

PHILADELPHIA INQUIRER

Puerto Rico is part of America; treat it as such

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Bipartisan legislation that creates a federal oversight board to prevent Puerto Rico from falling into an economic abyss may have the added benefit of putting some distance between congressional Republicans and Donald Trump, their party's presumptive presidential nominee, whose mercurial outbursts attacking immigrants repulse many Latin American citizens.

Puerto Rico, which has \$72 billion in bond debt and more than \$30 billion in unfunded pension liabilities, faces a July 1 deadline to make a \$1.9 billion debt payment. That doesn't leave much time for the Senate to act on a bill sponsored by Rep. Sean Duffy (R., Wis.). The House passed the bill Thursday, 297-127, with 139 Republicans and 158 Democrats voting aye.

Hedge funds and other money movers who traditionally count on Republican lawmakers to have their backs don't like the bill, which they say will unfairly limit their ability to recover investment losses. But House Speaker Paul Ryan pushed the legislation through the House, saying "people who are U.S. citizens, who pay taxes and fight alongside us in our wars" deserve help.

Puerto Rico's fiscal issues sound similar to the problems that led Harrisburg to file for bankruptcy in 2011. It has been spending more money than it has for years. Puerto Rico, however, isn't a municipality, which means bankruptcy laws aren't applicable. But it isn't an independent country, either, which means it can't seek aid from the International Monetary Fund.

The House bill gives the U.S. territory the ability to restructure its debt and creates an oversight board appointed by the president and Congress, which will have the authority to audit the government's books and enforce balanced budgets. No bailout money is involved; the oversight board's costs will be covered by the Puerto Rican government over 10 years.

Getting bipartisan support in the House wasn't easy, but the negative tone of Trump's campaign seemed to give added incentive to Ryan and other House Republicans who want their party to be seen more positively. Both sides compromised, with Democrats agreeing to a sub-minimum wage for workers under age 25 and Republicans backing away from tougher pension rules. The Senate could make more changes.

Philadelphia, Allentown, and Reading are among the 20 metropolitan areas in the United States with the largest Puerto Rican populations. But what will happen next concerns more than Puerto Ricans and more than the middle-class investors who hold 15 percent of the territory's debt. It concerns everyone who understands that even without statehood, Puerto Rico is part of America and deserves help when it's in need.