



NEW YORK
CITY BAR

**TASK FORCE ON
PUERTO RICO**

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Via Email

Carlos J. Méndez Nuñez
President
Cámara de Representantes de Puerto Rico
PO Box 9022228
San Juan, Puerto Rico, 00902-2228

Re: Letter in Support of the “Dignified Retirement Law” (P. de la C. 2434)

Honorable Mr. Mendez,

The New York City Bar Association’s Task Force on Puerto Rico (the “Task Force”) writes to express our support for the current proposed legislation titled the “Dignified Retirement Law,” (P. de la C. 2434). The Task Force was created to monitor and comment on, as appropriate, the Commonwealth of Puerto Rico’s fiscal crisis, the enactment of the Puerto Rico Oversight Management and Economic Stability Act of 2016, the creation of and actions taken by the Fiscal Oversight and Management Board for Puerto Rico (“FOMB”), and the human rights consequences and implications of all the above. As you already know, New York is home to nearly one million Puerto Ricans, and the economic crisis has had particular consequences for them and the New York community.

As the elected representative legislative body of the people of Puerto Rico, the rationale to protect the rights and interests of the island’s residents is grounded in both sound public policy and legal obligations. We echo the sentiments of the esteemed Colegio de Abogados y Abogadas de Puerto Rico that the bill furthers the legal obligations of the Government of Puerto Rico in ensuring the human rights of Puerto Rican residents are protected.¹ As a concrete measure

¹ Numerous Special Rapporteurs at the United Nations have denounced the imposition of austerity by the FOMB as both antithetical to the United States’ obligations to progressively realize its human rights obligations as well as directly contributing to the deepening of the fiscal and economic crisis in Puerto Rico, with a particularly brutal impact on Puerto Rican residents. *See e.g., Report of the Special Rapporteur on extreme poverty and human rights on his mission to the United States of America*, Report to Human Rights Council, A/HRC/38/33/Add.1, paras. 22-24 (May 4, 2018); *Puerto Rico: Human rights concerns mount in absence of adequate emergency response*, Office of the High Commissioner on Human Rights (Oct. 30, 2017),

intended to strengthen the Puerto Rican economy, bolster protections for the most vulnerable and center the economic and social human rights of Puerto Rican residents, we support the enactment of the Dignified Retirement Law.

The current austerity measures that have been imposed over the past several years under the guise of fiscal reform and debt repayment has come at high cost, debt that itself has been the subject of audit requests and has been questioned as unconstitutional. The FOMB itself declared in 2019 that \$9 billion of debt was unlawfully acquired.² The proposed Plan of Adjustment that will only deepen the austerity regime will require additional defunding of education, healthcare, housing, infrastructure, and public services for the residents of Puerto Rico, as well as cuts to pensions for retirees – many of whom earn at or below the federal poverty line. In fact, Puerto Rico already ranks second as the poorest nation among an index of 100 countries.³ According to the latest proposed Plan of Adjustment dated February 9, 2020,⁴ all pension, drug plans and other benefits for government employees, teachers, and members of the judiciary would be subject to an 8.5% cut for any benefits that exceed \$1,200 each month. These cuts are in addition to the decrease in benefits already suffered by pensioners.

With the mass exodus of residents continuing to migrate from Puerto Rico—including to places like New York—coupled with the aging population, additional strains will inevitably pressure the already strained and limited resources available to the Government of Puerto Rico to handle its pension responsibilities. For these reasons and more, the New York City Bar Association supports the passage of the Dignified Retirement Law.

Should you have any questions or if the Task Force can be of any assistance, feel free to reach out to Co-Chairs Natasha Lycia Ora Bannan and Rick Antonoff at nbannan@latinojustice.org and rantonoff@blankrome.com, respectively.

Atentamente,

Roger Juan Maldonado
President, New York City Bar Association

Rick Antonoff and Natasha Lycia Ora Bannan
Co-Chairs, Task Force on Puerto Rico

<https://www.ohchr.org/EN/NewsEvents/Pages/DisplayNews.aspx?NewsID=22326&LangID=E>. (All links cited in this letter were last visited on May 15, 2020).

² Mary Williams Walsh, *Puerto Rico Seeks to Have \$9 Billion in Debt Ruled Unconstitutional*, New York Times (May 2, 2019), <https://www.nytimes.com/2019/05/02/business/puerto-rico-debt-banks.html>.

³ Némesis Nora Perez, *Puerto Rico tiene el segundo mayor índice de pobreza entre 100 países*, El Nuevo Dia (Jan. 26, 2020), <https://www.elnuevodia.com/noticias/locales/nota/puertoricotieneelsegundomayorindexedepobrezaentre100paises-2543088/>.

⁴ Fiscal Oversight and Management Board for Puerto Rico, *FOMB CW Plan Support Agreement* (February 9, 2020), https://drive.google.com/file/d/1_JApEw_dGRQCpgAVo0SaffZrVuap6WqQ/view. See also Fiscal Oversight and Management Board for Puerto Rico, *FOMB PSA Announcement Presentation* (February 9, 2020), https://drive.google.com/file/d/1uyS9_npXsV7cUfMI0cwxENUuc0A5hboG/view.