens. The U.S. government has discriminated against Puerto Rico with respect to federal benefits and programs, such as Medicaid, SNAP (food stamps), SSI for the blind, disabled, and elderly, the Child Tax Credit (until 2021, only available to Puerto Rican families with at least three children), among others, since it forcibly acquired the island as a "territory" in 1898. (For a basic history of Puerto Rico go here.)

The lack of parity and discrimination in funding for federal benefit programs, especially those designed to alleviate poverty, have worsened the economic, social, and environmental vulnerabilities in the island. This <u>unconstitutional treatment</u> is one of the main causes of Puerto Rico's current economic crisis and contributed to the island's high poverty levels.

POVERTY IN PUERTO RICO

In 2019, 44 percent of the 3.2 million people in Puerto Rico lived in poverty. For comparison, the U.S. national poverty rate was drastically lower at 10.9 percent according to the <u>Congressional Research Service</u>. 57 percent of children in Puerto Rico live in poverty compared to 16 percent of children in the U.S. Puerto Rico widely outpaces even the <u>poorest US states</u> in this terrible measure.

ROOTS OF DISCRIMINATION IN FEDERAL FUNDING

The widely criticized <u>Insular Cases</u>, decided by the Supreme Court in 1901, held that the "half-civilized," "savage" "alien races" living in Puerto Rico, Guam, and other U.S. territories were not entitled to the same constitutional rights and protections afforded to other Americans because they could not understand "Anglo-Saxon principles." Much like the infamous *Plessy v. Ferguson*, which justified "separate but equal" racial segregation, and Korematsu v. United States, which upheld the mass internment of Japanese Americans during World War II, the Insular Cases represent a shameful legacy our nation would do well to move past.

This type of systemic discrimination by the federal government towards Puerto Rico is evident in the inequitable delivery of federal benefits including disaster funding and program implementation. This discrimination can be seen clearly in the Response of the Federal Government to Maria.

6 The only way Puerto Rico can build a sustainable future is by ending nearly 125 years of systemic discrimination by the federal government against Puerto Rico and its residents.



4 YEARS LATER - WHERE ARE WE NOW?

Four years after Hurricanes Irma and Maria devastated Puerto Rico, the reconstruction of the island has barely started. Two years after Maria, 30,000 homes still had blue tarps instead of roofs. Four years later 18,000 families are still living with plastic sheeting instead of a ceiling. Of the tens of thousands in need, as of September 15, 2021 only a total of 1,649 houses had been repaired or reconstructed by the Puerto Rico Housing Department's CDBG-DR Repair, Reconstruction or Relocation Program (R3 Program). Additional rebuilding has been financed through private and non-profit funds out of necessity.

Only a small fraction of the money Congress appropriated to support recovery and building was released by the Trump Administration. Although the Biden administration has recently begun removing some of those barriers to the money allocated, the process for approving projects and spending remains challenging. Roads, schools, traffic lights, have mostly received band-aids instead of long-term fixes and plans for many other basic elements of the island's infrastructure - especially its fragile energy grid - are not yet on the road to serious rebuilding for a lifesaving, sustainable grid. For an explanation of the barriers the federal government has created for Puerto Rico's recovery, see TA4PR section Response of the Federal Government to Puerto Rico Since Maria.

The island has continued to fight to receive federal dollars to rebuild following Maria and historic earthquakes while experiencing an ongoing state of crisis. Battered and exhausted residents have continued to experience energy insecurity, devastating tropical storms and hurricanes (like Isaias in July 2020 during the Covid-19 pandemic), repeated droughts leading to water restrictions, damaging flooding on a regular basis, and severe austerity in public services imposed to repay debt, plus unemployment, growing food insecurity, and a severe public health care burden as a result of the pandemic.

To date, Congress has still not appropriated any disaster funds to help Puerto Rico address the resulting damage from the 2020 earthquakes.

Four years later, the Puerto Ricans on and off the island, are still waiting for Congress and the federal government to end the discrimination that has impeded Puerto Rico's economic development and disaster recovery, and contributed to high poverty rates.

Both the U.S. Congress and the Biden Administration have a moral responsibility to end the systemic discrimination that unconstitutionally treats Puerto Ricans as second-class citizens.

Below you will find solutions to end discrimination by Congress and the federal government and promote a sustainable recovery for Puerto Rico's future. Recommendations range from legislative action, reform in bureaucratic processes by federal agencies, and Executive Action by the Biden Administration. These actions are not to "help" Puerto Ricans; there is no room for discretion. Doing any less is a violation of the inherent human and legal rights of Puerto Ricans.

Policy Asks: Equity And Discrimination

The federal government must stop discriminating against Puerto Rico, not just in disaster relief, but in all federal programs.

WHAT CONGRESS MUST DO

I.Pass legislation that brings PR into line with federal safetynet programs equitably, including Medicaid, EITC, CTC, Food Stamps, Supplemental Security Income (SSI), among others. Congress must pass the <u>Territorial Equity Act of 2021 (H.R. 2713 & S. 1228)</u>, which would most comprehensively address inequities in federal benefits. For a full list of legislation we support, see TA4PR Legislation We Support to Move Puerto Rico Forward.

The Territorial Equity Act of 2021 would:

- Provide the territories with the same need-based, openended Medicaid funding that is currently available to the fifty states and the District of Columbia by eliminating the arbitrary cap on annual federal Medicaid funding and increasing the federal matching rate for the territories' Medicaid expenditures.
- Address Medicare disparities by updating hospital reimbursements and increasing funding for the territories to provide prescription drug coverage to low-income seniors.
- Extend the Supplemental Security Income (SSI) program to all U.S. territories
- Provide equitable treatment for Puerto Rico and the Virgin Islands with respect to the Earned Income Tax Credit (EITC) and the Child Tax Credit (CTC).
- Allow Puerto Rico, American Samoa and the Northern Mariana Islands to transition to the Supplemental Nutrition Assistance Program (SNAP).
- Provide equity for Puerto Rico on labor issues, specifically regarding the minimum wage for young employees in Puerto Rico and parity for overtime laws.

WHAT THE BIDEN ADMINISTRATION MUST DO

- I. The Biden administration must actively work with Congress to provide families in Puerto Rico "equal access to nutrition assistance" through inclusion in SNAP, ensure Puerto Ricans receive SSI, work to ensure that Puerto Rico participates equitably in Medicaid, including receiving increased FMAP payments by directing the HHS Secretary to develop and recommend payment reforms. These are just some of the things that the president laid out in his plan for "recovery, renewal, and respect for Puerto Rico."
- II. The Biden administration must also stop fighting two 1st U.S. Circuit Court of Appeals decisions that found that denying residents of Puerto Rico equal access to federal safety-net programs like SSI, Supplemental Nutrition Assistance Program (SNAP), and the Medicare Part D Low-Income Subsidy (LIS) was both discriminatory and unconstitutional. In U.S. v. Vaello-Madero and Peña Martinez v. United States Health and Human Services, the courts determined that the government's true purpose in denying SSI benefits to Puerto Ricans was "to impose inequality," and, further, suggested that this exclusion amounted to a "de facto classification based on Hispanic origin" that should be subject to a more stringent "heightened scrutiny standard."

WHAT THE US SUPREME COURT MUST DO

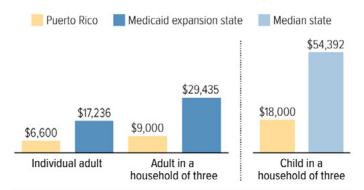
Recognize the unconstitutionality of the systemic discrimination by the federal government towards Puerto Rico by confirming the lower court decision in the Vaello-Madero case.

WHY

Healthcare: Puerto Rico is facing a dire healthcare crisis. Inequities in <u>federal health care</u> funding are a major driver of this crisis. Approximately <u>60% of the island's population</u> is enrolled in Medicaid or Medicare, both of which face a tenuous future due in part to an archaic and <u>unfair capping of federal contributions</u> imposed upon Puerto Rico, because of its status as a territory. Among other things, the funding structure means that Puerto Rico <u>can't afford to cover seven of Medicaid's 17 mandatory services</u>, including nursing home care and nurse practitioner services. To make the limited federal grant dollars cover as many people as possible, only the poorest of Puerto Rico residents qualify for Medicaid (see chart below). The healthcare funding for Puerto Rico is <u>set to expire in October</u>, 2021, facing a medical cliff.

Medicaid Eligibility Limits Much Lower in Puerto Rico Than in States

Annual income caps for program eligibility



Note: Under the Affordable Care Act, states can expand Medicaid to adults with income up to 138 percent of the poverty line. Puerto Rico expanded eligibility for adults, but at a much lower poverty level. For Medicaid and the Children's Health Insurance Program, states and Puerto both cover children at higher income levels than adults. But, states cover children up to much higher income levels than Puerto Rico does.

Source: Centers for Medicare and Medicaid Services

CENTER ON BUDGET AND POLICY PRIORITIES I CBPP.ORG

Source: Center on Budget and Policy Priorties https://www.cbpp.org/research/health/puerto-ricos-medicaid-program-needs-an-ongoing-commitment-of-federal-funds

Child Poverty: In 2014, 58 percent of children in Puerto Rico lived in poverty compared to 22 percent of children in the fifty U.S. states. Growing up in poverty is one of the greatest threats to healthy child development. It increases the likelihood that a child will be exposed to factors that can impair their brain development and lead to poor academic, cognitive and health outcomes. The risks posed by economic hardship are greatest among children who experience poverty when they are young and among those who experience persistent and deep poverty. The child poverty rate in Puerto Rico has remained constant for at least 10 years. Permanent access to the full Child Tax Credit (CTC) and enabling low-income households and individuals to claim the expanded Earned Income Tax Credit (EITC) should be available to all Puerto Ricans regardless of where they choose to live. Equitable access to these programs would give a significant income boost to low- and moderate-income families in Puerto Rico, lower child poverty, while simultaneously providing economic stimulus benefits.

Nutrition and Food Insecurity: For the past 40 years, Puerto Rico has received nutritional assistance aid through a federally-funded block grant. Unlike SNAP, a federal entitlement in which everyone eligible for benefits under its formula receives them at the full benefit level and which has special provisions to provide food aid after a disaster, Puerto Rico's capped funding prevents it from meeting the basic food needs of poor citizens living in Puerto Rico, including children, seniors, and people with disabilities. The program is available to fewer low-income households and typically provides much smaller benefits.

The \$1.9B capped block grant limits Puerto Rico's ability to manage changes in demand, including those due to demographic shifts, poverty levels, and economic stagnation. Close to 1.5 million residents currently receive some level of nutrition assistance aid. Most of the beneficiaries are children, elderly, and disabled individuals. The levels of aid in Puerto Rico fall well below those of many states and territories. Puerto Rican children and families continue to experience food insecurity and inequity because of their exclusion from SNAP which is fully available to residents of the Continental US, U.S. Virgin Islands, Guam, and the District of Columbia. These disparities necessitate legislative action to integrate Puerto Rico into SNAP.

Support for low-income disabled persons: Supplemental Security Insurance (SSI) is a federal cash assistance program that provides monthly payments to low-income aged, blind, or disabled persons in the 50 states, the District of Columbia, and the Northern Mariana Islands. It is not available to low income, disabled persons living in Puerto Rico. It is estimated roughly 700,000 people are currently denied these benefits because they live in Puerto Rico. Recent court decisions determining that denying SSI benefits to people is unconstitutional are currently being challenged in the U.S. Supreme Court by the Biden administration.

Policy Asks: For A Sustainable Recovery

Ensure all federal disaster recovery and infrastructure investment funds and programs are effectively used for the sustainable recovery of Puerto Rico.

WHAT CONGRESS MUST DO

- I. Ensure Puerto Rico is treated equitably and is not an afterthought in new programs and policies passed to revive the economy and help the country rebuild from the pandemic, such as the massive Build Back Better agenda that presents historic opportunities to make generational change.
- **II.** Congress should require radical transparency and democratization of the federal and local recovery and rebuilding process. This is the best way to direct the funding to the people and communities that need it most and ensure oversight and accountability.
- **III.** Congress must not grant any additional authority to the FOMB, which has undemocratic authority over Puerto Rico budgetary and recovery matters. It should instead provide the means and oversight to ensure an <u>independent audit</u> is performed and certified by non-governmental experts to determine the <u>legality of the debt</u> prior to allowing the FOMB to enter into debt repayment agreements on behalf of the Puerto Rican government. The FOMB must be directed to prioritize rebuilding Puerto Rico instead of paying creditors.
- IV. A just recovery is not possible when those in power prioritize paying creditors instead of investing in the recovery and the future of Puerto Rico. Congress should eliminate the failed PROMESA law that has created an unelected body leading to severe austerity in social programs on the island. Instead, Congress should provide a mechanism for Puerto Rico to discharge its debt. Legislation such as the <u>United States Territorial Relief Act of 2019</u> (S. 1312 & H.R. 2526) provides a roadmap. Repaying the debt should not be a higher priority than the rebuilding and recovery of the island's physical and human infrastructure. Providing for the basic needs of people, especially the most vulnerable after years of repeated crises should be the highest priority.

WHAT THE BIDEN ADMINISTRATION MUST DO

- Ensure that all federal funds allocated to Puerto Rico's energy grid, including the largest grant in FEMA history (\$9.7 billion) and \$1.9 billion in CDBG funds, are used to achieve the island's legislatively mandated climate goals of 40 percent renewable energy by 2025 and 100 percent renewable energy by 2050. The responsible use of federal funds must prioritize renewables, energy efficiency, solar energy based on rooftop and storage, microgrids, and programs like demand response to achieve electric bill reductions and ensure fair access to this critical service to all persons in Puerto Rico. FEMA should not approve any proposals in which renewables are merely incidental to the overall program - they must be central in any plan funded by federal dollars; that includes the pending PREPA/LUMA proposal which facilitates building new fossil fuel plants with the largest part of the budget focused on transmission which replicates vulnerability. Creating a resilient, decentralized energy system in Puerto Rico is not just about reaching climate goals - it is literally a matter of life and death.
- **II.** Ensure Puerto Rico is treated equitably and is not an afterthought in new programs and policies passed to revive the economy and help the country rebuild from the pandemic, such as the <u>President's Build Back Better</u> agenda. We agree this is no time to just build back to the way things were before with the old economy's structural weaknesses and inequalities in place. Biden must provide full parity in federal programs as promised in his presidential campaign through this historic opportunity.
- **III.** Continue to eliminate discriminatory restrictions that have created unique barriers to rebuilding and slowed access to federal disaster funds. The federal government needs to create programs that recognize and respond to Puerto Rico's unique realities, vulnerabilities, and legal framework. Examples include:

- Reimbursement requirements: Waive reimbursement and matching funds requirements to facilitate maximum participation of local non-profit organizations. Most non-profits in Puerto Rico are small by US standards or derive their non-profit status from the local instead of the federal government and lack the financial capacity and cash flow required to participate in federal programs with reimbursement mechanisms and or matching fund requirements.
- Ownership: Make ownership requirements for disaster funding responsive to Puerto Rico's legal tenancy realities and property law which is different from those in the United States. This reality has consistently been one of the main barriers for the most vulnerable people to access much-needed federal emergency and recovery funds. The federal government must ensure that the aid is available to those who need it the most.
- **Federal Tax Credits:** Make federal tax credits available as direct pay options to residents and organizations that do not qualify under U.S. tax law.
- Accessibility issues: Reform access to federal programs and funding that require internet connectivity. For example, in person assistance centers were very successful but closed too quickly after the earthquake in 2020.
- Language barriers: Increase access to programs and funding by creating processes that are accessible to Spanish speakers.
- Technical Assistance: Provide funding for education and technical assistance for local agencies, communitybased organizations, and businesses that may be eligible for federal funding but have difficulty accessing it and complying with grant reporting requirements
- **Transparency:** Ensure information about disaster recovery dollars and decision-making processes are publicly available, easily accessible, objectively verifiable at all stages of decision-making including needs-assessment, planning, implementation, and monitoring, and ensure official documents are bilingual in Spanish and English.

- **Democratization:** Require effective, mandatory oversight criteria for public engagement and transparency in every plan for disaster funding approved by federal agencies.
- **Federal Coordination:** Create effective, transparent processes for interagency collaboration to ensure an effective deployment of federal programs and resources. The recent reactivation of the White House Puerto Rico Working Group is an important step to ensure interagency coordination of resources and technical assistance. The Working Group must immediately engage with Congress and Puerto Rico stakeholders, including community-based organizations that work directly with the people most impacted to ensure disaster relief and other federal funds are distributed in a targeted, effective, and equitable manner.

Legislation Your Member of Congress Should Support in 2021

n Sept. 20th, 2017, Puerto Rico will commemorate four years since Hurricane Maria devastated the island. Island residents, exhausted from four years of repeated hardship including floods, severe earthquakes, rising unemployment, austerity, political instability, and a global pandemic, continue to mourn the more than 3 thousand lives lost. During the fours years of the Trump administration, Puerto Rico also suffered the impact of the negligence of a federal government that intentionally withheld disaster relief and recovery funds that hampered the island recovery process. Recovery was hampered by the previous federal administration's politicized response and suffering has been compounded. The federal government has an obligation to assess what harms were caused by the poor federal response and work to mitigate them. Our federal government has a moral and legal responsibility to help the U.S. citizens of Puerto Rico recover from this tragedy just as it would help any other group of American citizens.

Now, under the Biden administration, Puerto Rico faces a new set of challenges and uncertainties, as the federal government decides the future of Puerto Rico in a series of decisions that fall into the hands of the three branches of government.

This document provides you with a series of bills being considered in Congress that we support because of their meaningful impact on Puerto Rico. They range from ensuring Puerto Rico receives equitable treatment in federal programs intended to support the most vulnerable residents, to providing assistance to address climate challenges. The overwhelming majority of bills introduced in the previous congress to provide equity to Puerto Rico were never even presented for votes.

While the island was still waiting for federal aid for Maria, Puerto Rico experienced over 9,000 earthquakes and aftershocks (2019-2020), including the <u>strongest series of earthquakes</u> felt in Puerto Rico in over a century. Hundreds of buildings and thousands of homes were destroyed, resulting in <u>an estimated \$3.1 billion in damage</u>. Many people slept outside with their families for months out of fear that their homes would collapse. Although the U.S. House of Representatives <u>passed a disaster aid bill</u> intended to help Puerto Rico recover from the earthquakes, the bill was never passed in the <u>Republican controlled</u> U.S. Senate and faced a <u>veto threat from President Trump</u>.

To date, Congress has not appropriated any disaster funds to help Puerto Rico address the resulting damage from the 2020 earthquakes.

You will also find non-Puerto Rico-specific bills critical to moving the entire country forward that Hispanic Federation hopes will make it to the President's desk, such as the <u>Build Back Better</u> legislation package and the bipartisan <u>Infrastructure and Jobs Act.</u> Our focus also needs to be on making sure that Puerto Rico is treated equitably in these massive and historic bills.

CONGRESS MUST END DISCRIMINATION AGAINST PUERTO RICO IN FEDERAL FUNDING

The federal government <u>has discriminated against the US citizens</u> of Puerto Rico with respect to federal benefits and programs, such as <u>Medicaid</u>, <u>SNAP</u> (food stamps), <u>SSI</u> for the blind, disabled, and eldery, the <u>Child Tax Credit</u> (until 2021, only available to Puerto Rican families with at least three children), among others, since it forcibly acquired the island as a "territory" in 1898.

The lack of parity in funding for federal benefit programs, especially those designed to alleviate poverty ongoing discrimination has worsened the economic, social and environmental vulnerabilities in the island. This <u>unconstitutional treatment</u> is one of the main causes of Puerto Rico's current economic crisis and contributed to the island's high poverty levels.

Congress and the Biden administration have equal responsibility in guaranteeing Puerto Rico is treated with dignity and that the systemic discrimination against the residents of Puerto Rico comes to an end. As President Biden's first year in office comes to an end, his administration continues to push forward his legislative agenda to strengthen the country's economy and infrastructure. Puerto Rico must be treated equitably in that agenda.

JOIN US IN TELLING CONGRESS TO PASS THESE BILLS

Below you will find thirteen bills being considered in Congress that we urge your Member of Congress to support because of the meaningful impact they would have in Puerto Rico by providing the necessary funding and programs to help Puerto Rico Build Back Better. Many of these provisions could and should be considered for inclusion in the <u>budget reconciliation package</u> currently being considered in Congress.

You will also find non-Puerto Rico-specific bills that we hope will make it to the President's desk, such as the Build Back Better reconciliation package and the Infrastructure Investment and Jobs Act which both have important provisions for Puerto Rico. However, we must insist that Congress treat Puerto Rico equitably in massive reconciliation initiatives like Build Back Better that present historic opportunities to make generational change.

6 we must insist that Congress treat Puerto Rico equitably in massive reconciliation initiatives like Build Back Better that present historic opportunities to make generational change.

Legislation Your Member of Congress Should Support in 2021

Build Back Better Act (S. Con Res. 14 & H. Res. 601) <u>Build Back Better</u> legislation would create jobs, cut taxes and lower childcare and healthcare costs for working families across the country, including in Puerto Rico. Tell Congress to pass this bill by taking action <u>here</u>.

Infrastructure Investment and Jobs Act (H.R.3684) The Infrastructure Investment and Jobs Act advances justice for communities on the frontlines of climate change - including Puerto Ricans on the island, people of color, and low-income families in America. This bill would allocate approximately 2.2 billion dollars to Puerto Rico to invest over the next five years in repairing roads, bridges, improving high-speed internet and public transportation, and creating thousands of good-paying jobs on the island.

EQUITY IN FEDERAL PROGRAMS

<u>Territorial Equity Act of 2021</u> (H.R. 2713 & S. 1228)

Representative Nydia M. Velázquez (D-NY) and Senator Bernie Sanders (I-VT) introduced the Territorial Equity Act of 2021 in April. This bill would help Puerto Rico, and all the territories, gain more equitable access to federal programs such as Medicaid, SNAP, and popular tax credits. Territorial residents are currently treated as second-class citizens under these programs which is not only morally wrong, it exacerbates social and economic inequalities. After more than 120 years of discriminatory funding which has contributed to some of the highest poverty rates in the country, this bill will end discrimination against residents in Puerto Rico on Medicaid, SSI, and SNAP programs. The House bill was introduced on April 20 2021. It has three co-sponsors: Alexandria Ocasio-Cortez (D-NY), Raul Grijalva (D-AZ), Richie Torres (D-NY). No further action has been taken. The Senate bill was introduced on April 20, 2021. The bill has two co-sponsors: Elizabeth Warren (D-MA, and Edward Markey (D-MA). It was read twice and referred to the Committee on Finance. No further action has been taken.

LEGISLATION WE SUPPORT TO HELP PUERTO RICO MOVE FORWARD

HEALTHCARE

<u>Insular Area Medicaid Parity Act</u> (H.R.265)

This Insular Area Medicaid Parity Act introduced by Rep. Sablan (D-MP-At Large) would bring equitable treatment for U.S. territories by eliminating Medicaid capped block grants that do not respond to need beginning in FY2021. Unlike all 50 states and the District of Columbia, Puerto Rico is not guaranteed a certain percentage of Medicaid resources in the federal government's annual budget. Instead, Congress determines Medicaid funding that in the past has lasted anywhere from two years to seven years. Failure to secure additional funding to address the next "Medicaid cliff" on October 1, 2021, would likely have catastrophic consequences for the island's teetering health care system. The bill would prevent U.S. territories, including Puerto Rico, from the 85% to 90% cut in Medicaid schedule, avoiding the so-called "Medicaid cliff," in October of 202. Without legislation to address this discriminatory funding in basic health care services, discrimination on Puerto Rico. The bill was introduced on January 11, 2021, it was referred to the House Subcommittee on Health on February 2, 2021. The bill has 74 co-sponsors.

<u>Territories Health Equity Act of 2021</u> (H.R.3434)

The Territories Health Equity Act of 2021 was <u>introduced</u> by Del. Plaskett (D-VI) in May 2021 with eighteen cosponsors, including Rep. Velázquez (D-NY), Rep. Soto (D-FL), Rep. Torres (D-NY), and Rep. Gónzalez (R-PR-At Large). The bill would eliminate the annual federal Medicaid funding cap that limits the Medicaid funding in Puerto Rico, and other U.S. territories can receive. It would also increase the federal matching rate (FMAP), and provide increased funding to provide prescription drugs to low-income seniors, and update hospital reimbursement rates. On May 20, 2021, H.R. 3434 was referred to the Committee on Energy and Commerce and the Committee on Ways and Means. This bill has 18 co-sponsors.

Supporting Medicaid in the U.S. Territories Act of 2021 (H.R.4406)

The Supporting Medicaid in the U.S. Territories Act of 2021 was a bipartisan measure introduced by Rep. Soto (D-FL) and Rep. Gus Bilirakis (R-FL) in July 2021 to address the looming Medicaid cliff in Puerto Rico and other territories. It would provide a stopgap measure of five years of Medicaid funding for Puerto Rico and other U.S. territories. The bill would ensure low-income Puerto Ricans continue to receive Medicaid benefits by temporarily extending the federal medical assistance percentage and cap amount for U.S. territories. In addition, this bill would also increase the cap amount in the Covid-19 response. On July 21, 2021, H.R. 4406 was marked up in the Committee on Energy and Commerce and passed with a majority vote. H.R. 4406 has 33 cosponsors. See Hispanic Federation statement here.

<u>Puerto Rico Health Care Fairness, Accountability, and Beneficiary Access Act of 2021</u> (H.R.1722)

Rep. Nydia Velazquez (D-NY) re-introduced the Puerto Rico Health Care Fairness m Accountability, and Beneficiary Access Act of 2021 to offer both a short-term and long-term fix to Puerto Rico's Medicaid funding gap. This bill would address the immediate shortfall ("Medicaid cliff") and, at last, provide a path for Puerto Rico to be treated equitably when it comes to health care for low income people. If passed, the bill would provide \$15.1 billion in federal funding to allow the federal government to match 83% of the island's Medicaid program starting in 2022. After 2024, Puerto Rico would begin a 10-year transition period where the island would receive the same financial treatment in the Medicaid program as the states while also requiring Puerto Rico to cover mandatory benefits that are currently not covered. H.R. 1722 was introduced on March 9, 2021, and referred to the Subcommittee on Health. Co-sponsors to this bill include Rep. Adriano Espaillat (D-NY), Rep. Alexandria Ocasio-Cortez (D-NY), Rep. Jesus Garcia (D-IL), Rep. Raul Grijalva (D-AZ), Rep. Darren Soto (D-FL), and Resident Commission Jenniffer Gonzalez-Colon (R-PR-At Large).

NUTRITION ASSISTANCE FOR LOW INCOME FAMILIES

Closing the Meal Gap Act of 2021 (H. R. 4077 & S. 2192)

Rep. Adams (D-NC) introduced the Closing the Meal Gap to amend the Food and Nutrition Act of 2021 to expand and strengthen Supplemental Nutrition Assistance Program (SNAP) benefits for vulnerable community members struggling to make ends meet and put food on the table. Senators Gillibrand (D-NY), Sanders (D-VT), Booker (D-NJ), Padilla (D-CA), and Warren (D-MA) introduced the bill in the U.S. Senate. The bill would provide for a transition for the territories into the SNAP program, ending the inequity of excluding Puerto Rico and other territories from full participation in SNAP. Congress has allowed a two-tier system of nutrition benefits for American citizens residing in Puerto Rico for nearly 40 years and it must end. Introduced on June 23, 2021. S. 2192 was read twice and referred to the Senate Committee on Agriculture, Nutrition, and Forestry. It is co-sponsored by Sen. Alex Padilla (D-CA), Sen. Elizabeth Warren (D-MA), Sen. Cory Booker (D-NJ), and Sen. Bernie Sanders (D-VT). On July 28, 2021, H.R. 4077 was referred to the House Subcommittee on Nutrition, Oversight, and Department Operations. H.R. 4077 has 91 cosponsors. See the fact sheet here.

LEGISLATION WE SUPPORT TO HELP PUERTO RICO MOVE FORWARD

HOUSING

<u>Housing is Infrastructure Act of 2021</u> (H.R.4497)

This bill was introduced on July 16, 2021, by Rep. Waters (D-CA) as part of a package of bills intended to address the growing housing crisis by investing in affordable housing, increase access to homeownership and address the shame of mass homelessness in our country. The creation of programs and investments in equitable, affordable, and accessible housing infrastructure and providing affordable housing to low-income families in the United States, including Puerto Rico and the U.S. territories is long overdue. The bill has 72 co-sponsors. Portions of the package are currently being negotiated for inclusion in the Build Back Better reconciliation package.

CLIMATE

Insular Area Climate Change Act (S.2613 & H.R. 2780)

The Insular Area Climate Change Act was introduced in both chambers of Congress by Sen. Melendez (D-NJ) and Sen. Mazie Hirono (D-HI) in the Senate on August 4, 2021 and by Rep. Grijalva (D-AZ) in the House on April 22, 2021. This bill would provide financial and technical support to the more than 3.5 million U.S. citizens and nationals that reside in U.S. affiliated insular areas for climate change planning, mitigation, adaptation, and resilience efforts. On July 14, 2021, H.R. 2780 passed the House Natural Resources Committee and is currently awaiting a house floor vote. H.R. 2780 co-sponsors include Del. Gregorio Kilili Camacho Sablan (D-MP), Del. Michael San Nicolas (D-GU), Del. Stacey Plaskett (D-VI), Rep. Darren Soto (D-FL), Rep. Nydia Velazquez (D-NY), Rep. Rashida Tlaib (D-MI) Rep. Grace Napolitano (D-CA), Rep. Steve Cohen(D-TN), Rep. Donald McEachin (D-VA) Rep. Julia Brownley (D-CA), Rep. Richie Torres (D-NY), Rep. Melanie Ann Stansbury (D-NM), Rep. Joe Neguse (D-CO). S. 2613 was referred to the Senate Committee on Energy and Natural Resources. No further action has been taken.

Vieques Recovery and Redevelopment Act of 2021

(H.R.1317 & S. 405)

Rep. Nydia Velázquez (D-NY) and Sen. Bob Menendez (D-NJ) introduced the bipartisan Vieques Recovery and Redevelopment Act of 2021. This bill provides compensation to residents of the small island in the archipelago who may have contracted a chronic or life threatening case of cancer, hypertension, cirrhosis, kidney disease, diabetes, or heavy metal poisoning during or after the U.S. Navy bombed the island for 60 years for military training purposes. The island has some of the highest sickness rates in the Caribbean and compensation from the U.S. government is long overdue. The senate bill co-sponsored by Sen. Roger Wicker (R-MS) and the house bill by Rep. Jesus Garcia (D-IL), Rep. Trent Kelly (R-MS), Rep. Bennie Thompson (D-MS), Rep. Raul Grijalva (D-AZ), and Resident Commission Jenniffer Gonzalez-Colon (R-PR-At Large). *These provisions are currently being negotiated for inclusion in the Build Back Better Act*.

Renewable Energy for Puerto Rico and the U.S. Virgin Islands Act (H.R.2791)

The Renewable Energy for Puerto Rico and the U.S. Virgin Islands introduced by Rep. Lieu (D-CA) on April 22, 2021, would direct the Secretary of Agriculture (USDA) to establish a renewable energy grant program for Puerto Rico and other territories. In addition, this bill intends to promote renewable energy in Puerto Rico and the Virgin Islands by awarding grants to nonprofits, and the Department of Energy's National Laboratories may provide technical assistance. Specifically, the Department of Agriculture (USDA) must establish a grant program under which USDA may award grants for renewable energy systems, energy efficiency activities, energy storage, smart grids, or microgrids. In addition, USDA may award grants to train residents of Puerto Rico or the Virgin Islands to develop, construct, maintain, or operate renewable energy systems. Additional co-sponsors include Rep. Darren Soto (D-FL), Rep. Albio Sires (D-NJ), Rep. Val Butler Demings (D-FL), Rep. Richie Torres (D-NY), Del. Stacey Plaskett (D-VI-At Large), Rep. Raul Grijalva (D-AZ), and Resident Commissioner Jenniffer Gonzalez-Colon (R-PR-At Large). On June 21, 2021, H.R. 2791 was referred to the House Subcommittee on Commodity Exchanges, Energy, and Credit. No further action has been taken.

LEGISLATION WE SUPPORT TO HELP PUERTO RICO MOVE FORWARD

PROMESA

Puerto Rico Recovery Accuracy in Disclosures
Act of 2021 or PRADA
(S.375 & H.R.1192)

This Puerto Rico Recovery Accuracy in Disclosures Act of 2021 or PRADA was reintroduced by Sen. Bob Menendez (D-NJ) and Rep. Nydia Velázquez (D-NY) in February 2021, which requires much needed transparency to disclose conflicts of interest related to people employed by the Federal Oversight Management Board. It requires professionals employed in debt adjustment cases involving Puerto Rico to file verified statements disclosing their connections with the debtor, creditors, and other interested parties before seeking compensation for their services. The bill also imposes requirements on the payment of compensation to professional persons employed in voluntary cases commenced under title III of the Puerto Rico Oversight Management and Economic Stability Act (commonly known as "PROMESA"). S. 375 is co-sponsored by Sen. Mazie Hirono (D-HI), Sen. Richard Blumenthal (D-CT), Sen. Macro Rubio (R-FL), Sen. Debbie Stabenow (D-MI), Sen. Roger Wicker (R-MS), and Sen. Ron Wyden (D-OR). H.R 1192 is co-sponsored by Rep. Andy Biggs (R-AZ), Rep. Jamie Raskin (D-MD), Rep. Raul Grijalva (D-AZ), Rep. David Cicilline (D-RI), Rep. Pramila Jayapal (D-WA), Rep. Darren Soto (D-FL), Rep. Eric Swalwell (D-CA), and Resident Commissioner Jenniffer Gonzalez-Colon (R-PR-At Large). On July 29, 2021, S. 375 and H.R. 1192 were both heard in the Senate Committee on Energy and Natural Resources. No further action has been taken.

You can go <u>here</u> to see the legislation we supported in the 116th Congress.

Response of the Federal Government to Puerto Rico Since Hurricane Maria

t has been almost four years since Hurricanes Irma and Maria devastated Puerto Rico. It was an unprecedented natural weather disaster that neither the federal or local government could manage. The disaster clearly revealed Puerto Rico's unique economic, social, political, environmental and infrastructure vulnerabilities.

Since 2018, approximately \$62 billion has been allocated to Puerto Rico in federal disaster funding for rebuilding post-Maria. However, damage estimates exceed \$100 billion, leaving approximately \$43 billion in uncovered damages. (The Puerto Rican government estimated that the island suffered \$139 billion in damage.)

In addition to the loss of life, some of the industries hit the hardest included manufacturing and agriculture. Additionally, there was catastrophic damage to the island's infrastructure.

As a result, <u>3.2 million</u> U.S. citizens struggled to live through the <u>longest blackout in U.S. history (11 months) and the largest disruption to energy customers in US history by a longshot</u>. Thousands did not survive. Estimates of deaths following

Hurricanes Irma and Maria range from 3,000 to over 4,500. Onethird of the deaths were attributed to delayed or interrupted health care.

The response by the federal government was hampered from the outset by a lack of familiarity and sensitivity to cultural norms, local government and institution structures, a unique legal framework, and language barriers. The lack of cultural and language competence coupled with opaque processes, political interference alternating with the complete indifference of the Trump administration, and unprecedented bureaucratic barriers imposed on Puerto Rico, has undermined and severely hampered recovery and rebuilding efforts on the archipielago.

The U.S. government response <u>was slow and underwhelming</u>, <u>especially when compared</u> to the assistance offered by <u>the Trump administration after Hurricane Harvey</u> which ravaged Texas and the southeast just weeks before Irma and Maria. <u>Numerous analyses</u> show that the <u>disaster response to the three areas</u> - Texas, Florida, and Puerto Rico - impacted by hurricanes within weeks of each other did not align with storm severity and likely affected deaths and recovery rates.

Supplies and aid delivered by FEMA nine days after each storm:

	MEALS	WATER (IN LTS.)	TARPS	PERSONNEL SENT
TEXAS (HARVEY)	5.1 MILLION	4.5 MILLION	20,000	30,000
FLORIDA (IRMA)	10.9 MILLION	7 MILLION	98,000	22,000
PUERTO RICO (MARIA)	1.6 MILLION	2.8 MILLION	5,000 1	0,000

Source: "How the Response To Hurricane Maria Compared to Harvey and Irma." PBS, Frontline (May 1, 2018). Einbinder, Nicole. Full chart here.

Response of the Federal Government to Puerto Rico Following Earthquakes

rom December 2019 through December 2020, while the island was still waiting for federal aid for Maria, Puerto Rico experienced over 9,000 earthquakes and aftershocks, including the strongest series of earthquakes felt in Puerto Rico in over a century. Hundreds of buildings and thousands of homes were destroyed, resulting in an estimated \$3.1 billion in damage. Many people slept outside with their families for months out of fear that their homes would collapse. Although the U.S. House of Representatives passed a disaster aid bill intended to help Puerto Rico recover from the earthquakes, the bill was never passed in the Republican controlled U.S. Senate and faced a veto threat from President Trump. To date, Congress has not appropriated any disaster funds to help Puerto Rico address the resulting damage from the 2020 earthquakes.

In May 2021, nearly three and a half years after Hurricane Maria, it was estimated that families in 18,000 homes were still living under blue tarps. Only 34 of those homes have been reported as repaired or reconstructed under the Puerto Rico Housing Department's CDBG-DR Repair, Reconstruction or Relocation

Program (R3 Program). Not only homes that have blue tarps are in need of repair. Out of the tens of thousands in need, as of September 12, 2021 only a total of 1,633 houses had been repaired or reconstructed by the R3 Program. These numbers give us some idea about how much more needs to be done to truly help people and achieve a fair and sustainable recovery in the island.

Four Years of Ongoing Crises

For the past four years since Hurricane Maria, while the island has fought to receive federal dollars to rebuild following Maria and historic earthquake events, the island has experienced an ongoing state of crises. Continued energy insecurity, devastating tropical storms and hurricanes (like Isaaas in July 2020 during the Covid-19 pandemic), repeated Igaaas in July 2020 during the Covid-19 pandemic), repeated Igaaas in July 2020 during the Covid-19 pandemic), repeated Igaaas in July 2020 during the Covid-19 pandemic), repeated Igaaas in July 2020 during the Covid-19 pandemic) in public services imposed to repay debt, plus unemployment, growing food insecurity, and a severe public health care burden as Igaaas in July 2020 during the Covid-19 pandemic in public services imposed to repay debt, plus unemployment, growing food insecurity, and a severe public health care burden as Igaaas in July 2020 during the Covid-19 pandemic in public services imposed to repay debt, plus unemployment, growing food insecurity, and a severe public health care burden as Igaaas in July 2020 during the Covid-19 pandemic in public services imposed to repay debt, plus unemployment, growing food insecurity, and a severe public health care burden as Igaaas in July 2020 during the Covid-19 pandemic in public services imposed to repay debt, plus unemployment, growing food insecurity, and a severe public health care burden as Igaaas in July 2020 during the Covid-19 pandemic in public services imposed to repay debt, plus unemployment, growing food insecurity, and a severe public health care burden as Igaaas is a severe public services imposed to repay debt, plus unemployment, growing food insecurity, and a severe public health care burden is a severe public health care burden is a severe public in the severe public

Federal Funding for Puerto Rico in Response to Hurricane María - Where Does it Stand?

s of September 2021, of the \$62 billion "appropriated" to Puerto Rico for hurricane disaster relief, around \$44 billion has been "obligated." Only \$18 billion, or 29% of the federal funds allocated, have been "disbursed." (Puerto Rico Disaster Recovery Transparency Portal COR3 Financial Analysis and Summary updated 9/6/21.)

FEMA is the lead federal agency responsible for assisting Puerto Rico to recover from disasters. **Nearly 82 percent of the \$62 billion appropriated by Congress in 2018 following Maria are allocated through two federal agencies: FEMA programs** (Department of Homeland Security (DHS) Federal Emergency Management Agency), **and HUD-CDBG programs** (Department of Housing and Urban Development (HUD) Community Development Block Grants). Locally, FEMA collaborates with the Puerto Rico Central Office of Recovery, Reconstruction, and Resiliency ("COR3"), and HUD works with the Puerto Rico Housing Department, <u>Departmento de Vivienda</u>.

FEMA FUNDING POST-MARIA SUMMARY - \$30.6 BILLION

As of September 2021, from the \$30.6 billion allocated to FEMA's Public Assistance, Individual Assistance and Hazard Mitigation programs, only \$7.05 billion have been disbursed.

FEMA PUBLIC ASSISTANCE - \$25,165,210,203

FEMA's public assistance (PA) program works in partnership with Puerto Rico to provide funds to rebuild damaged infrastructure and restore services. FEMA-PA grants to state agencies, municipalities, and private non profits are administered by the Government of Puerto Rico. As of September 6, 2021, \$25,165,210,203 has been allocated and obligated. **\$4.52 billion or about 18 percent has been disbursed.** (Puerto Rico Disaster Recovery Transparency Portal <u>COR 3 FEMA Public Assistance Program Financial Summary</u> updated 9/6/21.)

FEMA INDIVIDUAL ASSISTANCE PROGRAM - \$2,530,021,149

Provides financial help and direct assistance to individuals and households, as well as territorial and local governments who have sustained losses due to disasters. As of September 6, 2021, around **\$2.5 billion have been allocated and obligated.** \$2.5 billion or 100 percent has been disbursed. and disbursed. (Puerto Rico Disaster Recovery Transparency Portal <u>COR3 Individual Assistance Programs Summary</u> updated 9/6/21.)

Source: Center for a New Economy CNE "Taking Stock of Puerto Rico's Reconstruction Process." Sergio M. Marxuach (May 27, 2020)



¹The Federal Appropriations Process and Disaster Assistance | Congress makes decisions about spending specific funds through a complicated "appropriations process." The key concepts to understand in this process are:

[•] First, Congressional committees of jurisdiction draft and negotiate appropriation bills, which provide the legal authority to obligate and spend money from the U.S. Treasury.

[•] Second, funds are then allocated, sometimes by legislation, but most often by the Office of Management and Budget ("OMB"), which authorizes the transfer of funds from a global appropriation account to fund a specific program run by a government agency.

[•] Third, funds are then obligated, this occurs when a government agency makes a definite commitment that generates a legal liability of the federal government for the payment of goods and/or services.

[•] Finally, an expenditure or outlay occurs when a specific amount is paid by a federal agency. In plain language, this is when the U.S. Treasury writes [disburses] a check to pay for the program.

FEDERAL FUNDING FOR PUERTO RICO

FEMA HAZARD AND MITIGATION FUNDS - \$2,998,722,283

The FEMA Hazard Mitigation Grant Program focuses on risk reduction and the protection of life and property from future hazard events. The grant is administered and implemented by Puerto Rico's COR3. As of September 6, 2021, \$147,592,772 has been obligated. **\$4.42 million or approximately 15 percent has been disbursed.** (Puerto Rico Disaster Recovery Transparency Portal COR3 Hazard Mitigation Assistance updated 9/6/21.)

The \$30.6 FEMA funds are allocated as follows:

FEDERAL FEMA FUNDING ALLOCATED TO PUERTO RICO IN RESPONSE TO MARIA					
PROGRAM	FUNDS ALLOCATED				
FEMA - PA (Public Assistance)	\$25,165,210,203				
FEMA - IA (Individual Assistance Program)	\$2,530,021,149				
FEMA - MIT (Hazard Mitigation Program)	\$2,998,722,283				
TOTAL ALLOCATED	\$30,693,953,635				
TOTAL DISBURSED	\$7,055,276,807				
TOTAL DISBURSED	\$7,055,276,807				

HUD CDBG (DR/MIT/ENERGY) FUNDING POST MARIA SUMMARY - \$20.2 BILLION

The Community Development Block Grant (CDBG) Programs provide grants to states, cities, municipalities and non-profits to develop viable urban communities by providing decent housing and a suitable living environment, and by expanding economic opportunities, principally for low- and moderate-income persons. Of the \$20 billion CDBG funds allocated, according to the Center for a New Economy, as of March, 2021, \$3.2 billion (7.5 percent) had been obligated, and only \$219 million or 1.08 percent had been disbursed.

The \$20 billion CDBG funds are distributed as follows:

FEDERAL HUD FUNDING ALLOCATED TO PUERTO RICO IN RESPONSE TO MARIA					
CDBG-DR	\$10,005,815,230				
CDBG-MIT	\$8,285,284,000				
Energy	\$1,900,000,000				
TOTAL ALLOCATED	\$20,191,099,230				
TOTAL DISBURSED (MARCH 2021)	\$219 MILLION				

Challenges getting FEMA and CDBG disaster aid to the island

FEMA PUBLIC ASSISTANCE BARRIERS

Although Congress appropriated \$62 billion in federal funds for disaster relief and the reconstruction of Puerto Rico after Hurricanes Irma and Maria, the Trump administration placed restrictions that made it more difficult for the government of Puerto Rico and recovery partners to access the FEMA funds. See GAO's report *Puerto Rico Disaster Recovery: FEMA Actions Needed to Strengthen Project Cost Estimation and Awareness of Program Guidance*⁵ which found that guidance changes issued by the Trump administration caused unnecessary confusion and that barriers unique to Puerto Rico also placed by the Trump Administration, created challenges which slowed down implementing programs and accessing funds. The GAO made recommendations for improving FEMA processes in Puerto Rico. FEMA is the lead federal agency responsible for assisting U.S. localities following disasters...

FEMA INDIVIDUAL ASSISTANCE BARRIERS TO ASSISTANCE

As of July 2021, FEMA registered 1,126,413 claims under the Individual Assistance program. Unfortunately, FEMA <u>denied</u> the vast majority of claims (79 percent) under its Individuals and Households Program or <u>approved low payments</u>, with only 232,429 cases approved for housing repair or replacement. Of 43,380 appeals submitted by <u>July 12, 2018</u>, 34,332 - **nearly 80 percent of appeals - were also denied and classified as ineligible**, mainly because <u>FEMA would not recognize the type of property ownership documents</u> largely considered valid under Puerto Rican law.

Numerous reports have highlighted that <u>FEMA had a lack</u> of trained personnel in <u>Puerto Rico</u> – and had a <u>shortage of bilingual workers</u> that could communicate in Spanish with the majority of affected island residents. This, combined with the lack of broadband internet access in disaster zones and/or lack of technological equipment, as well as the lack of knowledge of local law by FEMA personnel and contractors, imposed nearly impossible barriers for individuals to access the much needed aid.

CDBG-DR BARRIERS TO ASSISTANCE

In January 2020, the Trump Administration imposed a Federal Financial Monitor to oversee the grant administration and disbursement process of disaster recovery funds to Puerto Rico. This was a requirement unique to Puerto Rico and created unnecessary bureaucratic oversight that slowed down the recovery process. Also, the allocation of the CDBG Mitigation (\$8.2 billion) and energy funds (\$1.9 billion) were unfairly and deliberately delayed by the Trump administration.

DISPLACEMENT BEFORE MITIGATION

The PR Department of Housing estimates that more than 200,000 homes in Puerto Rico are located within 100-year flood plains. Numerous <u>complaints</u> have been filed with HUD's Office of the Inspector General, for among other things, alleging that the Puerto Rico Action Plan for CDBG-DR funds <u>failed to address any disaster mitigation strategies</u>, focusing instead on the relocation of families in flood plains. Individuals and communities should know all their potential mitigation alternatives before having to relocate. Single-home mitigation alternatives are not enough. Vivienda must provide technical assistance and participatory planning to evaluate community-level mitigation alternatives prioritizing safety and the right to decide where they want to live.

⁵U.S. Government Accountability Office. (Feb. 5, 2020). <u>Puerto Rico Disaster Recovery: FEMA Actions Needed to Strengthen Project Cost Estimation and Awareness of Program Guidance. https://www.gao.gov/products/gao-20-221</u>

CHALLENGES GETTING FEMA AND CDBG DISASTER AID TO THE ISLAND

Progress of CDBG-DR funds disbursement has moved at a glacial pace

Disbursement process for CDBG-DR funds

	P.L. 115-56	P.L. 115-123			P.L. 116-20
Appropriation	\$1.507 billion Housing & Econ. Sep. 8, 2017	\$8.221 billion Infrastructure Feb. 9, 2018	\$8.285 billion Mitigation Feb. 9, 2018	\$1.9 billion Electric Power Feb. 9, 2018	\$277.85 million Infrastructure Jun. 6, 2019
Federal Register Notice	Published Feb. 9, 2018	Published Aug. 14, 2018	Published Jan. 27, 2020		Published Jan. 27, 2020
Action Plan & Amendments	Approved Jul. 29, 2018	3rd Amend. Approved Feb. 24, 2020	Approved Apr. 19, 2021		6th Amend. Approved Mar. 15, 2021
Grant Agreement	Executed Sep. 20, 2018	Partially Executed Feb. 4, 2020			

Source: Disclosure Statement for the Third Amended Title III Joint Plan of Adjustment of the Commonwealth of Puerto Rico, et al., May 11, 2021, p. 122.

Center for a New Economy

PROPERTY OWNERSHIP IN PUERTO RICO

Puerto Rico property law is different from those in the United States, and there is a historic issue of informal housing, especially in the most vulnerable communities. Many people lack a title or formal deed for their homes yet this presents no problem for the recognition of ownership under Puerto Rico laws. For the past four years, this has consistently been one of the main barriers for people to access much-needed federal emergency and recovery funds. Currently, many of the Puerto Rico CDBG-DR and CDBG-MIT programs continue to create barriers to access by requiring titles or deeds. When pushed to make these requirements more flexible, Vivienda often cites federal policy as the reason they cannot. After four years of denials based on the inability to meet this requirement (which is not required by federal disaster guidelines), the flexibility has been announced by FEMA. However, no provision for addressing the hundreds of thousands of denials based on this has been announced.

REIMBURSEMENT AND MATCHING FUNDS

Most non-profits in Puerto Rico are small by US standards and lack the financial capacity and cash flow required to participate in CDBG-DR or CDBG-MIT programs with reimbursement mechanisms and or matching fund requirements. Many community-based organizations cannot participate in the currently open Whole Community Resilience Planning Program due to its reimbursement funding structure which requires capital outlays prior to receiving reimbursement. HUD and PR Housing Department should waive reimbursement and matching funds requirements for local nonprofit organizations in order to facilitate maximum participation and get money to important stakeholders

CHALLENGES GETTING FEMA AND CDBG DISASTER AID TO THE ISLAND

LACK OF TRANSPARENCY

The lack of transparency to ensure accountability is another issue. In July 2020, <u>Hispanic Federation advocated for the creation of a R3 Program Dashboard</u>. In February 2021, the R3 Transparency Portal was created. Despite this tremendous step forward, more data and information should be readily available (such as the number of houses with blue tarps that have been repaired or are still waiting to be repaired by the municipality).

LACK OF EFFECTIVE PUBLIC PARTICIPATION

Lack of effective public participation and community engagement from HUD and the PR Housing Department negatively impacts the sustainable recovery of the island. For example, the CDBG-<u>Citizen Advisory Committee</u> (CAC), which is one of the few spaces created for community groups, philanthropy, and other stakeholders to participate and provide feedback, is not yet fully active nor effective. Although it was reportedly reactivated on May 26, 2021, as of September 2021, there has been no meeting scheduled or agenda set. The Comite needs to democratically define its working structure and reconvene stakeholders. On June 10 and <u>September 10, 2021</u>, the Hispanic Federation <u>submitted recommendations</u> to the Puerto Rico Department of Housing about how to improve CAC quidelines.

This lack of effective participation in programs and guidelines has resulted in public controversies, multiple guideline amendments, and even legislative investigations to address the ineffectiveness of programs, such as the R3 Program and Regrow. Communities know their needs best and are the first to come to the aid of their members after a natural disaster.

HUD should be providing best practices to Vivienda on how collaboration and participation can be improved.

6 Recovery has been hampered in Puerto Rico by the previous federal administration's politicized response and suffering has been compounded. The federal government has an obligation to assess what harms were caused by the federal response and work to mitigate them.



The Biden administration has begun to remove barriers and release funding allocated by Congress to Puerto Rico

- nder President Biden's leadership, the federal government has eliminated some of the bureaucratic barriers unfairly imposed by the previous administration to access funds.
- On February 2, 2021, the Department of Housing and Urban Development (HUD) finally began the <u>process of final</u> <u>approvals</u> of the Puerto Rico Housing Department's CDBG-MIT Action Plan, required prior to allocation of disaster funds, including the release of <u>\$1.3 billion in CDBG-MIT</u> funds to Puerto Rico for critical disaster and recovery funds.
- On April 19, 2021, the Department of Housing and Urban Development (HUD) removed the requirement of a <u>federal</u> <u>financial monitor as well as other barriers</u> to accessing \$8.2 billion in CDBG-DR funds.
- On April 19, 2021, HUD approved the current <u>CDBG-MIT Action Plan</u> to begin the development of guidelines to implement the programs under the \$8.2 billion CDBG-MIT funding.
- On July 22, 2021, the long-awaited reactivation of the White House Puerto Rico Working Group was welcomed as an important step to ensure interagency coordination of resources and technical assistance. However, the Working Group must immediately engage with Congress and Puerto Rico stakeholders, including community-based organizations that work directly with people most impacted to ensure disaster relief and other federal funds, including those intended for COVID relief and rebuilding the energy grid, are distributed in a timely, effective, and equitable manner.

- In July 2021, after years of efforts by local nonprofits, such as Ayuda Legal Puerto Rico and Hispanic Federation, HUD publicly clarified that CDBG-DR funds do not have a federal requirement of "proof of ownership" and that any decision about requiring applicants to submit proof of ownership is up to the grantee in this case the PR Housing Department (Vivienda). Also, HUD clarified that if a grantee CHOOSES to follow the HUD recommendation to require proof of ownership, there are several ways ownership can be documented that does not involve a deed or title.
- On September 2, 2021, FEMA also <u>relaxed the ownership</u> <u>documentation requirements</u> to increase access to assistance by disaster survivors across the country including in Puerto Rico. (This change was based on an executive order issued in January 2021, President Biden issued Executive Order 13985, Advancing Racial Equity and Support for Underserved Communities Through the Federal Government.)

Puerto Rico History 101

Why is Understanding Puerto Rico's History Important?

he majority of people in the United States have only started thinking and learning about Puerto Rico as anything other than a vacation spot with beautiful beaches since Hurricane Maria struck the island two year ago. Puerto Rico has a rich and fraught history. Without understanding some historical context of the relationship with the U.S., it is hard to fully grasp the current situation.

We hope you enjoy learning about Puerto Rico, its history, and its people!

Earliest Inhabitants

• The earliest inhabitants of modern-day Puerto Rico were ancestors of an indigenous Caribbean people called Arawaks, who came from modern-day Venezuela. They settled in Puerto Rico and the Dominican Republic and are known as "Taínos" (which means "noble" in the Arawak language). They named the island "Boriken" and the people became known as Boricuas (boh-REE-kuh-wahs).

Spanish Colonization

- Columbus arrived at Boriken in 1493, and "claimed" the island for Spain, beginning four hundred years of colonization which included slavery, disease, and death for many of the original Taíno population. To this day, Puerto Ricans' first language is Spanish and Catholicism remains the dominant religion.
- Spain's efforts to exploit Puerto Rico's natural resources and turn the island into a production center for crops like sugar and coffee resulted in the enslavement and depletion of its Taíno population, the adoption of a slave trade using people brought in from West Africa (present-day Gold Coast, Nigeria, and Dahomey), and the arrival of new infectious diseases such as smallpox.
- In 1898, Puerto Rico finally became an autonomous part of Spain with its first Puerto Rican Constitution.

U.S. Bombing and Takeover

- U.S. policymakers began expressing an interest in Puerto Rico at the end of the 18th century. In 1783, future U.S. President John Adams asserted that both Cuba and Puerto Rico were an 'integral part' of the U.S. trade in the Caribbean. His son, John Quincy Adams, later the 6th President of the U.S., stated in 1823 that the two islands were "natural appendages to the North American continent."
- During the Spanish-American war in 1898, at almost the same moment in history that Puerto Rico achieved its first autonomy after 400 years of European colonization the U.S. bombed

and invaded San Juan. In a bid to get Puerto Ricans to fight on the side of the U.S., a manifesto was issued promising to protect Puerto Ricans. Spain lost the war, and <u>Puerto Rico was "ceded" as a territory to the U.S. as part of the Treaty of Paris.</u> In 1900, after less than two years of hard-won autonomous governance under Spain, the U.S. ignored the new, democratically-elected local parliament of Puerto Rico in favor of creating its own colonial system.

 Congress passed the <u>Foraker Act of 1900</u> to establish the legal framework for a civil government in "Porto Rico" [sic] under U.S. governance and taxation.

In the Insular Cases,
"The Supreme Court argued
that Puerto Rico and other territories
"ceded" by the Spanish were full of
"alien races" who couldn't understand
"Anglo-Saxon principles."

Discrimination Against Puerto Rico Enshrined in US Law

During the U.S. continental expansion period, 31 territories applied for and were admitted as states. However, in 1901, in a series of legal opinions ("Insular Cases"), the Supreme Court argued that Puerto Rico and other territories "ceded" by the Spanish were full of "alien races" who couldn't understand "Anglo-Saxon principles" and, therefore, the full measure of the Constitution did not apply to them. Puerto Rico was established as an unincorporated territory with no path toward statehood, leaving Puerto Ricans in limbo with no clear legal status (or passports) for decades. It is this body of legal jursiprudence currently being relied on to continue discrimination against Puerto Rico in feederal benefits.

Puerto Ricans and Discrimination in Federal Poverty Programs

- Puerto Rico receives disparate treatment when it comes to funding for federal healthcare programs, such as Medicaid. The Island receives a block grant that is capped and unlike the states, the amount is unrelated to need. For example, in Mississippi, the poorest state, the federal government pays 75.65% of the costs; in Puerto Rico, it pays for 55%. Puerto Rico received a temporary increase under the Affordable Care Act (ACA or Obamacare) but that money ran out and Congress has been making short-term extensions ever since. Puerto Rico faces its next "Medicaid Funding Cliff" on October 1, 2021 Unless Congress provides additional healthcare funding for the island's poorest residents, close to 1 million patients could lose their insurance or suffer significant reductions in benefits in the middle of a global health pandemic.
- Low-income seniors living in Puerto Rico are not eligible to participate in the Medicare subsidy for prescription drugs (Low Income Subsidy or LIS) or eligible for long-term care provided to low-income seniors on the mainland.

Political Parties in Puerto Rico

- Political parties in Puerto Rico are organized differently than the two major national parties in US politics. While Democrats and Republicans are organized around shared policy views that can be placed in the Conservative-Liberal ideology spectrum, parties in Puerto Rico are organized around shared views on what the island's political relationship should be with the United States.
 - The New Progressive Party (NPP) believes that Puerto Rico should become the 51st state of the union
 - The Puerto Rican Independence Party (PIP) believes that Puerto Rico should become an independent republic.
 - The Popular Democratic Party (PPD) believes in continuing to develop the current status of Puerto Rico as a Commonwealth.
- It is important to highlight that party affiliation in Puerto Rico is not related to political ideology. In other words, you will find people from all over the political spectrum in each party on social and economic issues.
- Some recent examples:
 - In 2016, the candidates for Governor and Resident Commissioner of the New Progressive Party (NPP) were a Democrat (Ricardo Rosselló) and a Republican (Jenniffer González), respectively.

- From 2012-2016, the Governor and the Resident Commissioner of Puerto Rico were Democrats however, they were members of different parties in Puerto Rico. Gov. García Padilla was a member of the Popular Democratic Party (PPD) while Resident Commissioner Pedro Pierluisi was a member of the New Progressive Party (NPP).
- From 2008-2012, the same thing happened when Luis Fortuño (Republican) was the Governor and Pierluisi (Democrat) represented Puerto Rico in Congress. They were both members of the PPD.
- Local parties whose membership is not centered on the political status between the island and the United States, as well as independent candidacies, have started to gain some traction in Puerto Rico since 2008.
- In 2016, the first-ever independent Senator in the history of Puerto Rico was elected when Dr. José Vargas Vidot <u>received</u> <u>the most votes</u> for one of the At-Large seats in the Puerto Rico Senate. That same year, two independent candidates for Governor – Alexandra Lúgaro (11.13%) and Manuel Cidre (5.73%) – <u>received a sizable share of the votes</u>.

U.S. Citizenship

- In 1917, Congress passed the <u>Jones-Shafroth Act</u>, which granted U.S. citizenship to all Puerto Ricans thereby <u>allowing the U.S.</u> to <u>draft and deploy them as troops during World War I</u>. The federal government believed that white people weren't suited to fight in tropical climates because they didn't have immunity to tropical diseases. Instead, the <u>U.S. conveniently sent so-called</u> Puerto Rican "immunes" to defend the Panama Canal.
- Although Puerto Ricans became U.S. citizens requiring them
 to fight for U.S. interests, <u>citizenship did not give them the
 right to vote for president</u> or to elect voting senators or
 representatives to Congress if they lived in Puerto Rico. News
 Source: (USA Today) --

TAKEAWAY

Puerto Ricans were granted limited U.S. citizenship in 1917 so they could be drafted to fight in World War I. Believing they were better suited than white people who didn't have immunity to tropical disease, the federal government sent Puerto Ricans or so-called "immuntes" to fight in tropical climates such as the Panama Canal.

Puerto Rican Participation in the U.S. Military

- During the Korean War, Puerto Ricans in the 65th Infantry Division, known as the Borinqueneers, obtained at least 10 Distinguished Service Cross awards, 256 Silver Stars, and 596 Bronze Stars.
- In 2019, there were approximately 330,000 veterans and some 35,000 Puerto Ricans in active duty service both in Puerto Rico and on the mainland. The Puerto Rico Army/ Air National Guard and the Reserve components represent another 10,000 Puerto Ricans in uniform. Altogether, at least 375,000 Puerto Ricans are veterans or are still wearing the uniform almost 80,000 veterans live on the island. That is without counting the several thousand serving in the national guard units of the 50 federated states of the Union.
- Nine Puerto Ricans have been awarded the Medal of Honor, seven have been awarded the Navy Cross, and eighteen have been awarded the Distinguished Service Cross.

Puerto Ricans and Limited Sovereignty

- For the first 50 years under U.S. rule, (1898 to 1946), Puerto Rico was ruled by Governors that were appointed by the U.S. President, who was not Puerto Rican, and the laws passed by the Puerto Rican legislature could be vetoed by the U.S. President.
- In 1946, President Truman appointed the first Puerto Rican Governor, Jesús T. Piñero. In 1948, Congress passed the Elective Governor Act, and the first democratically elected Governor, Luis Muñoz Marín, assumed office in 1948.
- In 1948, Law 53, known as the "Gag Law" was signed into law U.S.-appointed governor of Puerto Rico Jesús T. Piñero. It prohibited owning or displaying a Puerto Rican flag anywhere, even in one's own home. It also became a crime to speak against the U.S. government; to speak in favor of Puerto Rican independence. Anyone accused and found guilty of disobeying the law could be sentenced to ten years imprisonment, a fine of \$10,000 (US), or both. After many years of nationalist revolts, many of them armed and coordinated, the law was finally repealed in 1957.

- In 1952, Puerto Rico officially became a U.S. Commonwealth, after the people of the island drafted and ratified its own Constitution, a status which granted Puerto Ricans a degree of control over local affairs, but not full self-determination. Nearly 82% of Puerto Rican voters approved the Constitution of the Estado Libre Associado. But the Nationalists considered the outcome of the vote a political farce since the referendum offered no option to vote in favor of independence or statehood, restricting the choices to only two: a continuation of the colonial status existing at that time and the proposed new commonwealth status.
- Under the next period under the sovereignty of the United States, Puerto Rico's economy shifted, from agriculture to manufacturing. Investment by industries during the '60s and '70s transformed the economy of Puerto Rico in dramatic and positive ways. From being called the "Poorhouse of the Caribbean" in the 1940s when per capita income was only \$121, by the 1960s, income per capita had risen to more than \$3,000 per person per year.
- In 1976, Congress changed the tax code (Section 936), to attract mainland investors and corporations by allowing them to avoid paying federal taxes. This made investors very wealthy, but it also helped create higher paying jobs and an economic base for Puerto Rico. By 2006, this tax credit was phased out by Congress, which led to the loss of more than 100,000 manufacturing jobs. Excessive borrowing by the Commonwealth to make up for the losses and continue paying for public services, caused, in part, the current economic recession, and the snowballing financial/debt crisis.

Puerto Rican Migration

- The first great migratory wave of Puerto Ricans to the mainland began in the mid-'40s and lasted for more than a de- cade, during which more than 600,000 Puerto Ricans moved to the mainland.
- Puerto Rico is currently in the midst of another migratory wave, with 500,000 leaving the island between 2006 and 2016, and more than 135,000 leaving in the aftermath of Hurricane Maria.
- According to the Center for Population Studies, 210,000
 Puerto Ricans lived in Orlando by 2014. In the aftermath
 of Hurricane Maria, an additional 100,000 Puerto Ricans
 traveled there.
- The latest 2020 U.S. Census showed Puerto Rico's population fell 11.8 percent to 3.3 million over the past decade.

Puerto Rico's Debt - The Passage of PROMESA

- In 1996, Congress began a ten-year phase-out of Section 936 of the Internal Revenue Code, which awarded generous tax credits and federal tax exemptions to U.S. manufacturing companies that operated in Puerto Rico and the territories. An economic recession started in Puerto Rico in 2006, the year that the phase-out was complete resulting in the loss of more than 100,000 jobs. The economic loss reduced the Commonwealth's revenues to the point where the government borrowed excessively to make up the difference and to pay for basic services. A vicious cycle of borrowing to pay off old debt resulted in a total \$70 billion public debt and close to \$50 billion in unfunded pension liabilities.
- Predatory Wall Street lending aggravated the island's debt issues. According to a Front-line PBS report, Wall Street firms engaged in irresponsible lending practices and pushed the government to borrow unsustainably, which further increased the island's debt liabilities.
- Puerto Rico does not have the same access to bankruptcy laws that U.S. states have. As Puerto Rico was approaching a financial cliff with the inability to service or restructure its debt, in 2016, Congress passed a bill known as PROMESA, or the Puerto Rico Oversight, Management, and Economic Stability Act. This law created a Fiscal Oversight Management Board (FOMB), appointed by the United States President, with legal authority to exercise control over Puerto Rico's fiscal affairs and restructure the island's \$70 billion debt.
- The undemocratic nature of the FOMB exacerbates the already thorny issues of Puerto Rico's colonial status under U.S. sovereignty.
- PROMESA is deeply <u>controversial</u> because while it <u>allows</u>
 <u>Puerto Rico access to a court-supervised bankruptcy-like debt restructuring process</u>, the law also curtails Puerto Rico's self-governance and internal democratic processes because Congress gave the FOMB final authority over budgets and fiscal decisions.

- The FOMB has practically absolute powers over Puerto Rico's budget - including the spending of all disaster funds. It can require the Puerto Rican government to implement austerity measures such as severely cutting pensions, closing public schools, insisting on a work requirement for food stamp recipients, eliminating and undermining labor rights and pay raises, even against the wishes of the elected officials of the island's Government.
- PROMESA also awarded the FOMB and the Governor the power to <u>reduce the federal minimum wage</u> in Puerto Rico to \$4.25 for workers who are younger than 26 years old. This has not come into effect yet.

Democracy in action - the Summer of '19

During the summer of 2019, a series of events led to massive protests by the people of Puerto Rico that resulted in the resignation of Governor Ricardo Rosselló. The protests were ignited after the arrest by the FBI of two cabinet members under corruption charges and the publication of a group chat in which Governor Rosselló and other top government officials made cruel, racist, homophobic, and misogynistic comments about various people.

The two weeks after the publication of the group chat saw the <u>build-up of protests</u> – both on the island and all across the world – calling for the resignation of Governor Rosselló. The movement was coined #RickyRenuncia and it <u>quickly became a trending topic on all social media platforms</u>, while also capturing the attention of the media. On July 22nd, more than half a million people took to the streets of Puerto Rico to demand the governor's resignation.

The protests by the Puerto Rican community were viewed worldwide as an example of democracy in action and were praised for their creativity and infectious energy. Puerto Ricans danced, meme'd, rapped, and found every way possible to get the message across. This historic moment of unity crossed political, demographic, and socioeconomic lines in a way not seen before in Puerto Rico since the successful movement to stop the U.S. Navy from continuing to use the Puerto Rican island of Vieques for military target practice, after leaving a legacy of 60 years of contamination, disease, and abuse.

COALITION PARTNERS



Coalition Partners*

100 Hispanic Women Abrazo Boricua Coalition

Afro Latin Jazz Alliance

Aid for AIDS

Alianza Americas

American Federation Teachers

American GI Forum

Americas for Conversation + Arts

Arab Community Center for Economic & Social

Services

ARTE

Asian American Federation

Asian American Business Development Center Asian Americans Advancing Justice/Asian Law

Caucus

ASPIRA National

ASPIRA of New York, Inc.

Bienestar Human Services

Boundless Theatre Company Bridgeport Caribe Youth League

Calpulli Mexican Dance Company

Casa de Esperanza: National Latin@ Network

Casita Maria Center for Arts and Education

Catholic Network. US

Center for Latino Progress CPRF Center for Puerto Rican Studies

Centro Civico de Amsterdam

Chemical Abuse Services Agency, Inc.

Churches United for Fair Housing

Circulo de la Hispanidad

Clarita's House Outreach Ministry, Inc.

Coalicion de Lideres Latinos

Coalition for Humane Immigrant Rights of Los

Angeles

Consumer Credit Counseling Service/Florida

Consumer

Committee for Hispanic Children and Families

Community Association of Progressive Dominicans

Congressional Hispanic Caucus Institute

COPAY, Inc.

District Council 37

Dominican Women's Development Center

Dominicanos USA

Dominico-American Society of Queens

EarthJustice

El Puente

Exodus Transitional Community, Inc.

Faith in Florida

Farmworker Justice

Fifth Avenue Committee

Georgia Association of Latino Elected Officials

Haitian Women of Miami (FAMN, Inc.)

Hispanic Alliance of Southeastern Connecticut

Hispanic Center of Greater Danbury

Hispanic Counseling Center

Hispanic Federation

Hispanic Health Council

Hispanic Health Initiatives, Inc.

Hispanics in Philanthropy

Hispanos Unidos de Buffalo

I Challenge Myself

Ibero-American Action League

Iniciativa Accion Puertorriqueña

Institute for Puerto Rican/Hispanic Elderly

Justice Shall be For All

La Casa de Don Pedro

Labor Council for Latin American Advancement

Latino Commission on AIDS

Latino Community Foundation

Latino Community Fund Georgia

Latino Community Fund Washington State

Latino Community Services, Inc.

LatinoJustice PRLDEF

Latino U College Access

Loisaida, Inc.

Make the Road New York

Mercy Center

Mi Familia Vota

Ministerio En Jehová Serán Provistos

Mision Boricua

Morris County Organization for Hispanic Affairs

National Day Laborer Organizing Network

National Hispanic Caucus of State Legislators

National Hispanic Medical Association

National Immigration Law Center

National Latina Institute for Reproductive Health

National Latina/o Psychological Association

National Low Income Housing Coalition

National Museum of Puerto Rican Arts & Culture

National Puerto Rican Agenda

National Puerto Rico Day Parade

New Haven for Puerto Rico

New York Council on Adoptable Children

New York Urban League

Northern Manhattan Arts Alliance

Northern Manhattan Coalition for Immigrant

Rights

Operation Exodus Inner City

Organize Florida

Oxfam America

People's Theatre Project

Pregones Theater PRTT

Presente.org

Puerto Rico Action Initiative

R.A.I.N. Total Care, Inc.

Refugees International

Repertorio Español

San Juan Center Inc.

Ser Familia, Inc.

Southside United HDFC – Los Sures

Spanish Community of Wallingford

spanish community of Wallingto

Spanish Speaking Elderly Council

St. Ann's Corner of Harm Reduction St. Simon of Stock and St. Joseph Church

Tantai Teatro

Teatro Circulo

Thalia Spanish Theatre Inc.

Transdiaspora Network

Union of Concerned Scientists

Unites States Hispanic Leadership Institute

United We Dream

Violence Intervention Program

Vision Urbana, Inc. VOCES Latinas

Zone 126

*List in formation

